

Kirkland: Court will decide who owns Chester Water Authority

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CHESTER — Mayor Thaddeus Kirkland wants to be clear: He's not the one to determine ownership of the Chester Water Authority.

In a recent interview, Aqua America CEO Chris Franklin claimed Kirkland said he owned the CWA and was putting it out to bid. The CWA and Aqua America are locked in a dogfight stemming from Aqua's 2017 offer to buy the authority for \$230 million and the CWA's rejection of that bid.

The Chester Water Authority is equally comprised of members from the city of Chester and Delaware and Chester counties. At one point, city officials had maintained the position they owned the assets as the founding municipality of the authority. This matter, among others, are now being determined through the legal system.

However, Kirkland was emphatic he didn't say Chester owned the authority.

"I never talked to him and said that," the mayor said. "I never talked to Chris

Franklin and provided that information to him. I don't know if the city owns it or not. That will be determined by the courts. We are just trying to find out right now who owns it. As a city, we are taking steps right now to find out who owns it."

Franklin conceded that it was not the mayor specifically who said the city owns the assets.

He added, though, that city officials notified him that they were placing the authority out to bid and that Aqua America was one of six bidders.

In addition, the CEO noted that cost savings are being lost that could have been realized had the CWA accepted the 2017 offer. And, Franklin said at that time, the company offered a 10-year rate stabilization.

"It's all a matter of perspective," he said, comparing it to Chester Water Authority officials' view of \$90 million of savings by having stayed public in that time.

Relatedly, the mayor addressed the

concept that city officials were being coerced by state-appointed consultant, Econsult, to sell the CWA so they could emerge from a financially distressed status.

"There has not been any pressure from Econsult," Kirkland said. "They gave us a recommendation."

And that recommendation, he explained, was among others the consultant made for the city to consider. Others included reducing the number of police, decreasing fire service and considerations of raising taxes.

"That was a suggestion," Kirkland said of selling the CWA. "That wasn't something that they twisted our arm."

In the meantime, the issue moves forward.

"This is simply a work in progress and I want the people to know that," Kirkland said. "We're always going to be open and honest and upfront."