

January 17 2023

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

DATE OF DEPOSIT

JAN 19 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dear Secretary Chiavetta

RE: PROTEST & PETITION TO INTERVENE
Application of Aqua Pennsylvania Wastewater, Inc
For Approval of its Acquisition of the Water System
Assets of Shenandoah Borough and MABS
Docket No. A-2022-3034143

As past Chairman of MABS, I was on the MABS Board from 2015 - 2020. I am stating many facts that should be investigated by PAPUC. The sale is not in the public interest to sell, many people are against the sale of MABS to Aqua. Please see enclosed letter of Tom Twardzik Owner/President of Mrs.T's Pierogies, the largest employer in Shenandoah and his strong position against the sale of the Municipal Authority Borough of Shenandoah.

1. There were two petitions that were presented at a public borough council meeting. One with 247 signatures of concerned citizens who urged The Council of the Borough of Shenandoah to place the sale of MABS on the Election Ballot and another with 147 signatures to urge Council of the Borough of Shenandoah to reconsider its decision to sell the the assets of the Municipal Authority of Shenandoah. At a regular Shenandoah Borough Council meeting, the council and solicitor would not look at them and refused to accept them. This may be a violation of the 14th Amendment of the United States Constitution, which address citizens rights and equal protection under the law. A copy of both petitions are in our possession and are available upon request. A group of us believed we were done with the sale and could not do anything about the sale. The week of Jan 9th all MABS customers received a letter about the sale and what to do if you are not in favor of the sale and how to get in touch with the PUC.

2. In 2019 the MABS board stated that it is not in favor of a sale. At its March 2020 meeting the water authority voted 4-0 for the board to retain the law firm of Elliott Greenleaf & Dean as special council to research, investigate and commence legal actions if warranted against the Borough of Shenandoah. Because MABS has determined that the said proposed sale is not in the best interest of the authority and/or its customers. (this article was published in the Republican Herald staff writer John Usalis in October of 2020). since that time members who voted not to sell were replaced on the board at Shenandoah Borough Council meetings, even when more qualifies applicants were rejected, some with 5 years experience on the MABS were told they would not be asked to return for another term. They were the MABS Board members against the sale. So Borough Council Leo Pietkiewicz nominated JP Dombrosky, who was voted out of council at 2021 election, but appointed to the MABS board and it is documented he voted to sell MABS at there meeting. They even went as far to terminated there solicitor Attorney Joseph Nahas in 2021. Because he did not agree on issues. I have found out that one half of a dam was turned over to The PA Game Commission. How can they sell half of a dam? I have names of the members who were taken off the board. Now they have the members who were appointed by Shenandoah Borough Council in favor to sell MABS. Leo Pietkiewicz who votes with the MABS board and also is a current member of Shenandoah Borough Council. Being in both boards he is in favor of selling MABS, this is a conflict of interest to the public.

3. Aqua Utility Valuation expert Garnnett Fleming Rate Consultants placed the value of the MABS assets at \$25,221,000. Shenandoah Borough UVE appraisal conducted by Scott Madden, INC. was \$18,100,307. The purchase price is \$12,000,000. This price does not reflect the true value of the assets of MABS, which is not in the best interest to the customers of MABS. The letter we received from Borough of Shenandoah that they are going to use proceeds of the sale to pay pension liabilities, that amount should be vested with some type of Financial Institution. In the past there have been issues, with missing money in the Borough, that are well documented.

4. The Pennsylvania Economy League by Ronald Smeal, Civil Research Alliance which was prepared way back in June 2015, Chapter 4 Authorities stated the authorities base is declining. This is just the opposite according to Donna Kulpowicz, Shenandoah Borough Tax Collector. 110 East Washington Street, Shenandoah PA 17976. Phone 570-462424. there were 348 real estate taxes added in 2021, and for the tax base from Jan 1 2022 - June 30, 2022 there was an increase of 121 new customers added to the tax base. That is a total of approximately 469 new households and they will be paying customers for water. You can also check with the Shenandoah School District (Tony Demalis Business Manager) on how there enrollment has gone up in the last few years.

5. Niagara which is a large water bottling manufacturing in the Humbolt Industrial park and not very far from Shenandoah. At a public Borough Council meeting Charles Vascavage a customer of MABS, asked the question if anyone checked with Niagara Management if they would be interested in buying the large amount of water we can sell to them to fill there water bottles? This would be a positive amount of income for MABS and we can save our water company. He was told no, move on to the next question. In all likelihood Aqua will be selling the water to Niagara after the sale and make a big profit at the expense of MABS customers. Who knows if this is not in the works.

6. With 30% of Shenandoah, non white community the letter for the week of Jan 9th, from Borough Council President Katie Catizone. There was no date on her letter to the customers. It also should have had them sent in Spanish to help that group understand the sale. The Office of Consumer Advocate request a hearing to be held no later than 4-6 weeks to expedite a scheduled public hearing , so customers can have a reasonable opportunity to be heard. As of this date no hearing to the public.


7. In the resent letter to MABS customers, they will see a 44.87% or \$19.50 monthly increase if absorbed by MABS current customers. Currently we pay our bill quarterly, at a local bank. Based on that amount the price would be \$58.50. we know they are using monthly pricing so the amount does not look so bad. The pricing to Commercial and Industrial will be much higher and we may loose there business. But we understand if we can keep MABS, there will be an increase. Either way our rates will go up with Aqua or without. But we need to keep our system that we have. To many times small companies, in this case, are taken over by large Corporations.

8. The PUC should look into the sewer system, that is in much needed repairs and is a worse condition than the MABS water system. For the past few years Borough Council has been raising the sewer rates. In the last few years the price has gone up 87.5% . Can't understand why that was not included with the water system sale. At present when someone does not pay there sewer bill, they then send a letter to discontinue there water. What will happen if a customer not paying there Shenandoah Borough Sewer Bill, but pay there Aqua water bill. Is Aqua going to stop there service even though they payed there bill to Aqua for water?

In closing please consider this request to look into the sale and use whatever means the PAPUC and Office of Consumer Advocate can help to assist and represent the citizens of Shenandoah, we are the customers of MABS. I can be reached below for any questions

Sincerely,

Donna M. Gawrylik


114 South West Street
Shenandoah, PA 17976
CELL: 570-590-3225

CC: Commonwealth of Pennsylvania office of Consumer Advocate
CC: Saul Ewing Armstein & Lehr, LLP, Attn: Courtney L. Schultz
CC: Carrie B. Wright Prosecutor PA Attorney ID No. 208185

tel: 570-462-2745
toll free: 800-233-3170
fax: 570-462-1392
www.mrstspierogies.com



ateeco, inc.
P.O. Box 606
600 E Center Street
Shenandoah, PA 17976-0606

Shenandoah Borough Council
15 W. Washington St.
Shenandoah, PA 17976

November 25, 2020

Dear Council,

I am writing to ask you to vote against selling the assets of the M.A.B.S. at this time and to allow it to continue to run independently. From information provided at the meetings I attended, it appears that M.A.B.S. is currently in position to effectively run the system and increase rates to fund and manage the ongoing maintenance and improvements of the necessary infrastructure for the future. As always, the rate payers will have to pay for all maintenance and improvements to the system. As the Water Authority's largest single industrial customer, I am sure a requisite burden of increased rates will have to be borne by Ateeco and its consumers, whether it be through our independent Authority or a for-profit public utility company. By remaining independent, however, we retain ownership and control of a critical natural resource for our service community. Once sold, it is lost forever and there is no recourse against the new owner.

Shenandoah's Council has appointed the members of the Water Authority Board and if there is any dissatisfaction with how the Authority's been managed, Council owns the responsibility due to its appointments. (How can Council continue to be dissatisfied with the amount of information they receive about the Authority's operations when they placed a Councilman on the Authority?!)

I also respectfully request that Borough Council President Gordon Slater abstain from any votes regarding the Authority as I've heard that he has effectively moved to Tennessee. Simply continuing to a property in Shenandoah, but not living here, should not be a satisfactory qualification to retain the ability to vote on such a critical issue.

Additionally, I respectfully request that Councilman Leo Pietkiewicz abstain from any votes regarding the Authority due to a conflict of interest in that he also was appointed to serve on the Water Authority Board.

Please retain Shenandoah's private ownership of its water resources and demand sound management by appointing sound members, attending Authority meetings and asking the necessary questions of the Board at their meetings. Selling is abdication, not management.

Yours,

A handwritten signature in cursive script that reads "Tom Twardzik".

Tom Twardzik
Owner/President
Ateeco, Inc.

June 2021

Bank Account Balances

General Fund—\$160,019.69

Windfarm Savings—\$364,526.88

Verizon Lease Savings—\$106,247.51

2018 Construction Fund—\$1,239,653.23

Dam Maintenance Savings—\$203,923.19

TOTAL \$2,074,370.⁵⁰

MABS HAD
MONEY IN BANK

Accounts Payable Balances

All accounts will be paid in full, except for Borough lease, once checks are signed. Borough owes us \$2261.00 for sewer terminations done August 5.

2020-2021

<u>MONTH</u>	<u>BILLING</u>	<u>COLLECTIONS</u>	<u>GALLONS BILLED</u>	<u>CUSTOMERS</u>
OCTOBER	\$126,941.56	\$169,480.87	11,515,000	879
NOVEMBER	\$172,621.39	\$172,312.25	14,137,000	1248
DECEMBER	\$158,793.79	\$152,401.85	12,732,000	1167
JANUARY	\$122,328.08	\$185,879.75	10,508,000	859
FEBRUARY	\$173,419.01	\$150,171.56	13,794,000	1249
MARCH	\$163,707.71	\$199,363.51	12,691,000	1154
APRIL	\$124,236.34	\$171,032.72	11,056,000	870
MAY	\$167,035.23	\$171,820.57	12,948,006	1250
JUNE	\$166,696.32	\$195,179.46	13,373,000	1181
JULY	\$125,818.18	\$169,109.20	11,241,100	872
AUGUST	\$182,364.72	\$160,370.32	14,382,008	1266
SEPTEMBER				
TOTAL	\$1,683,962.33	\$1,897,122.06	138,377,114	

OPERATING DATA REPORT - WATER

**MUNICIPAL AUTHORITY OF
THE BOROUGH OF SHENANDOAH**
P.O. Box 110
Shenandoah, PA 17976

QUARTER ENDED Jun-21

CUSTOMERS

	END of QUARTER	
	This Qt	Prior Qt
Residential-Metered	2593	2588
Commercial Metered	197	195
Industrial Metered	5	5
Municipal-Metered	34	34
Fire Protection - Private	12	12
Fire Protection - Public	3	3
Other		
Totals-Customers-Water Sold	2844	2817

GALLONS DELIVERED

This Quarter	Prior Qtr	9 Mths FYTD
23,082,906	24,294,408	70,460,220
3,482,000	3,759,000	10,723,000
5,035,000	4,372,000	14,442,000
5,778,000	5,268,000	16,824,000
37,377,906	37,693,408	75,071,314
62,770,000	58,580,000	121,350,000
38,272,094	60,016,592	98,288,686
13,842,000	156,290,000	219,638,686

Non-Rev-Flushing, Leaks, Plant Use

Unaccounted for QT. 27.6%, Prior Qtr. 38%, FYTD 30 %

Total System Delivery

INCREASE

Precipitation

Services Replaced

New Services Installed

April Collections

May Collections

June Collections

Service Orders

Total Regular Hours 10/1/20 to 12/31/20

Total Overtime Hours 10/1/20 to 12/31/20

Total Payroll

Employees - End of Quarter 10 full time, 3 part time

Hydrants

Miles of Mains

This Quarter	9 Months FYTD
5.69	17.42
4	9
0	0
\$171,032.72	\$526,393.28
\$171,820.57	\$494,304.38
\$195,179.46	\$846,944.82
412	848
5595.5	16396.5
365 1/2	1233 1/2
\$144,321.20	\$454,583.14
13	
189	
56.6	

SOURCE of SUPPLY - LOCATION	TOTAL M. Gal	% of CAPACITY	TOTAL PRIOR Yr.	% of CAPACITY
Ringtown #6 - Union Township	248	100%	248	100%
Ringtown #5 - Union Township	312	100%	312	100%
Raven Run #3 - West Mahony Township	77	94%	72	88%
Raven Run #2 - West Mahony Township	30	100%	30	100%
TOTAL	667	99%	662	99.0%



AQUA'S VALUATION \$20,221,000
SHENANDOAH'S VALUATION \$18,100,307
PURCHASE PRICE OF \$12,000,000 IS NOT FAIR VALUE
FOR THE CITIZENS OF SHENANDOAH.
AQUA'S DIFFERENCE IS \$13,221,000
SHENANDOAH BOROUGHS DIFFERENCE IS \$6,100,307

Section 1329 Applications

Valuation of Acquired Municipal Water/Wastewater Systems

On April 14, 2016, Governor Tom Wolf signed Act 12 of 2016 amending Chapter 13 of the Pennsylvania Public Utility Code by incorporating a new section:

66 Pa. C.S. § 1329 . Section 1329 of the Code enables a public utility or entity (buyer) to utilize fair market valuation when acquiring water and wastewater systems located in the Commonwealth that are owned by a municipal corporation or authority. The fair market valuation process requires both the acquiring public utility or entity (buyer) and the selling municipal corporation or authority (seller) to engage the services of a licensed engineer to conduct an assessment of the tangible assets of the seller. The buyer and seller would then provide the asset assessment to separate utility valuation experts for independent analysis which are then incorporated into the Section 1102 of the Code application submitted to the Commission for approval. Upon completion of the application process, the acquired system would come under the jurisdiction of the Commission.

Section 1102 applications using the fair market valuation process may be filed with the Commission starting June 13, 2016. Upon acceptance of an application using fair market valuation, the Commission must conclude its review and issue a Final Order within six months. Applications not deemed perfected, i.e., incomplete, will not be considered as accepted until all relevant data has been submitted.

Orders

Final Supplemental Implementation Order - From the Public Meeting of February 28, 2019 at Docket No. M-2016-2543193.

COUNCIL: Shenandoah Borough

FROM PAGE A2

The ordinance, approved in September, is intended to enforce a rotational system that ensures all towing companies in the borough receive opportunities for assignments. It requires that all towing providers submit an application to be included on a list of approved, licensed companies.

Despite having submitted the required application, Williams said, Talk of Town has not received calls or received opportunities for assignments.

Council member Leo Pietkiewicz said the borough will

compile a rotational list and said there will be "answers" in due time.

Borough solicitor James P. Amato said the language of the ordinance is binding and that it cannot be overruled. He added that the ordinance is still in its infancy and that the borough is still working out the "bugs."

"Give us a couple of weeks, and we'll have the procedure in place," he said.

Other business

When asked about the state police's investigation of missing funds from the borough, Amato said the investigation is still ongoing.

The council had previously announced that it had found cases of missing funds relating to trash and sewer payments, following numerous complaints from residents.

Amato said at last April's meeting that the borough had found trash and sewer payments that, "although properly identified and entered into the borough's accounting system, were never deposited into the borough's sewer and trash accounts and were, in fact, missing."

The case was ultimately referred to state police, which launched an investigation on March 31, 2022.

EPD-81-1-18-2022
REPUBLICAN-HERALD

YOU MAY USE THIS INFO.
TO ANY OTHER AGENCY
TO HELP THE MABS CUSTOMERS
AGAINST SALE TO AQUA. THE SALE
HAS MANY SERIOUS ISSUES.
THANKS
DEBRA G.

DONNA GAURYLIK
114 SOUTH WEST ST.
SHENANDOAH, PA 17976

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL




7016 1970 0000 6885 7032

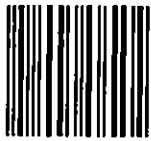

RDC 99



17120

U.S. POSTAGE PAID
FCM LG ENV
SHENANDOAH, PA
17976
JAN 19, 23
AMOUNT
\$1.44
R2305K139854-43


RDC 99



17120

U.S. POSTAGE PAID
FCM LG ENV
SHENANDOAH, PA
17976
JAN 19, 23
AMOUNT
\$4.00
R2305K139854-43

ROSEMARY CHIAVETTA SECRETARY
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PA 17120

RECEIVED

JAN 23 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU