

PUBLIC COMMENT
Potential sale of the
Norristown Municipal Waste Authority

The following comments were submitted by the public to PIO@Norristown.org as promoted in public notices for any of the three meetings advertised to address the potential sale of the Norristown Municipal Waste Authority to Aqua Pennsylvania Wastewater, Inc.

Dan Kauder, Locust Street (statement sent May 14)

Dear Ms. Cooper and Ms. Smith; and to whom else it may concern,

My name is Daniel Kauder, I'm a resident of Norristown on Locust Street, and I'm writing to all of you today to say in the strongest terms possible: NO to the potential sale of our municipal sewer system to any private entity. I believe that as utilities serve the public good, they should only ever be owned by the public they serve- by privatizing our sewers, control is taken away from us and yet another facet of our lives is reduced to nothing more than a commodity. I was unable to join the online call about this topic, as I work evenings, but I wanted to impress upon you that I would rather pay a higher tax rate- and keep the sewer in Norristonian control- than sell it off to some faceless company who couldn't care less about us.

Yours,
Dan Kauder

David McMahon, Haws Avenue (Letter sent to Councilwoman Lewis, May 13) *(Note: many of the questions in this statement were answered in the FAQs document posted on the sewer sale webpage.)*

Dear Councilwoman Lewis,

My name is David McMahon, a resident and neighbor on Haws Ave. We initially met during the development of the Medicare for All resolution last year. After having watched the video of the first public hearing on the proposed sale of the Norristown sanitary sewer system, I still have quite a few questions about the necessity or even desirability of selling off publicly created and publicly controlled crucial infrastructure. I can understand the appeal of a one-time windfall to address a number of near term issues, such as debt service, facility upgrades etc.

They would be difficult choices to address by asking residents to pay taxes to fund them. But privatization is just a non-tax tax that is funded by residents through increased rates.

We are being asked for a yes/no vote when really we should have been provided some background to alternative strategies. What else was considered before concluding privatization was the remedy? What have other communities done to retain and properly maintain their infrastructure? What examples were presented to Council of communities pooling their resources to create a consortium of a size to be efficient in meeting ongoing needs? Aqua PA claims they can gradually increase their rates on us because of the large pool of communities they have bought but that is really just pleasant spin on what is their drive to be the water monopoly in Southeastern PA. The possibility of future direct community involvement would simply be gone after this sale, the Public Utility Commission notwithstanding.

As to rates, it felt like a rather manipulative approach Aqua took when they provided the “without Act 11” worst case rate scenario where rates triple in 10 years, and then step back to a scenario that has rates doubling in ten years. I mean, would it actually be likely they wouldn't receive approval to implement Act 11 provisions with all their corporate experience? I think for your constituents to really assess this well, we simply need more information. Has there been any report or study made that would show what a publicly run system could accomplish with a doubled rate? A tripled rate? Are there situations where other communities have accessed the expertise of corporations like Aqua as a contractor instead of outright purchaser?

I think there are issues to address with the format of the virtual call, too. Was it possible for the public to even see the video presentation? When i dialed into last week's council meeting it seemed I only had an audio only option but maybe I'm mistaken. Have you heard from other residents about this issue? I am very interested to hear your position on some of these questions, and if you have any additional context to give, because I don't think simple yes/no support from the community is a fair request without us having some idea of possible alternatives. Thank you for taking the time to read this and I look forward to hearing from you.

All the best,
David McMahon

Mac Hirsch, 1745 N. Hills Drive Norristown, PA 19401 (Statement sent May 27)

Hello,

The sale of our sewer utility first came to my attention in late April 2020. I watched the informational video that was conducted on May 12th. Since then, I have done some independent research into Aqua America. I'm currently investigating the privatization of water systems done by Aqua in several states. Web based reviews on both the BBB and Google put them very low in satisfaction. The common complaint is lack of customer service and accountability. While this is alarming, I think more information is needed.

I have since contacted the PUC in regards to official complaints filed against Aqua America. I have also read several publications that I have linked below.

<https://www.foodandwaterwatch.org/sites/default/files/Aqua%20America%20Report%20Oct%202008.pdf>

<http://overpasslightbrigade.org/who-is-aqua-america/>

<https://www.foodandwaterwatch.org/sites/default/files/Aqua%20America%20Profile%20IB%20May%202014.pdf>

While I understand that dollar signs to fund city projects is attractive, I don't think the sale of our public utility is in the best interest of Norristown in the long run. I look forward to bringing more public awareness and being a voice against the sale of the Norristown sewer authority.

Sincerely,

Maccabee Hirsch

Magisterial District Judge Margaret Hunsicker, District 4 resident (Statement received May 27)

I would suggest that a portion of the proceeds be used to offset an earned income tax deduction from the current 2.1% to 1.0%, which would put Norristown in line with our neighbors.

Rachel Fecho, 715 Noble St. (Statement sent on May 28 and June 9, addressed verbally during both meetings)

Thank you, Council, for all you do for our city. I love Norristown and I know you all do too! I know that our city could do amazing things with the money from the sale of the sewer, but this mindset is no different than corner check cashing joints and pawn shops. They exist for one reason: to make money. They offer a deal that provides a quick fix but one that turns costly down the road. Once the fixed rate period is over, rates skyrocket and consumers and local governments have no recourse. The CEO of Aqua (for decades, until a few years ago) appeared on Mad Money, whose "mission is simple: to make [shareholders] money. The segment was entitled "Aqua America CEO: Turning Water Into Money," and the CEO was congratulated at the end of the interview "for doing such a good job for shareholders." Those who stand to make a profit NEVER EVER have the best interest of the consumer at heart. They are predators who seek out struggling people or communities to offer them quick fixes that seem too good to turn down. Aqua is offering a price that is MORE than NMWA is worth. Who is going to make up that difference, and still help them turn a profit? Norristown. I would gladly pay more in taxes to directly fund the projects Norristown seeks to undertake and know that my tax dollars are going directly into my beloved city, as opposed to lining the pockets of Aqua's millionaire CEOs and stockholders. By accepting the insulting offer from Aqua, Norristown will abdicate control over a vital public resource to an entity that cares nothing for our people and exists solely to make money. Aqua cares about its shareholders and is accountable to them. Norristown cares about its people and would be accountable to them with the utility still within

their control. PLEASE don't be shortsighted about this decision and don't succumb to Aqua's predation. Thank you. And thank you again for all your hard work for Norristown. You are appreciated.

Pat McLaughlin, 554 Stanbridge St. (statement sent June 9)

To Whom It May Concern,

Please do not sell the Municipality's wastewater collection and conveyance system.

Laura Abreu, 1517 Astor St. (statement sent June 10)

To whom it may concern,

I am a private citizen who would like to voice my opinion that you should not sell the Norristown public water system to Aqua America or any other private entity proposing to buy it. The people and the city deserve to keep control of this public utility and help control the costs. A for profit company will only be about making money and cutting corners. The residents of Norristown and the surrounding areas will suffer due to price gouging and bad service. Aqua America particularly has a bad reputation for these types of issues. I implore you to not succumb to the temptation of temporary monetary gain for a lifetime of problems and issues that cannot be addressed by the city.

Sincerely,

Laura Abreu

Dan Kauder, Locust Street (statement sent June 10)

Dear Ms. Cooper and Ms. Smith; and to whom else it may concern,

My name is Daniel Kauder, I'm a resident of Norristown on Locust Street, and I'm writing to all of you today to say that after last night's forum regarding the potential sale of the sewer system, I remain as staunchly opposed to it as I was when I first wrote to you about this issue in May. This company seems to be prowling the nation looking for townships and cities that need help, offering a quick "fix" in exchange for ownership of our infrastructure. But this deal would be the same mortgaging of our future that the country at large has engaged in for so many decades now, turning public services into private capital generating machines that end up costing the people more in the long run. As I said in the meeting chat, our sewer rates would still go up, only now we wouldn't have any control over them. I am not willing to trade away another publicly-owned part of our town for a quick cash infusion that evaporates in short order.

I dearly hope last night's meeting has caused you to rethink any support you may have once had for this project. I hope you ultimately reject the sale of the sewer system, and I will be doing my utmost to

convince my neighbors (whom still may not even know this is happening, due to our attention being fixed on Covid and the Floyd protests) that selling our future is not the way forward.

Yours,
Dan Kauder

Charles Morrione, 407 W. Wood St. (statement sent June 11)

How will this benefit home owners in Norristown?

What is the urgency to sell and not wait until people can attend a meeting?

Jon Vail, 84 Centre Ave., West Norrtion. (statement sent June 11)

Aqua is a remarkably bad company. They are strategically making this move during the black lives matter protests because they know Norristown, a predominantly black community, will be too busy to look into this and understand what this will mean for their future. Please consider what BLM is fighting for before deciding if you want to undercut them with selling the sewer system. Make the right decision and oppose.