

EAST BERLIN AREA JOINT AUTHORITY
103 LOCUST STREET / PO BOX 37
EAST BERLIN, PA 17316

March 27, 2025
-SPECIAL MEETING-

A special meeting of the East Berlin Area Joint Authority Board called by Chairman Green to welcome representatives of the York Water Company. The meeting took place on March 27, 2025 at 103 Locust St., East Berlin, PA. The meeting was presided over by Chairman Green. Chairman Green opened the meeting at 7pm with a Pledge of Allegiance to the American flag.

Members Present: Chairman G. Green, V.C. R. Weidner, R. Teal, V. Krall, W. Staub

Also Present: Diana Young & Brian Funkhouser Buchart Horn, Secretary M. Earp, Operator N. Boyer

Guests: JT Hand, Matt Scarpato, Kevin Myers, Steve Aumen, Zach Zimmerman, & Suzanne Becker of York Water; Marcus Kohl of PAWC; Elizabeth Mulewich of Gettysburg Times; Tina & Jeff Gleim of Wellsville; Angela McKown, Curvin Dennis, Robin Heyser, Jan Hoffman, Stephanie Haley, Karen Wire; all of East Berlin.

Public / Guest Comment: Chairman Green turned the floor over to JT Hand of York Water Company.

Mr. Hand introduced members of his team including Matt Scarpato, VP of Operations, Suzanne Becker, VP of Customer Service, Zach Zimmerman, Operations Manager, Kevin Myers, Assistant Superintendent of Construction, & Steve Aumen, Superintendent of Letterkenney Operations. He stressed that members of his team are local to the area, members of the community, & residents of Adams & York Counties.

Mr. Hand went on to share the following information with the board:

- York Water Company wishes to purchase the water and wastewater system of East Berlin. They would like to enter an Asset Purchase Agreement or some other contract. In the event the EBAJA would sell their assets to York Water, the existing wells would be shut down and 100% of the water would come from the York Water Company surface water reservoirs.
- Commended the Authority for its action and transparency during this situation.
- Stressed that even though no one in the room was responsible for putting the contaminants in the water, they are the ones tasked with remediating the situation, and paying for any costs incurred.
- The mission statement of the York Water Company contains three key stakeholders that they keep in equilibrium: the customer, the employees, and the shareholders. They strive to provide safe, reliable, quality water & wastewater support, support their employees, & give a reasonable return to the shareholders.
- York Water Company was incorporated in 1816, and for the past twenty years has been publicly traded on NASDAQ under the ticker YORW.
- York Water Company has invested in the communities it serves for 209 years by volunteering as members of boards of directors, financially supporting organizations, and investing in early education.
- In 209 years, York Water has never missed a dividend, only been offline once for 12 hours in 1972, & they have the lowest customer complaint rate of any regulated water/wastewater utility in Pennsylvania.
- York Water Company feels capital investments are necessary to have a safe, reliable, redundant system. They invested 47 million dollars in infrastructure capital improvements in 2024.
- York Water has a robust consumer financial support system called CARES for customers in temporary need of assistance.
- York Water has 125 employees. Their competitive compensation strategy to recruit, retain, train, & promote from within is superior.

- York Water Company has experience in acquisitions. Mr. Hand encouraged the board members to do due diligence by reaching out to former chairmen or borough managers who underwent the acquisition process with York Water to learn how things went, what they should be concerned about, or what they should be thinking about.
- York Water recently laid 14,000 feet of pipe to service the Pine Run Retirement Community. They would have to lay another 4,000 feet of pipe to interconnect with East Berlin. They would need to install regulators to adjust the pressure differences in the holding tanks.
- York Water has set the conditions for servicing the site for the East Berlin Area Community Center, and has acquired applications for service from both Weis Markets and ACNB.
- Re: Quality. Mr. Hand compared the 2024 York Water Consumer Confidence Report (CCR) to the 2023 EBAJA CCR. He pointed out that one well for EBAJA is hovering near the MCL for nitrates and that the copper levels overall are also close to MCL. He indicated that York Water is not facing those additional challenges due to their very well-balanced water quality. York Water PFOA & PFOS results are well below the MCL.
- They service 80,000 water customers and 8,000 wastewater customers.
- Their daily usage is twenty million gallons per day.
- Their reservoirs are currently full even though the area is experiencing a 29-month long draught, due to good management.
- Mr. Hand provided a rate analysis comparing York Water, EBAJA, & PAWC. He stressed the affordability of their product. He did not provide a rate comparison or York Water rates for wastewater.
- Stated they would hire employees who worked on the water and the wastewater side as long as they came with a recommendation from the Authority. Stated they may have to work a different shift.
- If a decision is made to sell the assets to York Water, the process will take approximately 10-12 months.
- York Water has a lot of experience with the acquisition process.
- They will push the pipe toward East Berlin while the application with the PUC is being reviewed, in the hopes that the sale is approved and in order to provide quality water as soon as legally allowed.
- The process entails a lot of communication with the Authority and the community. They want the customers to know what to expect.
- Day One they would take start reads, & EBAJA would take final reads. Each customer account will start at zero. It is up to EBAJA to do their own final collections.
- They are not interested in remediating the well, in part because there is too much uncertainty on what the future regulations will look like.
- Pointed out the aging Wastewater Treatment Plant.
- Indicated they would be responsible for the Lead Line Survey. They have a program in place that any found lead lines will be replaced at no cost to the customer, including the customer side of the property.
- Incorrectly implied that East Berlin has asbestos cement pipe.
- As a cautionary tale on Fair Market Valuation transactions, Mr. Hand encouraged the board members to research Fair Market Valuation, Section 1329 or Act 122016 for information on how they want to sell the system. He said Fair Market Valuations tend to cost the customers more in the long run. York Water has never done a Fair Market Valuation transaction because that's not their model and it throws the three legs (customers, employees, shareholders) out of balance.
- Thanked the board members for volunteering for such a thankless job.

Questions from the gallery resulted in the following information:

- York Water serves Abbottstown water, but not sewer.
- Any non-conforming service will be fixed by York Water.
- York Water will be responsible for maintaining and repairing service lines to the curb box. The customer is responsible for maintaining and repairing service lines from the curb box into their property.
- Every hook up will get a new meter that is read by a receiver, probably placed on one of the towers.
- When asked if the hidden fee is the sewer rates, Mr. Hand said they would hold the rates for three years but did not provide any information on sewer rates.

- There is a fee of \$29.00 per hydrant which is usually paid for by a public entity or the borough. All the hydrants will be painted York Water Yellow. All of the four-inch lines currently feeding the hydrants in East Berlin will be replaced with six-inch lines. There is no additional fee for using a hydrant.
- They have been in the wastewater business for about ten years.
- If repairs need to be made that damage someone's sidewalk, they will replace any damages they made at no cost to the homeowner.
- York Water PFOA level is at 0.54 and their PFOS at a 1. (PA MCL's are 14 & 18; Federal will be 4 if the regulations go into effect).
- York Water currently has capacity of 42 million gallons of water per day. They currently use 20 million. As an alternate source, they are permitted to pull 12,000 gallons per day out of the Susquehanna River.

Chairman Green thanked everyone for coming. The board broke into executive session at 8:10 p.m. The board came out of Executive Session at 8:45 p.m.

Motion to adjourn the meeting was made by V. Krall with a second by R. Teal. **Motion carried.**
Meeting was adjourned by Chairman Green at 8:46 p.m.

The next monthly board meeting is scheduled to be held **April 3, 2025** at 103 Locust Street at 7:00 p.m.