AMENDMENTS TO HOUSE BILL NO. 2455

Sponsor: SENATOR COSTA

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Amend Bill, page 1, line 25, by inserting after "reporting"
and for water and sewer authorities in cities of the second
class

Amend Bill, page 3, lines 20 and 21, by striking out "AN

ARTICLE" and inserting

articles

Amend Bill, page 8, by inserting between lines 5 and 6

ARTICLE XXVIII-G

WATER AND SEWER AUTHORITIES IN
CITIES OF THE SECOND CLASS

Section 2801-G. Definitions.
The following words and phrases when used in this article
shall have the meanings given to them in this section unless the
context clearly indicates otherwise:

"Authority." A water and sewer authority of a city.

"City." A city of the second class located in a county of
the second class.

"City park." A city-owned park that consists of at least 50
contiguous acres.


"Cooperation agreement." The cooperation agreement entered
into between the city and the authority on October 3, 2019.

"System." The following, owned or operated by the authority
and used in the rendering of water service and sewer service by
the authority:

1. Plants, warehouses, equipment, structures,
facilities, lands, easements, rights of way, public water
lines and public sewer lines.

2. Patents, copyrights, contracts with municipalities
or authorities outside the boundaries of the city.

3. Water treatment plants, pumping facilities,
reservoirs, storage tanks, distribution mains, public service
lines and appurtenances, public sewers, inlets, sewer grates,
manholes, diversion structures, pumping stations, force mains
public subsurface storm water conveyance lines and related
facilities conveying storm water.

(4) Patents and copyrights obtained by the city, assigned to the authority, or retained directly by authority and related to the design, operation, maintenance, replacement or abandonment of water, sewer or storm water systems.

(5) Tangible public property, fixed or moveable.

(6) Capital additions constructed or acquired relating to water service and sewer service.

(7) Franchises used or useful to the authority in the rendering of water, sewer and storm water service by the authority and other agreements between the city and authority.

Section 2802-G. Cooperation agreement.

The cooperation agreement shall have the force and effect of law until January 1, 2025, or an earlier termination date to which the city and authority mutually agree. The cooperation agreement shall govern:

(1) Changes in the city and authority's rights and obligations resulting from the enactment of the act of December 21, 2017 (P.L.1208, No.65), entitled "An act amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes, in rates and distribution systems, further providing for rates to be just and reasonable; and providing for water and sewer authorities in cities of the second class," including rates paid by the city to the authority for public utility service.

(2) The division of services related to the system.

(3) Payments by the city and authority to the other based on actual, verifiable, direct expenses and in accordance with customary utility practices under 66 Pa.C.S. Pt. I (relating to Public Utility Code).

(4) Payments by the authority to the city that shall be subordinate to each debt obligation of the authority.

(5) Cooperation by the city and authority in their respective capital projects which may impact each other.

(6) Responsibilities of the authority with respect to city parks and other city properties.

(7) Ownership of the system.

(8) Roles and responsibilities of the city and authority with respect to the system.

Section 2803-G. Effect of cooperation agreement.

A cooperation agreement entered into between the city and authority on or before January 1, 2020, shall:

(1) Notwithstanding 66 Pa.C.S. Pt. I (relating to Public Utility Code) supersede, during the term of the cooperation agreement, any provision of 66 Pa.C.S. Pt. I, a commission regulation, policy statement, order and regulatory proceeding as they pertain to issues covered by the cooperation agreement, including the authority's rates, terms and conditions of service rendered to the city and the respective
rights and duties between the authority and the city.

(2) Remain subject to the home rule charter of a city.