# Supreme Court of Pennsylvania

# **Court of Common Pleas** Civil Cover Sheet

CENTRE

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The information collected on this form is used solely for

Commencement of Action:  Complaint Writ of Summer Transfer from Another Jurisdiction	nons		Petition Declaration of Taking		
Lead Plaintiff's Name: IN RE: ROCK SPRING WATER COM	PANY		Lead Defendant's Nam	e:	ş
Are money damages requested? [	□Yes	⊠ No	Dollar Amount Re (check one)		within arbitration limits outside arbitration limit
Is this a Class Action Suit?	☐ Yes	⊠ No	Is this an MD.	J Appeal?	☐ Yes ☒ No
Name of Plaintiff/Appellant's Attorno			Esq. / Carolyn M. Lar		e] Litigant)
	ASE. If	ou are maki	case category that n		
TORT (do not include Mass Tort)  Intentional Malicious Prosecution Motor Vehicle Nuisance Premises Liability Product Liability (does not include mass tort) Slander/Libel/ Defamation Other:  MASS TORT Asbestos Tobacco Toxic Tort - DES		Suyer Plaintiff Debt Collection Debt Collection Comployment Education	n: Credit Card n: Other Dispute:	Boar Dept Statu	rative Agencies d of Assessment d of Elections . of Transportation story Appeal: Other
Toxic Tort - DES Toxic Tort - Implant Toxic Waste Other:  PROFESSIONAL LIABLITY Dental Legal Medical Other Professional:		Ground Rent Landlord/Tena Mortgage Fore	nin/Condemnation	Com Decl Mand Non- Rest Quo Repl	Domestic Relations raining Order Warranto evin

# IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, PENNSYLVANIA CIVIL ACTION – LAW

IN RE: ROCK SPRING WATER COMPANY

No. 2025-CV-0064-CI

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TYPE OF PLEADING:

EMERGENCY PETITION FOR APPOINTMENT OF RECEIVER

Counsel of Record for this Party:

James N. Bryant, Esq. PA I.D. 14084

Carolyn M. Larrabee, Esq. PA I.D. 93117

BRYANT LARRABEE, P.C.

107 East Main Street P. O. Box 551 Millheim, PA 16854

(814) 349-5666 (814) 349-2212 (FAX)

Jnbryant1@verizon.net cmlarrabee@centrecountylaw.com

FILED FOR RECORD
2025 JAN 13 PM12 39
JEREMY S. BREON
PROTHONOTARY
CENTRE COUNTY, PA

## IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, PENNSYLVANIA CIVIL ACTION - LAW

IN RE: ROCK SPRING WATER COMPANY

No. 2025-CV-0014-CT

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### EMERGENCY PETITION FOR APPOINTMENT OF RECEIVER

AND NOW COME your Petitioners, James N. Bryant, Esq., Carolyn M. Larrabee, Esq., and BRYANT LARRABEE, P.C., representing Rock Spring Water Company, who file this Emergency Petition for Appointment of Receiver, and in support thereof, aver as follows:

- 1) Your Petitioners are James N. Bryant, Esq., and Carolyn M. Larrabee, Esq., of BRYANT LARRABEE, P.C., having an address of 107 East Main Street, Post Office Box 551, Millheim, Centre County, Pennsylvania 16854.
- 2) The respondent is Rock Spring Water Company, a Pennsylvania corporation, with its principal place of business located at 1750 Tadpole Road, Pennsylvania Furnace, Centre County, Pennsylvania 16865.
- 3) Respondent corporation has 12 shareholders, including company president, J. Roy Campbell, and most others being members of the Campbell family and residing locally.
- 4) Respondent corporation serves approximately 1,000 customers in Ferguson Township, Centre County.
- 5) The closest water company to Rock Spring, which is the State College Borough Water Authority (hereinafter referred to as "SCBWA"), has lines 4,000 feet from the easternmost lines of Rock Spring Water Company.

- 6) Respondent corporation has been managed for several decades by Mr. Campbell, and recently also by his daughter, Elizabeth.
- 7) Respondent has been the subject of a long-running (four-year) fight with the Pennsylvania Public Utility Commission, as well as the Pennsylvania Department of Environmental Protection. At all times prior to December, 2024, president, Roy Campbell was legally representing himself and the company. He was ordered by the Pennsylvania Public Utility Commission to retain counsel on September 20, 2024.
- 8) Pursuant to the above-mentioned Order, your Petitioners were hired to represent the corporation.
- 9) Petitioners persuaded the company president to sign, on behalf of the corporation, a Non-Binding Letter of Intent to sell the company to SCBWA. A true and correct copy of said Notice of Intent is attached hereto and marked as Exhibit 1.
- 10) Petitioners have received the same cooperation from Mr. Campbell and his daughter as have the various state agencies. That is to say little to none.
- 11) Over the Christmas holiday and into the New Year, the Campbells placed an automatic electronic mail reply stating that they would return to handle water company business on January 17, 2025.
- 12) The water system is in a severe state of deferred maintenance and has numerous leaks.

- 13) Neither Mr. Campbell nor his daughter are capable of managing a water system or assisting in the neat and orderly transfer of the water system to the SCBWA.
- 14) The obstinacy of the Campbells and the condition of the physical plant and water line poses a clear and present danger to all of Rock Springs' customers which cannot be resolved by present management.
- 15) None of the corporation's shareholders expressed any interest in assisting with the operation of the business.
- 16) State College Borough Water Authority is the only viable alternative operator. Granting this Petition will ensure that the customers have prompt service and attention.

WHEREFORE, your Petitioners respectfully request this Honorable Court enter an Order allowing State College Borough Water Authority be appointed Receiver and take over interim operation of Rock Spring Water Company's system until its assets can be formally transferred under the agreement.

Signatures on following page.

Respectfully Submitted,

BRYANT LARRABEE, P.C.

James N. Bryant, Esq.

PA I.D. 14084

107 East Main Street, P.O. Box 551

Millheim, PA 16854

(814) 349-5666

(814) 349-2212 (fax)

Jnbryant1@verizon.net

By: Carry M. Lanah

Carolyn M. Larrabee, Esq. PA I.D. 93117 107 East Main Street, P.O. Box 551 Millheim, PA 16854 (814) 349-5666 (814) 349-2212 (fax) cmlarrabee@centrecountylaw.com



# NON-BINDING LETTER OF INTENT REGARDING THE SALE OF ASSETS OF THE ROCK SPRINGS WATER COMPANY

This non-binding Letter of Intent (the "LOI") is made this 130 day of December, 2024 by and between:

The Rock Spring Water Company (the "Company"), a Pennsylvania domestic business corporation with a business address of 1750 Tadpole Road, Pennsylvania Furnace, PA 16865

#### And

The State College Borough Authority (the "Authority"), a Pennsylvania municipal authority with a business address of 1201 West Branch Road, State College, Pennsylvania 16801(collectively the "Parties").

The Company is a public utility as that term is defined by the Pennsylvania Public Utility Code (the "Code"), which pursuant to a Certificate of Convenience issued by the Pennsylvania Public Utility Commission (the "PUC"), owns and operates a water system providing water service to its customers in Ferguson Township, Centre County, Pennsylvania and Franklin Township, Huntingdon County, Pennsylvania.

The Authority is a municipal authority, which pursuant to the Pennsylvania Municipality Authorities Act, owns and operates a water system providing water service to its customers in State College Borough and Benner, College, Ferguson, Harris and Patton Townships in Centre County, Pennsylvania.

The PUC's Bureau of Investigation & Enforcement has commenced a proceeding in which it has filed a Petition to Request the Commission to Open a Section 529 Investigation into the Acquisition of Rock Spring Water Company.

The Pennsylvania Department of Environmental Protection (the "DEP") has commenced a proceeding in which it seeks the enforcement of certain terms and conditions of Orders entered against the Company and a Consent Decree entered into by the Company.

The Company has expressed a desire to sell and the Authority has expressed a desire to purchase all of the Company's assets, real, personal, tangible and intangible on terms and conditions to be negotiated by the Parties.

Subject to the non-binding nature of this LOI, the parties agree to negotiate in good faith toward a definitive and mutually acceptable agreement providing for the Company's sale and the Authority's purchase of the Company's assets (the "Agreement").

Without limiting by specification or otherwise limiting the ability of the Parties to structure the Agreement in the way most agreeable to them, the following provisions are to be included:

- A. <u>Purchase of Assets</u>. The Company will sell and the Authority will purchase all of the Company's assets, real, personal, tangible and intangible that are owned and used by the Company in, or necessary for the conduct of, the Company's activities (the "Purchased Assets"). The Purchased Assets are being sold "as is where is" with no express or implied warranties, including any implied warranty of merchantability, other than good title free and clear of any and all liens or encumbrances.
- B. <u>Purchase Price</u> The price to be paid by the Authority for the purchase of the Company's assets will be \$65,000.00.
- C. <u>Liabilities</u>. The Company will be responsible for all liabilities of the Company, including accounts payable, accrued expenses, unpaid wages, unpaid taxes related to the Company's activities prior to closing, debts, and leases (with the exception of leases specifically assumed by the Authority). Unless specifically assumed by the Authority in writing, the Company shall deliver the assets free and clear of all liabilities and debt obligations, including contingent liabilities.

Conditions precedent to a final and enforceable agreement will include the following:

- A. Satisfactory completion of a reasonable due diligence examination of documents related to the Company by the Authority in its sole discretion, including the review of real estate and easement/right of way information, financial information, billing information, customer information, system information, contracts, operating data, and licensure and environmental records.
- B. The absence of any material adverse change in the business or financial condition of the Company from the time of executing this LOI;
- D. Approval of the Agreement by at least a majority of the Board of Directors of the Authority and the percentage or number of shareholders of the Company required by its bylaws, rules or regulations;
  - E. Approval of the Agreement by the PUC and DEP;
- F. The Company conducting its business as usual between the date of signing of this Letter and the closing date of this transaction; and
  - G. Such other terms as the Parties may agree.

This Letter is NOT intended to be, and is agreed by each Party not to be, a binding agreement between the Parties, but merely an expression of their present good faith intent with regard to the transaction described herein based upon preliminary discussions and review. Accordingly, this Letter is subject to revision or new issues that may arise. The transactions contemplated hereby shall not become binding on any Party prior to the execution and delivery of the definitive agreements.

If the general terms outlined in this Letter are not agreed to in writing by December 18, 2024, this LOI shall expire, unless otherwise extended by mutual consent of the Parties.

This LOI constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral and written, between the Parties relating thereto.

This LOI may not be amended, modified, or supplemented except by written agreement signed by the Parties. No waiver of any of the provisions of this LOI shall be deemed, or shall constitute, waiver of any other provision.

Any notice or other communication required or permitted hereunder shall be in writing and shall be transmitted via U.S. first-class and electronic mail, as applicable and as follows:

#### H. If to the Company, to:

Rock Spring Water Company 1750 Tadpole Road Pennsylvania Furnace, PA 16865

With a copy to:

James Bryant, Esquire Bryant & Larabee, PC 103 East Main Street P. O. Box 551 Millheim, PA 16854

#### I. If to the Authority, to:

State College Borough Water Authority 1201 West Branch Road State College, PA 16801

With a copy to:

Robert A. Mix, Esquire Robert Mix Law 211 Kimport Avenue Boalsburg, PA 16827

This Letter shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

Signature page follows.

IN WITNESS WHEREOF, the Parties hereby enter into this letter of intent on the terms set forth above.

Rock Spring Water Company:	State College Borough Authority:
Signature	Buan C. Heiser Signature
Roy Campbell Printed Name and Title	Brian C. Heiser Executive Director Printed Name and Title
Ar Roy Comphell Date 12/13/2024	December 16, 2024 Date
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# IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, PENNSYLVANIA CIVIL ACTION - LAW

IN RE: ROCK SPRING WATER COMPANY

No. 2025 -CV-0014-CI

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### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the within Emergency Petition for Appointment of Receiver was served by depositing the same via electronic mail, addressed to the following:

Robert A. Mix, Esq.	Amanda Chaplin, Esq.
State College Borough	Glenn P. Masser, Esq.
Water Authority (SCBWA)	Commonwealth of Pennsylvania
211 Kimport Avenue	Dept. of Environmental Protection
Boalsburg, PA 16827	208 West Third Street, Suite 101
Bmix470@gmail.com	Williamsport, PA 17701
	achaplin@pa.gov
	gmasser@pa.gov
Honorable John Coogan	Jacob D. Guthrie, Esq.
Carrie B. Wright	Emily A. Farren, Esq.
PA Public Utilities Commission	Office of Consumer Advocate
Bureau of Investigation	555 Walnut Street, 5th Floor
and Enforcement	Harrisburg, PA 17101-1923
400 North Street	JGuthrie@paoca.org
Harrisburg, PA 17120	EFarren@paoca.org
jcoogan@pa.gov	OCARockSpring@paoca.org
cawright@pa.gov	
Elizabeth A. Dupuis, Esq.	Elizabeth Rose Triscari, Esq.
Morgan M. Madden, Esq.	Teresa K. Harrold, Esq.
Babst Calland Clements & Zomnir, P.C.	Pennsylvania – American Water Co.
330 Innovation Blvd., Suite 302	852 Wesley Drive
State College, PA 16803	Mechanicsburg, PA 17055
bdupuis@babstcalland.com	elizabeth.triscari@amwater.com
mmadden@babstcalland.com	teresa.harrold@amwater.com

Alexander R. Stahl, Esq.	Rebecca Lyttle, Esq.
Aqua Pennsylvania, Inc.	Office of Small Business Advocate
762 West Lancaster Avenue	555 Walnut Street, 1st Floor
Bryn Mawr, PA 19010	Harrisburg, PA 17101
astahl@aquaamerica.com	relyttle@pa.gov
David P. Zambito, Esq. Jonathan P. Nase, Esq. Cozen O'Connor 17 North Second Street, Suite 1410 Harrisburg, PA 17101 dzambito@cozen.com jnase@cozen.com	James C. Cagle Veolia Water 310 Allentown Boulevard, Suite 104 Harrisburg, PA 17112 james.cagle@veolia.com

I hereby certify that a true and correct copy of the within Emergency Petition for Appointment of Receiver was served by depositing the same with the United States Postal Service, postage prepaid, and by Certified Mail Restricted Delivery, return receipt requested, to the following addresses:

J. Roy Campbell	Sue Campbell
4607 West Whitehall Road	150 Farmers Way
Pennsylvania Furnace, PA 16865	Pennsylvania Furnace, PA 16865
Frances Campbell	Charles Williams
400 Plainfield Road	140 Fisher Run Road
Pennsylvania Furnace, PA 16865	Bloomsburg, PA 17815
Edith Williamson	Clay Campbell
8795 Old Dumfries Road	401 Plainfield Road
Catlett, VA 20119	Pennsylvania Furnace, PA 16865
C. John Campbell	Elizabeth Campbell
150 Farmers Way	4607 West Whitehall Road
Pennsylvania Furnace, PA 16865	Pennsylvania Furnace, PA 16865
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Emilie Campbell	Julie Campbell
4607 West Whitehall Road	2806 Orange Grove Trail
Pennsylvania Furnace, PA 16865	Naples, FL 34120
Michael Dodge	James Harper
2806 Orange Grove Trail	5220 West Whitehall Road
Naples, FL 34120	Pennsylvania Furnace, PA 16865

By: <u>Carrier M. Larrabee</u>, Esq.

January 13, 2025 DATED:

## IN THE COURT OF COMMON PLEAS OF CENTRE COUNTY, PENNSYLVANIA CIVIL ACTION - LAW

IN RE: ROCK SPRING WATER COMPANY

No. 2025-CV-006A-CI

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#### CERTIFICATE OF COMPLIANCE

I certify that this filing complies with the provisions of the *Case Records*Public Access Policy of the Unified Judicial System of Pennsylvania that require filing confidential information and documents differently than non-confidential information and documents.

Submitted by: Counsel for Rock Spring Water Co.

Signature/

Name:/

James N. Bryant, Esq.

Attorney No.

14084