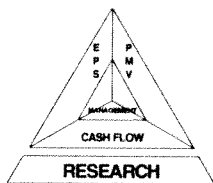


One Corporate Center  
Rye, NY 10580-1422  
Tel. (914) 921-7732  
Fax (914) 921-5384  
*pgoldstein@gabelli.com*



Gabelli Funds, LLC

October 6, 2009

Bruce C. McIntosh  
Secretary  
The York Water Company  
130 East Market Street  
York, PA 17401

**Re: Shareholder Proposal**

Dear Mr. McIntosh:

I am enclosing on behalf of Gabelli Funds, LLC ("Gabelli Funds") a shareholder proposal and supporting statement. Under Rule 14a-8 of the Securities Exchange Act of 1934, we are requesting that The York Water Company ("York") include the proposal in its proxy statement for the 2010 Annual Meeting of Shareholders. Gabelli Funds is proposing a resolution that urges the shareholders to vote to request that the Board of Directors redeem the preferred share purchase rights issued pursuant to the Rights Agreement dated as of January 24, 2009.

Currently, Gabelli Funds beneficially owns approximately 58,150 shares of the York Common Stock. Gabelli Funds has been the beneficial owner of at least \$2,000 in market value or 1% of the outstanding Common Stock of York for at least one year from the date hereof. Attached as Exhibit A is a letter from State Street reflecting that Gabelli Funds has been the beneficial owner of 9,000 shares of the Common Stock of York held in an account on behalf of The Gabelli Dividend & Income Trust, for which State Street serves as custodian, since October 1, 2008. Attached as Exhibit B is a copy of the Form 13F filed with the Securities and Exchange Commission on behalf of Gabelli Funds for the third quarter of 2008, indicating that as of September 30, 2008, Gabelli Funds was the beneficial owner of a total of 19,650 shares of the Common Stock of York.

I have also enclosed a certification on behalf of Gabelli Funds attesting to the fact that Gabelli Funds has been a beneficial owner of at least \$2,000 in market value or 1% of the outstanding Common Stock of York from October 1, 2008 to the present. It also

Bruce C. McIntosh  
October 6, 2009  
Page Two

certifies that Gabelli Funds intends to continue its beneficial ownership of such securities through the date on which York holds its 2010 annual meeting.

We appreciate your consideration of this request. If you require any additional information, please do not hesitate to contact me at (914) 921-7732.

Sincerely,

A handwritten signature in black ink, appearing to read "P.D. Goldstein". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Peter D. Goldstein  
Director of Regulatory Affairs

PDG:km

Enclosures

## SHAREHOLDER PROPOSAL

*RESOLVED: that the shareholders of The York Water Company (the "Company") request the Board of Directors redeem the preferred share purchase rights issued pursuant to the Rights Agreement, dated as of January 24, 2009, unless the holders of a majority of the outstanding shares of common stock approve the issuance at a meeting of the shareholders held as soon as practical.*

## SUPPORTING STATEMENT

As of January 24, 2009, the Board of Directors adopted a Rights Agreement. The Rights represent a corporate anti-takeover device, commonly known as a "poison pill." Absent Board intervention, the Rights are exercisable when a person or group acquires a beneficial interest in 20% or more of the outstanding common stock of the Company. Once exercisable, the Rights entitle holders to purchase shares of the Company's Series B Junior Participating Preferred Stock.

We oppose the use of Rights to prevent a potential bidder from effecting any merger or tender offer that is not approved by the Board of Directors. A poison pill stops a potential bidder from taking its offer directly to the shareholders even if an overwhelming majority would have accepted the offer. The potential bidder must instead negotiate with management, and a Board or management may sometimes have interests that conflict with interests of the shareholders. In effect, the pill allows a Board to arrogate to itself the sole right to determine what price a potential buyer must pay to acquire the entire company. The power of shareholders to accept an offer by a potential bidder provides an important check and balance on management and the Board in their stewardship of the shareholders' interests. We believe the shareholders should retain the right to decide for themselves what represents a fair price for their holdings.

WE URGE SHAREHOLDERS TO VOTE IN FAVOR OF THIS PROPOSAL.

## AFFIDAVIT OF PETER D. GOLDSTEIN

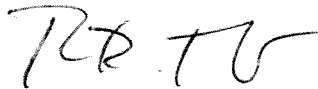
STATE OF NEW YORK )

COUNTY OF WESTCHESTER )

Peter D. Goldstein, being duly sworn, deposes and says:

1. I am Director of Regulatory Affairs of Gabelli Funds, LLC ("Gabelli Funds"). I am fully familiar with facts set forth herein and am authorized to make this affidavit on behalf of Gabelli Funds. I submit this affidavit in connection with the shareholder proposal submitted herewith by Gabelli Funds for inclusion in the proxy statement of The York Water Company ("York") for York's 2010 Annual Meeting of Shareholders.

2. Gabelli Funds has been beneficial owner of at least 1% or \$2,000 in market value of the outstanding Common Stock of York throughout the period since no later than October 1, 2008 through the date hereof. Gabelli Funds intends to continue to be the beneficial owner of such securities through the date on which York's 2010 annual meeting is held. A representative of Gabelli Funds intends to appear in person or by proxy at the meeting to bring up the matter specified in the attached shareholder proposal.



Peter D. Goldstein

Sworn to before me this  
6th day of October, 2009

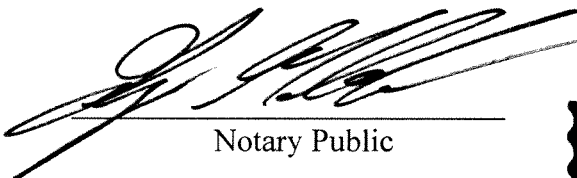
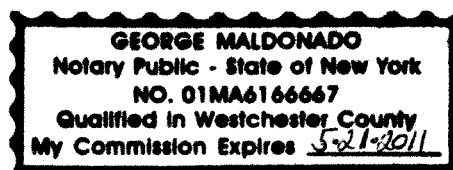
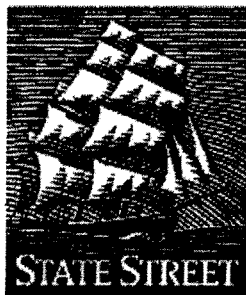
  
Notary Public

Exhibit A.



**STATE STREET.**  
*Serving Institutional Investors Worldwide™*

October 5, 2009

To Whom It May Concern:

This will confirm that Gabelli Funds, LLC has had trading authority (which includes the power to dispose, or to direct the disposition of securities) of 9,000 shares of the Common Stock of The York Water Company held in an account on behalf of The Gabelli Dividend & Income Trust at State Street from October 1, 2008 through the date hereof.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Mann".

Kelly Mann  
State Street Corporation  
Account Manager  
1776 Heritage Drive  
N. Quincy, MA 02170  
617-985-6679

Exhibit B.

Form 13F for the third quarter of 2008 referenced in Exhibit A, filed on November 14, 2008 (complete filing available on EDGAR).