Municipal Authority of Conneaut Lake
Board Meeting
December 11, 2023

Members – Carl McLean, Alan Baldarelli, Mario DeBlasio, Jim Tigri
Members attending via Conference Call – Chris Gates
Others – Steve Halmi, Brian Cagle, Bob Morrow
Absent – Angela Perrine
Visitors – Frank Pelly (Reflections on Conneaut Lake)

Carl McLean called the meeting to order at 6:30 p.m.

Frank Pelly from Reflections on Conneaut Lake attended the meeting to discuss changes he wanted make to the agreement. A discussion took place regarding the changes Mr. Pelly would like to make to the agreement. Mario DeBlasio asked Steve Halmi if he had the results from the pressure study he had performed. Steve Halmi stated he did not look at absolute pressures i.e. he wouldn't be able to tell you what the pressure would be at each house, but the results are able to tell us the difference of what it will be with Mr. Pelly's development on the system versus his development not being on the system, which with the average condition it is going to be a tenth of a PSI - it's going to be minimum. At peak conditions, we anticipate there to be possibly a 3 PSI difference with his development on the system, but that is at peak usage. Carl McLean then asked Steve how many gallons per minute he had considered for going down his line. Steve Halmi answered with - during peak conditions our assumption was 225 gallons per minute to go to Reflections on Conneaut Lake.

Mario DeBlasio made a motion to authorize Steve Halmi to provide a written report regarding pressure drop from the addition of Reflections on Conneaut Lake. Carl McLean seconded the motion. Roll call: unanimous – yea. (Motion carried)

Frank Pelly left the meeting at 7:27 p.m. (to return following Executive Session)

Mario DeBlasio made a motion we enter into Executive Session (to discuss the agreement with Frank Pelly/Reflections on Conneaut Lake. Jim Tigri seconded the motion. (Motion carried)

Executive Session (to discuss the agreement with Frank Pelly/Reflections on Conneaut Lake) began at 7:28 p.m. Executive Session ended at 8:27 p.m. and regular meeting resumed at that time.

Mario DeBlasio made a motion we counteroffer Reflections on Conneaut Lake with two options: option #1 – contract as it remains and he (Mr. Pelly) can accept it, or option #2 – we will modify our contract and reduce the required water to a well(s) that produces 110 gallons per minute and a $100,000 cash payment upon the first delivery of water. Mario modified the previous sentence and stated prior to the first delivery of water. (Brian Cagle clarified with Mario regarding his statement - on the contract as it stands. Brian said I assume you are talking about the contract from November 27, 2023. Mario replied - correct the contract with his (Mr. Pelly) modifications that you (Brian) had no issues to, just some minor modifications). Jim Tigri seconded the motion. Roll call: unanimous – yea. (Motion carried)

Frank Pelly returned to the meeting at 8:30 p.m.

Mario DeBlasio made a motion we authorize the President of the Municipal Authority of Conneaut Lake to enter into an agreement with Reflections on Conneaut Lake with the contract language as of December 5, 2023, with the only amendment being we remove bond requirements for work that is self-performed.

So long as the contract is in the original format specifically requiring 200 gallons per minute or a modified format requiring 110 gallons per minute minimum well production and an additional cash payment of $100,000 to be made prior to the supply of water. (Motion not carried)

Mr. Pelly stated that he would like to decide as he goes along because if he can't get enough water, it still gives him an option.

Mario DeBlasio made a motion we authorize the President of the Municipal Authority of Conneaut Lake to enter into an agreement with Reflections on Conneaut Lake as modified. The agreement will be modified to the contract language as of December 5, 2023. Additionally modified to provide a second option, at the developer's discretion, to provide a well that produces 110 gallons per minimum and a cash payment of $100,000 prior to the delivery of services. Additionally, it will be modified to remove the requirement for bonding by the developer for any work that he self-performs. (Mario asked Brian Cagle if he was comfortable with that and Brian Cagle replied with the addition of - the option can be exercised by the developer until the time water is supplied). Jim Tigri seconded the motion. Roll call: unanimous – yea. (Motion carried)

Frank Pelly left the meeting at 9:30 p.m.

Mario DeBlasio made a motion we raise the employees' rates for fiscal year 2024 to the amount set aside in the budget. Alan Baldarelli seconded the motion. Roll call: unanimous – yea. (Motion carried)

Steve Halmi discussed Conneaut Lake Joint Municipal Authority's (CLJMA) purchase offer. The agreement of sale the CLJMA solicitor prepared offers $2,500 payment and CLJMA will pay for all expenses associated with settlement. And, upon closing, CLJMA will become responsible for the operation and maintenance of the lift station. The generator will remain the property of the seller (MACL) following the closing. The seller (MACL) will provide CLJMA with the use, as need, of the generator.

Mario DeBlasio made a motion we enter into an agreement with CLJMA for the sale of the old sewer plant as per the negotiated terms submitted. Carl McClean seconded the motion. Roll call: unanimous – yea. (Motion carried)

Steve Halmi added the CLJMA agreement stated closing shall occur, at a place to be determined, on or before December 15, 2023.

Mario DeBlasio made a motion we extend the closing time on the agreement with CLJMA to December 31, 2023. Chris Gates seconded the motion. Roll call: unanimous – yea. (Motion carried)

Bob Morrow mentioned there were some items stored at the old sewer plant and was wondering what he should do with those items once the building is sold.

Mario DeBlasio made a motion authorizing, if need be, at Bob's (Morrow) discretion, the rental of a self-storage space of up to $140 per month for the purpose of storing materials that are at the old sewer plant. Jim Tigri seconded the motion. Roll call: unanimous – yea. (Motion carried)

Steve Halmi gave an update that CLJMA passed a motion to award the contract for their upgrade project: General construction went to Gildea Group of Meadville for $6,242,750, and the electrical contract went to McCurley Houston Electric for $1,347,000.

Steve Halmi mentioned he received correspondence from Calvin Ernst regarding his counteroffer.

Alan Baldarelli made a motion we go into Executive Session to discuss (Calvin Ernst's counteroffer).

Carl McLean seconded the motion. Alan Baldarelli revoked his motion. (Motion not carried)

Mario DeBlasio made a motion we table the issue (Calvin Ernst's counteroffer) until our next meeting. Alan Baldarelli seconded the motion. (Steve Halmi stated he wouldn't want to risk tabling the discussion. Steve Halmi recommended to keep the process moving, and if you table it, you risk the process dying. Mario DeBlasio withdrew his motion. (Motion not carried)

Steve Halmi recommended if the board wants to table the discussion to at least counter it with a concept of an option and an amount to be determined.

Mario DeBlasio made a motion we counteroffer (Calvin Ernst) at contract price of $10,000 per year with 2% increases and offer $5,000 for a 10-year right to exercise including access for exploration during that 10-year period. Rental amounts will accrue upon the successful completion of a productive well. Including easement for the pipe and the right to access that pipe at any time. Alan Baldarelli seconded the motion. Roll call: unanimous – yea. (Motion carried)

Brian Cagle left the meeting at 9:40 p.m.

Steve Halmi left the meeting at 9:43 p.m.

Carl McLean made a motion we pay the bills (not presented) and review them next month. Jim Tigri seconded the motion. Roll call: Carl McLean – yea, Alan Baldarelli – yea, Mario DeBlasio – no, Jim Tigri – yea, Chris Gates - yea. (Motion carried)

Minutes of previous meeting – (No Motion was made)
Profit and Loss Statement – (Not presented - No Motion was made)
Aged Accounts **–** (Not presented – Not reviewed)
Bills presented for payment – (Not presented (review next month) McLean/Tigri)

Adjournment – 9:50 p.m. (DeBlasio/Tigri)