MUNICIPAL AUTHORITY OF CONNEAUT LAKE
BOARD MEETING MINUTES – January 13, 2025

Members Present: Alan Baldarelli, Jim Tigri
Members by phone: Carl McLean, Mario DeBlasio, Chris Gates
Others: Steve Halmi, Bob Morrow, Julie McVay
Absent: Brian Cagle

I. Carl McLean called the meeting to order at 6:45 p.m.

II. Reading and Approval of Minutes of the December 9, 2024 board meeting.

MOTION: To approve the December 9th board meeting minutes on a conditional basis once the edits requested by Steve Halmi have been made. (DeBlasio/McLean/Approved). (Motion carried).

III. REORGANIZATION MEETING

a. Election of Temporary Chairperson for Election of Board Chairperson.

MOTION: Steve Halmi will be the temporary Chairperson for the Election of Board Chairperson. (DeBlasio/Tigri/Approved) (Motion Carried).

b. Nomination and Election of Board Chairperson.

MOTION: To close the nominations and appoint Carl McLean as Chairperson of the MACL Board. (Baldarelli/DeBlasio/Approved) (Motion Carried).

c. Nomination and Election of Board Vice-Chairperson

MOTION: To close the nominations and appoint Alan Baldarelli as Vice-Chairperson of the MACL Board. (Tigri/DeBlasio/Approved) (Motion Carried).

d. Appointment of Attorney – Pepicelli, Youngs and Youngs PC

MOTION: Pepicelli, Youngs and Youngs PC have been nominated and appointed as the attorney for the MACL. (McLean/DeBlasio/Approved) (Motion Carried).

e. Appointment of Accounting Firm – McGill, Power, Bell & Associates

MOTION: McGill, Power, Bell & Associates have been nominated and appointed as the accounting firm for the MACL. (McLean/ DeBlasio/Approved) (Motion Carried).

f. Appointment of Bank – Marquette Savings Bank

MOTION: Marquette Savings Bank has been nominated and appointed as our bank of record for the MACL. (DeBlasio/McLean/Approved) (Motion Carried).

g. Appointment of Engineer (two nominations made):

First Nomination for Engineer:
MOTION: KLH Engineers have been nominated by Mario DeBlasio and Carl McLean.
ROLE CALL: McLean yea, DeBlasio yea, Baldarelli abstains, Gates yea, Tigri nay. Motion carried for KLH to be appointed as our Engineer of record for the MACL.

Mario stated he supports his nomination for KLH because it would be a new set of eyes on our system, they represent a variety of water authorities and they have provided us a competitive bid that will save fees compared to our current engineer. Carl and Mario met with the principal, and Mario feels they are a good choice for MACL's future.

Chris suggested we table the motion until next month.

Carl supports the nomination for KLH Engineers stating that he has been disappointed with the way Steve Halmi has handled the new well project, we need to keep our costs down for our customers and KLH's meeting charges will be 50% less. Mario and Carl agreed we can try the new engineer for six months to a year and then determine if it's been a positive improvement for the MACL.

Jim stated that he has not been given a reason as to why we are unhappy with Deiss & Halmi regarding the well situation. Secondly, he doesn't feel the need to change the engineer now; therefore, he cannot vote to change to KLH Engineers.

Alan stated that he just found out today about the issue of changing the engineer so he does not feel as though he has had enough time or facts to make a decision. Alan would like to abstain from voting.

Steve's Response: Steve thanked the MACL for his firm providing over 45 years of service, and he personally, for 25 years of working with the MACL. He stated there have been many successful projects they have handled with very few rate increases such as the pump station design, 2003/2004 water treatment project which included a state grant, updates to MACL rules and regulation, several sewer and water tower projects, many main pumps station upgrades possible despite the DEP mandates, CLJMA relationship and interactions, DEP interactions and water system compliance and no water system violations to date. Additionally, current projects are in the works such as the water tower, CLJMA $7 million project and new water well project. Steve welcomes an opportunity to discuss MACL concerns. He feels they have a great deal of institutional knowledge that is irreplaceable, and second to Bob, no one knows the water/sewer system better than Deiss & Halmi. Steve requests Deiss & Halmi to be re-appointed as engineers of record.

2nd Nomination for Engineer:
MOTION: Deiss & Halmi Engineering have been nominated by Jim Tigri and Alan Baldarelli.

MOTION: For Deiss & Halmi to remain as engineer of record with the MACL.
ROLE CALL: DeBlasio no, Jim yes, McLean no, Gates no, Baldarelli abstains. Motion denied for Deiss & Halmi to remain as engineer of record for the MACL.

MOTION: To retain Deiss & Halmi for a period of two months (concluding March 31, 2025) to assist in transition to KLH engineers. (DeBlasio/McLean/Approved) (Motion carried).

III. REPORTS

Mario DeBlasio / Chris Gates –
Topics below will be tabled to the February 2025 meeting:

a. Discuss and Vote: Revision of the 2025 Budget based on CLJMA increased fees.
b. Discuss and Vote: Revised quarterly CLJMA payments.
c. Discuss and Vote: MACL rate increase for 2025.

Brian Cagle, Attorney –
Topics below will be tabled to the February 2025 meeting due to Brian's absence:

a. Discuss and Vote: Fiscal year change from July 31 to June 30.
b. Discuss and Vote: Riley Paris revised contract

Carl McLean/Mario DeBlasio –

a. Generator for CLJMA – A $2000 offer was made to CLJMA to resolve the generator issue. They countered with a sum of $3000. The MACL has accepted this offer which will relieve us of our responsibility to provide a generator. CLJMA will have their solicitor draw up the revised agreement between us. Carl asked if we ever received the tapes and Beta player and Steve Halmi responded no. Steve commented the tapes would not be of value, but is confident they would be provided if CLJMA is contacted.

MOTION: To pay CLJMA $3,000, to relieve us of our requirement to provide a generator, in perpetuity, as long as the lift station is in place. CLJMA will amend our agreement with them regarding the generator and lift station and provide a copy for our review. (DeBlasio/Baldarelli/Approved) (Motion carried).

Steve Halmi, Engineer –

a. Steve suggests we proceed with the test wells.

b. Water filter project: Three bids were received today and are good for 60 days. Carbon activated crop had the low bid of $22,000 but did not include bonding information as required so they are non-responsive. The other two bids are high. Qualifications of the bidders are not known but can be requested now that their bids are received. Carbon activated will be contacted for their qualifications so that their bid can be considered. Specifications were that the sand had to be removed, tanks cleaned, inspected, disinfected and tested for bacteria prior to being put back into service. Bob wants to be sure our system is not flooded with E. coli when the sand is removed.

MOTION: To table the water filter project and award of bid issue until the February board meeting. (DeBlasio/Baldarelli/Approved) (Motion carried).

c. Steve has NOT gotten a response back from the DEP regarding our request for a meeting regarding the well location discussion.

MOTION: To enter into Executive Session at 7:34 p.m. (DeBlasio/McLean/Approved) (Motion carried).
MOTION: To exit the Executive Session at 7:48 p.m. (DeBlasio/Gated/Approved) (Motion carried).

Bob Morrow, Superintendent --

a. Discussed flows.

b. Customer with sump pump has not responded to our calls or the letter from our attorney giving them 60 days to resolve the matter. The board recommends we consult with our attorney for the next step in the process.

c. Boro maintenance personnel resignation. Discussion to combine the boro maintenance position with the water superintendent position after Bob Morrow's retirement. Bob has stated he plans to work five more years before retiring. Bob stated the requirements for his position would involve training for two years and then testing with the DEP. Bob does not believe it would be productive to combine the two positions due to the nature of the work and the timeline of tasks involved. The idea of immediate cross-training upon hire was discussed since the total training period is approximately three years.

MOTION: To appoint Mario DeBlasio to interface with the Boro for the hiring of a new candidate for boro maintenance and to discuss future possibility of combined position with the MACL Water Superintendent position, (DeBlasio/McLean/Tigri Abstained/Approved) (Motion Approved).

Julie McVay, Secretary/Treasurer –

a. Discuss and Vote: owner of 625 Water Street requesting reduction of late fees owed. The board is not in favor of reducing or waiving penalties on this customer account. Rules and regulations were developed for the MACL to adhere to and exceptions cannot be made.

MOTION: For secretary to enforce Rules and Regulations of the MACL regarding requests to waive penalties on accounts. The owners of 625 Water Street are responsible for all water and sewer charges. Penalties are appropriate, no exceptions can be made. (DeBlasio/Baldarelli/Approved) (Motion Carried).

Alan left meeting at 8:20 p.m.

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b. Discuss and Vote: Payroll vendor comparison quotes and selection for 2025.

MOTION: Paychex has been selected to provide payroll services for MACL in 2025 based on the comparison chart presented by the secretary. (McLean/Tigri/Approved) (Motion).

c. Discuss and Vote: Continue QuickBooks contract of $1000 per year (without payroll module).

MOTION To cancel the QuickBooks payroll module subscription since a payroll service is being hired for 2025. The QuickBooks subscription for 2025 will be renewed at the time a support call is needed at the Secretary's discretion. (DeBlasio/Gates/Approved) (Motion carried).

IV: OLD BUSINESS

V. NEW BUSINESS

a. Profit & Loss Statement – The loss this month was discussed and attributed to the quarterly payment to CLJMA.
MOTION to accept Profit & Loss Statement. (McLean/Baldarelli/Approved) ((Motion carried).

b. Bills paid this month – ***MOTION to accept bills. (McLean/Gates/Approved) (Motion carried).***

Profit and Loss Statement – ***Motion to accept P&L Statement as presented. (McLean/DeBlasio/Approved). (Motion carried).***

Aged Accounts – (Reviewed).

Bills presented for payment –
Motion to pay bills as submitted. (DeBlasio/Gates/Approved) (Motion carried).

Adjournment – ***Motion to adjourn meeting at 8:35 p.m. (McLean/Gated/Approved) (Motion carried).***

Respectfully Submitted,

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Julie McVay, Secretary/Treasurer