MUNICIPAL AUTHORITY OF CONNEAUT LAKE
BOARD MEETING MINUTES – February 10, 2025

I. Carl McLean called the meeting to order at 6:35 p.m.

Members by phone: Carl McLean, Alan Baldarelli, Chris Gates

II. Reading and Approval of Minutes of the January 13th board meeting.

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

III. REPORTS

Carl McLean –

a. Rates and policies for temporary water service, i.e. Lindy Paving.

MOTION: To create a "bulk water rate", delivered from fire hydrants, that includes fees to be determined by KLH (initialization fee, permits, water meter). Water will be sold at $7/1000 gallons with a minimum deposit of double expected usage provided before start of project. Brian Cagle will draft a bulk water agreement for Lindy Paving. (DeBlasio/Baldarelli/Approved) (Motion carried).

Mario DeBlasio / Chris Gates –

a. Discuss and Vote: Revision of the 2025 Budget based on CLJMA increased fees. Our auditor reviewed the past three years and compared three accounts (5056, 5058, 5050) which yielded a $6000 deficit. This deficit does not warrant a customer rate increase. Mario suggests the board make a resolution to tie expenditures to the budget and if the budget doesn't support a project/expense, then it is not done. If there is an emergency for a new expenditure, then the board will reevaluate the need for a customer rate increase to support it. Alan suggested having an emergency fund on the budget to cover any surprise necessary expenses. We handle unforeseen costs by taking monies from other line items, money from our savings fund (CDs). If we are awarded a grant, then the budget will reflect this amount. Implement budget change at fiscal year end of June 30 with a motion in April.
b. Discuss and Vote: Revised quarterly CLJMA payments. Same quarterly amount of $38,000 will be paid to CLJMA in 2025.
c. Discuss and Vote: MACL rate increase for 2025. A rate increase has not been approved; the board feels we are still covering our costs with our current customer rates. The board will defer the topic of a rate increase until March so Chris Gates can further examine the budget, and if necessary, the rate increase will occur in the third quarter of 2025. Mario suggests we have KLH provide recommendations for equitable ways to charge rates.

Brian Cagle, Attorney

a. Discuss and Vote: Fiscal year change can be made from July 31 to June 30. Brian has reported it is acceptable to change our fiscal year as long as our budget is revised to an 11-month time period, the date for our annual report is updated, etc. The budget will be revised by 1/12th to reflect the change in our fiscal year to June 30 before the next board meeting.

MOTION: To change the MACL fiscal year from July 31 to June 30 starting with 2024-2025 fiscal year. (DeBlasio/McLean/Approved) (Motion carried).

b. Discuss and Vote: Riley Paris revised contract. Brian has made the recommended edits to Riley's contract.

MOTION: To approve the amended contract for Riley Paris to develop new water software for MACL. (DeBlasio/Gates/Approved). (Motion carried).

Mario DeBlasio –

a. Generator for CLJMA –

MOTION: To approve amended agreement/release received from CLJMA for their generator purchase along with a $3000 payment from MACL. (DeBlasio/McLean/Approved). (Motion carried).

Julie McVay, Secretary/Treasurer –

a) Discuss and Vote: Updating customer property liens with the courts on an annual basis. Motion denied because of expenses involved.
b. Discuss and Vote: Pay 1st quarter invoice from CLJMA for $38,003.

MOTION: To pay first quarterly payment to CLJMA for $38,003. (DeBlasio/McLean/Approved). (Motion carried).

c. Term expirations for board members were accurate as listed on agenda.

Brian left meeting at 8:35 p.m.

Julie left meeting at 9:00 p.m.

KLH Engineers –

a. Water tower tank. No further inspection needs done based on the content and timing of the last inspection. The tank does need work, but is not urgent at this point. Since a grant was applied for, it will be revisited once we hear back about the grant in September/October. Jim indicated the tank cannot be touched while the grant is pending.
b. Water filter project: Carbon activated Corp. had the low bid of $22,500 with one reference giving a positive review to Steve Halmi. KLH will check with DEP to be sure of their permit requirements. KLH indicated that the cost for a permit, including KLH's work, would not exceed the difference in cost between the low bidder and the second low bidder.

MOTION: To approve the media replacement bid at the filter building as submitted by Carbon Activated. (DeBlasio/Baldarelli/Approved). (Motion carried).

c. KLH has suggested we apply for a PA Small Water and Sewer Grant to establish a safety/security system to monitor the filtration building on a 24/7 basis. Grants need to be applied for by April 30, and KLH can apply for us at a cost of $2,500 per grant application and $1500 for scope investigation related to a plant safety and security.

MOTION: Authorize a $1500 payment to KLH to investigate the data needed for grant application for security monitoring equipment. (DeBlasio/Tigri/Approved) (Motion carried).

d. MACL's current lead service line inventory has been provided to KLH. KLH will provide MACL with the required next steps. KLH recommended that MACL consider a grant application for the investigation of some of the unknown lines.

e. KLH stated the sanitarian will inspect MACL operations in July. They will remind us beforehand.

f. Mario has suggested that KLH give us an estimate for the cost of developing a 5 and 10-year plan for I&I by the May board meeting so that it can be included in our budget. Mario instructed KLH that no money should be spent without board approval first and that CCR reporting efforts be directed to Julie for handling. KLH will be copied on all applicable correspondence but they will take no action on an issue without board approval first. Carl will get them access to our google drive instead of us using their drive.

Bob Morrow, Superintendent –

a. Discussed flows. Flows are down this past month by 20% due to it being a dry season so the infiltration into the sewer system was reduced.

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 the Profit & Loss Statemen as submitted. (DeBlasio/Tigri/Approved) (Motion carried).

b. Aged Accounts – will be reviewed at the March board meeting.

c. Bills paid this month –

MOTION: To approve monthly bills for payment as submitted using Alan's signature stamp. (DeBlasio/Tigri/Approved) (Motion carried).

Adjournment – ***Motion to adjourn meeting at 10:30 p.m. (McLean/Gates/Approved) (Motion carried).***

Respectfully Submitted,

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Julie McVay, Secretary/Treasurer