

Saturday, January 9, 2021 ■ 10:00 a.m. Recorded ZOOM<sup>™</sup> Session

### MEMBER QUESTION/COMMENT

### Ted Martin, MGCA Board Member 202 Third Street

The annual cost of water from the Authority is still an estimate, Members need to understand that those numbers could change. Emphasized that Option #3 will necessitate future maintenance and a certified water operator to monitor the system.

Jenn Kantmann, MGCA Board Member 212 Boehm Avenue With Option #4, why is there a loan provision?

### Jenn Kantmann, MGCA Board Member 212 Boehm Avenue Do we know what the rate increase for the Authority has been?

Sally Marisic, MGCA Board Member 2 Batdorf Avenue The most frequent published P&L shows a Capital Project Fund balance of \$73,667.

## Bill Linton, MGCA Member

#### 211 Seventh Street

Given that there was a grant to tie into the Chautauqua, has the Board investigated asking for a different grant for funding to upgrade our own system.

*Bill Linton, MGCA Member* 211 Seventh Street Would there be a special assessment in 2021 to start this project?

### **RESPONSE (If Applicable)**

MGCA Board Member, Barb Myers affirmed the annual cost estimate for Option #3 in that it includes a part-time certified water operator managing the system. It also includes 5-year and 10-year inspection costs, chemical costs, etc.

MGCA Board Member, Barb Myers responded clarified that the costs associated with constructing the interconnect, demolition/removal of the tank and foundation, and automatic system upgrades to pump house would necessitate seeking a loan to cover expenses.

MGCA Board Member, Barb Myers responded that the Authority has not had a rate increase for a long period of time; however, a 1% increase will be instituted for 2021.

Comment-only; no board response noted.

MGCA Board Member, Kevin Burd responded that the board has inquired about loan options. Once we know the community's course of action, MGCA will then be able to seek grants that may be available. MGCA has also met with PENNVEST, the Commonwealth's financing arm, about the possibility of financing for the project. We investigated additional options and will continue to seek alternate payments sources/options.

MGCA Board Member, Kevin Burd responded that the board has not discussed this option, and is not in favor of a one-time, special assessment. Any increases to the annual assessment should not be seen until 2022.



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### **MEMBER QUESTION/COMMENT**

### Dave Lloyd, MGCA Member 403 First Street If the MGCA joins the Authority, it would double their client load. Have there been discussions with the Authority as to whether this would be a benefit to their current customers and to us and would bring down their rate?

Margaret Hopkins, MGCA Member 505 Glossbrenner Avenue Does Option #2 include a warranty?

Margaret Hopkins, MGCA Member 505 Glossbrenner Avenue Does Option #3 include an asset management program?

Margaret Hopkins, MGCA Member 505 Glossbrenner Avenue MGA would assume liability for the water. What does that mean and how is it different to our current liability for maintaining our own water system?

Margaret Hopkins, MGCA Member 505 Glossbrenner Avenue What is our liability insurance?

Margaret Hopkins, MGCA Member 505 Glossbrenner Avenue \$91 seems very low for asset mgt, inspections, maintenance, and a certified water operator at only a \$10/year increase.

### **RESPONSE (If Applicable)**

MGCA Board Member, Kevin Burd responded that, yes, this has been "asked" of the Authority, but we have received no response to date. So far, we have only been supplied with the MGA current billing information to their existing customers.

MGCA Response—the same guarantee exists as for option 1, one year, but there is no extended warranty.

MGCA Response—yes, the costs for Option #3 do include costs of an asset management program.

MGCA Response—the liability coverage would be the same, it would just be borne by the MGA rather than the MGCA.

MGCA Response—our current insurance policies [umbrella policy] cover the water system.

MGA Response—from Engineering Report: \$18,000 Certified Water Operator with an automated system (no longer the expense of daily testing), \$3,000, annual maintenance, \$900 tank inspections. That comes to \$91/cottage/year.



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Lou LaRicci, MGCA Member 409 Seventh Street With Option #4, would the MGA be using our water strictly for MGCA use or would it be used for their customers as well?

#### Lou LaRicci, MGCA Member 409 Seventh Street

A potential line item in the assessment to create specific capital funds for the water distribution was discussed— what will that cost be?

#### *Trish Lamont, MGCA Member 11 Batdorf Avenue*

T. Lamont stated that she is not comfortable if we turn over our water supply to the Authority without representation on their board.

### Margaret Hopkins, MGCA Member

#### 505 Glossbrenner Avenue

Is it possible for a hydrologist to assess our well? How do we know what kind of long-term life that well has? Is it even possible to assess?

### **RESPONSE (If Applicable)**

MGCA Response—the Authority has told us that they produce enough water to supply their current customers and the MGCA. However, when we join as a customer, part of the conversation would be that they are operating the MGCA well with automated treatment, the water would go across Pinch Road to their storage, and then back again. The water from their three wells and our well would all go into one reservoir before getting pumped back to us. We would receive water in the same way their current customers do—the cost is divided among all customers. The Chautauqua homes/customers are not metered.

MGCA Response—that idea has not been specifically developed yet. The MGCA board is currently working with the Archive Committee to understand our infrastructure system better and to get a sense of what may need to be replaced in the next few years vs. the next ten or 20 years. The board has also asked the Authority if they were willing to assume responsibility for our water infrastructure in addition to the water supply system; however, to date, there has been no response.

Comment-only; no board response noted.

MGCA Response—the Authority and the engineers at Becker Engineering have all stated that the performance of the MGCA well is an asset the community can rely on. As a community, we are looking at options that depend on the long-term viability of the well and this question was been raised to Becker and the Authority. All have indicated that there is no reason to believe that this well will not produce the same amount for years to come.



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### **RESPONSE (If Applicable)**

Comment-only; no board response noted.

Robert Travitz, MGCA Member 502 Second Street B. Travitz thanked the Board for their efforts to date and noted that if the Authority is not interested in growing their business, he [Bob] does not see that we have any option but to pursue replacing our own tank.

*Tim Markovitz, MGCA Member 501 Otterbein Avenue* How deep is the well and what is the recovery of the well?

*Tim Markovitz, MGCA Member 501 Otterbein Avenue* Does the Authority bill their customers, or is it part of their annual assessment? MGCA Member, Barb Myers noted that she will retrieve this information from the most recent DEP reports and will email that information to Mr. Markovitz, as well as include the information in the report for all Members to review.

MGCA Response—the Borough residents receive a separate billing for water from the MGA.