

- 1) How about an option to renew the 15 years for another 15 years at same % increase? I don't think this will be a problem. The attorneys for the two parties should be able to come up with the language in the contract to address this.
- 2) 2%/15 years = 30% increase and 3%/15 years = 45% increase. Would you consider 2% rather than 3%? We stated 2-3%. Operating and CIP cost are expected to increase and consequently so would rates. Those numbers correlate together. In other words, if estimated costs are not expected to rise, neither would rates and vice versa. We are government and not private industry. Subsequently, we're not trying to maximize profits.
- 3) How binding will the contract actually be? If Madison County goes to PUCO with a rate increase will that allow Madison County to adjust the Choctaw Lake rate to the new PUCO rate? Referred to our legal staff 11/02/18. I'm in favor of providing a mechanism that would allow Choctaw BPU to protect themselves from a dramatic rate increase which I'm fine with.
- 4) Senate Bill 66, which conveys the London Correctional Water Plant to the Madison County Commissioners, specifies the county shall be responsible to continue to provide water to the prison at a "reasonable, user negotiated rate." What rate has the county negotiated with the State of Ohio to continue to provide water to the London Correctional Institution? Are we eligible for the same rate and escalation clauses? No. DRC rates were based on their past estimated cost, annual usage, selling the plant to the County for \$1.00 etc... They were offered the following commercial bulk rate. Sewer - \$5.82 per 1,000 gallons. Water - \$3.20 per 1,000 gallons
- 5) Does operate, maintain and repair include the replacement of our infrastructure? No. We intend to use the current distribution system. Since Madison County has not inspected our infrastructure, how can you include the maintenance and replacement costs in the proposal? Madison County has not inspected the infrastructure but has worked with the current operator on estimated cost.
- 6) How about water towers? Water tower maintenance is included in the annual budget. Included as part of your maintenance and replacement program? All operational, maintenance and replacement cost are included as part of the County's Capital Improve Program and budget process.
- 7) How many grains is the water softened to? Question sent to current DRC WTP Operator Robert Fitzgerald.
- 8) How will accepting your offer help solve the copper issue? We believe providing softened water may reduce the number of in-home water softeners which may be contributing to high copper levels. We also recognize that the high level of copper is a multifaceted problem and providing soft water is not a "silver bullet".
- 9) When and to what extent will the LOCI water plant be upgraded/remodeled? This facility is currently operating at 30% capacity without restrictions, so no upgrades are planned. As with all water and wastewater treatment facilities, all equipment and infrastructure are inspected to determine its useful life in order to prepare a Capital Improvement Plan. This plan includes a priority list and time period to perform the work. We're currently working off a report that MS Consultants provided to DRC to assist with their CIP.
- 10) Has an engineering firm developed any general plans? The WTP was upgraded in 2003 and the County has been provided these detailed plans. In 2018, IBI developed a cost estimate for the construction distribution network. This distribution system includes service up SR 38 to

- Summerford, Summerford to Choctaw, Summerford to Lafayette, Lafayette to and I70, I70 to SR 29. MS Consultants was hired to review and confirm these estimates. Has an engineering firm developed any detailed plans? No. We wanted to make sure the property was indeed going to be conveyed over to the county before spending further on our engineering firm. Has an engineering firm prepared any estimates to upgrade the existing plant? Please see above.
- 11) Has an engineering firm developed any detailed plans and estimate to extend the distribution system? No. Only an estimated cost plan. Please see previous questions.
 - 12) Any documentation/discussion on the water quality exiting the water plant? The DRC WTP is operating under EPA guidelines. All documentation is available at the EPA.
 - 13) Is water quality an issue? No. The DRC WTP is operating under EPA guidelines. All documentation is available at the EPA.
 - 14) What will the LOCI capacity be? Has consideration been given to the usage of Choctaw as well as business corridors and communities you are planning to supply? LOCI design capacity is 1,500,000 gallons per day and is currently only operating at 30% capacity. The county could entertain this idea down the road if considerable commercial or residential development occurred.
 - 15) Does your proposal include installation of meters at the county's expense? If the cost of meters will be attached to the homeowner's bill, what is the expected monthly addition? Installation of meters is at the county's expense. However, the installation of meters is not a definite project.
 - 16) Your proposal actually increases monthly fees by charging additional for water used above the monthly average of 7,800 gallons. If you averaged the entire year, you can see how much more water is used in the summer months. Below average users may exceed the 7,800 gallons in the summer. This is in effect raising almost everyone's rates during the summer months and no credit or deduct for those using less water the rest of the year? Will there be a deduct in winter months when usage is less? This is only if meters would be installed. And that is a big if. We were just trying to come up with a fair price based on a recommended average of consumption for a family of 4. We wanted to show the consumer that we wouldn't jack up the rates if meters were installed. We would welcome your input on what you think this number should be. I firmly believe we can agree on a reasonable price. We all just need to figure out what that is.
 - 17) Would the county consider purchasing the CU water plant, towers, well fields and real estate for fair market value? Not currently.
 - 18) What is the target date for turning on the water to Choctaw Lake? 12-18 months from conveyance of the DRC WTP.
 - 19) On May 4th, we were notified the new rate would be around \$38/month along with assuming responsibility for the distribution system. This rate was a considerable reduction from the \$48/month without assuming responsibility for distribution. The \$38 rate appears to be based upon the assumption of receiving a grant to run the pipeline to Summerford. Has this grant been obtained? No and grants are never a guarantee. However, the Commissioners understand the need at Choctaw and are willing to include the cost of the extension to Choctaw in the overall project cost. With that said we will still pursue all grants available.
 - 20) What are the assumptions that underlie the proposed rate of \$38/month? Please refer to the profit/loss sheet provided in previous discussions. I believe that document shows our break even cost most accurately.

- 21) In 2013/2014 the LOCI system experienced a 22.7% increase in water usage. In 2015/2016, the LOCI plant again experienced an increase of 10.2% in water usage. This is a 32.9% increase in usage over 3 years. How much water does the LOCI plant produce? With the state increasing usage by 32.9% over 3 years and Choctaw representing a significant loading, how much water is available for development? The referenced data includes only LOCI and does not consider MCI, OPOTA and BCI. Also, it should be noted that water usage decreased in 2015 by 8.3% and the increase amount from 2014 to 2016 is only 1.19%. In addition, LOCI ceased farm operations beginning in 2016 which has significantly decreased water consumption. According to plant staff the average daily water production is 450,000 gallons or 30% of design capacity. Based on this information the facility can produce an additional 1,050,000 gallons per day.
- 22) Assuming the water system would be setup as an ORC 6119 water district. What would the proposed governing structure be for the LOCI/Choctaw/Future Development water system? How would Board members be selected? Composition of the Board? I do not believe we will need to operate under 6119. However, I sent the question sent to our legal team 11/2/18.
- 23) Senate Bill 2 specified all utilities must have an Asset Management Plan in place by October 1, 2018. What does the Asset Management Plan look like for Madison County/London Correctional Water Plant? Madison County will review the Asset Management Plan provided by DRC and will revise Plan, if needed, to conform with the Asset Plans for our other facilities and with the State of Ohio regulations.
- 24) Community members have expressed an interest in voting for any debt. What total debt is the county planning to encounter as far as remodeling the London Correctional Water Plant & distribution pipelines? For the entire proposed service area? Or just for Choctaw service? Will citizens have the opportunity to vote on this debt? No. Elected Officials make these types of decisions.
- 25) Has the county prepared a water age study to demonstrate the water quality delivered to Choctaw Lake? No. However, we will take the recommendation(s) from our engineering firm MS Consultants.
- 26) Does the existing water plant have any outstanding EPA violations? Not that we are aware of. If so, they will be rectified under the guidance of the EPA.
- 27) The monthly usage rate of 7,800 gallons per month. Since that data was collected, we have had many new homes built in our community. Can we verify 2018 monthly usage and use that volume for price calculations? This information should be available through Choctaw Lake Utilities as they are required to monitor daily flows and should know the number of customers. Once that information is provided an average daily flow can be calculated.
- 28) When infrastructure maintenance/replacement is required at Choctaw will the cost be spread uniformly throughout the Madison County water district? Yes. Does that also apply to the Choctaw Community supporting maintenance/replacement costs throughout the rest of the water district? Yes. However, almost all of the distribution system will be new construction.
- 29) Will combining sewer and water districts impact the cost of sewer services? Districts will not be "combined" but will operate under the Madison County Board of Commissioners. Separate operating funds are used for each water and sewer District. Other sewer related questions that may or may not pertain to this discussion?

A) If we are going to be TOTALLY part of the Madison County water and sewer system, does this mean our grinder pump expenses will be absorbed into the sewer billing?

Grinder pump expenses are already included in the monthly sanitary sewer rate. The examples would be:

1) There are folks here that opted to have the initial grinder expense as part of our property taxes. Others paid upfront. Will there be any rebates on any money paid out and/or "forgive" the amounts still being paid on our property taxes? No, the cost to construct, operate and maintain the sanitary sewer system was determined at the time of construction. Water and sewer funds are totally separate operating funds. From what I'm familiar with, there is about 7 years left in the property tax assessment.

2) Usually, in many communities, the sewer bill reflects the water bill within reason. Will our sewer bill will be reduced to \$38/month or less? Water and sewer funds are separate operating funds and rates are based on the operating cost of each entity. While some communities may have similar water and sewer monthly bills, most communities' rates are significantly different. For example, in the City of London, using 7,800 gallons a month equates to \$45.40 for sewer and \$77.22 for water. Many entities use the usage of one service to estimate the bill for another. This eliminates the need for a sewer meter and a water meter.