



Customer Informational Update

September 11, 2020

Hello and I hope that everyone in the Presque Isle Harbor Association will have a great day today,

I hope you are having a great summer season enjoying the nice temperatures and a lot of time in the great outdoors.

This message is intended to be a brief informational update from the Water Company and is being provided after careful reflection and review of the 2018 and 2019 annual financial summary reports. It is extremely important for our small community Water Company to consider upcoming maintenance work and long term infrastructure needs.

The Water Company continues to see lower than expected annual revenue even though collection efforts for delinquent customers remains successful and a top priority that we work on weekly. I believe this annual revenue shortage has a relationship with property that is under control by local government. It is important to convey the information that property owned by the government does not contribute to the community water system, therefore shifting more of a financial burden to everyone else in the community. At this time I believe over 300 lots are controlled by the county and not helping the community.

The obvious solution to help alleviate this problem is to move these properties into the hands of private property owners as soon as possible.

Regardless of the annual revenue shortage, we continue to work on fire hydrant repairs and replacement. Repairs can be very difficult at times due to the sheer number of hydrants that must be maintained and also due to issues with acquiring parts for hydrants that are no longer supported by a manufacturer. We do our very best to prioritize the hydrant repairs keeping hydrants near homes on top of the “to do” list. This year we are replacing 2 hydrants with much more reliable Mueller fire hydrants that should last a very long time. Mueller hydrants are well known in the water utility industry and widely accepted as the highest quality fire hydrant available.

This past May a full and complete inspection of the elevated water tower has been completed. I would like to convey a big Thank You to everyone that might have experienced some intermittent or fluctuating pressure issues in your home, we appreciate your patience for this essential project. The tower has been inspected by a professional third party tank inspection company and is reported to be in very good condition. However, we must prepare for a painting project to occur sometime in the next 3-5 years to ensure proper maintenance of all surfaces for many years into the future. As you would imagine painting an elevated water tower is very costly but will remain a top priority to keep the interior and exterior surfaces as clean and well maintained as possible.

In light of these issues, the Water Company is being forced to consider a larger than normal rate increase for 2021 to ensure that funding will be available to continue with progress on essential maintenance work around the community. We are carefully considering a rate increase of **\$12 a year**, which could also be interpreted as a rate increase of **\$3.00 a quarter**.

Please contact me with any questions or concerns that you may have.

Enjoy the upcoming beginning to the fall season, your friend,
Kyle

Kyle M. Gallagher

Owner and Operator



Presque Isle Harbor Water Company

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