

**MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING
HELD THURSDAY, JULY 28, 2011 AT 3:00 P.M. IN THE ECUA BOARD ROOM AT
9250 HAMMAN STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL**

Members present: Elvin McCorvey, Chairman
Larry Walker, Vice Chairman
Elizabeth S. Campbell
Dale Perkins

Member(s) absent: Lois Benson

Counsel present: Bradley S. Odom

Staff present: Stephen E. Sorrell, Executive Director
Rick Anderson, Director of Human Resources
Debra Buckley, Director of Finance
Tim Haag, Director of Communications and
Government Affairs
Sharon Harrell, Executive Assistant
Bill Johnson, Director of Engineering
Jim Roberts, Public Information Officer
Randy Rudd, Deputy Executive Director-Shared
Services

ITEM 1 – CALL TO ORDER

Chairman McCorvey called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 3:02 p.m.

ITEM 2 – INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. Perkins provided the invocation and led the Pledge of Allegiance.

ITEM 3 – ADOPTION OF AGENDA

Ms. Campbell added the topic of backflow preventers to the agenda.

A motion was made by Dr. Walker, seconded by Mr. Perkins, to adopt the agenda as presented and amended. Motion carried 4-0.

ITEM 4 – COMMUNICATIONS AND PRESENTATIONS

None.

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ITEM 5 – APPROVAL OF MINUTES

A motion was made by Mr. Perkins, seconded by Ms. Campbell, to approve the minutes of the regular Board meeting of June 23, 2011 as presented. Motion carried 4-0.

ITEM 6 – REPORT OF THE CITIZENS' ADVISORY COMMITTEE 07/20/11

A motion was made by Mr. Perkins, seconded by Dr. Walker, to approve the following recommendations for items 6H through 6K as presented. Motion carried 4-0.

H. Extension of Chemical Contract: Chemical Chlorine

Approve the one-year extension of the contract with DPC Enterprises of Mobile, Alabama, the first of the two optional one-year extensions, at the terms and rates of the existing contract, with funding from the appropriate budget line item.

I. Award of Chemical Contracts: Aluminum Sulfate and Sodium Hypochlorite

Authorize the award of the contract for aluminum sulfate to the low bidder, Southern Ionics, Inc., in the amount of \$213.90 per ton, and sodium hypochlorite to the low bidder, Allied Universal Corporation, in the amount of \$0.089 per pound for one year, with two one-year options to extend, upon agreement of the supplier and the Board, and authorize payment from the appropriate line items from the operating budgets of the different wastewater plants.

J. Award of Bid: Annual Water Well Maintenance and Repair Contract

Authorize award of a one-year contract with two one-year optional extensions upon mutual agreement of both parties, with no increase in price, to Layne Christensen Company, Pensacola, Florida, the only bidder, for the maintenance of the ECUA wells, with funds allocated from CIP Project RW901-Well Maintenance and Testing; and (2) authorize the Executive Director to initiate work as required with subsequent notification to the Board.

K. 20-Year Water System Master Plan Update

Approve the updating of the 20-Year Water System Master Plan for ECUA's water system, and authorize the Executive Director to enter a contract

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with Camp Dresser & McKee (CDM), ECUA's Specialty Water Engineering Services consultant, to perform the 20-Year Water System Master Plan Update with funds in the amount of \$196,248.00 from CIP Project CW607, Mobile Highway Well & Water Treatment Facility.

ITEM 7 – OPERATIONAL ITEMS:

(a) **Award of Bid – Biodegradable Hydraulic Oil**

A motion was made by Mr. Perkins, seconded by Dr. Walker, to award the contract to Terresolve Technologies, Inc., Mentor, Ohio, as the low bidder, for a period of one year at an estimated cost of \$100,000 with two optional one-year renewals. Renewals will be at the same price, terms and conditions as mutually agreed upon by ECUA and Terresolve. Motion carried 4-0.

(b) **Award of Bid – Downtown South/Pen Haven, Phase II Sewer Rehabilitation Cured-in-Place Lining**

A motion was made by Mr. Perkins, seconded by Dr. Walker, to award a contract to Suncoast Infrastructure, Inc., Florence, Mississippi, the low bidder, in the amount of \$3,710,019.70 for the Base Bid and Additive Alternate for construction of the Downtown South/Pen Haven Phase II Cured-in-Place Pipe Lining Sewer Rehabilitation, and establish a project budget of \$3,900,000.00 with funds from CIP Project RS624. Motion carried 4-0.

The Board requested that staff include language in future items indicating if those projects are related to inflow and infiltration (I & I).

(c) **Renewal of Unit Price Contract for Cured-in-Place Pipeline Rehabilitation**

A motion was made by Dr. Walker, seconded by Ms. Campbell, to approve the one-year extension of the Cured-in-Place Pipeline Rehabilitation (RS624M) contract with Insituform Technologies, Inc., up to the contract term in July 2012. Motion carried 4-0.

(d) **Renewal of Unit Price Contracts for Manhole Rehabilitation, Contract A and Contract B**

A motion was made by Dr. Walker, seconded by Mr. Perkins, to approve the one-year extension of the Manhole Rehabilitation Contract A with BLD Services, LLC, and Contract B with SBP, Inc., up to the contract term in July 2012, with funding from CIP Project RS113H. Motion carried 4-0.

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(e) Waiver of Formal Bid Process – Purchase of WeirWasher, Automated Cleaning Systems

A motion was made by Ms. Campbell, seconded by Dr. Walker, to waive the formal bid process and award the purchase of four WeirWasher, ACS, to GillTrading.com, Inc., of Beaverton, Oregon, in the amount of \$82,500 and authorize transfer of funds from CIP Project CS141B – Main Street Plant Replacement to CIP Project CS141J – CWRP in the amount of \$82,500. Motion carried 4-0.

(f) Award of Bid: Perdido Key Drive Gravity Sewer

A motion was made by Dr. Walker, seconded by Ms. Campbell, to award the bid for Perdido Key Gravity Sewer to Construction Labor Services in the amount of \$1,598,381.11, and authorize the Executive Director to approve a change order for control panel design and construction via an existing contract (CS141B) with Automated Control Systems (ACS) in the approximate amount of \$160,000.00 with funding from CIP Projects CS317T and CS317. Motion carried 4-0.

(g) Contract Extension: Valve Maintenance and Management Services

A motion was made by Mr. Perkins, seconded by Dr. Walker, to approve the extension of the annual contract with Wachs Utility Service Company for the location, marking and minor maintenance of water valves in the ECUA distribution system for an additional year (fiscal year 2012), with funding from CIP Project RW402M. Motion carried 4-0.

(h) Motorola Radio Replacement/Lease

A motion was made by Ms. Campbell, seconded by Dr. Walker, to approve a six-year lease payment of \$49,806.09 with funding provided in the appropriate line item of the fiscal year 2011 Sanitation budget. Motion carried 4-0.

(i) Rate Increase for Otto Container Maintenance

A motion was made by Dr. Walker, seconded by Mr. Perkins, to approve Otto's request for a rate increase of \$0.01 per can per month for 2011. Motion carried 4-0.

(j) Compensation Plan Structure

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The Board requested that this item be placed on the Citizens' Advisory Committee agenda for consideration in August. Mr. Perkins inquired as to the impact this restructuring will have in future years.

(k) Real Property Purchase – Lakewood Area Sewer Expansion Phase V

A motion was made by Dr. Walker, seconded by Mr. Perkins, to approve the negotiated Purchase and Sale Agreement, and authorize the Executive Director to execute that document. Motion carried 4-0.

ITEM 8 – INFORMATIONAL REPORTS:

None.

ITEM 9 – EXECUTIVE DIRECTOR'S REPORT:

The following report was presented for information only and did not require any action.

(a) Expenditures approved by the Executive Director – Main Street WWTP Replacement project.

Mr. Sorrell addressed the topic of compressed natural gas (CNG) and conversion of ECUA vehicles to use this type of fuel. He indicated that the emission systems in the trucks have been subject to high maintenance and have been the cause of several fires due to the high temperatures. The cost of the CNG is less expensive, approximately \$1.90 per gallon, and will remain at that level for the next three years. ECUA currently consumes approximately 2,000 gallons of diesel fuel per day. The City of Pensacola has agreed to build two CNG fueling stations - one at our Godwin Lane facility and one at Ellyson. The ECUA will lease the property to them for \$1.00 per year. There is no up-front cost to ECUA. In addition, the general public will be able to purchase CNG at these stations. We plan to purchase eight vehicles in the upcoming year as part of our routine vehicle replacement program.

The City of Pensacola has requested that ECUA provide them with a non-binding letter stating that we are willing to consider an agreement, of which ECUA is currently in negotiations, with the City for the CNG and the locations to build the fueling stations.

A motion was made by Dr. Walker, seconded by Mr. Perkins, to authorize the Executive Director to provide the City of Pensacola with a non-binding letter of interest regarding the use of CNG. Motion carried 4-0.

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Dr. Walker inquired as to the status of the Pay as You Throw program that was presented several years ago. Mr. Sorrell advised that the staff wrote a report and the Board determined this is not a viable program, but he can provide additional information to the Board if necessary.

ITEM 10 – ATTORNEY’S REPORT:

Mr. Odom reported that the day after the last Board meeting, a ruling was received from the Court relative to a discrimination claim filed by an employee against ECUA. Further, the ECUA prevailed, was awarded costs as well, and that case is now over.

Mr. Odom stated that he has been conducting a series of Diversity Training sessions for ECUA employees over that past several months. The training is complete and has been very successful.

ITEM 11 – UNFINISHED BUSINESS:

None.

ITEM 12 – NEW BUSINESS:

Ms. Campbell inquired of staff about the problem of backflow preventer theft, the impact on property owners, the possibility of contamination, and how ECUA is handling the situation.

Mr. Sorrell reported that staff is aware of this problem and are providing the serial numbers from these stolen devices to law enforcement. It is the property owner’s responsibility to replace the backflow preventer. He added there is only positive flow in the backflow preventers, therefore, there is not contamination to the ECUA system.

ITEM 13 – BOARD COMMUNICATIONS

None.

ITEM 14 – OPEN FORUM

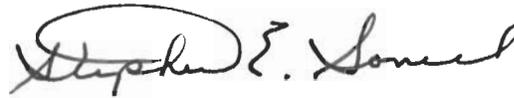
None.

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ITEM 15 – ADJOURNMENT

There being no further business to come before the regular meeting of the Emerald Coast Utilities Authority Board, Chairman McCorvey declared the meeting adjourned at approximately 3:43 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen E. Sorrell". The signature is written in a cursive style with a large, looped initial "S".

Stephen E. Sorrell
Executive Director

APPROVED BY THE ECUA BOARD
IN REGULAR SESSION ON 08/25/11.

- (X) Without corrections/amendments.
- () With corrections/amendments being: