

**MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING  
HELD THURSDAY, DECEMBER 13, 2012 AT 3:00 P.M. IN THE ECUA BOARD  
ROOM AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK,  
PENSACOLA, FL**

**Members present:** Larry Walker, Chairman  
Vicki Campbell, Vice Chairman  
Lois Benson  
Elvin McCorvey  
Dale Perkins

**Counsel present:** Bradley S. Odom

**Staff present:** Stephen E. Sorrell, Executive Director  
Nathalie Bowers, Public Information Officer  
Karen Cooley, Financial Services Manager  
Mike Hamlin, Manager of Utility Development  
Steve Holcomb, Director of Wastewater Infrastructure  
Linda Iversen, Executive Assistant to the Board  
Bill Johnson, Director of Engineering  
David Roberts, Director of Information Technology  
Jim Roberts, Public Information Officer  
Randy Rudd, Deputy Executive Director-Shared  
Services  
Cindy Sutherland, Director of Human Resources and  
Administrative Services

**ITEM 1 – CALL TO ORDER**

Chairman Walker called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 3:04 p.m.

**ITEM 2 – INVOCATION AND PLEDGE OF ALLEGIANCE**

Chairman Walker provided the invocation and led the Pledge of Allegiance.

**ITEM 3 – ADOPTION OF AGENDA**

Mr. Sorrell added Item 11(a) – Award of bid: Mobile Highway Water Facility Storage and Pumping Improvements – to the agenda.

Ms. Benson added under Old Business – Executive Director’s contract, and under New Business - 2013 Legislative agenda.

Board meeting 12/13/12

Chairman Walker added Item 10(b) – “move to rescind CAC at-large appointments until CAC schedule is determined”.

Mr. McCorvey added under Unfinished Business “the ECUA Board schedule and meeting times”.

A motion was made by Ms. Benson, seconded by Mr. McCorvey, to adopt the agenda as presented and amended. Motion carried 5-0.

#### **ITEM 4 – COMMUNICATIONS AND PRESENTATIONS**

Mr. Perkins requested an opinion from the ECUA attorney regarding the item to rescind prior actions relative to the appointment of at-large Committee members.

Mr. Odom stated that if it is the will of the Board to rescind an appointment, it would be within its authority to do so.

Mr. Perkins inquired if this would also include Chairman or Vice Chairman of the Board or any appointments that occurred at the organizational session.

Mr. Odom responded that if the Board desired to change the Chair or some other appointment, it would be within its power to do so.

(a) **Special recognition awards**

Chairman Walker presented Special Recognition awards to out-going Citizens’ Advisory Committee members Deborah Benn and Curtis Brotherton. Out-going Board member Elizabeth S. Campbell, and Committee member James Kirkland, were not available to receive their awards.

Ms. Benn and Mr. Brotherton expressed their pleasure in having the opportunity to work with ECUA and its staff .

(b) **Presentation of Certificate of Achievement for Excellence in Financial Reporting**

Chairman Walker presented the Certificate of Achievement for Excellence in Financial Reporting to ECUA Finance Department representative Karen Coeey.

#### **ITEM 5 – APPROVAL OF MINUTES**

Board meeting 12/13/12

(a) Organizational Board meeting of November 27, 2012

A motion was made by Ms. Campbell, seconded by Ms. Benson, to approve the minutes of the Organizational Board meeting of November 27, 2012 as presented. Motion carried 5-0.

(b) Regular Board meeting of November 27, 2012

A motion was made by Mr. McCorvey, seconded by Ms. Benson, to approve the minutes of the regular Board meeting of November 27, 2012 as presented. Motion carried 5-0.

ITEM 6 - OPERATIONAL ITEMS:

(a) Award of bid: Tank maintenance 2012

A motion was made by Ms. Benson, seconded by Ms. Campbell, to reject all bids received and rebid this work at a later date. Motion carried 5-0.

(b) Award of bid: Bayou Marcus WRF filter cover

A motion was made by Mr. McCorvey, seconded by Ms. Benson, to (1) award a contract to Hewes & Company, Pensacola, Florida, the low bidder in the lump sum amount of \$293,400, for construction of a Filter Cover at the Bayou Marcus WRF, (2) and approve funding from CIP Project RS031 along with a transfer of \$70,000 from Project Contingencies to CIP Project RS031 to provide an approximate 10% contingency. Motion carried 5-0.

(c) Award of Bid and Vendor Selections - Deerfield Estates Lift Station Replacement

A motion was made by Mr. McCorvey, seconded by Ms. Campbell, to authorize the Executive Director to:

1. Award the bid for the Deerfield Estates Lift Station Upgrades to Brown Construction, the low bidder, in the amount of \$229,495.91;
2. Approve a purchase order with Gulf Power for the installation of three phase power; in the estimated amount of \$150,000.00;
3. Approve a purchase order with ACS for supply of control panels in the estimated cost of \$75,000.00; and

Board meeting 12/13/12

4. Approve the purchase of additional property for the lift station site from Mr. Jeff Lee, in the estimated cost of \$500.00;

with funding from CIP Project RS236-Deerfield Estates Lift Station.

Motion carried 5-0.

(d) Davis Highway water service replacements

A motion was made by Ms. Campbell, seconded by Ms. Benson, to waive the standard bid requirements due to time constraints and award the bid for the Davis Highway Water Service Replacements to Evans Contracting, Inc., the low bidder, in the amount of \$48,070, and establish a project budget of \$70,000 with funding from RW507Q. Motion carried 5-0.

(e) Pensacola Beach 2.75 mg ground storage tank

A motion was made by Mr. McCorvey, seconded by Ms. Campbell, to authorize the Executive Director to enter into a contract with The Crom Corporation, as low bidder, for the Pensacola Beach Ground Storage Tank Replacement project for the Base Bid plus Alternate Bid 2 and Alternate Bid 4, in the amount of \$1,212,527.50, with funds allocated from CIP Project RW717G, Pensacola Beach Ground Storage Tank Replacement and additional funds of \$91,960.00 transferred from CIP Project RW717, Elevated Tank Maintenance Main. Motion carried 5-0.

(f) Pensacola Beach renourishment-Sanitary sewer relocation

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to authorize the Executive Director to enter into an inter-local agreement with the Santa Rosa Island Authority for the relocation of a sewer main on Pensacola Beach in conjunction with a beach renourishment project, and establish a project budget in the amount of \$100,000.00 with funds from CIP Project RS624 – Inflow and Infiltration Reduction. Motion carried 5-0.

(g) Emergency Operations Support Addition – Demolition change order

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to approve a change order with Larry Hall Construction, Inc., for the demolition of the structures in the 9300 block of Hamman Avenue, in the total not-to-exceed amount of \$210,000, with a 90-calendar day time extension, and authorize funding from the subject project. Motion carried 5-0.

Board meeting 12/13/12

(h) Selection of architectural design firm-Sanitation Support building renovations

A motion was made by Mr. McCorvey, seconded by Ms. Campbell to approve the Executive Director's review and rankings and authorize the Executive Director to negotiate and execute an agreement with the scope and fees for the architectural services needed for the Sanitation Support Building Renovations, with funding from CIP Project RT201. Motion carried 3-2 with Ms. Benson and Mr. Perkins voting against the motion.

Ms. Benson commented that she had the opportunity to review the submissions by the architectural firms and she would be voting against the motion in that she feels that the selection process was flawed, not due to any irregularities in the outcome and the recommendation by staff, but all appearances need to be above reproach. It's an opportunity for firms to begin to open the door to do business with ECUA and any appearance that this process is not open and above-board and clean, she is not comfortable with, although it appears that any one of the top three firms would do a good job.

(i) Recyclable materials recovery agreement

The following representatives of the Escambia County government addressed the Board concerning this issue, with Mr. Touart requesting that the Board delay such an action for a few years due to the investment the citizens of Escambia County have in the landfill. Mr. Touart further stated that if ECUA proceeded with this agreement, the County would have to close the landfill at a tremendous cost to the taxpayers. Mr. Johnson distributed a paper entitled "Recommended consideration for review of proposed ECUA mixed Waste Processing Agreement" to the Board members for consideration.

Mr. George Touart, Escambia County Administrator  
Mr. Patrick Johnson, Director of Solid Waste  
Mr. Don Hullings of James Edmunds, 730 NE Waldo Road,  
Gainesville, FL

Ms. Campbell stated that she feels ECUA should grant the County's request for additional time to negotiate a deal with the County comparable to the one negotiated with Southern Waste Recovery, as doing so would be beneficial to all County residents. Further this extension should not be open-ended since it would be unfair to ECUA's ratepayers to be held hostage to higher rates longer than 60 days in hopes of an agreement with the County.

A motion was made by Ms. Campbell, seconded by Mr. Perkins, to delay taking action on the agreement with Southern Waste Recovery and give

Board meeting 12/13/12

the County until the close of business on Thursday, February 21, 2013, to present a finalized agreement which both the County and ECUA staff would recommend to their respective elected governing bodies. If such an agreement is not prepared by the time, ECUA staff is directed to proceed with bringing a mixed waste processing agreement with Southern Waste Recovery back to the Board for consideration at its February 28, 2013 meeting. Motion carried 5-0.

An amendment to the motion was made by Ms. Benson that we ask the County, at its January meeting, to roll back the tipping fees to the pre flow control level as a condition of the motion. *Motion died for lack of a second.*

**ITEM 7 - INFORMATIONAL REPORTS:**

None.

**ITEM 8 - EXECUTIVE DIRECTOR'S REPORT:**

Mr. Sorrell presented a photograph of one of ECUA's CNG vehicles that was taken by the truck manufacturer and that the manufacturer plans to display nationwide.

Mr. Sorrell also provided an update on the "pigging" project in the Highway 297A area, stating that of the four miles of the 14 miles that have been "pigged" thus far, 14 tandem dump truck loads of sand, grease and debris have been removed. The estimated cost for this project is \$600,000.

Further, Mr. Sorrell reported that with regard to the ground storage tank project on Pensacola Beach, the mural will not be painted on it until the concrete has cured/weathered and once that occurs, a contract for painting will be issued.

Mr. Sorrell also reported that we are still having clean up concerns at the old Zachary plant and the attorney is working on this issue.

**ITEM 9 - ATTORNEY'S REPORT:**

- (a) Request for clarification of Executive Director's authority to approve change orders without Board approval

Mr. Odom stated this issue arises from a motion that was made at the last meeting, adding that back in 2006 Mr. Sorrell's authority to approve change orders was \$50,000. Further, that was excused and he was given unlimited authority on projects involving the Main Street relocation project. In February of 2012, Mr. Sorrell's authority to approve change orders, or his

Board meeting 12/13/12

purchasing authority, was raised from \$50,000 to \$100,000. The motion made last month was passed to reinstate the \$50,000 failed to acknowledge his purchasing authority had been raised in the interim to \$100,000, causing certain operational questions as to what is the authority of the Executive Director – is it the Main Street related items that are reduced down to \$50,000 and everything else is \$100,000? Further, Mr. Odom stated that there are inconsistent motions in place and asked for clarification from the Board as to what Mr. Sorrell's authority is on change orders.

Ms. Benson stated that the motion was her initiative and her intent was simply to remove the unlimited change orders under the Executive Director's power. Further, she sees the \$50,000 or \$100,000 as a separate issue, as a separate action. As the maker of the motion, Ms. Benson stated that she is comfortable making that cap \$100,000 at this point since it's a different discussion.

A motion was made by Ms. Benson, seconded by Mr. Perkins, to rescind the authority of the Executive Director to have unlimited change orders and to revert to the previously agreed upon \$100,000 limit.

Chairman Walker turned the chairmanship over to the Vice Chairman Campbell and amended the motion to strike the \$100,000 limit on Main Street WWTP related projects and replace it with a \$200,000 limit. The amendment to the motion was seconded by Mr. McCorvey.

The vote on the amendment as made by Chairman Walker failed 2-3 with Messes. Benson and Campbell and Mr. Perkins voting against the motion.

Chairmanship was returned to Chairman Walker.

The vote on the main motion made by Ms. Benson carried 4-1 with Mr. McCorvey voting against the motion.

(b) Mr. Odom reported that regarding property downtown off Baylen Street property that was not connected to the sewer system, and in an attempt to acquire some property on Baylen Street in order to provide sewer service to those residences, they are proceeding with eminent domain to get the property title issues resolved.

(c) Mr. Odom also reported that earlier this week, the FDEP granted a petition for variance on the staffing requirements for water production wells. This was a huge win in that it will save ECUA a lot of money by excusing the requirement that ECUA have operators at each particular site.

Board meeting 12/13/12

(d) Mr. Odom reported that there was an article in the News Journal regarding the numeric nutrient criteria case. There were some concerns about that and he does not think that the article was totally accurate and he is still of the opinion that it was won. Further, it is a very complicated subject and he is available to each individual Board member should the individual members want to discuss it in more detail.

**ITEM 10 - UNFINISHED BUSINESS**

(a) **Executive Director's contract (Benson)**

Ms. Benson stated that she feels that a review of the Executive Director's contract is needed, as is the conducting of a performance evaluation.

A motion was made by Ms. Benson, seconded by Ms. Campbell, to notify Mr. Sorrell that the Board would like to review his contract.

Chairman Walker stated that he does not believe that this requires a motion and that the Board could just request a copy of his contract.

Mr. Odom stated that if the Board would like to renegotiate the contract with Mr. Sorrell, it is obligated to take action before the end of the year in order to tell him that. If no action is taken, then the existing contract, which is through December 31, 2013, would automatically renew until the end of the year 2015. No action was taken.

Chairman Walker requested that Mr. Sorrell provide copies of his contract to each Board member.

Ms. Benson stated that renegotiate is probably not the word that she would use, or have used. She simply wants to review because she feels it should be done every once in a while, and feels it is part of the Board's obligation to look at the contract, look at the job description, every once in a while.

Mr. Perkins stated that he is in favor of establishing a formal evaluation process but is not in favor of reviewing his contract. Mr. McCorvey also indicated that he is not in favor of reviewing Mr. Sorrell's contract.

A substitute motion was made by Mr. Perkins, seconded by Ms. Benson, for the Human Resources Department to develop an annual evaluation mechanism for the Office of the Executive Director.

Board meeting 12/13/12

Mr. McCorvey stated that he does not think the Human Resources Department is in a position to prepare an evaluation for the position of the Executive Director. Further, if the Board wants an evaluation instrument for the Executive Director, then the Board needs to develop that instrument and not the Human Resources Department.

Mr. Odom commented that there is an evaluation process in place that has been used in the past and there is a mechanism that is used in order to do that. The Board Chairman generally looks over that and makes sure it covers the different points that it needs to so that way there does not need to be a meeting in order to discuss those criteria. The attorney receives the evaluations and then the attorney compresses those five evaluations into a single document.

Mr. Perkins' substitute motion was restated by Chairman Walker to direct Mr. Odom to provide the Board with information regarding a proper evaluation instrument for the Executive Director. Motion carried 5-0.

- (b) Rescind CAC at-large appointments until CAC schedule is determined (Walker)

Chairman Walker turned the Chairmanship over to Vice Chairman Campbell and made a motion to rescind the at-large appointments to the Citizens' Advisory Committee that were previously made at the last Board meeting until what the schedule of meetings of the Committee will be and then that the Board elect those at-large members to the CAC. *Motion died for lack of a second.*

- (c) Board meeting schedule (McCorvey)

Mr. McCorvey stated if the Board changes its meeting schedule to 6:00 p.m., he would not be able to attend due to medical reasons. Further, if the Committee meetings are held at 6:00 p.m., he would not be able to attend those either.

Mr. Odom stated that because the entire Board voted on the annual schedule for Board meetings last month, if the Board wants to change the regular meeting time it would take formal Board action.

A motion was made by Mr. Perkins, seconded by Ms. Benson, to keep the meeting dates the same; however, change the meeting time to 2:00 p.m. to accommodate Mr. McCorvey's medical issues. Motion carried 5-0.

Board meeting 12/13/12

**ITEM 11 - NEW BUSINESS**

(a) **Award of bid: Mobile Highway Water Facility Storage and Pumping Improvements**

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to find Jack Moore & Co., Inc., to be an unqualified bidder on this particular project and reject its bid, and that the Board award the contract for Mobile Highway Storage and Pumping Improvements to Vision Construction Ent., Inc., the lowest qualified bidder, for the Base Bid in the total amount of \$2,416,000, with funds allocated from CW607. Motion carried 5-0.

(b) **2013 Legislative agenda (Benson)**

Ms. Benson proposed that ECUA submit something to the local delegation regarding sales tax on fuel. Ms. Benson stated that there are two types of diesel fuels – one type that has dye in it and one type that does not have dye in it. The type with dye in it does not have a sales tax applied and is available only to government entities. For some reason, ECUA is not eligible for the fuel with the dye in it even though ECUA is a governmental entity. Ms. Benson stated that she would propose that ECUA submit to the local delegation and amendment to the ECUA legislation that would change that. This would add the following language that was prepared by the ECUA attorney.

The power and ability to purchase fuel, including but not limited to diesel fuel and gasoline, under the same terms, conditions and exemptions enjoyed by municipalities and counties.

A motion was made by Ms. Benson, second by Ms. Campbell, that we adopt that as a recommendation that we will forward to our legislative delegation. Motion carried 5-0.

It was the consensus that the Board Chairman present this issue.

**ITEM 12 - BOARD COMMUNICATIONS**

None.

**ITEM 13 - OPEN FORUM**

There were no comments from the audience. Mr. McCorvey wished everyone a safe and happy holiday.

Board meeting 12/13/12

**ITEM 14 - ADJOURNMENT**

There being no further business to come before the regular meeting of the Emerald Coast Utilities Authority Board, Chairman Walker declared the meeting adjourned at approximately 5:00 p.m.

Respectfully submitted,



Stephen E. Sorrell  
Executive Director

APPROVED BY THE ECUA BOARD  
IN REGULAR SESSION ON 01/24/13.

- Without corrections/amendments.  
 With corrections/amendments being: