MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING HELD THURSDAY, FEBRUARY 28, 2013 AT 2:00 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
Debra Buckley, Director of Finance
Lydia Fortin, Human Resources Manager
Linda Iversen, Executive Assistant to the Board
Bill Johnson, Director of Engineering
Jim Roberts, Public Information Officer
Randy Rudd, Deputy Executive Director-Shared Services

ITEM 1 – CALL TO ORDER

Chairman Walker called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 2:00 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. Perkins added "discussion on State-mandated water conservation rates" to the agenda.

Mr. Sorrell advised that it was requested that Item 7(c) – Walker Subdivision-request for reimbursement, be removed from the agenda.

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

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ITEM 4 – PRESENTATIONS

None.

ITEM 5 – APPROVAL OF MINUTES

A motion was made by Mr. Perkins, seconded by Ms. Benson, to approve the minutes of the regular Board meeting of January 24, 2013 as presented. Motion carried 5-0.

ITEM 6 - REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE 02/19/13

F. Extension of Contract – Hydrofluosilicic Acid

A motion was made by Ms. Benson, seconded by Mr. Perkins, to approve the extension of the contract with Harcros Chemicals, Inc., of Mobile, AL, for the supply of hydrofluosilicic acid for the first optional year of the two-year option to extend at the terms and rates offered by the supplier, with funding from the appropriate budget line item. Motion carried 5-0.

G. One-Time Leak Adjustment Policy

A motion was made by Ms. Benson, seconded by Mr. Perkins, to change the policy to allow one leak adjustment per customer at 100% of the charges for the first leak and one additional adjustment of 50% of the charges for any other leaks reported by the same customer. Motion carried 4-1 with Dr. Walker voting against the motion.

H. Main Street WWTP Property Site

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to place "for sale by owner" signs on the Main Street WWTP property for a period of seven months; grant the City of Pensacola 72 hours for first right of refusal covering the seven months; for the sum of $5,000 for legal consideration, lease the property to the City of Pensacola for use by the public. The ECUA Board will reconsider the matter at the end of the seven month period. Motion carried 3-2 with Ms. Benson and Dr. Walker voting against the motion.

Ms. Benson stated that this issue was tabled in Committee and she would like to see it remain in Committee.

I. Intergovernmental Relations

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to take no action on this request [to reimburse the City of Gulf Breeze for traffic control in May, 2011]. Motion carried 4-1 with Ms. Benson voting against the motion.

J. Sewer Expansion Program

This issue held in Committee for more in-depth discussion during the budget process.

ITEM 7 - OPERATIONAL ITEMS:

(a) Award of Bid – Systems Operations and Maintenance Building

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to declare all bids for the Systems Operations and Maintenance Building to be non-responsive thereby rejecting all bids, and direct the Executive Director to rebid the project. Motion carried 5-0.

(b) Easement acquisition – Carriage Hills site access

A motion was made by Mr. McCorvey, seconded by Ms. Campbell, to authorize the expenditure of $20,000 for ECUA to acquire the needed easement so as to provide proper access to the Carriage Hills well site, and authorize the Executive Director to execute the appropriate documents for the easement, with funding from CIP Project CW606C. Motion carried 5-0.

(c) Walker Subdivision – request for reimbursement

This item was removed from the agenda.

(d) Surplus furniture/furnishings

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to (1) approve and concur in the findings of the Executive Director regarding the furniture and furnishings; (2) authorize disposition of that property; and (3) dispose of it for value via on-line public auction through the arrangement ECUA has with GovDeals. Motion carried 5-0.

(e) Adoption of Resolution 13-02

Although reflected in agenda order in these minutes, this item was considered following item 5.

Mr. Richard Lott, ECUA Bond Counsel, and Mr. Mitch Owens, ECUA Financial Advisor, addressed the Board explaining Resolution 13-02 and the refunding of the 2001 and 2003 bonds. Mr. Owens stated that the present net savings to ECUA resulting from the bond refunding would be approximately $6,251,000, a 25% savings on the outstanding debt.

A motion was made by Ms. Benson, seconded by Ms. Campbell, to adopt Resolution 13-02 - A RESOLUTION OF THE EMERALD COAST UTILITIES AUTHORITY PROVIDING FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING $25,100,000 UTILITY SYSTEM REFUNDING REVENUE NOTE, SERIES 2013, TO FINANCE THE COST OF REFUNDING ITS UTILITY SYSTEM REVENUE BONDS, SERIES 2001 AND ITS UTILITY SYSTEM REVENUE BONDS, SERIES 2003; PROVIDING FOR THE PAYMENT THEREOF; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; FIXING THE MATURITY, INTEREST RATE, REDEMPTION PROVISIONS AND OTHER DETAILS WITH RESPECT TO SUCH 2013 NOTE; PROVIDING FOR THE APPOINTMENT OF ESCROW HOLDERS AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT WITH EACH ESCROW HOLDER; AWARDING THE 2013 NOTE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; AND PROVIDING AN EFFECTIVE DATE. Motion carried 5-0.

(f) Adoption of Resolution 13-03

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to adopt Resolution 13-03 - A RESOLUTION FINDING CERTAIN ITEMS OF OFFICE FURNITURE AND FURNISHINGS TO BE NO LONGER USEFUL, NECESSARY, OR PROFITABLE IN THE OPERATION OF THE UTILITY SYSTEMS OF THE EMERALD COAST UTILITIES AUTHORITY; AUTHORIZING DISPOSITION OF THAT PROPERTY; PROVIDING AN EFFECTIVE DATE;

and to adopt

(g) Resolution 13-04 - A RESOLUTION AUTHORIZING A TOTAL OF TWO ADJUSTMENTS FOR WATER AND WASTEWATER SERVICE IN CASE OF SUDDEN AND ACCIDENTAL LOSS OF WATER; AMENDING RESOLUTION NO. 91-34; PROVIDING AN EFFECTIVE DATE. Motion carried 5-0.

(h) Escambia County request regarding Southern Waste Recovery Agreement

Although reflected in agenda order in these minutes, this item was considered following Item 7(e), which was considered following Item 5.

Mr. Perkins informed the members that the Escambia County Administrator, George Touart, left a voice mail message on his phone conveying to him ECUA Board member Vicki Campbell's feelings relative to this issue. Mr. Perkins stated that by Mr. Touart leaving such a message, it would constitute a violation of the Sunshine Law and he, therefore, was disclosing this action and stated that this information would not in any way alter his opinion and/or vote regarding this issue. Mr. Perkins provided an audio copy of Mr. Touart's phone message for the official records.

Ms. Campbell also disclosed that Mr. Touart called her and attempted to inform her of a conversation with Ms. Benson and she stopped the conversation and informed him that it would be a violation of the Sunshine Law if he continued and ended the phone call. Ms. Campbell also stated that what she heard from Mr. Touart would not alter her opinion or vote regarding this issue.

Ms. Campbell provided a PowerPoint presentation of her visit to the Rainbow recycling and recovery facility in California last week.

The following individuals addressed the Board relative to this topic.

Mr. Patrick Johnson, Escambia County Solid Waste Department, addressed the Board concerning the Southern Waste Recovery Agreement, stating that the Board of County Commissioners (BCC) will not increase tipping fees and requested that a decision on this agreement be delayed for six months and that the BCC and ECUA work together to lead the way and will be willing to build a facility at the landfill.

Mr. Bruce Shuman, Rainbow Environmental Services, provided a PowerPoint presentation of their facility in California and what is being proposed at this time.

Mr. Perkins stated that he would like to see ECUA and the County to site the facility locally; give them three months, and that the County waive any increase in tipping fees.

Mr. Douglas Sawyers, Arcadis Engineering, 3101 Wilson Road, Arlington, VA, addressed the Board relative to the issue of solid waste and

technological advancements, indicating the proposed technology is viable and the SWR deal is good for the ECUA.

A motion was made by Mr. Perkins to ask the County, consultants and ECUA staff to work on this as a joint project for the next three months and bring those results back to the Board in order to move forward on this project. *Motion died for lack of a second.*

A motion was made by Ms. Benson, seconded by Ms. Campbell, to direct our staff to meet with the County in order to develop a joint agreement to pursue recycling of the nature that has been presented, in collaboration with the County to be done in Escambia County, and to come back with an agreement, or a failure of agreement, in six months.

Chairman Walker turned the Chairmanship over to Vice Chairman Campbell and moved to amend the primary motion to read a three month delay rather than a six month delay. Motion was seconded by Mr. McCorvey.

After further discussion, Ms. Benson withdrew her motion and Ms. Campbell withdrew her second.

Upon questioning, the Assistant County Administrator, Mr. Newsome advised Mr. Patrick Johnson that the County would be willing to waive any increases in tipping fees during the timeframe indicated.

Chairman Walker's motion was restated to delay action on the recommendation from staff on this item until the May meeting and instruct staff to try to work with the county staff, and consultants, and then come back to the Board. Motion carried 5-0.

Chairmanship was returned to Chairman Walker.

Chairman Walker called for a recess at 4:00 p.m. and reconvened the meeting at approximately 4:13 p.m.

(i) <u>Mixed waste processing agreement</u>

No action taken.

(j) <u>2013 Organizational meeting – request for clarification</u>

A motion was made by Ms. Campbell, seconded by Mr. Perkins, to clarify that the November 21, 2013 Board Organizational meeting will be held at 1:45 p.m. Motion carried 5-0.

Discussion was held relative to the day on which the ECUA Citizens' Advisory Committee meeting would be held.

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to return the Citizens' Advisory Committee meeting back to Wednesdays [third Wednesday of each month] beginning with the next meeting [March]. Motion carried 3-2 with Ms. Benson and Mr. Perkins voting against the motion.

(k) Disposition of Surplus Property – Abandoned well site at 5629 Talquin Avenue – Montclair Well No. 3

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to permit Mr. Martin to void his offer to purchase the property for $31,595, and authorize the Executive Director to enter into a contract to sell the parcel for $4,500 to Mr. David Broughton, with all closing and transaction costs to be borne by Mr. Broughton. Motion carried 5-0.

ITEM 8 - INFORMATIONAL REPORTS:

None.

ITEM 9 - EXECUTIVE DIRECTOR'S REPORT

The Executive Director did not have anything to report.

ITEM 10 – ATTORNEY'S REPORT

(a) Mr. Odom stated that a request was received for additional service from an engineering firm and requested that the Board approve the request as was previously discussed in the amount of $370,000.

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to approve the request of the attorney to pay for additional services as previously discussed. Motion carried 5-0.

(b) Mr. Odom informed the Board that the local bill before the legislative delegation has been assigned a tracking number – 1069, and they will be monitoring it.

ITEM 11 – UNFINISHED BUSINESS

None.

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ITEM 12 – NEW BUSINESS

(a) State-mandated Water Conservation Rates

Mr. Perkins requested that staff provide to each Board member all communications/correspondence that has taken place relative to this issue.

ITEM 13 - BOARD COMMUNICATIONS

None.

ITEM 14 - OPEN FORUM

There were no comments from the audience.

ITEM 15 – 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 4:49 p.m.

Respectfully submitted,

Stephen E. Sorrell
Executive Director

APPROVED BY THE ECUA BOARD
IN REGULAR SESSION ON 03/28/13.

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