MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING HELD THURSDAY, SEPTEMBER 26, 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
Linda Iversen, Executive Assistant to the Board
Bill Johnson, Director of Engineering
Jim Roberts, Public Information Officer
Patricia Sheldon, Director of Budgets and Cash Management

ITEM 1 – CALL TO ORDER

Chairman Walker called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 2:03 p.m.

ITEM 2 – INVOCATION AND PLEDGE OF ALLEGIANCE

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

ITEM 3 – ADOPTION OF AGENDA

Mr. Sorrell added to the agenda item 14(a) – Notification of Emergency Purchase – Reus Street emergency sewer main repair.

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 - PUBLIC HEARINGS/RESOLUTIONS:

(a) Continuation of August 29, 2013 public hearing re: establishment of new and revised water and wastewater rates and charges

Chairman Walker convened the public hearing at approximately 2:05 p.m. There were no comments from the audience and the hearing was closed.

(b) Adoption of Resolution 13-13

Although reflected in agenda order in these minutes, final action taken on this item occurred following item 13.

A motion was made by Mr. McCorvey, seconded by Ms. Benson, to adopt Resolution 13-13 - AN AMENDED FINAL RATE SETTING RESOLUTION ESTABLISHING NEW AND REVISED SANITATION DISPOSAL CHARGES.

Mr. Perkins and Ms. Benson inquired if the proposed and approved increase would still be necessary at this point with the improvements at West Florida Recycling being made.

Mr. Sorrell reminded the Board that the original recommended increase from staff was 1.2% and staff still feels they could work with that percentage increase.

A substitute motion was made by Mr. Perkins, seconded by Ms. Benson, to reduce the 3.7% increase to 1.2% based on improvements and sustainability of West Florida Recycling. Motion carried 5-0.

Staff provided a revised Resolution 13-13 based on the Board's action.

A motion was made by Mr. Perkins, seconded by Ms. Benson, to adopt Resolution 13-13 – A FINAL RATE SETTING RESOLUTION ESTABLISHING NEW AND REVISED SANITATION DISPOSAL CHARGES as explained by the Attorney. Motion carried 5-0.

ITEM 5 - OPEN FORUM

Mr. Barry Tweedie, 10395 Old Dairy Lane, addressed the Board speaking against having "Open Forum" at the beginning of the agenda rather than at the end.

ITEM 6 - PRESENTATIONS

None.

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ITEM 7 - APPROVAL OF MINUTES:

A motion was made by Ms. Benson, seconded by Mr. McCorvey, to approve the minutes of the regular Board meeting of August 29, 2013 as presented. Motion carried 5-0.

ITEM 8 - REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE 08/21/13

A motion was made by Ms. Benson, seconded by Mr. Perkins, to approve the following recommendations for items F through K. Motion carried 5-0.

F. Award of Bid – Truck Tire Retread Services

Award a one-year contract, not to exceed $150,000, to Southern Tire Mart of Columbia, MS, as the lowest responsive bidder, with two one-year optional extensions upon mutual agreement of both parties, with no increase in price, to supply services related to the retreading of truck tires for the ECUA fleet. Funding for these services will be provided from the appropriate line item within the Sanitation operating budget.

G. Award of Bid – Granular Activated Carbon

Award the contract for granular activated carbon to Calgon Carbon Corporation, the only bidder, with funding from the appropriate budget line item. This contract is for a period of one-year with an option for two consecutive one-year renewals at the current rate.

H. Award of Bid – Liquid Chlorine

Approve the award of bid for 150 lb. cylinders of liquid chlorine to DPC Enterprises of Mobile, Alabama, the only bidder, at $93/cylinder, with funds in the estimated annual contract amount of $57,660 from the appropriate budget line item.

I. Blanket Purchase Order for Thioguard (Magnesium Hydroxide)

Waive the normal purchasing procedures based on performance trials at Bayou Marcus WRF and the proprietary availability of the product, and approve a one-year supply agreement (September 15, 2013 through September 14, 2014) with Premier Chemicals, LLS, for the sole source purchase of Thioguard at the price of $2.07 a gallon, with funding from the appropriate budget line item.

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J. Write Off Uncollectible Balances

Authorize the Executive Director or his designee to write off as uncollectible accounts receivable in the total sum of $703,911, and make appropriate entries in the financial records of ECUA to reflect the write off of said uncollectible accounts.

These accounts are to be written off solely to enable the Executive Director to carry out his duties in accordance with generally accepted accounting principles and ECUA does not waive any rights it may have to collect said accounts.

K. Purchase of Purafil Odor Control Filter Media

Approve the sole-source purchase of Purafil odor control media from Pump & Process Equipment Incorporated, Pensacola, Florida, the local Purafil sole-source provider, for its use at various ECUA sites, at an estimated total cost of $190,387.20, with funding from the appropriate budget line item.

L. Discussion of Designation of Items to go to Committee

Discussion in Committee only - no action was taken.

M. Discussion of ECUA Transparency

Discussion in Committee only – no action taken.

(1) Recycling update – staff

Discussion in Committee only – no action taken.

ITEM 9 - OPERATIONAL ITEMS:

(a) Award of bid: Barcelona water tank maintenance

A motion was made by Mr. Perkins, seconded by Ms. Benson, to award the contract for Barcelona Street Water Tank Maintenance 2013 to Razorback LLC, the lowest bidder, for the Base Bid (Items 1-6), Alternate Bid Item 7, and Alternate Bid Item 8 in the total contract amount of $735,000, and establish funding of $775,000 (contract amount plus contingency) through a transfer from CIP Project RW717. Motion carried 5-0.

(b) Award of bid: Pensacola Beach water main upgrades

A motion was made by Mr. Perkins, seconded by Ms. Campbell, to award the contract for Pensacola Beach Water Main Upgrades Project 2 to Evans Contracting, the lowest bidder, for the Base Bid in the amount of $581,025.00, with funding through a transfer of $610,000 (Base Bid plus contingency) from CIP Project RW906 to CIP Project RW215A. Motion carried 5-0.

(c) Water Service Renewals 2012 – Change Order #1

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to approve Change Order #1 to the contract with Evans Contracting for Water Service Renewals 2012, for renewal of approximately 1,100 additional water services at the prices in the existing contract for an amount not to exceed $325,000, with funds allocated from CIP Project RW507Q. Motion carried 5-0.

(d) Lift Station #12 (Eastgate) replacement-submersible pumps and appurtenances – owner direct purchase

A motion was made by Ms. Campbell, seconded by Ms. Benson, to (a) waive the competitive bid process for sole-source purchase of the submersible pumps and appurtenances for Lift Station #12; and (b) award a contract to Pump & Process, Pensacola, Florida, for purchase of the submersible pumps and appurtenances in the total amount of $65,458, with funding from CIP Project RS034. Motion carried 5-0.

(e) Downtown South/Pen Haven Phase II sewer rehabilitation – test and seal

A motion was made by Ms. Benson, seconded by Mr. Perkins, to authorize the Executive Director to approve: (1) redirection of a portion of the funding (approximately $340,000) of the original contract with SBP; and (2) a change order for the Downtown South/Pen Haven Phase II Sewer Rehabilitation – Test and Seal contract in the amount of $250,000 and a time extension of 265 calendar days, with funding to be provided by a transfer from CIP Project RS624 – Inflow and Infiltration (master project number) to CIP Project RS624V - Downtown South/Pen Haven Phase II Sewer Rehabilitation – Test and Seal. Motion carried 5-0.

(f) Investment Management services

A motion was made by Mr. Perkins, seconded by Ms. Benson, to authorize the Executive Director to negotiate, in rank order, a contract for

services and fees with the following firms until an agreement with one of the three firms is signed or negotiations are terminated; and authorize the Executive Director to execute a contract for services. The ranking is as follows. Motion carried 5-0.

(1) Davidson Fixed Income Management
(2) Public Trust Advisors
(3) PFM Asset Management

(g) Real estate purchase – Chemstrand Road

A motion was made by Ms. Campbell, seconded by Mr. Perkins, to approve the purchase of the parcel of real property from Cubie L. Braun at 2968 Chemstrand Road, Cantonment, Florida near the entrance of the Central Water Reclamation facility for $80,000, and authorize the Executive Director to execute all documents necessary to effectuate the property purchase. Motion carried 5-0.

(h) Real estate purchase – Lift Station #242

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to approve the purchase of the parcel of real property from UIL Family Limited Partnership near Lift Station #242 for $9,000, and authorize the Executive Director to execute all documents necessary to effectuate the property purchase. Motion carried 5-0.

ITEM 10 - INFORMATIONAL REPORTS

None.

ITEM 11 - 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

Mr. Sorrell also provided a verbal report on the status of the perlite removal at Armstrong Industries, stating Armstrong is working on a method to reduce the perlite by 80%.

Also, Mr. Sorrell advised that ECUA has been requested by Pensacola Naval Air Station to provide a back-up water supply for NAS and staff is presently evaluating the issue.

Mr. Sorrell reported that staff met this week the Homebuilders' Association and received positive feedback from the meeting.

ITEM 12 - ATTORNEY'S REPORT

Mr. Odom provided a verbal update on recent meetings of the City relative to changes to the Land Development Code and its impact of the proposed changes on the value of the Main Street property, stating there is going to be an overlay district and the City appreciated ECUA's support in that regard. Further, Mr. Odom stated they will be meeting again within two weeks and he will keep the ECUA Board informed.

Mr. Odom reported that an employee discrimination case has been concluded with the ruling that ECUA did not violate the law.

Also, Mr. Odom advised that the Conflict Assessment meeting with the City regarding ownership of the Airport well property has been scheduled for October 7, 2013.

Mr. Odom advised that another "Doing Business with ECUA" workshop is coming up soon.

ITEM 13 - UNFINISHED BUSINESS

Chairman Walker inquired if anyone other than NAI Halford, i.e. the City, is promoting the sale of the Main Street WWTP property. Mr. Sorrell advised that to his knowledge, no one else is as that is what the Board hired NAI Halford to do.

Mr. Perkins stated that we should keep an eye on legislation regarding allowing casino gambling in Florida. If that should occur, Mr. Perkins stated the value of the property would for sure go up.

ITEM 14 - NEW BUSINESS

(a) Notification of Emergency Purchase – Reus Street emergency sewer main repair

Information only – no action required.

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ITEM 15 - BOARD COMMUNICATIONS

None.

ITEM 16 - 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 2:54 p.m.

Respectfully submitted,

Stephen E. Sorrell
Executive Director

APPROVED BY THE ECUA BOARD
IN REGULAR SESSION ON _____.

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