MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING HELD THURSDAY, OCTOBER 23, 2014 AT 2:00 P.M. IN THE ECUA BOARD ROOM AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL

Members present:	Larry Walker, Chairman Lois Benson Elvin McCorvey Dale Perkins
Members absent:	Vicki Campbell, Vice Chairman
Counsel present:	Bradley S. Odom
Staff present:	Stephen E. Sorrell, Executive Director Nathalie Bowers, Public Information Officer Debra Buckley, Director of Finance Tom Dawson, Director of Water Production Tim Haag, Director of Government Affairs Amanda Handrahan, Recycling Coordinator Linda Iversen, Executive Assistant to the Board Bill Johnson, Director of Engineering Randy Rudd, Deputy Executive Director-Shared Services Jim Roberts, Public Information Officer Patty 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 2:00 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. Sorrell added Item 14(a) – Purchase Approval: Automated Refuse Containers – to the agenda.

A motion was made by Ms. Benson, seconded by Mr. McCorvey, to adopt the agenda as presented and amended. Motion carried 4-0.

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ITEM 4 - PUBLIC HEARINGS:

None.

ITEM 5 - OPEN FORUM

Ms. Mary Leslie, Pensacola Area Chamber of Commerce, introduced herself and provided copies the Chamber's Annual Report to the members. Ms. Leslie invited the Board to call upon her if the Chamber could be of assistance to ECUA.

ITEM 6 - PRESENTATIONS

None.

ITEM 7 - APPROVAL OF MINUTES

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to approve the minutes of the regular Board meeting of September 25, 2014 as presented. Motion carried 4-0.

ITEM 8 - REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE 10/15/14

A motion was made by Ms. Benson, seconded by Mr. Perkins, to approve the following recommendation for items G through K.

An amendment to the motion was made by Mr. Perkins, seconded by Ms. Benson, that the recommendation for Item K is to conceptually approve the presented joint EC/ECUA letter.

The vote on the amendment carried 4-0. The vote on the main motion as amended carried 4-0.

E. Presentation by Florida Department of Environmental Protection (FDEP) – Backflow Protection Requirements

Committee only/information only.

G. Discussion – Former Main Street WWTP Property Listing Price

To offer owner financing and reduce the listing price to $8.9 million.

H. Extension of Chemical Contract - Granular Activated Carbon

Approve a one-year contract extension with Calgon, the first of the two optional one-year extensions for the purchase and removal of granular activated carbon, at the terms and rates of the existing contract, with funding from the appropriate budget line item.

I. Residential Sewer Lateral Repair/Connection Assistance Program

Approve Option 2 for the creation of a sewer lateral repair/ connection assistance program for: (1) customers with existing laterals in need of repair, as identified through the I/I inspection program; (2) customers who wish to make a new system connection as the result of a sewer expansion project; and (3) for property owners in an existing home (not included in an SP project) to make a new sewer connection as the result of phasing out an existing septic tank, with funding through the CIP budget for I/I and sewer expansion projects.

J. Household Hazardous Waste Processing and Disposal Contract

Authorize the Executive Director to sign a contract with EQ Environmental to provide HHW processing and disposal service based on the current Okaloosa County, Florida contract #53-13, with funding through the appropriate budget line item.

K. Solid Waste Agreement with Escambia County

See amendment to Item K above.

ITEM 9 - OPERATIONAL ITEMS:

(a) Award of bid – Escambia County CDBG Fire Hydrant Program – 2013 Program Year

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to award the contract for Escambia County CDBG Fire Hydrant Program – 2013 Program Year to Underground Solutions, LLC, the lowest bidder, for the Base Bid and three Additive Alternates in the total amount of $113,499.65, with funding from CIP Project RW909M and transfer funds in the amount of $30,000.00 from CIP Project RW906. Motion carried 4-0.

(b) Award of bid – Quietwater Beach sewer improvements and lift station #205 upgrade

A motion was made by Mr. Perkins, seconded by Ms. Benson, to (a) award a contract to Brown Construction of Northwest Florida, Pensacola, Florida, the low bidder, in the total amount of $765,182.73 for the base bid, for the Quietwater Beach Sewer Improvements & Lift Station #205 Upgrade Project, with funding from CIP Project RS949, and (b) authorize a transfer of funds in the amount of $678,000.00, from RS121 - Lift Station Replacement & Upgrading to CIP Project RS949. Motion carried 4-0.

(c) Walker Subdivision – Reimbursement for oversizing

A motion was made by Ms. Benson, seconded by Mr. McCorvey, to authorize the Executive Director to reimburse CIEDA, the developer of Walker Subdivision, $150,000 for oversizing costs on the project with funding from CIP Project CA001-Oversizing Water and Sewer Lines, with CIEDA executing a release which resolves all its issues associated with this project. Motion carried 4-0.

(d) Gorham Road Subdivision low pressure sewer oversizing

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to approve oversizing of the wastewater collection facilities for the proposed Gorham Road low pressure sewer, and establish a project budget of $67,300, with funding from CIP Project CA001 Oversizing. Motion carried 4-0.

(e) Memorandum of Understanding – Mass Notification System

A motion was made by Ms. Benson, seconded by Mr. McCorvey, to approve the Memorandum of Understanding (MOU) with Escambia County and other parties relative to the Mass Notification System, and authorize the Executive Director to execute the MOU on behalf of ECUA, with funding of ECUA's share of the project ($8,983.20) from Operating Contingencies. Motion carried 4-0.

Ms. Benson suggested that ECUA develop a policy for the use of this program. Mr. Sorrell indicated that the group identified (including ECUA) in the Memorandum of Understanding would be meeting to develop such a policy. Ms. Benson indicated she would like to see the policy once it is developed.

(f) Budget amendment – Water and Wastewater and Sanitation Systems

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to approve the following budget amendment in the not-to-exceed amounts for the Water and Wastewater Systems and Sanitation System for fiscal year 2014. Motion carried 4-0.

Sources:

Water and Wastewater System	
Monthly Charges-Water	$ (1,071,000)
Monthly Charges-Wastewater	460,000
Connection Fees	31,200
Sewer Improvement Fees	(11,050)
Impact Fees	786,024
Grant Revenue	1,611,000
Interest Income	281,000
Other Income	518,000
Sanitation System	
Sanitation-Residential	(152,590)
Sanitation-Commercial	394,384
Grant Funds	536,313
Recyclables	(137,053)
Interest Income	(4,311)
Other Income	67,926

Uses:

Water and Wastewater System	
Operating Contingency	$1,095,260
Operating Expenditures	1,509,914
Sanitation System	
Operating Expenditure	2,242,905
Unrestricted Reserves	(1,538,236)

(g) Adoption of Resolution 14-13

A motion was made by Ms. Benson, seconded by Mr. McCorvey, to adopt Resolution 14-13 - A RESOLUTION OF THE EMERALD COAST UTILITIES AUTHORITY FINDING THAT IT IS NECESSARY AND APPROPRIATE FOR IT TO PROVIDE, OPERATE, AND MAINTAIN A SOLID WASTE AND RECYCLABLES

COLLECTION AND DISTRI-BUTION SYSTEM IN SANTA ROSA COUNTY; PROVIDING AN EFFECTIVE DATE. Motion carried 4-0.

Mr. Odom informed the Board that correspondence had been received from a law firm accusing ECUA of predatory pricing, and possible lawsuit if ECUA proceeds. Mr. Odom stated that he feels the accusations contained in the letter are false; however, he had to inform the Board of the receipt of the correspondence.

(h) Fiscal year 2015 budget amendment – Santa Rosa County residential sanitation services

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to approve the following budget amendment for the Sanitation System for fiscal year 2015. Motion carried 4-0.

Sources:

Sanitation System	
Sanitation Monthly Services	$4,968,062
Loan Funds	8,875,313

Uses:

Operating Expenditures	3,640,914
CIP (Cans and Vehicles)	8,875,313
Loan Payments	884,877
Unrestricted Reserves	442,271

ITEM 10 - INFORMATIONAL REPORTS

None.

ITEM 11 - EXECUTIVE DIRECTOR'S REPORT

The following reports were presented for information only and did not require action. Also, Mr. Sorrell informed the Board that Armstrong World has begun paying as agreed in the Consent Order; ECUA will be receiving a major award from the Clean Vehicle Education Foundation and Natural Gas Vehicles for America; and advised that the mouse crossing project was complete as of Monday, October 20 and feels ECUA's costs will be between $400-500,000 and will be bringing an item to the Board for payment once the exact amount is known.

(a) Notification of Emergency Purchase – Piedmont Road
(b) Notification of Emergency Purchase – Coating Repairs-Central Water Reclamation Facility Clarifier Trough
(c) Notification of Emergency Purchase – Government Street Regional Lift Station Screening Area and Stairwell Coating Repairs

ITEM 12 - ATTORNEY'S REPORT

Mr. Odom reported that work on the Barcelona Tank should be resuming soon under contract issued under the Surety. Also, FDEP has found that no ground remediation is necessary due to the fluoride spill at the Airport North well and once FDEP files its report, discussions regarding the ownership of this well will resume with the City of Pensacola.

ITEM 13 - UNFINISHED BUSINESS

Ms. Benson inquired about the impact fee increase reflected in the budget amendment - Item 9(f), and Ms. Buckley indicated that an increase is anticipated due to growth.

ITEM 14 - NEW BUSINESS

(a) Purchase Approval – Automated Refuse Containers

A motion was made by Ms. Benson, seconded by Mr. Perkins, to waive normal ECUA purchasing procedures, find that the proposal submitted by Cascade, Inc., is the best proposed for both ECUA and the customers, and award a purchase contract to Cascade, Inc., to supply automated refuse containers for the Santa Rosa County sanitation system; and that the Board authorize the initial purchase of 42,000 automated refuse containers at the competitively bid National Joint Powers Alliance (NJPA) price of $54.10 each or $2,272,340.00 for the lot, with a reduced price of $53.45 per cart if a yard is provided in Santa Rosa County, with funding to be authorized through future Board action. Motion carried 4-0.

ITEM 15 - BOARD COMMUNICATIONS

None.

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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 2:46 p.m.

Respectfully submitted,

Stephen E. Sorrell
Executive Director and
Secretary

APPROVED BY THE ECUA BOARD
IN REGULAR SESSION ON 11/20/14.

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