MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING HELD THURSDAY, DECEMBER 18, 2014 AT 2:00 P.M. IN THE ECUA BOARD ROOM AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL

Members present: Lois Benson, Chairman
Larry Walker, Vice Chairman
Vicki Campbell
Elvin McCorvey (arrived at 2:07 p.m.)
Dale Perkins

Counsel present: Bradley S. Odom

Staff present: Stephen E. Sorrell, Executive Director
Nathalie Bowers, Public Information Officer
Debra Buckley, Director of Finance
Tim Haag, Director of Government Affairs
Mike Hamlin, Manager of Engineering Projects
Amanda Handrahan, Recycling Coordinator
Stacey Hayden, Project Engineer
Steve Holcomb, Director of Wastewater Infrastructure
Linda Iversen, Executive Assistant to the Board
Bill Johnson, Director of Engineering
Ned McMath, Deputy Executive Director-Utility Operations
Don Palmer, Director Wastewater Reclamation
Randy Rudd, Deputy Executive Director-Shared Services
Jim Roberts, Public Information Officer

ITEM 1 – CALL TO ORDER

Chairman Benson 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

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

ITEM 3 – ADOPTION OF AGENDA

Dr. Walker added "peanuts" and "Soil and Water Conservation Board" to the agenda.

Ms. Campbell added "Northwest Florida Water Management District grant" to the agenda

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

ITEM 4 - PUBLIC HEARINGS:

(a) 2:00 p.m. – Proposed establishment of residential sanitation service charges in Santa Rosa County, Florida

Chairman Benson convened the public hearing at approximately 2:03 p.m. There were no comments and the public hearing was closed.

(b) Adoption of Resolution 14-15

A motion was made by Mr. Perkins, seconded by Dr. Walker, to adopt Resolution 14-15 – A FINAL RATE SETTING RESOLUTION ESTABLISHING RESIDENTIAL SANITATION SERVICE CHARGES IN SANTA ROSA COUNTY, FLORIDA. Motion carried 4-0.

ITEM 5 - OPEN FORUM

There were no comments from the audience.

ITEM 6 - PRESENTATIONS

None.

ITEM 7 - APPROVAL OF MINUTES

A motion was made by Ms. Campbell, seconded by Dr. Walker, to approve the minutes of the Organizational Board meeting of November 20, 2014 and the regular Board meeting of November 20, 2014 as presented. Motion carried 4-0.

ITEM 8 - OPERATIONAL ITEMS:

(a) ECUA *Engineering Manual* update

A motion was made by Ms. Campbell, seconded by Mr. Perkins, to approve the Proposed *Engineering Manual* as ECUA's new *Engineering Manual* with effective date of December 18, 2014. Motion carried 5-0.

(b) Contract renewal – Alk-AQUIT® Plus 71

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to approve a contract extension for one year, with no change in price, with Evoqua Water Technologies for the purchase of Alk-AQUIT® and Bioxide® Plus 71 for $1.45 and $3.49 per gallon, respectively, with funding from the appropriate budget line item. Motion carried 5-0.

(c) Award of bid – Perdido Bay Country Club waterline upgrades

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to award the contract for CIP Project RW306Y - Perdido Bay Country Club Waterline Upgrades to Evans Contracting, the lowest bidder, for the Base Bid in the amount of $626,626.00, with funding in the amount of $660,000.00 to be transferred from CIP Project RW906 - Replacement of Antiquated Water Lines. Motion carried 5-0.

(d) Award of bid - Miscellaneous lift station upgrades, Phase 2

A motion was made by Mr. McCorvey, seconded by Ms. Campbell, to approve: (a) the award of contract to Utility Service Company, Inc., Gulf Breeze, Florida, the low bidder, in the total amount of $2,393,179.19 (base bid plus the additive alternate bid), for the Miscellaneous Lift Station Upgrades, Phase 2; and (b) the transfer of funds in the amount of $1,675,000.00, from Lift Station Replacement & Upgrading - CIP Project RS121 to CIP Project CS142C. Motion carried 5-0.

(e) Adoption of Resolution 14-16

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to adopt Resolution 14-16 - A RESOLUTION FINDING THAT SPECIFIC VEHICLES WILL NO LONGER BE NECESSARY, USEFUL, OR PROFITABLE IN THE OPERATION OF THE UTILITY SYSTEMS OF THE ECUA ONCE ECUA ACCEPTS DELIVERY OF THEIR REPLACEMENTS; AUTHORIZING DISPOSITION OF THOSE SURPLUS VEHICLES VIA ON-LINE PUBLIC AUCTION; PROVIDING AN EFFECTIVE DATE. Motion carried 5-0.

(f) Award of purchase – replacement vehicles-fiscal year 2015

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to approve waiving the normal purchasing procedures and utilize the competitively bid NJPA and Florida Sheriff's Association purchasing contracts to purchase replacement vehicles for fiscal year 2015 in the amount of $2,158,484.81, of which $1,316,317 is approved and available in the fiscal year 2015 CIP Project

RA510 for vehicle replacement, $624,700 from CIP project RS430 - I&I Vehicles, along with a transfer of $220,000 from CIP Project RS624 - I&I Reduction Program; and, that all vehicles listed for replacement be declared surplus and approved to be auctioned once their replacement vehicles are delivered. Motion carried 5-0.

(g) Award of purchase – Sanitation Department vehicles-fiscal year 2015

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to waive the normal bidding process and: (1) award a purchase contract to Action Truck Center of Dothan, Alabama, the authorized Autocar Dealer, at the Texas State Buy Board Purchasing Contract price of $6,498,181 for 24 Autocar Chassis with various refuse collection bodies; and (2) award a purchase contract to Rush Truck Center of Mobile, Alabama, the authorized Peterbilt Dealer, at the Florida Sheriff Association Purchasing Contract price of $2,297,595 for ten Peterbilt Chassis with various refuse collection bodies; with financing for the total combined cost of $8,795,776 for 34 refuse collection vehicles provided through a bank loan, bond issue or a lease purchase through whichever financing program provides the least cost to ECUA; and (3) authorize the Executive Director and legal counsel to execute the associated documents and/or agreements. Motion carried 5-0.

(h) Award of contract – Otto, Inc.

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to waive the normal purchasing procedures and approve the attached negotiated five-year contract with two optional two-year renewals with OCM for automated roll-out cart maintenance services at a starting rate of $.28 per cart per month, with the contract start date of January 1, 2015, and with funding from the appropriate budget line item. Motion carried 5-0.

(i) Initiate projects-fiscal year 2015-Infliltration and Inflow reduction

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to authorize the Executive Director to proceed through bidding with tasks associated with CIP Project RS624 - Infiltration and Inflow Reduction, with funds approved by the ECUA Board as part of the fiscal year 2015 budget. Motion carried 5-0.

(j) Alternate Energy Facility proposals and composting-Central Water Reclamation Facility

A motion was made by Mr. McCorvey, seconded by Ms. Campbell to reject the proposals from Synagro and BESS, and as presented in the companion agenda item, and approve construction of the composting facility at the CWRF through a separate contract. Motion carried 5-0.

(k) Award of bid – Central Water Reclamation Facility biosolids composting

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to (a) waive the errors on the Subcontractor/Supplier Project Plan forms as minor informalities, and accept the revised forms from the contractor; (b) waive the minor informality in the bid received from Utility Service Co., Inc., related to the minimum value for bid item #10, Closeout documentation; (c) award a contract to Utility Service Co., Inc., the low bidder, in the total amount of $1,273,301.72, for the CWRF Biosolids Composting – CIP Project CS425; and (d) transfer funds in the amount of $1,400,000.00 from Project Contingencies (CZ999) to CWRF Biosolids Composting - CIP Project CS425. Motion carried 5-0.

ITEM 10 - INFORMATIONAL REPORTS

None.

ITEM 11 - EXECUTIVE DIRECTOR'S REPORT

Mr. Sorrell provided a report on the status of the proposals received related to the county's request regarding a recycling facility. Mr. Sorrell stated that seven proposals had been received and a proposal review team was established. The team consists of five members – two from the County, two from ECUA and one from the Chamber of Commerce.

Mr. Sorrell also reported on the status of possible resolution of the perlite problem at Armstrong Industries, indicating Armstrong will be shutting down for the Christmas holiday.

Mr. Sorrell also provided reports on wells at CWRF, number of natural gas vehicles in the ECUA fleet, and the number of sanitation cans being delivered for service to customers in Santa Rosa County.

Mr. McCorvey expressed his displeasure with the inability of ECUA customers to get phone calls through to customer service due to the volume of new customers calling to get signed up for service in Santa Rosa County. Mr. McCorvey indicated he felt this should not have happened and stated that he feels Department heads should have dedicated lines so they can be contacted in

the event of an emergency. Mr. McCorvey also suggested that a study be conducted to avoid such problems in the future.

Mr. Perkins commented that staff will be able to figure something out so such a situation will not occur again.

This issue was referred to staff for evaluation.

ITEM 12 - ATTORNEY'S REPORT

Mr. Odom provided an update on the property on Main Street and the contract for purchase by Mr. Studer.

Mr. Odom also advised that at the last meeting, the Board approved the 2015 annual calendar which contained an error in the date for the January meeting – should have been January 29 rather than the 22 – and asked that the Board ratify the correct date as January 29. Further, the calendar was advertised as required with the correct date.

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to approve the 2015 annual calendar with the correct January meeting date of January 29, 2015. Motion carried 5-0.

ITEM 13 - UNFINISHED BUSINESS

(a) Northwest Florida Water Management District grant (Campbell)

Ms. Campbell asked that Mr. Sorrell provide an update on the Northwest Florida Water Management District (NWFWMD) grant to ECUA. Mr. Sorrell reported that a $425,000 grant was approved for ECUA's Pensacola Beach Reclaimed Water System Expansion – Phase 2, which entails design and construction of a ground storage tank, pumping station, and associated piping, which will support subsequent project phases for expansion of the reclaimed water distribution system to serve additional properties on Santa Rosa Island.

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to approve the Executive Director to go forward with any proposed work necessary without having to come back to the Board for approval. Motion carried 5-0.

Mr. Sorrell indicated he would provide reports back to the Board as he has done with prior projects.

(b) Peanuts (Walker)

Dr. Walker stated that should any Board member not want the annual Christmas gift cylinders of peanuts that were provided today, he would gladly accept them.

(c) Soil and Water Conservation Board (Walker)

Dr. Walker stated that the members of the Soil and Water Conservation Board have always been strong supporters of ECUA's environmental efforts. Further, Dr. Walker stated he wanted to recognize the Soil and Water Board for their energetic efforts in supporting ECUA.

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to ask the Executive Director to develop and send a letter to the Soil and Water Board thanking them for their support of many of ECUA goals over the years. Motion carried 5-0.

ITEM 14 - NEW BUSINESS

(a) Ms. Campbell thanked Nathalie Bowers for the 12 days of green Christmas that was published in the December ECUA *Customer Pipeline*, and wished everyone a Merry Christmas.

(b) Chairman Benson reported on her appearance before the Legislative Delegation, and comments received, regarding the proposed changes to ECUA's enabling legislation to permit ECUA to do what ECUA is doing in Santa Rosa County beyond adjacent County boundaries.

Dr. Walker stated he would encourage Mr. Sorrell to encourage the individual Santa Rosa County Commissioners, as well as the ECUA Board, to discuss this issue with the Delegation.

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 Benson declared the meeting adjourned at approximately 3:03 p.m.

Board meeting 12/18/14

Respectfully submitted,

Stephen E. Sorrell
Executive Director and
Secretary

APPROVED BY THE ECUA BOARD
IN REGULAR SESSION ON _____.

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