

**MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING  
HELD THURSDAY, APRIL 23, 2015 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  
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  
Tim Haag, Director of Government Affairs  
Amanda Handrahan, Recycling Coordinator  
Linda Iversen, Executive Assistant to the Board  
Bill Johnson, Director of Engineering  
Doug Patterson, Risk Management/Loss Recovery  
Analyst  
Jim Roberts, Public Information Officer  
Kim Scruggs, Human Resources Generalist  
Patricia Sheldon, Director of Budgets and Cash  
Management  
Cindy Sutherland, Director of Human Resources and  
Administrative Services

**ITEM 1 – INVOCATION AND PLEDGE OF ALLEGIANCE**

Prior to calling the regular meeting of the Board to order, Mr. Perkins provided the invocation and led the Pledge of Allegiance.

**ITEM 2 – CALL TO ORDER**

Chairman Benson called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 1:59 p.m.

**ITEM 3 – ADOPTION OF AGENDA**

Mr. Sorrell added Item 14(a) – Pensacola Beach Tank and Pump Station Facility Bypass Line, to the agenda.

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

**ITEM 4 - PUBLIC HEARINGS:**

None.

**ITEM 5 - OPEN FORUM**

There were no comments from the audience.

**ITEM 6 - PRESENTATIONS**

None.

**ITEM 7 - APPROVAL OF MINUTES**

Mr. Perkins indicated that on agenda page 6, the name Denni should be corrected to Dennis. Also, Mr. Perkins indicated that on page 14 of the agenda, Item 8-I, the recommendation should read "over \$10,000 rather than under".

A motion was made by Dr. Walker, seconded by Mr. Perkins, to approve the minutes of the regular Board meeting of March 26 , 2015 as presented and amended. Motion carried 5-0.

**ITEM 8 - REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE 04/15/15**

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to approve the following recommendations for Items F. through H. and J. through L. as presented. Motion carried 5-0.

**F. Sole Source Purchase – Tertiary Filter Components – CWRP**

Waive the bid requirement for the purchase of the tertiary filter components due to the proprietary nature of the equipment, and approve the issuance of a sole source purchase order to Huber Technologies, Inc., in the total amount of \$112,044.17, with funding available from the CWRP Plant Maintenance operating budget.

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**G. Sole Source Purchase – Taskmaster Grinder**

Waive the bid requirement due to the nature of this equipment and the specific hydraulic conditions required for the installation of the grinder at the Government Street Regional Lift Station, and approve the issuance of a sole source purchase order to Franklin Miller, Inc., in the total amount of \$150,715 for the purchase of one replacement grinder and control system, with funding from the appropriate line item in the Plant Maintenance operating budget.

**H. Award of Purchase – Windrow Turner**

Waive the normal bidding procedures and approve the purchase of a Backhus 21.55 Compost Turner for Windrows from N40, LLC, with pricing based on the competitively bid Houston Galveston Area Council (HGAC) Purchasing Contract at a cost of \$431,497.80, with funding from CIP Project RT400.

**I. Building Demolition – Hollywood Avenue Property**

A motion was made by Ms. Benson, seconded by Ms. Campbell, to refer this issue to staff and Mr. Griffing for establishment of an appropriate price for the property, with the understanding that we are eager to move this along.

A substitute motion was made by Ms. Benson, seconded by Ms. Campbell, to authorize the Executive Director to contract with the real estate group to sell the property for anything over \$10,000, or donate the property for utilization as a park, with the contingency that the property be brought up to code within six months, or demolished. Motion carried 5-0.

**J. Workers' Compensation**

Approve the proposed selection of Florida Municipal Insurance Trust to provide workers' compensation insurance, including the following: (a) 15-month premium of \$681,515 to switch to a fully-insured plan with a \$10,000 per claim deductible; (b) policy period of 7/1/2015 – 10/1/2016; (c) annual takeover claims service fee of \$37,500 plus pre-funding of imprest account; and (d) legal fees associated with takeover claims, with funding related to the first three months (July 1 - September 30), estimated at approximately \$185,350, from the operating contingency fund.

**K. Financing Team for Proposed Series 2015 Bonds**

Approve the ranking for underwriting services for the Series 2015 Bonds, and authorize the Executive Director to negotiate fees with the three (3)

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**Underwriters: Raymond James & Associates – to serve as senior manager, Wells Fargo Securities and First Southwest to serve as co-managers for the ECUA Underwriting Team on the Series 2015 Bond Issue, and authorize the Executive Director to execute all required documents.**

**L. CIP Project Approval – CWRP Tertiary Filter and Chlorine Contact Chamber Bypass**

**Approve a CIP project for the CWRP Tertiary Filter and Chlorine Contact Chamber Bypass for inclusion in the fiscal year 2015 CIP Program, and establish a project budget of \$1,568,887 (including a contingency amount), with funding of \$318,887 from the federal HMGP and \$1.25 million from Project Contingencies.**

**M. Chapter 5 – Cross-Connection Control**

**Mr. Odom outlined the legal high points of the revisions to Chapter 5. Mr. Sorrell elaborated on some of the changes, such as wells not connected to the water supply having to provide a notarized statement rather than installing a backflow device on the well.**

**A motion was made by Mr. McCorvey, seconded by Ms. Campbell, to approve Chapter 5 as presented. Motion carried 3-2 with Ms. Benson and Mr. Perkins voting against the motion.**

**N. Fiscal Year 2016 Capital Improvement Program (CIP) Budget**

**Committee discussion/information only – no action required.**

**ITEM 9 - OPERATIONAL ITEMS:**

**(a) Adoption of Resolution 15-03**

**A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to adopt Resolution 15-03 - A RESOLUTION REVISING CROSS CONNECTION CONTROL REQUIREMENTS; PROVIDING AN EFFECTIVE DATE. Motion carried 3-2 with Ms. Benson and Mr. Perkins voting against the motion.**

**Chairman Benson expressed her concerns with those individuals that proceeded to have a backflow device installed on their well prior to the revisions that no longer requires such action.**

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Chairman Benson passed the gavel to Vice Chairman Walker and made a motion, seconded by Ms. Campbell, that for individuals who installed the backflow prevention devices, those that had an independent well not connected to the ECUA system, be referred to staff on a case-by-case basis so they could work with them on a buy-back program if appropriate.

Mr. Odom clarified the motion stating it was to refer to staff so they could analyze the unique circumstances and make decisions as felt appropriate.

Chairman Benson indicated that is what she intended to say.

Motion carried 4-1 with Dr. Walker voting against the motion.

The Chairmanship was returned to Chairman Benson.

(b) Award of bid: Lift Station #64 (Scenic Highway and Langley Avenue)

A motion was made by Ms. Campbell, seconded by Dr. Walker, to award the contract for the Scenic and Langley Lift Station #64 project to Talcon Group LLC, the lowest bidder, for the Base Bid in the amount of \$991,006.00, with funding from CIP Project RS419 and a transfer of \$650,000.00 from CIP Project RS121 - Lift Station Replacement and Upgrades. Motion carried 5-0.

(c) Award of bid: Easement/Access maintenance program-Lift Station #97 and Robin's Ridge

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to award the contract for the Lift Station #97 and Robin's Ridge improvements project to Principle Properties, the lowest bidder, for the bid in the amount of \$83,561.00, and establish a project budget with funding in the amount of \$100,000.00 from CA515 - Easement/Access Maintenance. Motion carried 5-0.

(d) Award of bid: Easement/Access maintenance program-Lift Station #11 and Baysprings Drive

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to award the contract for the Lift Station #11 and Baysprings Drive Improvements project to Principle Properties, the lowest bidder, for the bid in the amount of \$62,250 and establish a project budget with funding in the amount of \$80,000 from ICP Project CA515 - Easement/Access Maintenance. Motion carried 5-0.

(e) Renewal of the Annual Unit Price Contract for cleaning and television inspection of sanitary sewer mains

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A motion was made by Dr. Walker, seconded by Mr. McCorvey, to approve the one-year extension of the Cleaning and Television Inspection of Sanitary Sewer Mains contract with SBP, Inc., for a second year, at the contract bid price, with funding from CIP Project RS624X. Motion carried 5-0.

(f) Pensacola Beach Water Storage Tanks and Pump Station site erosion control

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to approve the proposed agreement between ECUA and SRIA which allows ECUA to access SRIA property near the ECUA Pensacola Beach water storage tanks and pump station site to address erosion, and authorize the Executive Director to execute the agreement. Motion carried 5-0.

(g) Interlocal Cost-Sharing Agreement with Escambia County – Olive Road East, Phase I and II

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to authorize the Executive Director to enter into the Interlocal Cost-Sharing Agreement with Escambia County for the County's Olive Road Drainage and Roadway Improvement Projects, with funding of any incurred costs from CIP Projects 302A and CR302B. Motion carried 5-0.

(h) Contract for Bond Counsel and Disclosure Counsel services

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to (1) exempt the procurement of Bond Counsel and Disclosure Counsel services from the competitive bidding requirements and retain the law firm of Bryant Miller Olive under the same prices secured by the Board of County Commissioners for Escambia County, Florida in 2012; and (2) authorize the Executive Director to negotiate prices and terms under which Bryant Miller Olive will provide other professional services which are not included within the scope of the County's contract. Motion carried 5-0.

Mr. Richard Lott, Bond Counsel, was present and explained the need for the proposed services that are outside the realm of bond counsel services.

Mr. Odom explained that it applies to certain loan agreements.

ITEM 10 - INFORMATIONAL REPORTS:

The following report was for information only and did not require action.

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- (a) Investment Portfolio Summary Report

**ITEM 11 - EXECUTIVE DIRECTOR'S REPORT**

The following reports were for information only and did not require any action.

- (a) Notification of Change Order #1 approval – Cantonment area lift station replacement
- (b) Notification of Emergency Purchase – Warrington Site Transmission Main Interruption Plan

Mr. Sorrell also reported that the Pensacola Beach WWTP permit had been issued and has a 30-day appeal period; however, it could only be appealed by either FDEP or ECUA. Further, the permit is for five years.

Mr. Sorrell stated that the compost grinding operation has been approved by the County and ECUA will be in the composting business real soon. Once it is properly composted, it will be sold as a soil amendment.

Further, Mr. Sorrell made the members aware that old maps, over 100 years old, of the downtown sewer system had been framed and are displayed on the walls outside the Board room area. Also, Mr. Sorrell displayed a large sample of old creosote pine water line from the 1800s that a contractor dug up in the downtown area.

Mr. Sorrell invited all members to the Employee Recognition Picnic scheduled for May 14 at the Ellyson headquarters.

Mr. McCorvey commented that it is good that ECUA has stopped using the Rolling Hills facility due to recent negativity related to that site.

Dr. Walker inquired about the reuse of reclaimed water on Pensacola Beach as it relates to the five year permit renewal. Mr. Sorrell responded that it is within the time but cannot guarantee as there are some things that are beyond his control.

Dr. Walker also expressed his appreciation of the new positive relationship that is being experienced with the County Commission.

Mr. Perkins expressed his appreciation of staff's continued work with the environmental group that wants the Pensacola Beach plant moved off the Island.

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**ITEM 12 - ATTORNEY'S REPORT**

Mr. Odom reported that notice has been received from the City that they are going to be objecting to ECUA reparations of the Airport North well.

Also, Mr. Odom advised of an issue that he will be working on, and bringing back to the Board in the future, concerning the opportunity to acquire some property that staff has been seeking and has brought to light an issue that is not addressed with the Purchasing Procedures and action that will be needed to take place.

Dr. Walker suggested that ECUA contact the City and tell them we will shut-down the well and sell them the property.

Mr. Perkins stated the Chairman should meet with the City representatives in hopes that she could convey to them the importance of the well. Chairman Benson indicated she would be happy to meet with the City and discuss this issue.

**ITEM 13 - UNFINISHED BUSINESS**

None.

**ITEM 14 - NEW BUSINESS**

(a) **Pensacola Beach Tank and Pump Station Facility Bypass Line**

Notification of emergency purchase only – no action required.

**ITEM 15 - BOARD COMMUNICATIONS**

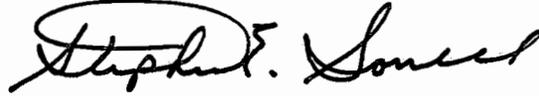
Mr. Perkins advised that he received in the mail a packet from Mr. Creek on Kirsten Drive concerning some sewer problems he had been having and he is passing the packet on to the Executive Director so staff can review and take action.

**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 2:58 p.m.

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Respectfully submitted,



Stephen E. Sorrell  
Executive Director and  
Secretary

APPROVED BY THE ECUA BOARD  
IN REGULAR SESSION ON 05/28/15.

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