MINUTES OF THE ECUA CITIZENS' ADVISORY COMMITTEE MEETING HELD WEDNESDAY, APRIL 15, 2015 AT 2:00 P.M. IN THE ECUA BOARD ROOM AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL

Members present:	Elvin McCorvey, Chairman Vicki Campbell, Vice Chairman Deborah Benn Lois Benson Tim Common Chuck Kimball Dale Perkins Hurey Smith Larry Walker
Members absent:	Charles Green Louise Ritz Kelley Thompson
Counsel present:	Bradley S. Odom
Staff present:	Steve Sorrell, Executive Director Nathalie Bowers, Public Information Officer Debra Buckley, Director of Finance Karen Cooey, Financial Services Manager John Daane, Director of Information Technology Tom Dawson, Director of Water Production Gloria Driver-Wittaker, Laboratory Manager Lydia Fortin, Human Resources Manager Tim Haag, Director of Government Affairs Linda Iversen, Executive Assistant to the Board Doug Patterson, Risk Management/Loss Recovery Analyst Randy Rudd, Deputy Executive Director-Shared Services Jim Roberts, Public Information Officer Kimberly Scruggs, Human Resources Generalist Patricia Sheldon, Director of Budgets and Cash Management Cindy Sutherland, Director of Human Resources and Administrative Services

ITEM A - CALL TO ORDER

Chairman McCorvey called the regular meeting of the ECUA Citizens' Advisory Committee to order at approximately 1:58 p.m.

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ITEM B - INVOCATION AND PLEDGE OF ALLEGIANCE

Ms. Benson provided the invocation and led the Pledge of Allegiance.

Chairman McCorvey requested that Vice Chairman Campbell Chair the meeting and passed the gavel to her.

ITEM C - ADOPTION OF AGENDA

A motion was made by Mr. Common, seconded by Mr. McCorvey, to adopt the agenda as presented. Motion carried 9-0.

ITEM D - OPEN FORUM

Mr. Barry Tweedie, 10395 Old Dairy Lane, Pensacola, FL, addressed the Committee suggesting that the ECUA get out ahead of the issue of moving the Pensacola Beach WWTP by letting the public and Pensacola Beach residents know what would be involved and the expense associated with such an undertaking.

Mr. Sorrell reported on what would need to take place to get the AWT effluent from the beach to the mainland, what would occur with utilization of the reclaimed water, and the expense to the beach residents which would be approximately $35,000 per customer. Mr. Sorrell stated he does not recommend it even though it could be done.

Ms. Benson expressed her concerns with the statements that are being made about the plant that are placing ECUA in a bad light. Further, those that are promoting this idea are not asking the important questions and understanding the impact such an undertaking would have.

Mr. McCorvey suggested that the information just provided by Mr. Sorrell be disseminated to the residents on the beach, as well as all ECUA customers.

Mr. Perkins stated that he would be interested in having the environmental group that is pushing to have the plant removed to come in and meet with staff.

Mr. Smith stated that a reply in the newspaper as explained at this meeting would be good for the general public.

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Ms. Benson suggested that perhaps a meeting with the News Journal Editorial Board would be effective, and perhaps something with regard to this be placed in the bills to the customers on Pensacola Beach.

ITEM E - APPROVAL OF MINUTES

A motion was made by Ms. Benson, seconded by Mr. Smith, to approve the minutes of the regular meeting of March 18, 2015 as presented. Motion carried 9-0.

ITEM F - SOLE SOURCE PURCHASE – TERTIARY FILTER COMPONENTS – CWRF

A motion was made by Mr. Kimball, seconded by Mr. McCorvey, that the Board 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 CWRF Plant Maintenance operating budget. Motion carried 9-0.

ITEM G - SOLE SOURCE PURCHASE – TASKMASTER GRINDER

A motion was made by Mr. McCorvey, seconded by Mr. Common, that the Board 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. Motion carried 9-0.

Ms. Benn inquired about the utilization of sole source providers, asking if ECUA is seeing more of this. Mr. Sorrell responded that ECUA goes out to bid on most everything, but there are times that sole source providers are utilized.

ITEM H - AWARD OF PURCHASE – WINDROW TURNER

A motion was made by Mr. Common, seconded by Mr. Kimball, that the Board 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. Motion carried 9-0.

Mr. Common inquired about the financial benefits of this program down the road. Mr. Sorrell responded that at this point it is difficult to say what the financial benefits would be; however, in the long run there would be positive financial benefits in the wastewater area and the sanitation operations.

ITEM I - BUILDING DEMOLITION – HOLLYWOOD AVENUE PROPERTY

A motion was made by Ms. Benson, seconded by Mr. McCorvey, that the Board reaffirm that the property located at 4302 Hollywood Avenue is not necessary, useful, or profitable in the operation of utility systems of ECUA, approve and concur in the findings of the Executive Director that the structure on that property has a negative value, and authorize the demolition of that structure.

Mr. Perkins suggested that perhaps it would be better for ECUA financially to give this property away rather than going through the expense of demolition. Mr. Odom explained that ECUA cannot give the property away; however, it could be sold for a very nominal amount, such as $1.00.

Mr. Sorrell stated that the realtors have indicated that the vacant property possibly could be sold for $60-80,000, although he could not see that it would. Mr. Sorrell also reminded the Committee of the asbestos issue.

Mr. Perkins suggested allowing the real estate group to place it on the market for $10,000 as is.

A substitute motion was made by Mr. Perkins, seconded by Ms. Benson, to authorize the Executive Director to contract with the real estate group and sell the property for anything under $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.

The vote on the substitute motion carried 9-0 and the vote on the substitute motion as the main motion carried 9-0.

ITEM J - WORKERS' COMPENSATION

A motion was made by Mr. Perkins, seconded by Mr. Common, that the Board 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. Motion carried 9-0.

Ms. Kimberly Scruggs and Ms. Lydia Fortin responded to questions from the Committee and provided their reasoning for deciding to make the recommendation presented to the Committee.

ITEM K - FINANCING TEAM FOR PROPOSED SERIES 2015 BONDS

A motion was made by Mr. Kimball, seconded by Ms. Benn, that the Board approve the ranking for underwriting services for the Series 2015 Bonds, and authorize the Executive Director to negotiate fees with the three (3) 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. Motion carried 9-0.

ITEM L - CIP PROJECT APPROVAL – CWRF TERTIARY FILTER AND CHLORINE CONTACT CHAMBER BYPASS

A motion was made by Ms. Benn, seconded by Mr. Common, that the Board approve a CIP project for the CWRF 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. Motion carried 9-0.

Chairman Campbell declared a recess from 3:15-3:30 p.m. The meeting was reconvened at approximately 3:28 p.m.

ITEM M - CHAPTER 5 – CROSS-CONNECTION CONTROL

Mr. Odom explained the changes to Chapter 5 of the *ECUA Code*.

A motion was made by Mr. Common, seconded by Mr. McCorvey, that the Board approve Chapter 5 as presented. Motion carried 5-4 with Ms. Benson and Messrs. Common, Kimball and Perkins voting against the motion.

Mr. Sorrell elaborated on the changes made and the processes to be utilized relative to the requirements therein; stating that the changes accomplished what staff was directed to do. Mr. Sorrell also indicated that FDEP was in agreement with those changes.

Chairman Campbell stated that she would like to have letters sent out to all customers if this passes, and also stated she was concerned about those customers that immediately went out and had the installations made and now it is indicated they should not have. Chairman Campbell further stated that she would like to have consideration given to reimbursing those individuals.

ITEM N - FISCAL YEAR 2016 CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

Discussion/Information only – Mr. Sorrell indicated that the Operating budget would most likely be presented to the Committee in June and the CIP budget would be considered following approval of the Operating budget.

It was requested that staff place the project data sheet page numbers on the list of projects.

Mr. Kimball indicated he would like to have additional detailed information on the septic tank abatement projects.

ITEM O - INFORMATIONAL REPORTS:

(1) Regional Services monthly report – March 2015
(2) Water Production monthly report – March 2015
(3) Water Reclamation monthly report – February 2015

Mr. Perkins stated he would like to give staff "kudos" for the great environmental message/information they are providing. Mr. Sorrell advised that the effort is attributable to Mr. Jim Roberts.

Mr. Common stated that he would like to see project progress financial reports provided to the CAC. Staff advised that this is already being provided through the financial reports.

ITEM P - UNFINISHED BUSINESS

None.

ITEM Q - NEW BUSINESS

Mr. Smith reported on his recent trip to California, stating that he observed "overhead squirrel crossings" for squirrels to get across a four-lane highway to the beach. Mr. Smith indicated this reminded him of the recent issue ECUA had with the FDOT requirement for "mouse crossings" on Perdido Key.

Mr. Kimball inquired about the previous action regarding the budget for advertising. Mr. Sorrell reported the information was provided to the CAC at a recent public meeting and that this effort has been a very positive one and gone very well.

ITEM R - ADJOURNMENT

There being no further business to come before the regular meeting of the ECUA Citizens' Advisory Committee, Chairman Campbell declared the meeting adjourned at approximately 3:52 p.m.

Respectfully submitted,

Stephen E. Sorrell
Executive Director and
Secretary

APPROVED BY THE ECUA CITIZENS' ADVISORY COMMITTEE IN A MEETING ON _____.

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