MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING HELD THURSDAY, JANUARY 28, 2016 AT 2:00 P.M. IN THE ECUA BOARD ROOM AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL

Members present:	Lois Benson, Chairman Dale Perkins, Vice Chairman Elvin McCorvey Larry Walker
Members absent:	Vicki Campbell
Counsel present:	Bradley S. Odom
Staff present:	Stephen E. Sorrell, Executive Director Nathalie Bowers, Public Information Officer John Daane, Director of Information Technology Tim Haag, Director of Government Affairs Steve Holcomb, Director of Wastewater Infrastructure Linda Iversen, Executive Assistant to the Board Bill Johnson, Director of Engineering Doug Patterson, Risk Manager Jim Roberts, Public Information Officer Patricia Sheldon, Director of Budgets and Cash Management Cindy Sutherland, Director of Human Resource 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 2:00 p.m.

ITEM 3 – ADOPTION OF AGENDA

Mr. Sorrell added the following item to the agenda:

14(a) - Notification of Emergency Purchase – Lift Station Pump Replacement – Pensacola Beach wastewater treatment plant no. 2 influent

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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 4-0.

ITEM 4 - PUBLIC HEARINGS

None.

ITEM 5 - OPEN FORUM

The following individuals addressed the Board requesting that they be reimbursed for repairs to their private sewer laterals, as well as connection/ impact fees, indicating that they hired a plumber that was relying on ECUA maps as to the lateral locations that proved to be incorrect. Further, once the plumber repaired/replaced the lateral(s), it was discovered that one particular lateral served two homes and thus one home was unknowingly removed from service which resulted in sewage backing up in the home and the homeowner having to re-plumb their entire home.

Mr. Michael Rogers
211 "H" Street
Pensacola, FL 32501

Mr. Harry Davis
2120 N. 12th Avenue
Pensacola, FL 32503

Mr. Michael A. Liebend
1208 Wisteria Avenue
Pensacola, FL 32507

Mr. Luke Audie W. Courtney
Boyd Plumbing Co.
10003 Randall Lane
Pensacola, FL 32534

Mr. Odom advised that if the Board waives the fee, then it would be very difficult for ECUA to impose the fees. Further, he strongly advised against granting a waiver.

A motion was made by Dr. Walker, seconded by Mr. Perkins, to offer to waive the impact fees if the connections have been made within three months' time. Motion failed with members Perkins and McCorvey voting against the motion.

Once again, Mr. Odom addressed the discussed/proposed actions, stating that he believes such actions would be unlawful.

ITEM 6 - PRESENTATIONS

None.

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ITEM 7 - APPROVAL OF MINUTES

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to approve the minutes of the regular Board meeting of December 17, 2015 as presented. Motion carried 4-0.

ITEM 8 - REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE 01/20/16

A motion was made by Dr. Walker, seconded by Mr. Perkins, to approve the followings recommendations for items F through J as presented. Motion carried 4-0.

F. Award of Bid – Outsourcing Utility Bill and Delinquent Notice Printing

Authorize the Executive Director to execute a three-year agreement with two optional one year extensions with Pinnacle Data Systems, Inc., the lowest and most responsive bidder [at an annual cost of approximately $55,000], for services related to utility bill and delinquent notice printing and mailing, with funding from the appropriate line items.

G. Award of Bid – CWRF Pre-Engineered Metal Building Equipment Canopy

Authorize the Executive Director to award the bid and issue a contract for the fabrication and installation of the CWRF Pre-Engineered Metal Building Equipment Canopy to Larry Hall Construction, Inc., Pensacola, FL, the lowest responsive bidder, in the total amount of $131,500.00, with funding from CIP Project CS422.

H. Award of Bid – Air Release Valve Replacement

(a) Grant the request of Evans Contracting, Inc., to withdraw its bid based upon its affirmative findings that (1) Evans Contracting acted in good faith in submitting its bid; (2) its bid contained an error of such magnitude that enforcement of its bid would work severe financial hardship on it; (3) the error was not the result of gross negligence or willful inattention; and (4) upon discovering the error Evans Contracting requested permission to withdraw its bid before ECUA had accepted it; and (b) award the bid for Air Release Valve Demolition and Replacement to the lowest responsive bidder, Pensacola Concrete Construction Co., Inc., and authorize the Executive Director to issue it a contract consistent with its bid for one year, with two optional one-year extensions based upon the mutual written agreement of the parties, with funding from CIP Project RS423.

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I. Purchase of Alk-AQUIT® and Bioxide® Plus 71

Waive competitive bidding based on our experience and the sole-source status of these proprietary products, and approve a contract for one year, with option to renew for one additional year with no change in price, with Evoqua Water Technologies for the purchase of Alk-AQUIT® and Bioxide® Plus 71 for $1.51 and $3.63 per gallon, respectively, with funding from the appropriate budget line item.

J. Selection of Engineering Consultant-Force Main and Appurtenant Facilities Evaluation

(a) Approve the recommended ranking order for the selection of an engineering consultant for the Force Main and Appurtenant Facilities Evaluation, as follows:

1. Arcadis U.S.
2. Volkert, Inc.
3. Hatch Mott MacDonald

(b) Authorize the Executive Director or his designee to negotiate and enter into a contract with the highest-ranked firm with funding, provided by CIP Project RS624 Infiltration and Inflow Reduction; and

(c) If the Executive Director or his designee is unable to successfully negotiate with the highest-ranked firm, authorize negotiations and contract execution with subsequent ranked firms, as necessary.

ITEM 9 - OPERATIONAL ITEMS:

(a) Adoption of Resolution 16-01

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to adopt Resolution 16-01- A PRELIMINARY RATE SETTING RESOLUTION PROVIDING FOR NOTICE AND PUBLIC HEARING CONCERNING THE PROPOSED ESTABLISHMENT OF REVISED RESIDENTIAL SANITATION SERVICE CHARGES IN SANTA ROSA COUNTY, FLORIDA. Motion carried 4-0.

(b) Residential structure located at 1008 North "I" Street

A motion was made by Dr. Walker, seconded by Mr. McCorvey to approve and concur in the findings of the Executive Director that the residential structure on the property located at 1008 North "I" Street in Pensacola, Florida is not necessary, useful, or profitable in the operation of the utility systems of

ECUA, and authorize its demolition, with funding of any related demolition expenses from CIP Project CW606E. Motion carried 4-0.

(c) Adoption of Resolution 16-02

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to adopt Resolution 16-02 - A RESOLUTION FINDING THE STRUCTURE LOCATED AT 1008 NORTH "I" STREET IN PENSACOLA, FLORIDA TO BE NOT NECESSARY, USEFUL, OR PROFITABLE IN THE OPERATIONS OF THE UTILITY SYSTEMS OF THE EMERALD COAST UTILITIES AUTHORITY; AUTHORIZING ITS DEMOLITION; AND PROVIDING AN EFFECTIVE DATE. Motion carried 4-0.

(d) Budget amendment for Sanitation System's Capital Improvement Program – fiscal year 2016

A motion was made by Dr. Walker, seconded by Mr. Perkins, to approve the following budget amendment for the Sanitation System's Capital Improvement Program. Motion carried 4-0.

Unrestricted Reserves	($150,000)
R & R Projects:	
Annual Vehicle Replacement Program	$ 50,000
Annual Residential Can Replacement Program	$100,000

(e) Sole source purchase – replacement pumps for lift station 40

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to authorize the Executive Director to issue a sole source purchase order for the purchase of two KSB 65 hp pumps from Pump and Process, Inc., Pensacola, FL, for replacement pumps at lift station 40 at a cost of $58,183, with funding from CIP Project RS008V. Motion carried 4-0.

(f) Sanitary sewer hydraulic modeling software

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to authorize the Executive Director to approve the purchase of InfoWorks ICM software including a one-year annual maintenance agreement from INNOVYZE as a sole source purchase in accordance with Section 13-3 (b) of the *ECUA Code* in the amount of $84,000, with funding from CIP Project RS624. Motion carried 4-0.

(g) Central Water Reclamation Facility biosolids composting-change order no. 6 and generator rental

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to (a) approve Change Order No. 6 with Utility Service Co., Inc., in the total amount of $204,497.35, for the CWRF Biosolids Composting – CIP Project CS425; (b) approve funding of the diesel generator rental from Cummins Mid-South, Mobile, Alabama, at an estimated cost of $100,000.00; and (c) transfer funds in the amount of $300,000.00 from Project Contingencies (CZ999) to CWRF Biosolids Composting - CIP Project CS425. Motion carried 4-0.

(h) Downtown water grid improvements-change order no. 4

A motion was made by Dr. Walker, seconded by Mr. Perkins, to approve Change Order No. 4 to the contract for Downtown Water Grid Improvements with Pensacola Concrete Construction Co., Inc., in the amount of $665,266.99, with funding of $543,078.00 from CIP Project RW412 – Downtown Water Grid Improvements plus a transfer of $200,000.00 from CIP Project RW920F – Ongoing Waterline Cleaning Program. Motion carried 4-0.

ITEM 10 - INFORMATIONAL REPORTS

None.

ITEM 11 - EXECUTIVE DIRECTOR'S REPORT:

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

(a) Notification of Emergency Purchase – Romana Street sewer main replacement

Mr. Sorrell also provided verbal updates on the following projects/topics.

1. Composting project at CWRF
2. Summer Lakes sewer easement repairs
3. Start-up of Click2Gov program

Further, Mr. Sorrell commented on the drinking water situation in Flint, Michigan, stating that there is extremely low likelihood that ECUA would ever experience the same type situation. Mr. Sorrell stated that the situation was caused by the decision of the city to change source water for that city's

drinking supply and the lack of the requirement to use corrosion control measures, the lack of knowledgeable employees, and political involvement.

Mr. Sorrell stated that the water ECUA provides to its customer is in full compliance with all required State and Federal standards. Also, ECUA employees are very experienced, knowledgeable and licensed operators. Also, ECUA's water source is the Sand-and-Gravel Aquifer and ECUA does utilize corrosion control.

ITEM 12 - ATTORNEY'S REPORT

Mr. Odom reported that there is an upcoming mediation session with the City of Pensacola concerning the Airport well. Also, Mr. Odom stated that they are working with the County on the Creekside Subdivision that will be similar to Deerfield Estates in order to get the lift station upgraded and acceptable to the ECUA standards.

ITEM 13 - UNFINISHED BUSINESS

None.

ITEM 14 - NEW BUSINESS

(a) Notification of Emergency Purchase – Lift Station Pump Replacement – Pensacola Beach wastewater treatment plant no. 2 influent

Information only – no action required.

ITEM 15 - BOARD COMMUNICATIONS

(a) Dr. Walker commented that he is proud that ECUA has a good water system and that it is operated properly.

(b) Mr. Perkins commented that he is pleased with what staff is doing to get information out regarding the storage tanks proposed for the Palafox Street property.

Mr. McCorvey advised that a meeting is being scheduled with the residents in the area of the proposed storage tanks and he is looking forward to meeting with them.

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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 Benson declared the meeting adjourned at approximately 3:24 p.m.

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: