

**OKEECHOBEE UTILITY AUTHORITY
MEETING MINUTES**

Monday, August 10, 2020 10:00 A.M.

Okeechobee Utility Authority

100 SW 5th Avenue

Okeechobee, Florida

Chairperson Nelson called the meeting to order at 10:06 A.M. with the following members and alternates present:

Board Members:

Melanie Anderson*

Tommy Clay*

John Creasman*

Steve Nelson*

Alternates:

Absent:

Jeff Fadley

Carl Leonard

Harry Moldenhauer

*Voting Board Members

OUA Members:

John Hayford

George Gall

Kristy Hamblen

Tom Conely

The Pledge of Allegiance was led by Chairperson Nelson.

Chairperson Nelson addressed Agenda Item No. 2 ‘Meeting Minutes from July 6, 2020’ Motion by John Creasman to approve the Meeting Minutes from July 6, 2020. Second by Tommy Clay. Vote unanimous (4-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 3 ‘Consent Agenda’ Motion by Tommy Clay to approve the Consent Agenda as follows:

Consent Agenda Item No. 4 ‘Finance Report for the period ending July 31, 2020’

Consent Agenda Item No. 5 ‘Invoice from Eckler Engineering, Inc., in the amount of \$14,576.68 – SWTP Improvements – Professional Services

Consent Agenda Item No. 6 ‘Invoice from Eckler Engineering, Inc. – in the amount of \$14,560.00 – Pine Ridge Park Utility Improvements’

Consent Agenda Item No. 7 ‘Invoice from One Water Inc., - Two Pilot Project in the amount of \$50,509.00’

Consent Agenda Item No. 8 ‘Invoice from Holtz Consulting Engineers, Inc in the amount of \$2,130.50 for SE 8th Ave WM’

Consent Agenda Item No. 9 ‘Invoice from Vocelle and Berg, LLP in the amount of \$3,762.50’

Consent Agenda Item No. 10 ‘Accounts to be Written-off’

Consent Agenda Item No. 11 ‘Invoice from Southern Star Contractor, Inc. in the amount of \$53,000.00 for the painting of the storage tank at the GWTP’

Consent Agenda Item No. 12 ‘Invoice from Sumner Engineering & Consulting, Inc – SW Wastewater Service Area – Construction Phase, in the amount of \$87,306.48’

Consent Agenda Item No. 13 ‘Invoices from RJ Sullivan – SWTP Improvements in the amounts of \$157,317.53 and \$122,940.65’

Consent Agenda Item No. 14 ‘Invoices from Parkson – WWTF Residual Drying Facility in the amounts of \$23,969.00 and \$112,346.00’

Second by Melanie Anderson. Vote unanimous (4-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 15 ‘King’s Bay Maintenance Agreement’

Executive Director Hayford advised that staff has reviewed and calculated the past year’s expenses incurred by the King’s Bay development. The new monthly service is \$5.27 per account. This information was provided to the King’s Bay HOA and the OUA has not been contacted. **Motion by Tommy Clay to approve the new King’s Bay Monthly Maintenance fee in the amount of \$5.27. Second by Melanie Anderson. Vote unanimous (4-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 16 ‘OUA Board Pension Trustee

Appointment’ Executive Director Hayford advised that there were two positions available. Staff advertised and received six applicants. The employees voted and elected Janet McKinley and Raul Marrero. These are four-year terms beginning October 1, 2020. Informational item only.

Jeff Fadley in at 10:10A.M.

Chairperson Nelson addressed Agenda Item No. 17 ‘Allocation of FY19 Operating Surplus’

Executive Director Hayford advised that a total of \$579,469.00 is unallocated surplus from the FY19. Staff has compiled four scenarios for the unallocated funds. transfer a portion (\$179,469) of the funds to the CIP fund, transfer a portion (\$300,000) of the funds staff recommended to the Rate Stabilization Fund and keep a portion (\$100,000) of the funds in the General Operating Fund.

Motion by John Creasman to approve the allocation of the unallocated surplus as presented. Second by Tommy Clay. Vote unanimous (4-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 18 ‘Audit Services Contract’ Finance Director

Gall advised that Nowlen, Holt and Miner, P.A. has submitted an engagement letter for the next three years of service with two one-year extensions. The audit fee is \$18,000 per year and \$4,000 for each Federal and State Single Audit per major program that is required. Counsel has reviewed the engagement letter and found it acceptable. **Motion by John Creasman to approve the engagement letter as presented. Second by Melanie Anderson. Vote unanimous (4-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 19 ‘Guidance on Preliminary FY21 Budget’

Finance Director Gall advised that this item is for informational purposes only and the final FY21 Budget will be presented at the September 14, 2020 Board Meeting.

Chairperson Nelson addressed Agenda Item No. 20 ‘Customer Shut-off’ Executive Director Hayford updated the Board concerning the suspension of penalties and shut-off. The OUA will resume normal billing practices with the August 2020 billings. The Board directed staff to publish a large ad to advise the OUA customers that penalties and shut-offs will resume in September.

Chairperson Nelson addressed Agenda Item No. 21 ‘46th Avenue Settlement Offer’ Executive Director Hayford advised that a settlement offer has been made. If the OUA agrees, the lawsuit is finished, the OUA will not provide services on property and the OUA is responsible for all monies paid by the OUA towards this lawsuit. **Motion by Tommy Clay to approve the presented settlement offer. Second by Melanie Anderson. Vote unanimous (4-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 22 ‘Pine Ridge Park Utility System Improvements’ Executive Director Hayford advised that engineer for this project has identified an additional 13 connections along with a mobile home park that could be included. The design engineer has prepared a scope of work change in the amount of \$21,000.00. **Motion by John Creasman to approve the Scope of Work change as presented. Second by Tommy Clay. Vote unanimous (4-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 23 ‘24-Inch Emergency Water Main Repair’ Executive Director Hayford advised that there is a 24-inch diameter ductile iron water main running parallel along US HWY 441 S and near the west edge of the pavement. There is a leak at a joint where two segments meet. The main is six to eight feet deep. OUA staff attempted to find the leak and make repairs. Once it was determined it was leaking at a joint, OUA did not have the equipment on hand to make the repair. Staff contacted three contractors for a quote to make the repair. OUA will supply services of FP&L to hold the power pole, roadway MOT and 24-inch water main repair parts. PRP Construction provided the lowest cost at \$106,534.00. **Motion by John Creasman to approve the emergency repairs to the 24-inch water main provided by PRP Construction in the amount of \$106,534.00. Second by Tommy Clay. Vote unanimous (4-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 24 ‘SWTP 3MG Storage Tank Project’ Executive Director Hayford advised that once the new tank is cleaned, disinfected and cleared for service and the pumping and electrical services are complete, it will move on to the next piping construction. When the tank is ready to be placed into service, a portion of the 24-inch pipe where the old tie-in is, will be isolate, excavated and removed, being replaced by straight pipe. RJ Sullivan has submitted PCO #7, Assorted Finish Water Piping to address the additional cost of this work. In addition to this requested work, the engineer and contractor has identified some differences that have shown up between existing treatment plant drawings, project drawings and sub-contractor (electrical) schedule of work issues pertaining to these differences. RJ Sullivan is now tasked with paying for this work. RJ Sullivan has submitted PCO #8 for these additional expenses. Since neither PCO requires any additional time or change in contract price, OUA staff considers these field directives. The additional expense will be paid out of the contingency monies included in the base bid. **Motion by John Creasman to approve PCO #7 and #8 as presented. Second by Tommy Clay.** Attorney Conely advised to rescind the motion and the second, and approve the redirection of the monies in the contract from the contingencies. **John Creasman rescinded his motion. Tommy**

Clay rescinded his second. Motion by John Creasman to redirect the additional costs of \$37,590.27 in the contract to pay for the additional work. Second by Tommy Clay. Vote unanimous (4-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 25 ‘Gravity Sewer Repairs’ Executive Director Hayford advised that at the June 2020 Board of Directors meeting, the Board approved a \$50,000 expenditure to Cobra Environmental for gravity sewer repairs. Since that time, additional lines have been identified as needing repair. Staff contacted Cobra Environmental to provide a cost to make the additional repairs. Cobra Environmental provided a new cost of \$68,629.00. Attorney Conely advised that the Board needs to amend the previous final approval of this expenditure to add the additional \$18,629.00 to the expenditure. **Motion by John Creasman to amend the previously approved expenditure of \$50,000 to \$68,629, adding an additional \$18,629. Second by Tommy Clay. Vote unanimous (4-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 26 ‘Residuals Drying Facility’ Executive Director Hayford advised that the WWTF uses three moles, for turning over the residuals stored in the facility for drying. These moles are no longer in working condition. Staff obtained the cost to repair the moles, \$136,639.00, replace the moles, \$245,454.00 or purchase a tractor with a front-loading attachment as well as a pull behind rotary tiller. Staff received two quotes for the purchase of the tractor and attachments. Futch’s Tractor Depot provided the lowest quote of \$59,890.19. **Motion by Tommy Clay to approve the purchase of the tractor and attachments from Futch’s Tractor Depot in the amount of \$59,890.19 as presented. Second by John Creasman. Vote unanimous, motion carried.**

Chairperson Nelson addressed Agenda Item No. 27 ‘Public Comments’ There were none.

Chairperson Nelson addressed Agenda Item No. 28 ‘Items from the Attorney’ There were none.

Chairperson Nelson addressed Agenda Item No. 29 ‘Items from the Executive Director’
Executive Director gave an update on current projects of the OUA.

Chairperson Nelson addressed Agenda Item No. 30 ‘Items from the Board’ There were none.

There being no other business, meeting adjourned at 11:39 A.M.

PLEASE TAKE NOTICE AND BE ADVISED that if a person decided to appeal any decision made by the Okeechobee Utility Authority with respect to any matter considered at this meeting, he/she may need to ensure that verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. A CD recording of this meeting is on file in the Executive Director’s office.

Chairperson

Executive Director (Secretary)