

**SEACOAST UTILITY AUTHORITY
REGULAR MEETING & PUBLIC WORKSHOP**

July 27, 2016
Seacoast Utility Authority Board Room

MINUTES

CALL TO ORDER: 3:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL:

PRESENT: Robert Gebbia, Vice Chair
Joseph Lo Bello, Chair
Robert Weisman, Member

ABSENT: Ron Ferris, Chair
John D'Agostino, President Pro-Tem

ALSO PRESENT: Nat Nason, General Counsel
Rim Bishop, Executive Director
Jessica Moore, Authority Clerk

COMMENTS FROM THE PUBLIC:

There were no comments from the public.

*****OPEN PUBLIC WORKSHOP*****

Vice Chair Robert Gebbia opened the Public Workshop.

RESOLUTION NO. 2-2016, A RESOLUTION OF THE AUTHORITY BOARD OF THE SEACOAST UTILITY AUTHORITY; ADOPTING THE ANNUAL OPERATING AND CAPITAL BUDGETS FOR THE FISCAL YEAR OCTOBER 1, 2016 TO SEPTEMBER 30, 2017 INCLUDING DEBT SERVICE FOR SEACOAST UTILITY AUTHORITY; AUTHORIZING AN INDEXED 2% INCREASE TO ALL WATER, SEWER, AND RECLAIMED WATER RATES EFFECTIVE OCTOBER 1, 2016; AUTHORIZING LINE ITEM BUDGET TRANSFERS BETWEEN DEPARTMENTS; AND PROVIDING FOR AN EFFECTIVE DATE

(Read by Authority Clerk Jessica Moore)

Executive Director Rim Bishop briefly summarized key points in the budget.

A. Board Comment/Deliberation

Board Member Bob Weisman noted that the proposed 2% rate increase is less than the 4.9% indexed increase permitted by the Authority's rate ordinance. He believes that the proposed 2% increase is reasonable.

Board Member Joe Lo Bello echoed Mr. Weisman's comment. He is glad to see that the rate increase is small and he is in favor of the budget.

Mr. Gebbia was surprised the rate increase could have been up to 4.9%, and although he is not in favor of rate increases, he is glad to see staff has only requested 2%. He stated that he will discuss the draft budget with Finance Director Daniela Russell before the public hearing.

Mr. Weisman suggested that that rate of increase in utility operating expense, and therefore the federal index cited in the Authority's rate ordinance, always seems greater increase than the broader inflation rate.

B. Public Comment

There was no public comment.

*****CLOSE PUBLIC WORKSHOP*****

*****DETERMINE THE CONSENT AGENDA*****

APPROVAL OF AGENDA

Moved to approve the agenda.

APPROVAL OF MINUTES FOR MEETING OF JUNE 22, 2016

Moved to approve the minutes for meeting of June 22, 2016

AGREEMENTS

A. DEVELOPER AGREEMENT

1. North Palm Beach Water Club Phase II

Moved to approve execution of Developer Agreement for the project known as NPB Water Club Phase II, as recommended by staff.

MOTION

Board Members Weisman/Lo Bello moved to approve the consent agenda, as recommended by staff.

The motion carried unanimously.

*****END OF CONSENT AGENDA*****

RESOLUTION NO 3-2016 - PLANNING A REFINANCING OF SOME OR ALL OF THE AUTHORITY'S OUTSTANDING REVENUE BONDS

Mr. Bishop explained that staff can save a considerable amount of money if we were to refinance the 2009 bond debt.

Mr. Weisman asked if there was a certain percentage of savings we are aiming for. Clark Bennett, Seacoast's Financial Advisor, stated, that generally speaking, at least 3% savings is considered a feasibility threshold. However, some refinancing does yield up to 6-7% of savings. If the board chooses to approve the resolution presented today, the underwriters will further analyze and present potential savings available to the Authority. Mr. Bennett also added that the term will not be extended.

MOTION

Board Members Lo Bello/Weisman moved to approve Resolution No 3-2016, authorizing staff to plan a refinancing of some or all of the Authority's outstanding revenue bonds and authorizing the engagement of consultants, as recommended by staff.

The motion carried unanimously.

AUTOMATED METER READING (AMR) PROGRAM – BUDGET TRANSFER REQUEST

MOTION

Board Members Lo Bello/Weisman moved to approve a \$196,000.00 budget transfer from N1511-9410-565000 Floridan Raw Water Main Installation and a \$148,000.00 budget transfer from R1617-9410-560000 Water Main Replacement, total amount of \$344,000.00, to R1618-9410-565000 AMR Meter Program, as recommended by staff.

The motion carried unanimously.

DESIGN BUILD AUTHORIZATIONS

- A. Hood Road Water Treatment Plant Acid Injection Quill and Vault Improvements

MOTION

Board Members Weisman/Lo Bello moved to approve Globaltech, Inc. Design Build Authorization, Hood Road Water Treatment Acid Injection Quill and Vault Improvements, in the amount of \$111,714.26, as recommended by staff.

The motion carried unanimously.

- B. Lift Station 27, 48 and 53 Control Panel Replacement

MOTION

Board Members Weisman/Lo Bello moved to approve Globaltech, Inc. Design Build Authorization, Lift Station 27, 48 and 53 Control Panel Replacement, in the amount of \$167,639.57, as recommended by staff.

The motion carried unanimously.

C. Orthophosphate And Hypochlorite System Improvements

MOTION

Board Members Weisman/Lo Bello moved to approve Globaltech, Inc. Design Build Authorization, Hood Road Water Plant Orthophosphate and Hypochlorite Storage, in the amount of \$141,867.07, and a supporting \$148,450.00 budget transfer from N1608-9410-564000 Demolition of the Lime Plant, to N1621-9410-564000 Two Sodium Hypochlorite Tanks, as recommended by staff.

The motion carried unanimously.

POTABLE WATER DISTRIBUTION SYSTEM HYDRAULIC MODEL DEVELOPMENT – AGREEMENT FOR PROFESSIONAL SERVICES

MOTION

Board Members Weisman/Lo Bello moved to approve Agreement for Professional Services for Development of an ArcGIS Geometric Network and Hydraulic Model for Seacoast's water transmission and distribution network with Holtz Consulting Engineers, Inc., in the amount of \$83,285.00, and a supporting \$83,285.00 budget transfer from R1617-9410-560-000 – Water Main Replacement, to R1656-9410-564-000 – Water Distribution Network Model, as recommended by staff.

The motion carried unanimously.

CLEANING OF RAW WATER PIPELINES

MOTION

Board Members Weisman/Lo Bello moved to approve \$82,000 budget transfer from 40-546-310 – Materials and Supplies, to 01607-40-546-330, Raw Water Main Cleaning, as recommended by staff.

The motion carried unanimously.

MOTION

Board Members Weisman/Lo Bello moved to waive competitive bidding and approve Raw Water Pipeline Cleaning piggyback proposal from Professional Piping Services, Inc., for a total price of \$229,718.40, as recommended by staff.

The motion carried unanimously.

HOOD ROAD WATER PLANT – SURPLUS EQUIPMENT AND DISPOSAL

MOTION

Board Members Weisman/Lo Bello moved to declare two Hood Road Membrane Water Treatment Plant Cal-Flo silos and appurtenant chemical feed equipment to be surplus and to direct staff to dispose of such equipment in accordance with Administrative Procedure AP90-20E, as recommended by staff.

The motion carried unanimously.

OTHER BUSINESS

COMMENTS FROM BOARD MEMBERS

Mr. Weisman informed the board that he will not be at the August meeting.

STAFF REPORT

Executive Director Rim Bishop stated the engineer's report and the financial report were in the packet. Engineering Consultant David Holtz was present for any engineering questions. Finance Director Daniela' Russell was present for any financial report questions.

MEMBRANE PLANT

Mr. Bishop informed the board that all plant components are now installed and fully functional. He believes the plant will be complete by the end of the fiscal year.

ADJOURNMENT

There being no further business to come before the board, Vice Chair Robert Gebbia adjourned the meeting at approximately 3:13 PM.

APPROVAL:

RON FERRIS, CHAIR

ROBERT GEBBIA, VICE CHAIR

JOHN D'AGOSTINO, PRESIDENT PRO-TEM

JOSEPH LO BELLO, MEMBER

ROBERT WEISMAN, MEMBER

ATTEST:

JESSICA MOORE, AUTHORITY CLERK