

**Minutes of the Quarterly Meeting of the
South Central Regional Wastewater Treatment and Disposal Board
Held on October 15, 2009 at the Treatment Plant
1801 North Congress Avenue, Delray Beach, FL 33445**

Present

Boynton Beach

Chairman Woodrow Hay
Mayor Jerry Taylor
Commissioner Ron Weiland

Delray Beach

Mayor Nelson McDuffie
Commissioner Gary Eliopoulos
Commissioner Fred Fetzer
Commissioner Angeleta Gray

A. CALL TO ORDER

Meeting was called to order at 5:00 p.m. by Chairman Hay.

B. ROLL CALL

Roll call was performed and a quorum was present

C. PROOF OF NOTICE OF MEETING

Mr. Coates confirmed that the notices were posted at both City Halls on Thursday, October 8, 2009.

D. ADDITIONS AND/OR DELETIONS TO AGENDA

There were no additions or deletions to the Agenda.

**E. ACCEPTANCE AND/OR CORRECTION TO MINUTES OF REGULAR MEETING
HELD July 16, 2009.**

**MOTION WAS MADE BY MAYOR TAYLOR TO ACCEPT MINUTES; MOTION
WAS SECONDED BY COMMISSIONER ELIOPOULOS. MOTION CARRIED 7 - 0**

F. REPORT OF OFFICERS, COMMITTEES AND EXECUTIVE DIRECTOR

1. CURRENT FINANCIAL STATEMENTS (through September 30, 2009)

a. Balance Sheet (ITEM F1a)

Mr. Coates stated that at the present time, we have \$ 1,270,984 in cash plus an additional \$527,973 in accounts receivable from the Cities which we will be receiving within the next few days. We average \$500,000 a month for expenditures. We therefore will have sufficient cash to pay our bills for this month.

At the present time, we have \$3,472,677 in the Repair and Replacement account. Of this amount \$1,648,058 is currently committed on various plant projects; leaving us with \$1,824,619 available in R&R account. This account provides us with funds for projects under contracts and additional repairs that will be needed in the near future.

Our remaining major Capital Project is the Solid Waste Authority Pelletization Plant. The anticipated unbilled balance to close out this project is \$ 426,341.

**b. Budget Variance & Cash Projection (ITEM F1b)
Year-to-Date Actual**

PLANT O&M

Mr. Coates went through the following revenues and expenditures for the Plant O&M explaining that these projections are fiscal year ending and are unaudited.

Revenues from usage were budgeted for \$6.117M and the projected revenue for this fiscal year is \$6.017M.

Mr. Coates explained that the flows were low due to the drought we experienced in the months October through May which hurt us as far as the revenue; however the Cities were not paying us for I&I so we actually still did well as far as revenue.

Expenditures in personnel were budgeted at \$1.595M and the projected amount is \$1.462M.

Expenditures in services were budgeted at \$1.120M and the projected amount is \$899,000.

Expenditures in Operations and Maintenance were budgeted at \$2.309M and the projected amount is \$1.890M.

Mr. Coates explained that this surplus was due to the fact that the deepwell did not come online until April and we had projected starting up in January; therefore, we did not incur any additional cost during this time.

Expenditures in Chemicals and Supplies were budgeted at \$1.006M and the projected amount is \$874,000.

Commissioner Weiland asked if the chemicals were coming down in price. Mr. Coates explained that we have seen somewhat of a reduction and we are members of the co-op in order to get the better prices.

Overall revenues over expenditures as of September 30, 2009 are \$780,747.

Mr. Coates explained that the fact the deepwell and pelletization plants both came online later than expected saved us money and that this is the reason for the amount of money we have left.

Mayor Taylor questioned the budget line item for NELAC Certification of the lab. Mr. Coates explained that we had to go out to a private laboratory for our testing after Palm Beach County was no longer able to accommodate us due to budget constraints. By using the private laboratories, we are having to wait too long to get the testing results back and therefore we need to start performing these tests in-house which will also end up saving us money in the long term; but in order to do this, we need to become NELAC certified.

Mr. Coates went through the following revenues and expenditures for the Reclaim O&M:

RECLAIM O&M

Revenues for Reclaim O&M were budgeted for \$1.141M and the projected revenue for this fiscal year is \$925,567.

Expenditures in personnel were budgeted at \$118,000 and the projected amount is \$138,978.

Expenditures in services were budgeted at \$65,000 and the projected amount is \$58,047.

Expenditures in Operations and Maintenance were budgeted at \$588,000 and the projected amount is \$405,962.

Expenditures in Chemicals and Supplies were budgeted at \$247,000 and the projected amount is \$225,195.

Overall revenues over expenditures are \$96,684.

QUESTIONS

MOTION TO ACCEPT CURRENT FINANCIAL STATEMENTS

MOTION WAS MADE BY MAYOR TAYLOR AND WAS SECONDED BY COMMISSIONER WEILAND. MOTION CARRIED 7-0.

2. EXECUTIVE DIRECTOR'S REPORT

a. Compliance and Operational Status Report (ITEM F2a) Fourth Quarter Report

Mr. Coates reviewed the Compliance and Operational Status report by explaining that the Plant's average flow for fiscal year 2008/2009 was 16.52 MGD. Of this flow, Delray's flow was 7.06 MGD accounting for 43% and Boynton Beach's flow as 9.46 MGD accounting for 57%.

Two of our main operating parameters used to determine how effectively the Plant is operating are total Suspended Solids (TSS) and Carbonaceous Biological Oxygen Demand (CBOD)

Our average Reclaim TSS and CBOD were 1.54 and 1.91 mg/L well under the limits required by FDEP Operating Permit.

b. Biosolids Pelletization Project (ITEM F2b)

Mr. Coates informed the Board that acceptance testing began late in July and ended August 10, 2009. The Pelletization Plant is now fully operational; we are no longer doing land application.

Mr. Coates noted Item #8 of the Solid Waste Authority's letter to ECR stating that if ECR joins the consortium then ECR would pay \$10,000,000 for the plant capacity (plus interest expense) with \$2,500,000 being paid upon execution of the agreement and the balance due when ECR closes on the planned project financing or by October 1, 2012, whichever occurs earlier. Current partners will receive a prorated share of the payments as received.

Our final amount of funds to be returned is estimated to be between 1 – 2 million dollars.

Mr. Coates stated that if ECR does decide to join the consortium he may call a special meeting in January in order to get the process moving.

c. Operating Permit (ITEM F2c)

Mr. Coates informed the Board that on July 28, 2009, we received the *Notice of Permit Issuance*. There were no challenges to the *Notice of Intent* and we received our five-year permit which is good until July 27, 2014, a standard five-year permit.

**d. Odor Complaint Log (July 1, 2009- September 30, 2009)
(ITEM F2d)**

Mr. Coates stated that we had a good quarter as far as odor complaints – that there were three complaints and these were due to process changes.

e. Reuse Meeting (ITEM F2e)

Mr. Coates stated that on August 12, 2009 he held a "Reuse Allocation" meeting with the City Managers from both cities. The purpose of the meeting was to address the new Reuse Agreements with Boynton and Delray Beach as well as their reuse allotment.

Mr. Coates explained that the Agreements provide that the allotments are arrived at by taking the Board's total reclaim capacity minus the golf courses' committed contract amounts, minus South Central's usage and dividing it 50/50 between Delray and Boynton.

Mr. Coates stated that we will be meeting with the golf courses in an attempt to work on getting new contracts signed, as they are not using their full capacity.

The one difference in the City of Delray's agreement is that the agreement allows Delray Beach to use the Ocean Outfall to access reclaim water.

QUESTIONS

CITIZEN'S COMMENTS

MOTION TO ACCEPT EXECUTIVE DIRECTOR'S REPORT

MOTION MADE BY MAYOR TAYLOR; MOTION WAS SECONDED BY COMMISSIONER ELIOPOULOS. MOTION CARRIED 7-0.

QUESTIONS

3. **ENGINEER'S REPORT**

- a. **HAZEN AND SAWYER** (ITEM F3a)
1. ***Deep Injection Well System***
 2. ***Sludge Holding/Blending Tank Modifications***
 3. ***Headworks and Stormwater System Improvements***
 4. ***Plant "A" Secondary Clarifier Rehabilitation***

John Koroshec of Hazen and Sawyer, P.C. gave the Engineer's Report on the above listed items.

QUESTIONS

MOTION TO ACCEPT ENGINEER'S REPORT

MOTION MADE BY COMMISSIONER ELIOPOULOS; MOTION WAS SECONDED BY MAYOR McDUFFIE. MOTION CARRIED 7-0.

G. *CONSENT AGENDA* – Executive Director recommends approval (Board Members may request that any item be removed for discussion.)

1. Authorization to expend \$31,236.71 on an emergency basis from repair and replacement funds to:
 - a. ***Replaced Reclaim A/C units \$5,085.00 – two (2) installed under estimate Line Item Number S535605.10, Equipment Number 041-15002, 041-15003. Units were worn out; original units were installed in 1998.***
 - b. ***Rebuild Milltronics Level Indicator Units \$1,150.00 - Line Item Number S535806.134, Equipment Number 030-1700x. Units were damaged during electrical storms.***
 - c. ***Repair Volgelsang Thickening Sludge Lobe Pump \$4,370.00 - Line Item Number S535806.135, Equipment Number 030-11101.***

- Pump housing and lobes were worn due to the abrasive nature of sludge. The pump was installed in 2002.
- d. **Replace Aerators Air Flow Meters \$2,361.00 - Line Item Number S535806.136, Equipment Numbers 005-17001 and 006-17001.** Gauges had deteriorated from exposure to the elements. Gauges were installed in 1991.
 - e. **Repair Centrifuge #3 Dewatering Polymer System \$1,130.22 - Line Item Number S535806.137, Equipment Number 030-11005.** Unit failure was caused by polymer line restriction.
 - f. **Repair "A" Dewatering Scrubber Recirculation Pump \$517.44 - Line Item Number S535806.138, Equipment Number 121-11102.** Shaft on pump sheared; pumps run 24/7. The pump was installed in 2003.
 - g. **Replace Grit Pump #2 \$7,000.00 - Line Item Number S535806.139, Equipment Number 004-11102.** Pump parts were replaced due to wear. Pump was installed in 1987.
 - h. **New Moisture Analyzer for Lab Equipment \$2,405.00 - Line Item Number S535806.140, Equipment Number 069-015.** The change in the sludge dewatering process necessitated the new analyzer.
 - i. **Installed New Interior Fire Window in Blower Building \$6,651.00 - Line Item Number S535806.141, Equipment Number 023-10000.** Was a Property and Liability Insurance Requirement.
 - j. **Repair Break in Reclaim Pipe \$1,337.05 - Line Item Number S535806.142, Equipment Number 060-11200.** Pipe flange had developed a small leak requiring replacement.
 - k. **Replace "A" Grit Classifier Wear Bars and Screw Conveyor \$7,300.00 - Line Item Number S535806.143, Equipment Number 004-11003.** Parts were replaced due to wear; unit runs 24/7 and was installed in 2005.
 - l. **Replace Centrifuge #1 Main Breaker \$1,000.00 - Line Item Number S535806.144, Equipment Number 030-16026.** During testing, it was determined that the unit did not function as designed. Breaker was installed in 1987.

- m. Replace Ocean Outfall Valve Structure \$1,100.00. Line Item S535806.177, Equipment Number 070-10000. Original estimated amount of \$3,580.00 was approved by the Board at January 15, 2009 meeting. Actual invoice amount was \$4,680.00.*

MOTION TO APPROVE CONSENT AGENDA

MOTION MADE BY COMMISSIONER ELIOPOULOS; MOTION WAS SECONDED BY MAYOR TAYLOR. MOTION CARRIED 7-0.

H. ITEMS REMOVED FROM CONSENT AGENDA FOR DISCUSSION

I. UNFINISHED BUSINESS

J. NEW BUSINESS

1. AUTHORIZATION TO APPROVE AMENDED AND RESTATED SOUTH CENTRAL REGIONAL WASTEWATER TREATMENT AND DISPOSAL BOARD RETIREMENT PLAN:

Mr. Coates explained that in order for our plan to remain "qualified" it must be restated to comply with the Economic Growth and Tax Relief Reconciliation Act of 2001. The last time we restated plan was in 2002. This information was contained in the letter from Gray Robinson

Mr. Coates explained that the only updates that were to be made to the Board Retirement Plan were the legislative changes.

MOTION MADE BY MAYOR TAYLOR; MOTION WAS SECONDED BY COMMISSIONER GRAY. MOTION CARRIED 7-0.

2. AUTHORIZATION TO APPROVE THE AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR THE DELIVERY AND USE OF RECLAIMED IRRIGATION WATER BETWEEN THE CITY OF BOYNTON BEACH AND THE SOUTH CENTRAL REGIONAL WASTEWATER TREATMENT AND DISPOSAL BOARD: (ITEM J2)

MOTION MADE BY MAYOR TAYLOR; MOTION WAS SECONDED BY MAYOR McDUFFIE. MOTION CARRIED 7-0.

3. **AUTHORIZATION TO APPROVE THE AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR THE DELIVERY AND USE OF RECLAIMED IRRIGATION WATER BETWEEN THE CITY OF DELRAY BEACH AND THE SOUTH CENTRAL REGIONAL WASTEWATER TREATMENT AND DISPOSAL BOARD:** (ITEM J3)

MOTION MADE BY MAYOR McDUFFIE; MOTION WAS SECONDED BY MAYOR TAYLOR. MOTION CARRIED 7-0.

4. **AUTHORIZATION TO APPROVE THE REVISED INDUSTRIAL WASTE AND PRETREATMENT AGREEMENT BETWEEN THE CITIES OF BOYNTON BEACH, DELRAY BEACH AND SOUTH CENTRAL REGIONAL WASTEWATER TREATMENT AND DISPOSAL BOARD.** (ITEM J4)

Rene Mathews of Mathews Consulting, Inc. summarized the changes that were required for the Industrial Pretreatment Program.

MOTION MADE BY MAYOR TAYLOR; MOTION WAS SECONDED BY COMMISSIONER ELIOPOULOS. MOTION CARRIED 7-0.

5. **AUTHORIZATION TO RENEW HAZEN AND SAWYER'S EXISTING GENERAL CONSULTING SERVICE AGREEMENT DATED OCTOBER 21, 2004 FOR ONE YEAR AND APPROVE HOURLY RATES.** (ITEM J-5)

MOTION MADE BY MAYOR McDUFFIE; MOTION WAS SECONDED BY MAYOR TAYLOR. MOTION CARRIED 7-0.

K. PUBLIC AUDIENCE

L. ADJOURNMENT

Meeting was adjourned at 5:45 p.m.