

**Minutes of the Quarterly Meeting of the  
South Central Regional Wastewater Treatment and Disposal Board  
Held on October 21, 2010 at the Treatment Plant  
1801 North Congress Avenue, Delray Beach, FL 33445**

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**Present**

**Boynton Beach**

Vice Mayor Marlene Ross  
Commissioner Woodrow Hay  
Commissioner William Orlove

**Delray Beach**

Mayor Nelson McDuffie  
Deputy Vice Mayor Angeleta Gray  
Commissioner Gary Eliopoulos

**A. CALL TO ORDER**

Meeting was called to order at 5:01 p.m. by Acting Chairperson Angeleta Gray

**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 and that proof was included in the Board Agenda packet.

**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 15, 2010. (ITEM E)**

**MOTION WAS MADE BY COMMISSIONER ORLOVE TO ACCEPT MINUTES; MOTION  
WAS SECONDED BY MAYOR MCDUFFIE. MOTION CARRIED 6- 0.**

**F. REPORT OF OFFICERS, COMMITTEES AND EXECUTIVE DIRECTOR**

**1. CURRENT FINANCIAL STATEMENTS (through September 2010)**

**a. Balance Sheet (ITEM F1a)**

Mr. Coates explained that at the present time, we have \$ 1.379M in cash plus an additional \$ 461,376 in accounts receivable from the Cities which we will be receiving within the next few days. The Plant averages \$ 500,000 a month for expenditures; therefore, we will have sufficient cash to pay the invoices for this month.

Mr. Coates stated that at the present time, we have \$ 3.565M in Repair and Replacement account. Of this amount, \$ 2.195M is currently committed on various plant projects; leaving us with \$ 1.370M available in R&R account. This account provides the Plant with funds for projects under contracts and additional repairs that will be needed in the near future.

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

**PLANT O&M**

Mr. Coates reviewed the following revenues and expenditures for the Plant's Operation and Maintenance; revenues from usage were budgeted for \$ 6.117M and the projected revenue for this fiscal year is \$ 6.099M.

Mr. Coates detailed the expenditures as follows:

Expenditures in personnel were budgeted at \$ 1.572M and the projected amount is \$ 1.541M.

Expenditures in services were budgeted at \$ 1.660M and the projected amount is \$ 1.453M.

Expenditures in Operations and Maintenance were budgeted at \$ 2.053M and the projected amount is \$ 1.775M.

Expenditures in Chemicals and Supplies were budgeted at \$ 786,000 and the projected amount is \$ 640,446.

Overall revenues over expenditures as of September 30, 2010 are \$ 688,575.

*RECLAIM O&M*

Mr. Coates stated that the revenues for Reclaim O&M were budgeted for \$1.115M and the projected revenue for this fiscal year is \$1.192M.

Expenditures in personnel were budgeted at \$133,000 and the projected amount is \$119,371.

Expenditures in services were budgeted at \$70,285 and the projected amount is \$60,839.

Expenditures in Operations and Maintenance were budgeted at \$578,000 and the projected amount is \$479,527.

Expenditures in Chemicals and Supplies were budgeted at \$263,210 and the projected amount is \$205,391.

Overall revenues over expenditures are \$327,087.

Mr. Coates stated that budget wise we had another good fiscal year with approximately \$1M with revenues over expenditures. After withholding for prepaids and various other expenses, we anticipate a return to the Cities of approximately \$750,000.

**MOTION TO ACCEPT CURRENT FINANCIAL STATEMENTS WAS MADE BY MAYOR MCDUFFIE; MOTION WAS SECONDED BY COMMISSIONER HAY. MOTION CARRIED 6-0.**

**2. EXECUTIVE DIRECTOR'S REPORT**

**a. Compliance and Operational Status Report (ITEM F2a)**

*Fourth Quarter Report – Plant is in full compliance with regulatory requirements.*

Mr. Coates presented the Plant's Compliance and Operational Status report and stated that the Plant average flow for the fiscal year was 16.75 MGD. Of this flow, Delray's flow was 7.44 MGD accounting for 45% and Boynton Beach's flow as 9.31 MGD accounting for 55%.

Mr. Coates indicated that 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 0.93 and 1.35 mg/L well under the limits required by FDEP Operating Permit.

**b. Biosolids Pelletization Project (ITEM F2b)**

*Lawyers from Solid Waste Authority and HDR have prepared and submitted the final summary of their positions that were presented to the Arbitration Panel at the end of July. The arbitration panel is now reviewing the summary and the panel findings will be given to the Board the following meeting after the findings have been announced.*

Mr. Coates explained that he will be attending a meeting on Tuesday, October 26, 2010 and he is hopeful that they will have reached an agreement. He explained that whatever the arbitration panel decides on, the Board, as an owner, will be responsible for an estimated 20% of that value.

Mr. Coates stated that ECR may still be interested in purchasing a share of the capacity. He stated that he hopes to have a better idea after the meeting on October 26. If they do agree to purchase a share of the capacity, it could mean approximately \$1M for the Board. Mr. Coates said he anticipates having a draft agreement from ECR in the near future which he will review with Roger Saberson.

Commissioner Orlove asked what court the disputed amount was in and if it had ever gone to the Circuit Level. Mr. Saberson explained that it has never reached that level, but is in arbitration. He explained that the Arbitration panel makes a ruling and if the ruling is \$500,000 or less, it's binding on the parties if it's more than \$500,000 then it is non-binding and the parties are free to go to court.

**c. Odor Complaint Log (July 15, 2010 through September 30, 2010)  
(ITEM F2c)**

*Good quarter – there was only one odor complaint since last board meeting.*

Mr. Coates explained that the one odor complaint we had was due to a chemical issue at one of the scrubbers. Other than that one complaint, the Plant has been doing quite well with maintaining odor control.

**d. Deep Injection Well Permit (ITEM F2d)**

*The Department of Environmental Protection intends to prepare a Draft Operation Permit (under FDEP File #0272088-003-UC) for public notice per Florida Administrative Code (F.A.C) Chapter 62-528. The expiration date of our current FDEP permit is hereby extended from October 10, 2010 to March 10, 2011. All other conditions of FDEP Permit 0272088-001-UC remain in effect.*

Mr. Coates explained that Hazen and Sawyer submitted the application for the permit renewal; however, DEP ran out of time to review the data before our Draft Permit expired so DEP issued the attached letter giving the Board an extension on the existing permit. Mr. Coates stated that he anticipates receiving the operating permit within the next six months for the deep injection well once DEP has gone through the process of public notification.

**e. Secondary Clarifier Rehabilitation and Stormwater Improvements (ITEM F2e)**

*Approval from the Florida Department of Environmental Protection has been given for the project. Meetings between the staff, Garney Construction and the City of Delray Beach building officials will begin shortly to acquire the proper building permits.*

Mr. Coates explained that this is the contract the Board approved at the July Board meeting. Mr. Coates stated that the contractual issues and insurance issues were resolved within the last week. He explained that the Board must get approval from DEP on any work that goes on at the facility and that the letter enclosed in the Board Agenda packet is their approval.

Mr. Coates informed the Board that within the next week he will be meeting with officials from the City of Delray Beach, Hazen and Sawyer and Garney Construction to begin the process of securing the building permit. He is hopeful that the project will be underway within the next 30 days

**f. T-Mobile Cellular Site**

*T-Mobile is currently evaluating all cell sites in an effort to lower operating costs. Restructured lease documents that have been provided by T-Mobile (MD7) contain various terms that at this point, would be unacceptable to the Board. For example:*

- *Current lease calls for 3% yearly increase in rent revenues paid to the Board – proposed lease calls for 5% increase once every five years.*
- *Proposed lease includes a seven year rent holiday.*
- *Current lease expires in 2023; proposed lease is a 40 year lease which adds 27 additional years. Executive Director cannot recommend leasing a piece of the Board's property for that amount of time. There are too many unknowns with regards to future regulatory requirements the Board may face.*

Mr. Coates reviewed the history of the cell tower located at the Plant. Mr. Coates explained that after reviewing the new lease agreement documents, they are in no way acceptable to the Board.

Mr. Saberson expounded on the issues and advised that if the Board is in agreement with Mr. Coates then they should authorize the Executive Director to send a letter to MD7 indicating that the Board is not interested in renegotiating the existing lease.

Mr. Coates explained that he is uncomfortable giving up the rights to the property since we have just installed a line for Boynton Beach 50 feet away from the tower and it sits next to two 10,000-gallon underground diesel tanks. He stated that he can not say unequivocally, that the Board will not need that piece of property within the next 40 years.

Commissioner Orlove questioned what the cell tower lease gives to the Board. Mr. Coates explained that it generates approximately \$50,000 a year which he does not factor into the budget, that whatever is left is given back to the cities.

Acting Chairperson Gray questioned that if T Mobile leaves the site, would the Board be able to sign another lease with a cell tower company. Mr. Coates explained that T Mobile would probably disassemble their tower and remove it from the site, but that if another company came in asking to utilize space on the property, the Board would consider it.

**MOTION TO GIVE THE EXECUTIVE DIRECTOR AUTHORIZATION TO SEND A LETTER TO MD7 EXPLAINING THAT IT IS THE BOARD'S POSITION THAT WE WILL CONTINUE WITH THE EXISTING SITE LEASE AGREEMENT AND NOT PURSUE THE PROPOSED TRANSACTION**

**WITH MD7 WAS MADE BY COMMISSIONER ELIOPOULOS AND SECONDED BY COMMISSIONER HAY. MOTION CARRIED 6-0.**

**MOTION TO ACCEPT THE EXECUTIVE DIRECTOR'S REPORT WAS MADE BY COMMISSIONER ELIOPOULOS AND SECONDED BY COMMISSIONER HAY. MOTION CARRIED 6-0.**

### ***CITIZEN'S COMMENTS***

Mr. Gerald Sadowsky of the Pines stood and stated that he had no complaints about the Plant. However, he stated that the only message he brings to the Board is that the Pines would like the Board to start thinking of some way to bring reclaim water to their development for their irrigation systems.

#### ***3. BOARD ATTORNEY'S REPORT***

##### ***a. ROGER SABERSON (ITEM F3a)***

1. Laboratory Services Contract.
2. Headworks and Stormwater System Improvements Project.
3. Secondary Clarifier Rehabilitation and Stormwater System Improvements Project.
4. T-Mobile South LLC/Md7 Capital Three LLC.
5. Amended and Restated Interlocal Agreement for the Delivery and Use of Reclaimed Irrigation Water with Delray Beach.
6. Engineering Review Committee.

Board Attorney, Roger Saberson, stated that his report was included in the Board's Agenda packet and that he had nothing else to add at this time.

**MOTION TO ACCEPT BOARD ATTORNEY'S REPORT WAS MADE BY COMMISSIONER HAY; MOTION WAS SECONDED BY COMMISSIONER ORLOVE. MOTION CARRIED 6-0.**

#### ***4. ENGINEER'S REPORT***

##### ***a. HAZEN AND SAWYER (ITEM F4a)***

1. Headworks and Stormwater System Improvements
2. Deep Injection Well System
3. Secondary Clarifier Rehabilitation and Stormwater System Improvements
4. Process Blower Local Control Panel Replacement

John Koroshec, P.E. of Hazen and Sawyer, stated that his report was included in the Board's Agenda packet and that he had nothing else to add at this time.

Mr. Coates explained the Blower Control Panel replacement that the Board approved at July's meeting was scheduled to be delivered in November and that the electrical company would begin installation sometime thereafter.

**MOTION TO ACCEPT ENGINEER'S REPORT WAS MADE BY VICE MAYOR ROSS; MOTION WAS SECONDED BY COMMISSIONER ELIOPOULOS. MOTION CARRIED 6-0.**

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

1. Notification of Board expenditures in the amount of **\$ 67,943.12** from July 6, 2010 through September 30, 2010. (Required for expenditures between \$10,000 and \$25,000)
  - a. **Engineering Headworks and Outfall Telemetry - \$6,560.00 – Line Item Number S535805.34, Equipment Number 003-17004.** PLC programming for influent control panel and outfall valve, (Total cost \$11,240.00 - \$4,680 previously approved at January 21, 2010 Board meeting).
  - b. **Rebuild Reclaim Contact Pump #2 - \$15,000.00 – Line Item Number S535807.33, Equipment Number 042-11102.** Rebuild pump to factory specs.
  - c. **Rebuild Reclaim Contact Pump #4 - \$15,000.00 – Line Item Number S535807.34, Equipment Number 042-11104.** Rebuild pump to factory specs.
  - d. **Replace Packing "A" Plant at Dewatering Scrubber - \$24,823.12 – Line Item Number S535807.38, Equipment Number 021-11004.** Existing packing was 20 years old and had deteriorated.
2. Authorization to expend **\$66,076.70** from repair and replacement funds (Required for expenditures above \$25,000).

*Replace New Holland tractor/backhoe Asset # 067-012a with a 2011 John Deer 310 SJ Loader/Backhoe. Total cost \$66,076.70 purchased via state contract. Existing tractor no longer sized to handle current workload.*



**MOTION TO APPROVE CONSENT AGENDA WAS MADE BY COMMISSIONER ORLOVE; MOTION WAS SECONDED BY VICE MAYOR ROSS. MOTION CARRIED 6-0.**

**H. ITEMS REMOVED FROM CONSENT AGENDA FOR DISCUSSION**

There were no items removed from the Consent Agenda.

**I. UNFINISHED BUSINESS**

There was no unfinished business.

**J. NEW BUSINESS**

**1. AUTHORIZATION TO APPROVE THE ENGINEERING SERVICES SELECTION COMMITTEE'S RANKINGS. (ITEM J1)**

Engineering Services meeting was held on September 9, 2010 at 4:30 p.m. The Selection Committee rankings are as follows:

Hazen and Sawyer three (3) first place votes  
CDM three (3) second place votes  
Hazen & Sawyer and CDM one (1) tie vote

Engineering Services committee took the following action:

**MOTION TO APPROVE RANKING OF FIRMS WAS MADE BY MAYOR MCDUFFIE AND SECONDED BY MAYOR RODRIQUEZ. MOTION CARRIED 4-0**

Vice Mayor Ross questioned the fact that we only received two bids and wanted to know how close the bids were. Executive Director Coates explained that this was not a monetary bid request, but rather a Request for Qualifications.

Vice Mayor Ross then asked if the Committee considered going with both firms instead of one due to the economic times. Mr. Coates stated no, explaining that when dealing with individual cities, they may have a water plant, a wastewater plant, reclaim distribution, water distribution, wastewater collection; multiple facets with a larger utility whereas, the Board has only wastewater and that one firm would suffice.

Vice Mayor Ross asked Mr. Coates if he did not recommend two firms and he replied no he does not recommend it. She continued on to say that she was thinking of the way the economy is and the way the firms are impacted. She was thinking of having the two firms share and was wondering how others on the Board felt about the idea. She stated that Hazen and Sawyer have obviously proven themselves and that CDM has an excellent

reputation she was just throwing the idea out to the Board. There were no further comments from the Board.

**MOTION WAS MADE TO ACCEPT THE RANKINGS OF ENGINEERING FIRMS AS APPROVED BY ENGINEERING SERVICES SELECTION COMMITTEE ON SEPTEMBER 9, 2010 BY COMMISSIONER ORLOVE; MOTION WAS SECONDED BY COMMISSIONER HAY. MOTION CARRIED 6-0.**

- 2. AUTHORIZE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT NEGOTIATIONS WITH HAZEN AND SAWYER, P.C. RELATIVE TO GENERAL ENGINEERING CONSULTING SERVICES.**

**MOTION TO AUTHORIZE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT NEGOTIATIONS WITH HAZEN AND SAWYER WAS MADE COMMISSIONER ORLOVE; MOTION WAS SECONDED BY COMMISSIONER HAY. MOTION CARRIED 6-0.**

- 3. AUTHORIZATION TO EXTEND GENERAL ENGINEERING SERVICES CONTRACT WITH HAZEN AND SAWYER, P.C. FROM OCTOBER 21, 2010 TO JANUARY 31, 2011. (ITEM J3)**

Mr. Coates explained that Hazen and Sawyer's General Engineering Services Contract expired on September 30, 2010 so he and Roger created an extension to allow them to work on a new contract to bring back to the Board in January 2011.

**MOTION TO EXTEND GENERAL SERVICES CONTRACT WITH HAZEN AND SAWYER WAS MADE BY COMMISSIONER HAY; MOTION WAS SECONDED BY COMMISSIONER ELIOPOULOS. MOTION CARRIED 6-0.**

- 4. MOTION TO APPROVE AMENDMENT NUMBER THREE TO THE SOUTH CENTRAL REGIONAL WASTEWATER TREATMENT AND DISPOSAL BOARD'S RETIREMENT PLAN. (ITEM J4)**

Pension Committee meeting relative to the Plan's hardship provision, was held on Thursday, October 14, 2010. Pension Committee took the following action:

**MOTION TO APPROVE AMENDMENT NO. 3 TO THE SOUTH CENTRAL REGIONAL WASTEWATER TREATMENT AND DISPOSAL BOARD RETIREMENT PLAN WAS MADE BY COMMISSIONER ROSS AND SECONDED BY COMMISSIONER GRAY. MOTION CARRIED 4-0**

Mr. Coates explained that this Amendment was to assist the advisory committee in determining actual hardship cases. With the assistance of outside legal council the advisory committee would be assured that they are following IRS recommendations.

Vice Mayor Ross stated that she was glad that the Board held the Pension meeting. Mr. Coates stated that this caveat protected the pension committee in keeping hardship provision decisions fair and equal among all.

Chairperson Gray clarified that hardship withdrawals were on a case-by-case basis and Mr. Coates confirmed that yes, these requests would be done on a case-by-case basis and would be reviewed by the Board's Pension Committee.

**MOTION TO APPROVE AMENDMENT NO. 3 TO SOUTH CENTRAL REGIONAL'S RETIREMENT PLAN WAS MADE BY VICE MAYOR ROSS; MOTION WAS SECONDED BY COMMISSIONER HAY. MOTION CARRIED 6-0.**

***K. PUBLIC AUDIENCE***

***L. ADJOURNMENT***

Meeting was adjourned at 5:35 p.m.