

**Minutes of the Quarterly Meeting of the
South Central Regional Wastewater Treatment and Disposal Board
Held on July 16, 2009 at the Treatment Plant
1801 North Congress Avenue, Delray Beach, FL 33445**

Present

Boynton Beach

Mayor Jerry Taylor
Chairman Woodrow Hay
Commissioner Marlene Ross

Delray Beach

Mayor Nelson McDuffie (arrived at 5:18 p.m.)
Commissioner Gary Eliopoulos
Commissioner Fred Fetzer
Commissioner Adam Frankel

A. CALL TO ORDER

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

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, July 9, 2009.

D. ADDITIONS AND/OR DELETIONS TO AGENDA

There were no additions or deletions to the Agenda.

MOTION WAS MADE BY MAYOR TAYLOR TO ACCEPT THE FACT THAT THERE WERE NO ADDITIONS OR DELETIONS TO THE AGENDA; MOTION WAS SECONDED BY COMMISSIONER ELIOPOULOS. MOTION CARRIED 6 - 0

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

MOTION WAS MADE BY MAYOR TAYLOR TO ACCEPT MINUTES; MOTION WAS SECONDED BY COMMISSIONER ELIOPOULOS. MOTION CARRIED 6 - 0

F. REPORT OF OFFICERS, COMMITTEES AND EXECUTIVE DIRECTOR

1. CURRENT FINANCIAL STATEMENTS (through June 2009)

a. Balance Sheet (ITEM F1a)

Mr. Coates stated that at the present time, we have \$ 911,733 in cash plus an additional \$ 509,146 in accounts receivable from the Cities which we will be receiving within the next few days. He explained that 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 \$ 3,537,453 in Repair and Replacement account. Of this amount, \$ 961,375 is currently committed on various plant projects; leaving us with \$ 2,576,079 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.

**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.

Revenues from usage were budgeted for \$ 6,117,896 and the projected revenue for this fiscal year is \$ 5,972,718.

Expenditures in personnel were budgeted at \$ 1,595,358 and the projected amount is \$ 1,499,679.

Expenditures in services were budgeted at \$ 1,120,000 and the projected amount is \$ 1,071,824.

Expenditures in Operations and Maintenance were budgeted at \$ 2,309,300 and the projected amount is \$ 1,951,954.

Expenditures in Chemicals and Supplies were budgeted at \$ 1,006,000 and the projected amount is \$ 994,411.

Overall revenues over expenditures as of June 30, 2009 are \$ 372,410.

RECLAIM O&M

Mr. Coates stated that the revenues for Reclaim O&M were budgeted for \$1,141,050 and the projected revenue for this fiscal year is \$898,293. Mr. Coates explained that the reason for the substantial decrease in revenues was due to the fact that deepwell did not come on line on October 1st as anticipated; instead, it came on line in April.

Expenditures in personnel were budgeted at \$118,000 and the projected amount is \$137,056.

Expenditures in services were budgeted at \$65,000 and the projected amount is \$57,854.

Expenditures in Operations and Maintenance were budgeted at \$588,000 and the projected amount is \$429,201.

Expenditures in Chemicals and Supplies were budgeted at \$247,000 and the projected amount is \$225,275.

Overall revenues over expenditures are \$48,207.

c. *Capital Projects Cash Projections* **(ITEM F1c)**

The remaining major projects which comprise our Capital Projects and Cash Projections consist of the Solid Waste Authority Pelletization Project and Deepwell installation. The Cash Projections to closeout these projects in 2009/2010 is anticipated to be \$772,934. Mr. Coates explained that this number is more likely to be closer in the \$400,000 range due to the fact that the Board has made the final payment on the 24-MGD Reclaim Expansion in the approximate amount of \$350,000.

Mr. Coates explained that the engineering expenses would stay in the capital cash projection due to the fact that there will be engineering work that DEP requires in order to obtain the permit for the Deepwell. Commissioner Eliopoulos asked how many months this would take - Mr. Coates replied that it could take six months but would more likely take a minimum of six to nine month possible 12 depending on how the reports go. Mr. Coates told the Board that the deepwell has been on line since April and has been operating with no problems.

QUESTIONS

MOTION TO ACCEPT CURRENT FINANCIAL STATEMENTS

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

2. EXECUTIVE DIRECTOR'S REPORT

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

Mr. Coates explained that the Plant average flow for the first nine months has been 16.39 MGD. Of this flow, Delray's flow was 6.86 MGD accounting for 42% and Boynton Beach's flow as 9.53 MGD accounting for 58%.

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)

Mr. Coates explained that since we are no longer using the outfall, our numbers are based on Reclaim standard numbers. Our average Reclaim TSS and CBOD were 1.76 and 1.79 mg/L well below the limits required by FDEP Operating Permit.

b. DEP annual Inspection (ITEM F2b)

Mr. Coates informed the Board that on May 11, 2009, our Facility underwent an annual Compliance Evaluation Inspection. All the areas on the evaluation investigated by the State were shown to be in full compliance. Results of the inspection are attached.

Chairman Hay asked how often they perform these inspections. Mr. Coates replied that it is done annually; however, they may come out two to three times a year. Since our facility is always in compliance they generally only come out once a year; however, with the deep injection well now online, they may come out a couple of times a year.

Chairman Hay asked if we know ahead of time when they are coming out to which Mr. Coates replied no.

Commissioner Eliopoulos asked if we were in violation due to the fact that they made a comment about the gate being left open. Mr. Coates explained no – that our facility is secure that the gate had been left open due to the landscapers being here just as DEP noted in their report.

c. *Biosolids Pelletization Project (ITEM F2c)*

Mr. Coates stated that the acceptance testing will begin on July 20, 2009. If all goes well, they should be fully operational in 30 days.

Mr. Coates reviewed the budgeting letter that was received on June 5, 2009; this letter shows a tipping fee increase of 50% over the 2005 estimate. Over a full year this represents an amount of a 350K increase in O&M cost and a 600K increase over last year's budget.

Mr. Coates also reviewed the letter received a letter on May 12, 2009 regarding East Central Regional (ECR) buying into the facility. Mr. Coates explained that ECR was originally asked to join the original consortium and they chose at that point in time, to refrain from joining and to try and go out on their own; however, now at this juncture ECR has found that that it would be extremely costly to go out on their own; hence the letter of May 12. If they do decide to buy into the Pelletization Facility, this could mean about \$1M would come back to the Board. Mr. Coates reiterated the fact that these discussions are on-going and he will be bringing everything back to the Board for their authorization.

d. *Operating Permit (ITEM F2d)*

On June 18, 2009, we received the "*Notice of Intent to Issue*". On June 28, 2009, the Notice was published in the Palm Beach Post. If there are no challenges within 21 days of publication to the Notice we should receive our five-year permit in about 30 days.

e. Odor Complaint Log (April 17, 2009- June 30, 2009) (ITEM F2e)

There were no complaints, very good quarter.

Mayor Taylor exclaimed that this was the first time he has seen this since he has been here.

f. Electrical Feeder Repair (ITEM F2f)

On May 5, 2009 we discovered that one of the Plant's four main electrical feeders was damaged. Mr. Coates explained that it could have been nicked as far back as 20 years ago and when we tied into the reclaim side of the facility (to save money), with the extra demand it caused a short in the cable.

Mr. Coates explained that we even took the 2700 feet of cable out of the ground, stripped it and recycled the copper and put the money back into the Board's fund in order to offset the cost of the repair.

Hillers Electrical Engineering assisted in determining that the feed needed to be replaced. We received quotes from three electrical contractors, Dale C. Rossman, Edwards Electric Corp., and Energy Efficient Electric Corp for the work to be performed.

Dale C. Rossman was the lowest responsible bidder and was therefore awarded the contract. Dale C. Rossman performed the work on May 28, 2009.

QUESTIONS

CITIZEN'S COMMENTS

MOTION TO ACCEPT EXECUTIVE DIRECTOR'S REPORT

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

3. BOARD ATTORNEY'S REPORT

Attorney Roger Saberson indicated that there was no separate Board Attorney report and that in the future this item would be deleted from the Agenda unless there is a specific report to be made.

QUESTIONS

MOTION TO ACCEPT BOARD ATTORNEY'S REPORT

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

4. ENGINEER'S REPORT

a. HAZEN AND SAWYER (ITEM F4a)

- 1. Deep Injection Well System**
- 2. Reclaimed Water System Expansion to 24 MGD Construction**
- 3. RAS, Sludge and Headworks Upgrade Construction**
- 4. SCRWT&DB FY 2008/2009 Repair and Replacement Project**

John Koroshec went over the Engineer's Report

QUESTIONS

Commissioner Fetzer asked what the Emergency Conditions consisted of for use of the outfall. John Koroshec and Mr. Coates explained the different scenarios in which the outfall would be used.

MOTION TO ACCEPT ENGINEER'S REPORT

MOTION MADE BY COMMISSIONER FRANKEL; MOTION WAS SECONDED BY COMMISSIONER ROSS. 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 renew contract with H&H LSD, Inc. dated September 16, 2007, for \$19.40 and \$10.23 per cubic yard for sludge disposal services. Second year of a three renewal option.
2. Authorization to extend the term of the contract with Genapure Corporation for lab services from August 1, 2009 through January 31, 2010. Original contract term was October 19, 2007 through September 30, 2008 and extended from October 1, 2008 through January 29, 2009, again from January 30, 2009 through April 30, 2009 and again May 1, 2009 through July 31, 2009.
3. Authorization to expend \$82,118.47 on an emergency basis from repair and replacement funds to:
 - a. **Hillers Electrical Engineering for engineering work on five KV Feeder Replacement \$7,667.50 Line Item Number S535705.30a, Equipment Number 014-16008**
Five KV Feeder line was damaged
 - b. **Replace five KV Feeder \$43,500.00 Line Item Number S535705.30, Equipment Number 014-16008**
Five KV Feeder line was damaged
 - c. **Generator Rental during replacement of five KV Feeder line \$1,293.97 Line Item Number S535805.30a, Equipment Number 014-16008**
Necessary to keep power to the Plant during replacement
 - d. **Repair Centrifugal Pump \$2,270.20 Line Item Number S535806.127, Equipment Number 068-019.**
Seal failed allowing water to enter bearing housing.
 - e. **Repair in-plant sprinkler line \$3,256.37 Line Item S535806.128, Equipment Number 060-1001.**
Sprinklers and lines damaged during construction projects.
 - f. **Replace golf course meters \$5,482.96 Line Item S535806.129, Equipment Number 071-17001 through 071-17006**

Meters had deteriorated, replaced due to age, they were originally installed in 1998.

- g. Repair Reclaim air compressors \$2,451.60 Line Item S535806.130, Equipment Number 041-11003 and 041-11004.**
Units worn out – originally installed in 1998.
- h. Purchase of UHF Portable Radios and Batteries \$955.00 Line Item S535806.131, Equipment Number 068-021 and 068-022**
Radios were water damaged, batteries no longer held a charge.
- i. Replacement of Centrifuge #3 Feed tube \$12,340.87 Line Item S535806.132, Equipment Number 030-11006.**
Feed tube replacement per 24,000 hour pm
- j. Main Server Backup Upgrade \$2,900.00 Line Item S535806.133, Equipment Number 030-17001.**
Insufficient capacity.

- 4. Rescinding unassigned contingency on RAS, Sludge and Headworks Upgrade Globetec Contract (\$20,001.00)**

MOTION TO APPROVE CONSENT AGENDA

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

H. ITEMS REMOVED FROM CONSENT AGENDA FOR DISCUSSION

I. UNFINISHED BUSINESS

J. NEW BUSINESS

**1. ACCEPTANCE OF 2009/2010 WASTEWATER AND RECLAIM O&M BUDGETS AND WASTEWATER REPAIR AND REPLACEMENT EXPENDITURES. (Repair and Replacement Fund)
(ITEMS J1a through J1d)**

- a. Executive Summary
- b. Salient Budget Features
- c. O & M Budgets

Mr. Coates explained that in the O&M Summary, Page 1 of 5 indicates our estimated 2009/2010 budget of \$6,117,658. With an estimated minimum flow rate of 16.8 MGD we will have a rate of .9977 per thousand.

Mr. Coates went on to explain that Pages 2 thru 5 are the individual accounts made up of line items discussed in the Salient Budget features.

Mr. Coates explained that the next set of pages 1-9 made up the O&M line items; and that these are the descriptions of the individual accounts and located after the Plant O&M is the Reclaim O&M Budget. At an estimated budget of \$1,045,495 our projected annual flows give us a rate of .16549 per thousand gallons.

- d. Repair & Replacement Fund

2. AUTHORIZATION TO ESTABLISH WASTEWATER USER RATE TO CITIES FOR FISCAL YEAR 2009/2010 AS FOLLOWS: (ITEM J2)

	2009/2010
Operations & Maintenance	\$ 0.9977/1,000 GAL.
Reserves	\$ <u>0.1940/1,000 GAL</u>
TOTAL	\$ 1.1917/1,000 GAL

(See Enclosure)

Mr. Coates explained that the authorization to establish the O&M rate was derived by dividing our estimated annual flows (17.3 MGD Less .5 MGD) by the 2009/2010 O&M projected budget.

3. AUTHORIZATION TO ESTABLISH RECLAIM USER RATE TO CONSUMERS (Delray, Boynton and Plant) FOR FISCAL YEAR 2009/2010 AS FOLLOWS: (ITEM J3)

\$0.16549/1,000 GALS

Mr. Coates explained that the authorization to establish the reclaim rate was derived by dividing our estimated annual flows of (17.3 MGD) by the 2009/2010 reclaim projected budget.

MOTION MADE BY MAYOR TAYLOR TO ACCEPT ITEMS 1 THROUGH 3; MOTION WAS SECONDED BY COMMISSIONER ROSS. MOTION CARRIED 7-0.

4. ACCEPTANCE OF 2009/2010 ORGANIZATIONAL CHART AND SALARY RANGE REVISION (ITEMS J4a, J4b and J4c)

a. Organizational Chart

b. Salary Ranges

Mr. Coates told the Board that normally we give merit increases from 0-6%; we do not give a cost of living increase. The percentage varies with each position, however, this year, the Facility projects for an average of 0% per employee.

c. Laboratory Technician Job Description

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

5. **AUTHORIZE, BUT NOT REQUIRE THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT WITH INTRASTATE CONSTRUCTION CORPORATION IN THE AMOUNT OF \$1,180,000.00 SUBJECT TO ALL PROVISIONS OF THE CONTRACT DOCUMENTS, FOR THE HEADWORKS AND STORMWATER SYSTEM IMPROVEMENTS. TO BE FUNDED THROUGH THE BOARD'S REPAIR AND REPLACEMENT FUND.**
(ITEM J5)

Attorney Saberson indicated that this motion would have to be read specifically as written.

MOTION WAS MADE SPECIFICALLY AS IT WAS WRITTEN BY COMMISSIONER ELIOPOULOS; MOTION WAS SECONDED BY COMMISSIONER ROSS. MOTION CARRIED 7-0.

6. **AUTHORIZATION TO APPROVE HAZEN AND SAWYER'S WORK ORDER 09-001 FOR THE CONSTRUCTION SERVICES FOR THE HEADWORKS AND STORMWATER SYSTEM IMPROVEMENTS IN THE AMOUNT NOT TO EXCEED \$99,210.00. TO BE FUNDED THROUGH THE BOARD'S REPAIR AND REPLACEMENT FUND.**
(ITEM J6)

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

7. **AUTHORIZATION TO APPROVE HAZEN AND SAWYER'S WORK ORDER 09-002 FOR THE DESIGN AND BIDDING OF "A" PLANT CLARIFIER REHABILITATION IN THE AMOUNT NOT TO EXCEED \$98,980.00. TO BE FUNDED THROUGH THE BOARD'S REPAIR AND REPLACEMENT FUND.**
(ITEM J7)

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

K. PUBLIC AUDIENCE

L. ADJOURNMENT

MEETING WAS ADJOURNED AT 6:21 P.M.