

**UTILITY ADVISORY BOARD  
MEETING  
JUNE 24, 2019**

**MEMBERS PRESENT:** Bil Tucker, Chairman  
Mike Dougherty, James Hoffman,  
Christopher Pflaum, Haskell Rhett, Bill Schindler

**MEMBERS ABSENT:** Thomas Feneran

**OTHERS PRESENT:** Tom Jackson, Utilities Director  
Kristin Simeone, Finance Director  
David Young, Tony Harrison

**CALL TO ORDER/ANNOUNCEMENTS**

- A. Roll Call
- Mr. Tucker announced Mr. Feneran was not seeking reappointment to the Board and was not present to accept the Certificate of Appreciation, confirming Mr. Tom Jackson could deliver same.
- B. Next Scheduled Meeting
1. To be discussed.
  - Mr. Jackson explained the Board's summer meeting schedule, suggesting cancellation of the August 2019 meeting.
  - Mr. Hoffman MOVED, Mr. Pflaum SECONDED to cancel the August 2019 meeting. MOTION CARRIED UNANIMOUSLY.
  - Mr. Pflaum suggested holding a workshop in July 2019.
  - Discussion ensued regarding the timing of a workshop with members coming to consensus to discuss same at the July 22, 2019 meeting.

**CITIZENS COMMENTS ON AGENDA ITEMS ONLY**

- There were none.

**APPROVAL OF MINUTES**

- A. Review and Approval of Minutes from May 20, 2019
- Mr. Pflaum MOVED, Mr. Dougherty SECONDED approval of the May 20, 2019 minutes. MOTION CARRIED UNANIMOUSLY.

**REPORTS**

- A. Utilities Operational Data: Review of Water and Wastewater Flows from May 2019
- Mr. Tom Jackson, Utilities Director, reviewed the May 2019 reports from the agenda material, noting the Shell Creek Reservoir levels were slightly lower for the month compared to the 50 year average. He stated recovery from the Aquifer Storage and Recovery had begun in June 2019.

- B. City Council Action on Utilities Agenda: Utilities Agenda Items Presented to City Council in June 2019
- Mr. Jackson reported an easement had been granted for Florida Power & Light Company to run power to the production wells at the Reverse Osmosis (RO) site. He then briefly reviewed City Council's approval of the Utilities budget and actions taken for the current board vacancies.
- C. Utilities Financial Report
- Ms. Kristin Simeone, Finance Director, reviewed the May 2019 reports, as delineated in the agenda material, noting revenues were greater than expenditures.
  - Discussion ensued regarding the Transfer-to-Debt Services funds.

#### **UNFINISHED BUSINESS**

- A. R.O. Plant Status Report: Review of monthly progress meeting and schedule. Project is on budget and on schedule.
- Mr. Jackson clarified the purpose of the RO was to reduce Total Dissolved Solids, stating the City did not meet current State standards for same. He drew members' attention to the RO report by Wharton-Smith, Inc. Construction Group, noting the project was on budget and on schedule. He announced Wharton-Smith, Inc. would be holding a "drying-in" celebration nearer to the completion date.
  - Mr. Hoffman inquired as to the possible redesign of the Chlorine Building.
  - Mr. Jackson replied staff was researching price differences between gas chlorine and bleach chlorine as a disinfectant for the Water Plant, explaining the cost of gas chlorine was trending upwards. He agreed to keep board members informed before moving forward with changes.

#### **NEW BUSINESS**

- A. Septic to Sewer Presentation by Jones Edmunds
- Mr. David Young, Jones Edmunds, presented Phase 2 of the Septic to Sewer (STS) Master Plan denoted in the agenda material, providing a brief overview of the goals, objectives and the work completed during Phase 1. He reviewed the 7 prioritized project areas, noting a Capital Improvement Plan along with a method for implementation had been identified.
  - Mr. Tony Harrison, Raftelis, reviewed the financial model along with the various financial assumptions. He explained the four project funding sources were State Revolving Fund loans, infrastructure sales tax funds, grants and legislative appropriation. He concluded the total costs for project areas 1-3 after nine years would be slightly under \$50 million; however, the proposed transmission system costs could be eliminated through wastewater capacity fees and other utility funding sources

which would reduce the STS funding requirements to approximately \$40 million. He gave a detailed account of the proposed amounts needed from each funding source, noting the assumptions were brought to the Board for awareness of risks that might be involved.

- Mr. Pflaum questioned whether the costs for customers were based on the number of homes or the number of lots.
- Mr. Harrison replied the number of lots, noting assumptions might change for area 3 if 40% or less of the area was developed. He then reviewed information on customer affordability which included a monthly assessment of \$59.26 and a sewer bill of \$41.09 for a total monthly cost of \$100.35 for the typical 3,500 gallon user. He explained in detail factors related to the total monthly costs, additional financing assumptions, STS financial forecast regarding the sewer collection expansion debt service and assessment revenue.
- Mr. Hoffman expressed concern regarding the capacity at the existing wastewater plant.
- Mr. Jackson responded an evaluation was being done to prepare for additional usage, noting the process would occur over an extended period of time.
- Mr. Harrison concluded the presentation, acknowledging there were external factors that might affect the current assessment. He clarified the assessment was designed as an overview of funding possibilities for the STS project.
- Mr. Tucker requested continued research on the amount of developed lots within area 1-3, requesting same be presented the next time they meet.
- Mr. Young agreed.
- Mr. Schindler suggested the areas be completed separately beginning with a focus on area 1, opining it might be necessary to promote the project to some residents.
- Mr. Jackson requested members' consensus on introducing the assessment presentation to City Council.
- Discussion ensued regarding the proposal to City Council, with members suggesting a narrative be added stating the funding was based on the County's Sewer Master Plan.
- Ms. Simeone acknowledged there were still questions to be answered; however, staff was seeking a recommendation on whether to move forward so that the County and City could begin planning. She briefly reviewed the 1% Local Option Sales Tax process which included input from City and County residents.
- Mr. Pflaum MOVED, Mr. Rhett SECONDED the Board would continue to support the STS conversion based on the materials presented by Jones Edmunds, knowing the plan

could be financed; however, not necessarily through the proposed finance methods.  
MOTION CARRIED UNANIMOUSLY.

- Mr. Jackson reminded members the assessment presentation was a draft for the Board and City Council to consider, noting the final report would be presented at a future date.

**CITIZENS' COMMENTS**

- There were none.

**ADJOURNMENT**

- Meeting Adjourned: 10:50 a.m.

---

Bil Tucker, Chairman

---

Leah Pues, Recording Secretary