

**OKEECHOBEE UTILITY AUTHORITY
MEETING MINUTES**

Thursday, May 19, 2022 8:30 A.M.

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, Florida

Chairperson Creasman called the meeting to order at 8:30 A.M.

Chairperson Creasman addressed Agenda Item No. 1, the following Okeechobee Utility Authority Board Members were present:

Board Members:

Melanie Anderson*
Tommy Clay*
John Creasman*
Steven Nelson*
Tabitha Trent*

Alternates:

Harry Moldenhauer
Glenn Sneider

Absent:

Jeff Fadley

*Voting Board Members

OUA Members:

John Hayford	Tom Conely
George Gall	Michelle Willoughby
Jamie Mullis	Lauriston Hamilton

Chairperson Creasman determined the voting members and led all present in the Pledge of Allegiance

Chairperson Creasman addressed Agenda Item No. 2 ‘Agenda Additions or Deletions’

Executive Director Hayford presents the invoice from Holtz Consulting Engineers, Inc., which was submitted after the agenda was completed. Executive Director Hayford suggests making the invoice Agenda Item 2A. **Motion by Steven Nelson to accept the invoice from Holtz Consulting Engineers, Inc as Agenda Item 2A and approve the invoice in the amount of \$9,745.00. Second by Tommy Clay. Vote unanimous (5-0), motion carried.**

Chairperson Creasman addressed Agenda Item No. 3 ‘FY22 Budget Amendment #1 and Resolution 22-01’

Motion by Tommy Clay to open the Public Hearing at 8:32 A.M. Second by Steven Nelson. Vote unanimous (5-0), motion carried.

Executive Director Hayford presented FY22 Budget Amendment #1 and Resolution 22-01.

Chairperson Creasman called for comments from the Public. There were none.

Chairperson Creasman called for comments from the Board. There were none.

Motion by Steven Nelson to close the Public Hearing at 8:38 A.M. Second by Melanie Anderson. Vote unanimous (5-0).

Motion by Tommy Clay to approve and adopt Resolution 22-01 as presented. Second by Tabitha Trent. Vote unanimous (5-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 4 ‘Meeting Minutes from April 21, 2022. Motion by Melanie Anderson to approve the Meeting Minutes from April 21, 2022 as presented. Second by Tommy Clay. Vote unanimous (5-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 5 ‘Consent Agenda’ Board Member Melanie Anderson pulled Consent Agenda Item #15. Motion by Tommy Clay to approve the Consent Agenda after pulling Consent Agenda Item #15 for discussion:

Consent Agenda Item No. 6 ‘Finance Report for the period ending April 30, 2022

Consent Agenda Item No. 7 ‘Invoice from Sumner Engineering & Consulting, Inc. – SW 5th Avenue LPSS Design and Permitting in the amount of \$33,745.00’

Consent Agenda Item No. 8 ‘Invoice from Sumner Engineering & Consulting, Inc. – Okeetantie Utility System Improvements in the amount of \$3,817.50’

Consent Agenda Item No. 9 ‘Invoice from Sumner Engineering & Consulting, Inc. – SWSA Project (Part B) in the amount of \$14,778.68’

Consent Agenda Item No. 10 ‘Invoice from Sumner Engineering & Consulting, Inc. – SWSA Project (Part E) in the amount of \$85,721.76’

Consent Agenda Item No. 11 ‘Invoice from Felix Associates, Inc. – SWSA Master Pump Station in the amount of \$54,150.00’

Consent Agenda Item No. 12 ‘Invoice from Eckler Engineering, Inc. – Pine Ridge Park Utility Improvement in the amounts of \$3,001.81’

Consent Agenda Item No. 13 ‘Invoice from MacVicar in the amount of \$250.00’

Consent Agenda Item No. 14 ‘Invoice from Thorn Run Partners in the amount of \$3,500.00’ Second by Melanie Anderson. Vote unanimous (5-0), motion carried.

Chairperson Creasman addressed Consent Agenda Item #15 ‘Items to be Written Off’ Melanie Anderson discusses the process for OUA staff to track and report monies owed on properties. Melanie Anderson discusses placing liens on properties with fees due. Attorney Tom Conely discusses the lien process. Executive Director Hayford discusses the OUA process for reporting monies due and the lien process. There was a brief discussion. Motion by Melanie Anderson to approve Consent Agenda Item #15 as presented. Second by Tabitha Trent. Vote unanimous (5-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 16 ‘Allocation of FY21 Operating Surplus’ Finance Director Gall discusses the unallocated operating surplus from FY21 in the amount of \$361,463.00. Finance Director Gall presents scenarios for allocating this operating surplus for the board consideration and approval. Finance Director Gall discusses the significant number of projects planned for the FY23 budget and recommends that the surplus funds are allocated to the Capital

Improvement Project Fund. Executive Director Hayford discusses that if the surplus monies were allocated to the CIP Fund and are not restricted. **Motion by Tommy Clay to follow staff's recommendation and allocate FY21 surplus funds in the amount of \$361,463.00 to FY23 Capital Improvement Project Fund. Second by Steven Nelson. Vote unanimous (5-0), motion carried.**

Chairperson Creasman addressed Agenda Item No. 17 'Pine Ridge Park Improvement Project' Executive Director Hayford provides the board with a recap of the project. The project was designed by Eckler Engineering, Inc. and placed out for bid. The apparent low bidder came in \$864,000 higher than the engineering estimate. During discussions between Eckler Engineering, Inc. and bidders, the higher-than-expected costs can be tied to suppliers not giving to bidders hard pre-bid quotes (actual "hard" pricing isn't available until orders are placed, or in some cases, until product is delivered), increasing labor costs, inflation or product availability (causing the bidder to order a product from a higher priced supplier). Executive Director Hayford discusses that the engineer and bidder discussed pricing to try and bridge the gap between the engineering estimate and the low bid. To understand the difference in the bids will assist in substantiating the reasonableness of the total bid. There was very little success in this area of discussions. Executive Director Hayford discusses that the OUA FY22 funding was set to meet the engineer's estimate. Therefore, since a negotiated price was not reached, three options are available: OUA to find additional financial resources to meet higher bid, take out several work items to lower cost or reject all bids and rebid the project. There was a brief discussion regarding mandatory connections. Doug Hammann with Eckler Engineering, Inc. was present to discuss the estimate on the project and the increases they have seen in the bids that they are receiving. Doug Hammann explains that the bid cannot be changed and that any changes would be completed through changes orders after a contract is signed. Doug Hammann discusses with the board that there may be FDEP grants that can assist with the cost for homeowners to connect to the system. *John Creasman out at 945 A.M.* Doug Hammann discusses some of the changes they can request through a change order that cannot be requested with a signed contract. *John Creasman in at 947 A.M.* **Motion by Steven Nelson to accept the bid from Hinterland Group, Inc. in the amount of \$5,143,000.00. Second by Tommy Clay Vote unanimous (5-0), motion carried.**

Motion by Tommy Clay to approve the OUA Board Chair or Vice Chairperson to execute the Notice of Award to Hinterland Group, Inc. Second by Steven Nelson. Vote unanimous (5-0), motion carried.

Motion by Tommy Clay to approve the OUA Board Chair or Vice Chairperson to execute the Notice to Proceed provided necessary documents are submitted, reviewed and approved. Second by Steven Nelson. Vote unanimous (5-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 18 'SWTP Water Quality Study' Executive Director Hayford discusses the proposal on the Water Quality Study at the Surface Water Treatment Plant. Executive Director Hayford discusses a buildup of solids on a vertical turbine pump in the filter clear well. Water is pumped from the clear well to the new ground storage tank. The exterior of this pump intake was similar to the interior. This buildup caused the pump itself to become locked up. The OUA had to have the pump pulled and sent to a pump repair shop to be cleaned and service and returned. **Motion by Tommy Clay to approve Task Order #12 submitted Eckler Engineering,**

Inc. in the amount of \$17,500.00. Second by Steven Nelson. Vote unanimous (5-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 19 ‘SWSA Master Force Main’ Executive Director Hayford discusses that the OUA received 9 bids for the SWSA Master Force Main Project. Executive Director discusses based upon the engineer’s summary and more specific review of several of the low bids, the engineer is recommending award to Go Underground Utilities, LLC. **Motion by Tommy Clay to approve the OUA Board Chair or Vice Chairperson to execute the Notice of Award to Go Underground Utilities, LLC. Second by Steven Nelson. Vote unanimous (5-0), motion carried.**

Motion by Tommy Clay to approve the OUA Board Chair or Vice Chairperson to execute the Notice to Proceed to Go Underground Utilities, LLC. Second by Steven Nelson. Vote unanimous (5-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 20 ‘King’s Bay Water Main Extension’ Executive Director Hayford discusses that a private property owner has approached the OUA to extend a water main from the front entrance at King’s Bay to their property. The private party will extend the water main at their cost and size (6” PVC) to meet their needs. The private party has asked the OUA to pay for any up sizing to meet future OUA needs, extensions past their property, engineering and surveying. Executive Director Hayford discusses that the OUA has been approached several times concerning this extension, the last being January 2021. This request is beneficial to both the property owner as well as the OUA. If this line were extended, there will be more than one new customer. There was a brief discussion. Executive Director Hayford will secure an engineering proposal and cost estimate which will be brought to the board for consideration at the June Meeting.

Chairperson Creasman addressed Agenda Item No. 21 ‘SE-2 Land Purchase’ Executive Director Hayford discusses that the OUA has expressed an interest in this lot as a means to provide a buffer next to the OUA owned SE 2 wastewater pump station. The Okeechobee County Property Appraiser has this parcel (lots 2,3,4 and alleyway Block K) valued at \$53,288. Prior to the OUA purchase of this parcel, OUA staff obtained an independent appraisal which came back in the amount of \$65,000.00. **Motion by Tommy Clay to approve the OUA Board Chair or Vice Chairperson to make counter offer of \$72,500.00 with authorization to purchase for an amount not to exceed of \$80,000.00. Second by Steven Nelson. Vote unanimous (5-0), motion carried.**

Chairperson Creasman addressed Agenda Item No. 22 ‘Office Property Purchase’ Executive Director Hayford discusses that the OUA will be hiring a person to fill the assistant executive director position. An office will need to be created which will require a remodel of the main office space or the purchase of space elsewhere. Executive Director Hayford discusses that the owner of a building on a parcel which is adjacent to the OUA main office has reached out to the OUA to see if the OUA would be interested in purchasing this parcel. The building is 1,100 SF, built in 1960 and assessed at \$33,362. It currently is operated as a Bail Bond office and has been a Tattoo Parlor, Barber Shop or various other businesses. Executive Director Hayford discusses that prior to purchasing this building, the OUA will require an inspection to determine current condition. Executive Director Hayford discusses If the OUA were to purchase this building, it will require some refurbishing such as paint,

electrical and connective (internet/server) services from the OUA office. Executive Director Hayford informs the board that the owner is currently offering \$125,000.00. **Motion by Steven Nelson to purchase the property in the amount of \$125,000.00 contingent on inspection. Second by Tommy Clay. Vote unanimous (5-0), motion carried.**

Chairperson Creasman addressed Agenda Item No. 23 ‘Public Comments’ There were none

Chairperson Creasman addressed Agenda Item No. 24 ‘Items from the Attorney’ There were none

Chairperson Creasman addressed Agenda Item No. 25 ‘Items from the Executive Director’ Executive Director Hayford gave an update on current projects.

Chairperson Creasman addressed Agenda Item No. 26 ‘Items from the Board’ John Creasman suggests that the OUA surplus land that is owned on State Road 78. Executive Director Hayford met with the county planner to look into subdividing the properties into multiple properties.

Tabitha Trent out at 10:47 A.M.

There being no other business, meeting adjourned at 10:50 A.M.

PLEASE TAKE NOTICE AND BE ADVISED that if a person decided to appeal any decision made by the Okeechobee Utility Authority with respect to any matter considered at this meeting, he/she may need to ensure that verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. A CD recording of this meeting is on file in the Executive Director’s office.

Chairperson

Executive Director (Secretary)