

**OKEECHOBEE UTILITY AUTHORITY
MEETING MINUTES**

Tuesday, July 18, 2023 8:30 A.M.

Okeechobee Utility Authority

100 SW 5th Avenue

Okeechobee, Florida

Chairperson Clay called the meeting to order at 8:31 A.M.

Chairperson Clay determined the voting members and led all participating attendees and visitors in the Pledge of Allegiance.

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

Board Members:

Tommy Clay*

John Gilliland*

Harry Moldenhauer*

Steve Nelson*

Tabitha Trent*

Alternates:

Melanie Anderson

Glenn Sneider

Absent:

*Voting Board Members

OUA Members:

John Hayford

Lauriston Hamilton

Jamie Mullis

Tom Conely

Michelle Willoughby

Chairperson Clay addressed Agenda Item No. 3 ‘Agenda Additions or Deletions’ There were none.

Chairperson Clay addressed Agenda Item No. 3 ‘Meeting Minutes from June 20, 2023.’ Motion by Steve Nelson to accept the Meeting Minutes from June 20, 2023 as presented. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.

Chairperson Clay addressed Agenda Item No. 4 ‘Employee Recognition’ Chairperson Clay recognized Tracy Cook for her 15 years of service to the OUA.

Chairperson Clay addressed Agenda Item No. 4 ‘Department Supervisor Updates’

Maintenance: Jess Mason discusses stock levels of inventory items such as 240- and 480-volt panels. Jess Mason discusses that there are two new employees for the Maintenance Department, both of which are new to this type of work. Jess Mason discusses the need for the electrical position to be filled.

WWTP: Jamie Gamiotea was not present for the meeting.

SWTP: Kevin Rogers discusses stock levels of inventory items both in use and reserve. Kevin Rogers discusses the use of some inventory items. *Glenn Sneider out at 8:55 A.M.* Chairperson Clay asks who

tracks the life span and on-hand stock levels. Kevin Rogers discusses that Raul Marrero was assigned to tracking these items.

Administration: Kristy Arnold discusses that there are currently no vacancies in customer service. There were no other updates for the board.

Jamie Mullis provides the board with updates from the Supervisor Meeting on June 21, 2023.

Chairperson Clay addressed Agenda Item No. 6 ‘Consent Agenda’ Attorney Conely states that Consent Agenda Item No. 13 should state invoice payable to Lewis, Longman & Walker, P.A. **Motion by Steve Nelson to approve the Consent Agenda with correction to Consent Agenda Item No.13:**

Consent Agenda Item No. 7 ‘Invoice from Sumner Engineering & Consulting, Inc – SW Wastewater Service Area Project (Part B & C) in the amount of \$6,965.88’

Consent Agenda Item No. 8 ‘Invoice from Sumner Engineering & Consulting, Inc – SW Wastewater Service Area Project (Part E) in the amount of \$25,090.98’

Consent Agenda Item No. 9 ‘Invoice from Sumner Engineering & Consulting, Inc – Homeowner Grant Funding Support in the amount of \$7,320.00’

Consent Agenda Item No. 10 ‘Invoice from Hinterland Group, Inc. – SWSA Project 2 in the amount of \$559,224.49’

Consent Agenda Item No. 11 ‘Invoice from Felix Associates of Florida, Inc. –SWSA Master Pump Station in the amount of \$5,130.00’

Consent Agenda Item No. 12 ‘Invoice from Barney’s Pump Inc – RAS Pump Replacement in the amount of \$101,058.00’

Consent Agenda Item No. 13 ‘Invoices from Lewis, Longman & Walker, P.A. – USDA Loan in the amount of \$10,022.50’

Consent Agenda Item No. 14 ‘Invoice from Evergreen Solutions, LLC in the amount of \$4,875.00’

Consent Agenda Item No. 15 ‘Proposal from Andersen Andre Consulting Engineers, Inc. – SWSA Lab Testing Services in the amount of \$37,985.00’

Consent Agenda Item No. 16 ‘Invoice from Thorn Run Partners in the amount of \$3,500.00’

Consent Agenda Item No. 17 ‘Invoice from MacVicar in the amount of \$250.00’

Second by Tabitha Trent. Vote unanimous (5-0), motion carried.

Chairperson Clay addressed Agenda Item No. 18 ‘Finance Report’ Finance Director Hamilton reviews the Finance Report for period ending June 30, 2023. **Motion by Steve Nelson to approve the Finance Report for period ending June 30, 2023. Second by Tabitha Trent. Vote unanimous (5-0). Motion carried.**

Chairperson Clay addressed Agenda Item No. 19 ‘Allocation of FY22 Operating Surplus’ Finance Director Hamilton reviews that as a practice, the OUA has traditionally calculated the net difference on the operating fund account (actual vs. budget) from which payments and receipts are recorded. Finance Director Hamilton discusses that such difference arises because budgeted income and expenditures will never equate to actual payments and receipts during any financial year. Therefore, after the completion of the Authority’s financial audit, the net difference is transferred to a restricted account for future use.

Finance Director Hayford discusses the options available for this transfer. Finance Director Hamilton discusses that with a number of capital expenditures pending in financial year FY24, it is staff recommendation to allocate all of the FY22 operating difference of \$257,447 to the Capital Improvement Project Fund. **Motion by Tabitha Trent to approve the transfer the FY22 operating difference in the amount of \$257,447 to the Capital Improvement Project Fund. Second by Harry Moldenhauer. Vote unanimous (5-0). Motion carried.**

Chairperson Clay addressed Agenda Item No. 20 'FY23 Capital Budget Status Report' Finance Director Hamilton discusses that at the last board meeting staff was asked to provide a report of where the FY23 budget stands. Board Member Trent inquires as to why the Master plan is listed as pending. Executive Director Hayford discusses that the Master Plan has not been put out an RFP as there is a pending issue with the consumptive use permit. Staff are currently negotiating with the water management district. Executive Director Hayford discusses that knowing what the consumptive use permit is will determine whether or not the OUA will need a new treatment plant. There was a brief discussion. **Motion by Steve Nelson to approve the FY23 Capital Budget Status Report as presented. Second by John Gilliland. Vote unanimous (5-0). Motion carried.**

Chairperson Clay addressed Agenda Item No. 21 'Critical Inventory Item' This item was discussed with Agenda Item No. 4.

Chairperson Clay addressed Agenda Item No. 22 'Monthly Health Stipend' Executive Director Hayford discusses that staff reviewed current insurance use by the employees. Staff compared the increase to the stipend to the available employee insurance choices (FY24) to arrive at what would be the overall employee benefit. Executive Director Hayford discusses that with each increase to the proposed monthly stipend, actual employee out of pocket insurance costs will go down, potentially leading to additional health care coverage for spouse, children or family. Executive Director Hayford discusses that the increase will also increase the amount of available financial resources the employee has to offset other lifestyle necessities such as rent, food, or others costs. The employee can only apply the stipend to pay for health care, vision, dental or life insurance costs. Executive Director Hayford discusses that this stipend is directed to retain current employees or as an attraction for new employees with respect to their benefit package. Executive Director Hayford discusses that while none of the stipends pay the full monthly health insurance premiums for all policies at all coverages (employee, spouse, child & family), all stipends lower the out-of-pocket expenses of an employee. Executive Director Hayford discusses that the preliminary FY24 budget currently lists the stipend as \$1,100 per employee. Executive Director Hayford discusses that staff is asking the OUA Board to make a change to the stipend with an effective date beginning August 1st so that an employee will know what money is available to go towards policy expense. Executive Director Hayford discusses that the employee will make these choices during the Open Enrollment which is expected to occur mid-August, with policies taking effect October 1st. Chairperson Clay discusses that the benefit package offered by the OUA is supposed to be evaluated during the Employee Classification and Compensation Survey. There was a brief discussion about waiting to make any changes to the stipend until after the survey is complete. Board member Trent discusses that from a budget timeline perspective as well as open enrollment deadlines this issued should be considered. Executive Director Hayford discusses that the preliminary FY24 budget currently lists the stipend as \$1,00 per employee. Executive Director Hayford discusses that the employee will have to make decisions regarding insurance benefits during open enrollment in August and the survey will not be completed until after the close of open enrollment. **Motion by Tabitha Trent to approve the increase in the Monthly Health Stipend from \$750 to \$1,100. Second by John Gilliland. Vote unanimous (5-0). Motion carried.**

Motion by Tabitha Trent to approve the increase of the Monthly Health Stipend beginning September 1, 2023. Second by Steve Nelson. Vote unanimous (5-0). Motion carried.

Chairperson Clay addressed Agenda Item No. 23 'PRM (Public Risk Management) New Products – Health Benefit' Finance Director Hamilton discusses that each year prior to the enrollment period, OUA staff would review the list of products offered by Public Risk Management (PRM) – OUA's Health Insurer, to determine whether any new product(s) are beneficial to OUA's staff or its retirees. Finance Director Hamilton discusses that for 23/24 review, there are two new products being added to PRM portfolio of products: Blue Medicare Elite PPO and Diabetes Prevention Program. Finance Director Hamilton discusses that the Blue Medicare Elite PPO health product is accessible by OUA's retirees who meet the requirements. Finance Director Hamilton discusses that since there is no additional charge to OUA in offering Blue Medicare Elite PPO along with the current PRM Plan 0727, staff propose that OUA offers both policies to retirees for their selection. Finance Director Hamilton reviews the Diabetes Prevention Program that is being offered by PRM to participants during the coming enrollment year – 23/24. This program is a fitness and wellness program which seeks to motivate active staff members and their dependents (over the age of 18 years old, and are at risk of developing type 2 diabetes), through a year-long fitness program. During the initial 16 weeks, the qualifying participants, who must have a Body Mass Index (BMI) of 25 or higher, will be assigned five milestones. Finance Director discusses that upon achievement of each milestone, the participants will be given a cash payout as encouragement for participation. Finance Director discusses that the total cost to OUA per participant is \$700, provided the participant achieves all milestones. Finance Director Hamilton discusses that using the current enrollment of 61 participants over 18 years as at June 2023, the maximum estimated cost to OUA (assuming all persons qualify and are interested) would equal (61 participants X \$700) = \$42,700. Finance Director Hamilton discusses that this estimate is the worst-case situation, as not all insured person will meet the BMI of 25 (or more) or follow through and attain all five milestone. There was a brief discussion regarding the Diabetes Prevention Program. Chairperson Clay asks staff who is responsible for funding the cash payouts out for each milestone. Finance Director Hamilton discusses that OUA would fund the program. **Motion by Steve Nelson to table the Diabetes Prevention Program. Second by John Gilliland. Vote unanimous (5-0). Motion carried**

Motion by Harry Moldenhauer to approve the addition of the Blue Medicare Elite PPO to the insurance plans offered for OUA retirees. Second by Steve Nelson. Vote unanimous (5-0). Motion carried.

Chairperson Clay addressed Agenda Item No. 24 'Elimination of Single Person Shift' Executive Director Hayford discusses that currently the OUA utilizes single person shifts at the treatment plant for nights, weekends and holiday schedules. Executive Director Hayford discusses that the OUA Board addressed this issue at the last meeting stating that this policy needed to be evaluated and asked staff to look in to eliminating single person shifts. Executive Director Hayford discusses that the projected annual cost to eliminate the single shift would be \$718,889. Executive Director Hayford discusses that OUA supervisory staff will investigate shifting day time personnel to night/weekend duties to eliminate the need for hiring the eleven additional staff listed above. There was a brief discussion and staff were directed to discuss staff coverage levels with supervisors. Board members discussed that staff should reach out to other utilities to discuss their staffing levels. Informational purposes only, no board action taken.

Chairperson Clay addressed Agenda Item No. 25 'FY24 Budget Discussion Sheet' Finance Director Hamilton discusses that presently, operations at the Water and Wastewater Treatment Plant are monitored by a single employee during overnights, weekend and holiday which the Board considers to be untenable given the level of exposure and liability that OUA could be deemed responsible for. Finance Director

Hamilton discusses that in an attempt to eliminate such exposure, a computation of additional staffing was evaluated to achieve the stated objective of eliminating single man shift. This item to be brought back after further evaluation. Finance Director Hamilton discusses that as a contingency plan for OUA's water source from Okeechobee Lake, the GWTP which utilize well water as its source, was established and maintained by the Authority. Finance Director Hamilton discusses that due to continued concerns of OUA consumptive permit, it is staff proposal that the decisions of carrying back the continuous operation of the GWTP, as a source of supply, be reviewed and decided upon. Finance Director Hamilton discusses the maximum annual cost of \$42,700 to operate the Diabetes Prevention Program. Finance Director Hamilton discusses the net increase in revenue with no discount compared to a 75% discount. Finance Director Hamilton discusses that the resolution approving a 75% discount sunset September 30, 2023, should be Board not approve its continuation then the rates will revert to the total charge without discount on October 1, 2023. Chairperson Clay discusses mandatory connections and 75% discount that is currently being offered to the customers. *Melanie Anderson out at 10:23 A.M.* Executive Director Hayford discusses the operation of the GWTP and the current request to increase the consumptive use permit. Finance Director Hamilton discusses that the staff seek to implement a number of projects to increase efficiency plus the protection and safety at each facility, a number of costly projects are being contemplated for inclusion in FY24 Capital Budget. Finance Director Hamilton discusses that presently, the department's capital project included in the previously submitted preliminary budget stands at \$3,455,737 which will be adjusted upward as accurate estimates are received from suppliers. Finance Director Hayford discusses that given the total departmental capital budget is scheduled to be funded from the Capital Improvement Fund, the issue of the depletion of the CIP fund becomes an issue as it presently stands at \$1,475,230. Informational purposes only, no board action taken.

Chairperson Clay addressed Agenda Item No. 26 'Salary Survey Meetings – Evergreen Solution, LLC' Executive Director Hayford discusses that since signing the contract with Evergreen Solutions LLC on June 20th, the OUA has had two subsequent meetings. The first meeting was on June 26th and took the format of a video conference call. This meeting was intended to be an introduction of the Evergreen's Project Team to OUA's management. Executive Director Hayford discusses that the second meeting was on July 11th, two staff introduction sessions were hosted with Rob Williamson, Project Manager. The first was held at the main office from 8:00am to 9:30am and the second was held at the Barn from 10:00am to 11:30am. A total of 50 employees from the staff compliment of 53 attend both sessions. Executive Director Hayford discusses that the format of the meetings included Rob Williamson introducing himself and the company (Evergreen) to staff members as well as an explanation of the benefits to be derived to both staff and company from the project being undertaken. Executive Director Hayford discusses that a pictorial explanation of the Job Assessment Tool (JAT) was explained to staff and its simplicity. Since all staff members are required to input their job function into the software. Executive Director Hayford discussed that staff were then asked to provide their opinion of OUA for Rob Williamson to gain an understanding of their impression of the Authority. Executive Director Hayford discussed that there will be another in person meeting prior to the Preliminary Report on September 15th. This is for informational purposes only, no action needed.

Chairperson Clay addressed Agenda Item No. 27 'Security Camera SWTP and Maintenance Barn' Executive Director Hayford discusses that staff contacted Advanced Alarm and Group One Safety & Security concerning the need for area security cameras. After several telephone contacts and emails, Advanced Alarm contacted the OUA and stated for several reasons they could not be of service to the OUA. Similar telephone and email contacts had been sent to Group One. Executive Director Hayford

discussed that on July 12th, staff received two different quotes, one for the SWTP and the other for the Maintenance Barn. Both quotes contain Network Video Recorders, monitor, battery back-up and installation. The proposal for the water plant had eight cameras while the maintenance barn had six. In each location additional camera could be placed for approximately \$1,545.00. There was a brief discussion and board members determined this agenda item was to be tabled until additional costs and quotes could be obtained.

Chairperson Clay addressed Agenda Item No. 28 ‘Vacuum Station No. 2 Generator Replacement’ Executive Director Hayford discusses that the generator was installed at Vacuum Station No. 2 when the station was built in circa 2005. This generator began its’ service life with the City of Okeechobee on or about 1986 at the wastewater treatment plant on Cemetery Road. It has held up well over the years, but, does take more and more repairs with each passing year. Executive Director Hayford discusses that this generator is installed in the building and is quite loud. Additionally, the generator is slightly undersized for the electrical load for the current capacity of the station. Executive Director Hayford discusses if this proposal is approved, the new generator would come with an all-weather enclosure with sound attenuating features so that the generator could be mounted outside of the building on a slab. The generator will pre-purchased by OUA. Executive Director Hayford discusses that in the engineering proposal, the replacement generator would be a 250-kW generator and will meet or exceed the electrical requirements of the lights & motors currently installed at the station. Preliminary budget pricing for the pre-purchase of the generator is \$120,000. Executive Director Hayford discusses that the preliminary estimate of the work to install, wire and other miscellaneous work to complete the install of the generator at an additional price of \$125,000. **Motion by Steve Nelson to approve the engineering fees proposed by CHA Engineering in the amount of \$48,100 to provide engineering, permitting, bidding and construction services. Second by Tabitha Trent. Vote unanimous (5-0). Motion carried**

Chairperson Clay addressed Agenda Item No. 29 ‘Pine Ridge Park Engineering Fees’ Executive Director Hayford discusses that per the original contract, the construction was to be primarily completed by August 19, 2023 with final completion by September 18, 2023. Executive Director Hayford discusses that the OUA has agreed to put the household connections for water and wastewater back in to the contract during the last OUA meeting. The approved change order included both a cost increase (\$818,942.65) and additional time (150 days). Executive Director Hayford discusses that due to the increase in construction contract time, the engineers time to provide construction services also has to be adjusted. Previous approvals for time to the contractor have been granted are the 150 days for Change Order No. 2 and Change Order No. 3 which is up for consideration today, allowing a total 181 days. Executive Director Hayford discusses the engineering request provides for these days as well as the additional work to be incurred by the engineering firm over the additional days. Tasks, in general, include project oversight, inspections, shop drawings, additional pay requests, project meetings/communications as well as other associated work items. **Motion by Tabitha Trent to approve the CHA Engineering proposal – Engineering Scope Revision No. 4 for the Pine Ridge Park Utility Improvements in the amount of \$138,200 to provide construction inspection services. Second by Steve Nelson. Vote unanimous (5-0). Motion carried**

Chairperson Clay addressed Agenda Item No. 30 ‘Pine Ridge Park Change Order No. 3’ Executive Director Hayford discusses proposed Change Order No. 3 for the Pine Ridge Park Utility System Improvement project. This change order will address a contract price reduction and time extension for approved additional work. Executive Director Hayford discusses that the contract price reduction is a result of the OUA direct purchasing the emergency generator for the vacuum pump station. The end

result is that the OUA saves on the sales tax (\$8,553.26) expense. Executive Director Hayford discusses that the work will add a total of 31 calendar days to the original contract. OUA staff have reviewed the work and time and are in agreement with the contract price and time adjustments. **Motion by Tabitha Trent to approve Change Order No. 3 for the addition time (31 days) and price reduction (\$150,274.26) requested and authorize the OUA Board Chairman to execute the document. Second by Harry Moldenhauer. Vote unanimous (5-0). Motion carried**

Chairperson Clay addressed Agenda Item No. 31 ‘Upgrade of the PLC System’ Executive Director Hayford discusses that the SWTP utilizes a number of equipment’s in the conversion of raw water to processed water for consumption by OUA’s customers. To enable both the efficient and automation of the process, a plc (which acts as the brain of the automation process) is attached to the main processing machines. Executive Director Hayford discusses that presently, the PLC in operation is outdated and provides a challenge to acquire components for maintenance. Executive Director Hayford discusses that should our current system start to malfunction and become inoperable, then SWTP will be forced to operate manually which unfortunately would present a nightmare. Executive Director Hayford discusses that C2i, who are the maintenance contractor of the present PLC has provided a quotation of \$268,142.82 to replace and upgrade the PLC model at the SWTP. However, with a lead (delivery) time of 52 weeks. Executive Director Hayford discusses that it is the recommendation of staff that the Board approve the issuing of a purchase order to C2i with the understanding that the final invoice may defer due to the long lead time for delivery and installation. There was a brief discussion regarding the proposed upgrades to the PLC system. **Motion by Tabitha Trent to approve the issuance of a purchase order to C2i in the amount of \$268,142.82. Second by John Gilliland. Vote unanimous (5-0). Motion carried**

Chairperson Clay addressed Agenda Item No. 32 ‘Employee Hiring & Retention’ Executive Director Hayford discusses that the OUA held a supervisor meeting at the OUA main office. Executive Director Hayford discusses that a part of the meeting was spent on employee concerns such as employee retention or what can the OUA change/do/provide to attract new hires. Executive Director Hayford discusses that the OUA currently provides up to \$300 per year per eligible employee for their uniforms. Executive Director Hayford discusses that with a change to the Employee Personnel Manual, the OUA shall pay \$450.00 to each employee on October 1st, towards uniform expenses to meet the requirements identified. Executive Director Hayford discusses that this change does not specifically address footwear (e.g. safety boots) or the wearing of other safety related attire. The employee may use the annual allowance for any items worn to work. Executive Director Hayford discusses current compensation time and longevity bonuses. There was a brief discussion that the topics covered in the is agenda item should be provided to Evergreen Solution LLC for consideration in the Salary and Compensation Survey. There was no board action taken.

Chairperson Clay addressed Agenda Item No. 33 ‘Employee Licensing’ Executive Director Hayford discusses current OUA policy is have the OUA licenses to meet FDEP regulatory requirements for each facility. Executive Director Hayford discusses the current FDEP regulatory requirements. Executive Director Hayford discusses annual expense and effects to the budget. Executive Director Hayford discusses that this agenda item was provided as a discussion item and will develop this policy over the next several OUA Board meetings. There was no board action.

Chairperson Clay addressed Agenda Item No. 34 ‘Surface Water Treatment Plant Inspection’ Executive Director Hayford presented and addressed the boards concerns.

Chairperson Clay addressed Agenda Item No. 35 'Public Comments' There were none.

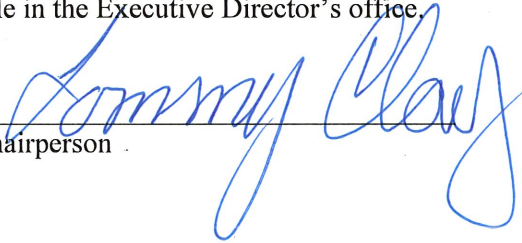
Chairperson Clay addressed Agenda Item No. 36 'Items from the Attorney'

Chairperson Clay addressed Agenda Item No. 27 'Items from the Executive Director' Executive Director Hayford gave an update on current projects.

Chairperson Clay addressed Agenda Item No. 38 'Items from the Board' Executive Director Hayford discusses there is a City Council meeting tonight, July 18, 2023 to discuss mandatory connections. Executive Director Hayford discusses that the SW 5th Avenue design work by Sumner Engineering as well as the signing of the FDEP Grant has been held up based on the City approval of mandatory connection. **Motion by Tabitha Trent to approve the Chairman to execute the FDEP Grant and Sumner Engineering contract in advance pending positive outcome at the City Council meeting. Second by Steve Nelson. Vote unanimous (5-0). Motion carried**

There being no other business, meeting adjourned at 11:22 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)