

MINUTES
CLAY COUNTY UTILITY AUTHORITY
October 6, 2020

The Board of Supervisors of the Clay County Utility Authority (CCUA) met in Regular Session in the Board meeting room at the Administrative Office of the Clay County Utility Authority, 3176 Old Jennings Road, Middleburg, Florida, on the above-stated date.

Item No. 1 – Call to Order

Chairman Gardella called the meeting to order at 2:00 P.M.

Item No. 2 – Invocation/Pledge of Allegiance

Mr. Davis offered the Invocation and led those in attendance in the Pledge of Allegiance.

Item No. 3– Roll Call

Roll Call was taken with Chairman Gardella, Vice-Chairman Kloss, Mr. Davis, Mr. Hodges, Mr. Roark, Mr. Starnieri and Mr. Welch in attendance.

Also present at the meeting were Executive Director Jeremy Johnston, Chief Operations Officer Teri Shoemaker, Chief Financial Officer Jeff Wesselman, Accountant Karen Osbourne, Public & Legislative Relations Liaison Celeste Goldberg, Utility Engineer Darrell Damrow, Construction and Inspection Services Manager Warrick Sams, Contracts Administrator Lynn Valentin, and Grady H. Williams, Jr. LL.M, legal counsel to the CCUA.

Item No. 4– Election of Chairman and Vice-Chairman

a. Election of Chairman and Vice-Chairman for the 2020/2021 Fiscal Year

Chairman Gardella opened the floor for nominations for Chairman. Mr. Davis nominated Vice-Chairman Kloss to serve as Chairman for the 2020/2021 Fiscal Year. There were no other nominations received for Chairman. The floor was then opened for nominations for Vice-Chairman. Mr. Welch nominated Mr. Davis serve as Vice-Chairman for the 2020/2021 Fiscal Year, both motions were seconded by Mr. Starnieri. After discussion, the motions carried 7-0, to elect Vice-Chairman Kloss to serve as Chairman and Mr. Davis to serve as Vice-Chairman for the 2020/2021 Fiscal Year.

Item No. 5 – Approval of Minutes

- a. Board of Supervisors Regular Meeting, September 15, 2020
- b. Board of Supervisors Workshop Session - Tour, September 25, 2020

After discussion, Vice-Chairman Davis moved, seconded by Mr. Roark, and carried 7-0, to approve the minutes of the Regular Meeting, September 15, 2020, and the Board of Supervisors Workshop Session - Tour, September 25, 2020.

Item No. 6– Approval of Consent Agenda

- a. Approval of Financial and Operational Activities

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After discussion, Mr. Welch moved, seconded by Mr. Roark, and carried 7-0, to approve the Financial and Operational Activities as follows;

- 1) Approval of Payment of Warrants
Warrants totaling \$2,198,466.76
 - a. Schedule of payments to Sole Sources
 - b. Schedule of Emergency Repairs/Purchases - None
 - c. Schedule of items initiated under Emergency Contract - None
 - d. Schedule of payments from the Emergency Account
 - e. Schedule of claims paid under the Sewage Backup Response Policy - None
 - f. Detailed Descriptive Warrant Report
- 2) Request for Asset Disposal Authorization - None
- 3) Request for Sole Source Designation – None

b. Approval of Capital Budget Activities

After discussion, Mrs. Gardella moved, seconded by Mr. Welch and carried 7-0, to approve the Financial and Operational Activities as follows;

- 1) Requests for Award of Procurement Contracts and/or Ratification of Procurement/Construction Contracts - None
- 2) Approval of Supplemental Agreements and Change Orders
 - a. Supplemental Agreements - None
 - b. Change Orders
 - i. Proposed Change Order No. 1 to the contract with Custom Built Marine Construction, Inc. for Project 18/19-A13 – Fleming Island WWTF Outfall Dock Replacement (\$0.00, contract time only)

c. Approval of Developer Agreements, Warranty Deeds & Easements

After discussion, Mrs. Gardella moved, seconded by Mr. Starnieri, and carried 7-0, to approve the Developer Agreements, Warranty Deeds & Easements as follows;

- 1) Developer Agreement CU19/20-18 – Temporary Reclaimed Water Services at 1828 & 2992 Challenger Drive and 3389 Old Jennings Road (Oasis Landscape Services, Inc.) - \$14,912.60
- 2) Developer Agreement CU19/20-19 – Salsa’s Mexican Restaurant located at 1803 Blanding Boulevard, Suite 101 – Settlement Agreement #1 (Branan Field Walk, LLC) – 12.39 ERC’s water, 12.39 ERC’s AWS, 12.39 ERC’s wastewater, 12.39 ERC’s environmental impact, 12.39 ERC’s debt service - \$64,815.58
- 3) Developer Agreement CU19/20-20 – Cosmic Smoke Shop located at 1803 Blanding Boulevard, Suite 103 – Settlement Agreement #2 (Branan Field Walk, LLC) – 0.37~ ERC’s water, 0.37~ ERC’s AWS, 0.25~ ERC’s wastewater, 0.25~ ERC’s environmental impact, 0.25~ ERC’s debt service - \$1,663.30
- 4) Developer Agreement CU19/20-21 – Siam Sushi Thai Restaurant located at 1803 Blanding Boulevard, Suite 105 – Settlement Agreement #3 (Branan Field Walk, LLC) – 13.54~ ERC’s water, 13.54~ ERC’s AWS, 13.54~ ERC’s wastewater, 13.54~ ERC’s environmental impact, 13.54~ ERC’s debt service - \$70,835.16

- 5) Developer Agreement CU19/20-22 - Black Creek Family Dental located at 1805 Blanding Boulevard, Suite 101 – Settlement Agreement #4 (Branan Field Walk, LLC) – 1.31~ ERC's water, 1.31~ ERC's AWS, 1.31~ ERC's wastewater, 1.31~ ERC's environmental impact, 1.31~ ERC's debt service - \$7,090.24
- 6) Developer Agreement CU19/20-23 - Escape Nail Day Spa located at 1805 Blanding Boulevard, Suite 103 – Settlement Agreement #5 (Branan Field Walk, LLC) – 1.97 ERC's water, 1.97 ERC's AWS, 1.97 ERC's wastewater, 1.97 ERC's environmental impact, 1.97 ERC's debt service - \$10,509.15
- 7) Developer Agreement CU19/20-24 - Grumpy's Restaurant located at 1805 Blanding Boulevard, Suite 107 – Settlement Agreement #6 (Branan Field Walk, LLC) – 11.13 ERC's water, 11.13 ERC's AWS, 11.13 ERC's wastewater, 11.13 ERC's environmental impact, 11.13 ERC's debt service - \$58,248.78
- 8) Developer Agreement CU19/20-25 - Middleburg Liquors located at 1805 Blanding Boulevard, Suite 105 – Settlement Agreement #7 (Branan Field Walk, LLC) – 0.37~ ERC's water, 0.37~ ERC's AWS, 0.25~ ERC's wastewater, 0.25~ ERC's environmental impact, 0.25~ ERC's debt service - \$1,663.30
- 9) Developer Agreement KH19/20-21 - Water Service to 6408 Baker Road (Christopher Thomas Bowles & Megan L. Bowles) - 1 ERC water, 1 ERC AWS, 1 ERC debt service - \$2,868.03
- 10) Developer Agreement KH19/20-22 - Taco Bell located at 810 Green Way (DD&L Associates II, LLC) – 3.5 ERC's water, 3.5 ERC's AWS, 3 ERC's wastewater, 3 ERC's environmental impact, 3 ERC's debt service - \$17,142.20
- 11) Developer Agreement KU19/20-49 - Water & Wastewater Service to 1695 Shady River Court (Drees Homes of Florida, Inc.) - 1 ERC water, 1 ERC AWS, 1 ERC wastewater, 1 ERC environmental impact - \$4,669.79
- 12) Developer Agreement KU19/20-50 - Water & Wastewater Service to 1611, 1645 & 1687 Shady River Court (Drees Homes of Florida, Inc.) – 3 ERC's water, 3 ERC's AWS, 3 ERC's wastewater, 3 ERC's environmental impact - \$13,844.37
- 13) Developer Agreement KU19/20-51 - Wastewater Service to 1852 Osprey Bluff Boulevard (Bassil M. El Noursi & Ola Q. Thaher) - 1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$6,178.97
- 14) Developer Agreement KU19/20-52 - Water & Wastewater Service to 1115 Florida Street (Wiggins Construction Company of North Florida, Inc.) - 1 ERC water, 1 ERC AWS, 1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$13,376.56
- 15) Developer Agreement KU19/20-53 - Wastewater Service to 2043 Lakeshore Drive North (Jeffrey B. Jacobs & Jeni R. Jacobs) - 1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$10,231.24
- 16) Developer Agreement MU19/20-07 - Water Service to 511 Simmons Trail (Lanita & Brittney Rayfield) - 1 ERC water, 1 ERC AWS, 1 ERC debt service - \$2,108.01
- 17) Grant of Easement – 1221 Clay Street – Grantors – Joshua J. Shilling and Erin D. Shilling
- 18) Grant of Easement – Shady River Court in Luten Landing Estates – Grantors – New Leaf Communities, LLC and Drees Homes of Florida, Inc.
- 19) Quit Claim Deed – Tract LS-1 (Lift Station) in Willow Springs – Phase 1 – Grantor – Forestar (USA) Real Estate Group, Inc.
- 20) Grant of Easement – 1115 Florida Street – Grantor – Wiggins Construction Company of North Florida, Inc.

Item No. 7 – Customer Account Adjustments – None

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Item No. 8 – Business discussed at Committee Meetings -None

Item No. 9 – Executive Director’s Business

a. August 2020 - Financial Package

Mr. Wesselman presented the Financial Statements for August and reported that operating income is \$5,738,534 over budget due to a favorable revenue and favorable expense variance. Operating revenue is \$3,234,241 over budget and operating expenses are \$2,504,293 under budget. CCUA has gained 1,209 active water accounts and 1,183 active sewer accounts for the fiscal year 2019/2020. After discussion, Vice-Chairman Davis moved, seconded by Mr. Starnieri, and carried 7-0, to accept the Financial Statements for August 2020, as presented by Mr. Wesselman.

b. Proposed award of the contracts for Bid No. 2019/2020-A15 - Chemical Supplier Bid Opening and request for approval of the minutes of the bid opening held on August 31, 2020

Ms. Shoemaker presented a request for award of the contracts for Bid No. 2019/2020-A15 - Chemical Supplier Bid Opening and request for approval of the minutes of the bid opening held on August 31, 2020. Staff advertised the project in the Florida Times Union, DemandStar, and on CCUA’s website on July 19, 2020. At the August 31, 2020, Bid Opening, CCUA received eight responses from suppliers of water and wastewater chemicals. Staff evaluated the bids for conformance with the solicitation requirements and recommended the contracts be awarded as follows;

Company Name	Chemical Name/Specifications	Unit Cost	
		Old	New
SNF, Inc- Polydyne, Inc.	Liquid Polymer – Clarifloc 7320. 6242, 1330-per pound	0.91	0.97
Brenntag Mid-South, Inc.	Calcium Hypochlorite/HTH Granular CaOCI-per/100 lb.	120.40	112.00
Brenntag Mid-South, Inc.	Calcium Hypochlorite/HTH Granular CaOCI-per/pallet 25	2,167.20	2,800.00
Thatcher, Inc	Ferric Sulfate (Fe2)(S04)3) - 10% Iron/Per Gallon	0.953	0.9448
Allied Universal Corp.	Sodium BiSulfite (NaHS03) – Bulk Delivery/Gallon	1.62	1.37
Brenntag Mid-South, Inc.	Sodium BiSulfite (NaHS03)- Non-Tanker “ “	2.30	2.567
Allied Universal Corp.	Sodium Hypochlorite (NaOCI) -12.5% Bulk Delivery/Gallon	0.69	0.533
Hawkins, Inc.	Sodium Hypochlorite (NaOCI) -12.5% Non-Tanker/Gallon	1.25	1.25

The proposed contracts are all for a one year, with an option to renew, up to five additional years, with a mutual agreement. Most prices remained the same or were reduced, due to lower fuel pricing. After discussion, Mr. Hodges moved, seconded by Mr. Starnieri, and carried 7-0, to approve the minutes of the bid opening held on August 31, 2020, and award the contracts as presented. The Board requested a report on the overall budgetary impact of the award of these contracts.

c. Request for consideration and approval for the purchase an easement from Sandhill Mitigation at Long Bay Road to accommodate the extension of a potable water, wastewater, and possible future reclaimed water mains along Long Bay Road

Mrs. Valentin presented for consideration CCUA's proposed easement acquisition from Sandhill Mitigation at Long Bay Road to accommodate the extension of a potable water, wastewater, and possible future reclaimed water mains along Long Bay Road. Mrs. Valentin informed the Board the 25-foot-wide easement is being acquired for \$1.75 per square foot. The requested easement area encroaches in wetlands encumbered by a St. Johns River Water Management District (SJRWMD) conservation easement. If CCUA agrees to pay Sandhill \$1.75 per SF for the easement, Sandhill agrees to request the SJRWMD's approval to release the portion of the existing conservation easement impacted by CCUA's proposed easement and provide replacement conservation easement area to SJRWMD at no cost to CCUA, subject to approval and acceptance by SJRWMD. Staff anticipates utility installation using directional drilling to minimize wetland impacts within the proposed easement. The process to permit any wetland impacts may be performed in parallel with the conservation easement release process. Any permanent wetland impacts would require wetland mitigation. Sandhill can provide wetland mitigation to CCUA at current market price. After discussion, Vice-Chairman Davis moved, seconded by Mr. Starnieri, and carried 7-0, to approve consideration to the Sandhill Mitigation in the amount of \$62,070.68, as presented by Mrs. Valentin.

- d. Request for approval of proposed Cost-Share Agreement between St. Johns River Water Management District (SJRWMD) and Clay County Utility Authority for the Saratoga Springs Reclaimed Water Storage and Pumping Station Project

Mr. French requested approval of the proposed Cost-Share Agreement #35865 between St. Johns River Water Management District (SJRWMD) and Clay County Utility Authority for the Saratoga Springs Reclaimed Water Storage and Pumping Station Project. Upon completion of the project, the SJRWMD would pay CCUA thirty-three percent (33%) of the total construction cost, not to exceed the awarded \$900,570. CCUA shall invoice the SJRWMD quarterly with appropriate documentation. This cost-share agreement will assist CCUA with the construction expenses of the Saratoga Springs RPF Project and is consistent with CCUA's previous SJRWMD cost-share agreements. After discussion, Mr. Welch moved, seconded by Mr. Roark, and carried 7-0, to approve execution of Cost-Share Agreement 35865 with the SJRWMD, as presented by Mr. French.

- e. Request to engage the Professional Lobbying Firm GrayRobinson, P.A. for RFQ 2019/2020-A14 – Professional Lobbying Services

Mrs. Goldberg presented a request for approval of the contract to engage the Professional Lobbying Firm GrayRobinson, P.A. for RFQ 2019/2020-A14 – Professional Lobbying Services. The contract will remain in effect for a period of two years with the option for three one-year renewals. CCUA annually budgets \$50,000 for lobbying services and the balance of their contract will be paid from the contingency fund. After discussion Mrs. Gardella moved, seconded by Vice-Chairman Davis, and carried 7-0, to approve execution of the contract with GrayRobinson, P.A. in the amount of \$72,000, as presented by Mrs. Goldberg.

- f. Request for ratification of Executive Director actions with the Emergency Repair of a gravity sewer main at Town Center Blvd. and Radar Road

Mr. Johnston presented a request for ratification of his actions with the Emergency Repair of a gravity sewer main at Town Center Blvd. and Radar Road. After discussion Mrs. Gardella moved, seconded by Mr. Hodges, and carried 7-0, to ratify the actions of the Executive Director and the Emergency Declaration relating to the repair as presented.

g. Executive Director's Compensation Adjustment

Mr. Johnston expressed his gratitude for the Board's proposed 4.5% salary increase and requested he remain at his current salary and use those funds to ensure the Senior Leadership Team remain at a competitive compensation level. After discussion, Mr. Welch moved, seconded by Mr. Hodges, and carried 7-0, to decline his offer to use funds for the Senior Leadership Team and other staff members. The Board felt there were funds available elsewhere in the budget if adjustments need to be made for the Senior Leadership Team and other staff members based on the results of the compensation study. Once the results are received, a proposal for a proposed compensation adjustment for key employees should be brought back to the Board for consideration.

h. Other

Mr. Johnston presented a plaque to Mrs. Gardella in recognition of her year of service as Chairman of the Clay County Utility Authority Board of Supervisors.

Item No. 10 – Legal Business

- a. Action on proposed Resolution No. 2020/2021-01 – Annual Rate Resolution and Service Availability Policy
- b. Action on proposed Resolution No. 2020/2021-02 – Annual Budget Resolution
- c. Action on proposed Resolution No. 2020/2021-03 – Annual Five-Year Capital Plan Resolution

Mr. Williams presented for approval proposed Resolution No. 2020/2021-01 which is adopting, amending and restating the water and wastewater utility rates, adopting, amending and restating the Service Availability Policy and Fire Hydrant Meter Policy, Resolution No. 2020/2021-02 – Adopting the Annual Budget, and Resolution No. 2020/2021-03 – Adopting the Annual Five-Year Capital Plan. After discussion, Vice-Chairman Davis moved, seconded by Mr. Hodges, and carried 7-0, to approve, adopt, and enact the Resolutions with an effective date of October 1, 2020, as presented by Mr. Williams.

- d. Approval of Annual Private Attorney Services Agreement for Fiscal Year 2019-2020 with Bachara Construction Law Group, P.A. and Sundstrom & Mindlin, LLP

Mr. Williams presented a request for approval of the Attorney Engagement Package with Bachara Construction Law Group, P.A and Sundstrom & Mindlin, LLP. Staff has received approval from the Office of the Attorney General to enter into these agreements. After discussion, Mr. Welch moved, seconded by Mrs. Gardella, and carried 7-0, to approve the Attorney Engagement Packages, as presented by Mr. Williams.

- e. Other

Mr. Williams congratulated Chairman Kloss and Vice-Chairman Davis on their new positions on the Board.

Item No. 11 – Old Business/New Business - None

Item No. 12 – Public Comment - None

Item No. 13 – Supervisor Comments

Mr. Hodges expressed his appreciation and commended staff on the way the emergency was handled. Vice-Chairman Davis also commended staff's actions and thanked Mrs. Gardella for her year of service as Chairman.

Mr. Starnieri echoed the comments on the emergency repair and thanked Mrs. Gardella for her service. He also said he is looking forward to working with Chairman Kloss during the upcoming year. Mr. Starnieri also reported a customer had contacted him after we reached out to them about a leak at their home. They were very pleased with staff's assistance in them being able to obtain a leak credit.

Mrs. Gardella thanked everyone and stated she enjoyed serving as Chairman last year. She also thanked staff for all their assistance during the year.

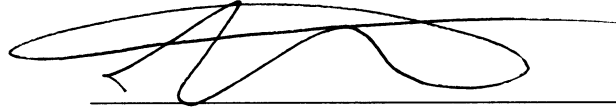
Mr. Roark also thanked Mrs. Gardella and thanked staff for the tour.

Mr. Welch thanked Mrs. Gardella and thanked Mr. Johnston and all members of the staff for their efforts during the year.

Chairman Kloss echoed comments from the other members of the Board and stated he also enjoyed the presentations during the meeting today.

Item No. 14 – Adjournment

Chairman Kloss adjourned the meeting at 3:18 P.M.



Walter Kloss, Chairman



Janice Loudermilk, Recording Secretary