

MINUTES
CLAY COUNTY UTILITY AUTHORITY
June 15, 2021

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

Item No. 2 – Invocation/Pledge of Allegiance

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

Item No. 3– Roll Call

Roll Call was taken with Chairman Davis, Vice-Chairman Roark, Mrs. Gardella, Ms. Lebesch, 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, Chief Engineer Paul Steinbrecher, Chief Human Resources Officer, Public & Legislative Relations Liaison Celeste Goldberg, Service Availability Manager Melisa Blaney, Service Availability Engineer Darrell Damrow, GIS/Asset Management Systems Manager Dan Cassel, Design Manager Kevin Ledbetter, Assistant Chief Financial Officer Karen Osborne, Administrative Assistant Operations Alicia Baker, Administrative Assistant Engineering Lori Stewart, and Grady H. Williams, Jr., legal counsel to the CCUA.

Item No. 4 Swearing in of Supervisor Lebesch and Committee Appointment

Mr. Williams conducted the swearing in of Anna Lebesch for appointment to the Board of Supervisors by the Clay County Board of County Commissioners for a term to expire September 30, 2023.

Item No. 5 – Approval of Minutes

- a. Board of Supervisors Personnel Committee Meeting, June 1, 2021
- b. Board of Supervisors Regular Meeting, June 1, 2021

After discussion, Mr. Starnieri moved, seconded by Mr. Welch, and carried 6-0, to approve the minutes of the Board of Supervisors Personnel Committee and Regular Meeting, held on June 1, 2021.

Item No. 6 – Approval of Consent Agenda

- a. Approval of Financial and Operational Activities

After discussion, Mrs. Gardella moved, seconded by Vice-Chairman Roark, carried 6-0, to approve the Financial and Operational Activities and Developer Agreements, Warranty Deeds & Easements, as follows;

- 1) Approval of Payment of Warrants
Warrants totaling \$2,404,478.46
 - 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
 - g. Statement from Grady H. Williams, Jr. LL.M.
- 2) Request for Asset Disposal Authorization - None

b. Approval of Capital Budget Activities - None

c. Approval of Developer Agreements, Warranty Deeds & Easements

- (1) Developer Agreement CU20/21-14 – Aspen Dental at Branam Field Walk Lot D, 1789 Blanding Blvd (LFSLC Middleburg Station, LLC) – 2.5 ERC’s water, 2.5 ERC’s AWS, 2 ERC’s wastewater, 2 ERC’s environmental impact, 2 ERC’s debt service - \$11,223.10
- (2) Developer Agreement KU20/21-40 – Wastewater to 77 Swimming Pen Drive (Irene E. Hedge) - 1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$10,466.11
- (3) Developer Agreement MU20/21-12 – Water service to 558 Branscomb Road (Andrew & Cynthia Blakeslee) - 1 ERC water, 1 ERC AWS, 1 ERC debt service - \$1,568.73
- (4) Grant of Easement – 3200 Moody Avenue (Alan Rasberry & Shirley Rasberry)
- (5) Grant of Easement – Wilford Preserve Unit 4 (DFC Wilford, LLC)
- (6) Grant of Easement – Seton Apartment Complex – Radar Road (Bristol Fleming Island Partners, LLC)

Item No. 7 – Customer Account Adjustments - None

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

Item No. 9 – Executive Director’s Business

a. Middleburg Service Area Development Policy & Cost Recovery Presentation

Service Availability Manager Melisa Blaney made a presentation to the Board regarding the Middleburg Service Area Development Policy & Cost Recovery. The Middleburg Service Area (“MSA”) was developed to extend water and wastewater service to existing and future commercial developments at the properties highlighted on the attached boundary map. As part of the 1999 MSA policy, the recovery method of CUA investment is allocated on an acreage basis; therefore, each parcel that connects to the infrastructure will pay an allocated charge multiplied by the total number of acres in each parcel. This allocated acreage charge is reviewed annually in June/July to reflect inflation and carrying costs for the CUA’s investment. As a result, the acreage charge increases each year. Current MSA distribution and collection infrastructure charges are \$5,528 for water and \$10,574 for wastewater. With carrying charges added to CUA’s investment, the proposed MSA distribution and collection infrastructure charges for the 2021/2022 fiscal year are \$5,582 for water and \$10,684 for wastewater. After discussion Mr. Welch moved, seconded by Mr. Starnieri, and carried 6-0 to tentatively approve the proposed Middleburg Area Service charges for use as a part of CUA’s Fiscal Year 2021/2022 budget.

b. Governors Park Phase I Design and Contractor RFP

Chief Engineer Paul Steinbrecher presented proposed Supplemental Agreement No. 6 with Constantine Engineering to provide Professional Engineering Services for the Governor's Park Wastewater Plant Preliminary Design and Development of Solicitation Package for Retaining Utility Contractors under a Continuing Services Agreement. CCUA has received a request for service from a developer for service to a proposed subdivision within the CCUA service area known as Ayrshire, adjacent to the future Governor's Park development. CCUA holds a permit for the construction and operation of a wastewater plant to serve the area based on a preliminary design developed by CCUA Staff. The plant is to be constructed on land previously acquired to serve regional developments at the Governor's Park Site. The preliminary design incorporates new treatment equipment as well as equipment previously in service at other plants. Through one of CCUA's continuing service contracts, Staff has engaged Constantine Engineering to provide an updated preliminary design for the first phase of the wastewater treatment and effluent management systems after an evaluation of the existing design and an assessment of the options available. Constantine will also prepare and submit a permit revision application to the FDEP and provide recommendations for future Governor's Park plant phases. Because CCUA is working to have this facility operational in as few as 24 months, Staff has requested the preparation of documents for a Request for Proposal enabling CCUA to enter into continuing contracts with utility contractors limited to projects less than \$4 million construction cost under the State of Florida Competitive Consultants Negotiation Act (CCNA). This will allow Staff to move more quickly than traditional design/bid/building for this and other small construction projects in the future. After discussion, Mr. Welch moved, seconded by Mr. Starnieri, and carried 6-0 to approve the Supplemental Agreement in the amount of \$44,588.80, as presented by Mr. Steinbrecher.

c. Keystone Heights Water Master Plan

Mr. Paul Steinbrecher presented proposed Supplemental Agreement No. 3 with Hydro Solutions Consulting, Inc. to provide Professional Engineering Services for Master Planning of the Keystone Heights Water Distribution System. CCUA's Keystone Heights water distribution system serves 1,941 accounts using four (4) plants. To achieve greater operational efficiency now and in the future, Staff engaged Hydro Solutions, one of CCUA's continuing contract engineering services providers, to perform utility master planning. The master plan will incorporate growth projections and develop a phased plan to consolidate plants, increase system reliability through looping, and address water quality issues. The master plan will address facility and infrastructure needs for the Keystone Heights water distribution system in a 5- and 20-year Capital Improvements Plan. After discussion Vice-Chairman Roark moved, seconded by Mrs. Gardella, and carried 6-0, to approve the Supplemental Agreement in the amount of \$64,330, as presented by Mr. Steinbrecher.

d. Enterprise Asset Management Support

Mr. Steinbrecher shared with the Board Enterprise Asset Management (EAM) systems are becoming increasingly important in capital intensive industries such as utilities because they offer the ability to increase asset life and improve both capital and O&M decision making. CCUA utilizes Cartegraph as an asset management and operations workflow tool but is in the nascent stage of product usage for this powerful tool. With the adoption of Senate Bill 712, rulemaking is underway by FDEP to modify sections 62-600, 62-604, and 62-620 Florida Administrative Code. This will ultimately require utilities such as CCUA to submit an Asset Management Plan which includes assessment of their infrastructure. The EAM program will support this effort and meet any timing requirements established in the FDEP rulemaking for compliance. CCUA requested support from one of its continuing services engineers,

Jacobs Engineering Group, Inc. provide consulting services to support staff in accelerating this program to meet strategic and operational objectives. The work will be conducted as Supplemental Agreement Number 5 to the Continuing Services Agreement for Civil and Environmental Engineering Services RFQ 18/19-3 executed on May 28, 2019. The scope of work includes the following major work tasks, in order of sequential work: Identify organizational strategic goals and objectives and the functions performed by staff from various departments to support achieving them; identify key performance indicators/metrics that will assist CCUA in reporting progress toward these strategic goals and operational objectives that the EAM system will track; optimize certain business processes (e.g. planning and scheduling of preventative maintenance, work order execution, asset onboarding and inventory management, etc.) in each of the operational areas and promote standardization across those operational departments; assess and provide a roadmap for optimizing how data is managed in the Cartegraph and GIS systems; ensure these tools are providing quality actionable outputs to manage key assets; and provide limited continuing support upon request. The lump sum fee for this portion of the scope of work is \$99,886. Because Jacobs has several process mapping experts on its team, CCUA also requested an optional task to provide process mapping training to business unit leads. This will provide support to CCUA teams as they work in coming months to map their various business processes and begin active process improvement. The fee for this portion of the scope is \$6,297. The total fee for the entire scope of services associated with the Change Order is \$106,183. After discussion, Mr. Welch moved, seconded by Mr. Starnieri, and carried 6-0, to approve the Change Order, as presented by Mr. Steinbrecher.

e. Update to the Emergency Pay Policy

Chief Human Resources Officer presented the revised Emergency Pay Policy which was modified based on input from the Personnel Committee. After discussion, Mrs. Gardella moved, seconded by Mr. Starnieri, and carried 6-0, to approve, adopt and enact the policy as presented in the agenda package.

f. Annual update regarding the Alternative Water Supply (AWS) Initiative

Mr. Johnston provided an update on the Alternative Water Supply (AWS) surcharge and the increases to the potable water connection charges which were authorized and implemented under CCUA Rate Resolution Number 2015-2016-01. Section 4.(7) of the Resolution requires staff to report to the Board each year regarding the adequacy of the current AWS surcharge and connection charges. He also reviewed the progress of the project during the 2020/2021 Fiscal Year and recommended a 3% increase to AWS surcharge and connection charge. After discussion, Mr. Welch moved, seconded by Ms. Lebesch, and carried 6-0, to as a part of the AWS Financial Management Plan, approve a 3% increase to the AWS surcharge from \$1.09 to \$1.12 and connection fee from \$355.09 to \$365.74 which will be included as a part of the proposed 2021/2022 Fiscal Year Budget, as presented by Mr. Johnston.

g. Other - None

Item No. 10 – Legal Business

- a. Request to schedule a private attorney-client “shade” meeting regarding the litigation styled *North Florida Utility Coordinating Group, et. al. v. St. Johns River Water Management District*, DOAH Case Nos. 21-001470, RX 21-1576, 21-1731RP, 21-1739RU pending before the Florida Division of Administrative Hearings, and the June 1, 2021 petition for administrative hearing styled *North Florida Utility Coordinating Group, et. al. v. St. Johns River Water Management District*, currently pending before the St. Johns River Water Management District

Pursuant to Section 286.011(8) Florida Statutes, Grady H. Williams, Jr., legal counsel to the CCUA, advised the Board of Supervisors he desires advice regarding settlement negotiations and litigation expenditures relating to the litigation styled *North Florida Utility Coordinating Group, et. al. v. St. Johns River Water Management District*, DOAH Case Nos. 21-001470, RX 21-1576, 21-1731RP, 21-1739RU pending before the Florida Division of Administrative Hearings, and the June 1, 2021 petition for administrative hearing styled *North Florida Utility Coordinating Group, et. al. v. St. Johns River Water Management District*, currently pending before the St. Johns River Water Management District. After discussion, Vice-Chairman Roark moved, seconded by Mr. Starnieri, and carried 6-0, to schedule a private attorney-client “shade” meeting on July 6, 2021 at 3:30 P.M. with the members of the Board of Supervisors, Grady H. Williams, Jr., Esquire and Nicolas Q. Porter, Esquire as legal counsel and Jeremy Johnston, as the Executive Director of the Authority in attendance. A court reporter shall also be present at said attorney-client session and shall record the entire attorney-client session as required by F.S. 286.011(8)(c). This attorney-client session is estimated to require approximately 120 minutes of time, and the official transcript thereof shall be made part of the public record upon completion of the aforementioned litigation. The session will be publicly noticed in the June 24, 2021 issue of the Clay Today.

b. Other - None

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

Item No. 12 – Public Comment - None

Item No. 13 – Supervisor Comments

Mr. Starnieri welcomed Ms. Lebesch to the Board.

Mrs. Gardella also extended a warm welcome to Ms. Lebesch.

Mr. Welch shared he appreciated staff’s preparation for today’s meeting and welcomed Ms. Lebesch.

Vice-Chairman Roark also extended his welcome to Ms. Lebesch and thanked the staff and leadership team for their efforts.

Ms. Lebesch thanked everyone for the warm welcome and shared her appreciation for the staff.

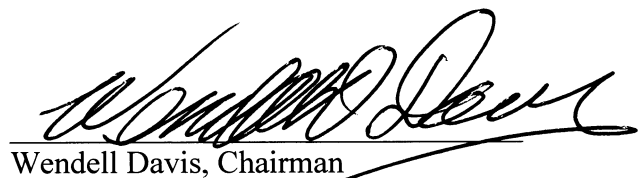
Chairman Davis thanked Mr. Johnston, Mr. Williams and staff for their efforts.

Item No. 14 – Adjournment

Chairman Davis adjourned the meeting at 3:05 P.M.



Janice Loudemille, Recording Secretary



Wendell Davis, Chairman