

MINUTES  
CLAY COUNTY UTILITY AUTHORITY  
January 3, 2023

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. Gardella 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, Mr. Gardella, Mr. Hodges, Mr. McNees, and Mr. Starnieri in attendance.

Also present at the meeting were Executive Director Jeremy Johnston, Chief Operations Officer Darryl Muse, Chief Financial Officer Jeff Wesselman, Chief Engineer Paul Steinbrecher, Procurement Manager Angelia Wilson, Construction & Inspection Services Manager Warrick Sams, Senior Service Availability Engineer Darrell Damrow, Environmental Compliance Manager Heather Webber, Pre-Treatment Coordinator Nick Smith, Public & Governmental Affairs Liaison Dennis Ragosta, Contract & Procurement Specialist Darrin Parker, Administrative Assistant Operations Alicia Baker, and Grady H. Williams, Jr., legal counsel to the CCUA.

Item No. 4 – Approval of Minutes

- a. Board of Supervisors Workshop Session, December 20, 2022
- b. Board of Supervisors Regular Meeting, December 20, 2022

After discussion, Mr. McNees moved, seconded by Mr. Hodges, and carried 6-0, to approve the minutes of the Workshop Session and Regular Meeting held on December 20, 2022.

Item No. 5 – Approval of Consent Agenda

After discussion, Mr. McNees moved, seconded by Mr. Gardella, and carried 6-0, to approve the Consent Agenda items, as follows;

- a. Approval of Financial and Operational Activities
  - 1) Approval of Payment of Warrants  
Warrants totaling \$1,915,929.30
    - 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 - None
    - 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) Sole Source Designation – None

- b. Approval of Capital Budget Activities
  - 1) Requests for Award of Procurement Contracts and/or Ratification of Procurement/Construction Contracts or Contract Renewals – None
  - 2) Approval of Supplemental Agreements and Change Orders - None
- c. Approval of Financing Requests - None
- d. Approval of Contract Usage
  - 1) Sourcewell Contracts 2023 091521-NAF and 060920-NAF
- e. Approval of Developer Agreements, Warranty Deeds & Easements
  - 1) Developer Agreement CU22/23-3 – The Way Free Medical Clinic (The Way Free Medical Clinic, Inc.) – 1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$5,325.83
  - 2) Developer Agreement KU21/22-101 – Wastewater Service to 2576 Windwood Lane – Doctors Lake Septic to Sewer Project (Bonnie Brantley) – 1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$3,777.00
  - 3) Developer Agreement KU22/23-13 – Water Service to 1014 & 998 Floyd Street (Lighthouse Development Corp.) – 2 ERC’s water, 2 ERC’s AWS, 2 ERC’s SJRWMD, 2 ERC’s debt service - \$12,204.21
  - 4) Developer Agreement KU22/23-14 – Wastewater Service to 1014 Floyd Street (Lighthouse Development Corp.) – 1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$8,565.94
  - 5) Developer Agreement KU22/23-15 – Wastewater Service to 3427 Inlet Lane – Doctors Lake Septic to Sewer Project (Joy and Gary Owenby) -1 ERC wastewater, 1 ERC environmental impact, 1 ERC debt service - \$3,777.00
  - 6) Developer Agreement KU22/23-16 – Water and Wastewater Service to 3255 Bliss Road (Margaret Wilkinson and Brian Garmon) – 1 ERC water, 1 ERC wastewater, 1 ERC AWS, 1 ERC SJRWMD, 1 ERC environmental impact, 1 ERC debt service - \$17,387.19
  - 7) Developer Agreement KU22/23-17 – Individual Metering of 477 Lombard Street (IAR Property, LLC) - \$6,096.74
  - 8) Developer Agreement KU22/23-18 – Individual Metering of 475 Lombard Street (475 Lombard St., LLC) - \$6,096.74
  - 9) Developer Agreement KU22/23-21 – Jacksonville Marine Center – 1521 Wells Road (Corsair Powersports of Jacksonville, Inc.) - 4.5 ERC’s water, 2 ERC’s wastewater, 4.5 ERC’s AWS, 4.5 ERC’s SJRWMD, 2 ERC’s environmental impact, 2 ERC’s debt service - \$23,352.31
  - 10) Grant of Easement – Sugar Leaf Farms – Grantor - Richmond American Homes of Florida, LP

Item No. 6 – Customer Account Adjustments - None

Item No. 7 – Business discussed at Committee Meetings - None

Item No. 8 – Executive Director’s Business

a. November 2022 Financial Package

Chief Financial Officer Jeff Wesselman presented the Financial Statements for November and reported operating income is \$221,300 over budget due to an unfavorable revenue and favorable expense variance. Operating revenue is \$340,510 under budget and operating expenses are \$561,810 under budget. CCUA has gained 107 active water accounts and 108 active sewer accounts during fiscal year 2022/2023. After discussion, Mr. Starnieri moved, seconded by Vice-Chairman Roark, and carried 6-0, to accept the Financial Statements for November 2022, as presented by Mr. Wesselman.

b. Proposed Rejection of Submissions for Request for Proposals No. 2022/2023-A04 for the CCUA Boardroom Audio Visual Systems Upgrade

Mr. Wesselman presented a proposed Rejection of Submissions for Request for Proposals No. 2022/2023-A04 for the CCUA Boardroom Audio Visual Systems Upgrade. On October 9, 2022, CCUA received two (2) responses to the RFP, as follows; Miller Electric Company in the amount of \$97,560.30 and AVI-SPL, Inc in the amount of \$99,743.05. Information Technology has \$24,351.04 remaining in their Department Capital budget. Staff requested rejection of the submitted responses based upon the bids exceeding the amount budgeted for the project. After discussion, Mr. Hodges moved, seconded by Mr. McNees, and carried 6-0, to reject the proposals received for No. 2022/2023-A04 and approve the associated RFP Opening documents.

c. Proposed Change Order No. 11 to the BCR Environmental Corporation Contract to provide upgrades to the Biosolids Treatment System

Mr. Johnston presented proposed Change Order No. 11 to the BCR Environmental Corporation Contract to provide upgrades to the Biosolids Treatment System. BCR is responsible under agreement to haul and dispose of all biosolids generated by CCUA's wastewater treatment plants that do not meet Class A standards to a properly permitted site. Staff & BCR negotiated contractual modifications to address both needs to prevent the unexpected inability to land apply Class B biosolids and the resulting disposal costs. The contract modifications include: BCR tracks phosphorus loading at each application site and reports percentage of site full to CCUA semiannually; BCR notifies CCUA when Class B application sites identified in the Nutrient Management Plan are sold or inactivated and identifies the remaining available sites; BCR establishes an agreement with new or other currently operating Class B sites to receive CCUA Class B biosolids should a BCR- permitted land application site fill up or unexpectedly be deemed inactive. CCUA will be required to pay the cost to haul and dispose of biosolids that do not meet Class A standards plus 15% at a non-BCR permitted land or BCR permitted partnered facility. Staff determined the fee is fair, competitive, and reasonable. Staff budgets for disposal of biosolids in the Wastewater Department Operating Budget. Staff consider the 15% additive fee consistent with other CCUA contracts. After discussion, Mr. Gardella moved, seconded by Mr. Starnieri, and carried 6-0, to approve Change Order No. 11 to the contract as presented.

d. Proposed Change Order No. 4 to New Maintenance Storage Building and Site Improvements Contract with E. Vaughn Rivers, Inc.

Construction and Inspection Services Warrick Sams presented a request for approval of proposed Change Order No. 4 to the New Maintenance Storage Building and Site Improvements Contract with E. Vaughn Rivers, Inc. (EVR). The project was designed by Bhide & Hall, Architects, P.A. (Architect) and Michele Agee, P.E., P.A. The original engineer of record for the civil engineering elements of the project became ill and passed away in July 2022. Subsequently, the Architect, engaged Jones Edmonds and Associates (JEA) to take over the civil engineering responsibilities. During field review with EVR, JEA, and CCUA staff, we discovered an unforeseen issue related to inadequate coverage over the 12-inch and 20-inch reclaimed lines at the southeast end the project. If constructed per plan, the planned grades for the proposed top of the roadway would leave less than two (2) feet of coverage over the pipes. While discussing plans to lower the affected pipe sections, JEA and CCUA staff realized that the planned roadway cross-section was not sufficient to handle CCUA's heavy-duty vehicles for the anticipated life cycle. JEA and CCUA mutually agreed to enhance the roadway cross-section by adding additional asphalt and base material to the proposed roadway, which will meet heavy-duty roadway standards and extend the roadway service life. Change Order No. 4 consists of three (3) major items related to the proposed relocation of the 12- inch and 20-inch reclaimed lines, proposed roadway cross-section enhancement, associated delay time extension and delay costs, and several deductive items, which amounts to a proposed lump sum cost of \$302,136.97. The following is a summary of the major items. 1) Proposed Relocation of the 12-inch and 20-inch Reclaimed Lines: This item consists of relocating approximately 280 feet and 200 feet of the 12-inch and 20-inch

reclaimed lines, respectively, 2) Proposed Roadway Cross-section Enhancement: This item consists of revising the roadway cross-section from the original 1.5-inches of asphalt and 6-inches of base material to 2.5-inches of asphalt and 8-inches of base material, 3) Proposed Time Extension and Delay Costs: This item consists of extending the contract time by 96 calendar days. EVR experienced delays during the discovery, investigation, and planning periods related to the civil design, proposed relocation of the 12-inch and 20-inch reclaimed lines, proposed roadway cross-section enhancement, and additional time needed to allow EVR to complete the proposed work. On December 13, 2022, EVR submitted a negotiated Change Order Request for a lump sum amount of \$301,827.87 and a request to extend the contract time by 96 calendar days to perform the work. The cost includes EVR's and their subcontractors' costs with customary overhead and profit per the contract. The negotiated lump sum amount represents reasonable costs associated with the required resources and materials to complete the requested work. After discussion, Vice-Chairman Roark moved, seconded by Mr. Hodges, and carried 6-0, to approve the proposed Change Order No. 4 in the amount of \$301,827.87 and extension of the contract time by ninety-six (96) days to perform the work, as presented. The Board requested staff to review how CCUA can make improvements for future projects by verifying the vertical depth of our existing infrastructure during the initial design process.

e. Proposed Supplemental Agreement No. 5 to Master Contract 2021/2022-A03 for Petticoat-Schmitt Civil Contractors, Inc., to provide construction services for the Governor's Park Water Plant Preliminary Site Civil Work

Chief Engineer Paul Steinbrecher presented proposed Supplemental Agreement No. 5 to Master Contract 2021/2022-A03 for Petticoat-Schmitt Civil Contractors, Inc., to provide construction services for the Governor's Park Water Plant Preliminary Site Civil Work. CCUA will construct a new water treatment plant to serve the Governor's Park service territory. Staff is requesting approval of Supplemental Agreement No. 5 to perform the next step in the construction of the plant which is to prepare the site for the forthcoming tanks, buildings, and other related plant elements. This work includes, but is not limited to, clearing and grubbing, grading, and construction of stormwater management infrastructure. Staff previously engaged Ardurra to produce plans and specifications to solicit bids from CCUA's four (4) continuing services general contractors to complete the work. CCUA's Board previously approved the continuing service contract with the four (4) continuing services general contractors to provide general construction services on an as-needed basis for projects with an estimated value of four (4) million dollars or less. CCUA established these agreements under the Master Contract 2021/2022-A03. Staff requested bids for the Governor's Park Site Civil Work from the four (4) continuing services general contractors Two (2) of the four (4) submitted a bid by the deadline to submit. The Engineer's Opinion of Probable Construction Cost (EOPCC) and the results for the bids received are tabulated below.

<b>EOPCC</b>	<b>\$1,530,000.00</b>
Petticoat-Schmitt Civil Contractors	\$1,905,000.00
Wharton Smith, Inc.	\$2,857,000.00

Ardurra's Client Services Manager, David A. Rasmussen, PE, evaluated the bids for conformance with the solicitation requirements and determined Petticoat-Schmitt submitted the lowest, responsive bid at a total lump sum bid price of \$1,905,000. After discussion, Mr. McNees moved, seconded by Mr. Gardella, and carried 6-0, to approve Supplemental Agreement No. 5 and the associated Bid Opening documents, as presented.

f. Proposed Rejection of Submissions for Invitation to Bid No. 2022/2023-A07 for the Governor's Park Interim Water Treatment Plant

Mr. Steinbrecher presented a proposed Rejection of Submissions for Invitation to Bid No. 2022/2023-A07 for the Governor's Park Interim Water Treatment Plant. On June 7, 2022, CCUA's Board of Supervisors authorized Dewberry Engineers, Inc to provide the design plans and specifications to solicit bids from CCUA

four (4) continuing general contractors to construct an interim water treatment plant. As a result, CCUA Staff advertised ITB# 2022/2023-A07 entitled Governor's Park Interim Water Treatment Plant on October 19, 2022. The EOPCC provided by Dewberry Engineers, Inc., for this project was \$2,396,000 and is consistent with historical and recent pricing data. On December 19, 2022, CCUA received three (3) responses out of the four (4) general contractors under the continuing service contract. The bid amounts are as follow:

Petticoat-Schmitt Civil Contractors, Inc.	\$6,690,000
R2T, Inc.	\$4,998,872
Wharton-Smith, Inc.	\$6,027,000

Staff recommended rejection of the submitted responses based upon the bids exceeding the \$4,000,000 contract capacity under the contracting mechanism. Staff proposes to review the project with the bidders after rejection and re-bid to the open construction contractor market. After discussion, Mr. McNees moved, seconded by Vice-Chairman Roark, and carried 6-0, reject the submitted responses based upon the bids exceeding the \$4,000,000 contract capacity under the contracting mechanism and approve the associated Bid Opening documents, as presented.

g. Proposed Defer Action for Invitation to Bid No. 2022/2023-A05 for the Peters Creek Reclamation Facility Expansion and Pipeline Project

Mr. Steinbrecher presented a request to Defer Action for Invitation to Bid No. 2022/2023-A05 for the Peters Creek Reclamation Facility Expansion and Pipeline Project. On October 27, 2022, staff advertised ITB# 2022/2023-A05 entitled Peters Creek WRF Expansion & Pipeline in the Florida Times Union and on CCUA's Bonfire Procurement Portal. An Onsite Pre-Bid Meeting was held on November 8, 2022 and was attended by four (4) Prime Contractors. On December 21, 2022, CCUA received one (1) response from Wharton-Smith Inc. in the amount of \$65,573,000, excluding owner-purchased equipment. The bid amount for this project significantly exceeds the EOPCC which was \$36,400,000, excluding owner-purchased equipment. Engineering expressed an interest in further discussion with the Contractor for review of the submittal. Therefore, Staff recommends the Board defer action pending further discussion with low Bidder regarding potential voluntary reduction of bid. Deferring action is supported by Section 6 of CCUA Resolution No. 2020/2021-06. The bid submitted by the qualified Contractor appears beyond historical and recent pricing trends. Staff considers understanding of the elements and factors that make-up the bid incredibly important. Staff will return to the Board with a recommendation on how to proceed with this project. After discussion, Mr. Gardella moved, seconded by Mr. McNees, and carried 6-0, to defer action on Bid No. 2022/2023-A05 for the Peters Creek Reclamation Facility Expansion and Pipeline Project.

h. Audit and Finance Committee Meeting on January 17, 2023, 1:00 P.M.

Mr. Johnston reminded the Board of the upcoming Audit and Finance Committee Meeting on January 17, 2023, at 1:00 P.M. Chairman Davis requested the Recording Secretary send a reminder to the members via text message.

i. Other - None

Item No. 9 – Legal Business

a. Other - None

Item No. 10 – Old Business/New Business - None

Item No. 11 – Public Comment - None

Item No. 12 – Supervisor Comments

Mr. McNees wished everyone a Happy New Year and thanked staff for their efforts.

Vice-Chairman Roark echoed Mr. McNees' comments.

Mr. Gardella also wished everyone a Happy New Year and thanked staff for all they do.

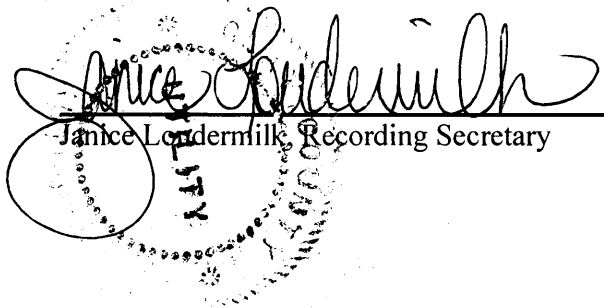
Mr. Hodges thanked the staff for all their hard work wished those in attendance a Happy New Year.

Mr. Starnieri shared he hopes 2023 is a safe year. He said growth is coming to our County and he is glad to see CCUA is making strides to be ready.

Chairman Davis wished everyone a Happy New Year and shared he appreciates the hard work and dedication of staff.

Item No. 13 – Adjournment

Chairman Davis adjourned the meeting at 2:59 P.M.



Janice Londermilk, Recording Secretary



Wendell Davis, Chairman