

**CITY OF KEY COLONY BEACH UTILITY BOARD
REGULAR MEETING
MINUTES**

Tuesday, May 16, 2017 – 9:30 a.m. @ City Hall

Call to Order, Roll Call:

The regular meeting of the Utility Board was called to order at 9:30 a.m. by Chair of the Board John Dalton. *Answering to roll call was:* John Dalton, Steve Flood, Tom Harding, Ray Andro, Tom DiFransico and Lin Walsh. Excused – Mike Alexander.

Also Present: Mayor John DeNeale, City Administrator Chris Moonis, Utility Clerk Blanca E. Kulig, Plant Manager Dave Evans and Jason Shepler Mittauer & Associates.

WRF Improvements – Phase 7 Update:

- A. **Contractual Matters** – None at this time.
- B. **Permit Matters** – None at this time.
- C. **Scheduling – Update progress schedule:**

At the April 18, 2017 Utility Board meeting, a motion was made incorporating the monthly WRF Improvements Construction Meeting with the Regular Utility Board Meeting. This month the meeting could not happen as agreed due to prior scheduling arrangements a year in advance. The scheduled construction meeting took place yesterday. Jason Shepler, Mittauer and Associates, will update the Utility Board the status of the WRF Project today.

TLC Project Manager Eddie Ney will not be able to attend the June meeting; Superintendent Gary Rivello will attend on his behalf. Mr. Shepler will be on vacation in July; Mittauer and Associates representative will attend the July meeting.

As such, the next construction meeting will take place on Tuesday, June 20th, 2017 at 9:30 am during the Regular Utility Board meeting.

D. Applications for Payment:

- **AFP Status** – Payment application #5 for the period of April 1 to April 30th, 2017 has been reviewed by City staff and will be processed for payment shortly. Mr. Shepler advised the Board all payments and reimbursements have been processed by Utility Clerk Blanca Kulig in an efficient and expedited manner with a turn-around time of approximately 28 days.
- **Davis-Bacon Update (Payrolls) / Compliance** - TLC has provided certified payrolls to be filed for auditing purposes. Mr. Shepler informed the Board the State Revolving Fund office at some point during the project will conduct a file check. Board member Tom DiFransico asked Mr. Shepler to describe the Davis-Bacon compliance. Mr. Shepler explained the federal government has what is called 'prevailing wage rates', updated semi-annually (sometimes quarterly) providing the allowed minimal wage rate with fringe benefits a contractor must pay their workers. On April 5th, 2017, Utility Clerk Kulig conducted site interviews with the workers to insure compliance. The interviews documented are kept on file for future review and audit by DEP.

E. Shop Drawings

- **Updated Review Status** - Utility Clerk Kulig will forward the Board TLC logs. Mr. Shepler informed the Board the project is ahead of schedule. From a construction perspective, the tank is complete and the control building will be finished this week. Bella construction is working on the concrete pour over the next couple of weeks while TLC awaits delivery of some of the main components. There will be a two week downtime period while equipment is delivered. Board member Tom DiFransico asked Mr. Shepler if there is a critical path analysis and does it show on-time completion? Mr. Shepler said currently the project is ahead of critical path and the near term to critical path is materials.
- **American Iron & Steel Compliance** - TLC has provided the information the City needs for all the rebar that has been submitted. At yesterday's construction meeting Mr. Shepler requested from TLC the same documentation for some of the piping that has been arriving at the site. American Iron & Steel Compliance consists from the time the materials are manufactured to the time they are delivered. The City will archive those documents in accordance with record retention laws for future audits.

F. Coordination / Technical Issues

- **Sequence of Near Term Construction Activities** - Bella Construction has completed the majority of the work assigned to them. TLC will begin filling in everything that Bella has done with the actual materials such as piping, components and equipment. Work is scheduled to resume in June.
- **Interim LEAP Conversion & ISAM Temporary Operations Planning / Coordination** - TLC anticipated working on the installation of the ISAM unit at the end of the year, as of right now it is expected to begin in October. Over the next couple months there will be extensive coordination with Plant Manager Dave Evans and Electrician Jeff Hall as TLC begins the startup component and works with the existing MBR plant, making the equipment functional. There will be some temporary piping, power needs and temporary provisions to allow that work to occur. Mr. Shepler will be working with Mr. Evans to go through some of the logistical plans and make sure everyone is informed of their part in the job.
- **Coordination with City's Operations Staff** – no issues at this time.
- **Site Security** - There have not been any issues. TLC has a connex box where all valuable materials are stored. The boat trailer area is being used as a secure location to store incoming materials. TLC has a camera located in the main construction area.
- **Safety** - There was a safety concern that was addressed by TLC where one of Bella's employees was not wearing the proper safety equipment. TLC spoke to Bella and the employee has been advised as well as the others working on the site. TLC is responsible for maintaining a safety program as well as taking on any possible liability.
- **Working Hours and Working Days** – No issues at this time.
- **Other Items** – None.

G. Contractor Report – See above.

Plant Manager Dave Evans asked Chair John Dalton to move up **Chair's Report #F – Recommend Approval of Mittauer's Proposal for Operating Permit** for discussion with Mr. Shepler.

Mr. Evans informed the board the FDEP wastewater treatment facility (WWTF) permit is up for renewal. This is a five-year permit that needs to be applied for six months in advance and completed by a certified engineer. The application will call for changes because of the upgrades at the sewer plant. Mr. Evans recommends Mr. Shepler for the permit since he is familiar with the changes and upgrades at the plant. These changes will be reflected in the new operating permit. The cost for the permit application and required testing is approximately \$10,000.

The current permit will expire in April 2018; application for renewal will need to be filed by October 2017. DEP might require additional permits or testing that are not included in the original proposal from Mittauer and Associates. Vice Chair Steve Flood asked if the cost of the new permit will come out of this year's budget or next. Treasurer Tom Harding responded the cost will come out of this year's budget but he recommends the cost be added to the budget every five years so there are no spending surprises in the future.

Motion – Moved by Vice Chair Steve Flood seconded by Chair John Dalton, to approve the proposal from Mittauer and Associated for the renewal of the FDEP WWTF operating permit, any additional testing and permit fees required by DEP; not to exceed \$15,000.00. Any amount over \$15,000.00 will require written authorization and approval to move forward.

On the Motion: Roll Call Vote. Unanimous Approval.

Stormwater 12th Street Project Update

City Administrator Chris Moonis informed the Board of the motion made at the last commission meeting. The bid received for the Stormwater project was exorbitantly high for the funding stream available. The base bid to do all of 12th Street was over \$1 million dollars. The City had projected for the bid to be about \$500k dollars. The City spoke to the contractor several times and discussed how to mitigate cost and break up the bid. City Attorney Tom Wright suggested the City does not follow the path of breaking up the existing bid with the sole bid contractor even though the contractor would hold the bid price for six months. Mr. Moonis is in agreement with Mr. Wright's recommendation to break up the bid separately and go forward with the portion of the project that will make the highest impact based on the overall cost.

The City Commission rejected the bid, a motion to revise bid at a bid cost not to exceed \$4,500, was voted on. The revised specifications are for three (3) injection wells for 12th Street, all the laterals, and catch basins including the flapper valves. Mittauer and Associates will draft the new package and advertise as soon as possible. The City will need to report to DEP and get the project in place by the October 1st, 2017. When the new bids are received the City will submit a modification to the South Florida Water Management District grant agreement. Mr. Moonis spoke to South Florida Water Management. He is confident the revised agreement will be accepted.

Vice Chair Steve Flood asked why the City does not borrow the money and finish stormwater upgrades. Chair Dalton asked Mr. Moonis why the City does not revise the grant agreement first and then spend the money on going out to bid? Mr. Moonis explained to have the grant agreement revised; SFWM needs the new scope of work and cost of the project. Mayor DeNeale added the City needed to release the contractor so he can release the bond he had. He also stated it looks like the City will be receiving money from the Florida Keys Stewardship Act. Mr. Moonis said the City is scheduled to receive approximately \$266,000 of the \$13.3 million authorized by the State however the Governor has not signed the legislation.

Mayor DeNeale added the City will likely receive \$250,000 dollars (Stewardship Act mentioned above) that can be used for Waste Water or Stormwater. It may be applied towards buying down the loan for the sewer treatment plant. An example of funding would be; if the wells come out to \$300,000 and the board decides to

go ahead and put \$200,000 out of reserves into it knowing may get another \$200k to pay that back. That gives flexibility to at least get the wells in and the outfalls closed off. The outfalls closed off are what the DEP and South Florida Water Management count. Mayor DeNeale stated that applying for a loan has been considered in the past. The approximate cost would be a 1.25 or 1.5% interest rate and although the City would be able to pay the loan it would be a 20-year commitment the City would like to avoid.

Mayor DeNeale and Mr. Moonis would like to see the Utility Board's involvement in all Waste Water and Stormwater decisions. The board will review all bids and be included in all decisions. Mayor DeNeale does not want anything to go before the commission before it is reviewed by the Utility Board. Commissioner Ron Sutton is working on the Stormwater project and he will make sure the Utility Board gets regular updates.

Board Member Tom Difransico asked if the City had met the goal of 10 wells for 2020, why keep working? Mayor DeNeale stated that DEP and South Florida Water Management expect the City to keep working and take advantage of the grant money available. The City needs to keep a good working relationship with the State to secure support in the future. Key Colony Beach will be the leader in near shore water quality and critical state concern areas. Mayor DeNeale stated if the City continues applying for grants the Stormwater improvements can move forward to completion.

Board Member Lin Walsh stated it was her understanding there were grants in place and grants that had been applied for that would cover the cost of the projects. Mayor DeNeale informed the Board, there are no pending grants at this time.

Approval of Minutes: Regular Meeting of April 18, 2017

Motion – Moved by Chair John Dalton seconded by Treasurer Tom Harding, to approve the minutes of the Regular Meeting Minutes of April 18, 2017.

On the Motion: Roll Call Vote. Unanimous Approval.

Utility Clerk Report – Ms. Kulig had a wonderful time during her vacation and thanked the Utility Board for the time off and is happy to be home.

Operators Report: is included as part of the minutes.

Chairs Report:

- A. **Nominations:** The Utility Board Chairperson was approved by the City Commission and Mr. John Dalton will continue as Chair for 2017. Nominations for a Vice Chair were voted on and the recommendation will be given to the City Commission. Board Member Tom Difransico nominated Mr. Steve Flood to continue as Vice Chair and Mr. Tom Harding as Treasurer; no further nominations were called. It was a unanimous vote to keep Mr. Steve Flood as Vice Chair and Mr. Tom Harding as Treasurer. All members were sworn in and signed an Oath to Office.
- B. **New GE Air Ejector System:** the new system will be included in the 2017-2018 budget for ordering and installation after the sewer plant project is complete.
- C. **Stairs for the Sewer Plant:** City Engineer Daryl Osborn will have the plans for the stairs ready by the end of the week. Plans will be presented at the next Utility Board meeting.
- D. **Smoke Testing Repair Updates:** All repairs have been completed and inspected as per Building Official Ed Borysiewicz.

E. **Clean and Camera Sewer Gravity Main Line Bid Update:** Clean Grounds, Inc. continues to work through the City and have completed three quarters of the job. Mr. Evans previewed a video provided of some of the work. He has two new videos he will preview this week and if any repairs are needed he will request a quote.

F. **Recommend Approval of Mittauer's Proposal for Operating Permit:** see above.

Treasurer's Report: is included as part of the minutes.

Financial Reports: The April Financial Reports for the Utilities are ready and available.

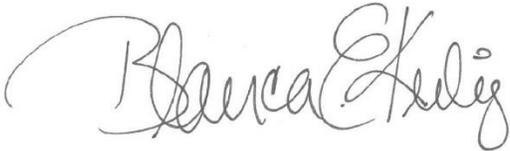
Waste Water/Sewer Warrant #0417: was approved in the amount of \$515,615.62.

Any Other Business/Members Comments: None.

The meeting adjourned at 11:05 am.

The next meeting will be on Tuesday, June 20, 2017 at 9:30AM

Respectfully Submitted by:

A handwritten signature in cursive script that reads "Blanca E. Kulig". The signature is written in dark ink and is positioned above the typed name of the signatory.

Blanca E. Kulig, Utility Clerk

*** Note: A mechanical recording has been made of the meeting of which these minutes are a part, and a copy is on file in the office of the Utility Clerk, as a public record.***