

**OKEECHOBEE UTILITY AUTHORITY
MEETING MINUTES**

Tuesday, September 17, 2024 8:00 A.M.
Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, Florida

Vice Chairperson Gilliland called the meeting to order at 8:05 A.M.

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

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

Board Members:

John Gilliland*
Steve Hargraves*
Harry Moldenhauer*
Tabitha Trent*

Alternates:

Melanie Anderson

*Voting Board Members

Absent:

Steve Nelson
Glenn Sneider

OUA Members:

John Hayford
Lauriston Hamilton
Greg Kennedy
Michelle Willoughby

Vice Chairperson Gilliland addressed Agenda Item No. 2 ‘Agenda Additions or Deletions’ Executive Director Hayford discussed that there were three additions to the agenda. Item 2A, SW 21st Street Watermain Repair, Item 2B. Holtz Consulting Engineers, Inc. – Kings Bay Watermain Extension and Item 2C. Sulzer XFP 6” Pump Emergency-Purchase. **Motion by Tabitha Trent to amend the agenda as presented. Second by Harry Moldenhauer. Vote unanimous (4-0), motion carried.**

Vice Chairperson Gilliland addressed Agenda Item No. 2A ‘SW 21st Street WM Repair’ Executive Director Hayford discussed that there is an FDOT drainage project along SW 21st Street under Parrott Avenue and eastward to a new stormwater pond. Executive Director Hayford discussed that staff identified OUA facilities that might be in conflict. Executive Director Hayford discussed that the OUA maps identified the water main as 12-inch ductile iron. During the early construction work, the FDOT contractor identified the water main piping material as asbestos cement (AC) piping. Executive Director Hayford discussed that staff investigated removing a section of AC pipe and replacing it with ductile iron. Executive Director Hayford discussed that PRP Construction Group, Inc. was contacted and asked to look at the project and to provide a quote on this emergency work. Executive Director Hayford discussed that this work is scheduled to begin at 8pm on Tuesday, September 17th. Executive Director Hayford discussed that staff approved the emergency requisition for the work by PRP Construction Group, Inc in the amount of \$37,340.00. **Motion by Tabitha Trent to ratify the approval of the work by PRP Construction Group, Inc. in the amount of \$37,340.00. Second by Harry Moldenhauer. Vote unanimous (4-0), motion carried.**

Vice Chairperson Gilliland addressed Agenda Item No. 2B ‘Invoice from Holtz Consulting Engineers, Inc. – Kings Bay Watermain Extension’ Executive Director Hayford discussed that staff received a late invoice from Holtz Consulting Engineers, Inc. The invoice is for the Kings Bay Watermain Extension Project in the amount of \$2,835.00. **Motion by Harry Moldenhauer to approve the invoice from Holtz Consulting Engineers, Inc in the amount of \$2,835.00. Second by Tabitha Trent. Vote unanimous (4-0), motion carried.**

Vice Chairperson Gilliland addressed Agenda Item No. 2C ‘Sulzer XFP 6” Pump Emergency Purchase’ Executive Director Hayford discussed that the pump located at SE-2 Lift Station, impeller and shaft failed resulting in the need for immediate replacement. Executive Director Hayford discussed that Hydra Service, Inc has undertaken the repair and service of the defective pump. There was a brief discussion. **Motion by Tabitha Trent to ratify the approval of the purchase of the Sulzer XFP 70 HP Pump in the amount of \$29,983.00. Second by Harry Moldenhauer. Vote unanimous (4-0), motion carried.**

Vice Chairperson Gilliland addressed Agenda Item No. 3 ‘FY25 Schedule of Rates, Fees and Charges’

Motion by Harry Moldenhauer to open the Public Hearing 8:15 A.M. Second by Tabitha Trent. Vote unanimous (4-0), motion carried.

Executive Director Hayford discussed that the current budget is setup for a 6% rate increase. Executive Director Hayford reads Resolution 24-04 by title only.

Vice Chairperson Gilliland called for comments from the Public. There were none.

Vice Chairperson Gilliland called for comments from the Board. There were none.

Motion by Tabitha Trent to close the Public Hearing at 8:17 A.M. Second by Steve Hargraves. Vote unanimous (4-0), motion carried. *Steve Nelson in at 8:17 A.M.* John Gilliland maintained control of meeting.

Motion by Tabitha Trent to adopt Resolution 24-04 as presented. Second by Harry Moldenhauer. Vote unanimous (4-0) Steve Nelson became voting member at this time.

Vice Chairperson Gilliland addressed Agenda Item No. 4 ‘Adoption of FY25 Budget’

Motion by Tabitha Trent to open the Public Hearing 8:18 A.M. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.

Finance Director Hamilton discussed the FY25 Budget. Finance Director Hamilton discussed that in an attempt to present a balanced budget for FY25, staff has reviewed the company’s forecasted revenues and expenditures for the FY25. Finance Director Hamilton discussed that the FY25 Budget includes a 6% increase to various water and wastewater related fees and charges.

Vice Chairperson Gilliland called for comments from the Public. There were none.

Vice Chairperson Gilliland called for comments from the Board. Board Member Trent commends staff for the work that they do in creating the budget each year.

Motion by Tabitha Trent to close the Public Hearing at 8:34 A.M. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.

Executive Director Hayford reads Resolution 24-03 by title. **Motion by Harry Moldenhauer to adopt Resolution 24-03 as presented. Second by John Gilliland. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 5 ‘Operations of the Okeechobee Utility Authority’ Motion by Harry Moldenhauer to open the Public Hearing 8:36 A.M. Second by John Gilliland.

Vote unanimous (5-0), motion carried. Presentation of the General Policy and Procedures of the Okeechobee Utility Authority, Resolution 24-02 by Finance Director Hamilton. Finance Director Hamilton discussed the proposed changes to the resolution to include Billing Procedures, Tampering Fees, Payment Plans as well as other housekeeping. Finance Director Hamilton discussed the current payment plans for new service. The current payment plan structure is set at 5 years at 1% interest or 10 years at 1.5% interest with a minimum down payment of 25% and minimum monthly payment of \$40.00. Finance Director Hamilton reviewed multiple scenarios of payment plans that could be offered to a customer for new water and/or waste water connections. Board Member Trent asks if the property owner sells the property prior to the satisfaction of the payment plan, would the fees become due in full. Finance Director Hamilton discussed that if the property sells or the customer defaults all fees would be due. Board Member Gilliland asks if the payment plan would apply to new construction as well as existing homes. Executive Director Hayford discussed that the payment plan is currently available to new connections and those customers that have experienced a high bill due to a leak. Board Member Trent asks how many customers are currently on payment plans. Executive Director Hayford discussed the number of current payment plans for the SWSA Project. Executive Director Hayford discussed possible new connections from current projects as well as those projects under design.

Chairperson Nelson called for comments from the Public. Resident Charles E. Flynn Jr. of 1675 SW 22nd Terrace spoke to the board regarding the connection fees increasing as of October 1, 2024. Resident Flynn discussed with the board that many of the residents in the area and Okeechobee County are low income and the increase in the fees brings a hardship to many. Resident Flynn discussed the possible new connections that were discussed at a previous board meeting and the projected revenue from those connections.

Chairperson Nelson called for comments from the Board. Attorney Conely discussed housekeeping items from the General Policy and Procedure Manual that required corrections.

Motion by Tabitha Trent to close the Public Hearing at 9:13 A.M. Second by John Gilliland. Vote unanimous (5-0), motion carried.

Board Member Trent discussed the length of the payment plans compared to the average length of ownership. Executive Director Hayford discussed that the payment plan would become due in full should the customer sell the property or default on payments. Board Member Gilliland discussed that both the city and the county have mandatory connections. Board Member Gilliland discussed that payment plans should not be offered to new constructions as those fees would typically be absorbed into the construction loan. Chairperson Nelson discussed that the board should be considerate of both the current rate payers and the new growth of Okeechobee County. There was a brief discussion. **Motion by John Gilliland to approve the payment plan structure be set at a minimum down payment of 10%, minimum monthly payment of \$25.00 and interest rate of 1% excluding new construction (residential and non-residential). Second by Tabitha Trent. Vote unanimous (5-0), motion carried.**

Motion by Harry Moldenhauer to approve the retroactive date for payment plans initiated on or after September 1, 2024. Second by Tabitha Trent. Vote unanimous (5-0), motion carried.

Motion by Tabitha Trent to adopt Resolution 24-02 as modified. Second by John Gilliland. Vote unanimous (5-0)

Chairperson Nelson addressed Agenda Item No. 6 ‘Meeting Minutes from August 29, 2024.’

Attorney Conley advised that on Page 8, Agenda Item No 28 item should have read “authorize the OA Chairperson or Executive Director to execute a Quite Claim Deed”. **Motion by John Gilliland to approve the Meeting Minutes from August 29, 2024 Meeting with correction. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 7 ‘Update from Operations Director’ Executive Director Hayford discussed that the chiller for the ozone has been delivered and is being installed. Assistant Executive Director Kennedy discussed the lead and copper line inventory that staff is currently conducting. Executive Director Hayford discussed that an offer had been extended to an candidate for thew Assistant Wastewater Plant Supervisor position.

Chairperson Nelson addressed Agenda Item No. 8 ‘Consent Agenda’ Motion by Harry Moldenhauer to approve the Consent Agenda as presented:

- Consent Agenda Item No. 9 ‘Invoice from Sumner Engineering & Consulting, Inc. – SW Wastewater Service Area Project (Part E) in the amount of \$17,015.95’**
- Consent Agenda Item No. 10 ‘Invoice from Sumner Engineering & Consulting, Inc. – SW 5th Avenue LPSS Design and Permitting in the amount of \$21,179.60’**
- Consent Agenda Item No. 11 ‘Invoice from Hinterland Group, Inc – SWSA Project 2 Vacuum Collection System in the amount of \$387,166.25’**
- Consent Agenda Item No. 12 ‘Invoice from C2i Control Instruments, Inc – PLC System Upgrade in the amount of \$129,140.00’**
- Consent Agenda Item No. 13 ‘Invoice from Anderson Andre Consulting Engineers, Inc – SWSA Project 2 Vacuum Collection System in the amount of \$10,025.00’**
- Consent Agenda Item No. 14 ‘Invoice from Holtz Consulting Engineers, Inc. – SR 78 Watermain Improvements in the amount of \$12,011.80’**
- Consent Agenda Item No. 15 ‘Hinterland Group, Inc. - Pine Ridge Park Utility Improvements in the amount of \$37,743.50’**
- Consent Agenda Item No. 16 ‘Invoice from CHA – Vac Station #2 Generator Replacement in the amount of \$7,896.00’**
- Consent Agenda Item No. 17 ‘ Invoice from Thorn Run Partners in the amount of \$3,500.00’**
- Consent Agenda Item No. 18 ‘Invoice from MacVicar Consulting, Inc. in the amount of \$250.00’**

Second by John Gilliland. Vote unanimous (5-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 19 ‘Finance Report’ Finance Director Hamilton reviewed the Finance Report for period ending August 30, 2024. **Motion by John Gilliland to approve the Finance Report for period ending August 30, 2024. Second by Harry Moldenhauer. Vote unanimous (5-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 20 ‘5th Draw-Down on Interim Finance – SWSA 2’ Finance Director Hamilton discussed the Interim Finance Agreement with SouthState Bank. The USDA

Chairperson Nelson addressed Agenda Item No. 20 ‘5th Draw-Down on Interim Finance – SWSA 2’ Finance Director Hamilton discussed the Interim Finance Agreement with SouthState Bank. The USDA will reimburse SouthState Bank and transfer a portion of the funds utilized to a forty-year loan. Finance Director Hamilton discussed that staff is requesting Board approval to submit draw-down #5 in the amount of \$1,563,422.95 to cover pay applications from Hinterland Group, Inc and Sumner Engineering & Consulting, Inc. Tabitha Trent will abstain from voting on item No. 20. **Motion by John Gilliland to approve Draw-Down #5 in the amount of \$1,563,422.95. Second by Steve Hargraves. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 21 ‘Proposed Update to Employee’s Handbook’ Finance Director Hamilton discussed that the Board previously approved a number of staff related issues to include; increase in number of Personal Choice Days, Implementation of PTO and modification to the longevity bonus calculation. Finance Director Hamilton reviewed the changes to the Employee Handbook. **Motion by Tabitha Trent to approve the modified Employee Handbook updates with an effective date of October 1, 2024. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 22 ‘Kings Bay Maintenance Agreement’ Executive Director Hayford discussed that as required by the King’s Bay Agreement, the OUA is to review the past year’s expenses incurred by the King’s Bay development. Executive Director Hayford discussed that after review and tabulation of expenses for labor, equipment, parts, etc., a monthly service fee of \$8.77 was established for the coming year. **Motion by Harry Moldenhauer to approve setting the monthly maintenance cost at \$8.77 for the King’s Bay accounts. Second by Tabitha Trent. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 23 ‘Mallard Landing Engineering Agreement’ Executive Director Hayford discussed the OUA publicly advertised the OUA Mallard Landing Gravity Sewer Expansion RFP on or about August 5, 2024 and received proposals on September 10, 2024. OUA staff and Steve Nelson reviewed the proposal. Executive Director Hayford discussed that since staff only received one proposal, staff asked Holtz to prepare a scope of work and fee proposal. **Motion by Tabitha Trent to accept the recommendation of Holtz Consulting Engineers, Inc as Engineer. Second by John Gilliland. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 24 ‘State Road 78 West Water Main Improvements – Phase 1’ Executive Director Hayford discussed that staff have met with Glades County representatives concerning the franchise agreement between Glades County and the OUA. Executive Director Hayford advised the board that staff will be meeting with Lakefront Estates representatives to discuss the franchise agreement, cost sharing agreement and a look forward to project milestones. The cost sharing agreement with Lakefront Estates requires 75% down payment and 25% due upon construction completion. Executive Director Hayford discussed that there were five bids received at a public bid opening on August 29, 2024, with PRP Construction Group, Inc., submitting the lowest bid. Executive Director Hayford discussed that Holtz Consulting Engineers, Inc. reviewed the bid package, reference checks and recommends issuing a Notice of Award to PROP Construction Group, Inc. **Motion by Tabitha Trent to approve the cost sharing agreement with Lakefront Estates. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.**

Motion by Tabitha Trent to accept the recommendation of award provided by Holtz Consulting Engineers, Inc. listing PRP Construction Group, Inc. as the apparent lowest, most responsive bidder and award the contract. Second by John Gilliland. Vote unanimous (5-0), motion carried

Motion by Tabitha Trent to authorize the OUA Chairperson and staff to execute the Notice of Award to PRP Construction Group, inc. Second by John Gilliland. Vote unanimous (5-0), motion carried.

Motion by John Gilliland to the OUA Chairperson to execute the appropriate documents and issue the Notice to Proceed to PRP Construction Group, Inc. provided the required documentation is submitted. Second by Tabitha Trent. Vote unanimous (5-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 25 “Glades County Franchise Agreement”

Executive Director Hayford discussed that staff met with Glades County representatives to discuss how to proceed with a franchise agreement. Executive Director Hayford discussed that a mutual decision was made to amend the expired franchise agreement by way of a time extension. This time extension will provide for time for Lakefront Estates to move forward with their development options as well as time to develop a new franchise agreement that is amendable to all parties. Executive Director Hayford discussed that the extension will be retroactive back to May 2023 and extending to September 2026. **Motion by Tabitha Trent to extend the expired Franchise Agreement to September 30, 2026 with an amendment to the name Okeechobee Beachwater Association to the Okeechobee Utility Authority. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No 26 ‘TMDL Grant Application’ Executive Director Hayford discussed that staff along with assistance from Sumner Engineering and Jones Edmunds staff have nearly completed a Nonpoint Source Management Program Project Proposal. Executive Director Hayford discussed that the FDEP program allows for financial assistance for removal of OSTDS (septic tank systems). These monies can not fund any construction of the collection system. Executive Director Hayford discussed that the total ask from FDEP is \$750,000. A local match was included as \$562,000 comprising of \$350,000 OUA funds and \$212,000 contributed by the OSTDS owners. The TMDL review and award process will not be completed until late Spring 2025. There was a brief discussion. **Motion by Tabitha Trent to approve staff to continue with the application process. Second by Steve Hargraves. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 27 “Florida Commerce Grant Application”

Executive Director Hayford discussed that staff along with Jones Edmunds staff have nearly completed a Florida Rural Infrastructure Find Program under Florida Commerce. This program allows for financial assistance for Project Planning and Preparation Grants. Executive Director Hayford discussed that OUA staff have been working with local community agencies in the future development of the former Boy’s School property as a Data Center under IRSC. IRSC has specifically asked about the use of reclaimed water for Data Center equipment colling purposes at the facility. Executive Director Hayford discussed that to meet the potential needs for the Data Center future development as well as a possible nearby PUD, the OUA is planning on submitting a grant application under the Rural Area of Opportunity (RAO) and to meet the \$300,000 grant level. **Motion by Tabitha Trent to approve OUA to participate with IRSC in the application process. Second by John Gilliland. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 28 “Public Comments’ There were none

Tabitha Trent to approve the language change in the RFQ for legal services. Second by John Gilliland. Vote unanimous (5-0), motion carried.

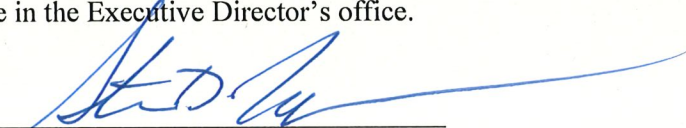
Board Member Nelson requested and update on the lawsuit submitted by Hinterland Group. Executive Director Hayford discussed that the subject project has not met the Final Completion date and that the contractor is well over their contracted time frame.

Chairperson Nelson addressed Agenda Item No. 29 ‘Items from the Executive Director’ Executive Director Hayford gave an update on current projects.


Chairperson Nelson addressed Agenda Item No. 30 ‘Items from the Board’ Chairperson Nelson welcomes new Board Member Steve Hargraves. Chairperson Nelson thanks the public for their attendance.

There being no other business, meeting adjourned at 10:41 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)