

**CEDAR KEY WATER & SEWER DISTRICT
P.O. BOX 309 / 510 THIRD STREET
CEDAR KEY, FL 32625**

**Minutes of Regular Meeting
Board of Commissioners
August 14, 2017**

Board Members Present: Dottie Haldeman, Joe Hand, Stephen Rosenthal, Leslie Sturmer, Chris Reynolds.

Others Present: John McPherson, Mandy Offerle, Hugh McPherson.

1. Meeting called to order at 5:00 P.M.
2. Pledge and Prayer.
3. Adoption of Agenda. **Motion** by Stephen Rosenthal to adopt agenda as published. **Second** by Chris Reynolds. Passed by a vote of 5-0.
4. Public Input: Public input was requested but none was provide.
5. Approval of Minutes. **Motion** by Leslie Sturmer to accept minutes of the July 10, 2017, regular meeting, as submitted. **Second** by Stephen Rosenthal. Passed by a vote of 5-0.
6. Financial Reports. Budget, Balance Sheet, Checkbook Activity, Past Due Accounts, and Employee Leave reports were presented for review. **Motion** by Joe Hand to accept financial reports as submitted. **Second** by Stephen Rosenthal. Passed by a vote of 5-0.
7. Bill Adjustments:
 - James Salter requested an adjustment from \$322.57 to \$209.93 resulting from a broken pipe in his yard.
 - 2 Brothers Investments from \$500.51 to \$313.71 resulting from excessive water use to re-plant yard after hurricane damage.

Motion by Leslie Sturmer to approve both adjustments as the meeting requirements for such adjustments. **Second** by Chris Reynolds. Passed by a vote of 5-0.
8. General Manager Report.
 - a. *Deep Well Construction.* The GM reported that the District's request to SRWMD for supplemental funding was denied, which leaves the District without sufficient funding to put the full drilling project out to bid. He reported that it is Tim Norman's recommendation that the "core drilling" be put out to bid, which we do have sufficient funds for, with alternative bids obtained for the final injection or production wells. The Board agreed with this approach and authorized the GM to put it out to bid when the documents are received from the Board.

- b. *Reverse Osmosis Re-Start*. The GM reported that the reverse osmosis units are ready to operate if necessary, and are being exercised on a regular schedule to keep them ready.
- c. *TwinOxide*. The GM reported that there continue to be delays in getting the new equipment delivered for re-starting the test. He reported that the DBP results for the second quarter of 2017 came back well within limits.
- d. *Hurricane Hermine: Office Repair*. The GM stated that he had reviewed the change orders with Dryers and they were all legitimate, and that the balance due was paid with capital facility funds. He also reported that the FEMA reimbursement checks have started to arrive.
- e. *State Road 24 Water Main Crossing*. The GM reported that Tim Norman has completed the design work for this crossing and that he is getting quotes from drillers who will be in town and mobilized for the bridge work.
- f. *Staffing*. The GM reported that Shaune Cherry resigned his position. The GM asked the Board to consider how to proceed with staffing given the difficulty in finding a technician at the \$10/hour starting pay, and the need to have at least one more water and sewer operator available at the District. He presented information on our pay scales for various positions, the amounts being offered for these positions by other utilities, and the total cost to the District of various wage levels. After a wide-ranging discussion on the District's staffing needs, the GM was directed to advertise immediately for at Technician at \$12/hour, and to explore ways of adding a water/sewer operator to staff.
- g. *2018 Budget*. For the Board's consideration, the GM presented 4 budget versions which projected revenues in the following ways:
 - A. 5% increase in rates; millage increase to 1.2.
 - B. 3% increase in rates; millage increase to 1.2.
 - C. 5% increase in rates; millage stays the same at 1.1750.
 - D. 3% increase in rates; millage stays the same at 1.1750.

He noted that he had not increased the large user base rate by 3% because he thought that it was already as high as it should be compared to the small user base rate and what other utilities in the area charge.

He explained that the expenditures in each version are the same with the following significant changes over last year:

- Pay increases for staff and general manager in various amounts.
- Inclusion of TwinOxide costs in the amount of \$101,087.
- Inclusion of match for wastewater pipe drills in the amount of \$100,000.
- Inclusion of maintenance contracts for 3 stationary generators in the amount of \$3,400.

After lengthy discussion on the various versions and the District's responsibilities over the coming year, the GM was directed to add the cost of a new technician to the

budget and bring back all four versions for consideration at the preliminary budget hearing.

h. *Surplus Property.* The GM asked the Board to declare the following equipment surplus:

- 3 computers: Dell Dimension C521; Dell Optiplex 740; Dell Optiplex 330.
- Hach Chlorine Analyzer.
- 2 file cabinets: a 2-drawer and a 4-drawer.

Motion by Stephen Rosenthal to declare all property surplus with disposal at the discretion of the general manager. **Second** by Chris Reynolds. Passed by a vote of 5-0.

i. *Annual Leave Rates.* The GM asked the Board to consider whether a rate of 5 days of earned vacation per year over the first 3 years of employment was sufficient. The Board agreed that it may be somewhat low and asked the GM to come back with a resolution that would make the following changes: Year 1: 8 days; Year 2: 9 days; Years 3 through 7: 10 days.

j. *Groundwater Levels.*

The GM reported that groundwater levels (NGVD) at the Lower Suwannee Refuge and Rosewood monitoring wells are as follows:

DATE	ROSEWOOD	SUWANNEE	NOTE
1.1.12	7.62	1.64	6 months before saltwater intrusion
5.23.12	6.67	-.54	Near start of intrusion event
8.1.12	9.76	3.76	Near end of intrusion event
1.1.17	9.88	2.99	Start of this year
7.4.17	8.30	.85	1 month ago
8.8.17	9.50	3.63	Current

k. *Reminder of Budget Meetings.* The GM reminded the Board that the preliminary budget hearing was to be held on September 6 at 5:01 p.m. and the final budget hearing on September 18 at 5:01 p.m.

l. *Exterior Wall.* The GM requested that Board members take a look at a portion of the east exterior wall on the wastewater treatment plant which is sagging, so that there can be a discussion of what to do at the next meeting.

- m. *Employee Years with District.* The GM informed the Board that Alicia Johns and Billy Quinn have both been with the District 10 years as of this year. The GM was directed to work with Dottie Haldeman on appropriate recognition of this milestone.
9. Commissioner Comments. Leslie Sturmer said she had heard that, as part of the City of Cedar Key's annexation discussion, it was being said that water and sewer rates were lower within the city limits, which is incorrect and needs to be clarified. The GM said he would call the Mayor to discuss.
10. Public Input. Public input was requested but none was provided.
11. There being no further business to address, the meeting was adjourned at 6:57 p.m.


Dottie Haldeman, Chairperson


Leslie Sturmer, Commissioner &
Secretary of the Board

Date: 9/6/2017