

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

**Minutes of Regular Meeting
and
Preliminary Budget Hearing
Board of Commissioners
September 10, 2018**

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

Others Present: John McPherson, Mandy Offerle.

1. Meeting called to order at 5:01 P.M.
2. Pledge and Prayer.
3. Adoption of Agenda. **Motion** by Dottie Haldeman to adopt agenda as published. **Second** by Joe Hand. Passed by a vote of 5-0.
4. Adoption of Tentative Millage Rate for FY 2018-2019.

RESOLUTION NO: 2018-09

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT;
ADOPTING THE TENTATIVE LEVYING OF AD VALOREM TAXES FOR
FISCAL YEAR 2018-2019; AND ESTABLISHING AN EFFECTIVE DATE.

The Resolution was read in full by John McPherson, General Manager. **Motion** by Dottie Haldeman to adopt Resolution 2018-09. **Second** by Leslie Sturmer. Passed by a vote of 5-0 at 5:10 p.m.

5. Adoption of Tentative Budget for FY 2017-2018.

RESOLUTION NO: 2018-10

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT;
ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2017-2018;
AND ESTABLISHING AN EFFECTIVE DATE.

The Resolution was read in full by John McPherson, General Manager. **Motion** by Stephen Rosenthal to adopt Resolution 2018-10. **Second** by Joe Hand. Passed by a vote of 5-0 at 5:47 p.m.

6. Adoption of Rate Resolution on First Reading.

RESOLUTION NO: 2018-08

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT AMENDING RATES FOR WATER AND SEWER CHARGES; PROVIDING INSTRUCTIONS TO THE CODIFIER; AND ESTABLISHING AN EFFECTIVE DATE.

The short title was read by John McPherson, General Manager. **Motion** by Leslie Sturmer to adopt Resolution 2018-08 on first reading. **Second** by Dottie Haldeman. Passed by a vote of 5-0.

7. Approval of Minutes. **Motion** by Dottie Haldeman to accept minutes of the August 13, 2018, regular meeting, as submitted. **Second** by Joe Hand. Passed by a vote of 5-0.

8. Financial Reports. Budget, Balance Sheet, Checkbook Activity, Past Due Accounts, and Employee Leave reports were presented for review. **Motion** by Dottie Haldeman to accept financial reports as submitted. **Second** by Joe Hand. Passed by a vote of 5-0.

9. Bill Adjustments:

- A request by Joseph Catalano for an adjustment from \$124.75 to \$90.95 resulting from a landscaper leaving a hose running outside for a long period of time. **Motion** by Dottie Haldeman to approve the adjustment as meeting the requirements of District regulations. **Second** by Joe Hand. Passed by a vote of 5-0.
- A request by Seahorse Landing Condominium Association from \$518.55 to \$296.98 due to the filling of a swimming pool. **Motion** by Leslie Sturmer to approve the adjustment as meeting the requirements of District regulations. **Second** by Joe Hand. Passed by a vote of 5-0.
- A request by Seahorse Landing Condominium Association from \$256.47 to \$168.74 due unintended use of District water for a purpose that did not go through the wastewater system. **Motion** by Leslie Sturmer to deny the request because it is a second request within 3 years with no good cause shown for waiving the 3-year limitation. **Second** by Dottie Haldeman. Passed by a vote of 5-0.

10. General Manager Report.

a. *Water Plant Issues.* The GM reported the following:

- (1) Disinfectant Byproducts: Samples for this quarter were taken on August 7, 2018, with the following excellent results:

THM: Gulf and Hodges: 34.95 Hodgson: 40.56
HAA5: Gulf and Hodges: 13.21 Hodgson: 14.51

- (2) TwinOxide: It appears certain that DEP is going to allow the District to transfer funds from the “construction” portion of the 2016 legislative appropriation to the

“design” portion so that it may be used to fund the TwinOxide testing, and this is reflected in the Tentative Budget.

The GM presented a proposed contract with Mittauer and Associates for the work to be done on the TwinOxide pilot test. The contract includes the sub-consultant work to be performed by Kimley Horn and is for a not-to-exceed amount of \$90,000. **Motion** by Dottie Haldeman to approve the contract as presented. **Second** by Chris Reynolds. Passed by a vote of 5-0.

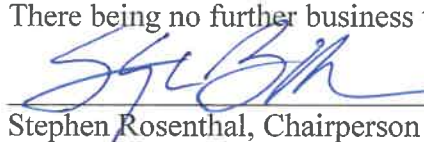
- b. *Wastewater Treatment Plant Permit Renewal.* The GM reported that Tim Norman has submitted all required materials to DEP and we are waiting for the issuance of the next 5-year permit. There is a holdup involving the various exemptions relating to the infiltration field that could cause delays and added expense.
- c. *Wastewater Bridge Lines Directional Drills.* The GM reported that the Suwannee River Water Management District has awarded the District a RIVER grant in the amount of \$90,000 for the Bridge 1, 2 and 3 directional drills. The required match for this grant was to be funds obtained through the RESTORE program, but the GM reported that, in light of recent additional hurdles imposed by the U.S. Treasury Department, he had no expectation that that funding would be approved in time to provide the match for the WMD funding. He suggested to the Board that the District not spend any further time or effort on the RESTORE process and use the budgeted amount for the WMD match in order to get this important work done in 2019. The Board agreed and directed the GM to withdraw the RESTORE application.
- d. *Water Tower.* The GM reported that Utility Service Group has finally begun work on completion of the exterior paint job and fixing the warning lights. He also reported that BrightHouse Cable removed the three satellite dishes on the Water Tower Property, leaving just its electronics building. .
- e. *Auditor Services.* The GM reported that he is working with CRI on a one-year renewal, but that he does not yet have a proposal.
- f. *Interlocal Agreement with City.* The GM presented an amended interlocal agreement that made the following changes suggested by the Board at the last meeting:
 - (1) Add language that the District would be entitled to any rent paid for placing communications antennas on the tower.
 - (2) Clarified that the City is required to pay normal water and sewer rates on all City accounts except the irrigation meter for City Park on which the charge for water shall be not include a base rate and the per gallon rate shall be the lowest per gallon rate offered by the District, and for which there shall be no wastewater charges.

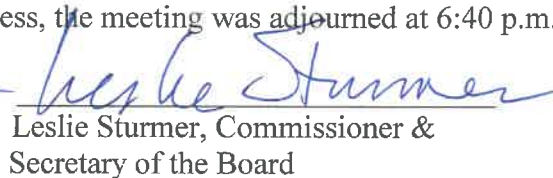
The Board approved of these changes and directed the GM to forward this revision to the City for its review.

- g. *Solid Waste Billing.* The GM reported that the last billing for City solid waste appeared on the September District bill. He also requested direction from the Board on the following issue: Some months ago the City sent a written request to the District to begin billing an existing District customer for City solid waste, but District staff failed to add solid waste billing to the customer's account. This resulted in the customer receiving solid waste services but not being billed for it. This was recently discovered by the City and the customer owes \$546 for un-billed solid waste services. The Board directed the GM to speak to the City about offering the customer a payment plan to pay for the services received.
- h. *Insurance Renewal.* The GM presented to the Board two proposals for workers comp and property insurance—one from PGIT/Brown and Brown and the other from FIA/Egis. The GM and Board reviewed the rates, coverage amounts, and deductibles for the two proposals. In general, the Egis proposal was found to have comparable or better coverages and deductibles at a savings of over \$5,000 per year. **Motion** by Leslie Sturmer to accept the FIA/Egis proposal for workers comp and property insurance for a two-year term. **Second** by Dottie Haldeman. Passed by a vote of 5-0.
- I. *Groundwater Levels.* The GM presented the following groundwater levels to the Board:

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 2017
1.1.18	10.46	3.53	Start of this year
8.7.18	11.79	4.97	Previous reading
9.4.18	11.78	5.00	Current

11. Commissioner Comments. Leslie Sturmer reported that she will not be able to attend the September 24 meeting in person.
12. Public Input. Mandy Offerle requested that the General Manager send notices and other information for publication in the Cedar Key News.
13. There being no further business to address, the meeting was adjourned at 6:40 p.m.


Stephen Rosenthal, Chairperson


Leslie Sturmer, Commissioner &
Secretary of the Board

Date: 10/15/18