

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

**Minutes of Regular Meeting
Board of Commissioners
October 12, 2015**

Board Members Present: Dottie Haldeman, Thelma McCain, Leslie Sturmer, Seth Colson, Chris Reynolds.

Others Present: John McPherson, Greg Lang

1. Meeting called to order at 5:00 P.M.
2. Pledge and Prayer.
3. Adoption of Agenda: **Motion** by Thelma McCain to adopt the agenda as published. **Second** by Chris Reynolds. Passed by a unanimous vote.
4. Public Input. Public input was requested but none was provided.
5. Approval of Minutes: **Motion** by Leslie Sturmer to accept minutes of the September 11, 2015, regular meeting, and September 21, 2015, special meeting, as submitted. **Second** by Seth Colson. Passed by a unanimous vote.
6. Financial Reports: Budget, Balance Sheet, Checkbook Activity, Past Due Accounts, and Employee Leave reports were presented for review. **Motion** by Leslie Sturmer to accept the financial reports as submitted. **Second** by Thelma McCain. Passed by a unanimous vote.
7. Micronomix Presentation: Gonzalo Pozo with the Micronomix company presented information about the benefits of adding a Micronomix product to the digester for the purpose of reducing sludge hauling costs. After the presentation, questions, and discussion, the Board directed the General Manager to bring a draft contract to the next meeting for Board consideration, and to also check with DEP and A-Able hauling to see if there are any concerns about using the product.
8. Bill Adjustment Request: The General Manager reported that the Cedar Inn Motel had an exterior leak that did not go through the wastewater system, and that the motel is requesting an adjustment from \$811.75 to \$532.91. **Motion** by Thelma McCain to approve the requested adjustment. **Second** by Seth Colson. Passed by a unanimous vote.
9. Bill Adjustment Request: The General Manager reported that the property of Sherry Sicking had an exterior leak that did not go through the wastewater system, and that Ms. Sicking is requesting an adjustment from \$492.56 to \$280.28. **Motion** by Chris

Reynolds to approve the requested adjustment. **Second** by Thelma McCain. Passed by a unanimous vote.

10. RESOLUTION NO: 2015-08:

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT AUTHORIZING THE CHAIR AND THE GENERAL MANAGER OF THE DISTRICT TO SIGN ALL DOCUMENTS NECESSARY TO ACCEPT AND AGREE TO CONDITIONS FOR A LOAN AND GRANT FROM THE U.S. DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT AGENCY; AND ESTABLISHING AN EFFECTIVE DATE.

This resolution was read by short title and after discussion: **Motion** by Leslie Sturmer to adopt Resolution No. 2015-08 as presented. **Second** by Seth Colson. Passed by a unanimous vote.

11. General Manager Report: The General Manager reported the following:

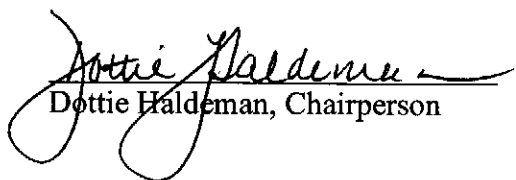
- a. *New Water Plant: Well 5.* The GM reported that the drilling of Well 5 has been completed and that after flushing of the well, raw water of the necessary quantity and quality has been obtained. Worth Construction will now return for additional site work and construction, to be followed by the return of Complete Services to install the pump.
- b. *Contract with Mittauer.* The GM reported that it is time to finalize the contract with Mittauer for the overall new water plant design work. He went over the prior related contracts and summarized the proposed contract. He explained that Tim Norman and he had been working on the proposed contract since October of last year and that it was his belief that they had arrived at a contract that clearly spelled out the work to be done and amounts to be paid. He reviewed the responsibilities of both parties and noted that if the District decides not to move ahead with the water treatment plant project the contract could be terminated. Greg Lang with Mittauer answered questions of the Board. After discussion: **Motion** by Leslie Sturmer to adopt the contract with Mittauer as presented. **Second** by Chris Reynolds. Passed by a unanimous vote.
- c. *New Water Plant: Rural Development Funding.* The GM reported that it was time to submit the application to Rural Development for grant/loan funding for the new water plant. He went over various application documents with the Board and it was agreed that all, except the legal services agreement, could be signed pursuant to Resolution 2015-08.

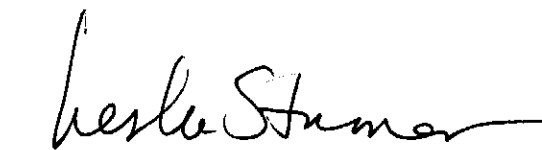
The GM presented the legal services agreement which would retain John McPherson as local counsel and Mark Mustian as Bond Counsel. The GM went over the provisions of the contracts and noted that they were all within the guidelines established by Rural Development. He reminded the Board that he as legal counsel for the Board had a conflict of interest in recommending that the Board adopt the contract and reminded the Board that it could seek outside

counsel to review the contract. He noted, however, that the language of the contract followed the Rural Development form, and that the fees requested were below the Rural Development guidelines for a project the size of the new water plant. **Motion** by Seth Colson to adopt the contracts with McPherson and Mustian as presented. **Second** by Thelma McCain. Passed by a unanimous vote.

- d. *Plant Design and Construction.* The GM reported that we are awaiting the completion of Well 5 so that we can move ahead with the pilot test.
- e. *City of Cedar Key Utility Tax.* The GM followed up on a request for additional information from the last meeting and provided the City of Cedar Key's utility tax regulations for the Board's information. He noted that the regulations as currently in the Cedar Key code apply only to electricity and bottled gas with the tax set at 0%.
- f. *Think Water–Think Cedar Key.* The GM provided the letter prepared and sent on behalf of the Board in support of this program.
- g. *Request for Salary In Lieu of Annual Leave.* The GM presented to the Board a request by Alicia Johns for salary in lieu of annual leave pursuant to Section 2.05 D of the District's code which provides: "At the discretion of the Board, salary may be paid in lieu of annual leave." The GM reported that the request was made to cover an unexpected financial need and that Alicia currently has 118 hours of accrued annual leave. **Motion** by Chris Reynolds to approve the request. **Second** by Thelma McCain. Passed by a unanimous vote.
- h. *American Tower Lease Agreement.* The GM presented the following two items for Board consideration:
 - 1. Rescission of American Tower's prior notice of termination of the contract. Under the agreement proposed by American Tower it will pay the District \$500 for this rescission. **Motion** by Seth Colson to approve the rescission agreement. **Second** by Chris Reynolds. Passed by a unanimous vote.
 - 2. Amendment to the existing lease agreement among the District, the City, and American Tower. This amendment would remove the District from the agreement due to American Tower's conclusion that the water tower site is not a viable location for a cell tower. The agreement would continue with the City and American Tower as parties. **Motion** by Seth Colson to approve the amendment to the lease agreement. **Second** by Thelma McCain. Passed by a unanimous vote.
- g. *Flygt Pumps.* The GM reminded the Board that there was an overheating problem with the two Flygt return sludge pumps that the District had ordered last year. He reported that Flygt had replaced the pumps with at no cost to the District and that the new pumps were working fine.

12. Commissioner Comments: Thelma McCain requested that the regularly scheduled meeting be moved to a date other than November 9 due to her inability to make the meeting on that date. The Board asked the GM to work on finding a new date that would work for all Board members.
13. Public Input: Public input was requested but none was provided.
14. There being no further business to address, the meeting was adjourned at 6:45 p.m.


Dottie Haldeman, Chairperson


Leslie Sturmer, Commissioner &
Secretary of the Board

Date: 11/5/15