

**MINUTES
REGULAR MEETING
ENGLEWOOD WATER DISTRICT BOARD OF SUPERVISORS
201 SELMA AVENUE, ENGLEWOOD, FL 34223
JUNE 2, 2016 @ 8:30 A.M.**

Board of Supervisors:

Steven Samuels, Chair
Sydney B. Crampton, Vice-Chair (absent)
Phyllis Wright
Taylor Meals
Rob Stern

Staff:

Roger K. Quick, Administrator
Robert Berntsson, District Counsel
Tim Garland, Water Operations Manager
Patrick Zoeller, P.E., Technical Support Manager
Sonia Zoeller, Finance Director
Cynthia Draine, Human Resource Director
Teresa Herzog, Board Secretary

1. The meeting began with the Pledge of Allegiance and roll call to establish a quorum.
2. ANNOUNCEMENTS – None
3. EMPLOYEE AWARDS
 - a. With appreciation, Chair Samuels presented Customer Service Team Leader Sheryl Strall with a 5 year service award.
4. PUBLIC INPUT – None
5. CONSENT SECTION – Chair Samuels called for deletions to the Consent Agenda, hearing none, he called for a motion.

Mr. Meals moved, "**to approve the Consent Agenda,**" seconded by Ms. Wright.

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| a. Minutes of the Regular Meeting dated May 5, 2016 | 16-06-02 CS A |
| b. Attorney's Invoice dated May 17, 2016 | 16-06-02 CS B |
| c. Capitol Access Invoice dated May 25, 2016 | 16-06-02 CS C |

UNANIMIOUS

6. ACTION ITEM
 - a. Annual Audit Report – Marty Redovan, CliftonLarsonAllen. Mr. Redovan began with an overview of the audited financial statements as of and for the years ended September 30, 2015 and 2014 and their reporting to include; an item mentioned in last year's audit regarding changes to GASBS, which had a significant impact to the financials this year, was implemented by the District as related to GASBS Nos. 68 and 71, the method of reporting the Pension Liability, on the internal control over financial reporting and on compliance; no material weaknesses or significant deficiencies were noted, the prior year's finding of non-compliance concerning investment duration was cleared. In closing Mr. Redovan noted that on the Independent Accountants' Report for

compliance with Section 218.415 Florida Statutes; funds received from the Deepwater Horizon Oil Spill Settlement in 2015. The District did not establish, in accounting records, separate accountability for the funds received or expended. Ms. Zoeller replied that a separate account has been established and a letter was sent to the auditors explaining it.

Chair Samuels read the motion, **"That the Financial Statements as of and for the years ended September 30, 2015 and 2014 and the management discussion and analysis, in accordance with Section 10 of the Enabling Act, be accepted as presented."**

Mr. Meals moved, **"to approve"** seconded by Ms. Wright.

UNANIMIOUS

16-06-02 A

b. Utility Master Plan Agreement for Professional Services – Mr. Quick thanked everyone who served on the committee and Mr. Zoeller explained the process utilized by the selection committee then recommended the contract be awarded to HDR Engineering Inc. as the consultant for this project.

Mr. Stern moved, **"to authorize the Chair to sign and Secretary to the Board attest the Agreement for a Utility Master Plan between HDR Engineering, Inc. and Englewood Water District dated May 2016 in the amount of \$249,675.00. Funds to come from Capital Outlay,"** seconded by Mr. Meals.

UNANIMIOUS

16-06-02 B

c. EWD/Sarasota County Property Appraiser Agreement – Ms. Zoeller stated that CCCs and assessments are collected via the counties on the non-ad valorem portion of the tax bill. Sarasota County used to process this through the tax collector's office, but now they are being collected through the property appraiser. The property appraiser's office is requesting a Board resolution to collect the non-ad valorem assessments on the taxes.

Mr. Meals moved, **"to authorize the Chair to sign and Secretary to the Board attest the Agreement between PROPERTY APPRAISER and the LOCAL GOVERNING BOARD (EWD) for the implementation of the UNIFORM METHOD FOR THE COLLECTION AND ENFORCEMENT OF NON-AD VALOREM ASSESSMENTS as authorized by Florida Statue 197.3632,"** seconded by Mr. Stern.

UNANIMIOUS

16-06-02 C

d. Resolution Confirming the Project and Assessment Method for V9-C – Ms. Zoeller stated that according to the enabling act there is a process we must follow to levy non-ad valorem assessments, this resolution is specifically for V9-C.

Ms. Wright moved, **"to authorize the Chair to sign and Secretary to the Board attest Resolution No. 16-06-02 D to authorize the levy of non-ad valorem assessments"**

on certain lands benefited by the expansion of the wastewater system known as V9-C in accordance with Florida Statue Chapter 197.3632," seconded by Mr. Stern.

UNANIMIOUS

16-06-02 D

e. MMS, LLC Partial Release of Easement Deed – Mr. Zoeller stated that RaceTrac is developing the property between the Englewood Event Center and Winchester Boulevard, they have asked that the easement be released so they can develop and have a clean title; the easement we have there has never had any utilities in it.

Mr. Stern moved, **"to authorize the Chair to sign and Secretary to the Board attest the Partial Release of Easement for MMS, LLC,"** seconded by Ms. Wright.

UNANIMIOUS

16-06-02 E

f. Deepwater Horizon Oil Spill Funds Expenditure – Mr. Quick explained that this item is a follow up from the audit, these funds need to designate as to how they will be spent. For accounting purposes, it would be preferred that only one project be chosen and recommended the money be spent on the master plan, warehouse project or a different project of the Board's choosing.

Brief discussion ensued and a decision made to use the funds for the master plan since it benefits the entire District.

Mr. Meals moved, **"to approve the use of the Deepwater Horizon Oil Spill Funds to be applied to the Master Plan Project. Project costs not to exceed \$204,084.00. Funds to come from Water/Wastewater Revenues,"** seconded by Ms. Wight.

Motion was amended by Attorney Berntsson striking **Funds to come from Water/Wastewater Revenues.**

UNANIMIOUS

16-06-02 F

7. DISCUSSION

a. EWD's Method of Securing Payment on Liens Newspaper Article – Attorney Berntsson began the discussion referencing section 9 sub-paragraphs 9 and 10 of the Enabling Act which requires a lien be levied. By having the lien in place it puts potential purchasers of property on notice that there is a lien and they are subject to it, not having it there it would have changed the outcome in this particular instance. If the policy is changed, in the future a buyer could ask why there is no lien when an assessment is due on the property that was unknown. Additionally, to change the lien process it would require an amendment to the Enabling Act by Legislature which could be a costly and time-consuming process. If a change is desired, a complete review of the Enabling Act would make sense.

Lengthy discussion ensued to include the current stringent lending practices of banks and the impact a lien could have on securing a loan, the point that without a lien EWD

would still get paid through the taxes, just not when the home is transferred. Mr. Meals then suggested the procedure be changed.

Discussion continued; without a lien in place, how does EWD gets paid if the property is foreclosed on, what the incentive would be to pay it upfront, the fact that the interest is not collected if the lien is satisfied when the property changes hands, and if there is a need to change something that's been in place since 2004 or longer.

Discussion concluded with a decision made to not make any changes to the Enabling Act and continue filing liens.

b. 353 W. Dearborn Street Refund Request – Mr. Quick gave the circumstances that led to a large bill on the property stating that late fees were waived but the customer would like an additional adjustment to the base charges that accrued on the property.

Board conclusion was to not make any further adjustment.

8. ADMINISTRATOR'S REPORT – Roger K. Quick

1. Wayne Kershanick – Water Distribution Manager

a. Distribution crews have been working on old service line replacement, hydrant and valve maintenance, the flushing program and installation of new services.

b. A hydrant was hit for the 3rd time on SR776 near Denison Road, it will be relocated.

a. WATER OPERATIONS MANAGER – Tim Garland

1. Flows for May have been averaging 2.7MGD and rain has been about average.

2. The painting project is finished and production crews have been doing additional painting of the treaters and filters.

3. Training is ongoing for the new employees in the Production Department.

4. Distribution, Tech Support and Customer Service have been working on the new Tokay backflow program.

b. TECHNICAL SUPPORT MANAGER – Pat Zoeller, P.E. Mr. Zoeller updated his written report.

1. EWD Warehouse – building design is being worked on with the consultant and layout is currently being discussed with Sarasota County. Demo of the old buildings is scheduled to begin tomorrow and building design is expected to be presented at the September meeting for approval.

2. Swepston Bridge Waterline and Pile Removal – Charlotte County has indicated a barge will be available to offload pipe and/or concrete structure which they will eventually sink to make a fishing reef.

3. WRF #3 Rehab – this project is expected to be complete by the end of the budget year.

b. FINANCE DIRECTOR – Sonia Zoeller

1. Along with the audit report an AFR will be filed with the Audit General.

2. Worksheets for the upcoming budget year have been distributed.

c. HUMAN RESOURCE DIRECTOR – Cynthia Draine

1. Met with our risk management consultant and they have a safety program which will reimburse us up to \$5,000 for safety equipment and safety classes. The information has been shared with the Purchasing Agent.

2. General and Worker's Compensation claims have been minimal so it's anticipated that the cost of these insurances may decrease at our next renewal.

Mr. Quick concluded the Administrator's report.

9. ATTORNEY'S REPORT – Robert Berntsson – None

10. OLD BUSINESS

a. V9-C Allocation of Funds Request Update – Chair Samuels reviewed the email received from Jerry Paul and Mr. Zoeller detailed the draft agreement that was received. The language in the agreement states the request is primarily for connections. Once a decision is made on how much each customer will receive and after hook up to the system is verified, EWD would reimburse them if they hooked up within the 1 year time frame of the letter of availability. Several decision are still needed such as if this money be for used for V9-C only or if A and B also be included or as Ms. Dieter's suggested, even go as far as to include the Charlotte County side. The money can't be used for the money spent for the lobbyist, but a portion of it can be used for reimbursement for construction or engineering costs. It was also suggested that by putting the funds in the hardship account it would include all EWD customers, but that may not be possible. There are still many unknowns. During discussion it was asked how long it is feasible to keep Mr. Paul involved since it's not a political request anymore. Chair Samuels concluded the discussion by requesting questions by Board for Mr. Paul be submitted to Ms. Herzog in the next few days so they can be forwarded to Mr. Paul for comment.

2. Chair Samuels thanked the sponsors who participated in the Drop Savers Poster Contest and stressed the importance of educating our young people about water conservation.

3. Chair Samuels reminded the Board to have their comments to Ms. Herzog for Mr. Quick's 6 month review before the July 7th meeting.

11. NEW BUSINESS – None

12. PUBLIC COMMENT – None

13. BOARD MEMBER COMMENTS – None

14. ADJOURN @ 10:02 A.M.


Sydney B. Crampton, Vice-Chair

/tlh