

MINUTES
REGULAR MEETING
ENGLEWOOD WATER DISTRICT BOARD OF SUPERVISORS
201 SELMA AVENUE, ENGLEWOOD, FL 34223
SEPTEMBER 2, 2021 @ 8:30 A.M.

Board of Supervisors:

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

Staff:

Ray Burroughs, Administrator
Robert H. Berntsson, District Counsel
Dewey Futch, Water Operations Manager
David Larson, Wastewater Operations Manager
Keith R. Ledford, Jr., P.E., Technical Support Manager
Lisa Hawkins, Finance Director
Teresa Herzog, Executive Assistant

1. The meeting began with the Pledge of Allegiance and roll call to establish a quorum.
2. **ANNOUNCEMENTS – Additions or Deletions – Addition of 5 b. Key Agency – Eric Fogo, General Liability Insurance & Worker’s Compensation Renewal**
3. **SERVICE AWARDS – Chair Crampton began by congratulating all the employees who received past awards at the July meeting. She then presented James Davis, Backflow Prevention Technician with a 5-year service award.**
4. **PUBLIC INPUT – AGENDA ITEMS ONLY – None**
5. **PRESENTATION**

a. Capitol Access – Jerry Paul – Funding Possibility for North WRF – Mr. Paul believed the project was in a good position to receive some state funding. He then explained support from the state would come from either traditional grants or an appropriation and outlined the foundation of each. He then summarized the process and timeline of moving an appropriation request through legislation and what his role would be on behalf of the District. Mr. Meals questioned if this project fits the clean water act as a state funded project. Mr. Paul replied any project that treats wastewater and supplies reuse is an interest to the state as well as promoting economic growth. He went on to explain reoccurring and non-reoccurring funding and what his rates would be to assist EWD in securing funding for this project. He added details of past success he has had in obtaining funding for other entities but reminded the Board there are no guarantees.

b. Key Agency – Eric Fogo – General Liability Insurance & Worker’s Compensation Renewal – Mr. Fogo explained that the underwriter had not yet provided the renewal for FY22, but the EWD policy with a two-year rate lock for 2020-2021 is set to expire. A substantial increase is expected because an appraisal was conducted, and the total insured value increased from \$24M to \$40M. A rate increase of 10-15% for property, and 7-10% on most liability lines will occur with worker’s compensation remaining about the same dependent on payroll growth and losses with modification. Additionally, a two-year locked in rate will no longer be offered. Mr. Fogo estimated that the premium increase will

be approximately \$65,000. Ms. Hawkins informed the Board that an increase this large was not worked into the FY22 budget, only a 7% increase was anticipated.

Mr. Stern moved, **“that we approve a budget amount of \$350,000 for the insurance,”** motion was amended to include the wording **“up to”** and **“the number \$270,000 changed to \$350,000,”** seconded by Ms. Wright.

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21-09-02 A

6. CONSENT SECTION – Chair Crampton called for a motion to accept the consent agenda. Mr. Stern moved **“to accept the consent agenda as presented,”** seconded by Ms. Wright.

- a. Minutes of the Regular Meeting dated August 5, 2021 **21-09-02 CS A**
- b. Attorney’s Invoice: The Big W Law Firm dated August 19, 2021 **21-09-02 CS B**
- c. Attorney’s Invoice: Henderson/Franklin dated July 30, 2021 **21-09-02 CS C**

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7. ACTION ITEMS

a. Employee Flexible Benefits Plan – Mr. Burroughs stated, at the October 10, 2020 meeting the Board voted to increase the employee flexible benefits plan (FNA pay additive) from \$468.34 biweekly to \$530.84 biweekly (an increase of \$62.50 biweekly). During discussion at that meeting it was suggested that a percentage plan be implemented which would adjust an increased percentage each year as health care costs rise. Florida Blue health insurance premiums for FY22 will increase 3.87%. Currently, EWD covers 70% of employee health care costs. For family coverage on the lowest health and dental plans, including a vision plan, the out of pocket for health care is \$227.50 biweekly. With the FY22 premium increases and EWD continuing with the \$530.84 additive, employee out of pocket cost will increase to \$254.64 biweekly. Research shows that large employers continue to pay the bulk of premiums for their employees, covering 81% of the cost for employee-only coverage and 78% for family coverage this year, which is expected to remain stable in 2021. That results in average premiums of about \$3,000 for employees in 2021 and more for family coverage. If an increase to the employee flexible benefits plan is passed, the FY22 budget will be adjusted accordingly.

He then introduced Human Resource Manager, Heather Bagshaw who narrated the updated power point presentation and suggested EWD cover at least 80% of the cost.

Discussion followed to include: Evergreen’s study found that employees are over all happy with the compensation packages with the benefit package being found to be very rich, the availability of dental and vision providers, the fact that 72 of the 78 employees currently have health coverage through EWD, with a majority being employee only policies. It was clarified during discussion that EWD currently covers 70% of employee benefits and now it is being requested that a percentage be hinged to the additive to cover the increases in premiums annually so this does not have to come back to the Board year after year. This would be an easy way to have a number and put it into the budget.

Mr. Stern then proposed that we hinge it at 70% because that is what Evergreen said at the lowest health, dental, and vision plan. He then moved, **“Option 5,”** seconded by Ms. Wright.

Additional discussion ensued to include the size of EWD not being “large”, background of how the pay additive was conceived in the first place and its effect on single vs. family employees. The pay rate increase was also touched on and the importance of taking care of the employees. Mr. Meals added that after the Evergreen study it is his recommendation to leave it as it is and asked for clarification of what the motion is. Mr. Stern responded that he believed it was leaving it at 70% and hinge it to the insurance rates on the lowest proposed, exactly where we are at, so we don’t have to revisit it every year. Mr. Burroughs added that as the insurance increases a percentage, so does the additive.

Chair Crampton then stated the motion on the floor, **“to cover 70% for employee/family of the lowest health insurance plan, including lowest dental and vision and that its tied to the percentage.”**

3/1 PASSED (Mr. Meals)

21-09-02 B

b. FY2022 Budget – Mr. Burroughs stated this item is to approve a 5% rate increase and provide multi-year funding for the FY 2022 CIP, single year funding for the FY 2022 Operating Budget, single year funding for the FY 2022 Debt Service, and authorize the number of full-time employees.

Chair Crampton called for a motion, Ms. Wright moved, **“to approve the budget as read,”** seconded by Mr. Stern for discussion.

Discussion began with the proposed 5% increase to rates. Mr. Burroughs stated no increase was implemented last year due to Covid and the rate study recommended 5%. Ms. Hawkins and Mr. Ledford then pointed out that the budget will need to be amended/increased to include the addition for the employee flexible benefits plan and the addition of funds for the substantial increase in the general liability insurance & worker’s compensation renewal. The motion was then amended **“to include the amendments that we passed today.”**

Mr. Meals stated that the motion on the floor was to approve them all at one time. He then moved, **“to approve the motions individually in case there’s one that needs explanation,”** motion was retracted and second withdrawn.

Mr. Stern moved, **“to approve a 5% increase to the water/wastewater base and usage rates, wholesale water/wastewater rates and reuse water rates effective October 1, 2021,”** seconded by Mr. Meals.

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21-09-02 C

Mr. Stern moved, **“to approve the FY 2022 Capital Improvement Program totaling \$6,961,000.00, CIP project authorization and funds are multi-year funds,”** seconded by Ms. Wright.

Discussion began with the 2-3 year forecast and the amount of money needed for the upcoming projects listed in the CIP program and the need to borrow money to make the numbers work. Also discussed was the date debit services would be paid off, the availability of loans/financing if we're fiscally sound, and items from the master plan that are critical to get done this year and next. Funding of the new north WRF was also touched on as well as the reuse study and sewer/water projects that will also be needed and funded in the near future. Mr. Meals had great concern with financing not only the critical portions of the master plan but projects in the future. Grants will be pursued for the WRF. Discussion moved to contingencies written into each department budget and the request for one new vacuum truck to be split between the collection and distribution departments.

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21-09-02 D

Chair Crampton then recommended combining items 3, 4, and 5 into one motion. Mr. Stern moved, **“to approve FY2022 budget motions numbered 3, 4, and 5 as presented,”** motion amended **“to include the amendments to go onto number 3,”** seconded by Ms. Wright.

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21-09-02 E

Full motions read:

- 3) To approve the FY 2022 Operating Budget totaling \$14,890,530.74, Operating Budget funds are annual and will expire on September 30, 2022.
- 4) To approve the FY 2022 Debt Service Principal Payments totaling \$2,299,624.00
- 5) To approve an increase from 78 to 79 full time employees adding an Assistant Inventory Specialist/Maintenance person to the Finance Department and keeping 1 transition position effective October 1, 2021.

c. Single Source and Contract Procurements – Mr. Burroughs began by stating Mr. Stern must abstain from voting on this item and continued to state this item is to seek Board approval for procurement over \$25,000 above the Administrator's authority to approve. Multiple requisitions, as listed on page two, are above the \$25,000 threshold and have been generated by various departments for the new fiscal year 2022. Methods of procurement for each requisition follows the District's Procurement & Inventory Control Policy, Resolution No. 19-10-03 A, as well as Florida State Statutes 287.057. The amounts requested for approval are estimated amounts for Fiscal Year 2022.

Ms. Wright moved, **“to make that motion as read,”** seconded by Mr. Meals.

3/ Mr. Stern abstained

21-09-02 F

Full Motion Read: To authorize the Administrator to procure services/goods up to the listed amounts for the various vendors. Purchases will not be made all at once, but per the needs of the various departments, throughout the year. See attached for list of vendors.

d. WTP Treater No. 2 Painting & Protective Coating Bid Award – Mr. Burroughs stated four (4) bids for RFB 2021-124 WTP Treater No. 2 Painting & Protective Coating Project were received and opened on August 24, 2021 at 2:30 P.M. Bids were reviewed

by EWD staff and based on the bid results; it is staff's recommendation to award the WTP Treater No. 2 Painting & Protective Coating Project contract to Five12 Painting & Remodeling, LLC in the amount of \$34,871.00. This project cost exceeds the Administrator's Authority.

Chair Crampton read: "to approve the award for RFB 2021-124 WTP Treater No. 2 Painting & Protective Coating Project Contract RFB 2021-112 to Five12 Painting & Remodeling, LLC in the amount of \$34,871.00. Funds to come from Capital Outlay".

Ms. Wright moved, "I'll make that motion," seconded by Mr. Meals.

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21-09-02 G

8. DISCUSSION

a. Consent Order/In-Kind Project – Mr. Burroughs stated we were fined for our sewer overflows. In lieu of paying those fines we chose the Brook to Bay lift station that needs some repairs but because components were old and out of code, we were unable to use this as the in-kind project. After discussion with DEP, by adding a piece of equipment they would approve it. A needed by-pass pump has been added.

9. ADMINISTRATOR'S REPORT – Ray Burroughs began his report by congratulating Mr. Meals on 19 years of service and Mr. Stern for 6 years.

a. WATER OPERATIONS MANAGER – Dewey Futch

Production:

1. Total send out for August 2021 was 74.49 MG/ 2020 was 91.05 MG.
2. Average send out was 2.40 MGD/2020 average send out was 2.93 MGD and the 2021 high was 2.98 MGD/2020 high was 4.16 MGD.
3. Rainfall 2021 was 7.99"/2020 was 4.65".
4. This past month at the plant on August 12th we had the pre-bid meeting with some of the paint contractors bidding on the #2 treater project. Ovivo began work on the 23rd doing the demo of the treater and that portion of the work is finishing up today.
5. The Operators at the plant have been performing general maintenance and daily operations.

Distribution:

1. This month Distribution had 4 incidents to report: On August 2, 2021 Hughey Construction performed the final tie-in for the new building at Englewood Elementary. Two-day bacteriological sampling was completed on August 27, 2021. On August 10, 2021 all residents on Aqua View Lane were issued a boil water notice for interruption of service while installing a new water service on that road. Two-day bacteriological sampling was completed on August 12, 2021 and the notice was rescinded. On August 10, 2021 a customer removed a tree on the corner of Michigan Avenue and Langsner Street breaking a 2" water main. Repairs were made under pressure and no boil water notice was issued. On August 31,

2021 a contractor working for Verizon broke a 2" water main on Grant Street. Repairs were made and a boil water notice was issued for all residents there.

2. For August, new meter sets were 26 ERCs, all single family.

3. 86 radio read heads were replaced.

4. August we had 12 customer requested meter turn offs and 17 requests for turn ons.

b. WASTEWATER OPERATIONS MANAGER – David Larson

WRF:

1. The average monthly flow for August was 1.83 MGD, approximately 400,000 more per day than last year with a peak flow of 2.72 MG. Last year the peak flow was 1.69 MG.

2. Normal operations are ongoing.

Collections:

1. The rehab and lining of lift stations #204 and #221 have been completed. These were week-long projects requiring staffing 24 hour a day.

2. Crews replaced two vacuum pit bottoms.

c. TECHNICAL SUPPORT MANAGER – Keith R. Ledford Jr., P.E. Mr. Ledford

reviewed his written report with updated.

CIP/In-house Projects:

1. Beach Road Forcemain – the project went well; Spectrum has removed the pipe from the bridge and restoration of the ROW is nearly complete. The project should wrap up by the end of this month.

2. LS #114 Improvements – Brook to Bay – staff met with Ardurra to discuss the next phase of this project. A scope and fee schedule will follow in the next 2 weeks.

3. Elevated Tank Rehab – T-Mobile and Sprint have merged and will be decommissioning their site and removing their equipment from our tank by the end of October. During review it was found that EWOL was bought out in 2014 and the new company has active equipment on our tower however, they are in default of payment. A notice was sent to the company holding the lease and to date, we have had no response. We will have the contractor remove anything that is not ours with the rehab begins.

Developments/Projects:

1. Beachwalk by Manasota Key Phase 1 – meter installation and sewer tie-ins are happening daily in 1A and 1B. Kinley-Horn is also working on the off-site sewer main extension.

2. South River Road Development (Beachwalk Preserve) – the property was purchased by local YouTube celebrity Danny Duncan and will now be a single home instead of the planned 325 units. It will be removed from this report.

3. Fairway Vistas at Myakka Pines – the developer anticipates service from EWD to begin in 2 years. It will be the responsibility of the developer to get sewer to their project.

4. Boca Royale East – a neighborhood workshop was held last Monday to disclose the use of 390 acres for approximately 975 new homes. Building is expected to begin in 2 years.

d. FINANCE DIRECTOR – Lisa Hawkins

1. Financial Statements – July operating revenue was \$15.52M, about \$275,000 more than this time last year. There was operating expenses of \$10.239M, close to where we were last year leaving operating income at \$4.813M. Other revenues had an increase of \$291,000 from the final insurance proceeds we received from the lift station that was hit.
2. Investment Statements – July we had \$13.768M with Truist and about \$8M with Centennial Bank.

Mr. Burroughs concluded the Administrator's report.

10. ATTORNEY'S REPORT – Robert H. Berntsson – None

11. OLD BUSINESS – Mr. Meals questioned that in the master plan it was identified that we need to build a sewer plant in the northern part of the territory but was there ever a motion made to pursue looking into that? Staff stated a motion was not made and Mr. Burroughs added we went with the recommended one. Minor discussion followed with a motion made. Mr. Meals moved, “**option 1,**” seconded by Mr. Stern. Motion amended to “**have staff pursue scenario number 2**” amended again. Mr. Stern moved “**to approve scenario number 3**” seconded by Mr. Meals.

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21-09-02 H

12. NEW BUSINESS – None

13. PUBLIC COMMENT – ANY TOPIC – None

14. BOARD MEMBER COMMENTS – both Mr. Stern and Chair Crampton thanked staff for the nice job on the budget.

15. ADJOURNED @ 11:14 a.m.



Taylor Meals, Vice-Chair

APPROVED

/tlh