

**SEACOAST UTILITY AUTHORITY  
REGULAR MEETING  
&  
PUBLIC HEARING**

September 23, 2009  
Seacoast Utility Authority Board Room  
**MINUTES**

**CALL TO ORDER:** 3:00 PM

**PLEDGE OF ALLEGIANCE**

**ROLL CALL:**

**PRESENT:** Don Noel, Chair  
Ron Ferris, Member  
Joseph Lo Bello, Member  
Robert Weisman, President Pro-Tem

**ABSENT:** Maria V. Davis, Vice Chair

**ALSO PRESENT:** Nat Nason, General Counsel  
Rim Bishop, Executive Director  
Mary Ann Stiles, Authority Clerk  
Jessica Moore, Authority Deputy Clerk

**OPEN PUBLIC HEARING**

**ORDINANCE NO. 2-2009 - AN ORDINANCE OF SEACOAST UTILITY AUTHORITY, PROVIDING FOR WATER AND SEWER UTILITY RATES; PROVIDING FOR REPEAL OF OTHER INCONSISTENT ORDINANCE OR RESOLUTION PROVISIONS, PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE.**

Chair Don Noel opened the Public Hearing and asked for rate consultant Howard Osterman to give a brief presentation for the benefit of the public present at the meeting.

Mr. Osterman stated that additional revenue is needed for several reasons. A recent downgrade of Seacoast's bond insurer obligated Seacoast to cash fund \$12.2 million debt service reserve account. Mr. Osterman noted that Seacoast was obligated to do so.

Mr. Osterman also observed that the housing market collapse virtually halted growth, resulting in the loss of connection charges and guaranteed revenue which was historically provided by new customers. The resulting cumulative revenue loss has been about \$10 million over the last three (3) to four (4) years. Further, though Seacoast has maintained substantial cash balances and invested its fund balances efficiently; lower interest rates and diminishing fund balances have depressed investment revenue by about \$1 million a year.

As to operating costs, Mr. Osterman reported that Seacoast has experienced substantial fuel and chemical costs as well as rapidly escalating lime sludge hauling and disposal costs. Lime sludge used to be taken by contractors and developers for roads and parking lots, etc. However, as construction of new roads and parking lots has diminished, Seacoast now incurs an additional \$1.2 million per year in sludge disposal costs, and is down to only one (1) entity that is willing to take the product. If Seacoast loses its only remaining reliable disposal site, the consequences to Seacoast will be significant.

Finally, Seacoast's water supply and treatment infrastructure is aging. Seacoast plants are fifty-three (53) and forty (40) years old. Technology continues to advance and the Environmental Protection Agency (EPA) continues to establish higher standards; therefore, it is time for Seacoast to replace the plant facilities with more modern and effective infrastructure, and that is an important goal of the Membrane Conversion Project.

The project will replace the existing lime softening process, converting it to nano-filtration membrane technology. Updating the plant will also resolve the lime sludge problem. Mr. Osterman stated that in order to complete this project, Seacoast needs to issue \$78 million in bonds and that will result in increased annual debt service. Mr. Osterman noted that Seacoast will also incur additional treatment operating expenses, but that annual debt service alone will increase by \$5.1 million. Seacoast is using Build America bonds, which are subsidized interest wise by the Federal Government.

Mr. Osterman stated that Seacoast is obligated to fulfill financial requirements, avoid operating losses, meet the minimum coverage requirements on debt, maintain minimum cash reserves, keep pace with inflation and keep rates as low as possible. He indicates that timing of the construction of the project is unique, that current economic conditions have resulted in construction bids that are thirty (30) percent to fifty (50) percent lower than those which Seacoast and the engineer originally estimated. In addition, these are times of unusually low interest rates, so we currently estimate five (5) percent or better. Thus, the current economy presents uniquely favorable construction and borrowing opportunities.

Mr. Osterman stated that the Board has seen the proposed rate increase and that Seacoast has made every effort to minimize the economic burden on its customers. Seacoast has recommended that at zero (0) consumption, the combined monthly water and sewer bill would be \$41.69. The existing rate is \$40.09. The difference of the proposed rate and the current rate is \$1.60. He stated that as consumption increases from three-thousand (3000) to six-thousand (6000) gallons of water, which is the amount of usage from the statistical average customer, the existing rates are \$45.19, combined water and sewer. The combined proposed rate would be \$50.03, a difference of \$4.84, or 10.7 percent higher. Seacoast has moved a good portion of the rates to the higher blocks, the luxury usage category, so that customers using one hundred thousand gallons (100,000) of water would see a larger increase in their bill. Studies have shown small quantities of water are a domestic necessity, whereas using a large percentage of water is discretionary.

Mr. Osterman closed his presentation, offering to answer any specific questions. In closing, he affirmed that Seacoast recommends the proposed rate because system dependability requires it and that the proposed rates are more than justified.

Chair Don Noel asked the public if they have any questions or comments.

Customer Wayne ----- (last name unintelligible), 256 Sedona Way, Palm Beach Gardens, stated that in 2006 the sewage rate went up eighty-one (81) percent in a single family home and now it looks like Seacoast is proposing another thirty (30) percent hike, increases which exceed one-hundred (100) percent since 2006. The Customer stated that if he were to compare the whole increase to inflation, which he believes has been at about 2.5 percent over the last fifteen to twenty years; it would take over thirty (30) years to double. The Customer stated the sewage portion of his bill doubled within a span of three (3) years and feels it is out of relation to economic impacts over the same period of time.

Chair Don Noel stated that the customer had a fair question and asked Mr. Osterman to address his concerns.

Mr. Osterman asked the Customer if he knew the percentage by which his bill increased. The Customer stated that his bill went up eighty-one (81) percent. Mr. Osterman stated that the overall rate increase in 2006 was about thirty-three (33) percent, which included an increase for the water and sewer portions of the bill.

Mr. Osterman asked the customer to provide his name and address and that he would be happy to check his bill. The Customer told him that he does have a statement with him. He stated that before the rate increase in 2006, the sewer portion of his bill was \$14.12 and went up to \$25.60 and has been stationary for the last three (3) years, no matter what his usage. The Customer stated that if you calculate the increase, it equals eighty-one (81) percent.

Mr. Osterman stated that the proposed rate that Seacoast is offering today has a ten-thousand gallon charge for sewer at \$28.26. Consultant Osterman then asked the customer how the proposed rate compares with the bill he has present and informed him that the sewer charges are capped at ten-thousand (10,000) gallons. The Customer asked Mr. Osterman what the cap charge would translate to with the proposed rate increase. Mr. Osterman told the customer it would translate in to \$30.50. The Customer stated that from what he can see it looks as if his bill will be an additional \$5 or so, which is almost a twenty (20) percent increase, which translates into a one-hundred (100) percent increase since 2006.

Mr. Osterman informed the Customer that he does not see the number he is referring to and that while he is not disagreeing with him, at the ten-thousand (10,000) gallon level, including the commodity and the base charge, the total sewage charges would be \$30.50. The Customer responded that the usage charges have been \$25.60 for the last three (3) years no matter the sewage usage is. Mr. Osterman informed the Customer that the price is always the same because it is capped at ten-thousand (10,000) gallons. The Customer then stated no matter whether it is capped or not, the bill is still up eighty-one (81) percent and questioned how the revenue is needed for this large of an increase.

Mr. Osterman stated that there does seem to be a \$6.84 change in the Customer's water and sewer bill combined at the level of his approximate usage of ten-thousand (10,000) gallons.

President Pro-Tem Robert Weisman then stated that when the rates were increased in 2006, Seacoast had not had a rate increase for fifteen years. Executive Director Rim Bishop stated that

as Mr. Osterman suggested; the rate increase that was implemented in 2006 was an approximate thirty-three (33) percent rate increase for the average customer, which included both water and sewer charges. Mr. Bishop stated that Seacoast does not have many sewer only customers that would be affected in the way this customer described. Mr. Bishop stated that there are water charges as well and when that is taken into account, customers' average Seacoast bills increased by thirty three (33) percent after the rate increase went into effect in 2006. Mr. Osterman stated that the 2006 rate increase was the first in eighteen (18) years. Mr. Bishop confirmed that Seacoast had gone eighteen (18) years without a rate increase at all prior to the date in 2006. In fact, for many Seacoast customers, particularly the more conservative users, Seacoast had a decrease in the rates in 1994. Mr. Bishop invited the Customer to meet with him and review the figures. The Customer explained that he is able to decipher the bill himself, but it seems to be skewed in comparison to the sewer and water consumption. Mr. Bishop responded that the reason the sewage bill increased so sharply in 2006 is because in the eighteen (18) years that had passed without a rate adjustment, the cost of treating, disposing and reusing of wastewater had gone up that sharply. Mr. Bishop noted that water and sewer operating costs do not track the commonly referenced consumer price index very well. The cost of providing utility service is much different. It is more energy dependent and it tends to track the cost of energy more than the overall consumer price index. In summary, the 2006 rate index for the average water and sewer user resulted in an approximately thirty-three (33) percent increase in monthly cost.

The Customer questioned Mr. Bishop as to if he was stating that it is more sensitive to the cost of energy. Mr. Bishop responded by stating that it is absolutely more sensitive to energy. The Customer stated that thirteen (13) years ago a barrel of oil was \$10 and asked if Seacoast was using electricity generated by oil.

Chair Don Noel interrupted this dialogue, stating that in the interest of moving the meeting along, he would like to have staff meet with the Customer afterward. Mr. Noel stated that the Customer deserves the best explanation possible as how Seacoast arrived at the current rate proposal. Chair Noel said that the Customer's best option would be to meet with staff, noting again that there had not been a rate increase for many years prior to 2006. He stated that he does not know what the consumer price index for utilities has been since 1988 and does not believe that anyone in the room knows the exact figures, but that he suspects that it may have increased, especially in the last few years with energy costs climbing. Chair Noel stated that he does know that Seacoast staff has reduced the number of Seacoast employees. He further observed that Seacoast is owned by collective municipalities and that the people who set up Seacoast as a municipal owned utility in 1988 has saved Seacoast from the private profit motive. Chair Noel stated that there is no profit at Seacoast and staff has done everything it could to reduce the number of employees and control costs. Chair Noel stated that the water plant is old and needs to be replaced and that Seacoast would not be doing its job if it allowed utility infrastructure to fall apart. Chair Noel stated that for the average customer, the increase would be approximately \$1 to \$5. As a percentage the increase may seem like a lot, but if the whole picture is considered; Seacoast has to deliver water to the customer and has to take what they customer gives Seacoast back and treat it to the best of its ability.

Chair Noel then asked if there were any other public comments. There were no other public comments. Chair Noel stated to the Customer that staff will meet with him afterward and hopes Seacoast can find an answer to his concerns.

## CLOSE PUBLIC HEARING

### MOTION

**Board Members Weisman/Lo Bello moved to approve Ordinance No. 2-2009 – an Ordinance of Seacoast Utility Authority, providing for water and sewer utility rates; providing for repeal of other inconsistent ordinance or resolution provisions, providing for severability and providing for an effective date, as recommended by staff.**

Board Member Ron Ferris opened the discussion, stating that as he noted in the last meeting, he does not feel the proposed rate change is the way to go. He observed that Mr. Osterman had reported that whether the proposed rate increase or the alternative rate increase is chosen, projected revenue is the same. Mr. Ferris stated that Seacoast is simply more comfortable with the consultant-proposed rate because its higher base rate charge represents a more secure revenue source than the higher commodity rate alternative, and that helps assure proper debt service coverage.

Mr. Ferris stated he is not comfortable with the fact that in today's economy, with so many residents facing hardships, Seacoast would impose a higher base charge. Mr. Ferris also stated that Seacoast supports water conservation and its commodity rate structure requires high volume users to pay more. He stated that he likes this approach, because if customers use water conservatively, their bill will be lower, and he likes the whole idea of putting the control of the bill into the residents' hands. He believes Seacoast should keep the lowest base rate possible so that the rate increase will not be too much of a burden to the customers. Mr. Ferris expressed concern that many customers are on a fixed income or have no income at all. He understands that rates must be increased, but he wants to minimize rate payer impact without jeopardizing the funding capability of the bond debt. If Seacoast finds that it is not sufficiently covering the bond debt, then maybe it could reevaluate the situation later. However, Mr. Ferris stated that he is not comfortable with increasing the base charge at this time.

Mr. Weisman asked if staff could provide the board with the alternative numbers for the base single-family charge.

Executive Director Rim Bishop stated that Alternative No. 1 for the resolution is in the board packet. Alternative No. 1 will keep the base facility charge slightly lower and the upper two (2) tiers of commodity would have the higher rate increase. The 5/8" single family residential meter base facility charge on the water side is \$0.50 per month higher and graduates upward with the larger size meters with the original proposal provided by Mr. Osterman. Alternative No. 1 has a lower base facility charge, but higher commodity rates.

Mr. Weisman questioned how the base facility rate with Alternative No. 1 compares with the current base facility rate. Mr. Osterman stated that the base rate is identical at zero (0) consumption, but at three-thousand (3,000) gallons of water usage, the commodity increases by \$1.62 and at six-thousand (6,000) gallons of water usage, there is a \$3.24 increase, which is the usage for the average customer. The increase for the proposed rate would be \$4.84 instead of \$3.24, which would mean the higher usage customers would have to make up the difference. He believes this may be problematic because the upper tier moves to \$4.90 per thousand gallons of water usage. Statistics in Jupiter Island prove that the upper block price of water usage can be high and not raise concern, but once the usage goes over a certain price, the customer starts to question their bill.

Mr. Ferris stated we have customers' equivalent to customers in Jupiter Island and believes most customers would not have a problem paying the higher charge.

Finance Manager Daniela Russell stated that \$15.36 is the base rate for Alternative No. 1 and \$15.86 is the base rate for proposed rate increase for water only. Currently, Seacoast has a base rate charge of \$12.36 plus \$5.40 water restriction surcharge. The base would decrease by \$3.50, depending on which rate increase is chosen.

Chair Don Noel made a point that both alternatives are acceptable for bond coverage. Mr. Osterman stated that both the proposed and the alternative are designed to produce identical revenue, just getting the revenue from difference sources. The figures that are proposed are based on two-day per week watering.

Chair Noel stated that he knows there are a lot of elderly people in North Palm Beach that are on fixed incomes and some construction workers who are out of work. He does not think that \$1.60 increase on the base facility charge would make that much of a difference, but his concern is the risk in moving forward with alternative No. 1 and then having to go through the rate increase process because Seacoast is relying too much on the commodity usage from high end users.

Mr. Osterman stated that both options were structured to be fair to the small consumers. In the proposed, the higher commodity block is \$3.26, in alternative No. 1 the higher commodity block is \$4.90. Seacoast's original thought was to provide a rate plan that would allow Seacoast not to have to restructure the rates every year.

Board Member Joe Lo Bello stated that if Seacoast gets the slightest lowering in the interest rate in the bond issue, it would be worth going with alternative No. 1.

Chair Noel stated he has not seen consistency from the SFWMD, they have not renewed Seacoast's permit, and he would not like to leave anything to chance. He wishes to avoid having to consider another rate increase next year, because that would be more detrimental to the customers.

President Pro-Tem Bob Weisman stated that he feels it is fair for everyone to pay something toward the increase, not just the high-end users.

Rate Consultant Scott Harder added that both rate alternatives include an allowance to accommodate reduction in demand with price increases. When working on the rate increase, elasticity of demand was factored in to make sure Seacoast gets the revenue it needs.

Mr. Osterman stated that it has been discussed that people who have a second home and do not use commodity and do not use the service should get a discounted rate, but the fact of the matter is the water and the sewer hookup is there for use if they need it. Board Member Ron Ferris stated that he does understand that, but he is concerned about the people who live local all year round who do not have a job and do not have income.

Executive Director Rim Bishop stated that in the proposed rates, with zero (0) amount of water in a month, the bill will increase by \$1.60. Under the same circumstances with Alternative No. 1, the base charge would not go up at all. For example, in a single family townhouse, if they use

three-thousand (3,000) gallons of water a month, the bill will go up \$3.22 with the proposed plan. If Seacoast adopts the Alternative No. 1 proposal, the bill will go up \$1.62 a month.

Board member Joe Lo Bello stated that for the most part, the low end users will not be as affected from the increase as medium to high end users. As long as a customer maintains the Seacoast average usage of six-thousand (6,000) gallons of water usage a month, the bill will go up \$1.60 a month. The higher usage customers will be more affected.

**Board Member Ferris recommended an amendment to the motion to schedule Alternative No. 1 for Ordinance No. 2-2009 – an Ordinance of Seacoast Utility Authority, providing for water and sewer utility rates; providing for repeal of other inconsistent ordinance or resolution provisions, providing for severability and providing for an effective date, as recommended by staff. President Pro-Tem Robert Weisman seconded the motion.**

Board Member Joe Lo Bello stated he is still concerned about the interest rate for the bond issue. Executive Director Rim Bishop stated that Alternative No. 1 could be relied upon to generate the same amount of revenue as the original proposal and does not believe it will affect the Seacoast credit rating and does not think it will have a significant affect on the interest rating.

**The motion carried unanimously.**

**\*\*\*THE FOLLOWING ITEMS WERE PLACED ON THE CONSENT AGENDA\*\*\***

APPROVAL OF MINUTES FOR MEETING OF AUGUST 26, 2009

Move to approve the minutes for meeting of August 26, 2009.

APPROVAL OF INVOICES

Move to approve invoices as follows: Howard C. Osterman, Inc. in the amount of \$630.00; Nason, Yeager, Gerson, White & Lioce in the amounts of \$17,870.06; \$150.00; \$8,737.50 and \$7,503.50; and AECOM Engineering in the amounts of \$1,192.50; \$2,160.00; \$1,625.00; \$691.00; \$3,312.00; \$2,677.01; \$32,755.03; and \$10,267.76; for a total of \$89,571.36.

DEVELOPER AGREEMENTS

Move to approve execution of Developer Agreements for the projects known as Congress Retail Phase II and Scripps, as recommended by staff.

PALM BEACH PARK OF COMMERCE WATER AND WASTEWATER AGREEMENT – THIRD AMENDMENT

Move to approve Third Amendment to Palm Beach Park of Commerce (First Park South Florida) Water and Wastewater Plant Operations Agreement as recommended by staff.

PGA WWTP INSTRUMENTATION AND CONTROLS UPDATE, ENGINEERING SERVICES DURING CONSTRUCTION AGREEMENT

Move to approve \$100,000 from operating budget line item 9610-565-000, Reclaimed Water Booster Pump Station to operating budget line item 9610-564-000, PLC SCADA Upgrade, as recommended by staff.

Move to award Engineering Services Agreement for services During Construction and Programming for the SCADA Upgrades at the PGA WWTP contract to AECOM USA, Inc., in the amount of \$165,900.00 whose, as recommended by staff.

PGA WWTP INSTRUMENTATION AND CONTROLS UPDATE, CONSTRUCTION BID AWARD

Move to award construction bid for the PGA WWTP SCADA Upgrades, to Electron Corp. of South Florida, the lowest responsive bidder and whose bid will best serve the public interest in the amount of \$212,475.00, as recommended by staff.

PURCHASE OF FUEL

Move to award contract for the purchase of gasoline and diesel fuel to Palmdale Oil, the lowest responsive bidder and whose bid will best serve the public interest as recommended by staff.

RESOLUTION NO. 9-2009 EVIDENCING ITS CONDITIONAL INTENT TO PROCEED WITH REVERSE OSMOSIS/NANO FILTRATION WATER PLANT

Move to approve Resolution No. 9-2009, Conditional Intent to Proceed with Reverse Osmosis/Nanofiltration Water Plant, as recommended by staff.

ALTERNATIVE WATER SUPPLY AND TREATMENT (HOOD ROAD MEMBRANE WATER TREATMENT PLANT) – BUDGET ENCUMBRANCE

Move to authorize \$12,000,000 FY 2008/2009 budget encumbrance for the Alternative Water Supply and Treatment (Hood Road Membrane Water Treatment Plant) Project as recommended by staff.

**MOTION**

**Board Members Weisman/Ferris moved to adopt the Consent Agenda.**

The motion carried unanimously.

\*\*\*\*\***END OF CONSENT AGENDA**\*\*\*\*\*

PROPERTY/CASUALTY/WORKERS COMPENSATION INSURANCE MOTION

Chair Don Noel stated that he is going to recuse himself from this motion because he is in the insurance business and was once involved with one of the bidders, but is in no way associated with the bid.

The gavel was then passed to President Pro-Tem Robert Weisman.

**Board Members Lo Bello/Ferris moved to approve fiscal year 2009/10 Property/Casualty/Workers Compensation insurance coverages as recommended by staff.**

**The motion carried unanimously with Mr. Noel abstaining.**

The gavel was then passed back to Chair Don Noel.

LITTLE LAKE WORTH BRIDGE WATER AND FORCE MAIN BUDGET ENCUMBRANCE

**MOTION**

**Board Members Weisman/Lo Bello moved to authorize \$800,000 FY 2008/2009 budget encumbrance for the Little Lake Worth Bridge Water and Force Main Replacement as recommended by staff.**

**The motion carried unanimously.**

PGA WWTP BAR SCREEN REPLACEMENT – BUDGET ENCUMBRANCE

**MOTION**

**Board Members Weisman/Lo Bello moved to authorize \$600,000 FY 2008/2009 budget encumbrance for the PGA Wastewater Plant Bar Screen Replacement Project as recommended by staff.**

**The motion carried unanimously.**

SEACOAST UTILITY AUTHORITY HOOD ROAD MEMBRANE WATER TREATMENT PLANT – INDUSTRIAL CONSTRUCTION GENERAL CONTRACTOR

**MOTION**

**Board Members Weisman/Ferris moved to award the Hood Road Membrane Water Treatment Plant construction contract to Reynolds, Inc., the lowest responsive bidder and whose bid will best serve the public interest, in the amount of \$49,545,000, conditioned upon a successful closing of a bond issuance by the Authority which nets the Authority a minimum amount of \$75 million in available proceeds no later than October 31, 2009, as recommended by staff.**

Board Member Ron Ferris stated he was very pleased with the outcome of the bid.

**The motion carried unanimously.**

SEACOAST UTILITY AUTHORITY HOOD ROAD MEMBRANE WATER TREATMENT PLANT – CONCENTRATE DISPOSAL WELL

**MOTION**

**Board Members Weisman/Lo Bello moved to award the Hood Road Membrane Water Treatment Plant Concentrate Disposal Well construction contract to Youngquist Brothers, Inc., the lowest responsive bidder and whose bid will best serve the public interest, in the amount of \$4,834,344.00, subject to and following confirmation that adequate funding has been secured, as recommended by staff.**

**The motion carried unanimously.**

SEACOAST UTILITY AUTHORITY MEMBRANE CONVERSION PROJECT – HOOD ROAD TO RICHARD ROAD FINISHED WATER MAIN

**MOTION**

**Board Members Weisman/Lo Bello moved to award bid for Hood Road to Richard Road Finished Water Main construction contract, to Centerline Utilities, Inc., the lowest responsive bidder and whose bid will best serve the public interest in the amount of \$2,209,870.00, subject to and following confirmation that adequate funding has been secured as recommended by staff.**

**The motion carried unanimously.**

CIVIL ENGINEERING SERVICES AND HYDROGEOLOGIC CONSULTING SERVICES - REQUEST FOR PROPOSALS

**MOTION**

**Board Members Weisman/Lo Bello moved to authorize staff to commence negotiations of Civil Engineering Services and Hydrogeologic Consulting Services with the Consultant Review Committee’s top ranked firm, Holtz Consulting Engineers, Inc. and, if such negotiations fail to yield an agreement acceptable to staff, to successively negotiate with the Committee’s second ranked firm, Kimley Horn and Associates and then with the Committee’s third ranked firm, CDM Engineers.**

**Board Members Weisman/Lo Bello moved to authorize staff to commence negotiations of Hydrogeologic Consulting Services agreement with the Consultant Review Committee’s top ranked firm, JLA Geosciences, Inc.**

Chair Don Noel questioned if staff met and interviewed all the firms. President Pro-Tem stated staff did.

**The motion carried unanimously.**

OTHER BUSINESS  
COMMENTS FROM BOARD MEMBERS

President Pro-Tem Bob Weisman offered departing Authority Clerk Mary Ann Stiles his best wishes.

Chair Don Noel stated he would like to say thank you and farewell to Mary Ann Stiles and hello to Jessica Moore and wish her well.

Member Ron Ferris introduced Max Bosso, the Director of Engineering for the City of Palm Beach Gardens. He has been with the City of Palm Beach Gardens for over 6 months.

Chair Don Noel thanked Rate Consultant Howard Osterman and staff for their hard work on the rate presentation and budget. He feels that the public was impressed with all of the hard work that Seacoast does.

ENGINEERING REPORT

Executive Director Rim Bishop stated that the Engineer's Report included in Board package.

STAFF REPORT  
MONTHLY REPORTS

Executive Director Rim Bishop stated that the monthly reports are in the Board package.

BOND PRICING

Executive Director stated that the bond issue is scheduled to be sold next Tuesday and Wednesday (9/29/09 and 9/30/09). Seacoast is hoping to close by October 7, 2009. If that occurs, Seacoast will be able to start the two major projects that the bond issue will fund as soon as the money is in the Seacoast account. Seacoast will commence the Palm Beach Gardens permitting process at this time.

MARY ANN STILES RESIGNATION

Executive Director Rim Bishop observed that Mary Ann Stiles has organized and attended some two-hundred and forty (240) Seacoast Board meetings over the course of her Seacoast career and that we will all miss her.

SFWMD

Attorney Nat Nason stated that Seacoast is expecting a meeting on the proposed Year Round water restriction rule, hopefully on October 7<sup>th</sup>. If this happens, the SFWMD staff recommendation will be for a 3-day per week water restriction limitation.

As to renewal of Seacoast's SFWMD water use permit, Attorney Nat Nason stated SFWMD staff has its allegation of Seacoast-caused historic harm from fourteen (14) mitigation credits to thirty-one (31), a revision that came without explanation. Mr. Nason seeks to receive further

explanation. There are other items Seacoast does not see eye to eye on with SFWMD regarding future harm and Hood Road well field withdrawal rates. Seacoast will continue to try and find common ground with the SFWMD on permit issues, including Bent Tree. However, if SFWMD presses its claim that Seacoast operations have resulted thirty-one (31) mitigation credits of historic harm, Seacoast will definitely take the matter to administrative hearing. Mr. Nason feels that at some point, SFWMD will convene a meeting where SFWMD staff will present its harm claims and Seacoast will present its response to Executive Director Carole Wehle. Mr. Nason feels that Seacoast will not get its permit any time soon, but we will continue active pursuit of it.

COMMENTS FROM THE PUBLIC

None

ADJOURNMENT

There being no further business to come before the Authority, Chair Don Noel adjourned the meeting at approximately 4:03 PM.

**APPROVAL:**

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DON NOEL, CHAIR

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MARIA V. DAVIS, VICE CHAIR

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ROBERT WEISMAN, PRESIDENT PRO-TEM

\_\_\_\_\_  
RON FERRIS, MEMBER

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JOSEPH LO BELLO, MEMBER

**ATTEST:**

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JESSICA MOORE, DEPUTY AUTHORITY CLERK