

**SEACOAST UTILITY AUTHORITY  
REGULAR MEETING**

September 19, 2016  
Seacoast Utility Authority Board Room

**MINUTES**

CALL TO ORDER: 3:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL:

PRESENT: Ron Ferris, Chair  
Robert Gebbia, Vice Chair  
John D'Agostino, President Pro-Tem  
Joseph Lo Bello, Member  
Robert Weisman, Member

ALSO PRESENT: Nat Nason, General Counsel  
Rim Bishop, Executive Director  
Jessica Moore, Authority Clerk

COMMENTS FROM THE PUBLIC:

There were no public comments.

**\*\*\*DETERMINE THE CONSENT AGENDA\*\*\***

APPROVAL OF AGENDA

Moved to approve the agenda.

APPROVAL OF MINUTES FOR MEETING OF AUGUST 24, 2016

Moved to approve the minutes for meeting of August 24, 2016

AGREEMENTS

1. Developer Agreements – Gardens Corporate Center and Laser Surgery Center

Moved to approve execution of Developer Agreements for the projects known as Gardens Corporate Center and Laser Surgery Center, as recommended by staff.

2. Hood Road Administrative and Water Plant Site Paving Improvements – Agreement for Professional Services

Moved to approve Agreement for Professional Services for Hood Road and Water Plant Site Paving Improvements with Holtz Consulting Engineers, Inc., in the amount of \$66,424.00, as recommended by staff.

PURCHASE OF FOUR (4) VEHICLES

Moved to approve the Purchase of Four (4) Vehicles, using the competitively bid National Joint Powers Alliance contract with Alan Jay Fleet Sales, at a total cost of \$160,395.24, and a supporting budget transfer of \$115,200.00 from N1612 – Operations Parking Lot Improvement and \$45,000 from R1615 – Static Mixer, to R1637 – Vehicle Replacement, as recommended by staff.

MOTION

**Board Members Weisman/Lo Bello moved to approve the consent agenda, as recommended by staff.**

**The motion carried unanimously.**

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

REPLACEMENT OF ELLISON WILSON ROAD LIFT STATION NO. 34 GRAVITY SEWER MAIN

MOTION

**Board Members Weisman/D’Agostino moved to approve proposal from Deevan, Inc. for Replacement of Ellison Wilson Road Lift Station no. 34 Gravity Sewer Main, in the amount of \$171,435.00, as recommended by staff.**

**The motion carried unanimously.**

NORTH PALM BEACH WATER AND WASTEWATER INFRASTRUCTURE IMPROVEMENTS

MOTION

**Board Members Weisman/Gebbia moved to award bid for North Palm Beach Water and Wastewater Infrastructure Improvements to Felix Associates of Florida, Inc., the lowest responsive bidder whose bid will best serve the public interest, in the amount of \$364,798.00, and a supporting \$75,500.00 budget transfer from R1626 – Annual Sewer & Force Main Replacements, to N1621 – Rebuild LS 23 and Force Main, as recommended by staff.**

**The motion carried unanimously.**

DESIGN BUILD AUTHORIZATION – PGA WWTP RECLAIM POND  
OVERFLOW/INTERCONNECT

**MOTION**

**Board Members Weisman/Gebbia moved to approve Globaltech, Inc. Design Build Authorization, PGA WWTP Reclaim Pond Overflow/Interconnect, in the amount of \$171,852.90, as recommended by staff**

**The motion carried unanimously.**

COATING PORTIONS OF THE PGA WASTEWATER TREATMENT PLANT AND LIFT  
STATION PIPING

**MOTION**

**Board Members Weisman/Lo Bello moved to encumber \$120,000.00 in FY 2015/2016 capital budget funds and award the Coating Portions of the PGA Wastewater Treatment Plant and Lift Station Piping project to the lowest responsive bidder, subject to final review and approval by Seacoast's project engineer.**

**The motion carried unanimously.**

RICHARD ROAD (NORTH PALM BEACH) WELLFIELD SITE LEASE

**MOTION**

**Board Members Lo Bello/Ferris moved to approve lease agreement of the Richard Road (North Palm Beach) Wellfield site with the City of Palm Beach Gardens, as recommended by staff.**

Discussion occurred involving the lease terms. Concerns were raised regarding the price of rent, easement rights, the installation and removal of structures, improvement values, the amortization schedule and liability.

Attorney Nat Nason clarified that this is a twenty year lease, but Seacoast can only terminate the lease within the first 5 years for cause. Beginning the sixth year, Seacoast can terminate without cause, but would be required to reimburse the cost of certain City funded capital improvements on a 10-year declining payback schedule that begins at the sixth year. After fifteen years, Seacoast can terminate the lease without cause and without any reimbursement to the City.

Board Member Joe Lo Bello suggested that the board cap Seacoast's reimbursement obligation.

**AMENDED MOTION**

**Board Members Weisman/Gebbia moved to approve the agreement with the removal of the reimbursement clause from years 5-15.**

More discussion occurred regarding the same concerns, and the possibility of adding a cap on the reimbursement.

**Mr. Weisman withdrew his amendment.**

**AMENDED MOTION**

**Board Member Lo Bello moved to approve the agreement with a reimbursement cap for the fence installation.**

**Motion dies for lack of second.**

Board Chair Ron Ferris reminded the board that this project will be an asset for each municipality and the community, not just the City of Palm Beach Gardens.

**AMENDED MOTION**

**Board Member Lo Bello moved to approve the agreement with a reimbursement cap of \$150,000.00 and amortization beginning on day one of the first fifteen years.**

**Motion dies for lack of second.**

**AMENDED MOTION**

**Board Members Weisman/Gebbia moved to approve the agreement with the removal of the reimbursement clause from years 5-15.**

	<b><u>NO</u></b>	<b><u>YES</u></b>
Palm Beach Gardens	60%	
North Palm Beach		12%
Lake Park		6%
Palm Beach County		20%
Juno Beach	2%	
<b>Motion Dies</b>	<b>62%</b>	<b>38%</b>

Max Lohman, Palm Beach Gardens City Attorney, stated that in order for the property to be used or commercially viable for any purpose, site improvements must be made. The proposed separate access will benefit Seacoast and anyone else who may need to enter the property.

More discussions occurred regarding the same concerns, and Mr. Lo Bello stated that he would like to include a reimbursement cap to which both parties can agree.

**AMENDED MOTION**

**Board Member D’Agostino/Lo Bello moved to approve the agreement with a reimbursement cap of \$250,000.00 and amortization beginning on day one of the first fifteen years.**

	<b><u>YES</u></b>	<b><u>NO</u></b>
Palm Beach Gardens	60%	
North Palm Beach		12%
Lake Park	6%	
Palm Beach County		20%
Juno Beach	2%	
<b>Motion Passed</b>	<b>68%</b>	<b>32%</b>

**ONE PARK PLACE PROJECT – PETITION FOR CONNECTION AND/OR CAPACITY RESERVATION FEE RELIEF**

Robert Spiegel, developer of One Park Place, and Donna Irwin, Vice President of Poinciana Management, Inc. requested that they be credited some \$68,000.00 in connection fees paid by the previous customer.

Mr. Weisman asked if they received the letter that stated the fees that were due. Ms. Irwin confirmed that they did receive the letter, but it did not indicate that the connection fees had been paid by the previous owner.

Mr. Nason stated that, according to policy, the developer can only receive credit for the \$68,000.00 in prepaid connection fees if he also pays some \$200,000.00 in unpaid base facility charges. Mr. Nason affirmed that what Mr. Spiegel’s request is not consistent with Seacoast policy.

Mr. D’Agostino stated that he has discussed this with the developer, and it will be a board decision. The board represents rate payer interests, and he would be very hard pressed to oppose board policy and the interests of Seacoast rate payers. He does not think the board should act in a manner inconsistent with policy.

Mr. Spiegel asked what the cost of the capacity is. Mr. Nason explained that there are both variable costs and fixed costs associated with owning and operating the system. Variable costs rise and fall in proportion to varying service demand – greater or lesser water use, for example; fixed costs do not. The base facility (capacity reservation) charge is calculated to evenly distribute fixed costs among those that have reserved capacity.

**MOTION**

**Board Members Lo Bello/Gebbia moved to deny the request and uphold Seacoast policy.**

	<b><u>YES</u></b>	<b><u>NO</u></b>
Palm Beach Gardens	60%	
North Palm Beach	12%	
Lake Park		6%
Palm Beach County	20%	
Juno Beach	2%	
<b>Motion Passed</b>	<b>94%</b>	<b>6%</b>

**OTHER BUSINESS**

**COMMENTS FROM BOARD MEMBERS**

**STAFF REPORT**

Executive Director Rim Bishop stated the engineer's report and the financial report were in the packet. Engineering Consultant David Holtz was present for any engineering questions. Finance Director Daniela' Russell was present for any financial report questions.

**ADJOURNMENT**

There being no further business to come before the board, Chair Ron Ferris adjourned the meeting at approximately 4:13 PM.

**APPROVAL:**

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RON FERRIS, CHAIR

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ROBERT GEBBIA, VICE CHAIR

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JOHN D'AGOSTINO, PRESIDENT PRO-TEM

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JOSEPH LO BELLO, MEMBER

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ROBERT WEISMAN, MEMBER

**ATTEST:**

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JESSICA MOORE, AUTHORITY CLERK