

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

July 26, 2023

MINUTES

CALL TO ORDER: 3:00 PM

PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL:

PRESENT: Ron Ferris, Chair
Robert Weisman, Vice Chair
John D'Agostino, President Pro-Tem
David Dyess, Member
Karen Marcus, Member

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

COMMENTS FROM THE PUBLIC

Mr. Jim Jackson, President of the Juno Isles Civic Association, addressed the board. Mr. Jackson reminded the board that at last month's meeting, the Association asked the board for three (3) things, which include:

- 1) Do not install a low-pressure sewer system in the Juno Isles Community
- 2) Reallocate the funds set aside to install the low-pressure sewer system in the community
- 3) Remove the community from the Authority's low-pressure sewer master plan

Mr. Jackson is addressing the board to ensure item number 3 is considered, as it was not part of last month's motion approved by the board. He stated that the Community is working with Palm Beach County in an effort to assist them with gravity flow installation and funding.

*****OPENED PUBLIC WORKSHOP*****

RESOLUTION NO. 5-2023, A RESOLUTION OF THE AUTHORITY BOARD OF THE SEACOAST UTILITY AUTHORITY; ADOPTING THE ANNUAL OPERATING AND CAPITAL BUDGETS FOR THE FISCAL YEAR OCTOBER 1, 2023, TO SEPTEMBER 30, 2024, INCLUDING DEBT SERVICE FOR SEACOAST UTILITY AUTHORITY; AUTHORIZING AN INDEXED 4.9% INCREASE TO ALL WATER, SEWER, AND RECLAIMED WATER RATES INCLUDING LOW-PRESSURE SEWER AND WATER MAIN EXTENSION ASSESSMENTS EFFECTIVE OCTOBER 1, 2023; AUTHORIZING LINE-ITEM BUDGET TRANSFERS BETWEEN DEPARTMENTS; AND PROVIDING FOR AN EFFECTIVE DATE
(Read by Authority Clerk Jessica Moore)

Board Comment/Deliberation

President Pro-Tem John D'Agostino summarized the draft budget, noting that the board has approved a rate indexing ordinance which will result in a 4.9% rate increase. He stated that he finds the budget, as well as the index, appropriate.

Board Member David Dyess asked if the Authority will, in fact, be debt free after this upcoming fiscal year. Executive Director Rim Bishop confirmed that this is correct.

Public Comment

There were no comments from the public.

*****CLOSED PUBLIC WORKSHOP*****

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

APPROVAL OF AGENDA

Considered a motion to approve the agenda.

APPROVAL OF MINUTES FOR MEETING OF JUNE 28, 2023

Considered motion to approve the minutes for the meeting of June 28, 2023.

AGREEMENTS

A. DEVELOPER AGREEMENTS

1. Avenir Pod 7
2. Avenir Pod 20
3. FPL – PGA Office Center Phase 2

Considered a motion to approve execution of developer agreements for the projects known as Avenir Pod 7, Avenir Pod 20 and FPL – PGA Office Center Phase 2, as recommended by staff.

MOTION

Board Members D'Agostino/Weisman moved to approve the consent agenda, as recommended by staff.

The motion carried unanimously.

*****ENDED CONSENT AGENDA*****

JUNO ISLES WATER MAIN REPLACEMENT, PHASE 2 – ENGINEERING SERVICES,
DESIGN CRITERIA PROFESSIONAL

MOTION

Board Members D’Agostino/Weisman moved to approve Juno Isles Water Main Replacement Phase 2, Engineering Services, Design Criteria Professional services from EAC Consultants, Inc. in the amount of \$417,008.65, as recommended by staff.

The motion carried unanimously.

COMMENTS FROM THE BOARD

Vice Chair Bob Weisman stated that in reference to Juno Isles request, he has spent a lot of time discussing this concern with Mr. Bishop, and he is in favor of honoring the Juno Isles Civic Association’s request to have the community removed from the low-pressure sewer master plan program.

MOTION

Board member Weisman moved to direct staff to remove Juno Isles from the Low-Pressure Sewer Master Plan program as requested by the Juno Isles Civic Association, effectively prohibiting any individual property from being connected to the Authority’s low-pressure sewer system.

The motion received no second and therefore dies.

Mr. D’Agostino asked what would happen if the community is removed from the plan. Mr. Weisman stated that honoring this request eliminates the possibility that any property can be connected to low-pressure sewer service, which is compatible with the community’s request. The community can come back to the board, at any time, to request reinstatement.

Mr. D’Agostino added that there is a possibility that reinstatement may not be possible, depending on the financial strength of the Authority at the time of the request.

Board Member Karen Marcus asked how someone in the community could hook up to low-pressure sewer if it is not available. Mr. Weisman answered that a customer can be in a position to enter into the program and pay to extend the low-pressure line to their property. Mr. Bishop confirmed this is correct and what the community is trying to avoid, as they think they may then be compelled to connect to the low-pressure sewer system.

Attorney Nat Nason informed the board that the Master Plan program establishes a maximum net Authority investment in low-pressure sewer systems calculated as the total capital outlay minus low-pressure connection charge payments received from customers. Mr. Bishop confirmed this is correct, but the threshold can be increased by board approval.

Chair Ron Ferris believes the Juno Isles Community should remain in the program until they present the board a better option. Mr. Bishop suggested that any time there is a request to connect

from a customer in the community, staff can inform both the board and the Civic Association, and the board can determine whether the Authority will honor the request.

Ms. Marcus asked if there was a timeframe as to when the community will hear back from the County; one year? Mr. Jackson confirmed it would most likely be longer than a year. Ms. Marcus reiterated that gravity sewer is much more costly than low-pressure and it will be much more difficult for the Authority to finance the installation, regardless of the County's position on the matter. Mr. Weisman agrees that what the Association is proposing will be challenging, but he would like to provide them with the opportunity to look into these options, which they believe best serve their community.

Mr. D'Agostino agrees with Mr. Ferris and leaving Juno Isles in the program provides the community with a safety net, providing a better opportunity for future sewer system connection. If they are removed from the program, it may be difficult to allow them back in. He believes the board has an obligation to protect its water source, but also if low-pressure is not installed now, it will ultimately cost the Authority and its customers, more money. He does not think the community should be withdrawn from the master plan just because residents fear that they might be required to connect; residents should be allowed the opportunity to connect.

Ms. Marcus likes the idea of keeping Juno Isles in the program, asking staff to inform the board and the community when a Juno Isles low-pressure sewer service request is received; this will allow for connections on a case-by-case basis.

Mr. Nason stated if the board takes no action, the previous meeting's motion will stand, and Juno Isles will not be removed from the Authority's Low-Pressure Sewer Master Plan.

Mr. Bishop stated, for the record, that he will inform the board and the community any time a customer requests connection to the low-pressure sewer in the Juno Isles community. This will allow community members the opportunity to express their concerns, and the board can determine how to proceed.

Ms. Marcus stated she would like the Authority to start exploring what funds may be available so the Authority does not have to advance related costs. This way, if something similar comes before the board in the future, funds may be available. Mr. D'Agostino believes grants are available, but grants are not typically approved until a project is identified and ready to implement.

STAFF REPORT

Executive Director Rim Bishop stated the engineer's report and the financial report were in the packet. Chief Operations Officer Brandon Selle was present for any engineer report questions. Chief Financial Officer 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 3:31 PM.

APPROVAL:

RON FERRIS, CHAIR

ROBERT WEISMAN, VICE-CHAIR

JOHN D'AGOSTINO, PRESIDENT PRO-TEM

DAVID DYESS, MEMBER

KAREN MARCUS, MEMBER

ATTEST:

JESSICA MOORE, AUTHORITY CLERK