

OKEECHOBEE UTILITY AUTHORITY**MEETING MINUTES**

Tuesday, May 21 2024 8:30 A.M.

Okeechobee Utility Authority

100 SW 5th Avenue

Okeechobee, Florida

Chairperson Nelson called the meeting to order at 8:30 A.M.

Chairperson Nelson determined the voting members and led all participating attendees and visitors in the Pledge of Allegiance.

Chairperson Nelson addressed Agenda Item No. 1, the following Okeechobee Utility Authority Board Members were present:

Board Members:

John Gilliland*

Frank Irby*

Harry Moldenhauer*

Steve Nelson*

Tabitha Trent*

Alternates:

Melanie Anderson

Glenn Sneider

Absent:

*Voting Board Members

OUA Members:

John Hayford

Lauriston Hamilton

Jamie Mullis

Tom Conely

Michelle Willoughby

Chairperson Nelson addressed Agenda Item No. 2 ‘Welcome New City Board Member’ Chairperson Nelson welcomes new Board Member Frank Irby.

Chairperson Nelson requests that the board consider rescheduling the board meeting day and time. There was a brief discussion. **Motion by Tabitha Trent to move the Board of Director’s Meeting to the second Tuesday of each month, beginning with the next meeting on Tuesday, June 11, 2024 at 8:00 A.M. Second by John Gilliland. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 3 ‘Agenda Additions or Deletions’ Executive Director Hayford discussed that there are two additions to the agenda. Item 3A. is an invoice from Anderson Andre Consulting Engineers, Inc. and Item 3B, Lakeview Estates WWTF Operating Permit Renewal.

Agenda Item No. 3A. Executive Director Hayford discussed that staff received an invoice from Anderson Andre Consulting Engineers, Inc. The invoice is for the SWSA Project 2 Vacuum Collection System in the amount of \$10,925.00. **Motion by Tabitha Trent to approve the invoice from CHA in the amount of \$10,925.00. Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.**

Agenda Item No. 3B. Executive Director Hayford discussed that the permit for the Lakeview Estates WWTF expires on December 28, 2024. Executive Director Hayford discussed that requirements for renewal, an initial application for renewal must be submitted to FDEP at least 180 days prior to expiration. Executive Director Hayford discussed that the engineering company which was already working on a project involving Lakeview Estates WWTF submitted a proposal for review. Executive Director Hayford discussed that the Supervisor in charge of wastewater treatment plants reviewed the proposal. Executive Director Hayford discussed that if the proposal is approved Kimley Horn will proceed with the work to complete the application, which will then be submitted to FDEP for review. **Motion by Harry Moldenhauer to approve the proposal from Kimley Horn in the amount of \$16,318.00. Second by Frank Irby. Vote unanimous (5-0), motion carried.**

Chairperson Nelson addressed Agenda Item No. 4 ‘Meeting Minutes from April 11, 2024.’ Item tabled due to incorrect attachment. Item to be brought back at June Meeting.

Chairperson Nelson addressed Agenda Item No. 5 ‘Meeting Minutes from April 16, 2024.’ Motion by Tabitha Trent to accept the Meeting Minutes from April 16, 2024 as presented. Second by John Gilliland. Vote unanimous (5-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 6 ‘Update from Operations Director’ Jamie Mullis gave an overall update of all departments. Jamie Mullis advised that staff is currently interviewing for a Lift Station Technician with one more interview on Thursday. Board Member Trent requested information regarding Fire Hydrant Testing. Jamie Mullis advised the Board that hydrant testing is to be conducted annually. Staff are currently performing hydrant testing as required.

Chairperson Nelson addressed Agenda Item No. 7 ‘Consent Agenda’ Motion by Frank Irby to approve the Consent Agenda as presented:

Consent Agenda Item No. 8 ‘Invoice from Sumner Engineering & Consulting, Inc – SW Wastewater Service Area Project (Part E) in the amount of \$27,470.00’

Consent Agenda Item No. 9 ‘Invoice from Sumner Engineering & Consulting, Inc – SW 5th Avenue LPSS Design and Permitting in the amount of \$14,662.80’

Consent Agenda Item No. 10 ‘Invoice from Sumner Engineering & Consulting, Inc – Okee-Tantic Utility System Improvements in the amount of \$6,333.06’

Consent Agenda Item No. 11 ‘Invoice from CHA – vac Station #2 Generator Replacement in the amount of \$1,665.00’

Consent Agenda Item No. 12 ‘Invoice from Hinterland Group, Inc. – SWSA Project 2 Vacuum Collection System in the amount of \$625,894.91’

Consent Agenda Item No. 13 ‘Invoice from Hinterland Group, Inc. – Pine Ridge Park Utility Improvements in the amount of \$175,634.24’

Consent Agenda Item No. 14 ‘Invoice from Holtz Consulting Engineers, Inc. – SR 78 Watermain Improvements in the amount of \$50,801.00’

Consent Agenda Item No. 15 ‘Invoice from Craig A. Smith and Associates, LLC – TCO Septic to Sewer Improvement Project in the amount of

\$1,250.00'

Consent Agenda Item No. 16 'Invoices from Kimley Horn and Associates, Inc. – Treasure Island Septic to Sewer Project in the amount of \$104,433.14 and \$32,009.30'

Consent Agenda Item No. 17 'Invoice from Thorn Run Partners in the amount of \$3,500.00'

Consent Agenda Item No. 18 'Invoice from MacVicar in the amount of \$250.00'

Second by Harry Moldenhauer. Vote unanimous (5-0), motion carried.

Chairperson Nelson addressed Agenda Item No. 19 'Finance Report' Finance Director Hamilton reviewed the Finance Report for period ending April 30, 2024. Glenn Sneider out at 8:57 A.M. Motion by Tabitha Trent to approve the Finance Report for period ending April 30, 2024. Second by John Gilliland. Vote unanimous (5-0). Motion carried.

Chairperson Nelson addressed Agenda Item No. 20 "Non-Discrimination Assurance Policy' Finance Director Hamilton discussed that at the March 19th meeting, the board approved the Title IV Nondiscrimination Policy that was proposed by staff. The policy is for non-employees and is a federal requirement for all entities that are receiving federal assistance. Staff received notice from the Office of Environmental Justice and External Civil Rights that although the policy was accepted and approved by the Federal Government, it was requested that the document be amended to include two additional Nondiscrimination Acts not identified. Motion by Tabitha Trent to approve the amendment to the Title VI Nondiscrimination Policy as presented. Second by Harry Moldenhauer. Vote unanimous (5-0). Motion carried.

Chairperson Nelson addressed Agenda Item No. 21 "4th Draw-Down on Interim Finance – SWSA 2' Finance Director Hamilton discussed the Interim Finance Agreement with SouthState Bank. Finance Director Hamilton discussed that the Interim Agreement with SouthState Bank is short term. The USDA will reimburse SouthState Bank and transfer a portion of the funds utilized to a forty-year loan. Finance Director Hamilton discussed that to date, the OUA has accessed funds totaling \$1,205,839.60 leaving an available balance of \$6,157,580.37. Finance Director Hamilton discussed that staff are requesting Board approval to submit draw-down #4 in the amount of \$1,205,839.60 to cover pay applications form Hinterland Group, Inc and Sumner Engineering & Consulting, Inc. Tabitha Trent will abstain from voting on item No. 21. Motion by Frank Irby to approve draw-down #4 in the amount of \$1,205,839.60. Second by John Gilliland. Vote Unanimous (4-0). Motion carried.

Chairperson Nelson addressed Agenda Item No. 22 'Evergreen Final Report' Finance Director Hamilton discussed that staff received the final report from Evergreen Solutions which provides an overview of their observations, finding and recommendations from the salary and compensation survey.

Recommendation No. 1: Finance Director Hamilton discussed that Evergreen recommends that staff update its existing class description to reflect the proposed classifications which better align with current HR best practices and job functions. Finance Director Hamilton discussed the position classifications and recommended titles. Motion by Tabitha Trent to approve the new titles for compliance as recommended by Evergreen Solutions. Second by Frank Irby. Vote Unanimous (5-0). Motion carried.

Recommendation No. 2: Finance Director Hamilton discussed that in the report Evergreen recommends

that the OUA should adopt a new market responsive compensation structure and assign all positions. The implementation of the new compensation structure involves the establishment of pay grades and the assignment of job titles to a pay grade. There was a brief discussion. **Motion by Tabitha Trent to accept the recommendation as presented. Second by Frank Irby. Vote Unanimous (5-0). Motion carried.**

Recommendation No. 3: Finance Director discussed that Evergreen identified four possible methodologies to transition employees' salaries into the proposed pay plan. From the four methodologies, Evergreen recommends the adaption of the hybrid parity approach which is a combination of class and tenure parity. Class parity is based of number of years in a specific position while Tenure is the total number years employed with the OUA. Finance Director Hamilton discussed that the board recently approved a \$1.00 per hour increase for all employees. Staff requested that Evergreen recalculate the methodologies with the pay increase factored in. Finance Director Hamilton discussed how that affected each option. Finance Director Hamilton discussed that despite staff hesitation in the acceptance of all possible methodology, staff is prepared to accept the hybrid model. It was further suggested that for future use the model should be adjusted to incorporate employee performance in the calculation by eliminating tenure or by adding performance with a greater weight. *Tabitha Trent out at 9:29 A.M.* There was a brief discussion. No action taken on this recommendation.

Recommendation No. 4: Finance Director Hamilton discussed that Evergreen recommended the OUA conduct a small-scale survey as needed to assess the market competitiveness of hard-to-fill classifications and make any adjustments. **Motion by Frank Irby to conduct a small-scale survey on an as needed basis. Second by Harry Moldenhauer. Vote Unanimous (4-0). Motion carried.**

Recommendation No. 5: Finance Director Hamilton discussed that Evergreen recommended the OUA conduct a comprehensive classification and compensation study every three to five years. **Motion by Frank Irby to conduct a small-scale survey on an as needed basis. Second by Harry Moldenhauer. Vote Unanimous (4-0). Motion carried.**

Recommendation No. 6: Finance Director Hamilton discussed that Evergreen recommended that the OUA revise its policies and procedures for moving employees' salaries through the proposed pay plan, including procedures to determine salaries of newly hired employees and those being promoted, demoted or transferred to a different classification. Finance Director Hamilton discussed that staff will ensure that all necessary modifications to the handbook are included in the next update. No action needed on this recommendation.

Recommendation No. 7: Finance Director Hamilton discussed that Evergreen recommends that the OUA update its policy regarding promotions/demotion and transfers to align with its new compensation structure. **Motion by Frank Irby to accept the recommendation as presented. Second by Harry Moldenhauer. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 23 'Proposed Update to Employee's Handbook' Finance Director Hamilton discussed that during the April board meeting, a number of staff related proposals were presented to the board for their consideration with the main focus being to increase staff morale, improve staff retention and attraction. The proposals presented included the salary adjustment of \$1.00 per hour for all staff, 2.5% merit allowance, increase in the number of paid holidays,

implementation of Paid Time Off (PTO) and modification to the longevity bonus calculation. Finance Director Hamilton discussed the conversion of sick leave and vacation to a paid time off system.

Finance Director Hamilton discussed the adjustment to the Employee Handbook outlining the policy governing the management of PTO. Finance Director Hamilton discussed that while OUA had ten days paid holiday in its current Employee Handbook, its peers were granting a total of 11.4 paid holidays on average. Finance Director Hamilton discussed that at the April board meeting the board approved an additional Personal Choice Day, increase the approved holidays to 11 days. **Motion by Frank Irby to approve Paid Time Off (PTO update to Employee Handbook as presented. Second by John Gilliland. Vote Unanimous (4-0). Motion carried.**

Finance Manager Hamilton discussed the at the April board meeting staff presented a proposal to change the method used to calculate the payment of a longevity bonus to staff having reached a milestone in their years of service. Finance Director Hayford discussed that in attempt to quantify the annual cost to the proposed longevity bonus, staff calculated the financial cost association the current and proposed option over the next five years. Executive Director reminds the board that Board Member Trent would like to see performance evaluated when considering the longevity bonus. There was a brief discussion and it was determined that performance and longevity should be kept separated when considering this bonus. **Motion by Frank Irby to approve Paid Holiday and Longevity Bonus updates to Employee Handbook as presented. Second by John Gilliland. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 24 'Health Allowance' Finance Director Hamilton discusses that at the April 11th Workshop, staff presented a number of options that the Board could consider for meeting the shortfall in health coverage highlighted in Evergreens report compared OUA peers. Finance Director Hamilton discussed that although the OUA may adequately meet its cost share with Employee only coverage, the employee + spouse, employee + children and employee + family cost share is at 48%, which is materially below its peer cost sharing. Finance Director Hamilton discussed that staff re-examined the options previously discussed with the board. Finance Director Hamilton discussed that staff is proposing a four-tier system, being based off current costs. Employee only coverage would provide \$1100 stipend, employee + spouse and employee + children would provide \$1350 stipend, and employee + family would provide \$1600 stipend. Executive Director Hayford discussed that Public Risk Management (PRM) is estimating a 15-20% increase in healthcare premiums for the next fiscal year. Executive Director Hayford discussed that confirmed costs are expected at the annual meeting in June and will be finalized before open enrollment in August. *Melanie Anderson out at 10:22 A.M.* Executive Director Hayford discussed that the stipend could be used to cover the costs of those benefits offered in the Cafeteria Plan of benefits. **Motion by Frank Irby to approve the stipend as presented effective June 1, 2024. Second by John Gilliland. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 25 '2024 FDEP Water Quality Grant Projects' Executive Director Hayford discussed that the 2024 FDEP Water Quality Grant portal is now open and the potential projects were discussed. Executive Director Hayford discussed that Southwest 5th Avenue Septic to Sewer Project is a proposed project of the Water Quality Implementation Grant submission. John Gilliland out at 10:30 A.M. Staff would propose submitting a grant proposal for \$4,000,000 to cover all contraction costs. John Gilliland in at 10:31 A.M. Executive Director Hayford discussed that for the Alternative Water Supply Grants staff is proposing a submission for the Advanced Metering

Infrastructure System, Water Supply Plan and the Cemetery Road WWTF Reuse Master Plan projects. Executive Hayford discussed that the proposed ranking as 1. SW 5th Avenue Septic to Sewer, 2. Advanced Metering Infrastructure System, 3. Water Supply Plan and 4. Cemetery Road WWTF Reuse Master Plan. There was a brief discussion to determine a priority ranking for the submissions. **Motion by Frank Irby to approve the ranking as presented. Second by John Gilliland. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 26 ‘Glades County Franchise Agreement’ Executive Director Hayford discussed that the letter requesting the approval of a Franchise Agreement to the OUA to own and conduct the operation of a potable water distribution and waste water collection and treatment facility in a portion of Glades County. Executive Director Hayford discussed that the request proposed that the service area to terminate at the SFWMD Access Road. Executive Director Hayford discussed that Mr. Stanely, Glades County Commission Chairman says the boundaries should stay as outlined in the previous franchise agreement. This item for informational purposes only.

Chairperson Nelson addressed Agenda Item No. 27 ‘2025 Pump Truck’ Executive Director Hayford discussed the Maintenance Department utilizes three trucks for wastewater collection issues. One of the trucks, a 2003 Sterling Pimp Truck is showing its age and needs replacing. Executive Director Hayford discussed that this unit is 21 years old and has approximately 54,000 miles as well as 5,907 engine hours. The tank is deteriorating and showing excessive rust pits, as one portion of the tank is for water storage and is not able to be used due to the holes in the tank. Executive Director discussed that the replacement of this unit was included in this year’s budget with an approximate cost of \$263,140. Staff reached out to get quotes from vendors for state contract pricing. Executive Director Hayford discussed that staff visited a nearby utility to meet with their staff to look at a similar truck that is the apparent low bidder on the quotes that were received to gather input from their experience. Executive Director Hayford discussed that based upon date, options, and availability, staff is recommending the purchase of the vehicle from Southport Truck Group/Southern Sewer Equipment in the amount of \$227,921.64. Executive Director Hayford discussed that there is currently a 1 year estimated delivery time frame. **Motion by Frank Irby to approve the purchase the vehicle from Southport Truck Group/Southern Sewer Equipment in the amount of \$227,921.64. Second by Harry Moldenhauer. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 28 ‘Groundwater Treatment Plant Generator Repair’ Executive Director Hayford discussed that the generator at the groundwater treatment plant is not available due to a power plant failure. Executive Director Hayford discussed that staff has had one technician out for repairs and the technician determined that the damage was more extensive than original thought. Staff received a quote for services requiring an engine overhaul in excess if \$40,000. Executive Director Hayford discussed that the generator is vital and provides emergency power to the groundwater treatment plant if FP&L power is lost for any reason. There was a brief discussion. **Motion by John Gilliland to authorize staff to have the generator repaired. Second by Harry Moldenhauer. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 29 ‘SWSA Change Order No. 2’ Executive Director Hayford discussed the proposed Change Order No. 2 for SWSA. The Change Order includes Work Change Directive, which included the upsizing of the vac main north VPS4 from 4” to 6” as well as the additional pits and lines that has been drafted for the directive. The Change Order also included an

approval of Change Request 007 which was the relocation of the air intake vent at STA 97, Executive Director Hayford discussed that this change order is approximately \$200,000. Board Member Gilliland asks if staff is expecting any other Change Orders. Jeff Sumner, Sumer Engineering & Consulting, Inc states that there expected to be other change orders for this project. **Motion by Frank Irby to approve Change Order No. 2. Second by John Gilliland. Vote Unanimous (4-0). Motion carried.**

Chairperson Nelson addressed Agenda Item No. 30 ‘Purchase Order for EMP Lightning Defense’ Finance Director Hamilton discussed that included in the FY24 budget was an EMP Lighting Defense protections system for the Surace Water Treatment Plant (SWTP). Staff received quote from Avanti Company totaling \$27,477. Finance Director discussed that the vendor does not provide installation service therefore a local contractor, Schoonmaker Electric LLC was contacted and provided an estimate of \$3,470 to install the units. **Motion by Harry Moldenhauer to approve the purchase and installation of both lightning suppressors. Second by Frank Irby. Vote Unanimous (4-0). Motion carried**

Chairperson Nelson addressed Agenda Item No. 31 ‘Public Comments’ There were none

Chairperson Nelson addressed Agenda Item No. 32 ‘Items from the Attorney’ Attorney Conely advised that he will be stepping down as the OUA attorney at the end of the current fiscal year. Executive Director Hayford discussed that an RFP, with an October 1, 2024 start date, will be published in July so that the board can make a decision at the August meeting. Attorney Conely discussed co-counselling in September to allow an adequate transition.

Chairperson Clay addressed Agenda Item No. 33 ‘Items from the Executive Director’ Executive Director Hayford gave an update on current projects.

Chairperson Nelson addressed Agenda Item No. 34 ‘Items from the Board’ There were none.

There being no other business, meeting adjourned at 11:13 A.M.

PLEASE TAKE NOTICE AND BE ADVISED that if a person decided to appeal any decision made by the Okeechobee Utility Authority with respect to any matter considered at this meeting, he/she may need to ensure that verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. A CD recording of this meeting is on file in the Executive Director’s office.



Chairperson



Executive Director (Secretary)

