

**SOUTH SANTA ROSA UTILITY SYSTEM
BOARD OF DIRECTORS MEETING
FEBRUARY 13, 2006**

1. **CALL TO ORDER**

The 70th regular meeting of the South Santa Rosa Utility System Board of Directors was called to order at 7:00 p.m, at Gulf Breeze City Hall.

2. **ROLL CALL:**

The following Board members were present at the start of the meeting: Dr. Richard Snyder, Tom Naile, Otto Prochaska, John Berti, Robert Sauer. Absent were Belie Williams, Rick Outzen and Mayor Lane Gilchrist

3. **APPROVAL OF MINUTES:**

A motion was made by Robert Sauer made a motion to approve both sets of minutes as written. The motion was seconded by John Berti. Vote for approval was unanimous.

4. **REPORTS**

A. BUDGET/ FINANCIAL REPORTS

Bill Bruning was present from, O'Sullivan Creel to give the financial report.

B. EXPENSE AND INCOME

Thomas Lambert gave the report and presented the graphs that the Board had requested.

C. HURRICANE EXPENSE TRACKING

Thomas Lambert gave the report and presented the Board with information that represents all utility expenses for both inside and outside the City limits. He explained to the Board that neither FEMA nor the City's internal mechanism allow for separation of Hurricane expenses by department.

D. OPERATIONS REPORT

Vernon Prather gave the Operations Report stating that operations were normal for December and January. The WWTP flow in December was 1.274 MGD and January was 1.262 MGD. Golf Course irrigation including the east course well during this time was .853 MGD in December and .698 MGD in January. We operated the supplemental wells occasionally in order to maintain the level in the #1 effluent pond.

Sewer customer base from December 2004 to December 2005 has seen an increase of 4.4% and January 2005 to 2006 saw an increase of 4.1%. Sewer revenue for December 2004 was \$143,967/5230 (\$27.53/customer) and in December 2005 \$156,264/5461 (\$28.61/customer). In January 2005 sewer revenue was \$130,981/5230 (\$25.04/customer) in January 2006 it was \$139,328/5447 (\$25.58/customer).

Customer base for water from December 2004 to December 2005 has increased 1.0%, from January 2005 to January 2006 it increased by 0.9%. Water revenue in December 2004 was \$91,458/4131(\$22.14 per customer) and December 2005 was \$97,603/4175 (\$23.38 per customer). Revenue in January 2005 was \$84,001/4120(\$20.39 per customer) and January 2006 was \$90,833/4157 (\$21.85per customer).

E. FIRE HYDRANT UPGRADES

Thomas Lambert gave the report on status of Fire Hydrant Upgrades. Due to a problem with the bore on Coral Strip Parkway the project was ended 350' short of the original project. The Board approved a change order at the last meeting and because of the problem, the cost of the change order will be credited on the final billing. Due to loss of customer base from Hurricane Ivan and Dennis the budget projections for this project have fallen short. The Board might need to consider extending the special monthly fee of \$2.00 per customer to pay for the next phase of this project.

F. FAIRPOINT WATER REPORT - VERBAL REPORT

Rick Delp, Baskerville Donovan gave a verbal report on FRUS.

E. ENGINEERING AND PERMITTING

Engineering and Permitting report was given by Rick Delp, Baskerville Donovan.

5. OLD BUSINESS

A. MIDWAY CONTRACT

Thomas gave a verbal report. Information only item. No action required by the Board.

B. ACQUISITION OF ELEVATED TANK

Thomas gave the report on the elevated tank and a letter to Midway with the City's offer is awaiting the Mayor's signature.

D. RADIO METER READING UPDATE

Vernon Prather informed the Board that the radio meter reading is working and the performance was excellent. One route with 395 radio meters was read in less than 20 minutes in January. February reading consisted of 469 meters and it was read in less than 30 minutes. It will take approximately four years to complete the radio installation.

E. VACUUM TRUCK PURCHASE

Vernon Prather presented to the Board the information concerning the purchase/lease of a Vacuum Truck. A motion was made by Otto Prochaska to go forward with this purchase/lease. The motion was seconded by Tom Naile and vote for approval was 5-0.

6. NEW BUSINESS

A. REVISED DESIGN AND CONSTRUCTION STANDARDS

Thomas Lambert recommended to the Board that they approve the revised SSRUS Design and Construction Standards as attached.

A motion was made by Robert Sauer to approve the recommendation. It was seconded by Otto Prochaska and vote for approval was 5-0.

B. WWTF CENTRIFUGE PROPOSAL

Vernon Prather made the recommendation to the Board that they approve the centrifuge proposal from Andritz for \$320,755.

A motion was made by Tom Naile to approve the project. It was seconded by Robert Sauer and vote was unanimous.

C. HIGHWAY 399 REUSE MAIN EXTENSION

Thomas Lambert presented the project to the Board. It was recommended that the SSRUS Board recommend to the City Council award the Highway 98 Reclaimed Water Main Extension to Warrington Utility and Excavation for the best low bid of \$98,977.50.

A motion was made by Otto Prochaska to approve the recommendation. Bob Sauer seconded the motion and the vote for approval was 5-0.

D. GIS PROPOSAL

Thomas Lambert presented the proposal to the Board. Recommending that the Board approve adding the Geographic Information System Project to the FY 2007 budget for approval in August.

A motion was made by Otto Prochaska to approve the recommendation. It was seconded by Robert Sauer and the vote for approval was 5-0.

E. GENERATOR BI-FUEL SYSTEM

Vernon Prather stated that the major problem of the utility during hurricane recovery is availability of fuel. He recommended to the Board an installation of a bi-fuel system that can be installed on our existing generator. The cost of the of the system is \$19,636 with an additional cost of approximately \$7,250 to install the natural gas line.

A motion was made by John Berti to approve the project. The motion was seconded by Robert Sauer and the vote for approval was 5-0.

F. REVISED SEWER IMPACT FEE FINANCING POLICY

Thomas Lambert presented to the Board a plan to extend the impact fee financing policy to 48 months.

A motion was made by Otto Prochaska to approve the project. It was seconded by Tom Naile and vote for approval was 5-0.

7. PUBLIC FORUM

8. SETTING OF NEXT MEETING - April 10, 2006

10. ADJOURNMENT at 8:15 p.m.