

Florida Governmental Utility Authority

Board of Directors Meeting Agenda

Thursday, February 23, 2012 – 10:00 a.m.

MacDill AFB Education Center & Base Library Bldg. 252 Room 202

8102 Condor Street

Tampa, FL 33621

Revised 2-21-12

I - Call to Order

II - Invocation

III - Pledge of Allegiance

IV - Public Comment

V - Minutes

M 1 Approval of the January 18, 2012 FGUA NFM Special Masters Hearing Minutes

Revised **M 2** Approval of the January 19, 2012 FGUA Public Hearing and Regular Meeting Minutes

VI - Consent Agenda

CA 1 Approval of Work Authorization No. RE 12-01 with Reiss Engineering, Inc. for Consulting Engineering Services, Lake Fairways WWTP Operating Permit Renewal, FGUA Project No. NF 008 in the North Fort Myers Utility System

CA 2 Approval of Southwest Florida Water Management District (SWFWMD) Agreement for Low Flow Toilet Rebate Program

CA 2a Approval of Vendor Agreement with Demetri's Solutions for Low Flow Toilet Rebate Program

Pulled **CA 3** [Acceptance of the Conveyance Closeout Package for FGUA Developer Project 11-002 LED for Family Dollar, Located in the Lehigh Acres Utility System in Lee County, Florida](#)

CA 4 Approval of Work Authorization No. WT 12-10 with Wade Trim, Inc. for Consulting Engineering Services in the Pasco Utility System for a Preliminary Design and Permit Application to the Florida Department of Environmental Protection to re-rate the Seven Springs Wastewater Treatment Facility (WWTF) from 2.1 MGD to 2.5 MGD, Average Annual Daily Flow (AADF)

Pulled **CA 5** [Approval of Interim Work Authorization No. USWWT 12-59 for start-up assistance associated with the Mitchell Water Treatment Plant in the Pasco System](#)

CA 6 Approval of Work Authorization No. USWWT 12-60 with US Water/Wade Trim, LLC for Operational Due Diligence activities related to the Acquisition of Several Private Utilities Located in Marion County

CA 7 Approval of Work Authorization No. WT 12-07 with Wade Trim, Inc. for Consulting Engineering Services for FGUA Project No. PS032, Pasco Utility System Wastewater Treatment Facility (WWTF) Odor Control Improvements

CA 8 Approval of Work Authorization No. WT 12-08 with Wade Trim, Inc. for Engineering Due Diligence activities related to the Acquisition of Several Private Utilities Located in Marion County

CA 9 Approval of Work Authorization No. PRMG 12-03 with Public Resources Management Group for Financial Due Diligence activities related to the Acquisition of Several Private Utilities Located in Marion County

CA 10 Ratification of Amendment No. 1 to Work Authorization No. GAI 12-01, with GAI Consultants, Inc. for Consulting Engineering Services, Lehigh Acres Tank Cleaning & Inspection, FGUA Project No. LE 084 in the Lehigh Acres Utility System

CA 11 Approval of Amendment No. 1 to Work Authorization No. USWWT 12-01 with U.S. Water/Wade Trim for Consulting Services for Operations Due Diligence for Mad Hatter Utility, Inc. located in Pasco County

CA 12 Approval of Access Easement Agreement between the FGUA and Little Richey, LLC related to FGUA Project No. PS - 026, Water Interconnects and Improvements, Pasco Utility System

- CA 13** Approval of Change Order No. 2 to the Construction Agreement with Guymann Construction of Florida, Inc. for the Waterway Estates Interconnect Project, FGUA Project No. NFM 002 in the North Fort Myers Utility System
- CA 14** Approval to Sell at Auction three (3) uneconomical and inefficient for continued use backhoes in the Lehigh Acres Utility System as per the Amended and Restated Purchasing Policy and Procedures dated November 17, 2011
- CA 15** Approval of Interlocal Agreement between FGUA and Pasco County Utilities for providing meter reading records for wastewater utility billing at Gulfside Elementary School in Pasco County, FL
- CA 16** Approval of Work Authorization No. GSG 12-20 with Government Services Group, Inc. for Consulting Services for Due Diligence Management for the Acquisition of the Assets of the Ni America Utility (Hudson and Tamiami) Systems in Pasco and Lee Counties
- CA 17** Approval of Work Authorization No. USWWT 12-61 with U.S. Water/Wade Trim, LLC for Operational Due Diligence activities related to the Acquisition of Ni America Utility (Hudson and Tamiami) Systems in Pasco and Lee Counties
- CA 18** Approval of Work Authorization No. WT 12-09 with Wade Trim for Engineering Due Diligence activities related to the Acquisition of Ni America Utility (Hudson and Tamiami) Systems in Pasco and Lee Counties
- CA 19** Approval of Work Authorization No. PRMG 12-04 with Public Resources Management Group (PRMG) for Financial Feasibility Due Diligence activities related to the Acquisition of Ni America Utility (Hudson and Tamiami) Systems in Pasco and Lee Counties

VII - Finance and Administration

- FA 1** Federal Economic Development Administration (“EDA”) Grant Application
- FA 2** Other Items

VIII - Operations

- OP 1** Operations Transition Update
- OP 2** Seven Springs Odor Control Project Update
- OP 3** [Other Items – Seven Springs Well No. 4 Withdrawal Reallocation Update](#)

IX - Informational Items

- IN 1** Status Update on the FGUA Capital Improvement Project (CIP) Program
- IN 2** Status update on the FGUA Monthly Community Outreach Program
- IN 3** FGUA Inactive Account Collection Summary
- IN 4** FGUA Collection Agency Summary
- IN 5** FGUA Quarterly Report of Funds Expended for GSG Capital Project Inspections
- Revised IN 6** [FGUA Work Authorizations Approved by the System Manager Under \\$100,000](#)
- IN 7** FGUA Quarterly Financial Reports

X - System Manager

- SM 1** Approval of Work Authorization No. GSG 12-21 with Government Services Group, Inc. for Federal Economic Development Administration (“EDA”) Grant Application Work
- SM 2** Other Items

XI - Utility Counsel

- Verbal Report UC 1** [Other Items – Update on Acquisitions](#)

XII - General Counsel

- GC 1** Approval of Amendment to Amended and Restated Management Services Agreement with Government Services Group, Inc. (GSG) to Reset Term
- GC 2** Update on Legislative Matters
- GC 3** Other Items

XIII - Board Items

- BD 1** Other Items

Florida Governmental Utility Authority Board of Directors Meeting Minutes

Thursday, January 19, 2012 at 10:00 am
Golden Gate Community Center Room A&B
4701 Golden Gate Parkway
Naples, FL 34116

Board Members Present

Lea Ann Thomas, Chair, Director, Polk County
Robert Knight, Vice Chair, Director, Citrus County (arrived at 10:41 am)
Pam Keyes, Alternate Director, Lee County
Michael Crumpton, Director, Desoto County

Staff Present

Steve Spratt, FGUA Assistant System Manager, GSG
John Pelham, FGUA General Counsel, Pennington, Moore, Wilkinson, Bell & Dunbar, PA
Kevin Grace, Finance & Management Services Manager, GSG
Kaamilya Pereira, FGUA Board Clerk, GSG
Rob Dickson, FGUA Capital Program Manager, GSG
Jerry Connolly, FGUA Operations Manager, GSG
David DiLena, FGUA Chief Financial Officer, GSG
Meredith Miller, Community Services Manager, GSG
Donna Lizotte, NFM Community Services Representative, GSG

Guests Present

Gary Deremer, US Water President
Scott Coovert, Lee County Attorney
Bob Farnsworth

Call to Order

Ms. Lea Ann Thomas called the meeting to order at 10:09 a.m.

Invocation

Ms. Thomas provided an invocation.

Pledge of Allegiance

Ms. Thomas led the assembly in the Pledge of Allegiance to the flag.

For the record, Mr. Robert Knight was not in attendance at this time during the meeting. Ms. Thomas addressed the Informational and System Manager items on the agenda which did not require a Board vote, until Mr. Knight arrived.

IN 1 Status Update on the Florida Governmental Utility Authority (FGUA) Capital Improvement Program (CIP)

The FGUA Capital Improvement Project report was provided to the Board.

IN 2 Status Update on the Florida Governmental Utility Authority (FGUA) Community Outreach Program

The FGUA Community Outreach Program reports for each system were provided to the Board.

IN 3 Florida Governmental Utility Authority (FGUA) Monthly Inactive Account Collection Summary

US Water is working closely with its billing system software to identify and segregate the inactive accounts in Golden Gate and Lehigh Acres. This information has not been able to be produced since the conversion to US Water occurred on October 1, 2011. This information will be reported to the Board when it is made available to the Finance Department

IN 4 Seven Springs Odor Control Project Update

Mr. Rob Dickson provided an update on the Seven Springs Odor Control Project. Mr. Dickson stated that Wade Trim has completed a preliminary design report, analyzed all the complaints received, and interviewed staff. Additionally, air sampling was performed within and around the treatment components suspected of contributing to the odors. Based on this research and testing, specific areas of the plant were identified as requiring odor control. Wade Trim also evaluated various treatment methodologies and identified a biological treatment system would be the most beneficial to the FGUA, taking into consideration both Capital and O&M costs. Odorous air will be contained within the structures by covering each of the processes identified by Wade Trim and conveying it to the biological treatment system where the air is cleaned. Discussion ensued. Ms. Thomas asked if this is a typical problem for a Wastewater Plant. Mr. Gary Deremer stated yes. Mr. Dickson stated that the homes are very close to the plant which is contributing to the complaints.

IN 5 Operations Transition Update

Mr. Steve Spratt stated that since the transition of operations of the Lehigh and Golden Gate systems from Severn Trent Environmental Services (STES) to U.S. Water (USW), staff has been ensuring all outstanding repair items are corrected prior to paying the final invoice to STES.

Mr. Jerry Connolly stated there is one repair remaining to be completed. The Lehigh Water Treatment Plant No. 1 has leaking backwash valves; staff is waiting for parts to come in to complete the repairs. Mr. Connolly noted that the Statement of Conditions started out as five binders between the Lehigh and Golden Gate system and STES has completed all but one on the list of required repairs.

Mr. David DiLena stated that staff confirmed that 19 accounts that failed to be shut off prior to the transition. In addition, staff has found an elementary school that was not billed correctly and is currently working on this matter. The Systems Manager is currently withholding approximately \$180,000 from STES pending satisfaction of the outstanding issues.

IN 6 Reconciliation Report for FY11 MacDill AFB Renewal and Replacement Program

Mr. Kevin Grace presented a Reconciliation Report for FY11 MacDill AFB Renewal and Replacement Program. The Board was provided with an outline of the original R&R program which included ~~in~~ the work authorizations, as well as the final program that was approved by the Defense Logistics Agency (DLA) and the actual R&R expenses incurred in FY11. The reconciliation resulted in US Water refunding \$3,524.05 to the FGUA, and additional payment of \$1,934.45 to be made to GSG. The refund by US Water was calculated as follows: a refund to FGUA of \$3,524.05 (additional payment of \$11,416.62 for water and a refund to FGUA of \$14,940.67 for wastewater) for GSG, an additional payment of \$1,934.45 was calculated as follows: (\$702.95 for water and \$1,231.50 for wastewater). The Board was also provided an overall financial summary of the FY11 MacDill AFB R&R program, including revenue received by the FGUA and an

outline of expenditures and designated reserves. This summary indicates that \$38,260.87 in FY11 water R&R revenue, and \$34,684.64 in FY11 wastewater revenue, will be carried over to the FY12 R&R program.

Mr. Grace noted that agenda items CA 11 and CA 11a include funds that were not expended in Fiscal Year 2011 to be added to funds for Fiscal Year 2012.

SM 4 Strategic Planning Update

Mr. Spratt stated that Dr. Mel Jurado, who has facilitated ~~that the~~ Board's Strategic Planning Session in the past, is not available this year. Mr. Spratt and Mr. Robert Sheets discussed candidates and selected Mr. Bob Lee to facilitate this year's Strategic Planning Session. Mr. Spratt provided the Board Directors with a copy of Mr. Lee's resume. Mr. Spratt stated that Mr. Lee will be compiling the pre-session questionnaire for the Board's completion this week and requested that the Board complete and return the questionnaire as soon as possible.

Mr. Spratt stated that staff is in the process of confirming venues at the MacDill Air Force Base to hold the meeting and planning session. The meeting will be held at the base education center, followed by a vehicle tour of the facilities, then lunch and the Strategic Planning Session. Mr. Spratt noted when the venues are confirmed staff will advise as soon as possible.

Mr. Sheets stated that during the Strategic Planning Session, he would like to focus on key topics: revisit the premise of why the FGUA is here, report all the FGUA's accomplishments and spend the last hour for the Board to provide new objectives and suggestions for improvements. Mr. Sheets noted some of the major accomplishments of the FGUA in just the last 18 months, to include the addition of the MacDill AFB and North Ft. Myers systems, and the operations transition of two utility systems. Mr. Sheets stated that we will emphasize the things we want to revisit this year. We want to continue to reinvent ourselves. We should be doing things more responsive. The goal is not to only be more efficient but to be more effective. Mr. Sheets stated that he hopes for good feedback on the Board's observations. The Strategic Planning Session is the most important meeting of the year, and is for the Board to give staff their expectations and "marching orders".

Mr. Spratt noted that customer survey results will also be presented at the Strategic Planning Session.

SM 5 Acquisition Due Diligence Update

Mr. Spratt stated that staff is still in the negotiation phase with the Mad Hatter Utility owners. Mr. Spratt noted that the owner is in dispute with Pasco County in regards to charges that he does not feel he has to pay. Staff has continued to work closely with Ms. Michele Baker and Mr. Bruce Kennedy in regards to Mad Hatter negotiations.

Mr. Spratt stated that he, acquisition counsel and U.S. Water staff attended a meeting with the owners of the eight utility systems in Marion County to walk through how the FGUA works and the due diligence steps. All owners were interested in going through the process. Mr. Spratt stated that Marion County Utilities Director, Mr. Flip ~~Milinger-Mellinger~~ advised the owners that the best step is to go with the FGUA. Mr. Spratt noted that the eight utilities combined have approximately 19,000 customers.

Mr. Grace stated that staff has also done preliminary due diligence on Plantation Bay in Volusia County. At this point, the owners are seeking other offers. Staff has made them aware of all the issues within their utility that we've identified that affect value. This project is currently on hold.

SM 6 Other Items

Mr. Spratt stated that the FGUA's ~~F~~ederal ~~L~~obbyist, Russ Reid has identified a grant application opportunity for the FGUA, ~~which are with~~ funds for public infrastructure targeted to areas with higher than average unemployment rates, which Lehigh Acres meets. Mr. Spratt stated that the deadline to submit the grant

application is March 9th and that staff will be pursuing this opportunity. Ms. Pam Keyes commented that Lee County has previously pursued this grant program.

GC 2 Update on Legislative Matters

Mr. John Pelham provided an update to the Board on an amendment to House Bill 231 in regards to public meetings via electronic means. Mr. Pelham stated that the amendment was approved by the Senate Committee and will be on the floor in the House soon. Mr. Pelham also provided an update to the Board on Senate Bill 1244 and House Bill 739, in regards to Chapter 367 dealing with investor owned utilities. Mr. Pelham stated the he will send information to the Board via email.

Public Hearing

Ms. Thomas opened the public hearing at 10:53 a.m.

PH 1 Continuation of Public Hearing to Consider Approval of Resolution 2012-10 Amending the Previously Approved Rate Resolution for the North Fort Myers Utility System; Approval of North Fort Myers Reclaimed Water Action Plan

Mr. Kevin Grace presented item PH 1. The FGUA staff has been working to develop an action plan for FGUA Board consideration regarding the reclaimed water (effluent spray irrigation) system in North Fort Myers to address a number of operational and financial matters. Provided in the agenda package is a report which outlines the challenges facing the reclaimed water system in North Fort Myers, and recommends a number of actions for the FGUA Board consideration. These proposed actions include the implementation of charges for reclaimed water to existing customers, as well as a suggestion to utilize an interim or phase-in rate for the first several months. The FGUA currently receives revenue from one reclaimed customer (City of Cape Coral), and it is felt that time will be needed for the other customers to adjust to the new charges. In order for the Board to be able to consider these actions, an amendment to the recently approved rate resolution and rate schedule is required. Resolution 2012-10 includes the following changes to the rate schedule for the North Fort Myers system:

- a) Clarifies that the reclaimed water rate applies to entire North Fort Myers service area and not specifically to the Pine Lakes Area;
- b) Adopts a temporary "phase-in" rate of \$0.14/1000 gallons for the period of March 1, 2012 through September 30, 2012 to be charged to existing Reclaimed Water customers who are being charged for the first time for this service;
- c) Adds language to the rate schedule which allows the FGUA Board of Directors to authorize an alternate rate for Reclaimed Water from the rate identified in the rate schedule, if it is related to a negotiated Reclaimed Water agreement with the FGUA, whereby the Reclaimed Water customer provides a tangible benefit to the North For Myers Reclaimed Water system (i.e. wet weather storage), such that a monetary credit or adjustment to the Reclaimed Water customer is both reasonable and appropriate.

Mr. Grace also recommended the Board's consideration to approve a Reclaimed Water Action Plan as outlined in the agenda packet. Mr. Grace noted that the Special Masters Hearing was held on January 18, 2012. Ms. Meredith Miller stated that three customers attended the hearing, and Mr. Mark Bainbridge of Herons Glen Recreation District attended on behalf of his district. He commented in opposition of the rate increase as they did not budget for this expense for the fiscal year. He requested that if the Board is going to approve this increase he would like to know if they would be able to do so October 1st so that they may create a Special Assessment to cover the cost. Discussion ensued. The Board agreed with Ms. Keyes suggestion that staff may discuss payment options with Mr. Bainbridge.

Ms. Thomas called for comments from the public. Hearing none, the public hearing was closed at 11:03 a.m.

PH 1a Approval of Resolution 2012-10 Amending the Previously Approved Rate Resolution for the North Fort Myers Utility System; Approval of North Fort Myers Reclaimed Water Action Plan

Mr. Robert Knight motioned to adopt Resolution 2012-10 amending the previously approved Rate Resolution for the North Fort Myers Utility System. Ms. Pam Keys seconded the motion. All were in favor and the motion was unanimously approved.

Mr. Michael Crumpton motioned to approve the North Fort Myers Reclaimed Water Action Plan. Mr. Robert Knight seconded the motion. All were in favor and the motion was unanimously approved.

Public Comment

Ms. Thomas called for comments from the public in regards to the meeting agenda. Hearing none, Ms. Thomas closed the Public Comment portion of the meeting.

Minutes

M 1 Approval of the December 15, 2011 FGUA Public Hearing and Regular Meeting Minutes

Mr. Robert Knight motioned to approve the December 15, 2011 Minutes. Mr. Michael Crumpton seconded the motion. All were in favor and the motion was unanimously approved.

CA 1 Approval of the FGUA Standard Utility Infrastructure Conveyance and Service Agreement with MDLT Properties, LLC. for FGUA Developer Project 11-005 SSD, Dr. Pikos Administrative Offices - Thousand Oaks Commerce Center Located in the Pasco (Seven Springs) Utility System

Provided for the Board's review and consideration was the FGUA Standard Utility Infrastructure Conveyance and Service Agreement with MDLT Properties, LLC. for a project located at 8740 Mitchell Blvd, New Port Richey, Pasco County Florida, in the Pasco (Seven Springs) Utility System. This project will consist of a 4,000 sq. ft expansion to the existing office space. Construction completion is anticipated to be the second quarter of 2012. The wastewater facilities from Dr. Pikos Administrative Offices will connect to the existing wastewater collection system clean out on Mahaleb Dr. off Mitchell Blvd. The water facilities to be installed will connect to the existing water service line on Mahaleb Dr. off Mitchell Blvd. Staff recommended approval of CA 1.

CA 2 Approval of Design-Build Agreement for Lindrick Water Treatment Plant Chloramine Conversion project, FGUA Project No. LI 009 in the Lindrick Utility System, with U.S. Water Wade Trim, LLC

Provided for the Board's review and consideration was the Design-Build Agreement for the Lindrick Water Treatment Plant Chloramine Conversion project, FGUA Project No. LI 009 in the Lindrick Utility System, with U.S. Water Wade Trim, LLC (USWWT). The basis for the Contract Price will be Cost + Fee, with a Guaranteed Maximum Price (GMP) of \$800,196.00. Since its acquisition, it has been the intent of the FGUA to interconnect the Lindrick Water Treatment System (LWTS) with either New Port Richey or, if necessary, Pasco County to augment their water capacity. Currently the six (6) shallow wells that comprise the LWTS have no permanent backup for electrical power, resulting in the inability to produce potable water during periods of power outages. Both Pasco County and New Port Richey treat their water with chloramines. The LWTS currently obtains disinfection using free chlorine. Because it is not recommended to blend water treated with free chlorine with chloraminated water, this project is necessary to convert the LWTS to a system using chloramination, as well as provide other system upgrades. Staff recommended approval of agenda item CA 2.

CA 3 Approval of Trinity Oaks Property Owners Association Agreement to Supply Reclaimed Water

Provided for the Board's review and consideration was a Reclaimed Water Agreement between Trinity Oaks Property Owners Association and FGUA. The Trinity Oaks Property Owners Association is desirous of obtaining Reclaimed Water from the FGUA's Seven Springs Reclaimed Water system for irrigation of Public Access Areas within the two (2) common entrance areas to the Trinity Oaks development. The FGUA has a need for additional disposal of treated Reclaimed Water in order to provide disposal capacity and has determined that piping its excess Reclaimed Water to the Association is the most cost effective and expedient means to provide disposal capacity and also serves the purpose of encouraging the environmentally responsible management of the area's water resources. This project will be funded 50% by the Southwest Florida Water Management District's Cooperative Funding program with the remainder 50% of the project cost being funded by the Trinity Oaks Property Owners Association. Staff recommended approval of CA 3.

CA 4 Approval of Work Authorization No. GSG 12-11 with Government Services Group, Inc. related to telecommunication license/lease agreements with three (3) telecommunication providers (AT&T, T-Mobile, and Verizon) at the MacDill AFB

Provided for the Board's review and consideration was Work Authorization No. GSG 12-11 with Government Services Group, Inc. related to telecommunication license/lease agreements with three (3) telecommunication providers (AT&T, T-Mobile, and Verizon) at the MacDill AFB. In late November, the Government requested that the FGUA assume the responsibility of negotiating joint use agreements with the telecommunication companies that utilize the MacDill water tower facilities. These companies include AT&T, T-Mobile, and Verizon. Work Authorization No. GSG 12-11 is for GSG to provide the necessary management, coordination, and negotiation services to the FGUA related to these telecommunication license/lease agreements. The compensation will be on a time and materials basis, with a not-to-exceed fee of \$10,000 for each agreement, or a total not-to-exceed fee of \$30,000. Since the initial rental revenues from the agreements will be utilized to pay GSG's compensation, the compensation for each agreement is also contingent upon approval and execution of the agreement by all parties. Staff recommended approval of CA 4.

CA 5 Approval of Work Authorization No. GSG 12-15 with Government Services Group, Inc. Establishing an Inspection Fee Budget Serving the FGUA Golden Gate Utility System for Fiscal Year 2012 Applicable to the Contract Operator / Vendor Projects

CA 6 Approval of Work Authorization No. GSG 12-16 with Government Services Group, Inc. Establishing an Inspection Fee Budget Serving the FGUA Lehigh Acres Utility System for Fiscal Year 2012 Applicable to the Contract Operator / Vendor Projects

CA 7 Approval of Work Authorization No. GSG 12-17 with Government Services Group, Inc. Establishing an Inspection Fee Budget Serving the FGUA Lindrick Utility System for Fiscal Year 2012 Applicable to the Contract Operator / Vendor Projects

CA 8 Approval of Work Authorization No. GSG 12-18 with Government Services Group, Inc. Establishing an Inspection Fee Budget Serving the FGUA North Fort Myers Utility System for Fiscal Year 2012 Applicable to the Contract Operator / Vendor Projects

CA 9 Approval of Work Authorization No. GSG 12-19 with Government Services Group, Inc. Establishing an Inspection Fee Budget Serving the FGUA Pasco Utility Systems for Fiscal Year 2012 Applicable to the Contract Operator / Vendor Projects

Each fiscal year, the FGUA's Contract Operator defines and delivers additional services for numerous small projects, for which Government Services Group, Inc. provides associated inspection services. Historically, when a specific project is performed by the Contract Operator / Vendor under the System Manager's purchasing authority, the small amount of associated inspection fees, results in a specific work authorization

drafted for Board approval on a project-by-project basis. Within each of the categories listed on Work Authorization No. GSG 12-15 multiple Contract Operator / Vendor work authorizations will be issued under the System Manager's purchasing authority. Rather than issue a separate GSG work authorization for inspection of each of these smaller projects, the System Manager has estimated the total number of inspection hours for each of the projects as detailed on the following Work Authorization Nos. GSG 12-15 for the Golden Gate Utility System for Fiscal Year 2012, for a total not-to-exceed cost of \$39,483; GSG 12-16 for the Lehigh Acres Utility System for a total not-to-exceed cost of \$61,869; GSG 12-17 for the Lindrick Utility System for a total not-to-exceed cost of \$16,359; GSG 12-18 for the North Fort Myers Utility System for a cost not-to-exceed \$19,434; and GSG 12-19 for the Pasco Utility Systems for a cost not-to-exceed \$34,809. Staff recommended approval of CA 6, CA 7, CA 8 and CA 9.

CA 10 Approval of Amendment No. 1 to Work Authorization No. WT 12-04 with Wade Trim, Inc. for Consulting Engineering Services, Seven Springs Wet Weather Reclaimed Water Interconnect, Storage and Pumping Project in the Pasco Utility System

Provided for the Board's review and consideration was Amendment No. 1 to Work Authorization No. WT 12-04 with Wade Trim, Inc. for the engineering services related to the Seven Springs Wet Weather Reclaimed Water Interconnect, Storage and Pumping Project in the Pasco Utility System. The Board approved the original Wade Trim Work Authorization No. WT 12-04 at the December 15, 2011 meeting. However, since the approval of the original work authorization, the Southwest Florida Water Management District (SWFWMD) has provided FGUA with several minor modifications. In the cooperative funding agreement, Exhibit A, Section 3 states that SWFWMD will have the option of participating as an evaluator in the FGUA's process of selecting the Consultant. Therefore, these minor modifications are being requested by SWFWMD and will be consistent with the specific project descriptions in the funding agreement. The modifications are shown in a strike through and underlined format on the amendment. The overall intent for the reclaimed system improvements has not changed and is intended to provide diurnal and wet weather storage, and transmission of reclaimed water to existing residential and commercial irrigation customers to offset potable groundwater use. The lump sum cost for these services remains \$330,000. Staff recommended approval of CA 10.

CA 11 Approval of Amendment No. 1 to Work Authorization No. USW 12-01 with U.S. Water Services for FY12 Renewal and Replacement Projects for the MacDill AFB Utility System

Provided for the Board's review and consideration was Amendment No. 1 to Work Authorization No. USW 12-01 for U.S. Water Services (USW) related to the MacDill AFB water and wastewater R&R projects for FY2012. Staff recommended approval of CA 11 with the following specific changes included:

1. A technical amendment to reflect the additional R&R funds that have been carried over from the FY11 R&R program. The additional R&R funds total \$38,260.87 for water and \$34,684.64 for wastewater. These amounts have been added to the "undesignated" R&R funding amounts identified for FY12.
2. An amendment to allow 90 days after the end of the fiscal year to complete the annual "true-up" reconciliation process, as opposed to the original 30 day requirement. This is based on actual experience during the recently completed initial true-up process.

CA 11a Approval of Amendment No. 1 to Work Authorization No. GSG 12-01 with Government Services Group, Inc. related to Inspection Services for R&R projects in the MacDill AFB utility system being completed by U.S. Water Services Corporation under Work Authorization USW 12-01

Provided for the Board's review and consideration was Amendment No. 1 to Work Authorization No. GSG 12-01 for Government Services Group, Inc. (GSG) related to the provision of inspection services to the MacDill AFB water and wastewater R&R projects for FY2012.

The amendment is a technical amendment to reflect the additional R&R funds that have been carried over from the FY11 R&R program. The additional R&R funds total \$38,260.87 for water and \$34,684.64 for wastewater. These amounts have been added to the “undesigned” R&R funding amounts identified for FY12. Staff recommended approval of CA 11a.

CA 12 Approval of Work Authorization No. GSG 10-49, Amendment No. 1 Ratification with Government Services Group, Inc. for additional project inspection hours related to construction of the Mitchell Water Treatment Plant Improvements, FGUA Project No. PS 049 in the Pasco Utility Systems

Provided for the Board’s review and consideration was Ratification of Amendment No. 1 to Work Authorization No. GSG 10-49. GSG provided 525 net additional inspection hours related to PS 049, Mitchell Water Treatment Plant Improvements construction project in the Pasco Utility System. While it is customary for GSG to receive a 5% inspection budget for construction related inspections, the original GSG Inspection work authorization was valued at \$109,520, only 4.1% of the original construction Contract amount, valued at \$2,659,000.00. Due to the accelerated pace of this project and the significant amount of field coordination between the FGUA, Engineer of Record and the Contractor, an additional inspector was employed to oversee the construction activity on a full time basis. Further, Change Orders totaling \$65,786.67 were issued to the General Contractor (Brandes), and an additional \$267,684.17 was issued to US Water Services Corporation (via Work Authorization) for related activities at the Mitchell Water Treatment Plant. The Change Orders to Brandes also extended the Contract Time by 168 calendar days to achieve Final Completion due to the added scope as well as allow for complete performance testing in accordance with the Contract. This additional work was necessary to complete the entire scope of work required to achieve the chloraminated water conversion in the FGUA Pasco System. These change orders and Work Authorizations did not include companion work authorization amendments to GSG for additional inspection services. The work authorization amendment is a not-to-exceed amount of \$76,733.00 based on the net additional inspection hours actually expended by GSG for the Pasco Utility Systems Mitchell Water Treatment Plant Improvements. Staff recommended approval of CA 12.

CA 13 Approval of Close-out Package for Sun Automotive (Sun Toyota), located in the FGUA’s Consolidated Systems in Pasco County

Provided for the Board’s review and consideration was the conveyance close out package for the Sun Toyota (Dimmitt Properties) project in the FGUA’s Consolidated System in Pasco County. FGUA and US Water were part of a four party agreement which settled a lawsuit between Holiday Utility and Dimmitt Properties regarding encroachments on the Dimmitt property. Holiday Utility had installed 10 shallow water wells on Dimmitt’s property with the understanding that these wells would be removed in the future. The settlement cleared the way for Dimmitt to sell the property to Sun Automotive for a new Toyota dealership. At the time of the sale of Holiday to the FGUA, an assignment document, which was drafted for the primary purpose of committing the FGUA to carry forward with the removal of the property from the service territory outside of action by the PSC had a provision directing Sun Toyota to make payment to the FGUA for the removal/relocation work done by US Water. Concurrent with receipt of payment from Sun Toyota, the attached documents must be executed and delivered by the FGUA. Upon approval of the close-out documents, Sun Toyota will pay the FGUA \$191,700.00, which will be paid to USW for carrying out the work. Staff recommended approval of CA 13.

Mr. Robert Knight motioned to approve the Consent Agenda; items CA 1 through CA 13. Mr. Michael Crumpton seconded the motion. All were in favor and the motion was unanimously approved.

Finance and Administration

FA 1 Other Items

There were no Finance and Administration items presented.

Operations

OP 1 Other Items

There were no Operations items presented.

System Manager

SM 1 Approval of Work Authorization No. GSG 12-10 with Government Services Group, Inc. for Consulting Services for Acquisition Due Diligence Management for the Assets of Several Private Utilities Located in Marion County

Provided for your review and consideration is Work Authorization No. GSG 12-10 with GSG to provide Due Diligence Program Management services related to several private utility systems located in Marion County, Florida. On December 20, 2011, the Marion County Board of County Commissioners approved a resolution authorizing the FGUA to explore the potential acquisition of the privately owned utility systems. The work authorization provides the scope of services required to be performed by GSG to carry out this work and the method of compensation. Compensation will be billed on a time and materials basis consistent with the Management Services Agreement, plus reimbursable expenses per section 112.061, Florida Statutes. The due diligence efforts will be on an "at-risk" basis with the understanding that the compensation is contingent upon a successful acquisition. Staff recommended approval of SM 1.

Mr. Robert Knight motioned to approve agenda item SM 1, Work Authorization No. GSG 12-10. Ms. Pam Keyes seconded the motion. All were in favor and the motion was unanimously approved.

SM 2 Approval of Amendments to FGUA Water and Wastewater Service Extension Policy

Provided for the Board's review and consideration was amendments to the FGUA Water and Wastewater Service Extension Policy dated February, 2000. At the July 21 and August 18, 2011 Board meetings, staff discussed the FGUA's current developer closeout process with the Board and provided several recommendations for improving the process, one of which included updating the Water and Wastewater Service Extension Policy in order to make necessary updates to the entire development process and policies. The purpose of these amendments is primarily to update the policy to reflect current practices and to incorporate clarifications to the policy. For ease of review, staff provided the proposed changes on a "redline" version of the policy. In addition to the proposed changes to the Water and Wastewater Service Extension Policy, staff also plans to bring back updates to additional developer documents, including the Utility Infrastructure Conveyance and Service Agreement, at a future Board meeting for approval. Staff recommended approval of SM 2.

Mr. Michael Crumpton motioned to approve agenda item SM 2, Amendments to FGUA Water and Wastewater Service Extension Policy. Ms. Pam Keyes seconded the motion. All were in favor and the motion was unanimously approved.

SM 3 Florida Governmental Utility Authority Election of Officers for 2012

Mr. Sheets stated that per Section 3.04 of the Interlocal Agreement establishing the FGUA it requires that once a year, and when needed to fill a vacancy, the Authority elects a Chairman, Vice-Chairman and Secretary-Treasurer. The term for these positions is one year. The Board opted to elect two Vice-Chairs for greater flexibility and this has worked well for the past year. Mr. Pelham noted that the System Manager may be appointed Secretary-Treasurer at the discretion of the Board and this has been the historical practice. It is recommended that the Board entertain nominations for all positions and elect members to serve for the 2012 annual term.

Mr. Michael Crumpton nominated the System Manager, Robert Sheets as Secretary-Treasurer. Mr. Robert Knight nominated Michele Baker for Vice Chair. Mr. Michael Crumpton nominated Doug Meurer for Vice Chair. Mr. Robert Knight nominated Lea Ann Thomas for Chair. Ms. Pam Keyes seconded. All were in favor of the nominations and the motion was unanimously approved.

Utility Counsel

UC 1 Other Items

There were no Utility Counsel items presented.

Utility Counsel

GC 1 Approval of the Payment Plan Agreement by and between CRP II Sunshine Shopping Plaza LLC, a Florida Limited Liability Company, ("OWNER"), Mr. Zheng Yuan Zheng and Mr. Qi Fu Zheng d/b/a Asian Buffet ("LESSEE") for FGUA Developer Project 12-001 LED, Asian Buffet of Lehigh Acres in the FGUA Lehigh Acres Utility System

This item was pulled by staff and may be presented at a future meeting.

XIV - Board Items

BD 1 Other Items

Mr. Knight announced that he will be resigning from Citrus County that his last Board meeting will be the February 23rd meeting and he will attend the Strategic Planning Session as well. Mr. Knight noted that he will introduce his replacement at the February meeting. Mr. Knight stated that he has worked for Citrus County for 12 years and has been on the FGUA Board for 6 years. Mr. Knight gave his thanks and appreciation to staff and contractors for all the accomplishments the FGUA has made. Mr. Knight stated that it has been a privilege to serve on the FGUA Board of Directors.

Hearing no objections Ms. Thomas adjourned the meeting at 1:40 p.m.

Chair / Vice Chair

**Florida Governmental Utility Authority
Purchase Orders < (less than) \$100k
FY2012 - 1th Quarter**

Work Authorization #	Vendor Name	PO Date	PO #	Amount Ordered	Description
CDM 10-02	CDM SMITH INC	10/24/2011	20120001	5,000.00	GG023 TEST GG DIW
USWWT 12-09	US WATER / WADE TRIM	11/07/2011	20120006	14,181.51	SS LIFT STA AUTO DIALER
USWWT 12-03	US WATER / WADE TRIM	11/07/2011	20120007	8,661.06	EXT TO FIRE HYDRANTS
USWWT 12-07	US WATER / WADE TRIM	11/07/2011	20120008	97,906.94	LE WTP 1 REHABILITATION
USWWT 12-06	US WATER / WADE TRIM	11/07/2011	20120009	67,121.42	LE WTP 1 SANDBLASTING/P
USWWT 12-05	US WATER / WADE TRIM	11/07/2011	20120010	12,207.61	HYDRO PNEUMATIC TANK INSPECTION
PRMG 12-01	PUBLIC RESOURCE MANA	11/10/2011	20120015	17,500.00	PASCO RATE STUDIES
PRMG 12-02	PUBLIC RESOURCE MANA	11/10/2011	20120016	15,000.00	NFMU RATE STUDIES
USWWT 12-04	US WATER / WADE TRIM	11/16/2011	20120017	6,496.73	NFO01 PUMP REPLACEMENT
USWWT 12-10	US WATER / WADE TRIM	11/16/2011	20120018	2,121.58	MITCHELL RANCH ROAD EASEMENT
WT 12-03	WADE - TRIM	11/17/2011	20120019	19,855.00	WWTP ODOR CONTROL
USWWT 12-14	US WATER / WADE TRIM	11/22/2011	20120021	542.09	SIGNAGE
USWWT 12-13	US WATER / WADE TRIM	11/22/2011	20120022	297.78	SIGNAGE
USWWT 12-19	US WATER / WADE TRIM	12/05/2011	20120030	89,113.87	PS007 MANHOLE REPAIRS
USWWT 12-12	US WATER / WADE TRIM	12/05/2011	20120031	68,201.00	GG002 LS 7 & 14 REHAB
USWWT 12-17	US WATER / WADE TRIM	12/07/2011	20120032	9,923.11	PS001 SS SR54 INSTALL F
USWWT 12-16	US WATER / WADE TRIM	12/07/2011	20120033	11,492.53	NFO01 12 IN REUSE LINE
CK REQ 12/07/11	MAROLF ENVIROMENTAL	12/08/2011	20120034	3,595.00	PS020 SS WTP FENCE
WT 12-02	WADE - TRIM	12/16/2011	20120035	10,965.00	PS051 SS WELL #4 RELOCA
AUS 12-01	ARCADIS GERAGHTY & M	12/19/2011	20120036	4,000.00	GG023 TEST GG DIW
USWWT 12-22	US WATER / WADE TRIM	12/19/2011	20120037	12,611.40	ELIMINATE CROSS CONNECTION PS051
PBS&J 11-02	ATKINS	12/19/2011	20120038	62,500.00	FGUA MCDILL UTILITY ACQ
USWWT 12-20	US WATER / WADE TRIM	12/19/2011	20120039	1,656.37	MOTOR & COUPLING
USWWT 12-21	US WATER / WADE TRIM	12/19/2011	20120040	8,137.38	LE002 INSTALL BACKFLOW
CK REQ 12/21/11	CROWDER GULF JOINT	12/21/2011	20120041	32,059.00	7 SPRINGS DRAINAGE DITC
USSWWT 12-26	US WATER / WADE TRIM	12/29/2011	20120045	11,964.60	SS WELL #1 REPAIRS
USWWT 12-24	US WATER / WADE TRIM	12/29/2011	20120046	33,929.52	PS007 AG GRAVITY SEWER
USWWT 12-27	US WATER / WADE TRIM	12/29/2011	20120047	15,043.03	NFO08 BARSCREEN & SPLIT
TOTAL				642,083.53	

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