

**Water and Sewer Committee Meeting
April 11, 2014
10:00 a.m.**

The following were in attendance:

Ray Johnson, Charlie Kerekes, Bob Sandifer and David Whitten, Committee Members; Bob Doub and Iris Hill, ex-officio members. Ray Archibald was excused.

Ray Johnson called the meeting to order and agendas were distributed.

Old Business

There was no old business to discuss.

New Business

A. Proposed Infrastructure Projects and Maintenance – Bob Doub went through the Capital Improvement Plan, which is attached to these minutes. Administrator Hill and Bob Doub have prioritized the list of projects, with the grit chamber (\$35,000 plus installation), the aerators (\$15,000), and the rehab of the lift station at Bay Point (\$70,000) being the top three in the Sewer Department. In the Water Department, the top three projects are: the Jungle Shores water line replacement (\$225,000), the replacement of shut-off valves (\$104,000) and the upgrading/replacement of the SCADA system (\$40,000). Administrator Hill asked for direction from the Committee as to whether they would like to shift the priority of the top two in each department. The Committee thought it best to keep it in the order Mr. Doub and Ms. Hill suggested.

B. Funding – Administrator Hill presented the Committee with the Construction Fund balance sheet. It shows that the actual amount spent on water and sewer improvements is \$335,550.23 with a \$93,684 difference between estimated and actual costs. The Town is going into the next phase of planned projects with \$94,000, to be spent within five years, and this is the third of the five years. The funds have to be spent on capital improvements. The increase in the water rate will go into the R&R fund, not the construction fund. The two funds can be spent on the same type of projects, but have to be kept separate. For the water fund for the fiscal year 2013-2014, \$140,000 was budgeted to go into R&R. In the sewer fund, there was \$50,000 budgeted to go into R&R. Currently in the water R&R fund, there is \$110,000, and \$140,000 will be added, so there will be a total of \$250,000. Administrator Hill advised that up to 75% of that can be spent on a project/projects, which would leave a sufficient contingency. In the sewer R&R, there is currently \$255,000, and \$50,000 will be added for a total of \$305,000. There is a greater need in the water department. Seventy-five percent of the R&R plus the construction fund amount is \$281,000 that can be spent on water projects. Mr. Doub estimated that the price of the Jungle Shores project would be comparable to the price of the Point Street project, which was approximately \$225,000. Administrator Hill suggested to Mr. Doub that use GIS mapping to keep track of when the valves and lines are replaced. Mr. Johnson suggested that the Committee recommend completing the Jungle Shores project and replacing the SCADA system and replace valves as the funds become available. Administrator Hill explained that once the funds are depleted, it will take time to replenish them, and it will be a while before any other substantial projects are done.

The Committee suggests going forward on the sewer side with the grit chamber, the aerator, the rehab of the two lift stations (Bay Point and Pompano) and the generator hook up.

C. Design-Build – The Committee discussed the fact that Town Council has asked for a “guaranteed price” on the solution to the water capacity and quality problems. Bob Sandifer asked if Council wanted a price on the project to be done all at once. Administrator Hill stated that Council has asked the Water and Sewer Committee for a recommendation as to what to do next. Mr. Johnson said that what he remembered from the URS presentation was that once they were awarded the contract, they would come up with a conceptual design and an estimated cost. If the Town chose to progress beyond that to get hard numbers, then the Town would have to commit to more, financially. It was the consensus of the Committee that no engineering firm would give a guaranteed price without a commitment from the Town to do the project. Administrator Hill pointed out that there would have to be technical specifications in what the Town is looking for from the engineering firm. For example, is the Town asking for x amount of supply, water quality to a certain degree, etc. Three engineering firms have already studied the town and have recommended what we need based on supply and demand. We have the data we could send to an engineer to work on the bid documents. Mr. Sandifer suggested the Committee consider what the vision is for the desired end result. The Committee discussed the possibilities of a solution based on current demand versus future demand. The consensus of the Committee was to suggest a design-build proposal with water quality and water supply stipulations. Chairman Johnson suggested using the specs from previous reports concerning water quality as the minimum standards. Chairman Johnson and Administrator Hill are to write the specs and send them out to the Committee for their approval.

The meeting was adjourned by common consent.