

**MINUTES
REGULAR MEETING
ENGLEWOOD WATER DISTRICT BOARD OF SUPERVISORS
201 SELMA AVENUE, ENGLEWOOD, FL 34223
OCTOBER 1, 2020 @ 8:30 A.M.**

Board of Supervisors:

Robert C. Stern Jr., Chair
Sydney B. Crampton, Vice-Chair
Phyllis Wright
Taylor Meals (absent)
Steven Samuels

Staff:

Ray Burroughs, Administrator
Robert H. Berntsson, District Counsel
Dewey Futch, Water Operations Manager
David Larson, Wastewater Operations Manager
Keith R. Ledford, Jr., P.E., Technical Support Manager (absent)
Lisa Hawkins, Finance Director
Teresa Herzog, Administrative Assistant

1. The meeting began with the Pledge of Allegiance and roll call to establish a quorum.
2. ANNOUNCEMENTS – Additions or Deletions
 - a. Deletion: Action Item 6c. Vehicle Maintenance & Repair Award of Contract. A dollar amount should not have been included in the motion and was struck.
 - b. Addition: Consent Section 5b. Final FY20 Attorney’s Invoice: The Big W Law Firm dated September 30, 2020 for services rendered September 16, 2020 to September 30, 2020 in the amount of \$1,041.25.
3. SERVICE AWARDS – POSTPONED
4. PUBLIC INPUT – AGENDA ITEMS ONLY
 - a. Chris Morgan – Rental property – 80 through 104 N. Mango Street owned by FMF Corporation. Mr. Morgan thanked the Board for the opportunity to appear then stated that he understood EWD’s policies but felt they are one sided and against the landlord. The message sent to tenants is they have no responsibility to pay their water bill because the landlord is ultimately responsible for the bill and a lien will be filed on the property for non-payment, which affects the property owner, not the tenant. Mr. Morgan stated for the record he did not expect the policy to change, only that he made all efforts to mitigate the situation and all EWD did was threaten to lien his building despite any proactivity he took.
5. CONSENT SECTION – Chair Stern called for removal of any item on the consent agenda for discussion or for approval. Mr. Samuels moved, **“to approve,”** seconded by Ms. Crampton. Attorney Berntsson clarified that his final bill was added to the consent agenda.
 - a. Minutes of the Regular Meeting dated September 3, 2020
 - b. Attorney’s Invoices: The Big W Law Firm dated September 16, 2020 & September 30, 2020.

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**20-10-01 CS A
20-10-01 CS B**

6. ACTION ITEMS

a. Employee Flexible Benefits Plan FKA Employee Salary Pay Additive – Mr. Burroughs stated following Board discussion at the September 3rd meeting, staff was tasked with thoroughly researching the employee salary pay additive. During staff discussion it was recommended that the name of the program be changed from employee salary pay additive to employee flexible benefits plan to describe the program more accurately. The rate comparison between EWD and other surrounding utilities was difficult because of the vast number of employees they cover. The higher the number of people covered, the lower the premium. The Englewood Fire Department, though not a utility, offers plans most similar to EWD. Staff prepared 4 possible options to either increase the “pay additive” or continue at the current amount of \$468.34 biweekly. He reminded the Board that the original intent was for everyone to receive the same amount of pay additive, equal pay for equal work, that is what the presentation was based upon. As a comparison, according to the Bureau of Labor and Statistics; the employer costs for employee compensation from June 2020, released September 2020, state and local government compensation amounted to 38.1% of the average salary, our average salary is about \$51,000. 38.1% of that, the pay additive would be increased to \$745.00 per pay period.

He then introduced Human Resources Coordinator, Kelly Marshall who narrated the power point along with Mr. Burroughs’ annotations.

Discussion followed to include; out of pocket expense to employees, the fact that insurance costs have increased over 100% since the last time this was reviewed, a percentage plan that could be implemented which would adjust an increased percentage each year as health care costs rise, and a health savings plan instead of contribution to a 401K could be considered. It was noted that a medical reimbursement plan is already available to employees. Also mentioned was the annual pay percentage increases received by employees that helped offset the cost of health insurance and the increase in salary in 2014 after a wage study was performed. Mr. Burroughs noted a wage study will be performed again to be certain that EWD wages are keeping with the national average. Equal pay for equal work feasibility was questioned, and if there is an issue keeping qualified employees because of salary and benefits. Funding of 401K with pay additive and loan availability was also touched on. It was suggested that the wage/benefit package be looked at as a whole not only the pay additive. Because employees only had until October 31st to make changes, it was suggested that if a change to the pay additive is going to be made, it should happen today. It was noted that EWD is under contract with Florida Blue until FY21, but research of other plans can be done for the next open enrollment. Additional information was requested before a firm decision could be reached.

Chair Stern then called for a motion. Ms. Crampton moved, “**to consider the increase of option #2,**” seconded by Ms. Wright.

MOTION FAILED 2/2

Brief additional discussion ensued about the amount of money required if the pay additive is increased. Mr. Burroughs then asked for Board direction as to what additional information should be provided. The response was insurance information to be certain we are getting the best rates so there is a hard number for next year, the need for a pay rate study, and the possibility of putting the health insurance out to bid, even if it meant not having a local company handle our insurance. It was noted that the window for requesting additional information was closed for this year.

Chair Stern then entertained a motion that at least some increase, not the \$758.34, be considered because the number is so low and has not changed for so long. Some temporary number for open enrollment until a solution is reached. We know we are going to increase it; we just do not know how. He suggested the absolute minimum of 70% be the starting point. This increases the budget by 2% but would make a big difference to a family, an increase of \$62.00.

Ms. Wright moved, **“that we increase it to the \$758.34,”** motion amended changing \$758.34 to **“\$530.84.”**

Motion amended to include **“temporarily to \$530.34.”** Attorney Berntsson cautioned the Board that using the word temporarily may imply it could be taken away.

Ms. Wright moved, **“to increase the pay additive to \$530.84,”** seconded by Ms. Crampton.

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20-10-01 A

b. Addendum to Administrator’s Employment Agreement – Mr. Burroughs stated following Board discussion at the September 3rd meeting, it was suggested that Administrator Ray Burroughs’ employment agreement be modified to reflect his permanent choice of offered health, dental and vision insurance, during his term of employment with Englewood Water District, being completely paid for by the District with reimbursement being made for all insurance premiums he has paid out of pocket above the pay additive to date. Also discussed was the continuation of the pay additive which would be deposited into his 401K. Board decision is necessary to amend his agreement.

Mr. Samuels moved, **“motion #2,”** seconded by Ms. Wright.

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20-10-01 B

Full motion read: To authorize the chairman to sign the modification to the Administrator’s Employment Agreement to permanently offer his choice of offered health, dental and vision insurance, during his term of employment with Englewood Water District, completely paid for by the District. Being reimbursed for all insurance premiums above the pay additive he has paid out of pocket to date and eliminate the pay additive which would be deposited into his 401K.

c. Vehicle Maintenance & Repair Award of Contract – Mr. Burroughs stated the sealed bid procurement process was followed with response from three bidders

for Vehicle Maintenance & Repair that were received and opened on September 16, 2020. Based on the bid results, it is staff's recommendation to award the Vehicle Maintenance & Repair contract to Stern & Bruns Garage. This contract will accumulatively exceed the Administrator's Authority of \$25,000.00.

At this point Chair Stern was exempted from voting because he is partial owner of the business that won the bid.

Ms. Crampton moved, **"to make a motion,"** seconded by Mr. Samuel.

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20-10-01 C

Full motion read: To approve the award of contract for RFB 2020-120 Vehicle Maintenance & Repair ~~in the amount of \$15,785.35~~ to Stern & Bruns Garage. Funds to come from Water and Wastewater Revenues.

d. Blue Heron Phase 2 I & I Project – Mr. Burroughs stated this item is to eliminate inflow and infiltrations in older sewer collection system lines and repair mains and manholes. Pricing for this project is based on the Manatee County piggy-back contract. Project is budgeted for \$300,000 in the FY2020 CIP Budget with an additional \$350,000 added in the FY2021 CIP Budget.

Mr. Samuels moved, **"to approve as presented,"** seconded by Ms. Wright.

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20-10-01 D

Full motion read: To authorize the Administrator to sign the Work Proposals 19201-3 & 10201-4 from GML Coatings for the CIPP and manhole lining in the total amount of \$373,928.11. Funds to come from Wastewater Revenues.

e. Single Source and Contract Procurements – Mr. Burroughs stated this item is to seek Board approval for procurement over \$25,000, above the Administrator's authority to approve. Multiple requisitions, as listed on page two, are above the \$25,000 threshold and have been generated by various departments for the new fiscal year 2021. Methods of procurement for each requisition follows the District's Procurement & Inventory Control Policy, Resolution No.19-10-03 A, as well as Florida State Statutes 287.057. The amounts requested for approval are estimated amounts for fiscal year 2021.

Ms. Wright moved, **"to approve as read,"** seconded by Ms. Crampton.

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20-10-01 E

Full motion read: To authorize the Administrator to procure services/goods up to the listed amounts for the various vendors. Purchases will not be made all at once, but per the needs of the various departments, throughout the year. See attached for list of vendors.

7. DISCUSSION

a. FRS Miscalculation – Mr. Burroughs began the discussion by stating Board members have received an email about this and commended Ms. Hawkins, Ms. Burge, and Ms. Marshall for all the hard work they have put into correcting this miscalculation.

The pay additive was not supposed to be calculated into the FRS package. EWD overpaid FRS so employees will be reimbursed some of their 3% taken out every pay period and the District will receive a 10% refund as well. Mr. Samuels questioned how this affects past retirees and Mr. Burroughs responded each retiree is calculated individually, so the amounts are going to change for each retiree. We do not have all the numbers at this time, but it is intended that the retirees will be compensated what they are owed. Current employees will receive a refund. Staff will continue to work with FRS on a resolution.

8. ADMINISTRATOR'S REPORT – Ray Burroughs, Mr. Burroughs commend staff for working hard on the pay additive presentation and the FRS miscalculation correction.

a. WATER OPERATIONS MANAGER – Dewey Futch

Production:

1. The average daily flows for September were 2.4 MGD/last year it was 2.35 MGD. The high was 3.04 MGD/last year it was 2.74 MGD. Rainfall was 6.85"/last year it was 1.51".
2. De Loach has set up the new degassifier in its temporary position and has finished tearing down the old raw water tank. Completion is anticipated for this coming month.
3. Corpro has installed the cathodic protection on the #3 treater, the project is now complete.
4. Restoration and Protective Services repaired and repainted the RO Plant degassifier.
5. Staff installed a new drain line on the #3 treater.

Distribution:

1. On September 16th staff installed a 12" tap for the Beachwalk subdivision and on September 22nd they repaired a 2" PVC watermain on Humboldt Street. Repairs were done under pressure, so no precautionary boil water notice was issued.
2. There were 3 new ERCs established; all single family.
3. 189 radio read meters were replaced; completion is at 95%. 953 left to go.
4. 10 DCMA's were replaced and 77 old meter heads were also replaced.

b. WASTEWATER OPERATIONS MANAGER – David Larson

WRF:

1. The average daily flows for September were 1.7 MGD a little higher than last year because of rain, with a peak flow of 3.33 MG on 1 day due to rain infiltration.
2. Viktor Construction continues the paint work on plant #4, final coating is expected to be finished next week.

Collections:

1. Staff replaced 4 vacuum pit bottoms in the month of September. Three were damaged and one was the vacuum pit settled incorrectly.

2. Legends wireless monitoring of vacuum pits project has been delayed by the mandatory 2-week Covid quarantine, hoping to get them back soon.

c. TECHNICAL SUPPORT MANAGER – Keith R. Ledford Jr., P.E. In Mr. Ledford's absence, Mr. Burroughs verbally reviewed the written status report.

d. FINANCE DIRECTOR – Lisa Hawkins

1. Financial Statements for August – operating revenue was \$16.137M about \$1M more than last year at this time with an operating expense of \$11.009M which is up from this time last year, but on track with the budget, leaving operating income at \$5.127M.

2. The fiscal year ended yesterday; staff is working on inventory and the auditors are expected in November.

3. Investment Statements for August – we had \$ 13.716M with BBT and \$4.35M with Centennial Bank.

Mr. Burroughs concluded the Administrator's report.

9. ATTORNEY'S REPORT – Robert H. Berntsson – the plaintiff's motion for default final judgement in the Englewood Water District vs. Englewood Water District Inc. case is scheduled for November 9th as a Zoom hearing. We are expecting a default judgment to be entered that will enjoin them from using that name.

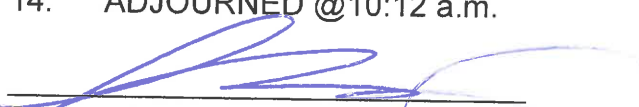
10. OLD BUSINESS – None

11. NEW BUSINESS – None

12. PUBLIC COMMENT – ANY TOPIC – None

13. BOARD MEMBER COMMENTS – Mr. Burroughs suggested that any Board member who had ideas about the pay additive to please email him, then all Board members thanked staff the hard work put into the presentation.

14. ADJOURNED @10:12 a.m.


Sydney B. Crampton, Vice-Chair

APPROVED

/tlh