

**MINUTES OF MEETING  
NORTH SUMTER COUNTY UTILITY  
DEPENDENT DISTRICT**

A Meeting of the Board of Supervisors of North Sumter County Utility Dependent District was held on Thursday, March 14, 2019 at 9:00 a.m. the District Office Large Conference Room, 984 Old Mill Run, The Villages, Florida, 32162.

Board members present and constituting a quorum:

Charlie Smith	Chairman
Dominic Berardi	Vice Chairman
Tom Hosken	Board Director
Matt Friedland	Board Director
Richard Rademacher	Board Director
Jerry Watts	Board Director
Diane Spencer	Board Director

Staff Present:

Richard Baier	District Manager
Kenny Blocker	Assistant District Manager
Lewis Stone	District Counsel
Sam Wartinbee	District Property Management Director
Barbara Kays	Budget Director
Anne Hochsprung	Finance Director
Jennifer McQueary	District Clerk
Candice Harris	Deputy District Clerk

**FIRST ORDER OF BUSINESS:                      Call to Order**

A.        Roll Call

Chairman Smith called the meeting to order at 9:00 a.m. and stated for the record that all Board Directors were present representing a quorum.

B.        Pledge of Allegiance

The Chairman led the Pledge of Allegiance.

C. Observation of Moment of Silence

Chairman Smith led the Board and residents in a moment of silence.

D. Welcome Meeting Attendees

The Board welcomed the meeting attendees present.

At this time, Jennifer McQueary, District Clerk, administered the Oath of Office to newly appointed Board Director Jerry Watts.

Chairman Smith and the Board recognized former Board Director Gary Sorenson for his service on the North Sumter County Utility Dependent District (NSCUDD) and thanked him for his service to the community.

**SECOND ORDER OF BUSINESS: Approval of the Minutes**

<b>On MOTION by Dom Berardi, seconded by Tom Hosken, with all in favor, the Board approved the Minutes from the Meeting held on February 14, 2019.</b>
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**THIRD ORDER OF BUSINESS: Discussion Item: Operating Policies and Procedures**

Richard Baier, District Manager, advised that Staff has completed the process of updating the District's Operating Policies and Procedures and has proposed updates for the Board's consideration and Staff will complete a review of the policies and procedures, and if the Board members have changes, concerns, questions, or comments about the existing procedures or those that may have been proposed, those will be addressed at this time. Mr. Baier advised that at the February meeting the Board was provided with a copy of the Draft Operating Policies and Procedures for review and completed an overview of the revised Operating Policies and Procedures document and requested direction from the Board on several sections.

- Section 1.2 Standards of Civil Discourse: This section was added as a result of some requests made by Board Supervisors to ensure that Board Meetings can progress in a professional manner.

- Section 1.3-6) Officers – Options for Selection of a Board Chairman and Vice Chairman: Maintain current process of nomination and majority vote by Board following a general election.
- Section 1.3-10) Voting Conflict of Interest: A correction to section “a.” will be made to state that “The Board Supervisor would then not vote”.
- Section 1.3-11) Board Supervisor Conduct: The Board requested that this section remain in the Operating Policies and Procedures.
- Section 1.5-4) Agenda Format: Maintain current agenda format.
- Section 1.5-11) Rescinding Action Previously Taken: Board action may be rescinded by a majority vote if the motion to reconsider is made by a Board Director who voted on the prevailing side.

Mr. Baier advised that once all revisions have been incorporated into the Operating Policies and Procedures Staff will proceed with the advertisement to hold a Public Hearing at a future meeting, at which time the Board will then formally adopt its Rule.

#### **FOURTH ORDER OF BUSINESS: Long-term Investment Policy**

Kenny Blocker, Assistant District Manager, advised that the Investment Advisory Committee (IAC) met with PFM, the District’s Financial Advisors, on February 5, 2019 to review the annual cash flow analysis. The analysis is performed annually to determine the appropriate allocation of cash, cash equivalents and investments in the Long-Term Investment Portfolio (LTIP). As a result of that analysis, it is recommended that North Sumter County Utility Dependent District (NSCUDD) increase the amount invested in the LTIP, which is consistent with the 15% recommended by the IAC and approved by this Board. If approved by the Board, the \$147,219 increase will be completed in quarterly increments.

<b>On MOTION by Dom Berardi, seconded by Matt Friedland, with all in favor, the Board approved the \$147,219 increase to the specifically identified Long-Term Investment Portfolio as of April 1, 2019.</b>
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**FIFTH ORDER OF BUSINESS:                      Designation of Authorized Agents for District Utility Operations**

Mr. Blocker advised that Staff is requesting the Board approve appointing John (Trey) Arnett III and Brian Foulkes of Arnett Environmental LLC as Authorized Agents for all matters relating to the utility operations of the District-owned utilities. Mr. Blocker stated the appointment shall include, but not limited to, execution of regulatory documents, execution of utility services agreements and approval of quotes obtained, in accordance with District's purchasing policies and procedures.

Mr. Baier advised this item is the implementation of the organizational chart that was provided to the Board previously and outlined the cost savings to the District by utilizing Arnett Environmental services and not fill two (2) vacant utility operations positions.

Board Director Rademacher advised that he wants to ensure the language would not authorize Mr. Arnett and Mr. Foulkes to perform functions that would be Board functions, which can be interpreted by reading the agenda item. Mr. Baier stated that Staff would not come to the Board requesting authorization to perform those duties that are prescribed to the Board and this authorization does not change any functions of this Board which is to set policy and provide oversight.

Lewis Stone, District Counsel, advised that he has reviewed the document and does not believe the language delegates any Board authority. Mr. Stone stated that he reads the language as an outline of the functions to be performed, and nothing within the document changes or delegates how the District Board functions.

Board Director Hosken inquired if there is a process is in place to review the performance of the authorized agents, as would occur for a direct employee. Mr. Baier advised that Staff holds monthly meetings, in addition to an annually meeting, to review the standards of the job.

<p><b>On MOTION by Dom Berardi, seconded by Tom Hosken, with all in favor, the Board approved the appointment of John (Trey) Arnett III and Brian Foulkes of Arnett Environmental LLC as Authorized Agents for all matters relating to the utility operations of the District-owned utilities.</b></p>
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**SIXTH ORDER OF BUSINESS:                      Award of Invitation to Bid (ITB) #19B-006 NSU  
WWTP Headworks Channel Coatings**

Mr. Blocker advised that on January 16, 2019 Staff issued Invitation to Bid (ITB) #19B-006 – North Sumter Utility (NSU) Wastewater Treatment Plant (WWTP) Headworks Channel Coatings, which includes all of the labor, equipment, tools, services and incidentals to complete the surface preparation activities and application of calcium aluminate coating. Staff is requesting award to Shamrock Restoration Services, Inc. for a total amount of \$61,160.00 based on the pricing reflected on Exhibit “A”.

Board Director Hosken requested an overview of what other criteria was considered, other than cost. Brian Foulkes, Arnett Environmental LLC, advised that an ITB, is awarded to lowest, responsible bidder and references are reviewed.

<p><b>On MOTION by Diane Spencer, seconded by Matt Friedland, with all in favor, the Board approved award of ITB #19B-006 NSU WWTP Headworks Channel Coatings to Shamrock Restoration Services, Inc. in the amount of \$61,160.00 based on the pricing in Exhibit “A” and authorized the Chairman/Vice Chairman to execute the Agreement.</b></p>
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**SEVENTH ORDER OF BUSINESS:                      Award of Invitation to Bid (ITB) #19B-007 VWCA Nos.  
7, 9 & 10 Wet Well Gate Replacements**

Mr. Blocker advised that on January 16, 2019, Staff issued ITB #19B-007 Villages Water Conservation Authority (VWCA) Nos. 7, 9 & 10 Wet Well Gate Replacements which includes all costs relating to labor, equipment, tools, services and incidentals to complete the replacement of valves and wet well gates at VWCA well numbers 7, 9 & 10. Staff is requesting the Board approval the recommendation of award the ITB to Utility Technicians, Inc. for a total amount of \$239,720.00 based on the pricing reflected on Exhibit “A”.

Board Director Rademacher inquired if Wet Well Gate No. 7 was defective, as it was recently replaced. Mr. Foulkes advised that a different valve was changed at that location.

**On MOTION by Diane Spencer, seconded by Dom Berardi, with all in favor, the Board approved award of ITB #19B-007 VWCA Nos. 7, 9 & 10 Wet Well Gate Replacements to Utility Technicians, Inc. in the amount of \$239,720.00 based on the pricing in Exhibit “A”; and authorized the Chairman/Vice Chairman to execute the Agreement.**

**EIGHTH ORDER OF BUSINESS:                      Approval of Amendment 1 to Additional Services –  
Performance of Certain Annual Capital Improvement  
Projects**

Mr. Blocker advised that the Board approved a contract addendum for Fiscal Year 2018/2019 with Jacobs/CH2MHill for additional services and compensation for supplies, project oversight and accomplishing inventory management for performance of certain annual capital improvement projects (CIP). Mr. Blocker advised that the agreement allows for an 8% markup for project administration overhead, including but not limited to purchasing, inventory, accounts payable, invoicing and management. The project administration is included in the budgeted amounts for each capital project as provided for in the approved Fiscal Year 2018/2019 budget; however, a request has been made by Operations Management International (JACOBS/CH2M/OMI) to increase Project 1 as listed on the attached amendment by \$16,200 because the original quote was insufficient. Sufficient funds are available to cover the increase.

Board Director Hosken inquired if cost comparisons will be received. Mr. Blocker advised that it is much more cost efficient for Jacobs, who is the District’s Operations Management Consultant, to complete some projects and services than issuing an ITB to receive costs.

**On MOTION by Matt Friedland, seconded by Dom Berardi, with all in favor, the Board approved Amendment 1 to Additional Services – Performance of Certain Annual Capital Improvement Projects in the Agreement with Operations Management International, Inc. (JACOBS/CH2M/OMI) and authorized the Chairman or Vice Chairman to execute the Agreement.**

**NINTH ORDER OF BUSINESS:                      Financial Statements**

The Financial Statements as of January 31, 2019 were provided as information to the Board.

**TENTH ORDER OF BUSINESS: District Manager Reports**

A. Updated Resident Academy Flyer

Mr. Baier reviewed the upcoming Resident Academy dates and advised the Board that on-line registration for the upcoming 2019 Resident Academy session will begin on February 28, 2019.

Board Director Hosken inquired if Staff was aware of what District the residents who attend Resident Academy reside in. Mr. Baier advised Staff identifies the address and provides the residents with a copy of the deed restrictions. There are a larger number of residents attending from District 10, 11 and 12.

B. Reminder: District Government Update Meeting

Mr. Baier provided a reminder regarding the District Government Update Meeting which will be held on Friday, April 5, 2019 from 9:00 a.m. to 11:00 a.m. at the Rohan Regional Recreation Center in the Colony Cottage and Laurel Manor Rooms.

Mr. Baier advised the construction of the rear access from the NSU Plant is beginning as Staff advised the Board previously via email.

**ELEVENTH ORDER OF BUSINESS: District Counsel Reports**

There were no District Counsel Reports.

**TWELFTH ORDER OF BUSINESS: Supervisor Comments**

Vice Chairman Berardi inquired if the District is reviewing any alternatives for recycling. Mr. Baier advised that he will forward an article to the Board about the current market for recycling.

**THIRTEENTH ORDER OF BUSINESS: Audience Comments**

No audience comments were received.

**FOURTEENTH ORDER OF BUSINESS: Adjourn**

The meeting was adjourned at 10:04 a.m.

**On MOTION by Matt Friedland, seconded by Diane Spencer, with all in favor, the Meeting was adjourned.**

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Richard J. Baier  
Secretary

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Charlie Smith  
Chairman