

# MINUTES

## KEY COLONY BEACH UTILITY BOARD

Tuesday, August 15, 2023 - 9:30 am  
Key Colony Inn Banquet Hall, 700. W. Ocean Drive, Key Colony Beach,  
& virtually via Zoom Conferencing

**1. Call to Order & Roll Call:** The regular meeting of the Key Colony Beach Utility Board was called to order at 9:30 am by Chair Toni Appell followed by Rollcall. **Present:** Chair Toni Appell, Vice-Chair Dan Gleason, Treasurer Bud Fernandes, First Alternate Bill Fahs. **Also present:** City Administrator Dave Turner, Utility Plant Manager Dave Evans, City Clerk Silvia Gransee.

**2. Agenda Additions, Changes, Deletions:** City Clerk Gransee informed of a small change to the draft ordinance.

**3. Citizen Comments and Correspondence:** None.

**4. Next Meeting Discussion:** The Board agreed upon the next scheduled meeting for Tuesday, September 19, 2023.

**5. Approval of the Minutes:** The Regular Meeting Minutes from July 18, 2023, were approved as written.

**MOTION:** Motion made by Dan Gleason, seconded by Bud Fernandes, to approve the minutes as written.

**DISCUSSION:** None.

**ON THE MOTION:** Rollcall vote. Unanimous approval.

**6. CDC Wastewater Sampling Continuation:** Chair Toni Appell reported on the agenda item and informed that the Wastewater sampling will continue through September 15<sup>th</sup>, 2023. Plant Operator Dave Evans informed of being aware of the continuation but had not received any more sample kits. Dave Evans informed of the proposal to continue sampling to be included in the agenda packet. City Administrator Turner informed the Board of their prerogative to continue the sampling and confirmed that the agenda item was tabled in the previous month. City Administrator Turner further informed that no decision was made regarding payment for labor but the kits themselves are being paid for. Plant Operator Dave Evans explained the time requirements and wastewater sampling process. City Administrator Turner confirmed that six month of testing was paid for but stated that the reimbursements to take time and are being processed. City Administrator Turner confirmed that approval was given until September but had no other communications. Chair Toni Appell agreed with the City Administrator's understanding. City Administrator Turner reiterated the Boards prerogative on a recommendation to the Commission regarding the continuation of sampling. City Administrator Turner confirmed the estimate of costs to be \$2,500.00 per year. The Board discussed the necessity of the continuation of sampling. City Administrator Turner confirmed no impact on grants. After further discussion the Board agreed to table the agenda item until the next meeting.

**7. Utility Clerk's Monthly Report:** The Board had no questions about the report itself but asked about the situation of Utility Clerk Pat Hyland. City Administrator Turner explained that Pat Hyland had resigned with no notice on the previous Friday and responsibilities are currently being handled in house.

**8. Operator's Monthly Report:** Utility Plant Operator Dave Evans gave his monthly report to the Board which was included in the agenda packet.

Vice-Chair Dan Gleason asked on the necessity to approve the Utility Clerk's report. City Clerk Gransee informed of no need for approval by the Board if it was not previously done that way.

**A. Nearshore Electric Proposal to Replace 3 VFD's \$19,370.00:** Plant Operator Dave Evans asked for approval for the Nearshore Electric Proposal for critical repairs and explained that Arlington Electric did not have the part available. City Administrator Turner informed that the requirement for three quotes is not needed due to the repairs being critical to the system and Plant Operator Dave Evans having reached out to obtain another vendor.

Chair Toni Appell asked for a motion.

Board Member Bud Fernandes asked about the number of VFD's in the system. Plant Operator Dave Evans estimated 10 to 12 VFD's and explained for the parts to be different versions and brands. Dave Evans confirmed for the proposal to include two spare VFD's and to be interchangeable with the older process pumps. City Administrator Turner informed of no available grant monies for these repairs. Plant Operator Dave Evans confirmed to send specs sheets to Bud Fernandes.

There were no additional questions. Chair Toni Appell asked for a motion.

**MOTION:** Motion made by Vice-Chair Dan Gleason to approve the purchase of VFD's from Nearshore Electric in the amount of \$19,370.00. Bud Fernandes seconded the motion.

**DISCUSSION:** None.

**ON THE MOTION:** Rollcall vote. Unanimous approval.

City Administrator Turner confirmed the necessity for final approval from the City Commission.

**9. Wastewater Plant Capital Needs Summary:** City Administrator Turner informed on the submitted Capital Needs Summary and the need for substantial work to the plant. City Administrator Turner further confirmed the need for the approval of the budget at the current meeting.

**10. Wastewater/Stormwater Budget 2023-24:** City Administrator Turner spoke on the proposed budget for FY2023-2024 and informed on substantial increases in electric costs and maintenance items that need to be addressed, including the replacement of the VFD. Bud Fernandes spoke on the increase in electric costs for the utility plant and asked on possible changes to control power costs and solutions for a reduction in power costs. Plant Operator Dave Evans informed that the electric company had come out in the past for a review on power usage and had no recommendations other than weather stripping. Plant Operator Dave Evans confirmed for the pumps to run at less than maximum speed and for operations at the plant to be as usual. The Board continued discussions on electric cost increases

for the utility plant. Bud Fernandes informed of having exceeded the electric budget by \$30,000.00. The Board continued discussion on cost increases compared to rate increases. City Administrator

Turner stated that the electric company can be contacted to look at the plant and talked of possible relations between the number of short term rentals and increases in rates and volume. City Administrator Turner confirmed the number of 640 rentals which is an increase from last year.

Chair Toni Appell informed on a planned presentation on solar energy but due to a personal tragedy of the owner the presentation had to be put on hold.

Chair Toni Appell asked for a motion to approve the budget.

**MOTION:** Motion made by Vice-Chair Dan Gleason to approve the current budget. Bill Fahs seconded the motion.

**DISCUSSION:** City Clerk Gransee clarified the motion to state to approve the proposed budget for FY2023-2024. Vice-Chair Gleason re-stated the motion to approve the proposed budget for the upcoming fiscal year. City Clerk Gransee confirmed first and second.

**ON THE MOTION:** Rollcall vote. Unanimous approval.

**A. Wastewater Rate Increase for Residential & Commercial Accounts:** City Administrator Turner spoke on the agenda item and proposed draft ordinance. City Administrator Turner informed on a scrivener's error on the first page on the monthly rates and charges which should read \$66.67 instead of \$80.00. City Clerk Gransee informed the Board that the document can be approved with the proposed changes and clarified the change to be \$66.67.

**MOTION:** Motion made by Treasurer Bud Fernandes to approve the ordinance for the Commission as amended by City Administrator Dave Turner. Chair Toni Appell asked for a second. Vice-Chair Dan Gleason seconded the motion.

**DISCUSSION:** None.

**ON THE MOTION:** Rollcall vote. Unanimous approval.

**11. Treasurer's Report:** Treasurer Bud Fernandes gave his financial report for July 2023. Bud Fernandes reported on the Wastewater Financials and informed of being overbudget for electrical costs, supplies and chemicals, and plant maintenance and repair. Bud Fernandes stated request for approval for Wastewater Warrant 0723 in the amount of \$71,627.72. Bud Fernandez reported the 10<sup>th</sup> month in the Sewer Fiscal Year to have been found in good condition.

Treasurer Bud Fernandes reported zero income for Stormwater for the month of July. Bud Fernandes stated request for approval for Stormwater Warrant 0723 in the amount of \$86,456.00 for the final payment of Phase 2 on 10<sup>th</sup> Street and consulting fees on Phase 2a for engineering services. Treasurer Bud Fernandes reported the Stewardship grant to have \$336,000.00, allocated for the injection wells, the SWAG grant to have \$21,200.00, and the third grant having 2.6 million dollars available. Treasurer Bud Fernandez reported the overall 10<sup>th</sup> month of the Stormwater fiscal year budget to be found in good condition.

Chair Toni Appell asked for a motion to approve the Treasurer's Report.

**MOTION:** Motion made by Bill Fahs to approve the Treasurer's Report. Vice-Chair Dan Gleason seconded the motion.

**DISCUSSION:** None.

**ON THE MOTION:** Rollcall vote. Unanimous approval.

Bill Fahs asked about the cost of chemicals which Plant Operator Dave Evans confirmed of having gone up and to be using about the same amount of chemicals.

**12. Approval of Wastewater Financial Reports: See under Item 11.**

- a. Income Statement
- b. Balance Sheet

**13. Approval of Storm Water Financial Reports: See under Item 11.**

- a. Income Statement
- b. Balance Sheet

**14. Approval of Wastewater Warrant – 0723:** Chair Toni Appell asked for the approval of Wastewater Warrant 0723.

**MOTION:** Motion made by Treasurer Bud Fernandes to approve Wastewater Warrant 0723. Vice-Chair Dan Gleason seconded the motion.

**DISCUSSION:** None.

**ON THE MOTION:** Rollcall vote. Unanimous approval.

**15. Approval of Stormwater Warrant – 0723:** Chair Toni Appell asked for a motion to approve Stormwater Warrant 0723.

**MOTION:** Motion made by Treasurer Bud Fernandes to approve Stormwater Warrant 0723. Chair Toni Appell asked for a second. Vice-Chair Dan Gleason seconded the motion.

**DISCUSSION:** None.

**ON THE MOTION:** Rollcall vote. Unanimous approval.

**16. Any Other Business:** City Administrator Turner informed of the cleaning of the stormwater drains to be underway and drains are being found in good condition to this point. City Administrator Turner informed of costs being allocated to the Stormwater budget through the yearly assessment from residents.

Bill Fahs asked about the contracts that were recommended for approval to the Commission. City Administrator Turner explained for the contracts to be on the upcoming City Commission meeting.

Bud Fernandes thanked Chair Toni Appell for her service on the Utility Board. Toni Appell thanked the Board and informed of going back to work at the school and thanked everyone for their service.

City Administrator Turner asked for recommendations on residents interested in serving on the Utility Board to be recommended to the Board.

**17. Adjournment:** The meeting adjourned at 10:09 am.

Respectfully submitted,  
*Silvia Gransee*  
City Clerk

**ADOPTED: September 19, 2023**  
***Silvia Gransee***  
***City Clerk***