



WATER & SEWER EXPANSION AUTHORITY  
BOARD MEETING MINUTES

DATE: December 8, 2004  
TIME: 2 p.m.  
LOCATION: City Hall, Committee Room B

Members Attending:  
Jeanell Wilson, Chair  
John Craddock, Vice Chair  
Harriet McDonald  
Susan Rudd  
Al Sinclair

Chair Jeanell Wilson called the meeting to order. The Board approved the minutes from the November 3 Board Workshop Meeting, the November 10 Board Meeting, and the November 10 Finance Committee Meeting.

**Committee Updates:**

Mr. Sinclair provided an update from the Finance Committee. Discussion included:

1. Mr. Sinclair recommended that the Board approve a change to the WSEA policy regarding the applicable interest rate for WSEA projects. The rates equal to – prime rate and municipal bond rate considered. The Finance Committee received advice from city representatives who recommended that the municipal bond rate would be best for homeowners long-term. The homeowner would pay the bond rate plus the 1.5 percent for administrative costs for the length of the loan. The bond rate would be a fixed rate at the time of the loan. The Finance Committee recommends the utilization of a 20-year municipal bond rate, plus 1.5 percent, which would be applicable to any loan, whether it is a 10-, 20-, or 30-year loan. For businesses and non-residential, the rate would be 20-year municipal bond rate plus 2 percent.

**Motion to approve was given by Mr. Sinclair, second by Vice Chair Craddock, and voted in favor of all Board Members present.**

Mr. Craddock provided an update from the Recruitment Committee. Discussion included:

1. Ms. McDonald agreed to be on the committee.
2. Mr. Craddock recently met with Fred Odom to brainstorm ideas on best ways to inform the community of the program. Ideas formed included:
  - a. Mailing a stamped and addressed post card for potential customers to indicate their interest. This would go out to all of JEA's electric customers and capture the entire septic tank community. Potentially mail to two zip codes per month for 10 months, starting with those near waterways.

- b. A pure mass mailing.
- c. Public Service Announcements –
  - i. Channel 7, Community TV Cable Channel 57 or 29
  - ii. Segment on ‘Jax on the Move’ – scheduled for January 11, 2005.
- d. Advertisements suggested –
  - i. Newspaper
  - ii. Television
  - iii. Radio
  - iv. Signs on Buses
  - v. Jacksonville Business Journal
  - vi. Home & Patio Show – booth manned by WSEA personnel to distribute information packets and explain first hand (February or March – 3<sup>rd</sup> week).
- e. County Fairs – booth staffed with WSEA staff similar to Home & Patio Show.
- f. Prepare Brochures – distribute at public libraries and other public places.
- g. Marketing Research Study – CRITICAL.
- h. Economic Support Process for low and moderate-income areas.
- i. CPAC Meetings – suggest a designated representative or committee responsible for handling interests in the WSEA.
- j. Other Special Interest Groups –
  - i. EPA
  - ii. Water Management Districts
  - iii. River Keeper
  - iv. Concerned Citizen Do-Gooders
  - v. Environmentalists
- k. Individual Citizen Initiatives

Comments of the above ideas included:

1. The Home & Patio Show should prove to be a great avenue for communication of the program. Persons going there have great interest in finding ways for home improvement.
2. Have a WSEA brochure at the Department of Health to give constituents who visit that Department.
3. The JEA customer mail-out would include customers paying electric but not water and sewer. This would be done on a demographic area, starting with several districts, which would provide good starting ideas of economic possibilities, etc.
4. Great start. Any ideas and/or suggestions from the Board are welcome and should be sent to Fred Odom and Sherry Hall.

**General Items/Discussion/Questions:**

Fred Odom gave the following updates:

1. Councilwoman Mia Jones and Councilman Michael Corrigan will be liaisons to the WSEA and will be great assets to the Board moving forward.
2. Several items resolved to date include:
  - a. Recruiting Process in development
  - b. The Septic Tank Phase Out Program (6400 customers), which was being considered to come under the WSEA, has been deemed inappropriate. To do so would incorporate too many varying issues into the WSEA which are not necessarily intended to be part of the WSEA; the major issue being that while the WSEA would administer the program,

the city would be paying for that program which would cause each entity to overlap with respect to their obligations.

3. Fred met recently with Cal Ray regarding procurement issues and how to contract with contractors. JEA is doing the contract work now; however, an interlocal agreement is needed between the WSEA, JEA and the City. An outline of such is being worked with JEA personnel to help facilitate. Issues and resolutions should be resolved by the January Board Meeting.
4. The State Revolving Fund is funded by EPA through DEP for persons to phase out septic tanks. This process is now more enticing to homeowners.
5. We are investigating a federal initiative for a grant up to \$100 million to help Jacksonville do what we want to do. It would be a bi-partisan bill since it would help so many persons. After meeting with a Grant Coordinator/Developer, two focal points were revealed as 1) EPA Special Needs Grant, and 2) Core of Engineers Grant. Steps to move forward will be forthcoming to the Board. Citizen financed, voluntary program – loan and grants will help assist the entire spectrum of the program.
6. Two projects to begin in January will include the presence of the Mayor, the press and the Board Members to proactively present our program to show our city what we can provide.

### **Status of Current Projects:**

Triangle Estates –

- Fred is working with Cal Ray to release funds to move forward. Recently spent time with the homeowner with the tree issue and came to agreement with him to replace with JEA trees.
- JEA is being very proactive by targeting and striving to begin work in mid January.
  - Christian Blalock noted that action is needed for final approval of project documents for Triangle Estates and that the award of the contract to the construction company between WSEA and the contractor is needed.
  - Fred noted that documents are well developed and we will be signing off on them soon.
- Had high and low costs per homeowner - \$62.95 per month per homeowner for 30 years is the guaranteed maximum price based on 30 participants.
- Homeowners own the connection from the street to hook-up, and each will submit estimate of connection from plumber.
- Approved licensed contractors know how to handle septic tank disposal.
- There is only one holdout in Triangle Estates who will have to defer out and pay different costs.
- The construction bid was awarded to Pipeline Contractors in the amount of \$910,000 (8 contractors bid within the range of \$989,000 to \$1.54 Million). Public Works Department was very helpful to pay for drainage and a portion of the road reconstruction. Appreciation given to JEA persons doing the work and following JEA policies and procedures. Change orders will be allowable (change in scope vs. change in materials).

**Motion to award contract to Pipeline Contractors was given by Vice Chair Craddock, second by Mr. Sinclair, and voted in favor by all Board Members present.**

**Motion to approve Agreement between WSEA and homeowners was given by Ms. McDonald, second by Mr. Sinclair and voted in favor of all Board Members present.**

- Clarification: Construction will begin only after all signatures needed are retrieved from the homeowners.

YMCA –

- Christian Blalock noted that documents are not ready for approval as she received comments from their counsel just prior to the meeting. Comments made by their attorney are more substantial than originally thought to be. The YMCA is willing to wait until January. Design/consultant work is being done by the YMCA with a contractor and WSEA will only provide financing. The Board was in agreement to direct Christian to meet again with their attorney, make revisions after working through the documents and bring revised documents to the January Board Meeting.

Drury Lane and Clark Road will be presented to Council January 11 for final approval.

LaVilla Sportsman Club is similar to YMCA in regard to needing our assistance. Council approval should be obtained approximately 45 days before asking party to do title search, etc. due to costs involved. This project is currently going through the council approval process.

### **New Projects:**

1. Sherry Hall will attend a town hall meeting Monday night for Nate Circle, which is in Council Member Jones's district. Four properties are included in the project, which is estimated at \$14,000, a cost of \$3,500 per homeowner, financed for 20 years. A Nate Circle map and resolution is submitted for approval to move forward and to take back to a Nate Circle Community Meeting on December 13. The project is water only at this time (they are only curious about sewer due to costs involved; the area would need a lift station or a low-pressure system).
  - Christian Blalock noted that the interest rate needed to be amended to what was agreed upon earlier this meeting – the 20-year municipal bond at current rate plus 1.5 percent administrative costs for 20 years.

**Motion to approve the Nate Circle project as submitted and in accordance with the WSEA policies with the change in interest rate to reflect the policy previously approved by the Board was given by Ms. Rudd, second by Vice Chair Craddock, and voted in favor by all Board Members present.**

2. A second project is submitted for consideration only at this time, for duplexes. The owner is interested in bringing in someone to do design work but wants assurance that the Board would be likely to approve financing the project if he moves forward on spending money on the design. There are a few other potential participants in the neighborhood. Staff is working to contact them to determine their interest in the project.
  - Cost is unknown at this time. Engineer's best guess is \$52,000; however, cannot commit to that cost until design work is complete.
  - Billing would go directly to the property owner, which will be similar in many cases.
  - Documents would be done with the actual property owner.
  - Anyone who does not participate will not have to defer since water only.

**General consensus from the Board is to continue working and to bring more information moving forward.**

- Christian Blalock noted that we would not be negotiating changes to the contract documents separately with each development moving forward. We have done such with the first two to ensure all is handled correctly. After working through the first two projects, the project documents should become more of the standard WSEA forms subject to change only due to extraordinary circumstances with Board approval..

### **Outreach/Communication Update:**

- Sherry Hall will host a 10-minute segment on 'Jax on the Move', which will be aired on January 11, 2005, on Channel 7. Sherry will discuss the WSEA program and its incentives.
- Recently met with Councilwoman Self and Clifton area residents. Very little interest being that there are no problems with their current septic tanks. Those interested are aware that 50 percent participation is needed; therefore, it is unlikely for that area to participate. Vice Chair Craddock commented that the incentive has been offered to them; it is an older area and is waterfront that could have potential future septic tank problems; however, they have been advised of the program.
- Sherry Hall met with the Riverview Association on 12/02, and they are excited about the program. Sherry will follow up with them early next year.
- A meeting will be held at Lincoln Villa on Dec. 8. There are several residents interested in that neighborhood; however, they are interested in how to help low-income residents. Will advise that our program has the 30 percent subsidy to offer at this time, and that grants may be available in the future.
- Scheduled meetings to occur:
  - Nate Circle, 12/13/04
  - Ribault Hills, 12/21/04
  - Beauclerc Circle, 1/06/05 (small group, water only, interested)
  - Drury Lane, 1/19/05 (initial face-to-face meeting, small group with one person who has been in charge of informing residents – all interested)
- Groundbreaking at Triangle Estates will be held sometime in January. Invitation will be extended to the Mayor to attend the event.

**Meeting motioned, second and favored by all to adjourn.**

/nc