



WATER AND SEWER EXPANSION AUTHORITY BOARD MEETING MINUTES

Date: February 14, 2007
Time: 2:00 p.m.
Location: City Hall, Committee Room A

Attendees:

Jeanell Wilson, Chair
Dr. Chester Aikens, Vice Chair
John Craddock
Harriet McDonald
Al Sinclair

Chair Wilson called the meeting to order / quorum determined. The Board approved the minutes from the January 10, 2007 Board Meeting.

General Update

Program Delivery Team (PDT)

FY06/07 Revised Budget includes \$1,500,366 for the PDT that provides annual outside audit, design and construction services.

Funding Status Update

Mr. Odom will visit D.C. the week of February 26 to restart the process to obtain grant funds – will be like starting over; however, there is no need to reprocess previously submitted grant request documents.

- WRDA – \$25 Million
- STAG – \$1 Million
- SJRWMD – \$12 Million
- COJ – Working with Public Works and JEA for additional funding for PDT to continue blending the three entities into the River Accord.

The current budget actual is approximately \$80,000; therefore, self-funding for the WSEA is now in actuality. Although the State funding stream should come through, obtaining additional funding remains harsh with many struggles. All efforts and resources are focused on the River Accord initiatives. After the election, we will see River Accord coming together.

Federal Government will appropriate \$10 million per year authorization under the guise of Water Resources Project, Nationwide. Application for such funding is submitted through our representatives. Congresswoman Brown will be most influential in favor of the WSEA's efforts and plans. The key will be getting the very first year; guaranteed annual, predictable cash flow would then follow.

Facility plan development submitted for review.

Finance Committee Update

Finance Committee Chair Sinclair requested and was approved to present two (2) matters to the WSEA Board today – Church Fellowship Worship and tree Hill, Incorporated.

1. Follow-up on Church Fellowship Worship project. There has been a substantial increase in the cost of the project; whereas, the church has requested an increase to their originally requested loan amount. Updated financial records for 2006 were received today that reveal the church is in good standing - \$320,000 net income; \$948,000 equity. It is reasonably safe to fund the increased amount requested. Chair Sinclair recommends the Board approve the increased loan request.

Motion to approve the increased loan amount from \$95,000 to \$118,000 for Church Fellowship Worship was given by Chair Sinclair, second by Dr. Aikens, and voted in favor by all Board Members in attendance.

2. A new request has come from Tree Hill Inc. (THI). Originally formed in 1975, by the City of Jacksonville, THI was then TEPH Inc., a non-profit, tree hill urban wilderness preserve that played a larger role in preservation of Jacksonville forestry. THI is well managed – all urban forests within the City, but particularly within the tree hill preservation – very pro-environment. THI is now conducting substantial improvements to its property and is requesting WSEA water and sewer services with a loan amount of \$100,000+. Chair Sinclair has received complete financials for THI, which were submitted last week. Individual contributions other than funding/supporting are derived from City. City will also support this project. THI has substantial financial records including tax records for last two years that have been well managed by City. City Council is responsible for the well-being of THI. The total cost of the improvement project is estimated at \$644,000. The requested \$100,000 loan would be payable over a 20-year period and would be secured by a mortgage – City would be responsible, basically, for payment – city project (if THI did not exist, City would hold up). All considered, the loan request is viable to do. Chair Sinclair recommends approving the \$100,000 loan request.

Motion to move forward with the proposed Tree Hill, Incorporated project with a requested loan amount of \$100,000 was given by Chair Sinclair, second by Ms. McDonald, and voted in favor by all Board Members in attendance.

Status of Current Projects

- Forest Park – Sewer
 - Construction is complete. Community Meeting was held on February 13 to discuss connection to sewer line.
- Shakir Economy Motel – Water
 - Closing documents will be sent out today, 2/14/07.
- Unitarian Universalist Church – Water and Sewer
 - Construction is nearing completion.
- Church Fellowship Worship – Sewer
 - Increased loan amount was approved at today's (2/14/07) Board Meeting.
- Hendricks Day School – Sewer
 - Closing documents are ready to be signed by Chair Wilson today and will be executed later in the week.
- D&W Electric – Water and Sewer
 - Closing documents are ready to be signed by Chair Wilson and will be executed later in the week.
- Glendale Road – Water
 - Approved through Mayor's Budget Review Committee. Will continue to proceed through Council Committees.

Items for Discussion

- Shirl Lane Community Meeting – Sewer

A community meeting is scheduled for February 22, 2007, which will introduce the WSEA and advise residents of its program. The community is in the Lakewood area.
- Budget Revision Fiscal Year 2006/2007

Motion to accept the Water and Sewer Expansion Authority Jacksonville, Florida Utility System Operating Budget Fiscal Year 2006/2007 Revised Budget was given by Ms. McDonald, second by Mr. Sinclair, and voted in favor by all Board Members in attendance.

Miscellaneous

Septic Tank Inspection Enforcement – discussion included:

Systems are in place that could manage enforcement but there must be the will to do such. Some members of Council do not want to enforce; many residents do not want to be rid of their sewer system. Who has responsibility within City of Jax? Health Dept? Mayor's Office? Who can enforce a law that is on the books? This remains a

very sensitive, political issue. If law enforced, it would burden many homeowners who cannot opt to enter the program. Should continue to advocate the program, educate, encourage to plan, etc. Elevate awareness to where people desire to be part of the program. With limited funds for current projects; this issue is outside realm of the WSEA; should belong to the Mayor's Office to reinforce with the Health Department. The inspection enforcement is a State Law; however, it is not enforceable by choice.

Next Meeting

March 14, 2007, 2:00 PM, City Hall Committee Room A

Request for Public Comment

None.

Meeting adjourned.