

**City of Jacksonville Beach
Minutes of City Council
FY2015 - Budget Workshop
Monday, August 11, 2014**

Mayor Latham called the Budget Workshop to order at 6:00 pm. City Council members in attendance:

Keith Doherty *absent*
Tom Taylor

Steve Hartkemeyer
Phil Vogelsang

Chris Hoffman *absent*
Jeanell Wilson

Also present were City Manager George Forbes, Budget Officer Trish Roberts, Public Works Director Ty Edwards, and Nancy Pyatte and Joy Beckenbach of the City Clerk's Office.

Staff present from the Public Works Department were John Birch-Water Plant Supervisor, Pam Morgan- Pollution Control Plant Supervisor, Dave McDonald-Streets Superintendent, Chuck Hernden-Distribution & Collection Superintendent, and Eugene Wellington-Streets Division.

Public Works Department

Mr. Forbes began the Public Works Department FY2015 Proposed Budget with a review of their mission statement and the organization of the five divisions - Distribution & Collection, Pollution Control Plant, Water Plant, Streets, and Administration. Mr. Forbes noted the increase in Administration is the addition of one Engineer. The Community Redevelopment Agency is sharing the funding of this position.

Ty Edwards, Public Works Director, reported on the accomplishments as detailed in the report. Mr. Edwards stated in the Downtown Redevelopment District, the Phase 3A and 3B Projects are on schedule for completion in September of this year. In the South Beach Redevelopment District, the Phase 1 Project will be completed in September. Mr. Edwards stated the Water Main Project Phase C is complete, and the Wastewater Main Project for 2nd Street North is complete. He reported that the new Utility & Storage Building at Water Plant #2 will be complete in October this year.

Mr. Edwards reported on the department's upcoming projects and goals for 2015, as detailed in the report. In the Downtown Redevelopment District, Phase 3C Project, they are working with Department of Transportation (DOT) on the drainage.

In the South Beach Redevelopment District, Mr. Edwards stated that the recent Council Workshop resulted in providing the best options to move forward for the proposed project to improve traffic flow on South Beach Parkway.

Mr. Edwards reviewed the Water, Wastewater, Stormwater Infrastructure Improvements Program report, providing additional information as follows:

- Phase B of the Water Main Project is in the design phase now and scheduled for construction in 2015.
- Wastewater Main/Lift Station #8 Project is being modified and adjusted to include lift stations #7, #8, and #20.

- Wastewater Facility Project – Atlantic Beach, Neptune Beach, and Jacksonville Beach share the Effluent Outfall at the St. Johns River and will participate in the modifications.
- Wastewater Facility Project to modify the Chlorine Contact Tanks & System is scheduled for design and construction in 2015.
- Stormwater Project at 4th Street South, near the VFW location, is scheduled for next year.

The City Manager reviewed the ongoing maintenance required for compliance to the state consumptive use permit, and the wastewater and stormwater federal permits.

Mr. Forbes reported on the Performance Measures of Drinking Water, Wastewater, Streets and Sanitation. Mr. Forbes stated that the City has been changing out older inoperable valves and completed the backlog list. Each year, we identify valves that become inoperable over time and add them to a Valve Replacement List for the next time we replace valves. With the new Wastewater Treatment Facility fully operational in January 2014, and with a new 5-year NPDES permit issued by FDEP in April 2014, Mr. Forbes reported the performance measures were revised to meet regulatory compliance.

As shown in the report, the funding sources for Public Works comes from the three enterprise utilities, as detailed in the chart and financial summary, and also from the Local Option Gas Tax and the General Fund. Mr. Forbes stated the capital decrease is a result of construction of various water, sewer, and stormwater projects that started or were completed in 2014.

Next the Public Works Director reviewed budget issues referenced in the report. Mr. Edwards reported on the mandated costs associated with meeting stricter standards for the Federal EPA/FDEP for wastewater treated effluent and stormwater effluent that outfalls in the St. John's River and Hopkins Creek.

Mr. Edwards reviewed the unfunded mandates and expressed his concerns regarding the demands for high quality water from the Floridian Aquifer. The FDEP and Water Management Districts will continue setting minimum flows and levels for lakes and springs.

Mr. Forbes stated the City has been able to maintain stable rates for the Stormwater and Garbage since 1990 and 1993 respectively, noting Sanitation (Garbage) is a self-sustaining fund. Water and sewer rates were set in 2012.

Distribution and Collection Division

The City Manager reviewed the Distribution and Collection Division, noting they are responsible for the water mains, the sewer mains, force mains, sewer manholes, fire hydrants, water valves, water services, and sewer services. As detailed in the report, Mr. Forbes reviewed the objectives, organization, and funding sources. There is an increase in the Operating expenses in the 2015 budget for the Sanitary Sewer System Maintenance Program.

Mr. Edwards addressed the budget issues for Capital Outlay and Operating, as detailed in the report, and provided additional information as follows:

- The Phase D Water Main Improvement Project is in the design phase next year and scheduled for construction in 2016.
- Start of Automated Water Meter Reading Upgrade Program begins next year and will be funded over several years for implementation. This entails replacing all 10,000 +/- water meters in our system with the new type meters. It also entails installing radio signal boxes on each meter to transmit water usage to either walk-by, drive-by, or wireless data collection. This would be the same data collection system that BES intends to use.
- Funding Design of Wastewater Main/Lift Station Improvement Project for merging LS #7, #8, and #20. This part funds the design of the wastewater collection system necessary for merging the three lift stations.

The Public Works Director distributed the handout (H/O) titled: **REBATE INSTRUCTIONS Installation of Authorized, Properly Sized, Grease Interceptor(s) Outside of Existing Food Service Facility(s)**. Mr. Edwards explained that this was the same H/O distributed and discussed on the 2015 Council Budget Tour August 1, 2014. This program, modeled after the BES Rebates Program, is focused on existing food service establishments, and will be a helpful tool for our employees who are managing this program for the City. There are about 30 +/- older food service establishments that do not meet the City's discharge limit of 100 mg/l; and/or they are not in compliance with current City requirements for appropriately sized interceptors located outside the establishments for sampling and cleaning.

Pollution Control Plant Division

Mr. Forbes stated the division operates and maintains the wastewater transmission system of 38 sewage pump stations, and the 4.5 million gallons per day capacity new sewage treatment facility, with reuse quality effluent.

Mr. Edwards reviewed the division objectives as listed in the report. This division is responsible for the proper treatment, disposal, and reclamation of wastewater in accordance with local, state and federal regulatory compliance standards.

There are no changes in the authorized positions and the City Manager reviewed the division funding sources. Mr. Forbes stated the decreased Capital Outlay is a result of construction of lift station rehab projects in FY2014.

The Public Works Director addressed the budget issues, as detailed in the report, and provided additional information as follows:

- Capital Outlay: Funding Design of Wastewater Main/Lift Station Improvements Project – this is to merge the three lift stations #7, #8, and #20.
- Operating: Funding for technical support on Software/Human Machine Interface/Operations – this is an automated plant using very high-tech software. This budget will pay for required updates and trouble- shooting issues.

Water Plant Division

The City Manager reviewed the Water Plant Division mission, objectives, and organization. He stated their responsibility is for the City's water system – wells, water treatment facilities, ground and elevated water storage tanks – providing safe drinking water, volume and pressure for effective fire suppression, and providing effective treatment of stormwater. Mr. Forbes stated this division operates and maintains the City's stormwater treatment facilities as listed in the report.

Mr. Forbes addressed the funding sources and proposed budget as detailed in the report. He noted the decrease in Capital Outlay is a result of completion of the construction of the utility and storage building at Water Plant #2 by October.

Mr. Edwards reviewed the budget issues, as listed in the report, noting an area of concern for water resources unfunded mandates with the consumptive use permit. He also explained that in April there were 3 of 34 regular monthly samples taken that were positive for indicator coliform. All three locations were immediately flushed and retested at the location, upstream and downstream, for 9 extra April samples. All retests were sent to the lab and results came back clear. In June and then July, the Water Plant was notified by letter (June) and email (July) that we were required by State regulation to notice all water customers when over 5% of all monthly samples test positive for indicator coliform. We will be putting out public notice within the next few weeks.

Streets Division

Mr. Forbes stated the division maintains the City's roadways, traffic signage and markings, sidewalks, and stormwater collection system. This division also manages the collection of garbage, recycling, yard waste, and beach cleaning. Mr. Forbes reviewed the objectives, as listed in the report, noting there are no changes to the authorized positions.

The City Manager reviewed the funding sources and proposed budget, as detailed in the report, stating there is a slight increase in Capital Outlay due to replacement of a truck with utility body.

In the budget issues, Mr. Forbes added in the Dune Walkover Rehabilitation Project the City has completed 17 walkovers. Council member Hartkemeyer advised there are some Huguenot Park Boardwalk areas that are in need of repairs. The City Manager stated this will be addressed and repairs will be made.

The Public Works Director distributed maps (copy on file) detailing the Proposed Street Maintenance Milling and Paving Project for the North section, the Southwest section, and the Southeast section of the City. The color key showed the areas without existing curb and areas with existing curb. The City Manager explained that the City is earmarking funds for regular street maintenance which entails new construction, reconstruction, milling and paving, repairs and improvements of roadway (base, sub-base, pavement), drainage, and curbing. He explained that we are reviewing each road without curbing, considering curbing, and if adding curbing will improve drainage and protect the edge of the pavement.

Stormwater Utility Program

The City Manager stated the Stormwater Utility Program provides funding to operate, maintain and improve the City's stormwater collection and treatment system. Mr. Forbes reviewed the funding sources and the proposed budget, as detailed in the report. There is an increase in Capital Outlay for the 10th Street South Industrial Area Project and a boom-arm mower replacement purchase.

Mr. Edwards addressed the budget issues, as listed. In Capital Outlay - Ocean Forest Phase 2 Stormwater Improvement Project - Mr. Edwards stated the design phase is at 90% completion; construction will begin in 2015. He continued with a review of the Operating budget, as listed in the report.

Sanitation Utility Program

Mr. Forbes reviewed the mission and objectives of the Sanitation Utility Program which provides funding for the collection, transportation, and disposal of garbage, yard waste, debris, and recyclables. In the funding source and proposed budget, Mr. Forbes stated there is a decrease in the Capital Outlay due to the purchase of a replacement street sweeper in FY2014 (replaced every 5 years). He advised that employees are trained in operator maintenance on the sweeper at the manufacturer's facilities. Eugene Wellington, Streets Division, is the operator, and Mr. Forbes stated this is a heavily used piece of equipment.

Mr. Edwards explained that Public Works purchases the City's replacement sweeper from existing statewide contracts, such as the Sheriff's Association Contract. The previous Tymco Sweeper purchase from the dealer, Southern Sewer Equipment Sales, included a 50% trade allowance subject to the purchase of a new replacement Tymco sweeper from the dealer. Subsequently a few years later, Tymco terminated its relationship with this dealer. The dealer now represents Schwarze Sweeper and the dealer found it necessary to reduce its trade allowance with the loss of the Tymco assistance. Another dealer represents Tymco Sweeper on the Sheriff's Association Contract. Because of the trade allowance change, the sweeper purchase will be placed on a council agenda in the near future for approval. Currently, at the time of purchase of a new sweeper, dealers are not providing commitments for future trade allowance on purchase of future replacement sweepers.

Mr. Forbes reviewed the mission and objectives of the Administration Division of Public Works. There is an increase in authorized positions for a Project Engineer, for the projects in the redevelopment districts. Mr. Edwards stated that the staff provides excellent customer service, and make outstanding efforts to solve problems or concerns of our citizens.

The Public Works Director addressed the handout for a new City Rebate Program for Grease Interceptors (copy on file). This item has not been approved and will be on a future agenda. Mr. Edwards reviewed the purpose, requirements, rebate amount, and the terms and conditions of this program. This rebate program will be for businesses that require grease trap improvements/upgrades to be in compliance with the code. Mr. Edwards stated getting the grease trapped before it gets into the City's sewer system is critical and the goal of the rebate program is to provide incentive to the businesses.

The City Manager and Mayor Latham thanked the Public Works Department and staff for their enormous amount of work they do for the City and the citizens, and their excellent customer service.

The workshop was adjourned at 7:00 p.m.

Submitted by: Nancy J. Pyatte
Assistant City Clerk

Approved:

/s/William C. Latham
William C. Latham, Mayor

Date: September 2, 2014