

MINUTES OF THE ESAD (GULFAIRE) SEWER SYSTEM WORKSHOP FOR THE BOARD OF CITY COMMISSIONERS FOR THE CITY OF PORT ST. JOE FLORIDA HELD AT 2775 GARRISON AVENUE, April 22, 2019, 12 NOON

The following were present: Mayor Patterson, Commissioners Ashbrook, Hoffman, Langston, and Lowry. City Manager Jim Anderson, City Clerk Charlotte Pierce, Chief of Police Matt Herring, Public Works Director John Grantland, Wastewater Treatment Plant Supervisor Kevin Pettis, and Finance Director Mike Lacour were also present. City Attorney Adam Albritton participated by telephone.

Agenda

ESAD (Gulfaire) Sewer

Frank Seifert, Patrick Ferrell, and their attorney, Gene Adams of the Pennington Law Firm, represented ESAD Sewer.

A handout, ESAD Enterprises, Inc. Evaluation of Beaches Sewer System, was provided.

Mr. Adams reviewed the handout with the Commission.

Mr. Seifert gave a brief history of the sewer system and answered questions from the Commissioners. After discussion, a proposal with two options was handed out to the Commissioners.

Option One: The City handles the ESAD Waste

ESAD keeps their customers, lines, and lift stations. Gulf County pays to connect ESAD to the City's lines. ESAD will be willing to do this with the following terms:

ESAD will pay the City \$5.28 per thousand gallons of actual effluent handled, no base charge.

ESAD will bill their customers themselves, rate to be determined by the Florida Public Services Commission.

The City will provide for ESAD monthly for prior month by the tenth of month, report detailing the water usage for their customers. This will be at no cost to ESAD.

The rate can be increased only by the amount that the City charges other customers if the rate goes up 25 cents a thousand gallons their rate can be increased the same amount.

This must be approved by the Florida Public Services Commission.

ESAD's service area will remain the same.

Option two: The City purchase from ESAD their customers, lines and lift stations.

This option enables the City to take ESAD out of the waste water treatment business entirely. The terms for this is based on an independent appraisal performed for the Florida Rural Water Association by an independent engineer.

The purchase price will be \$1,539,000, discounted by ESAD of \$289,000. Paid as follows:

Purchase price	\$1,539,000
Discount	289,000
County pays down payment	400,000
Remainder	850,000

Consensus of the Commissioners was that they were more interested in Option One.

Commissioner Hoffman requested a 3 month time frame to review the information provided, do research on the issue, and provide a counter offer to the proposal. Mr. Seifert agreed to give the Commission the requested time to review the proposal.

Mayor Patterson and the Commissioners expressed their appreciation to Mr. Seifert for the presentation.

Mayor Patterson requested that the ESAD Project be kept on the Agenda for future meetings.

Citizens to be Heard –

Karen Mason, a resident of Gulfaire, expressed her concerns about the ESAD Sewer System and issues that she is having with her property.

Robert Branch shared his concerns about purchasing the system and encouraged the Commissioners to evaluate the system before making a decision.

Discussion Items by Commissioners –

Commissioner Langston stated that he favors Option One, but needs more time to research the issue.

Commissioner Ashbrook stated that Option Two is out of question. He also shared that a construction container has damaged the asphalt, curbs, and a light pole on Reid Avenue.

Commissioner Lowry stated he favors Option One and wants to make sure there are teeth in the agreement protecting the City and customers.

He also asked that the used Fire Truck be placed on the Agenda as a possibility for the Wetappo Fire Department.

Commissioner Hoffman thanked the owners of ESAD for their presentation and agreeing to the three months window to review the information provided; to the residents that attended today's meeting, and stated that he does not like to see politics mixed with decisions.

Mayor Patterson stated he feels this might be a good deal for the City and that it needs to make money for the City.

Motion to Adjourn -

A Motion was made by Commissioner Ashbrook, second by Commission Lowry, to adjourn the meeting at 1:03 P.M.

Approved this 7th day of May 2019.


James "Bo" Patterson, Mayor

5/7/19
Date


Charlotte M. Pierce, City Clerk

5/7/19
Date