

**AGENDA  
CITY OF DUNNELLON  
UTILITY ADVISORY BOARD  
20750 RIVER DRIVE  
DUNNELLON, FL 34431  
APRIL 18, 2016 AT 3:00 P.M.**

PLEASE NOTE: Individuals wishing to address the Board please sign in. A three-minute time limit will be administered. PLEASE TURN CELL PHONES OFF.

**OPENING**

Call to Order  
Pledge of Allegiance

**PROOF OF PUBLICATION**

The agenda was posted on the City's website and City Hall Bulletin Board on Thursday, April 14, 2016.

**ROLL CALL**

**1. Approval Of Minutes**

Minutes 2/15/2016 - *attached*

Minutes 3/21/2016 Joint Workshop - *pending*

Documents: [20160215.PDF](#)

**2. Agenda Backup**

Deadline for Information / Reports from Staff to be included with Agenda - Eddie Esch

**3. Florida Rural Water Association**

Status Update - Tom Gustafson

**4. Utility Operational Items**

Manhole Collapse - Rainbow Springs

Plan for Installing Meters

**5. Financial And Budget Items For Discussion**

Update on Reserve Accounts

Budget Schedule Year-to-Date

Budget Status FY 2015 Final Results

**6. Recommendation To Council**

Draft Recommendation re: Greenlight Loan

Documents: [RECOMMENDATION REFERENCE LOAN TO GREENLIGHT.PDF](#)

**7. PUBLIC COMMENT**

**8. ADJOURNMENT**

ANY PERSON REQUIRING A SPECIAL ACCOMMODATION AT THIS HEARING BECAUSE OF A DISABILITY OR PHYSICAL IMPAIRMENT SHOULD CONTACT THE CITY CLERK AT (352) 465-8500 AT LEAST 48 HOURS PRIOR TO THE PROCEEDING. IF A PERSON DESIRES TO APPEAL ANY DECISION WITH RESPECT TO ANY MATTER CONSIDERED AT THE ABOVE MEETING OR HEARING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDING, AND FOR SUCH PURPOSE, HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE

APPEAL IS TO BE BASED. THE CITY IS NOT RESPONSIBLE FOR ANY MECHANICAL FAILURE OF RECORDING EQUIPMENT.

**MINUTES  
CITY OF DUNNELLON  
UTILITY ADVISORY BOARD  
MONDAY, FEBRUARY 15, 2016, 3:00 P.M.**

Chairman Hugh Lochrane called the meeting to order and led the Pledge of Allegiance.

**PROOF OF PUBLICATION:** The agenda was posted on the City's website and City Hall Bulletin Board on Friday, February 12, 2016.

**ROLL CALL**

Members Present: Hugh Lochrane, Burt Eno, Tom Brady, William Descalzi, Jim Hicklin, Denise Rondeau, Alan Wise

Members Absent: Chuck Daimler, Cynthia Williams

Staff Present: Eddie Esch, Jan Smith, Teresa Malmberg

**1. APPROVAL OF MINUTES**

The minutes of the 9/21/2015, 10/19/2015, and 1/20/2016 meetings were approved as amended. The minutes of the 11/16/2015 meeting were approved as submitted.

**2. Election of Chairman and Vice Chairman**

Members discussed and reached a consensus to re-elect Hugh Lochrane and Chairman, who accepted; and Burt Eno as Vice Chairman, who accepted.

**3. Florida Rural Water Association** – Discussion concerning status of leak detection and data review for water loss. It is important that Mr. Gustafson attend a meeting to provide this information.

**4. Status of Credits to Rainbow Springs Customers** – Jan Smith reported that the credits have been mailed, described the process and reported that there were no significant issues, and that returned checks would be sent to State as unclaimed.

**5. PUBLIC COMMENT** – Walter Green discussed the importance of identifying the source of the water loss; discussion of Utility Master Plan as well as the need to move forward with the operational study.

**6. ADJOURNMENT** – The meeting was adjourned at 4:38 p.m.

---

Hugh Lochrane, Chairman

---

Teresa Malmberg, Admin. Coordinator

### **Recommendation reference loan to Greenlight**

The UAB has reviewed the background information related to the loan of \$1.478M from the water/sewer enterprise fund to the Greenlight enterprise fund as authorized by Resolution 2012-29 (approved 11/13/2012). According to the Resolution the loan is repayable in 2017, which gave the city 4 years to define a plan for the repayment.

The funds for this loan were removed from water and sewer reserves. This transaction, plus another transfer authorized by Resolution 2013-18, essentially removed all reserves from the water and sewer enterprise fund. This lack of reserves impacts the safety and reliability of the water and sewer infrastructure.

Assuming that the city does not have funds available to make the repayment, and taking into account the discussions about this matter at the joint Council and UAB workshop on 3/21/2016, the UAB recommends that the council approve an agreement that allows the loan to be repaid over a period of time.

The agreement should include the following:

1. Starting with the fiscal year 2017 water and sewer enterprise funds budget the city will not include expense items for city staff providing support to water and sewer operations and administration. For the purpose of determining the yearly amount to be applied toward repayment of the loan, this shall be based on the fiscal year 2016 budgeted amount of \$143,728.
2. Starting with the fiscal year 2017 water and sewer enterprise funds budget the city will include one-half of indirect expenses items that contribute to the operation and administration of the water and sewer utilities, instead of the two-thirds contribution in the fiscal year 2016 budget. The yearly amount of \$12,274 (based on amounts in the fiscal year 2016 budget) shall be applied toward repayment of the loan.

The above repayments total \$156,002 per year. Under this agreement the amount would allow the city to make the repayment in approximately 9 1/2 years. It is recommended that this agreement be applied to the fiscal year 2017-2026 budgets.