

**The Inglis Town Commission  
held the Special Commission Meeting  
Remotely via Zoom  
on January 13<sup>th</sup>, 2021 at 6:00 PM**

**Present Were:**

**Mayor Merritt, Comm. Brennan, Comm. Morin,  
Comm. Schwing, Comm. Webb, Comm. Williams  
Attorney Fugate**

**Special Agenda**

**1. To discuss and vote on the Clean Water SRF Planning Loan Agreement SG380411 between the Town of Inglis and the State of Florida Department of Environmental Protection. (Justin DeMello, Woodard & Curran)**

Commissioner Webb stated Justin DeMello with Woodard & Curran has a presentation ready for all in attendance.

Justin DeMello, Project Manager with the Environmental Consultant, Woodard & Curran, he is here tonight to speak to them about a Wastewater Funding opportunity with the Florida Department of Environmental Protection.

Mr. DeMello stated his is a very similar presentation to the one that was given back in October where the Commission voted positively to approve a Resolution for them to go forward and seek this opportunity, at this point D.E.P. has continued to respond favorably to offering the community the money and they have put together the agreement and presented that to the Town for signature.

Mr. DeMello stated there was discussion back in October that the Commission would have the opportunity to review that agreement prior to, despite approving the Resolution that they were going to move forward, so he is here today to go over what is in that agreement, the value that it is going to provide and again hopefully secure another positive vote on it.

Mr. DeMello stated just to give a quick project update, Woodard & Curran is currently in the final stages of completing the Wastewater Planning Grant that is through a State Grant with a value of \$572,178.00, to date as of today they have spent about \$380,000.00 of the \$572,178.00, and again that's all grant, they expect about an additional \$20,000.00 in additional expenses to finish their planning portion of the project, so that leave approximately \$172,000.00 in grant dollars that have been allocated to sewer projects in Inglis.

Mr. DeMello stated that the project is scheduled for delivery in February we were hoping to have it done in January but with everything, that is detailed as well so the draft should be ready for review in February.

Mr. DeMello state right now there is a funding opportunity with the Florida Department of Environmental Protection, in February of 2020 Inglis authorized Woodard & Curran to seek grant & loan funding opportunities for the Wastewater Project through a Resolution, Woodard & Curran on behalf of the Town of Inglis filed an application for funding with the D.E.P. SRF Program, D.E.P. has come back and said we have \$300,000.00 for you, of which it's a grant & loan project, so \$300,000.00 is divided into 50% grant/50% loan, so that would be \$150,000.00 in grant dollars and \$150,000.00 in loan dollars, if Inglis were to move forward with that without what we are calling creative financing, it would cost Inglis approximately \$165,000.00 in loan to do that because you have loan origination fees, interest and other things, so keep that in mind that there is about \$165,000.00 in loan dollars should they move forward without creative financing.

Mr. DeMello stated that Woodard & Curran has given their financing team that they have, what they would like to do is take the opportunity with D.E.P. but use about \$150,000.00 in the contract that the Town has already been awarded in grant and use that money that's left over to pay your loan portion with D.E.P. so what that would mean is that the \$572,000.00 project that was described at first, that they are not going to spend all of it to complete, will leave \$172,000.00 left remaining, we want to use that grant, and right there on that screen is the letter from Senator Bob Bradley saying that that was ok to use that grant dollar as local funds to match the loan amount that D.E.P. is going to give you.

Mr. DeMello stated so what this would do is essentially add about \$150,000.00 in additional Planning & Design dollars to the town without taking on any additional debt, so we would essentially have \$572,000.00 plus another \$150,000.00 to move your project forward, yes we'll be done with our portion of the Planning but that will allow us to continue moving forward with design or other elements to help you move forward with your Sewer System, again at no cost to any rate payers, we have discussed this with D.E.P. and they are fully on board with that model, all the funds are administered through D.E.P., it's the same paperwork that Darlene and I and the Mayor are doing now in terms of reimbursement, so they are fully on board with simply adding \$150,000.00 to your loan account now, so by entering into this F.D.E.P. Program the other benefit of it is that it's going to allow you to access higher percentage grant dollars available for later phases of the project.

Mr. DeMello stated just in Summary they have three (3) funding opportunities that we have for you, the first LFI Grant that they got from the State in 2017 that was \$500,000.00, that Feasibility Project is done, the current one they are in right now is a 2019 LFI, \$572,178.00, that's in progress and is projected to end at about \$400,000.00, now we have an opportunity in front of you that's pending, 2020 F.D.E.P. Grant/Loan 50-50 split but again you'll notice that bullet point right under it says no loan element, there will be, the loan portion will completely be paid by that 2019 State of Florida LFI Grant, so this again will add \$150,000.00 to the project to advance the sewer system without adding any additional debt or burden to the rate payers, so still to date we've done, we could do well over one million dollars and again at a zero cost to Inglis rate payers.

Mr. DeMello stated beyond that other funding opportunities that we continue to move forward for you guys, we're looking at D.E.P. to get in the next round of funding which will be September, that will be Planning dollars are done, let's get in for design, let's get in for construction, we are submitting parallel applications into F.D.E.P. and USDA both of those would enable you to access both design and construction dollars, both of those would include some portion of loan/grant of which we can probably leverage some and pay for the others, again to get that loan portion as far down to zero as we can that's the goal and then continue to put our name in the hat for the LFI process.

Mr. DeMello stated money may be tight this year because of the pandemic and the tax burden that it has had but the LFI process is still moving forward, the Governor has said there's money going to be invested in springs, in septic to sewer, we need to keep our name in that hat up at the State office so that we are in line, if we don't submit just because we think that no monies going to be available we will fall right off of their radar they'll say they're no longer interested so we encourage you to continue to submit the applications up there stay on the radar with the House & Senate make sure that they know that you guys want to move forward, that LFI is 100% Grant and that's enabling you to pay for your loan portions of those other projects, with that I will open it up to any questions that anyone from the Commission or audience has.

Commissioner Morin stated it is her understanding that the residents of Fanning Springs had a similar project and theirs was 100% completely paid for also by this process, am I correct?

Mr. DeMello stated he is not familiar with Fanning Springs, specifically that project, but it wouldn't surprise him.

Commissioner Morin stated she had spoken with a few of the Representatives in Fanning Springs and that is what she was told.

Mr. DeMello stated that is the goal with this project.

Commissioner Schwing asked Commissioner Morin if she knew what the monthly cost to each resident was.

Commissioner Schwing stated just to understand then, so the \$300,000.00, we will get \$300,000.00, \$150,000.00 of it will be the grant, \$150,000.00 the other portion will be out of the money that is previous from the \$572,178.00.

Mr. DeMello stated that's right, so because this all administered through the same D.E.P. Program and because it will just be paperwork back and forth they know this entire picture that has been painted and they have actually said we will just literally add \$150,000.00 in grant to your allocation, we won't go through this moving money from one pot to the next or sending loan paperwork all we're going to do is you've got \$572,000.00 right now we're going to add \$150,000.00 to it as opposed to you writing us a check and then us writing you checks back, they are on board with making it as simple and as seamless as possible, so that way there isn't money spent on grant and loan originations.

Commissioner Morin asked if Mr. DeMello could expand a little bit more about the septic to sewer initiative up in Tallahassee so that the taxpayers know that they're really gung-hoe on this and will be inspecting the septic systems.

Mr. DeMello stated at last years bill passing essentially the Governor inked a bill that would move septic tank inspections and all of their oversight from the Board of Health to the Florida Department of Environmental Protection and that bill which again has passed but there's going to be some period where they're figuring out how to implement it and enforce it but it moved to DEP and as part of it they're going to require mandatory septic inspections whether it's in year one or year five it's still to be determined, it is written in the law and if the septic fails you will be required to upgrade your system to get it to pass at your own expense.

Commissioner Williams asked if Fanning Springs has completed the construction of their Sewer System and do we know if it was 100% funded.

Town Clerk Darlene Slattery stated in the conversation she had with the Mayor of Fanning Springs the Sewer Project was 100% funded, the only requirement was for the residents to sign an easement waiver that would allow workers to gain access to their property for the connection of the sewer line to the home.

Commissioner Brennan stated this has been discussed and his feeling is the Town will need to do this sooner or later so if we think that we are going to get a better deal than what is being presented now and DEP is vey much wanting to get these types of systems hooked up as soon as possible.

Commissioner Webb stated before we go any further do we have a motion from the Commission.

Commissioner Williams asked about the Commercial side of this.

Commissioner Schwing stated this document is the document that is going to be signed and everywhere she reads it says loan in it, so where do we have it in writing that these funds are gong to be transferred differently than as a loan.

Mr. DeMello stated on page 14, it shows Planning Activities \$300,000.00 less LP (Legislative Funding) \$150,000.00, so that would be the grant that's transferred from the grant dollars that you have in the account

still sitting there to this program so the total/subtotal is right there at \$150,000.00 and less the grant which is the one they're offering you \$150,000.00 so total loan and principal amount zero dollars.

Mayor Merritt stated as far as she knows the commercial properties in Fanning Springs was connected through the same 100% grant, their whole Sewer System was 100% funded.

Judi Blum stated she just has a question, are we going to, you guys just passed a motion to go ahead and sign this before we've had a chance to discuss it?

Commissioner Webb stated that is how the process must move forward the Commission has to vote so that discussion can be held.

Judi Blum stated her concern is what the residents of Inglis want, I get that you all thinking that Inglis should grow to look like Crystal River or Dunnellon or anything like that but I would be curious to know what the residents really want to move forward with the sewer system and is there a possibility that if they're going to inspect the septic systems to get grant money to help people replace the ones that they have with another septic.

Commissioner Webb asked "They, being whom?"

Commissioner Morin stated it would be DEP.

Judi Blum asked if the residents choose not to have the Sewer then would they be able to get grant money to replace their septic if it was needed.

Commissioner Webb stated she does not have an answer to that, she does not know, from everything that she has read the focus is not on DEP helping the individuals it's the whole community.

Judi Blum stated she guesses her real question is do the residents really want this, have we taken a vote with the residents, have we put out flyers to the residents, asked their opinions?

Commissioner Morin asked Ms. Blum if she really thinks that putting the sewer system in is going to make us look like Crystal River because we are totally different than Crystal River.

Ms. Blum stated she believes that by putting in a sewer system, there's another method to the madness, and that's to develop 19, and see Taco Bell, McDonalds and big business all along 19, it's already been talked about, stuff a little north of us, I personally don't want to see that.

Commissioner Morin stated that would be up to the Town's Planning Commission to allow that to happen and she can pretty much tell them that 99% of the town people moved here for the reason that they are not Crystal River, we're not Brooksville.

Commissioner Williams stated they can still come in and build if the Planning Commission allowed them to come in and build, they can put in their own mini sewer system or put in a septic system that is big enough to handle it, now with that being said most of the places like McDonalds and all that won't spend the money to put in a septic system they would rather move somewhere where there is sewer without a doubt, but that still won't keep them from building if they think there's enough people here.

Commissioner Schwing stated a lot of people today don't go to the work place they work from home.

Commissioner Schwing stated DEP has a septic upgrade program directly from their website that is available to individuals and must be applied for by the individual.

Commissioner Williams stated that is for the new system, the aerobic system that Crystal River has made mandatory to be put in, with anything under an acre that is not able to hook to sewer, that system alone is \$10,000.00 in fact now it has gone up to about \$13,000.00 and if he's not mistaken what that grant is for, is for new houses being built.

Commissioner Schwing stated it says for upgrades.

Commissioner Williams stated it may be upgrade, but with the septic people he has spoken to and dealt with it has all been for new systems so far not upgrades.

Discussion followed.

Chief MacDonald stated in Senate Bill 712 that came out in December of last year and there is language that does provide funds to DEP through some kind of mechanism for sewer to septic conversion.

Michael White stated as a business owner he has actually had Mr. McQueen come and inspect his properties.

Steve Schwing addressed Mr. DeMello stating he had said the next report would be out in February, so in February what will the Commission have in order to be able to make a real firm decision.

Mr. DeMello stated what will be presented in February to the Commission will be a Planning Document that states, this is how much they feel the project is going to cost and that is pure engineering and installation costs of that project, treatment plant, collection system that is what they were paid to do, they were also asked to go out and look for grant and loan opportunities to help get that cost down, no person or community has 25-30 million dollars just hanging around without any grant funding at all, so how much of that is acquired in grant funds, they still unknown, even come February when the report is released, it's not going to say these five agencies are all ready to just throw money at the Town they won't know that until they apply for little grants as things develop and the only way is to continuously progress forward, he doesn't have a crystal ball, there is not one agency that will fund the entire project.

Steve Schwing stated they are into it for like a million dollars and they don't have anything yet and we realize that they aren't going to be able to give them a guarantee that this is what they will get in grant funding but we need to have the cost with who's going to get involved with them in the project and right now it sounds like it's going to be just Inglis so we need to know those numbers for Inglis really to move forward to make a really good decision, I realize we have to make this decision tonight but he can't see going forward until they get those numbers and it's been a while that they have been waiting to get those numbers.

Mr. DeMello stated there will be a series of meetings just like this spread out over maybe a decade that we come to you and say here is the information to make a decision right now and right now there is no loan associated with any of this is so do we have enough information to make this micro decision and in another year come to you with another grant opportunity at that point maybe it's split into loan/grant at that point we decide do we want to take it or do we not do we want to keep looking so it's a million micro decisions that need to happen at no point are we going to say alright here it is it's all laid on the table this is what we are going to do.

Judi Blum stated, "Did I miss something, or had it already been decided that this was feasible for Inglis and second is it going to be put to a referendum to the public."

Mr. DeMello stated he can answer the first question, this phase of the project is focused on Inglis so the number that's going to come out is Inglis dollars and from there again then we get into the other discussion of well how much of it's grant and that portion I can't tell you right now, all I can tell you is how much the whole project is going to cost and how we get there is still up to us, the second part of your question regarding a referendum, I

know that's a discussion for the Commission, but anything to do with DEP dollars, anytime we stew a facility plant or spend DEP dollars, it always has to come back to the public where there's a public participation period associated with it, so when we get those dollars through the SRF program it will come back and we will have to do a public participation period.

Commissioner Schwing asked how many water accounts there are in Town, and monthly on an average how many of them are delinquent?

Town Clerk Darlene Slattery stated there are approximately 850 water bills sent out monthly and as far as the monthly delinquent accounts Commissioner Schwing would need to ask the Water Clerk Cery Logeman that questions.

Commissioner Schwing asked Mr. DeMello about the numbers 30 to 50 million dollars for Inglis alone and then we do 10% of that, that's a lot of money, that's like 3 to 5 million for the Town of Inglis to be on the hook.

Mr. DeMello just to clarify for the record he has not seen the numbers in the final report, he doesn't know what it is going to say, 50 million is the number we put in the prior report where it included Yankeetown, Citrus County & Levy County so he suspects that number will come down more specific when talking about Inglis but I don't have that number prepared for you for the public consumption today.

Harry Brodhead addressed Mr. DeMello stating when talking about the 90/10 split on cost versus grant at what point in the construction does that number kick in or do you expect that to kick in, and secondly I know you can't crystal ball but if you were looking at a guesstimate, nothing anybody would hang you on, but if you got approval tonight and then sought to carry on, in your best guess how long of a project are you talking about, 2 years, 5 years, 10 years, 20 years to completion.

Mr. DeMello stated one of the nice things about the SRF Loan & Grant Program with DEP is that the community, they understand that the community is building on a system and they understand that not everyone starts flushing their toilets on day one to start accruing revenue, so one of the things with the DEP Program is you don't start paying back anything on your loan until 6 months after the completion of the project, so lets just say you started with one phase and you want to do this little down town section and build a little treatment plant and that was your phase one, for again let's just speak again in generalities, 5 million dollars, so we build up the collection system in phase one and let's just say that takes two years because that's a pretty typical schedule for a treatment plant and a bunch of miles of collection system ripping up the town because you don't want to rip up 30 miles of road all in the same two years, you've got to spread it out over a bunch of years, so if you're talking about covering the whole town of Inglis you might want to spread it out over 10 years because again you don't want to rip up every single street and there's not that many laborers and construction equipment to do that, so I would recommend ripping it up in phases, and again DEP doesn't require you to start paying back any portion of your loan dollars until 6 months after the completion of the project, the entire project, so if after phase one you are ready to move forward into phase two then the project continues, you don't start paying back any interest or any loan dollars on that until you're done with phase three, until you say I'm done with the program we've built out our system we're good, then that allows you over time to either start charging rates or start levying the rate in order to built your pot of money to start paying back, and again that's a DEP Program and that is why it is existing.

Michael White asked if the plant is going to be built to handle the capability of growth, if there was going to be a front foot assessment cost and what is the monthly charge going to be.

Mr. DeMello stated treatment plants are built out in phases and you may only want to build out the treatment plant for the first couple phases of the project because if the second or third phase, because if Citrus County or Yankeetown doesn't ever want to connect then you don't want to bare the burden of having this oversized

equipment that you can't maintain, so as part of this current feasibility and preliminary design that we are doing, what we're doing is implementing a scalable technology that as you grow as the community grows and as the community decides to expand, the treatment plant can begin to add on parts and pieces to it, such that it would grow with it we would add additional trains, that way you're not taking the initial for cost for building up this huge treatment plant and hoping everyone pumps and taking that on the rate payers back, we would size the treatment plant for the specific area and DEP doesn't allow you to do up to the exact gap you always have to have redundancy you always have to have two trains, so lets say the initial phase you want to do is 100,000 gallons you would have to design a 200,000 gallon treatment plant in the event that one was down you would have a backup for maintenance or whatever to serve that population, then another community says we have a ton of development in northern citrus county and we would like to shoot across the lower Withlacoochee and connect all that's over there, then you would say great well then you need to pay us this amount of money because we need to add another train to our system in order to accommodate that so write us a check we'll take it, we'll treat it.

Mr. DeMello stated he does not know what the final cost is going to be, that is contingent on how much grant portion we can get to contribute to the overall project and the monthly cost is voted on by the Commission.

Commissioner Morin stated as far as she is concerned, and it was agreed upon at the inception of this by the Commission that the front foot assessment and the connection was all a part of the grant and that the homeowner would not be charged any of that and that in her mind is the only way it will be passed.

Mr. DeMello stated after four years of being at this podium the goal is 100% and anything less than that may still happen but that's the goal and that's what they are shooting for.

Judi Blum asked if the cost for the maintenance of the sewer plant will be figured into what will be presented.

Mr. DeMello stated the O&M cost (Operation & Maintenance) will be part of the report that comes out.

Commissioner Brennan commented on the question that had been asked regarding the front foot lineage and the connection charge, stating that this cost would be included in the grant.

Steve Schwing asked if there has been a suitable location for the sight.

Mr. DeMello stated the planning document that is in progress of being completed now has cast a wider net of sights outside of Inglis to acquire some additional land for the purpose of getting rid of treated affluent from the treatment plant, that sight could accommodate not only the treatment plant as well as the spray fields or they could continue to use the Water Treatment Plant location for the Wastewater Plant since it is more centrally located and then just pump the treated affluent out to the limited access reuse sight that they would have further out into Levy County.

Michael White asked where is that, along 19 where Inglis already owns property?

Mr. DeMello stated that they do not have an exact location that they can provide, it is not an Inglis owned property I can tell you that and that is part of the reason we can't dispose the actual site because I it might change the value of it if it is publicly known, they evaluated at a desk top level 25 sights and whittled it down to 10 and did a more detailed dive and then had a hydrogeological engineer go out and drill holes and find suitability on at least three of those sights, the first sight that is most preferable I think gives you enough for Inglis but if you did want to add on and bring on more neighboring towns or communities or the area did grow substantially you would have to acquire another sight for additional disposal and again that's under the notion of well we need to whittle down the cost as much as possible we need to just do what we need now and as we

grow we'll add on more and that's again trying to get that big number down further by saying what do we need now.

Lenny Licata asked, just for clarification again, we are not going to have to start paying back until we have, until everybody is connected, until it's fully functional you're saying, correct?

Mr. DeMello stated that until the community says they are done in the SRF Program no payments will be made.

Commissioner Schwing stated she has two questions, the first one is do the commercial properties will pay more than the residential properties?

Mr. DeMello stated, "Generally yes it is up to the community to set the rates, in his experience it is generally more."

Commissioner Schwing stated her second question is, are there back up generators to all the pumping they are doing?

Mr. DeMello stated all the lift stations would have emergency backup generators, all of the critical equipment would be elevated above critical flood stage that's again some of the things that based on this geography and where we are, some of the things add cost to the project but those are things that are critical because the last thing that we want to do is spend millions of dollars and have it wiped out in the next storm.

Commissioner Schwing stated her reasoning behind the question was because as an Insurance Agent she has handled claims for backed up sewer and drain from sewers that get backed up into the homes and there is no control when you have a public system compared to having a septic system, and even in high condos in Clearwater Beach.

Mr. DeMello stated one of the things in the technology that was selected as part of the feasibility study in the first phase was a pressure-based system and those systems are all equipped with a check valve going back to each resident where it only allows it to flow in one direction which is out.

Commissioner Webb stated she would like to draw us back to the motion related to the agreement in front of the Commission.

Michael White spoke out from the floor asking if the verbiage was going to be changed on that as she asked before you guys vote on it?"

Mr. DeMello stated the correct verbiage is already in there.

Commissioner Webb stated the correct verbiage is on page 14.

Commissioner Schwing asked the residents that are here if after this meetings conversation, has it changed their your ideas or comments or thoughts of this program at all?

Commissioner Brennan commented about issues that arose from previous storms and the raw sewage from the septic tanks.

Commissioner Schwing stated, "She wants to state for the record why she is voting no, she is still looking for a Regional Sewer Authority, she is going to say no because she's not sure why we're doing this, the nitrates that are being produced, according to W.A.R., are coming from Ocala, Rainbow River, and I'm going to say no

because the residents that I've spoken too in the past month 98% of them have told me no and I'm voting for what they want which is no.

**Commissioner Morin made a motion to accept the loan/grant application. Commissioner Brennan seconded. Motion passed 4-1 with Commissioner Schwing voting Nay.**

**Commissioner Morin made a motion to adjourn. Commissioner Brennan seconded. Motion carried 5-0.**

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Attested By: Town Clerk

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Approved By: Mayor

Transcribed By: Darlene M. Slattery