

## COMMISSION WORKSHOP

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Mayor Nugent called the workshop to order regarding the Sludge Hauling from the BCR process. Present were Commissioner Tommy Chastain, Commissioner Carolyn B. Spooner, Commissioner Wilbur Waters, Commissioner Travis Woods, City Clerk Ricky Thompson, Police Chief Jeff Johnson, Fire Chief Tom Rowe, City Manager Tom Ernharth, Kyle Jerrels, and Attorney Sikes.

Mayor Nugent turned the workshop over to Mr. Ernharth.

Mr. Ernharth stated the purpose of this workshop is to discuss the sludge hauling. Mr. Nissen is here to discuss the contract side and Kyle Jerrels and Roger Slora from the Wastewater Plant to discuss the issues we run into operating the plant.

He gave a summary of what has been happening; back in March BCR gave the City a list of improvements that needed to be done. We received a cost estimate for the improvements; \$110,000 this included with the \$60,000 to \$70,000 they are asking for software upgrades; \$200,000 to improve the system that we are having with now.

In his Bi-weekly Report he mentioned the system shutting down. The operators have videotaped the system shutting down and pushing the system through manually.

When BCR ran the system 55% of the issues they had were software issues and 45% mechanical.

Mr. Jerrels added if the commission would like additional background he can provide operating times and issues along with cost.

He ran numbers for when BCR was here in March running the system and compared to the City operating the system. 130 hours of operator time for BCR the city ran 9 batches for a total of 140 hours. Last month the city spent 63 hours alone in overtime with a cost of roughly \$1,400 in added cost for one part of the system.

He requested some items he would like if the system is kept; solid meter, we are the only plant that doesn't have it, but is it going to fix the problems...no that isn't the case.

In his opinion the items they are suggesting we install are items that should have been with the system to begin with.

He believes the City has been throwing good money after bad, it takes a toll on his budget and operating expense.

Attorney Sikes added Mr. Nissen spoke with the commission last week about the facts to terminate the contract. If we stop using the BCR System; what are the options that the city would have to bypass the BCR system and are they realistic for the city. That is what the commission needs to hear.

Mr. Jerrels responded we have documents from ABS Dr. Whiteman from Orange Park; he believe we can achieve the A materials without the BCR at a fraction of the cost and his willing to come in and do a sixty day trial no questions ask. If we like it we will discuss cost and if we don't like it he walks away at no cost to the city.

Attorney Sikes added assuming the city would do that; that puts us at two different places; where would we be with BCR and if we don't like that what are our options.

Mr. Jerrels responded honestly he hasn't went too far because honestly he wasn't sure how this was going to go.

When we got the system 10 years ago BCR was the leading enervator with this. Now there are others out there and he is willing to do additional research. He was afraid to do too much in case BCR got word than it could hinder getting help from them.

If the system locks out we as operators have no controls to reset the system to start over. We have very limited access to resolve issues.

This system has hindered our plant operations; by looking at our new nutrients requirement; if we are not getting if we are not getting solids out of the plant like we are should, we are starting to hit limitations on our nutrient requirements for the NTDPs. If we go into violation with that we are in trouble.

Commissioner Spooner when the system was installed there was to be training for our personnel, user friendly, reduce overtime, we have spent over \$2 million for a system that hasn't worked and now there is a proposed projection of another \$225,000 with no guarantee it will work.

We should not invest any additional money but they have us in a position where they are in control because our operator's don't know how to fix or operate the system if it goes haywire with the program.

Mr. Jerrels responded that is correct.

Mayor Nugent asked if we went with the trial company for the 60 days and it doesn't work out; do we have the process to run it and carry our sludge off?

Mr. Jerrels responded until we go completely away from BCR we can still use the system if we are in trial or not. If something happens in the program we would be dead in the water.

Commissioner Spooner asked for clarification; the system belongs to the city?  
Attorney Sikes responded yes.

Mr. Nissen added most of it does belong to the city. You have a license to run the software. If you would terminate the relationship they would remove the generator.

Mr. Jerrels added if the commission would terminate the generator they would pull supplies the chemicals injections to the system and knock out the programing. He believes there would be other programmers out there to get it up and running.

He is fed up with the system as the commissioners are and he feels we should jump on board to see what alternatives we have and can find while the process is booted up and going good.

The biggest cost savings would be the overtime and the screw press. To go to the liquid we could get more sludge from the plant in a short amount of time.

Mr. Nissen added there are a couple of different goals the city can take. He is a special attorney that can help reach the goal.

Attorney Sikes recommended the City retain Mr. Nissen and have him prepare correspondence telling BCR the intension of the City is to seek suit for damages for the breach of contract and start the process and at the same time have Mr. Jerrels and Mr. Ernharth begin looking for options.

Mr. Nissen suggested a 60 days suspension were the city pays nothing and obligations are frozen while the city checks out the other systems.

Commissioner Woods stated we have thrown \$2 million dollars down the drain. Personally as a commissioner he cannot sit here in good judgment and let them walk away from this and not fix the plant to work like they said it would work. Mr. Nissen needs to write a letter for approval from the commission to send to BCR he has no issue waiting for their response before we do anything.

Attorney Sikes asked if it is the wishes of the commission to obtain Mr. Nissen as attorney for this issue?

Mr. Nissen added to write a letter highlighting the issues and giving a set amount of days to fix the issues. This would give additional leverage in front of a judge.

Attorney Sikes will bring the motions to the regular meeting under his section for approval.

Mayor Nugent asked if any additional information needed to be brought in front of the workshop; hearing none he closed the workshop.

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Daniel Nugent, Mayor  
Commissioner Tommy Chastain  
Commissioner Carolyn B. Spooner  
Commissioner Wilbur L. Waters  
Commissioner Travis V. Woods

Attest: \_\_\_\_\_  
Ricky Thompson, City Clerk