10/08/2026

The regular meeting of the Stuart Municipal Utility Board was called to order on the above date at 5:30 p.m. by Board Chairman Avey. Present were Board Members Belden (over the phone,) Sherman, Crawford (over the phone,) and Herrick. Also present were City Administrator Jalatama "Jolly" Omar, Deputy City Clerk Sarah Stouffer, Utility Superintendent Pat Howey, Chip Schultz, Forrest Aldrich, Dennis Harris, Dustin Foster, Ben Stouffer, Jon McDonald (over the phone,) and Steve Brick (over the phone.)

Moved by Sherman, seconded by Herrick to approve the Agenda.

Roll Call: All Ayes

Moved by Sherman, seconded by Herrick to approve the Consent Agenda:

A- Approval of Minutes of Regular Meeting of 09/10/2026
B- Approval of Financial Statement as of 09/30/2026
C- Approval of bills as presented

Roll Call: All Ayes

Utility Attorney Steve Brick of Brick Gentry, P.C. made a presentation to the Board regarding the first draft of an employment sharing agreement that would allow the City Council and Utility Board to negotiate a cost sharing agreement for the five employees in city hall who perform duties for both the City and Stuart Utilities. Brick explained that the agreement would include language to renegotiate or terminate the agreement in a timeframe that would allow both the City and Stuart Utilities to budget for changes to the agreement in the following fiscal year. Brick also explained that the employment sharing agreement would allow the Utility Board to provide input regarding the hiring, termination, and promotion of the shared employees included in the agreement, with the City Council retaining the sole power to hire, terminate, and promote employees in accordance with City policies and applicable law.

Jon McDonald of Civil Design Advantage made a presentation to the Board on behalf of Karl Chevrolet regarding a proposed site expansion on SW 8th Street. McDonald informed the Board that he has been working with Superintendent Howey regarding the location of utility infrastructure at the project site and informed the Board that there are no anticipated utility conflicts. Board member Belden thanked Karl Chevrolet for investing in the Stuart community.

Utility Engineer Forrest Aldrich of Veenstra & Kimm made a presentation to the Board regarding the possibility of adopting SUDAS (Statewide Urban Design and Specifications.) Aldrich explained that adopting SUDAS would apply the same standard requirements that are generally accepted statewide to public and private water distribution projects within Stuart Utility's water service area. Aldrich also explained that Stuart Utilities can adopt additional, supplemental requirements to SUDAS. The Board directed Utility Engineer Aldrich of Veenstra & Kimm to work with Water Superintendent Ben Stouffer to develop additional supplemental requirements to SUDAS.

Utility Engineer Forrest Aldrich of Veenstra & Kimm made a presentation to the Board regarding the results of the Water Supply and Treatment Study that was presented in April and discussed with the Board the previous conclusion that if Xenia continues to increase their rates 5% or more annually, it is recommended that the Utility further investigate a new water treatment plant and expansion/rehabilitation of the Jordan well and the Redfield alluvial wells, but that if Xenia starts to minimize rate increases and stays below 5% annually, continued use of Xenia as the Utility's drinking water source appears to be the more cost-effective alternative. Aldrich informed the Board that there are three grant and loan programs available that could help with the cost of a new water treatment plant and would potentially make building a new water treatment plant a more cost effective option than continuing to purchase water from Xenia. The grants and low interest loans would also reduce the water rate increases necessary to fund a water treatment plant project. If successful, Stuart Utilities could be awarded a grant from the WTFAP (Wastewater & Drinking Water Treatment Financial Assistance) of up to $1,000,000.00, a grant from the CDBG (Community Block Development Grant) of up to $500,000.00, and a low interest loan from the SRF (State Revolving Fund) of up to $2,000,000.00. Aldrich informed the Board that there is no obligation to proceed with the water treatment plant project if the grant and loan applications are successful. Aldrich proposed providing the Board with an agreement for services that would authorize Veenstra & Kimm to facilitate applying for the three grant and loan programs recommended by Aldrich for a cost of $3800.00.

Moved by Belden, seconded by Sherman to approve proceeding with the applications for the three grant and loan programs available for the water treatment plant project as recommended by Utility Engineer Forrest Aldrich of Veenstra & Kimm.

Roll Call: All Ayes

Financial Advisor Chip Schultz of PFM made a presentation to the Board regarding the EIRLP (Energy Infrastructure Revolving Loan Plan) for the Electric Substation Project and informed the Board that PFM is still finalizing the details necessary to close the loan. Schultz recommended that the Board consider refunding the balance of the Series 2017 electric revenue debt and requested that a special meeting be held to set the date of a public hearing on refunding the debt.

The Board will hold a special meeting Thursday, October 29, 2026 at 5:30 pm.

Board member Belden requested an update regarding the process of creating a round table of citizens to participate in discussions and give feedback regarding the electric rate study. City Administrator Omar informed the Board that he and Chairman Avey have discussed the process of recruiting participants for the round table discussion and informed the Board that notices will be sent out in the utility billing to inform electric customers of the opportunity to provide input during the roundtable discussion and also to encourage electric customers from all rate classes to apply for one of the five available seats available for electric customer participation in the roundtable discussion.

The Board approved the Monthly Reports submitted by City Administrator Omar, which included the Financial Report, Delinquent Account Report, Payment Agreement Report, Budget Billing Report, and Offset Program Report.

Adjournment at 6:30 pm

Minutes submitted by Deputy City Clerk Stouffer.

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Kim Avey, Chairman

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Jalatama “Jolly” Omar, City Administrator