

TIFA

SEPTEMBER 17, 2015

AGENDA

TIFA LLC MEETING AGENDA
September 17, 2015
11:00 a.m.
MEETING LOCATION
CITY OF TITUSVILLE
WATER RESOURCES
2836 GARDEN STREET – TITUSVILLE, FLORIDA

Roll Call

Action Items

- I. Approval of the Minutes of the TIFA LLC Meeting of August 13, 2015
(Presenter: Jim Perry)

Financial Items and Reports

- II. Ratification of Expenses Paid from Operating Account and Request for Reimbursement (Presenter: Jim Perry)
- III. Approval of Capital Call Notice (Presenter: Pat Gagliardi)

Staff Reports / Informational Items

- IV. Area IV Phase 2 Update (Presenter: Sean Stauffer)
- V. Discussion of Phase 2 Insurance Payment and Insurance Budget (Presenter: Pat Gagliardi)
- VI. Discussion of Phase 2 Wellfield Operations Schedule

Other Business

Public Comment

Next Scheduled Meeting

Open Items

Adjournment

FIRST ORDER OF BUSINESS

Date: September 10, 2015

To: TIFA LLC Management Committee

From: Sarah Sweeting, GMS, LLC

Subject: Approval of Minutes – August 13, 2015 TIFA LLC Meeting

Summary Explanation & Background: The draft minutes of the August 13, 2015 TIFA LLC meeting were previously circulated for review. The minutes of the TIFA LLC meeting are presented for review and approval. Since the draft minutes were circulated, comments were received from the City of Titusville on August 25, 2015 and Farnton Water Resources / Miami Corporation on August 27, 2015. The minutes were revised to reflect those comments. No other comments have been received.

Source of Funds: This action requires no funds.

Minutes of TIFA LLC Meeting
August 13, 2015
2:00 p.m.
City of Titusville Water Resources
Mourning Dove Water Plant
2836 Garden Street
Titusville, Florida 32796

Persons in Attendance

Mike Brown, Miami Corporation, TIFA Management Committee Member
Dwight Severs, City of Titusville, TIFA Management Committee Member
John Peterson, City of Titusville, Water Resources Manager
Sean Stauffer, City of Titusville, Water Resources Director
Richard Broome, City of Titusville, City Attorney
Andy Jantzer, City of Titusville, Water Resources Deputy Director
David Fuechtman, Farmton Water Resources (by telephone)
Barbra Goering, Farmton Water Resources (by telephone)
Susan Pattock, Farmton Water Resources (by telephone)
Jim Perry, GMS LLC

Jim Perry conducted the meeting.

Action Items

I. Approval of the Minutes of the TIFA LLC Meetings of June 30, 2015 and July 9, 2015 (Presenter: Jim Perry)

Member Brown moved to approve the June 30, 2015 meeting minutes. Member Severs concurred and the motion passed.

Member Severs moved to approve the July 9, 2015 meeting minutes. Member Brown concurred and the motion passed.

Financial Items and Reports

II. Ratification of Expenses Paid from Operating Account and Request for Reimbursement (Presenter: Jim Perry)

Member Brown moved to ratify the expenses paid from operating account and request reimbursement in the amount of \$10,675.06. Member Severs concurred and the motion passed.

III. Acceptance of Second Quarter 2015 Financial Statements (Presenter: Jim Perry)

Member Severs moved to accept the second quarter 2015 financial statements. Member Brown concurred and the motion passed.

IV. Approval of Capital Call Notice (Presenter: Jim Perry)

Member Severs moved to approve the capital call notice in the amount of \$229,975.78 each for a total of \$459,951.56. Member Brown concurred and the motion passed.

Staff Reports/Informational Items

V. Area IV Phase 2 Update (Presenter: Sean Stauffer)

Mr. Stauffer stated, I will start with the well drilling and at this point WR-5A all construction is complete, everything went very successfully, the grout seal is intact. There were videos during both static and dynamic testing and the seal was intact. They have done the step draw down, the results from that show the well is a good well, specific capacity was 42 gallons per minute [per foot of draw down] and to give you some reference that is better than all of the Phase 1 wells. At that level, CCI has recommended not to acidize and I think we all agree with that. The well is done and it turned out very good. At this point some of the last few things that need to be done, the beginning of next week they are going to do the final water quality testing and once we get the results we will be able to send that with the completion package to DEP for permitting and move forward with the outfitting.

Member Brown stated, I presume the outfitting will be following through shortly.

Mr. Stauffer stated, yes we have to do the final sampling and those sample results as well as all the information for the construction of the well goes to DEP and they have to issue a permit to construct and equip the well. Once we receive that permit then Felix can go out and start building and outfitting the well itself.

Member Severs asked how long do we estimate that will take?

Mr. Stauffer stated, probably two to three weeks to get the permit. We will do the sampling and it will take a week to get the results and a week or two with DEP and then we will take that to Felix and it takes them about a month to outfit the site. Once we have the permit in hand, we will get with Felix and figure out what their schedule is. A rough guess would be two to two and a half months.

Member Severs stated, it sounds like their ultimate completion date will be not in September.

Mr. Stauffer stated, there is some time before they are even able to get started.

The next project is the pipeline and well outfitting. They are pretty much complete; construction is complete all the bacteriological testing has passed for all the wells and all the raw water main. At this point we have permits for all of the raw water main and all the wells with the

exception of no. WR-3 and no. WR-7. We have already submitted those packages we assume we would see those shortly from DEP probably in the next week or so.

On August 5th and 6th we did startup testing on Wells WR-9, WR-8 and WR-4 startup testing went very well. I think we have a very high quality product. It went very smooth; the wells ran as they should, the equipment operated as it should. We have a few minor things that we need to tweak but everything went really well. We got a substantial completion checklist that was signed by the contractor on August 12th so they are working on those items and we are getting ready now to get the list of all items that we need so that we can close out those three wells and have them be finally complete and bring them all in for operation by TIFA.

We also have startup scheduled for the 19th and 20th and hopefully, we will have the two remaining permits at that point so we can on those two days do startup testing on the rest of the well field with the exception of WR-5A. I expect that startup testing to go even smoother since we have corrected a number of things. Typically, the first startup is the longest and all the things we found out on the first one, the contractor has corrected at the other well sites. Hopefully, in the next couple of weeks TIFA will have the first group of wells come on and then a week or two after that the rest will be operational.

Member Severs stated, we may have some wells come online during the month of August potentially.

Mr. Stauffer stated, we may. At this point there is not a lot of work for the contractor to do but we need to make sure that we get all the paperwork, the bonds, the warranties, all the contract documents signed and taken care of before we start operations. Our goal is to get that done and bring those four wells on as soon as we can.

Member Severs stated, the original budget was built around some startup starting in the month of July. Is that correct?

Mr. Stauffer stated, yes. At this point we are a little bit behind what our expectation was.

Member Severs asked, since we had estimated a certain amount of sales in the budget are we projecting to make up for some of that or run them as originally planned and have a lower sales on Phase 2?

Mr. Stauffer stated, I haven't spoken to Miami Corp. about it yet. It was something that we did in Phase 1 where we had a few of the wells come on early and we ran them a little bit more than what they had been projected to run to make up for the project coming in a little later. Currently under the consumptive use permit I think we have over 2 million gallons a day that we are allowed to get out of Area 4 for this year and clearly we won't make it.

Member Severs stated, the \$1.22 [per 1,000 gallons] was based upon a certain volume. Assuming we do not achieve that then we will have to make an adjustment at year end.

Mr. Stauffer stated, that is correct, we will do a look back again this year.

Member Brown asked, back to WR-5A how does the capacity of that well compare with the wells north and south of it?

Mr. Stauffer stated, the closest well is WR-4 was 51 gallons per minute per foot, WR-5A was at 42 and WR-6 was at 45. It is a touch lower but remember those were also acidized. I think the original WR-5 at least due to modeling was predicted to have a specific capacity of 44 gallons a minute [per foot of draw down]. We are right in the range of where we expected to be. I know there were some concerns we had the additional sleeve we put in that it might reduce some of the production of the well but it doesn't seem to have affected the well at all.

Other Business

Public Comment

Next Scheduled Meeting

The next scheduled meeting will be September 17, 2015 at 11:00 a.m.

Open Items

Adjournment

Member Brown moved to adjourn the meeting at 2:20 p.m. Member Severs concurred and the meeting adjourned.

SECOND ORDER OF BUSINESS

**TIFA LLC
INVOICE APPROVAL BY MANAGERS**

WHEREAS, the undersigned are the duly appointed and acting Managers of TIFA LLC, which operates pursuant to that certain Limited Liability Company Operating Agreement of TIFA LLC dated May 24, 2010 ("Operating Agreement"); and,

WHEREAS, at a duly called and noticed public meeting of the Managers as indicated below, the undersigned approved the contract and/or authorized the expenditure as indicated below, and further authorized the managers to execute the Invoice Approval by Managers form reflecting such authorized expenditures in order to process payments.

Previous Authorizations

TIFA Meeting Date	Approved	Total Contract or Expenditure Authorized
09/17/15	Imprest Account Reimbursement from Depository Account	See Attached

NOW, THEREFORE, the Managers of TIFA LLC, based upon the previous TIFA authorizations, approve the following payments:

Invoice Description	Total Amount	Pursuant to Previous TIFA Authorization Date	Invoice Payment
Transfer to imprest account at Northern Trust ending *8866	\$14,631.77*	09/17/15	To be Paid by TIFA upon this approval

***Note: Check 1122 was issued to replace check 1115 that was previously funded. Check 1125 has been voided.**

Except as otherwise set forth herein, defined terms shall have the meaning set forth in the Operating Agreement. This Action may be executed in several counterparts, and all counterparts so executed shall constitute one Approval binding on all parties.

IN WITNESS WHEREOF, the undersigned represent and warrant that each is the duly authorized and appointed agent of TIFA LLC.

Mike Brown, Manager

Dwight Severs, Manager

Date: _____, 2015

Date: _____, 2015

TIFA LLC
Check Detail
August 4 through September 10, 2015

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1121	08/07/2015	Florida Power & Li...		103.00 · Cash- Nort...		-194.31
Bill	11526...	08/06/2015			511.00 · Utilities	-97.49	97.49
Bill	54213...	08/06/2015			511.00 · Utilities	-96.82	96.82
TOTAL						-194.31	194.31
Bill Pmt -Check	1122	08/07/2015	The City of Titusville		103.00 · Cash- Nort...		-3,079.40
Bill	D-014	05/01/2015			501.00 · O&M Oper...	-140.48	140.48
Bill	D-015	05/04/2015			501.00 · O&M Oper...	-140.48	140.48
Bill	R-202	05/05/2015			501.00 · O&M Oper...	-220.22	220.22
Bill	R-203	05/06/2015			501.00 · O&M Oper...	-363.76	363.76
Bill	D-016	05/06/2015			501.00 · O&M Oper...	-363.76	363.76
Bill	R-204	05/12/2015			501.00 · O&M Oper...	-618.95	618.95
Bill	R-205	05/13/2015			501.00 · O&M Oper...	-363.76	363.76
Bill	R-206	05/20/2015			501.00 · O&M Oper...	-204.27	204.27
Bill	R-207	05/27/2015			501.00 · O&M Oper...	-331.86	331.86
Bill	D-017	05/27/2015			501.00 · O&M Oper...	-127.59	127.59
Bill	R-208	05/29/2015			501.00 · O&M Oper...	-204.27	204.27
TOTAL						-3,079.40	3,079.40
Bill Pmt -Check	1123	08/07/2015	Florida Power & Li...		103.00 · Cash- Nort...		-3,441.03
Bill	76646...	08/03/2015			511.00 · Utilities	-102.84	102.84
Bill	54996...	08/03/2015			511.00 · Utilities	-196.94	196.94
Bill	32610...	08/03/2015			511.00 · Utilities	-178.86	178.86
Bill	18790...	08/03/2015			511.00 · Utilities	-149.90	149.90
Bill	83665...	08/03/2015			511.00 · Utilities	-378.92	378.92
Bill	73681...	08/03/2015			511.00 · Utilities	-343.92	343.92
Bill	40983...	08/03/2015			511.00 · Utilities	-383.20	383.20
Bill	62400...	08/03/2015			511.00 · Utilities	-383.11	383.11
Bill	09060...	08/03/2015			511.00 · Utilities	-361.81	361.81
Bill	24869...	08/03/2015			511.00 · Utilities	-386.73	386.73
Bill	74008...	08/03/2015			511.00 · Utilities	-574.80	574.80
TOTAL						-3,441.03	3,441.03

TIFA LLC
Check Detail
August 4 through September 10, 2015

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1124	08/18/2015	Florida Power & Li...		103.00 · Cash- Nort...		-1,027.54
Bill	32610...	08/03/2015			511.00 · Utilities	-163.62	163.62
Bill	75317...	08/07/2015			511.00 · Utilities	-348.48	348.48
Bill	76646...	08/11/2015			511.00 · Utilities	-78.13	78.13
Bill	54996...	08/11/2015			511.00 · Utilities	-128.93	128.93
Bill	18790...	08/11/2015			511.00 · Utilities	-106.00	106.00
Bill	11526...	08/11/2015			511.00 · Utilities	-147.10	147.10
Bill	54213...	08/11/2015			511.00 · Utilities	-55.28	55.28
TOTAL						-1,027.54	1,027.54
Bill Pmt -Check	1125	08/24/2015	The City of Titusville		103.00 · Cash- Nort...		-2,313.85
Bill	R-215	07/01/2015			501.00 · O&M Oper...	-299.97	299.97
Bill	D-018	07/02/2015			501.00 · O&M Oper...	-172.37	172.37
Bill	R-216	07/08/2015			501.00 · O&M Oper...	-331.86	331.86
Bill	S-012	07/13/2015			501.00 · O&M Oper...	-172.37	172.37
Bill	S-013	07/14/2015			501.00 · O&M Oper...	-172.37	172.37
Bill	R-217	07/15/2015			501.00 · O&M Oper...	-299.97	299.97
Bill	R-218	07/22/2015			501.00 · O&M Oper...	-363.76	363.76
Bill	E-006	07/29/2015			501.00 · O&M Oper...	-156.43	156.43
Bill	R-219	07/29/2015			501.00 · O&M Oper...	-204.27	204.27
Bill	R-220	07/31/2015			501.00 · O&M Oper...	-140.48	140.48
TOTAL						-2,313.85	2,313.85
Bill Pmt -Check	1127	08/24/2015	CPH		103.00 · Cash- Nort...		-2,527.48
Bill	94014	07/14/2015			140.00 · Area IV We...	-2,527.48	2,527.48
TOTAL						-2,527.48	2,527.48
Check	1128	08/28/2015	Cardmember Service		103.00 · Cash- Nort...		-1,313.55
TOTAL					203.50 · Northern Tr...	-1,313.55	1,313.55
						-1,313.55	1,313.55

1:29 PM
09/10/15

TIFA LLC
Check Detail

August 4 through September 10, 2015

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1129	09/10/2015	Florida Power & Li...		103.00 · Cash- Nort...		-2,307.37
Bill	74008...	09/01/2015			511.00 · Utilities	-290.57	290.57
Bill	75317...	09/01/2015			511.00 · Utilities	-173.36	173.36
Bill	09060...	09/01/2015			511.00 · Utilities	-240.97	240.97
Bill	24869...	09/01/2015			511.00 · Utilities	-397.29	397.29
Bill	40983...	09/01/2015			511.00 · Utilities	-239.77	239.77
Bill	62400...	09/01/2015			511.00 · Utilities	-256.13	256.13
Bill	73681...	09/01/2015			511.00 · Utilities	-246.33	246.33
Bill	83665...	09/01/2015			511.00 · Utilities	-358.01	358.01
Bill	54213...	09/01/2015			511.00 · Utilities	-16.39	16.39
Bill	11526...	09/01/2015			511.00 · Utilities	-88.55	88.55
TOTAL						-2,307.37	2,307.37
Check	1130	09/10/2015	Cardmember Service		103.00 · Cash- Nort...		-1,506.64
TOTAL					203.50 · Northen Tr...	-1,506.64	1,506.64
						-1,506.64	1,506.64

THIRD ORDER OF BUSINESS

**TIFA LLC
2836 GARDEN STREET
TITUSVILLE, FLORIDA 32796**

September 17, 2015

Mr. Sean Stauffer
Water Resources Director
City of Titusville
2836 Garden Street
Titusville, Florida 32796

Ms. Barbra Goering
Vice President & Secretary
Farnton Water Resources, LLC
410 N. Michigan Avenue Suite 590
Chicago, Illinois 60611

CAPITAL CALL NOTICE

Pursuant to the TIFA LLC Operating Agreement Section 3.2 re: Construction Capital Contributions, a capital call to TIFA LLC is requested today in the amount of \$438,279.99 (\$219,139.99 from the City of Titusville and \$219,140.00 from Farnton Water Resources, LLC). Payment is to be made to the TIFA LLC Northern Trust main checking account within 30 days of receipt of this capital call notice.

Sincerely,

TIFA LLC

Michael A. Brown
Manager

Dwight W. Severs
Manager

TIFA LLC
Area IV Phase 2 Construction
Capital Contribution Worksheet

Construction Payments Made						Capital Call Requested (once payments exceed \$150,000)		
Payee	Call Date (Meeting Date)	Invoice #	Total Paid	Check Num	Check Date	City of Titusville	FWR LLC	Total
CPH Engineers, Inc.		82888	\$ 74,703.74	1001	1-Mar-13			
CPH Engineers, Inc.		83086	\$ 74,182.14	1006	10-Apr-13			
CPH Engineers, Inc.		83741	\$ 44,830.55	1008	8-May-13			
TOTAL	12-Jun-13		\$ 193,716.43			\$ 96,858.21	\$ 96,858.22	\$ 193,716.43
CPH Engineers, Inc.		83805	\$ 30,672.57	1011	28-Jun-13			
CPH Engineers, Inc.		83868	\$ 32,859.15	1013	17-Jul-13			
FL Dept of Rev		3/31/13	\$ 339.33	1019	20-Mar-13			
FP&L		---	\$ 7,200.00	1020	25-Sep-13			
Miami Corp.		---	\$ 43,200.00	1015	13-Aug-13			
FL Dept of Rev		6/30/13	\$ 172.71	1035	22-Aug-13			
CPH Engineers, Inc.		84663	\$ 9,220.80	1017	13-Aug-13			
CPH Engineers, Inc.		85078	\$ 8,638.19	1022	9-Oct-13			
CPH Engineers, Inc.		85535	\$ 10,070.38	1024	5-Nov-13			
CPH Engineers, Inc.		85621	\$ 12,742.21	1033	18-Dec-13			
TOTAL	18-Dec-13		\$ 155,115.34			\$ 77,557.67	\$ 77,557.67	\$ 155,115.34
CPH Engineers, Inc.		86286	\$ 5,208.91	1036	14-Jan-14			
Advance Well Drilling		1	\$ 17,089.17	1039	14-Jan-14			
CPH Engineers, Inc.		86350	\$ 4,637.07	1054	10-Feb-14			
CPH Engineers, Inc.		87088	\$ 14,814.20	1042	19-Mar-14			
Advance Well Drilling		2	\$ 11,106.00	1044	19-Mar-14			
CPH Engineers, Inc.		87453	\$ 6,733.81	1047	11-Apr-14			
Advance Well Drilling		3	\$ 40,752.00	1049	24-Apr-14			
Advance Well Drilling		4	\$ 41,364.00	1051	6-May-14			
CPH Engineers, Inc.		87584	\$ 5,807.55	1050	2-May-14			
Advance Well Drilling		5	\$ 63,041.40	1053	11-Jun-14			
CPH Engineers, Inc.		87649	\$ 18,032.03	1054	11-Jun-14			
TOTAL	25-Jun-14		\$ 228,386.14			\$ 114,193.07	\$ 114,193.07	\$ 228,386.14
Advance Well Drilling		6	\$ 116,584.00	1057	21-Jul-14			
CPH Engineers, Inc.		88520	\$ 10,440.64	1058	31-Jul-14			
Advance Well Drilling		7	\$ 68,499.20	1060	15-Aug-14			
CPH Engineers, Inc.		88860	\$ 581.86	1074	15-Jul-14			
FP&L		---	\$ 396,928.00	1076	14-Jan-15			
TOTAL	22-Aug-14		\$ 593,033.70			\$ 296,516.85	\$ 296,516.85	\$ 593,033.70
CPH Engineers, Inc.		88957	\$ 8,701.44	1062	2-Sep-14			
CPH Engineers, Inc.		89000	\$ 8,060.60	1064	16-Sep-14			
Advance Well Drilling		8	\$ 78,571.80	1065	16-Sep-14			
Felix & Associates		1	\$ 54,515.24	1067	22-Oct-14			
Advance Well Drilling		9	\$ 70,362.00	1068	22-Oct-14			
CPH Engineers, Inc.		89610	\$ 12,092.87	1069	31-Oct-14			
Advance Well Drilling		10	\$ 40,137.75	1071	18-Nov-14			
TOTAL	18-Nov-14		\$ 272,441.70			\$ 136,220.85	\$ 136,220.85	\$ 272,441.70
CPH Engineers, Inc.		90077	\$ 14,746.87	1074	12/16/14			
Advance Well Drilling		11	\$ 31,109.22	1075	12/29/14			
CPH Engineers, Inc.		90152	\$ 19,013.94	1077	1/14/15			
Felix & Associates		2	\$ 368,555.70	1078	1/24/15			
CPH Engineers, Inc.		90880	\$ 5,335.33	1081	2/9/15			
Advance Well Drilling		12	\$ 41,312.87	1080	2/4/15			
Easements (FWR) Cash (City)		---	\$ 40,280.00	N/A				
TOTAL	19-Feb-15		\$ 520,353.73			\$ 260,176.87	\$ 260,176.86	\$ 520,353.73
CPH Engineers, Inc.		91485	\$ 25,158.52	1084	2/27/15			
Felix & Associates		3	\$ 556,564.46	1086	3/19/15			
TOTAL	19-Mar-15		\$ 581,722.98			\$ 290,861.49	\$ 290,861.49	\$ 581,722.98
CPH Engineers, Inc.		91572	\$ 15,390.79	1089	3/30/15			
Advance Well Drilling		13	\$ 21,494.03	1088	3/30/15			
CPH Engineers, Inc.		91981	\$ 7,387.92	1091	4/22/15			
CPH Engineers, Inc.		92503	\$ 18,111.48	1094	5/18/15			
Felix & Associates		4	\$ 353,866.94	1092	5/6/15			
TOTAL	28-May-15		\$ 416,051.16			\$ 208,025.58	\$ 208,025.58	\$ 416,051.16
CPH Engineers, Inc.		92533	\$ 22,574.62	1097	6/2/15			
Felix & Associates		5	\$ 456,007.27	1099	6/24/15			
Advance Well Drilling		14	\$ 17,786.38	1100	6/29/15			
CPH Engineers, Inc.		93072	\$ 8,716.15	1101	7/8/15			
TOTAL	9-Jul-15		\$ 505,084.42			\$252,542.21	\$252,542.21	\$505,084.42
Felix & Associates		6	\$ 405,721.27	1102	7/24/15			
CPH Engineers, Inc.		93568	\$ 10,669.34	1103	7/24/15			
Advance Well Drilling		15	\$ 35,577.50	1104	7/31/15			
Florida Power & Light		1800085016-32	\$ 7,983.45	1093	5/12/15			
TOTAL			\$ 459,951.66			\$ 229,975.78	\$ 229,975.78	\$ 459,951.66
Felix & Associates		7	\$ 366,364.23	1106	8/13/15			
CPH Engineers, Inc.		94034	\$ 69,388.28	1107	8/24/15			
CPH Engineers, Inc.		94014	\$ 2,527.48	1127	8/24/15			
TOTAL			\$ 438,279.99			\$ 219,139.99	\$ 219,140.00	\$ 438,279.99

TOTAL PHASE 2 **\$ 4,364,137.15** **\$ 2,182,068.67** **\$ 2,182,068.58** **\$ 4,364,137.15**

Note (1): FWR LLC will contribute \$240,036.86 in cash and \$20,140 in easements.