

TAYLOR COASTAL WATER & SEWER DISTRICT

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MINUTES OF REGULAR COMMISSION MEETING

July 27, 2010

1. The meeting was held at the District Building at 5:30 PM on July 27, 2010. Present were:
COMMISSIONERS: Lee Bennett, Charles Carlton, Leland Carlton, Marcia Parker, Gennie Malone and Glenn Senter
TCW&SD STAFF: Jim Gooding, David Morgan, Diane Carlton and Shirley Shinholser
Chairman Bennett called the meeting to order and declared a quorum present.
2. The meeting was opened with prayer and the Pledge of Allegiance.
3. There were no guests present.
4. The Minutes of June 21, 2010 were presented. **A motion was made by Marcia Parker with a second by Charles Carlton to approve the Minutes as read. Minutes were adopted unanimously.**
5. Phase II Update – Shirley Shinholser
Rural Development concurs that Mr. Keith Halbrook, the proposed Resident Project Representative, is acceptable as the RPR for Phase II.
The signed Agreement and Payment and Performance Bonds from Anderson Columbia have been provided to Jones Edmunds who will prepare five (5) sets of executed contract documents for presentation to Steven Dicks, USDA-RD of Lake City. The contract price that was listed on the Notice to Proceed to Anderson Columbia (\$1,248,316.30) is \$5,194 greater than the Bid Award Amount (\$1,243,122.30) listed on USDA-RD correspondence of June 7, 2010. Bid Form Line Item #45, concrete encasement along Good Times Drive, was determined to be no longer required but the cost was not adjusted. USDA-RD and Anderson Columbia have agreed that we execute the contract at \$1,248,316.30 and deduct the \$5,194 with Change Order 1 which can be executed at the preconstruction meeting.
6. Staff and Committee Reports
 - a. Billing Reports/Items – Diane Carlton
June sales of \$28,511.84 were up in comparison with June 2009. Our past dues are in excellent shape. Receivables are down due to customer pre-payments. We gained one new customer – Blanton at Keaton Beach. Adjustments were routine yielding a gain of \$277.93. The Willard (Dekle Beach) and DeVane (Keaton Beach) accounts were reactivated with past due charges paid in full.
A motion was made by Glenn Senter to accept the Billing Supervisor's report as presented. A second was obtained from Leland Carlton and the motion was approved unanimously.
 - b. Financial Reports/Office Manager Items – Shirley Shinholser
As indicated on the Balance Sheet for June 30, 2010, we have sufficient funds in our Savings account to pay our upcoming USDA-RD payments on September 1, 2010 for the assumed TCU loan and the Phase I Wastewater Construction loan. As of June 30, 2010, our line-of-credit loan balance with Capital City Bank for Phase II pre-construction costs is \$230,972.73. Per Profit & Loss Budget Performance, our income for the first nine (9) month is \$15,078 less than budget. Continued efforts to minimize expenses enabled us to finish the third quarter with a gain in Net Ordinary Income of \$3,903 over budget. We have gained assets with the installation of three (3) customer funded grinder pumps to-date. Exceptional items noted on the expense report are: returned check charges (reimbursed in early July); reimbursement of Worker's Compensation Insurance costs due to audit of actual payroll; repair charges to a grinder pump control panel damaged by water infiltration; and, purchase of a 55-gallon drum of rust inhibitor for water treatment. Our quarterly Class Report indicates Water and Sewer are both self-supportive at this time. The Petty Cash report is provided for your review. **A motion was made by Gennie Malone to approve the**

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Financial Reports. Charles Carlton provided a second and the motion was approved unanimously. Glenn Senter mentioned that current beach rentals are for week-ends only resulting in reduced water usage.

c. Water Operational Issues – Jim Gooding

Florida Dept. of Environmental Protection has determined that the District can achieve four-log virus treatment of ground water wells by activating the treatment technologies prepared and presented by John K. Gentry, P.E. on April 22nd and July 2nd of 2010. A required step in this plan is to install a 1 ¼ inch line from the Water Treatment Plant to the distribution line at a point below service to the District Office. This line will supply process water to the Water Treatment Plant while maintaining the District Office as “first customer” assuring adequate chlorine contact time. Cost is estimated to be approximately \$1200. Considering current costs for repeat lab analyses, it will take about six years to recoup the cost of the line. Therefore, it is my recommendation that we continue with our current process until we begin to experience more frequent bacti hits on our supply wells. Occurrences to date have been infrequent and lasting anywhere from one to four months. An additional storage tank would solve the problem. **After general discussion, the Board, in consensus, chose to accept the recommendation of Jim Gooding, Water Operator, and continue to seek funding for an additional storage tank.**

d. Wastewater Operational Issues – David Morgan

The Wastewater Treatment Plant is in need of some exterior refinishing --- pressure wash, wire brush, prime and paint. **A motion was made by Glenn Senter that a spec sheet be prepared for consideration at the August Board meeting and a decision be made at that time regarding if and when to issue a Request for Proposals. The motion received a second from Charles Carlton and was unanimously approved.**

The road to the Plant has a couple of pot holes which need some fill.

7. OLD BUSINESS

a. Update on 2009 Omnibus Legislation, STAG funding (\$300,000)

A letter from the District accepting the responsibility to receive and apply the funds to upgrades and expansion of its existing drinking water and/or centralized wastewater systems and agreeing to abide by Federal regulations regarding such funding was mailed to EPA on June 23, 2010. The next step will be to determine the use of the funds and submit an application.

b. Funding for future Water improvements and Wastewater Expansion – Glenn Senter

We met with Cheryl King of Southeast Rural Community Assistance Program (SERCAP) on July 8th and discovered two possible options: State Revolving Loan Fund or USDA-RD grant/loan. Since we do not want to borrow any more than absolutely necessary, the recommended first step will be to apply for a Pre-Development Grant with USDA-RD enabling us to hire an engineer to identify the best upgrade for our District and costs involved. Once a Preliminary Engineering Report is obtained, we can seek additional funding. An elevated 80,000 gallon tank will cost approximately \$250,000.

a. Budget 2010-2011

The Proposed Budget for fiscal year 2010-2011 was presented with anticipated water and sewer income of \$339,290 which included six months of Phase II sewer income. Expenses were calculated with a 3% minimum increase and, coupled with calculated RD interest, totaled \$278,848.72 creating a net income of \$60,441. After considering budget debt services and reserves in the same amounts allotted for 2009-2010, there remains \$7,367 that can be allocated to savings or increased expense items. Since Phase II wastewater funding will provide additional replacement parts as well as some needed repairs in the Sewer Department, Chairman Bennett recommended that we consider completion of our Water Treatment Plant and additional upgrades to our water distribution system. It was also mentioned that the District’s service vehicle needs a new tailgate and may need additional maintenance this year. **A motion was made by Glenn Senter to accept the proposed budget as presented with the additional allocations of \$735 to expense item “Vehicle Maintenance” and \$6,632 to the Water Department, expense item “System/Plant Upgrades, Water”.** **Leland Carlton provided a second and the motion was approved unanimously.** The budget will be amended by staff, incorporated into the accounting system and forwarded to USDA-RD.

b. Office Manager Position

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Shirley Shinholser will continue as full-time Office Manager through September 2010. Beginning October 1, Diane will assume the position of Office Manager working three days per week; Shirley Shinholser will assume the position of Assistant Office Manager working three days per week. During the month of October 2010, the District will advertise for the position of Assistant Office Manager. Applicants will be reviewed in November and a new Assistant Manager hired to begin training on December 1, 2010 under Shirley Shinholser. The new Assistant Office Manager will take full possession of the position January 1, 2011 and Shirley Shinholser will no longer be employed by the District.

8. NEW BUSINESS

- a. Adopt Resolution 2010-07.1 – Authorize Execution of Owner-Contractor Agreement between Taylor Coastal Water and Sewer District and Anderson Columbia Company, Inc. for Taylor Coastal Centralized Wastewater System Phase II.
- b. Adopt Resolution 2010-07.2 – Designate Lemieul Lee Bennett- Chairman, Glenn E. Senter-Vice-Chairman and Shirley Shinholser-Secretary as authorized representatives empowered to take all action necessary or appropriate in the execution of all written instruments as may be required to or as evidence of Taylor Coastal Centralized Wastewater System Phase II.
- c. Adopt Resolution 2010-07.3 – Appoint Lemieul Lee Bennett, Glenn E. Senter, Lynda Aibejeris and Marcia K. Parker as authorized signers for banking purposes.

A motion was provided by Marcia Parker with a second by Leland Carlton to adopt the three above mentioned Resolutions 2010-07.1, 2010-07.2 and 2010-07.3. The motion was unanimously approved and all three resolutions were adopted.

9. CLOSING REMARKS – COMMISSIONERS/STAFF

- a. Charles Carlton – Since Taylor County's Board of County Commissioners has decided to allow RVs on site year-round, we need to encourage owners of all undeveloped lots to purchase a grinder pump and hopefully avert sewage dumping on land or in the water. Clarification should be made regarding State policies, County policies and District policies. We understand that density per lot is yet to be determined. Anyone with any comments should address our local County Commissioner.
- b. Marcia Parker – I'd like to see Anderson Columbia hire local people and help improve the economy of our County.

10. There being no further business or comments, upon motion and a second, the meeting was adjourned at 6:35 pm.

**The next regularly scheduled meeting will be held on
Tuesday, August 24, 2010 at 5:30**

Board Actions:

Approve Minutes of June 21, 2010
Approve Billing reports for June 2010
Approve Financial Reports for June 2010
Accept recommendation of Jim Gooding, Water Operator to postpone activation of 4-log Virus Treatment Plan
Approve preparation of spec sheet for WWTP refurbishing for consideration at August meeting
Accept Budget for 2010-2011 with recommended additions to expenses as noted
Adopt Resolution 2010-07.1, Resolution 2010-07.2 and Resolution 2010-07.3

Action Items:

Determine project(s) for 2009 Omnibus Legislation, STAG funding (\$300,000)
Pursue funding for water improvements and advancement of the Wastewater Collection System



Shirley Shinholser, Recording Secretary