

TAYLOR COASTAL WATER & SEWER DISTRICT

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MINUTES OF REGULAR COMMISSION MEETING

March 23, 2010

1. The meeting was held at the District Building at 5:30 PM on March 23, 2010. Present were:
COMMISSIONERS: Lee Bennett, Leland Carlton, Charles Carlton, Marcia Parker, Lynn Aibejeris, Tommy Mauldin 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. Guests were welcomed and the floor opened for comments/concerns for non-agendaed items
 - George Stamos inquired about the number of residential connections allowed per simplex grinder pump. He has attended a County workshop regarding RVs on residential lots and would like to know the position of the Board as it relates to DCA and USDA-RD guidelines. Chairman Bennett requested that Mr. Stamos research previous Minutes on line for information or provide a list of specific questions/concerns to the Office Manager for Board consideration. Past decisions regarding provision of sewer service have been made following established guidelines and/or a qualified judgment call. Mr. Stamos remarked that he would provide a list of questions in an effort to gain understanding that may aid the County in coordinating an ordinance with FEMA regulation as well as District services.
 - Attorney Trey Howard presented to each Commissioner an informational CD of Dr. Pruitt's latest proposed development, briefly reviewed the proposed development and asked for questions. Commissioner Senter questioned whether the Potable Water noted in Section 7(a) would be privately owned or be supplied through the District? Furthermore, Section 7(b), paragraph 4 states that the proposed wastewater plant will be built on District property. When was this authorized and by whom? Also, the next paragraph indicates that a new district will be formed. Has Suwannee River Water Management approved this? Florida Rural Water Association has just completed a Capacity Analysis for TCWSD which stresses that our current water supply is inadequate for fire service. Will Dr. Pruitt install a tower? Is he considering water reuse, particularly for the golf course? Mr. Howard responded that this is all preliminary; however, he will seek answers to the questions and provide technical data to the Board.
 - Bond Counsel George Smith presented approved documents from Capital City Bank to extend our Phase II Construction loan for up to one year to allow for processing of the USDA-RD bond closing. The following was also presented for adoption and signing

:
RESOLUTION NO. 2010-03 AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$401,000 WATER AND SEWER SYSTEM REVENUE BOND ANTICIPATION NOTE, SERIES 2010; PROVIDING FOR THE FORM OF SUCH NOTE; PROVIDING FOR THE PAYMENT THEREOF AND ENTERING INTO CERTAIN COVENANTS AND AGREEMENTS WITH THE OWNERS THEREOF; PROVIDING FOR THE NEGOTIATED AND PRIVATE SALE OF SUCH NOTE; FINDING THE NECESSITY OF A NEGOTIATED SALE; APPROVING THE SALE OF SAID NOTE TO THE ORIGINAL PURCHASER; AND PROVIDING AN EFFECTIVE DATE.

A motion was made by Glenn Senter to adopt Resolution No. 2010-03. A second was provided by Lynn Aibejeris and the motion adopted unanimously. All support documents were reviewed and signed.

4. The Minutes of February 23, 2010 were presented. **A motion was made by Lynn Aibejeris and seconded by Charles Carlton to approve the Minutes as read. Minutes were adopted unanimously.**

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5. Phase II Update

Notification of Closing Instructions and release to bid has been received from USDA-RD. Ads were placed with Perry Newspapers on March 19 and the Tallahassee Democrat on March 19 and 20. Notices were posted on the District and the TCCA web sites and at the District Office. The Pre-bid conference will be held on Tuesday, April 13, at 2:00 pm with the bid opening scheduled for Tuesday, April 27, at 2:00. Bond Counsel, George Smith, will secure interim financing with Capital City Bank; Attorney Trey Howard will submit Final Title Opinion and resubmit RD 442-21 and 442-22 without exceptions as requested by USDA-RD; and, the District will verify the current status of the \$750,000 STAG to be administered by EPA. A Pre-Construction Conference will be scheduled once we have gone to bid and RD has accepted executed contract documents. There will be a "dry run closing" for interim financing within 45 days before the loan amount expires. To date, we have used \$219,000 of the \$401,000 construction loan and will remain in close contact with Bond Counsel to ensure that the "pre-closing" can be scheduled 48 hours prior to exhaustion of funds. We expect the Phase II construction period to take place June through December 2010.

6. Staff and Committee Reports

a. Billing Supervisor's Reports – Diane Carlton

A billing insert regarding the designation of April as Water Conservation Month was placed in the March billing.

We have been approached with a request to reconnect water service for Arnold Duty at the corner of Spoonbill and Meeting House Road in Cedar Island East. His daughter (Yates) states that Mr. Duty's life expectancy is brief and he would like to return to his home for his final days. Since Mr. Duty has a bad well, he would like to be reconnected to District water. A record search revealed that there is no established account for Mr. Duty. We found a copy of a letter of termination written by the General Manager of TCU, Inc. dated in 1999. Per David Morgan, the earlier connection was granted under hardship without a membership or connection fee being paid and it's possible that the customer may have left owing a balance due. Should we treat this as a reconnect or a new account with appropriate charges? Chairman Bennett commented that we cannot evaluate the financial status of the family but we know hardship is a concern since the previous connection was requested by Blue Creek Baptist Church. Should they fail to make payment on a new monthly billing, we have a policy to place a lien on the property. **Glenn Senter provided a motion that we reconnect the water service, waive the \$100 connection fee, and forgive any and all possible past due amounts. A second was provided by Tommy Mauldin and the motion approved unanimously.**

Per our March Director's Report, sales increased from February last year but were less than January 2010. Routine adjustments were made. Past due accounts are in good shape. No new accounts were established and most existing accounts were at minimum usage. **A motion was made by Glenn Senter to accept the Billing Supervisor's report as presented. A second was obtained from Lynn Aibejeris and the motion was approved unanimously.**

Vice-Chairman Senter inquired whether or not there had been a connection request for an Ezell Beach property. Contractors for the owner have approached the District staff and been advised that water can be provided; however, there is no high ground available for a grinder pump placement so we cannot provide sewer service at this time without approved fill.

b. Office Manager's Reports – Shirley Shinholser

The February Balance Sheet notes USDA-RD payment/debt reserves in the amount of \$29,208 with an accrued interest balance of \$21,733.85 indicating that we should be able to make our interest payment plus principle on September 1. Per the P&L Budget Performance, year-to-date income is down but we have continued to corral expenses resulting in a positive net income for reserves. There were no exceptional expenses. **A motion was made by Tommy Mauldin to approve the Financial Reports. Charles Carlton provided a second and the motion was approved unanimously.**

c. Water Operational Issues – Jim Gooding

Once again, we have naturally occurring bacteria in our 6-inch well. We are completing DEP required documents to eliminate re-sampling events which costs about \$100 every two weeks. Per a new DEP rule, Contact Time (CT) calculations currently being recorded must be certified by an engineer. John Gentry is reviewing the procedure and will prepare a report to DEP.

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d. Wastewater Operational Issues – David Morgan

We experienced another line break along Highway 361 near the road to the County waste facility. The cause was a separated welded joint. Sewage was redirected to avoid excessive spill and, with the aid of DeYoung and Dickey, the repair was made in a timely manner. Contract costs for the repair totaled \$1150.

7. OLD BUSINESS

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

County Commission Chair, Mark Wiggins, signed the letter of request to EPA the week of February 16, 2010 but we have heard nothing more.

b. Capacity Analysis/Water Storage Tank

The Capacity Analysis of March 3, 2010 was received from Florida Rural Water Association with a list of recommendations for improvement including an elevated storage tank, increased capacity of the Booster Pump Station and replacement of one of our wells. Some of the values provided are questionable and the report needs further review. The District will continue to seek funding for the much needed improvements.

8. NEW BUSINESS

a. Funding for future Wastewater expansion

On March 9, 2010, we received a call from Congressman Boyd's aid, Travis Hart, advising that we must act immediately to get on the list for 2010 funding. Per Josh Gifford, any STAG will cover only 55% of a project cost. The other 45% of project funding must be obtained from State, County, local or individuals – not USDA-RD or any other Federal agency. Based upon a proposed cost of \$300,000 for the Fish Creek wastewater extension, we might obtain a STAG in the amount of \$165,000 and seek a 45% match to obtain the additional \$135,000. The District was placed on the list but can be removed, if desired.

The Commission is willing to seek funding for Phase III of the wastewater collection system which will extend sewer lines to Fish Creek and Spring Warrior. The item will be placed on the April 2010 Agenda for further discussion.

9. CLOSING REMARKS – COMMISSIONERS/STAFF

Commissioner Charles Carlton reminded the Board that the road to the wastewater plant is still in dire need of repair. Commissioner Senter will inquire with the County about price and availability of rock. Commissioner Charles Carlton is willing to spread the rock with his tractor.

10. There being no further business, Glenn Senter made a motion to adjourn; a second was received from Leland Carlton and the meeting was adjourned.

**The next regularly scheduled meeting will be held on
Tuesday, April 27, 2010 at 5:30**

Board Actions:

Adopt Resolution No. 2010-03 relative to the Phase II \$401,000 water and sewer system revenue bond anticipation note
Approve Minutes of February 23, 2010
Approve reconnection of Duty water service, waiving of connection fee and forgiveness of any past debt
Approve Billing Supervisor's reports for February 2010
Approve Financial Reports for February 2010

Action Items:

Pursue funding for recommended water improvements as stated in the Capacity Analysis of March 2010
Pursue funding for Phase III of the Wastewater Collection System



Shirley Shinholser, Recording Secretary