

TAYLOR COASTAL WATER & SEWER DISTRICT

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MINUTES OF REGULAR COMMISSION MEETING

May 22, 2012

1. The meeting was held at the District Building at 5:30 PM on May 22, 2012 present were:
COMMISSIONERS: Lynn Aibejeris, Charles Carlton, Billy Ezell, Gennie Malone and Glenn Senter.
Commissioners Lee Bennett and Marcia Parker were absent.

TCW&SD STAFF: Diane Carlton, Jim Gooding David Morgan and Lynette Senter were present. Chairman Senter called the meeting to order and declared a quorum present.
2. The meeting was opened with prayer and the Pledge of Allegiance to the Flag led by Commissioner Gennie Malone.
3. Chairman Senter welcomed guest Sean Murphy.
4. Chairman Senter asked the commissioners if everyone had received and reviewed the minutes of the April 24, 2012 board meeting that was sent electronically. All commissioners acknowledged they had received and reviewed the minutes. The chairman called for a motion to accept the minutes. **A motion was made by Commissioner Gennie Malone to approve the minutes with Commissioner Lynn Aibejeris offering a second. The minutes were approved unanimously.**
5. **Staff and Committee Reports**
 - A. Billing Reports/Items- Lynette Senter- Water and Sewer Sales for the month of April 2012 were above budget. There were no over 31 day past due accounts. We received one new water service request from Brian Clukie who has purchased a lot at Cedar Island. Adjustments for the month included non-potable adjustments in the amount of \$116.40; change of owners in the amount of \$500.00; 2 renter/owner transfers in the amount of \$200.00; disconnect/reconnect fees \$975.00 and \$284.80 to satisfy the collection account of Mike Beck who is deceased. This resulted in net adjustments of \$1,843.40. There were no questions from the Commissioners. Chairman Senter asked for a motion to accept the Billing Reports as presented. **A motion was made by Commissioner Charles Carlton to accept the Billing Reports as presented. Commissioner Lynn Aibejeris offered a second. The motion was approved unanimously.**
 - B. Other Assistant Office Manager Items: There were no other items to report.
 - C. Financial Reports/Office Manager Items – Diane Carlton- Total net income for April 2012 was above budget at \$12,561.42. Total expenses for the month were above budget at \$23,578.66. The main reason for the overage was that the water department incurred \$1,555.00 in lab expenses that are not routine but required by DEP. The water department also purchased a 55 gallon drum of aqua gold at \$799.00 which is purchased twice a year and a below grade valve box hydrant with ball valve was purchased at \$679.90. The total year to date income is \$43,431.96 which is less than the budgeted amount of \$69,444.31. This was due to some large ticket items that were due and payable in the first 6 months of the fiscal year. The expense breakdown was presented with notation to the water department items mentioned earlier. There were no questions from the Commissioners. Chairman Senter asked for a motion to accept the Financial Reports as presented. **A motion was made by Commissioner Gennie Malone to accept the Financial Reports. Commissioner Lynn Aibejeris provided a second. The motion was approved unanimously.**
 - D. Other Office Manager Items:
 1. Terry Demott of SRWMD reported that the gift offer of the land will go before the full board on June 12, 2012. He does not anticipate any problems. Upon approval a deed will be prepared and mailed to us for recording.
 2. We had issues this month with grinder pump installations involving Travis Beach for Big Bend Realty at Keaton Beach, Thomas Boatwright at Dekle Beach and Frank Russell at Keaton Beach. Travis and Frank purchased grinder pumps from Blue Rok. Fortunately they were the same pumps that we use and bought originally from the same vendor. Frank advised office staff that he was going to install the pumps. Office staff informed him that the District requires a licensed contractor and electrician; Frank advised that he would provide

TAYLOR COASTAL WATER & SEWER DISTRICT
MINUTES OF REGULAR COMMISSION MEETING

Page 2 of 4

copies of his license and insurance. He was given a copy of the specifications for installation. David met with Travis and Frank. It was discovered all the necessary parts were not included to install the grinder pumps. Travis was billed for the additional parts and questioned the cost of those and asked for specifications for a valve that David listed as missing. Frank failed to provide contractors and electrician license proof. Travis was informed that we could not use him for the installation until we confirmed his license and insurance information. Since Travis needed to go ahead with the installation he agreed to use Wayne Padgett and Bobby Joe Hires for his installation. We scheduled the installation and inspection. Installation went well. Water Resource Technologies inspected the pump and certified that it will be under warranty for one year. Both Frank and Travis feel that the cost of the grinder pump and the installation costs are far too high. I am continuing to obtain information and quotes to make grinder pump installations more affordable for customers who must purchase their own pumps and pay the labor to have them installed. The cost is still running about \$6,500 to \$7,000.00. Thomas Boatwright at Dekle Beach requested that his grinder pump be relocated. This was in April. He also complained about the cost of a licensed electrician for the electrical hook-up and chose to "hire his own" at a lesser cost. He was advised that we must have proof of license and insurance for the electrician. At no knowledge of ours and after the fact Mr. Boatwright advised us that his electrician had performed the electrical part of the hook-up. He had not provided any of the information about his contractor. When David went to inspect the electrical work he discovered that the circuit panel had been damaged. Mr. Boatwright was advised of this and billed for the part since it could not be repaired. He was informed again of the Districts policy and need to co-ordinate all installations and hook-up for our grinder pumps. Water Resource Technologies inspected this pump and it was certified for warranty. Frank has not been in touch with us since his request to install his own pump and our denial for his request. In discussion the board by consensus agreed that the District's policy for all grinder pump installations would remain in place and that all grinder pump installation will be performed by approved licensed and insured contractors. Customers that inquire about grinder pump installations are to be given a hand-out explaining the Districts policy and procedure. The customers will pay all monies to the District and the district will co-ordinate and approve all installations and then pay the contractors for the services performed upon inspection. If the customer does not abide by the Districts policy they will not be allowed to connect to the system. Chairman Senter advised office staff to prepare this hand-out and provide the board a copy.

3. Two Cedar Island customers came into the office to report the use of above ground holding tanks in their neighborhood. Each one reported the following water customers have above ground holding tanks on their properties; Benjye Tuten, Malcolm Page, David Cassidy, Brian Clukie and Jeff Swanson. It was expressed by both customers that they have great concern that the District would provide water service to these people and not require them to connect to the sewer. They both felt the District should make it mandatory for customers that have RV's on a property indefinitely should have to connect to the sewer the same as a stick built home. They expressed that millions of dollars had been spent to clean up the coastal area of septic tanks. It was explained that at the present time the District has no policy in place that would restrict us from providing water service to land owners that use their property for RV's. I did advise the customers that they should report this to the county building department and to the Health Department. I also made a call to both departments myself and asked them to see if any of these property owners were in violation of either department's rules and regulations. Chairman Senter made a request to Commissioner Charles Carlton to research this further and report back to the board at the next meeting with any recommendations. Chairman Senter offered to assist Commissioner Carlton.

4. DEP inquired about the status of a 5 year permit (for a retention/holding pond) that was issued to the District in 2004 and expired in 2009. They advised that we never furnished the as built to them. This pond was constructed in Phase I construction at the corner of Spoonbill and Sandhill Road. I have contacted Jones Edmunds for assistance and spoke to John Horvath. He is working with Laura Savage of DEP to resolve this issue.

5. The Auditor General for the State of Florida has requested a written explanation or rebuttal concerning deficiencies noted in the auditor's report on compliance and internal control including corrective action to be taken. This is a result of the Government Auditing Standards. I contacted our auditor Richard Powell of Powell and Associates. He explained that the reason for this is that we do not employ a Certified Public Account. He stated that under the Government Auditing Standards that he must include the statement that a "control deficiency exists when the District does not have the expertise necessary to prevent, detect and correct misstatements. A control deficiency exists in instances where the District is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles." This statement is in the audit report on page 26 under Financial Statement Preparation. He has offered to assist me with a response and he also has to prepare a response to you the commissioners.

TAYLOR COASTAL WATER & SEWER DISTRICT
MINUTES OF REGULAR COMMISSION MEETING

Page 3 of 4

E. Water Operations – Jim Gooding- On May 9 we experienced power and generator problems. This resulted in a boil water issue due to low water pressure. We were able to borrow a generator from Taylor County and it is on loan until the end of June. Ed Straka, the mechanic who made the last repair on our generator was contacted to see if it could be repaired. He does not recommend repair. He advised it would be too costly and that obtaining parts may be impossible due to the generator being at least 25 years of age. Florida Rural Water Association was contacted. They offered to do a need assessment which will determine how large a generator we need. They were also able to provide us with information about certain dealers that they have worked with so that we can obtain a discount. Since we must have a generator, I am requesting approval from the board to obtain bids and make the purchase. After board discussion and verification that monies were available in reserves for a purchase estimated to be around \$20,000.00, **Commissioner Gennie Malone made a motion that three bids be obtained after receiving the information from Florida Rural Water association concerning the recommended size. The bids should be obtained from the two dealers that Florida Rural Water Association has worked with to offer discounts and at least one from a local dealer. The District may purchase the generator by going with the lowest bid. Commissioner Charles Carlton offered a second and the motion carried unanimously.**

F. Wastewater Operations – David Morgan The Waste Water Plant had its annual DEP inspection on May 14. We were cited for incorrect entries on the Monthly Operator Reports. We were also cited for boards floating in our pond. The boards had broken loose from the access ladder. They have been removed. The inspector will issue a written report giving us a certain amount of time to correct these issues. The office staff has already begun to correct the reports. The errors were due to office staff using the wrong readings when entering in the numbers needed for averaging.

6. OLD BUSINESS

- A. **Update on SPA Grant (\$300,000.00) (Water/Sewer Improvements Funding)** – Diane Carlton- I spoke to Mr. Holroyd of DEP. He was not familiar with the exact waiver process. A new person will be replacing the person in charge of that area in June. I have not made any progress on requesting the waiver.
- B. **Update on EPA Grant Funding (\$750,000.00)** Diane Carlton The fund balance remains at \$292,500.86. Contractors pay request #10 has been submitted. I have been in discussion with EPA employee Conredge Lewis for advice on what is required by EPA to close out the original contract and to approve an extension of funds availability for the remainder of the work we wish to do.
- C. Update on Phase II Construction – Diane Carlton- Chairman Senter has reviewed the final closeout documents. He will be signing these this evening and they will be forwarded to USDA-RD for their review and approval. The bid package for the additional work of the 13 additional grinder pumps to be installed is at USDA-RD now for review. It is my understanding that they sent the package back to Jones Edmunds to re submit on an up-dated form. We were not copied on that correspondence. Rachel Haeseler of Jones Edmunds advised me that they had received the package back, but that the issue was resolved and this would not have to be done. We have received a proposal from Jones Edmunds for providing Resident Project Representative Services for the 13 grinder pump installations. I recommend that it be forwarded to USDA-RD for their review prior to our approval. This is due to the hourly rate of \$85.00 per hour which is far greater than what John Gentry had proposed. The commissioners agreed by consensus to forward the proposal to USDA-Rd for review and recommendation of approval.

7. NEW BUSINESS

- A. Consider purchasing a Back-Up Generator for Water Treatment Plant- This item was addressed earlier in the Water Operations section.

8. CLOSING REMARKS – COMMISSIONERS/STAFF

Office Manager Diane Carlton- Commissioner Marcia Parker is sick and will possibly be unable to attend meetings on a regular basis. Diane also advised the board that the office will be closed Monday May 28th in observance of Memorial Day.

There were no other comments.

9. MOTION TO ADJOURN

TAYLOR COASTAL WATER & SEWER DISTRICT
MINUTES OF REGULAR COMMISSION MEETING

Page 4 of 4

There being no further business or comments and **upon motion by Commissioner Gennie Malone with a second by Commissioner Lynn Aibejeris to adjourn and the motion being approved unanimously. The meeting was adjourned at 6:50 p.m.**

The next regularly scheduled meeting will be held on Tuesday June 26, 2012 at 5:30 p.m.

Board Actions:

Approve minutes of April 24, 2012
Approve Directors Report for April 2012
Approve Financial Reports for April 2012
Approve the purchase of a Generator for the Water Treatment Plant

Action Items:

Consider an Employee Pay Increase at the July 2012 board meeting or when budget is reviewed
Consider approving a part time position described as Operator Trainee at the July 2012 meeting
Consider a District Policy to enforce the mandatory hook-up to sewer if RV customers are within 200 feet of our existing sewer lines as described in the District Ordinance.
Continue to explore ways to make sewer connection more affordable for customers that were not covered for hook-up under grant funding.

By: M. Diane Carlton, Recording Secretary
Taylor Coastal Water and Sewer District