

TAYLOR COASTAL WATER & SEWER DISTRICT
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MINUTES OF REGULAR COMMISSION MEETING
August 28, 2007

1. The meeting was held at the District Building at 5:30 PM on August 28, 2007. Present were:
COMMISSIONERS: Glenn Senter, Lonnie A. Houck, Lee Bennett, Tommy Mauldin, Jim Moody, Travis Beach, Lynn Aibejeris
TCW&SD STAFF: John Gentry, Jim Gooding, Diane Carlton, David Morgan, and Shirley Shinholser
Chairman Senter called the meeting to order and declared a quorum present.
2. The meeting was opened with prayer and the Pledge of Allegiance.
3. Our guest, Danny Collins of Haskell, will address Phase II Funding.
4. The Minutes of our July 24, 2007 meeting were presented. **A motion was made by Lee Bennett and seconded by Tommy Mauldin to approve the Minutes as read. Minutes were adopted unanimously.**
5. Staff and Committee Reports
 - Phase II Collection System & Funding Update – John Gentry
We held our Application Conference with Mary Gavin of USDA-RD, Marianna, and Peggy Johns of the Lake City RD office on August 16th and reviewed the list of documents to be completed. John Horvath of Jones Edmunds joined us via phone. We are seeking a 75%/25% grant/loan versus the normal 55%/45% ratio from RD to cover the balance of the costs for Phase II after application of the \$750,000 STAG Grant.
We are already approved for a \$200,000 SRF loan from the State that we can activate to continue with the design drawings now that the PER and EA are complete. The surveying and drawings will require about six months. Our biggest concern right now is our declining revenue. We really need to hear from RD to know if and when we can proceed to connect existing residents to the Phase II collection system. New developments/growth will need to be considered under a separate phase.
 - Management Issues – John Gentry
Our understanding from the recent DCA and Taylor County hearings is:
 - 1) There will be a maximum of twelve (12) units per acre in CHHA with water and sewer;
 - 2) There will be no density transfer off State conservation lands;
 - 3) Only performance-based septic systems will be allowed in the CHHA;
 - 4) The County will be required to perform a study on fire, roads, etc.The cost of the performance-based septic systems will encourage developers to connect to our existing system. As much as 80% of the proposed Cedar Island East development is in the flood zone and may be considered for inclusion in our system. ***We need to adopt a policy regarding mandatory versus voluntary connection.***
The grinder pump vent snorkels are continuing to be a problem. We recently reviewed a drawing from Jones Edmunds regarding an alternative vent that can be used by installing a vent between the customers existing cleanout and the grinder pump and attaching a 2" vent line to existing pilings or poles for support.
The Board requests that Mr. Gentry prepare recommended guidelines and fees assuring that the District will maintain control over the revision.
 - Financial Reports
Billing Supervisor's Report – Diane Carlton
Our water and sewer sales are approximately \$1,000 less than July 2006. We have collected two (2) bad debts (Archer & Shaeffer) which brought in approximately \$1,000 when the properties changed ownership. Our past dues are in good shape with only Hugh Poppell, Ezell Beach, outstanding at \$132.62. The account has been turned off but is still accruing late fees. Mr. Poppell is not responding to our contacts so we may need to write him off as a bad debt at year end and collect the past due plus re-connect fees in the future.

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The fees for filing a judgment are rather steep and not feasible for small accounts. Since our current system is working, we recommend that we continue with our current procedures. **Board agreed to continue with existing collection policy.**

Office Manager's Report – Shirley Shinholser

Commissioners were asked to review Form 8-B regarding abstaining from voting due to personal interests and be prepared to complete as needed.

Attorney Bill Blue has advised that there IS a mortgage on Mr. Brooks's property at Cedar Island. The just value on the property is \$225,000 with taxable value listed as \$379,000. We could have a foreclosure sale to recoup costs. It is difficult to garnish wages or a bank account due to his being out of state. The Final Judgment against Mr. Brooks is for \$12,357.07 with interest at the legal rate (currently 11%). **A motion was made by Travis Beach that we leave the Final Judgment as is accruing 11% interest and notify Mr. Brooks via regular mail that we will disconnect his water to alleviate pollution if payment in full for all costs is not received within thirty (30) days. A second was obtained from Lynn Aibejeris and the motion passed unanimously.** All charges are to be paid in full before a grinder pump will be installed and water re-connected.

Per request of Taylor County Finance Department, we visited the FRS web site to obtain past and current retirement rates for August 2003 through June 2007 and prepared a spreadsheet indicating amounts due per employee per month/year. Wage amounts paid in July and August were also supplied to the County although no retirement contributions were calculated since we do not have evidence of the true rate for this 6-month period. It is believed that it will continue at .985 but that rate was not posted on the FRS web site and has not yet been verified by the County. Per our calculations, the amount due for August 2003 through June 2007 is \$ 29,519.23 plus any penalties assigned by FRS for late reporting/payment. Upon receipt of payment, each of our employees will be contacted individually by FRS regarding vesting and to discuss benefit plans offered. It is estimated that our current annual retirement costs will be \$ 11, 650 which has been included in our proposed budget for 2007-2008. We have not yet heard from the County regarding whether or not we will be authorized to establish our own reporting unit nor what the plans may be regarding reimbursement of past due benefits.

We have set aside monthly reserves for RD and will be prepared to make our payments on September 1. Our Phase II Pre-Development grant monies (\$14,020) were received from RD and payment made to Jones Edmunds for the preparation of the PER and EA. Although our July 2007 sales were slightly above budget, we are still \$22,881 short of anticipated YTD income. We have managed to keep our operating expenses confined below budget creating a net ordinary income of \$42,676.65 to apply to our long-term liabilities. We will be able to meet our financial obligations for the year, but will have minimal reserves. **A motion was made by Lonnie A. Houck and seconded by Tommy Mauldin to approve the July 2007 Financial Reports as presented. The motion was approved.**

Our drafted budget for 2007-2008 reflects a short fall of nearly \$50,000 due to decreased income and added liabilities. Additional fees for rental transfer and water/sewer disconnects may be considered in addition to considering a rate increase to bring in additional income. **Other data will be gathered for review and a plan of action determined at the September meeting.**

- Water Operational Issues – Jim Gooding

We have no water operational issues. We have been working on the interior completion of the Wastewater O&M building. The exterior windows have been installed and additional lime rock has been poured at the entrances. Materials have been ordered to construct the interior walls.

- Wastewater Operational Issues – David Morgan

The hay in the spray field is not growing well. If we are going to consider having someone gather the hay versus hiring someone to mow the weeds, we need to consider fertilization.

We would like to keep the current grinder pump installation for testing purposes and install another unit near the newly constructed O&M building. The electrical power to the current GP also supports the fans in our storage trains. Tri-County electric is checking our options regarding provision of power to the new building and costs involved.

The right-of-way on Sandhill Road needs mowing. **We will see if the County will mow and/or how much Mr. Butler will charge to mow the areas near the plant.**

6. OLD BUSINESS

7. NEW BUSINESS

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8. A motion was made by Travis Beach; a second received from Lee Bennett, and the meeting was adjourned at 6:50 pm.

(The next meeting is scheduled for Tuesday, September 25th, at 5:30.)

Board Actions:

1. Approve Minutes of the meeting on July 24, 2007
2. Accept August financial reports as read.
3. Approve continuance with existing collection policy
4. Approve continuance of Final Judgment against Mr. Timothy Brooks and notify Mr. Brooks that his water will be disconnected to alleviate pollution if payment in full for all costs is not received within thirty (30) days
5. Approve July 2007 Financial Reports

Action Items:

1. Adopt a policy regarding mandatory versus voluntary wastewater connection
2. Prepare recommended guidelines and fees for alternative vent for Grinder Pump
3. Gather additional data for 2007-2008 budget preparation
4. Inquire about mowing of Sandhill Road right-of-way

Shirley Shinholser
Secretary