

TAYLOR COASTAL WATER & SEWER DISTRICT
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MINUTES OF REGULAR COMMISSION MEETING
January 22, 2007

1. The meeting was held at the District Building at 5:30 PM on January 22, 2007. Present were:
COMMISSIONERS: Glenn Senter, Travis Beach, Lynn Aibejeris, Lee Bennett, & Tommy Mauldin
TCW&SD STAFF: John Gentry, Jim Gooding, David Morgan, Diane Carlton, 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. Election of officers was held for the upcoming year. Glenn Senter was nominated by Travis Beach to serve as Chairman for a second year; Tommy Mauldin seconded the nomination. Per a motion made by Travis Beach and seconded by Lynn Aibejeris, the nominations ceased. There being no other nominees, Glenn Senter was elected as Chairman. Tommy Mauldin nominated Travis Beach to serve a second term as Vice-Chairman. Lee Bennett seconded the nomination. A motion was made and seconded that nominations cease. There being no other nominees, Travis Beach was elected as Vice-Chairman.
4. Our guest, Danny Collins of Haskell, was welcomed and will be speaking later concerning Phase II funding.
5. The minutes of our meeting on December 19, 2006 were presented. **A motion was made by Travis Beach and seconded by Lee Bennett to approve the minutes as read. Minutes were adopted unanimously.** The Board was reminded that the Minutes are posted on our website at www.tcwsd.org for the public to view.
6. Staff and Committee Reports
 - Sewer Project Update – John Gentry
We have received our final portion of EPA grant monies and are currently submitting invoices to Rural Development for approval to spend the funds. We currently have \$95,532.41 in our Wastewater checking account with an additional \$5,468.77 to receive from USDA-RD. With RD's approval, we have made a deposit on our WWTP office/lab/shop building which is to be delivered on February 28th. We are awaiting the drawings so that a permit can be obtained (at no cost per County personnel) and the foundation can be prepared. We have also ordered (2) bay doors for the building, which should arrive within 1-2 weeks and be installed when the building is erected. We have in savings \$43,884.00 in monies received for grinder pumps installed by our contractor on lots that did not qualify for grant funding. With the addition of these funds to what we currently have in Wastewater Construction Checking, we should be able to complete our WWTP building, purchase spare parts and other desired equipment, upgrade our Water Plant office, and still have funds to provide a \$2,000 rebate to the twelve (12) customers as discussed at last month's meeting. We estimate that we will have about \$7,700 remaining after the rebates, which may be used on additional expenses involved with our WWTP and/or WTP construction.
 - Financial Reports
Director's Report - Diane Carlton
Our sales are up by \$1,048 from last month. We gained one (1) new account and two (2) reconnects. Ron Sheaffer has been disconnected due to non-payment. We sent a letter regarding the \$304.35 past due balance and the letter was returned with no forwarding address. We will notify the realtor that, per policy, the new owner will be required to pay the past due plus the reconnect fees. Our adjustments primarily involved second meters for non-potable water. Some of our customers "choose" to pay late but only Ron Sheaffer is truly "past due".

Financial Report- Shirley Shinholser
Per November Board action, we diversified our first quarter Water Connection Fees by placing \$500 in Capital Improvements, \$500 in Cash Reserve, and \$1,000 in Funded Depreciation. All accounts involved are sub-accounts of Savings. Our December income of \$27,653.87 with expenses of \$28,881.07 resulted in a loss of \$1,227.20 for the month. Abnormal expenses include networking our office computers, hiring part-

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time labor to assist with water and wastewater tasks, and the purchase of numerous safety equipment items which will be reimbursed from grant monies. Our first quarter Profit/Loss Report indicates a profit of

\$2,700.80 for the three-month period, which is \$9,336.88 less than our anticipated gain per our budget. This is due to our "slow" season and profits should begin to increase with spring.

- Management Issues – John Gentry

DeYoung & Dickey is in the process of installing eight (8) additional grinder pumps in the Phase I coverage area. A final inspection will be performed before payment is rendered.

(Glenn Senter) The refusal of Dr. Timothy Brooks of Cedar Island to have his "free" grinder pump installed because he preferred a different system and did not want to pay sewer charges has resulted in \$2,787 in attorney fees to date. Our legal advisor, Bill Blue, says "Personal service has failed again (for the second time). Service by publication will begin Friday. Mr. Brooks will be deemed legally served by operation of law on Tuesday, March 27, 2007. He will then have twenty days to respond (April 16, 2007). If he fails to respond, a default will be entered against him immediately, and then a hearing set (at the court's convenience, 1-2 weeks) for the final judgment authorizing the relief requested." **The Board agreed in general consensus to wait until April 16th to consider our options.**

- Water Operational Issues – Jim Gooding

We are experiencing a problem with iron reducing bacteria (not life-threatening) in both our 6" and our 8" wells. Only the raw water is testing positive; the disinfected water for our customers is testing negative. We have disinfected both wells and are awaiting labs and DEP instructions before proceeding further.

I completed my required training for this year by attending a session in Marianna on January 17, 2007 where we discussed DEP required valve exercise programs, valve "insertions", bulk water sales, and electronic meter reading. We reviewed new equipment on the market and new regulations being developed that may require an above ground backflow preventor for each customer. There are also several new tools on the market for reading meters which would require that our units be retrofitted at a high premium. Water sampling techniques, Cross Connection Control, and Backflow Prevention programs were also included in the discussion.

(Glenn Senter) The County Health Department has contacted me with a request to make a presentation of their fluoride induction system at our next meeting. It is my understanding that they will fund the training, the equipment, and the first year's supplies. **In consensus, the Board agreed to hear the presentation at the February meeting.**

- Wastewater Operational Issues – David Morgan

Everything is going well at the plant and in the field. *Per Glenn Senter's request, David is to check the spray field for hog damage.*

- Phase II Funding – Danny Collins

Haskell has submitted the Community Budget Issue Request (CBIR) to the State Legislature along with the Request for Inclusion (RFI), which puts us on the list to be considered. In your hands is the drafted copy of the loan application. The next step is to complete and sign the loan papers for pre-construction costs of \$202,415. This loan will not require payments for about two (2) years and the monies can roll into the main loan. Needed attachments will include a letter from the legal advisor and a resolution by the Board to secure the funds. No change is required in the RFI. Haskell will be seeking one (1) million from the State. DEP will fund pre-development costs. We also anticipate available funding from Congressman Boyd's office. Our pre-development grant from Rural Development used to pay Jones Edmunds for the Environmental Assessment and Preliminary Engineering Report may be refunded. **A motion was made by Travis Beach that we adopt the drafted loan application with revisions to be made as needed for the final submittal and that the Board adopt a resolution so stating our support of the loan. A second was received from Lynn Aibejeris and the motion passed unanimously.**

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7. OLD BUSINESS

- Update on proposed meeting with TCBC

We have not yet received a proposed date from the County for our joint meeting to discuss the role, responsibilities, and the current involvement of the District in supplying water and sewer to existing customers and proposed new developments. A special session is preferred to allow ample time to discuss RD restrictions on subdivided lots, proposed new developments, and others concerns. The District exists to serve the community regardless of personal opinions. It is our desire that the District and the TCBC have confidence in one another and stand together. Once the date is set, an agenda will be prepared in an effort to see that all items of concern are discussed.

- Rebates for Septic tanks abandoned to purchase a Grinder Pump

Per request of the Board Chairman, an Email was sent to all District Commissioners requesting that they review an attached list of proposed recipients of a \$2,000 rebate and voice their desire regarding disbursement of these funds. Commissioners Senter, Aibejeris, Mauldin, and Moody responded via Email to the Office Manager indicating that they are in favor of issuing a \$2,000 rebate to the twelve (12) customers who chose to abandon an approved, operative septic tank and purchase a grinder pump since they were not covered under grant funding due to not being an active water user on March 20, 2002. Since our contractor made false promises and there seemed to be several misconceptions by the public about the restrictions governing the grant funding, Commissioners Beach and Bennett agreed to go on record as being in favor of the rebates. Commissioner Houck will be contacted again and a written response requested.

In consensus, the Board agreed to issue a \$2,000 rebate to the twelve (12) customers who abandoned an approved, functioning septic tank to purchase a grinder pump since they were not covered under grant funding because they were not active water users on March 20, 2002.

8. NEW BUSINESS

- Consider a directional decision for provision of water/wastewater to Magnolia Bay – John Gentry

In late November 2006, we met with representatives of Magnolia Bay and requested a Feasibility Study to identify needs and determine best method of provision. They responded with a letter of December 28, 2006 sharing three alternatives being explored and inquiring about costs and expected participation by the District to make future planning decisions. In our response, they were advised that the District plans to be fully involved with the provision of water and wastewater service for the project from planning to operation and that anticipated costs to provide service to the property line and a time schedule will be estimated following receipt/review of the feasibility study which we have not received to date although it was promised in December 2006 and again by January 15, 2007. We received another Email on January 19th stating that the owner/Developer would like to use TCW&SD services, but determination of the best and/or most cost effective alternative cannot be completed until costs to provide service to the property line are proposed. The letter cites the flow estimates to be Maximum Daily Flow of 0.30; Average Daily Flow of 0.19, and Peak Hourly Flow of 0.56 Mgal/day and again states that the Draft Feasibility Report is forthcoming. As a non-profit, we do not add overhead to any costs. The cost will basically be determined by “cost to build” divided by the number of customers served. The actual costs are impossible to determine without the Feasibility Study, but we can respond with our best estimate and once again note that all charges are to be paid by Magnolia Bay and the District expects adherence to our standards of quality regardless of who may build. Per our policy, the Developer has to cover engineering costs as well. They are to hire, figure, and present. Building on property owned by Dr. Pruitt versus expanding our current facility will create double operator and DEP testing/monitoring costs and does not seem feasible. We will respond with the best estimates we can provide without the feasibility study.

9. A motion to adjourn was presented by Travis Beach, seconded by Tommy Mauldin, and the meeting was adjourned.

(The next meeting is scheduled for Tuesday, February 27th at 5:30)

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Board Actions:

1. Election of Chairman Glenn Senter and Vice-Chairman Travis Beach
2. Approval of minutes of December 19, 2006
3. Approve continued pursuit of Timothy Brooks until April 16, 2007 before reviewing options
4. Approved February presentation by County Health Dept. regarding fluoride induction system
5. Adopted FDEP loan application for low interest funding for Phase II preconstruction and a resolution of support for the loan as presented by Haskell
6. Approve \$2,000 rebate to twelve (12) customers who abandoned an approved, functioning septic tank to purchase a grinder pump and were not covered under grant funding

Action Items:

1. Pursue joint meeting with Taylor County Commissioners
2. Respond to latest mail from Magnolia Bay concerning water/wastewater provision and cost estimates



Shirley Shinholser
Secretary