

TAYLOR COASTAL WATER & SEWER DISTRICT
18820 BEACH ROAD
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MINUTES OF REGULAR COMMISSION MEETING
June 26, 2007

1. The meeting was held at the District Building at 5:30 PM on June 26, 2007. Present were:
COMMISSIONERS: Glenn Senter, Travis Beach, Lee Bennett, Lynn Aibejeris*, Jim Moody**
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. Our guest, Danny Collins of Haskell, will address Phase II Funding.
4. The Minutes of our May 21, 2007 meeting were presented. **A motion was made by Travis Beach and seconded by Lynn Aibejeris to approve the Minutes as read. Minutes were adopted unanimously.**
5. Staff and Committee Reports
 - Phase II Collection System Update – John Gentry
We've been talking with John Horvath of Jones Edmunds regarding the construction of the Phase II collection system for our 100 existing customers in Dekle Beach, Dark Island, and Fish Creek. We were reminded that the Phase I treatment system is designed to accommodate all the existing Beach communities plus minimal growth. The addition of the 40,000 gallon tank was planned for excessive growth and need not be installed at this time. The opinion of total probable project costs for Phase II as presented in Table 6.2 on page 6-5 of the Phase II PER of May 22, 2007 is \$2,368,003.
 - Phase II Funding – Danny Collins
The District is pre-approved for the DEP SRF Preconstruction amount of \$200,000 which can be activated at any time for Planning/Engineering costs. If desired, these funds can be rolled into a DEP SRF Construction loan at 2.52% which will delay payment dates (4-5 yrs). The 2005 STAG Grant appropriated by Congressman Boyd's office through EPA is a reimbursement grant of approximately \$716,000 after EPA's 3% cut from the top and is to be used for Construction costs only. We should know by the end of the summer if a second Special Appropriations EPA grant being sought by Congressman Boyd for the same amount will be awarded. There are no State appropriations this year but we are pushing Will Kendricks and our new Senator for flexible grant money through a 2008 CBIR; however, we will not know if these funds are available until May/June 2008. Jim Dean of USDA-RD Marianna office is very familiar with this project and has stated that, once EPA and Florida Legislative grants are secured, the District should qualify for a 45%/55% grant loan (~5.25%), but the exact ratio will not be known until RD performs a loan determination and compares costs to statewide averages. In summary, we currently have \$750,000 delegated for construction costs through the 2005 EPA Special Appropriation grant and are seeking a second STAG grant for an additional \$750,000. The balance of 1 million may be obtained from RD grant/loan (~40yrs @ ~5.25%) or from DEP SRF (30 yrs @ 2.52%). The District has funds available now through DEP SRF (\$200,000) to begin planning/engineering for Phase II which could take 8-9 months to complete. Following discussion, the Board asked John Gentry and Danny Collins to run some numbers to determine the outcome of obtaining the 1 million from RD versus SRF. We will discuss this again next month to determine what action should be taken.
 - Management Issues – John Gentry
Our Wastewater O&M building is near completion. As previously determined, Jim Gooding and David Morgan are to do the interior work (paneling, interior trim, flooring, etc.). Lynn Construction will complete their portion of the construction once Jim and David are ready. We anticipate a completed project in one to two months.
Our first Sludge Analysis revealed that our metals content is well within the FL DEP bio solids limitations. Joseph Cheatham, Wastewater Operations Manager for City of Tallahassee, is preparing a Letter of Acceptance versus a contract to receive our sludge since our volumes are so small. The charge for treatment and disposal of our sludge will be 7 cents per gallon delivered to the Thomas P. Smith Water Reclamation Facility at 3805 Springhill Road in Tallahassee. We are negotiating with Freddie Gunter of

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Perry and Johnnie White of Steinhatchee regarding the hauling of the sludge to the Tallahassee facility. We anticipate hauling 1800 gallons 2-3 times per year at approximately \$450 per trip. Due to plant operations and/or low flow, we currently have only 2 ft. (~2,000 gallons) of sludge in our 10'-12' deep tank; therefore, it will be a few months before we need to remove any sludge.

We are continuing to experience a sludge build up at our lift stations which hinders our float system from activating the motors in a timely manner. Thanks to David's monitoring, we avoided a hazardous overflow at Lift Station #1. We have contacted ITT Flygt, LLC regarding a flush valve and/or a mixer specifically designed to address this problem and should be receiving input from their representative, Dave Williams, within the next week.

Per DEP requirements, we have recently completed and published our 2006 Consumer Confidence Report (CCR) regarding Water Quality. Thanks to the efforts of our Water Operator, Jim Gooding, we once again had no reportable findings and produced an excellent Water Quality Report. In addition to being published in the local paper, the CCR is available on our website at www.tcwsd.org and copies are obtainable at the District Office.

- Financial Reports

Billing Supervisor's Report – Diane Carlton

Our total current charges are \$381.12 less than last month due to fewer late payments and an increase in adjustments. Fomby Hardin disputed his bill and received a one-time adjustment. We suspect that a construction crew left the water on since no leaks were discovered. Our Past Dues are in good shape with Poppell and Shaeffer now in the collections account. We've been notified that the Shaeffer property has changed hands and have advised the new owners of the past due balance and the re-connect fees that must be paid before water and sewer service can be reactivated. We are continuing to bill Poppell each month and, to date, no mail has been returned so we assume that he or his family is aware of the past due balance.

Office Manager's Report – Shirley Shinholser

Our CD at Citizen's State Bank matured on 6/17/07 and was renewed in the amount of \$17,821.00 on June 18, 2007 for one (1) year at 5.55%. Monthly payments to Accounts Receivable are continuing to be made by three (3) customers for grinder pump installations. Our May sales which were below expectation and our elevated expenses due to needed repairs and parts purchases resulted in a loss for the month of \$500.39. Our YTD net ordinary income is \$215.00 below budget. As expected, today's billing for services May 20 through June 20 indicates an increase in sales which should bring us in line with our budget.

We attended a non-jury trial on Monday, June 18, 2007 for our case against Timothy Brooks. The Judge ruled in our favor and gave Mr. Brooks 48 hours to respond to Attorney Bill Blue regarding reimbursement of costs/losses to the District relative to his failure to connect to our wastewater system. He did not respond and Mr. Blue is now preparing a final judgment.

We are continuing to work with Taylor County Emergency Management by providing to them the physical address and coordinates of our primary water and wastewater facilities. Chief Spillman has not yet been able to reschedule his tour of our area.

In our efforts to gather information regarding personnel benefits, we visited with the Personnel Manager of the City of Perry who provided us with a copy of their Employee Manual and some pertinent information that will help us in our efforts.

A new Sharp AL1655CS copier/scanner/printer has been purchased for the District office providing cost savings for printing plus the ability to scan documents for the creation of PDF files. The Sharp AL-1631 copier purchased in April 2006 for \$194.99 is no longer needed. Discussion was held regarding trashing the unit or donating it to another entity. **A motion was made by Jim Moody to donate the copier to Perry Church of God on South Center Street. A second was received from Travis Beach and the motion approved.**

- Water Operational Issues – Jim Gooding

In addition to providing Emergency Management with physical addresses and coordinates as stated previously, we have created maps indicating the location of our "fill only" fire hydrants and flush valves. Our hydrant at Dekle Beach was used by the Division of Forestry during the recent brush fire on Dr. Pruitt's property and functioned well.

We have installed our new 72 gallon diesel fuel tank purchased from Ezell Industries providing twice as much fuel on hand as we previously had.

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Utility Services, Inc. was here Friday, June 22, to clean and inspect our 10,000 gallon tank. The tank is in good shape and requires no repairs at this time.

Per DEP requirements, we are in the process of identifying and exercising our isolation valves.

As noted last month, our wells are seated in an underground river and the water level shows no extreme change over previous years.

- Wastewater Operational Issues – David Morgan

The Wastewater Plant is operating smoothly. Ketring Power Technologies has completed the repair on two (2) of our stock grinder pumps. On May 29th, we discovered a defective weld on a tee at the exit pipe from the Grackle Grade lift station to the treatment plant and installed a repair clamp. On June 12th, we discovered the sludge problem at Lift Station #1 as previously mentioned and are continuing our efforts to monitor and prevent other occurrences.

6. OLD BUSINESS

- Review Employee Wages – John Gentry/Glenn Senter

Further review of the study material provided last month suggests that the position and pay of David Morgan may be misidentified. Since he has the ability to assist the Water Operator and is pursuing his license as a Wastewater Operator in addition to his field duties, we will attempt to find a new classification and pay scale for him. The Board decided to discuss this issue at the July meeting giving time for further evaluation by Commissioners who were absent at the May meeting when the material was first distributed. Salary increases will be considered in stages. Further research will be conducted regarding benefits.

7. NEW BUSINESS

- Discuss provision of water & sewer to Cedar Island East (~126 lots) – John Gentry

The Cedar Island East development is close to becoming a viable subdivision. The side road lots are big enough to have a septic tank and many of them are not within 200' of our existing wastewater collection lines. We feel that proximity to our water source and the fact that some of the lots are in or near a flood zone warrant serious consideration for connection to our wastewater system. We could approach and encourage the developer to connect to our system versus investing \$4,000 each for septic tanks. All lines required for water and/or sewer need to be installed prior to road paving. We will need to consider abandonment of the 2" lines currently in the development and provision of 4" and 3" supply lines. The greatest cost factor will be to jack and bore Highway 361 for the water source. Board requests that John Gentry obtain an estimate for installing new water and sewer lines to accommodate the development so that we will be prepared to discuss the options and costs with the developer. Furthermore, the Board will endeavor to be sure that a consistent policy is in place for this and all future developments.

8. A motion was made by Travis Beach, a second received from Lee Bennett, and the meeting was adjourned.

(The next meeting is scheduled for Tuesday, July 24th, at 5:30.)

Board Actions:

1. Approve Minutes of May 21, 2007.
2. Approve donation of AL-1631 copier to Perry Church of God.

Action Items:

1. Consider obtaining additional Phase II funds from RD versus SRF
2. Review proposed wage increases and consider a benefit package
3. Secure an estimate for installation of water supply lines and wastewater collection lines for Cedar Island East



Shirley Shinholser
Secretary

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* Commissioner Aibejeris departed at 5:45

** Commissioner Moody arrived at 5:55