

TAYLOR COASTAL WATER & SEWER DISTRICT
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MINUTES OF REGULAR COMMISSION MEETING
September 25, 2007

1. The meeting was held at the District Building at 5:30 PM on September 25, 2007. Present were:
COMMISSIONERS: Glenn Senter, Lonnie A. Houck, Tommy Mauldin, and Lynn Aibejeris
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, is available to address Phase II Funding.
4. The Minutes of our August 28, 2007 meeting were presented. **A motion was made by Lonnie A. Houck 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
Our grant application packet is near completion and will be submitted to Rural Development as requested by September 30th. We are awaiting Grant approval and advisement of the grant/loan ratio from RD before we proceed with the Phase II engineering process using pre-approved State Revolving Loan funds.
 - Management Issues – John Gentry/Glenn Senter
The Taylor County Board of County Commissioners has given us a letter of authorization to apply to the State of Florida's Division of Retirement for an independent reporting number. *Per general consensus of the Board, a letter of request will be drafted.* (Glenn) Previously, the Board asked Shirley to inquire about benefits for our employees. In the process, the Florida Retirement System (FRS) advised us that the County should have been reporting our employee wages to FRS from day of creation in October 2000 because we are a Dependent Special District. After consultation with our auditor, we determined that the District did not have employees until July 1, 2003 when assets and liabilities were officially transferred from TCU, Inc. to the District. It was determined that \$31,423.94 in past due retirement for the period July 1, 2003 through August 2007 was due and payable immediately with penalties and interest yet to be determined. When the County Clerk called to request a check for this amount, we advised her that this is an unexpected expense and funds are not available. We acknowledged that this is a legal debt, which we cannot pay at this time. We attended the TCBC meeting on September 4th when we were advised that the FRS matter would be discussed. The County agreed to loan the District the funds necessary to pay the past due retirement (July 2003-August 2007) plus penalties and interest so that additional penalties and interest may be avoided. County Attorney, Conrad Bishop, will negotiate with FRS to reduce current penalties and interest. I advised the County that the matter must be brought before the District Board. (John) Since that County meeting, I have been advised by FRS that because I took early retirement from the State in May 2004 while (unknowingly) working for an FRS employer, my retirement may be cancelled and I must reimburse FRS for all funds withdrawn. My future employment with the District is questionable. *Chairman Senter proposed that the District consider hiring John Gentry and/or Coastal Resources as contract labor.*
 - Billing Supervisor's Report – Diane Carlton
Our total current charges for August in the amount of \$28,163 are down from the previous month. We've lost four accounts due to disconnect. Our past dues are in good shape. Poppell at Ezell Beach has not yet made any effort to address his account and will be transferred to bad debt at end of year. Non-potable water adjustments were offset by transfer fees resulting in a minimal amount of \$32.39 in our adjustments account. We are continuing to bill Chappell for water service to his vacant lot. The home has changed ownership and the account is current. We mailed a letter to Mr. Brooks as directed by the Board at the last meeting. If full payment for all costs is not received in the mail, his water service at Cedar Island will be disconnected Thursday. *Board requested that we start tracking account disconnects to observe the trend.*

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- Office Manager's Report – Shirley Shinholser

The TCBC has changed their meeting previously scheduled for December 11th to December 18th --- the same date as our scheduled December meeting. (In consensus, the Board agreed to leave our scheduled meeting as is due to holidays.)

A 2007 Sunshine Seminar is scheduled for Monday, October 8, in Tallahassee should anyone be able to attend.

As noted on our August 31st Balance Sheet, we transferred allocated funds to our Operating Account for the RD payments due and payable on September 1, 2007. Although our total income for the year to date is \$23,450 less than anticipated, we have kept our operating expenses minimized and generated enough ordinary income to meet our current annual obligations. Funds are available in our Construction Account to address the bulk of anticipated completion costs for our O&M building at the Wastewater site.

- Water Operational Issues – Jim Gooding

Everything in our water department is doing well. We've been busy with the interior construction of the Wastewater O&M building. We have installed the wall paneling and insulation and are waiting for Lynn's Construction to complete the plumbing, HVAC, and cabinetry so that we can do our finish work. District furnishings from the leased trailer have been stacked in the shop area for distribution to the various workstations when complete. The pick-up driver was not able to remove the leased trailer from the sugary sand so we contacted Melvin's Hauling to move the trailer to firmer ground. We anticipate departure within a week.

- Wastewater Operational Issues – David Morgan
No further comments.

6. OLD BUSINESS

- Alternative Vent for Grinder Pump

At the request of the Board we have formulated an instructional sheet/cost advisory for the alternative vent as suggested by Jones Edmunds Engineering. **Lonnie A. Houck made a motion that we adopt the optional alternative vent and costs to the customer as presented. A second was received from Lynn Aibejeris and the motion passed 4-0.**

- Create a policy for mandatory/voluntary wastewater connection

Previously, we have used Highway 361 as our defining line for mandatory wastewater connection and enforced the 200' rule. However, some properties on the East side of Highway 361 are in the flood zone per the FEMA maps and should be considered for connection to our system in our efforts to address coastal pollution. **Tommy Mauldin made a motion that we accept the Federal flood lines A & V as demarcation lines regarding mandatory wastewater connection. Lynn Aibejeris offered a second to the motion, which was approved unanimously (4-0).**

- Review/Adopt Budget for 2007-2008

A Proposed Budget was generated on 9/25/2007 based upon the actual Profit & Loss by Class for October 1, 2006 through September 21, 2007. Upon review, it was noted that the Budget as proposed would address the employee retirement expense and other new upcoming wastewater expenses. Ordinary Income is expected to cover our liabilities to USDA-RD; however, surplus funds may not be available to cover additional reserves and unanticipated expenses. We currently have water and wastewater inventory on hand that will carry us through the year and a minimal amount of emergency funds. We will continue to monitor expenses and address all costs and will review the budget after year-end for any adjustments that may need to be made. **Lonnie A. Houck made a motion that we adopt the balanced budget as is and review the budget every three (3) months making adjustments as needed. The motion was seconded by Lynn Aibejeris and approved unanimously (4-0).**

7. NEW BUSINESS - None

8. Tommy Mauldin made a motion to adjourn; a second received from Lynn Aibejeris, and the meeting was adjourned.

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(The next meeting is scheduled for Tuesday, October 23rd, at 5:30.)

Board Actions:

8. Approve Minutes of the meeting on August 28, 2007
9. Adopt alternative vent for Grinder Pump and associated customer costs as presented
10. Adopt FEMA flood lines A & V as demarcation lines for mandatory wastewater connection
11. Adopt balanced budget dated 9/25/2007 with plans to review every quarter and adjust as needed

Action Items:

1. Draft a letter to FRS requesting the District's own reporting number
2. Consider hiring John Gentry/Coastal Resources as Contract Labor
3. Track disconnects to observe the trend

Shirley Shinholser
Recording Secretary