

TAYLOR COASTAL WATER & SEWER DISTRICT
18820 BEACH ROAD
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MINUTES OF REGULAR COMMISSION MEETING
September 23, 2008

1. The meeting was held at the District Building at 5:30 PM on September 23, 2008. Present were:
COMMISSIONERS: Glenn Senter, Lynn Aibejeris, Charles Carlton, and Tommy Mauldin
TCW&SD STAFF: John Gentry, Jim Gooding, David Morgan, Shirley Shinholser and Diane Carlton
Vice-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. Guests present included Kaila Hardee and Randy Herndon of Premier Bank and Dee Bennett. There were no comments/questions at this time.
4. Minutes of the August 25, 2008 meeting were presented. **A motion was made by Charles Carlton and seconded by Lynn Aibejeris to approve the Minutes as read. Minutes were adopted unanimously.**
5. Premier Bank Presentation
Kaila Hardee and Randy Herndon offered a presentation on Remote Deposit. **A motion was made by Charles Carlton to form a Committee to review Remote Deposit with Premier Bank and offer a recommendation to the Board at the October meeting. Tommy Mauldin offered a second and the motion was approved.** Lee Bennett, Lynn Aibejeris, and Charles Carlton were appointed to the Committee.
6. Staff and Committee Reports
 - a. Phase II Collection System/Funding Update – John Gentry
USDA-RD has accepted the Phase II Agreement for Engineering Services from Jones Edmunds & Associates, Inc. subject to District approval. **A motion to approve the Phase II Agreement for Engineering Services from Jones Edmunds & Associates, Inc. and authorize the Board Chairman, Lonnie A. Houck, Jr., and the Board Secretary, Shirley Shinholser, to sign the document was offered by Charles Carlton. Lynn Aibejeris presented a second and the motion was approved unanimously.**
Per John Horvath of Jones Edmunds, SRWMD is considering a 50' x 50' easement for the Phase II lift station on properties north of our Water Treatment Plant, which is within the TCWSD Wellhead Protection Area as established in 1999. The Commissioners and staff should review the wellhead protection plan and share any concerns with Jones Edmunds prior to final selection of a location.
 - b. Management Issues – John Gentry
We have performed the annual inspection of the booster station and found everything to be in compliance.
We are still seeking bids for the roof of the Water Treatment Plant and, therefore, have nothing new to report at this time.
 - c. Billing Supervisor's Report – Diane Carlton
Our water sales for August were slightly higher than July and our past due accounts are in good shape. The adjustments are routine except for the application of a \$351.50 credit to David Jenkins for sewer charges on a grinder pump installed in error and never used. **A motion was made by Tommy Mauldin to accept the Director's Report. Charles Carlton provided a second and the motion was approved.**
The Gas and Grill has experienced another line break resulting in water usage/loss of 86,200 gallons of water --- double the normal usage. We gave them a "one-time adjustment" in October 2006 but they are asking the Board to consider allowing another adjustment due to such a large loss. Based upon average use, the credit adjustment for sewer charges would be \$163.60. **Charles Carlton made a motion to charge the Gas and Grill for the full amount of water usage and adjust the sewer charges based on average usage. A second was obtained from Tommy Mauldin and the motion was approved.** Glenn Senter stated that he would like for the Board to review the "one time adjustment" policy for possible revision.
All but fourteen (14) easements for the Phase II wastewater construction have been recorded. Any assistance the Board may give in obtaining these final documents will be greatly appreciated. (A list of those failing to comply is available.)

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d. Office Manager's Report – Shirley Shinholser

We have received notice of approval from USDA-RD of our recent rate increase and the FY2009 Budget.

I've spoken with John Hammen of QPS and was told the reimbursement check for one-half of the repair costs for the Hot Dog Stand is in the mail and should arrive before September 30th.

We are now placing monthly system back-ups in our safety deposit box at Citizen's State Bank.

The August Balance Sheet shows that funds were transferred from Savings to Operating Checking to prepare for the September 1 USDA-RD payments. In addition to paying the interest due, the District made principle payments of \$4,570 on the TCU water loan and \$8,000 on the Phase I wastewater loan. Also, you will note that the determined balance due of \$27,573.57 is recorded as a long-term liability to Taylor County.

Thanks to the rate increase, we experienced an income of \$3,602 more than budget for the month of August but we are still \$4,421 below the anticipated year-to-date income. The P&L Statement reveals the interest payment of \$45,147.94 to USDA-RD; the \$60 reimbursement from the County for the Boat Ramp back-flow service; and the total paid to-date for retirement (\$38,303.47) which includes the \$27,573.57 paid by the County on our behalf for prior years plus the current year amount of \$10,769.90. Excluding the loan from the County for past retirement, we anticipate a loss of \$5,000 to \$10,000 for FY2008. **A motion was made by Tommy Mauldin to accept the financial reports as read. A second was received from Lynn Aibejeris and the motion passed unanimously.**

e. Water Operational Issues – Jim Gooding

We installed a new pressure relief valve and installed a new Air Rite Compressor on our 10,000 gallon Hydro-tank.

Samples were collected today for our DEP required Lead and Copper tests. This is the only required test involving entrance into the customer's home. The preparation has been lengthy but we have an established plan for this and future samplings.

f. Wastewater Operational Issues – David Morgan

Tri-County made a site visit on Friday, September 12, to view our facilities and consider options we might implement to reduce electrical costs and protect equipment. They collected data to study and plan to report back to us soon. We will actively pursue their input for cost savings and equipment protection.

We inspected our diesel fuel for gelling and algae growth and added stabilizer. Jones Edmunds has recommended that we dispose of the diesel on hand and purchase just enough new fuel to operate for 5-6 months, filling the tank only when a potential threat to power supply is anticipated. The 1,000-gallon tank was filled in 2005 and the District purchased 300 gallons in August 2006, so the fuel is aged. We currently have 736 gallons in the tank. We can run the generator several hours per day to use the fuel or attempt to sell part of the diesel to interested parties. **A motion was made by Lynn Aibejeris that we: (1) determine how much diesel we need to keep on hand for weekly exercising; (2) investigate a plan to recycle the diesel, if possible; and, (3) offer to sell excess diesel to local users at 75% of current cost per gallon. Tommy Mauldin offered a second and the motion passed unanimously.**

Two of the three grinder pumps recently damaged by grease contamination are repaired and customers invoiced accordingly. The cost of the repair (parts & labor) is averaging \$210 per customer. The third unit will be completed soon.

7. OLD BUSINESS - none

8. NEW BUSINESS

a. Wastewater Service to Fender at Ezell Beach – John Gentry

I've spoken with Mr. Fender about the abandonment of his septic tank and the installation of a grinder pump. Mr. Fender knew he did not qualify for a grant funded system at the vacant lot and, at the beginning of Phase I construction, indicated his desire for an "after grant" installation. Due to construction delays and a lack of communication, Mr. Fender installed a septic tank on the lot in 2004 when he activated water service and did not pursue the grinder pump installation. The District was not aware at the time that a septic tank had been installed on the premises and did not include him as a client for our "after grant" contract. He did not qualify for a grant funded valve box for a future connection since he was not a water user during the drive through and mapping performed by Jones Edmunds prior to construction. The "after grant" installations performed by QPS, Inc. in November 2005 cost \$6,672 for a complete installation.

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Today's costs by DeYoung and Dickey for a complete installation total \$6,500. I recommend that Mr. Fender

purchase a grinder pump/valve box installation at a cost of \$6,500. Mr. Fender is responsible for the septic tank abandonment using a contractor of his choice and is to provide evidence of abandonment to the District. **In consensus, the Board concurred with Mr. Gentry's recommendation that Mr. Fender pay \$6500 for the valve box/grinder pump installation.**

Closing Remarks:

- 1) We have heard nothing further from Mr. Carr since advising him of costs to re-install the grinder pump on the lot he and Mr. Jenkins own. As previously noted, the cost is subject to increase as time passes.
- 2) It was suggested that the Commissioners appointed to the Committee to review remote deposit with Premier Bank consult the office staff for their input.
- 3) This is the last District meeting for our General Manager, John Gentry, since that position has been eliminated. We greatly appreciate Mr. Gentry's assistance these past years in managing our District and overseeing our Wastewater Construction. We wish him well as he moves to the next avenue of his life.

9. There being no further business, Tommy Mauldin made a motion to adjourn; a second was received from Lynn Aibejeris and the meeting was adjourned at 7:05 pm.

**The next regularly scheduled meeting will be held on
Tuesday, October 28, 2008 at 5:30.**

Board Actions:

- Approve Minutes of August 25, 2008
- Form a Committee (Bennett, Carlton, Aibejeris) to review Remote Deposit with Premier Bank and offer a recommendation to the Board at the October meeting
- Approve the Phase II Agreement for Engineering Services from Jones Edmunds & Associates, Inc. and authorize the Board Chairman, Lonnie A. Houck, Jr., and the Board Secretary, Shirley Shinholser, to sign the document
- Approve August Director's Report
- Approve charging the Gas and Grill for the full amount of water usage and adjusting the sewer charges based on average usage
- Approve Financial Reports for August 2008
- Approve determination of how much diesel fuel we need to keep on hand for weekly exercising; investigate methods for recycling the diesel, if possible; and, offer to sell excess diesel to local users at 75% of current cost per gallon
- Concur with Mr. Gentry's recommendation that Mr. Fender pay \$6500 for the grinder pump/valve box installation at his vacant lot at Ezell Beach

Action Items:

- Review wellhead protection plan and discuss any concerns with the location of the Phase II lift station with Jones Edmunds prior to site selection
- Review the "one time adjustment" policy for possible revision
- Pursue final fourteen (14) easements for Phase II Wastewater construction
- Actively pursue input from Tri-County for cost savings on electrical and equipment protection for both water and wastewater plants



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Shirley Shinholser
Recording Secretary