

TAYLOR COASTAL WATER & SEWER DISTRICT
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MINUTES OF REGULAR COMMISSION MEETING
February 26, 2008

1. The meeting was held at the District Building at 5:30 PM on February 26, 2008. Present were:
COMMISSIONERS: Lonnie A. Houck, Glenn Senter, Tommy Mauldin, Lynn Aibejeris and Lee Bennett
TCW&SD STAFF: John Gentry, Jim Gooding, David Morgan, Diane Carlton, and Shirley Shinholser
Chairman Houck called the meeting to order and declared a quorum present.
2. The meeting was opened with prayer and the Pledge of Allegiance.
3. There were no guests present other than Danny Collins of Haskell.
4. The Minutes of our January 23, 2007 meeting were presented. Also presented were minutes from our February 20th meeting with USDA-RD regarding Phase II funding. It was noted that we are to receive a grant not to exceed \$1,202,980 and a loan of \$401,000 at 4.375% with a 38-year amortization period. **A motion was made by Glenn Senter and seconded by Tommy Mauldin to approve the Minutes of the two meetings as read. Minutes were adopted unanimously.**
5. Staff and Committee Reports
 - Phase II Collection System/Funding Update – John Gentry/Danny Collins
As noted in the Minutes of February 20th, we received the requested 75/25-ratio grant/loan from RD. We are working now to comply with the Letter of Conditions and provide all documents requested. State Revolving Loan funds are pre-approved and available and can be used at any time and reimbursed by RD funds as long as receipts are properly maintained. Should the Construction bids exceed the anticipated amounts as noted in the PER, we must approach RD for an adjustment. The 2005 STAG monies are being processed through EPA and will be available when construction begins. Phase II will add approximately 100 new wastewater users. The income generated will meet the RD loan payment as well as the required reserves and allow a minimum amount to be set aside for maintenance and repairs.
 - Management Issues – John Gentry
We have emailed the County Administrator, Jack Brown, concerning the SRWMD Lease Agreement but have not yet received a response. Regardless of the decision as to who should sign the lease, an Environmental Resource Permit (ERP) will be required so we are already seeking drawings for the treatment well.
We have obtained an estimate on a wooden, insulated enclosure that may diminish the noise of the WWTP blowers and are investigating other possible solutions. Commissioner Bennett has a device to measure the noise level of the blowers and at the edge of the property before and after any treatment.
We researched Companies to provide additional grounding and lightning protection for the WWTP. To date, we have not located anyone that will service our area.
We have three customer issues currently being addressed:
 - 1) Sessoms – When the grinder pump failed, David and KPT determined that the customer's electric meter can is deteriorated and needs replacing. A temporary connection was made to supply service. We contacted the customer asking him to repair/replace the unit so that the grinder pump can be properly wired but have received no response to date. A reminder letter will be issued advising him that future water and wastewater service could be terminated if the problem is not dealt with in a timely manner.
 - 2) A monthly maintenance schedule has been established for the Duplex/Quad units. Letters were mailed to owners of those showing signs of grease accumulation. We will ask E-One about overload protection in cases where grease may cause binding and failure.
 - 3) Since Phase I construction ended, we have continued to experience problems with sewer back-up at the Hot Dog Stand and the associated dwelling. Recent investigations have revealed that the contractor did not abandon either of the two septic tanks on premises although we have a statement that one of the units was abandoned and, therefore, payment received for doing so. The contractor also failed to redirect the house plumbing from the second septic tank to the duplex grinder pump. We have requested that the customer pay the plumber to route all necessary lines to the grinder pump in proper fashion and provide a

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detailed billing. We will review the billing and reimburse the Customer for District related costs and arrange for septic tank abandonment. The District will then seek reimbursement from Quality Plus Services, Inc.

- Billing Supervisor's Report – Diane Carlton

Our January sales were up a little. Our past due accounts are in good shape with 2-3 of the four to be paid by new owners once service reconnects are desired. The adjustment report, totaled by type, includes four freeze damage adjustments and connection fees for four accounts. We adjusted sewer charges from Sutton at Ezell since Tri-County has not yet connected his power so that he can use his newly installed grinder pump. We turned off three accounts in January per Customer requests.

- Office Manager's Report – Shirley Shinholser

The Balance Sheet for January reveals that our Contingency Reserve is down due to funds expended for Lightning Damage repairs. We have received a reimbursement from the insurance company, which will be redirected against additional repair costs. We anticipate filing our final claim in mid-March. We have not yet received all the data regarding replacement of the light pole. Our Profit/Loss report for January 2008 shows an income of \$26,469.45 with expenses totaling \$32,029.75. The January expenses include our Audit cost of \$6,572; our second 2007 groundwater monitoring in the amount of \$1,710; and, lightning damage repairs totaling \$2,408. Application of Other Income results in a net income of \$1,257 for the month. **A motion was made by Glenn Senter to approve the Financial Reports as read. A second was obtained from Lee Bennett and the motion approved unanimously.**

We had an unexpected visit this morning from Victoria Schmidt, Vice President of sales for Water Resource Technologies and Glenn Stahl, Regional Manager for E-One. The visit was informative and we gained insight into updated grinder pump technology. Water Resource Technologies has been very supportive over the past three years and supplied us with numerous spare parts and emergency repair items. They are excited about the prospect of working with us during Phase II.

- Water Operational Issues – Jim Gooding

Our DEP required test for Lead and Copper is due in 2008 (three year intervals). DEP has issued preliminary approval of a new sampling plan which will include Cedar Island and Dark Island. We have surveyed 150 customers in order to acquire possible sampling sites to insure meeting our requirements.

SRWMD is asking that we monitor water usage and we are trying to measure all areas of concern. To date, our calculated water loss is less than the DEP limit of 10%. We have obtained a meter from Florida Rural water to measure the flow from each of our flush valves and included that usage in our latest report. A portion of the remaining loss could be due to accuracy of our water meters since many of our units are 20 years old. We will continue to investigate possible areas of concern.

- Wastewater Operational Issues – David Morgan

The spray field repairs are complete. We are still obtaining information on the repair of the concrete pole and light.

A technician from Water Resource Technologies came to look at our damaged grinder pumps and will be returning with some repair parts. He and I will repair a few pumps together for training.

I will sit for the Class C exam on Friday, February 29th, and receive the results in 4-6 weeks.

6. OLD BUSINESS

- Expiring terms of Commissioners Aibejeris, Beach, Bennett and Houck

We will notify the County that Commissioners Aibejeris, Bennett and Houck desire to be reappointed; Commissioner Beach desires to be replaced.

- Water for proposed Lindsey Island development

Lindsey Island has requested that the District present a quote on water supply for the development. Once the plans are received, John Gentry and Jim Gooding will work with DeYoung and Dickey and offer a proposal.

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7. NEW BUSINESS

- Review and process USDA-RD's Phase II Letter of Conditions and other required documents

A motion was made by Glenn Senter that we approve the Letter of Intent to Meet Conditions stating that it is our intent to meet all conditions prior to the one-year limitation ending February 20, 2009 AND that we request the lowest interest rate possible. A second was obtained from Lynn Aibejeris and the motion was approved with (5) yeas and (0) nays with (2) Commissioners absent.

Tommy Mauldin presented a motion that we:

1) Adopt a resolution authorizing and providing for the incurrence of indebtedness for the purpose of extending our sewer collection lines to serve Dekle Beach, Boggy Bay and Dark Island by issuance of bonds in the principal amount of \$401,000 payable at an interest rate of 4.375% or less for a period of forty years; and that we

2) Accept a grant from Rural Development in an amount not to exceed \$1,202,980; and that we

3) Authorize and empower Lonnie A. Houck, Jr. as Chairman and Shirley Shinholser as Secretary to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and, that we

4) Agree to operate the facility under the terms offered in said grant agreement.

A second was obtained from Glenn Senter and the motion approved unanimously with (5) yeas, (0) nays, with (2) absentees.

- Mandatory Connection Requirements

Although it may create a hardship on some customers, we must abide by State Statute XXIX, Ch. 381, Para. (1)(a) requiring connection within 365 days after written notice that the system is available for connection. We may inquire about adopting a policy that the District, at its discretion, enforce connection to existing lots outside the coastal flood zone. Regulatory agencies will enforce developments in high hazard areas.

- DEP Survey

A motion was made by Glenn Senter that we provide the requested data to DEP to aid in Grant allocations. Lee Bennett offered a second and the motion was approved. The Staff can review the Feasibility Study to obtain the requested information and complete the survey.

- Public Hearing on Phase II

In consensus, the Board agreed to host a Public Hearing at the District Office on Monday, March 10, 2008, at 5:30 pm for the purpose of addressing any questions/concerns the public might have about the plans and implementation of the District's Phase II Wastewater Collection System. John Horvath and/or Fritz Grady from Jones Edmunds will be present to offer comments. The meeting is to be announced in the local paper and a notice will be posted on the web site and at the District Office.

8. Lee Bennett 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, March 25, 2008 at 5:30.**

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Board Actions:

1. Approve Minutes of regular meeting on January 23, 2008 and Minutes for RD Phase II meeting on February 20, 2008
2. Approve financial reports for January 2008
3. Approve signing of the Rural Development's Phase II Letter of Intent to Meet Conditions and seek lowest interest rate
4. Adopt a resolution authorizing and providing for the issuance of bonds in the principal amount of \$401,000 payable at an interest rate of 4.375% or less for a period of forty years
5. Accept a grant from Rural Development in an amount not to exceed \$1,202,980
6. Authorize and empower Lonnie A. Houck, Jr. and Shirley Shinholser to execute all written instruments required for Phase II
7. Agree to operate the facility under the terms offered in said Phase II grant agreement
8. Approve submittal of requested data to DEP for Survey
9. Set Public Hearing for Phase II on Monday, March 10, 2008 at 5:30

Action Items:

1. Continue seeking ERP for District Building
2. Investigate options to reduce blower noise at WWTP
3. Draft a reminder letter to Sessoms regarding the deteriorated electric meter can
4. Continue investigation of lightning protection and additional grounding for WWTP
5. Inquire about over-load protection on E-One grinder pumps
6. Pursue settlement of Hot Dog Stand plumbing issues
7. Notify County of Group II Commissioners term expiration
8. Draft proposal for water supply to Lindsey Island



Shirley Shinholser
Recording Secretary