

TAYLOR COASTAL WATER & SEWER DISTRICT
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MINUTES OF REGULAR COMMISSION MEETING

August 22, 2006

1. The meeting was held at the District Building at 5:30 PM on August 22, 2006. Present were:
COMMISSIONERS: Glenn Senter, Jim Moody, Danny Everett, Lynn Aibejeris, and Travis Beach
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, Jerry Cawthon of Big Bend Properties, was welcomed and the floor was opened for questions. Mr. Cawthon came to inquire about the availability of water and sewer for property on Keaton Beach Drive belonging to his client, Timothy Wiggins. Mr. Wiggins proposes to sell the lot adjacent to his house. Mr. Cawthon was advised that maps reviewed by TCW&SD indicate that Mr. Wiggins' property was and is platted as one unit, not two separate lots; therefore, a letter of agreement for water service can be prepared for the County as soon as we receive the \$2,000 water service fee for the proposed new lot. Mr. Wiggins or the new owner will be required to pay the water connection fee of \$1,000 for the meter installation at time of service request. Proof of platting as (2) separate lots prior to July 2003 rests upon the Customer/Realtor.
4. The minutes of our meeting on July 26, 2006 were presented. **A motion was made by Travis Beach and seconded by Danny Everett to approve the minutes as read. Minutes were adopted unanimously.**
5. Staff and Committee Reports
 - Sewer Project Update – John Gentry
We have recently received and reviewed the Proposed Final Change Order Draft proposing a contract credit amount of \$47,217.42 which includes the \$25,000 for extended construction, the \$35,000 credit for the services of Tri-County Electric that TCW&SD paid out of contract, and the purchase of the storage buildings from QPS. This proposed final change order will result in an estimated balance due to Quality “Plus” Services, Inc. of \$533,117. Our estimated Grant monies remaining after we pay QPS, purchase our WWTP office/shop, purchase spare parts, etc. should result in a balance of \$73,202. These funds can be used for additional spare parts, tools, etc. as needed.

*We are continuing to receive statements from the offices of Smith, Smith & Moore for services performed in the Timothy Brooks case although we’ve been told repeatedly that the charges will not apply. Mike Smith recently responded to my letter about this issue with a statement that he feels the charges are justified. I recommend that we submit these charges to Rural Development since funds are available. **Following discussion, the Board agreed that Glenn Senter will meet with Mike Smith on August 23rd and advise him that we will submit the invoices to Rural Development for payment.***

We have prepared preliminary drawings for the renovations to our Water Treatment Plant office. We’ve added additional office space, a restroom, an indoor work center, and an exterior open work shop with a concrete foundation. The estimated cost is \$18,000. **The Board reviewed the plans and agreed to proceed with construction allowing Jim and David the opportunity to perform some of the work, if desired.**
 - Financial Reports
Diane Carlton – Director’s Report
Our sales this month have increased and our “past dues” are in good shape. Mr. DeVane agreed to the payment plan on his past due balance and has already made the first payment. We received a water connection fee for Dr. Hamdan’s second dwelling so he is now in compliance. The adjustments report contents is due primarily to key errors.

TAYLOR COASTAL WATER & SEWER DISTRICT
MINUTES OF REGULAR COMMISSION MEETING

Page 2 of 4

Shirley Shinholser-Financial Report

There are no unusual changes to our July reports other than the receipt of Dr. Hamdan's \$30,000 for water service fees on his proposed fifteen (15) lots. We've diversified a few accounts to gain a clearer picture of expenses in preparation of our 2006-2007 budget. We seem to be in line with our 2005-2006 account budgets to date. Our interest payment (\$28,683.95) to RD for our Construction Loan and our principle payment (\$4,200) and interest payment (\$21,274.85) on the TCU loan are to be deducted from our Operating checking on September 1, 2006. Allocated funds in Savings will be transferred prior to that date with an expected shortage of \$10,829.80 which we are hoping to cover with excess cash flow in Operating checking after payroll. **Board authorized a transfer of funds from Savings, Cash Reserve to Operating Checking, as needed. We will submit this shortage to RD for reimbursement since we were not "revenue producing" until December 2005 to replenish our funds in checking/savings.**

We would like to create a Petty Cash Fund of \$50 to be used to purchase miscellaneous postage from our mail carrier versus making a trip into Perry to the Post Office. **A motion was made by Travis Beach, seconded by Jim Moody, and unanimously approved to establish a Petty Cash Fund of \$50.00.**

- Management Issues – John Gentry

Since we are now growing and becoming more business oriented, we should consider looking at employee benefits. **Board approved the formulation of a Committee to review possible benefits. Volunteers included John Gentry, Glenn Senter, and Shirley Shinholser.**

- Water Operational Issues – Jim Gooding

We have repaired the leaking joint on the 4" line at Egret, Cedar Island. We've recently noted a main valve leak on the Aibejeris property and we will address it soon. The visual inspections of our tanks are to take place this week and an electrician, Kenneth Dalton, has assisted us with repairs to our generator and wiring. We are purchasing two (2) Variable Frequency Drives for emergency start of our generators for the water and sewer systems.

- Wastewater Operational Issues – David Morgan

The WWTP generator is now functioning well since the replacement of the software. The autodialer and chlorinator are still experiencing difficulties and are being addressed under warranty. Neither problem presents a health/safety issue at this time. The grass in the spray field is growing and we've scheduled another mowing for the last week of August.

- Phase II Funding – Glenn Senter

We've talked to Danny Collins (former aid to Congressman Boyd) who is now the Manager of Program Development with HASKELL. We will meet again next week to discuss and pursue available funding sources. Suwannee River Water Management has loan funding available.

6. NEW BUSINESS

- Discuss/Define Mission and Value Statement – Glenn Senter

A brief discussion ensued. Glenn will send a sample Mission Statement to all parties for review with plans to adopt a Statement at our September meeting.

- Update on Magnolia Bay Resort – John Gentry

We sent a letter to SRWMD on August 11, 2006 addressing our concern with the potential impacts that the Pruitt and other proposed large developments may have to the potable water sources in our Beaches area. The potential 6 million gpd from Pruitt's development is nearly 100 times our average annual daily flow. We are also concerned about the upcoming of the salt-water or lateral movement of the wedge from the coast into our fresh water supplies. We applauded SRWMD for their sincere efforts to review all facets before issuing consumptive use permits. Another concern is the proposed wastewater treatment facility for Magnolia Bay that will be constructed directly over the TCW&SD water aquifer, as well as, in a High Hazard Zone vulnerable to coastal flooding and possible overflow contamination. We've asked that the Suwannee River Management District undertake a comprehensive study of the water resources in our area to determine where well fields and other withdrawal points should be located and the "safe yield" that is possible.

TAYLOR COASTAL WATER & SEWER DISTRICT
MINUTES OF REGULAR COMMISSION MEETING

Page 3 of 4

- Resolution Concerning Failure to Connect – John Gentry

Since our Wastewater system was completed December 12, 2005, all connections should be made by December 12, 2006. We contacted the Health Department to request assistance in completing connections and they've advised us that they will issue no more septic tank permits but they will not force abandonment of existing tanks as long as they function properly. We contacted the County to see if they will be the enforcer but we were told that Ordinance 2005-3, Section 12 stipulates that TCW&SD is responsible. The County Sheriff can be used to assist as needed. We've made several contacts with those needing to connect and have asked for a response by September 30th so the next contract can be developed. **Board decided to contact our attorney, Bill Blue, to see if we can cut off their water supply and what repercussions we might expect. We will also ask the County for a resolution to disconnect the power. In the meantime, Glenn will talk to Howie Woods and Deborah Whitley in an attempt to persuade them to comply in a timely manner. After advice from our attorney, we will give Timothy Brooks 30 days before turning off his water and power if the County will allow. We will also pursue a lien against his property to include attorney fees already expended.**

7. OLD BUSINESS

- Review/Adopt letter to Rural Development concerning additional hook-ups – John Gentry

The Board reviewed a drafted letter to RD noting that we have a capacity for 150-170 additional connections which would be able to accommodate small developments. **The Board would like to copy Chuck Clemmons on the letter. They would also like to high-light areas of interest and advise RD that we were not informed of the restrictions prior to the assignment of Grant monies. Further thoughts from Glenn Senter will be sent to John Gentry. The letter will be revised and sent to Allen Boyd prior to sending to Rural Development in case he might have further thoughts to add.**

- Discuss Administrative Salaries – John Gentry

Reimbursement by Grant monies for wages received by the General Manager and the Office Manager for sewer related services is ceasing. We've reviewed the average hours over the last twelve (12) months and recommend that both positions be considered as "salaried" versus "hourly". It is suggested that the General Manager receive \$3,000 per month (\$36,000 annually) and the Office Manager receive \$2375 per month (\$28,500 annually). **A motion was made by Travis Beach to establish the salaried amounts of \$36,000 annually for the General Manager and \$28,500 annually for the Office Manager to be reviewed in six (6) months to be sure all parties are satisfied. The motion was seconded by Jim Moody and approved unanimously.**

- Payment for Grinder Pumps Installed in Error – John Gentry

Of the thirteen units installed in error, there are only two (2) that have not been reconciled as of the July 31, 2006 deadline:

- 1) David Jenkins, Cedar Island - RV lot; never a septic tank; active water

Board authorized removal of grinder pump installation.

- 2) Hal Murphy, Cedar Island – Home; Permanent residence; ST abandoned; active water

Board recommends that this situation be included in our letter to Bill Blue for his advice on procedure. We will also draft a letter to the Health Department asking them to please advise us of anyone in our service area that may apply for a septic tank permit.

8. A motion to adjourn was presented, seconded, and approved. Meeting adjourned.

(The next meeting is scheduled for Tuesday, September 26, 2006 at 5:30)

FOR YOUR INFORMATION:

Someone is coming tomorrow to give an estimate on a new well which will enable us to supply water to the proposed Hamdan development.

TAYLOR COASTAL WATER & SEWER DISTRICT
MINUTES OF REGULAR COMMISSION MEETING

Page 4 of 4

Board Actions:

1. Approve Minutes of July 26, 2006
2. Approve proceeding with construction/renovation of the Water Treatment Plant facility
3. Authorized transfer of funds from Savings, Cash Reserve to Operating Checking as needed to meet our obligation to Rural Development for the bond loan payments
4. Approve establishment of a \$50.00 Petty Cash Fund
5. Appoint committee of John Gentry, Glenn Senter, and Shirley Shinholser to investigate Employee Benefits
6. Approve contact with Attorney Bill Blue to request guidance in addressing “failure to connect” and “grinder pump installed in error”
7. Adopt letter to Rural Development concerning additional hook-ups with a request that Congressman Allen Boyd be given an opportunity to review and revise the letter first
8. Establish annual salaries for General Manager (\$36,000) and Office Manager (\$28,500) to be reviewed in six (6) months
9. Authorize removal of grinder pump installed in error upon property of David Jenkins

Action Items:

1. Glenn Senter to meet with Mike Smith and advise him that we will submit his invoices to Rural Development for payment consideration
2. Pursue Phase II funding with Danny Collins of Haskell
3. Review Mission Statement for adoption in September

Shirley Shinholser
Secretary