

TAYLOR COASTAL WATER & SEWER DISTRICT
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MINUTES OF REGULAR COMMISSION MEETING
November 16, 2005

1. The meeting was held at the District Building at 5:00 PM on November 16, 2005. Present were:
COMMISSIONERS: Floyd Ford, Sandra Hatcher, Glenn Senter, Danny Everett, Travis Beach, & Lonnie Houck.
TCW&SD STAFF: John Gentry, Jim Gooding, David Morgan, Diane Carlton and Shirley Shinholser.
Chairman Ford declared that a quorum was present.
2. Chairman Ford welcomed our guests:
Rebecca Shepherd, Grand Legacy, LLP; Lavonne Davis; Bill Clark; George Stamos; Jerry Cawthon; Curt & Judy Ferguson; Emily Simpson; Commissioner Clay Bethea; Chuck Olson, Promise Ltd.
3. The minutes of our meeting on October 19, 2005 were presented. A motion was made by Travis Beach and seconded by Sandra Hatcher to approve the minutes as read. Minutes were adopted unanimously.
4. STAFF AND COMMITTEE REPORTS

- Sewer Project Update – John Gentry
All pipeline and pumping stations are complete. Grinder pumps at Keaton Beach are being activated on a daily basis. We are still looking at December 18th or 19th as the completion date. Construction beyond the Rural Development approved date of December 18th will incur liquidated damages of \$500 per day.

Doyle Frierson has been hired as our new Contract Operator for the WWTP and will begin training at our facility shortly. David Morgan will serve as our Systems Maintenance Tech in addition to training with our WWTP Operator.

As previously noted, DEP and OTTED funds are depleted. We currently have \$431,315.35 in our Construction Account with another \$85,113 pending from EPA. Of the \$181,000 Contingency Funds, we have approximately \$70,000 remaining and are trying to define the usage. We are receiving some of the payments for the grinder pumps installed in error and letters are being prepared for customers outside the Grant program who desire to come on-line.

Instructions on the care and maintenance of the Grinder Pumps are being prepared for customer mail out.

- Financial Reports – Diane Carlton/Shirley Shinholser
Diane Carlton presented the water usage report. We experienced a larger than normal water usage due to QPS testing of the sewer lines. The Certified letter to Hugh Poppell concerning his past due account of \$309.54 was refused and returned so we issued a work order to turn off his water supply.

Shirley Shinholser presented the October financial report. Our retained earnings took an estimated loss of \$6,705.84 for the period covering July 1, 2004 – September 30, 2005. Our books are currently with our Auditor and we expect completion of the audit by late December or early January. Our October 2005 loss of \$577.60 was not as bad as anticipated. The new water rates and the upcoming sewer rates should soon lead to a profit.

- Management Issues – John Gentry
A copy of the holidays recognized by the County was presented and the Board asked to consider offering them as “Paid Holidays” to TCW&SD employees. Travis Beach suggested we recognize the same holidays for closing the office but table the decision to offer them as “Paid Holidays” until we can better afford the expense. The item was tabled for 2-3 months to allow time for revenue flow.
- Operational Issues – Jim Gooding
The District Building now has an additional twelve (12) tie-downs. There are a few more adjustments to make securing the roof to the walls. The drop box is installed and being used.

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- Phase II – Floyd Ford

The 2.2 million requested for Phase II funding is still questionable. Nothing has been received from EPA about the \$750,000. Congressman Boyd says that funds for us are not in jeopardy and should be provided.

The PER and EA should be completed by JEA in early December for submission to Rural Development and the Community Budget Initiative Request (CBIR) should be reviewed by Will Kendrick in Mid-December.

5. OLD BUSINESS

- Contract With Plant Manager for WWTP – John Gentry

Doyle Frierson has submitted a 12-month contract proposal at \$2500 per month to serve as Contract Operator for our WWTP. We have EPA grant monies allocated to help with this administration expense. Doyle has Worker's Compensation coverage. We will contact our insurance agent to review liability coverage. **A motion was made by Travis Beach and seconded by Sandra Hatcher to contract Doyle Frierson as our WWTP operator.** The motion was approved unanimously. EPA funds are also allocated to assist with David's wages for service as our Systems Maintenance Tech and Operator Trainee. We are developing specs for bidding on a service truck for David's use and we are seeking a third person who will work part-time in the sewer department as well as the water department on an "as needed" basis.

- Fire Hydrants:

No word has been received from the County about the funding and installation of the units.

Commissioner Clay Bethea will look into the situation.

- District O&M Building and Equipment:

John has contacted the company in Jacksonville who will take care of the lease transfer once QPS leaves. The equipment cost is \$6,000 and should be paid out of Grant funds. That includes 2 roll-offs and some storage buildings. There will be approximately \$25,000 left for permanent buildings. We will discuss at the December meeting whether or not we may use part of the \$70,000 contingency funds. John will contact Mary Gavin to make sure funding is available for equipment, particularly a service truck with a boom. **A motion was made by Travis Beach, seconded by Lonnie Houck, and approved unanimously to proceed with obtaining the needed equipment.**

- Sign: Our appeal was denied. Glenn is to appear before the TCBCC on November 29th.

- Court Order on Timothy Brooks: Trey Howard has instituted the process. Once Mr. Brooks is served, we must wait 20 days before setting a court date.

- New Commissioners: The December meeting will be the last for Floyd Ford. He recommends that the Board consider Bill Calhoun and Tommy Maulding as submittals to the TCBCC. The Board needs to formulate recommendations by the December meeting to submit to TCBCC along with Ford's resignation.

The announced Public Hearing now begins at 5:30 pm.

Review of Proposed Sewer Rates

After consideration and discussion by the Board and guests present, **a motion was made by Glenn Senter and seconded by Sandra Hatcher to adopt Scenario "2" as proposed by Florida Rural Community Assistance Project, Inc.** The motion was approved unanimously. A statement will be placed on the next billing to advise customers of the adoption of the new sewer rate and imminent billing.

(Public Hearing Adjourned.)

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Provision of Sewer for New Developments

Commissioner Clay Bethea addressed the Board and the Guests concerning the County's Comp Plan on how development occurs. Sewer and water is required. TCBCC determines the level of development; the State of Florida determines the provision for septic/sewer. The Commissioners are concerned that Developers who are not allowed to connect to the sewer system of TCW&SD will approach the Health Department for State regulated septic systems. TCBCC desires one (1) sewer plant for the Beaches and asks the TCW&SD to seek absolution of the existing covenants and allow future hook-ups thus alleviating the creation of State regulated septic and sewer plants by new developers. Will TCW&SD write a letter to those involved to seek a resolution?

Per Commissioner Ford, changes have to be made politically through elected officials due to our grant funding from state and federal programs. The Department of Community Affairs (DCA), in a letter dated May 15th, 2002, expressed their concern about development in the coastal high hazard area (CHHA) and further expanded on their concern in a subsequent letter dated February 9, 2004. These concerns flowed into the federal documents as restrictions. TCW&SD has already approached Rural Development persuading them to include the 181 undeveloped platted lots which were originally omitted. In short, RD agreed but stipulated that they do not want a "piece-meal" operation and that TCW&SD should not come back to them requesting additional alterations. The County Commissioners need to take the lead by writing Rural Development and talking with Congressman Boyd.

A major concern (by the Government entities as well as the residents of the Beaches) is that sufficient infrastructure is not available for emergency situations or evacuation now, and definitely inadequate to cover additional developments. Furthermore, existing residents do not want to pay for the cost of new development through increased water/sewer bills. Those present were reminded that, per TCW&SD ordinance/rules, the entire cost of any new development is to be paid by the developer.

DCA says development is limited to 4 units per acre. Mixed use urban is 20 units per acre. TCBCC proposed a compromise of 12 units per acre. John Gentry proposed that TCBCC and DCA should be reminded that infrastructure must come ahead of development. The Beach residents are paying higher taxes and expect a lot more for their tax money. The installation of fire hydrants is one of many needs.

A motion was made by Sandra Hatcher that TCW&SD meet jointly with TCBCC and their attorneys to further discuss the issue. The motion was seconded by Travis Beach and unanimously approved. Shirley will discuss a possible date with Buddy Humphries and advise all parties of the selected date and time. It is requested that the meeting be held at the District Building.

6. NEW BUSINESS

- Review of Rules and Regulations
The Rules and Regulations were presented with suggested amendments. (Clarify single service in paragraph 1. Change "member" to "customer". Incorporate fees for newly developed lots. Clarify that the user fee (formerly membership fee) transfers ownership with the lot and that owners of property should advise TCW&SD of a sale/transfer.) **Travis Beach presented a motion to approve the amendments as noted. A second was received from Sandra Hatcher and the motion was approved unanimously.**
- Committee to determine legality of septic tanks
Glenn Senter advised the Board that several people who are within 100 ft of sewer hook-up have applied to the State Health Department and have received septic tank permits. It is recommended that we invite the Health Department to the joint meeting with TCBCC. State law requires hook-up within 200 ft. of an established sewer system, yet we are turning people away due to established limitations. We must determine guidelines to which all agencies adhere. We need an accurate WWTP capacity report to share at the meeting along with the letter prepared by Commissioner Ford (attached).
- Updated quote from QPS
The Board reviewed the updated quote from QPS and agreed to proceed with notification of costs to potential customers.

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7. Motion to adjourn was made by Travis Beach. A second was received and meeting adjourned.

(The next meeting is scheduled for Wednesday, December 21, at 5:00.)

Board Actions:

1. Approved contract with Doyle Frierson as WWTP Contract Operator
2. Approved securing of needed WWTP equipment/buildings
3. Adopt "Scenario 2" sewer rate
4. Approved joint meeting of TCBCC and TCW&SD
5. Approved Amended Rules & Regulations

Action Items:

1. Pursue installation of fire hydrants.
2. Pursue lease of QPS building, needed modifications, and equipment.
3. Consider Board member recommendations.

John K. Gentry, P.E.
General Manager