

TAYLOR COASTAL WATER & SEWER DISTRICT
18820 BEACH ROAD
PERRY, FLORIDA 32348

PHONE: (850) 578-3043

FAX: (850) 578-3095

MINUTES OF REGULAR COMMISSION MEETING
November 26, 2007

1. The meeting was held at the District Building at 5:30 PM on November 26, 2007. Present were:
COMMISSIONERS: Glenn Senter, Lonnie A. Houck, Tommy Mauldin, Lee Bennett, Travis Beach, 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 guests, Lester and Ina Padgett, asked if the Phase II wastewater customers would have input regarding the placement of the grinder pump and, should there be a difference of opinion between the contractor and the customer, will the District Board intervene and make the decision? The Board was also advised that the canal and road are NOT County property. The County road stops at the bridge. The Board assured the Padgetts that we will work together to address all concerns and make the construction period as smooth as possible for all parties.
4. The Minutes of September 25, 2007 were presented. **A motion was made by Travis Beach and seconded by Tommy Mauldin to approve the Minutes as read. Minutes were adopted unanimously.** (There was no meeting in October 2007.)
5. Staff and Committee Reports
 - Phase II Collection System/Funding Update & Operational Issues – John Gentry
We have not yet received a decision from Rural Development regarding the grant/loan ratio. They have requested some additional paperwork for legal counsel and bond counsel and will respond to our request as soon as possible.
We have received confirmation from John Horvath of Jones Edmunds that Bird Island and Fish Creek are not included in the scope of Phase II as we thought. Coverage for this area will require an additional lift station due to the distance from the plant. The current customer base would not generate enough income to cover the additional loan costs. In addition to our pursuing a Phase III, future large scale developments in the area could absorb much of the costs involved to provide service in a timely manner.
The Board selected the service date of March 2002 for the Phase I grant coverage since that is the date of the Phase I Preliminary Engineering Report (PER). The Phase II PER is dated February 2006. Which date will be considered as the required date of service for Phase II customers? **A motion was made by Travis Beach to set February 2006 as the required date of service for Phase II grant eligibility. A second was received from Lee Bennett and the motion approved (5-0).**
 - Operational & Management Issues – John Gentry
Our O&M Building is complete except for the installation of a little molding. We will consider whether or not to have an open house or gathering of some sort in future months.
John Horvath and Fritz Grady of Jones Edmunds were here for a site visit on Tuesday, November 20th, to review our electrical concerns, lift station sludge build-up, and lightning damage. They are preparing a report which we hope to share at our December meeting. We also noted an incorrect installation of the quad unit at Aibejeris RV Park resulting in only two (2) of the grinder pumps being activated. The quad unit at the Condos is experiencing a heavy sludge accumulation partially due to sporadic usage and will need to be addressed. We propose manually breaking up the sludge and having it pumped. We have noted future maintenance requirements for all the quads as well as the lift stations and will endeavor to avoid spills and subsequent fines.
A “neighbor” has once again issued a complaint about the excessive noise of our WWTP blowers and the foul smell. The odor is minimal and infrequent but the noise needs to be addressed. We’ve considered installing a simple wall structure with Styrofoam to absorb the noise and send it upward but will review some additional material/suggestions from Commissioner Bennett before proceeding.
We have scheduled our first sludge hauling for Wednesday, November 28th and will send 1800 gallons to the Tallahassee facility.

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Operational & Management, cont. (John Gentry)

After much deliberation and review of submitted information, the Florida Retirement System selected the date of February 2005 as the first month the District is liable for employee retirement benefits making legal my retirement from the State; therefore, I can proceed as an employee of the District.

We have negotiated a contract with Doyle Frierson to serve as our contract Wastewater Operator for the six-month period covering 12/1/07 through May 31, 2008. David will sit for his test in February and should know by that time whether or not he will be eligible to serve.

Included in your packet is a letter from Timothy Brooks requesting information relative to his continuing law suit. We forwarded the letter to our attorney, Bill Blue, but have received no comments regarding proposed action, if any.

- Billing Supervisor's Report – Diane Carlton

September sales were up although one account was turned off. Past dues are good. We have only two (2) customers (Poppell & Chappell) that are over 60 days and are now turned off. Mr. Hall has ignored our billings and notices and his account was turned off today. The adjustments are routine.

October sales were down \$3475 and we had two (2) more disconnects. Past dues are still good. We have produced income this month by collecting disconnect/reconnect fees up front. Mr. Felix Nall of Cedar Island experienced issues in September and October with his non-potable water. It seems there was a misconnection of some old lines and water used for his new landscaping was running through the main meter with wastewater charges versus the second meter for non-potable water. He has paid his bill in full but has requested consideration for a sizable adjustment. **In consensus, the Board agreed to follow policy, obtain an average bill, and adjust Mr. Nall's bill accordingly.** David Parker has experienced excessive loss due to an unknown line break and will be addressed next month.

- Office Manager's Report – Shirley Shinholser

You will note on the September 30, 2007 Balance Sheet that all grants have been exhausted. Our Profit & Loss Budget Performance for the year end indicates that our net ordinary income was only \$15,561 versus the anticipated \$48,150 due to lower traffic/usage in our beaches. The income received enabled us to meet our loan obligations to USDA-RD with \$4,260 for repair & replacement reserve. Our audit for October 2006-September 2007 is scheduled for December 10, 2007.

The October 2007 Balance Sheet indicates District Funds in the amount of \$1500 remaining in Wastewater Checking to maintain the account with interest and without service charges until used for Phase II funding. We have used some of the Construction Extension Funds from savings to cover expenses for completion of our Wastewater O&M building after the grant monies were exhausted. As expected for this time of year, our total income for October is less than budget. Our expenses are also greater because of costs incurred (\$4001.84) due to the lightning strike at the WWTP on September 20th. This results in a loss of \$2,808.03 for the month. We will file for reimbursement from our insurance once all repairs are complete and all costs determined. We are still awaiting some replacement parts. **Commissioner Houck made a motion that we accept the September and October 2007 financial reports as read. The motion was seconded by Commissioner Mauldin and approved 5-0.**

We have amended the proposed budget for 2007-2008 based upon the actual income/expense for 2007. We anticipate a 2% increase in water & sewer sales which will produce a proposed income of \$326,225. A few expense accounts were adjusted per actual resulting in total expenses of \$307,879. Our anticipated net ordinary income of \$20,696 plus anticipated interest earnings will meet our USDA-RD obligations and provide a 2.5% O&M allowance for water repair & replacement reserve with a net income of \$277. **A motion was made by Tommy Mauldin to accept the 2007-2008 Budget as amended. A second was obtained from Lynn Aibejeris and the motion was approved (5-0).**

- Water Operational Issues – Jim Gooding

For several months, we, along with numerous other water suppliers, experienced a report of non-life threatening bacteria in our water source. We complied with DEP regulations and procedure for assuring our water is safe for our customers. The problem has now cleared and for the last two months, we have received a negative for bacteria.

We have experienced a trespass in our 42-acre well head protection area. SRWMD came to investigate and inspect the gates and signs. Our local Sheriff advised us that his office cannot enforce the issue because the signs say "no unauthorized vehicles" instead of "no trespassing". The FWC can arrest violators. We are

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pursuing this further to see what action needs to be taken. Maps will be obtained and provided to SRWMD, FWC, and local law enforcement indicating gated entrances.

- Wastewater Operational Issues – David Morgan

Other than addressing the concern at the Aibejeris quadraplex, things have been quiet. We are continuing to monitor the lift stations to address sludge issues and pursue the completion of our lightning damage repairs.

Troy Hamberger of Florida Rural Water is coming weekly to assist me in studying for the upcoming exam in February 2008.

6. OLD BUSINESS

- Review Fees

Coy Donaldson of Florida Rural Water came on November 8th to conduct a survey for FRW. He would like to return the first of 2008 to review our fees and offer suggestions before we proceed with revisions. *The item was tabled until further notice.*

7. NEW BUSINESS

- Authorized Signatures, Citizen's State Bank

A motion was made by Travis Beach that we appoint John Gentry, Glenn Senter, Lee Bennett, Tommy Mauldin, and Lynn Aibejeris as authorized signatures for all bank accounts. A second was obtained from Lonnie A. Houck and the motion approved (5-0).

- Taylor Coastal Communities Association Requests

The TCCA has approached us about locating an 8x 10 portable storage unit by the District office. SRWMD, owner of the property, has issued a concern due to the well-head protection area. Allowing the building set up would entail a permitting issue even if installed on existing lime rock. Also, allowing the building would set a precedent and we may be approached by others. **In consensus, the Board decided to deny the request to locate the building on this property.**

The TCCA will hold its monthly meeting in the District Building on Tuesday, December 11th and requests approval for a covered dish dinner on premises. The Association will clean up after the dinner. **Board approved.**

- Discuss December meeting date

Our December meeting is scheduled for Tuesday the 18th. The County Commission has rescheduled their meeting from December 11th to December 18th and plans to hold a public hearing to address Special Assessments Tax. A resolution must pass in December prior to the vote on the amendment in January. Several in our community desire to attend that meeting. **A motion was made by Travis Beach that we hold the District Commission meeting on Monday, December 17th, so that staff and Commissioners may attend the County meeting. Lonnie A. Houck offered a second and the motion was approved (5-0).**

8. Tommy Mauldin made a motion to adjourn; a second was received from Travis Beach and the meeting was adjourned at 6:45 pm.

(The next meeting is scheduled for Monday, December 17th, at 5:30.)

Board Actions:

1. Approve Minutes of the meeting on September 25, 2007.
2. Approve February 2006 as the service date for Phase II grant eligibility.
3. Approve an adjustment for Felix Nall.
4. Approve September and October 2007 financial reports.
5. Approve amended 2007-2008 Budget.
6. Appoint authorized signatures for all bank accounts.
7. Deny TCCA request to locate storage building on well-head protection area.
8. Approve dinner meeting of TCCA on December 11, 2007.
9. Approve change of date for December meeting from Tuesday, the 18th to Monday, the 17th.

Action Items:

1. Pursue input from FRW concerning fees/rates.

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Shirley Shinholser
Recording Secretary