

TAYLOR COASTAL UTILITIES, INC.
POST OFFICE BOX 73
PERRY, FLORIDA 32348
Voice (850) 838-2674
Fax (850) 223-1552

MINUTES OF REGULAR BOARD MEETING
February 18, 2004

1. The meeting was held at Blue Creek Baptist Church at 8:00 PM February 18, 2004. Present were Directors: Floyd Ford, Glenn Senter, Mike McKinney, Danny Everett, Sandra Hatcher; TCU Staff: Sandra Bolton, Jim Gooding, David Morgan, John Gentry, Visitors: Bob Meissner and George Stamos. A quorum was declared.
2. The minutes of the meeting of January 21, 2004 were approved as submitted. Motion by Ford, second by Hatcher, unanimous.
3. The minutes of the Annual Meeting of February 5, 2004 were approved as submitted. Motion by Ford, second by Hatcher, unanimous.
4. Officers were elected. Danny Everett made a motion that the same persons elected as TCW&SD Officers also serve as TCU Officers: Floyd Ford, Chairman, Mike McKinney, Vice-Chairman, Sandra Hatcher, Sec.-Treasurer. Second by Sandra Hatcher, the motion passed unanimously.
5. There were no questions on the Balance Sheet and Budget.
6. Sandra Bolton reported that the new rates are helping with cash on hand, but budget is still tight. The \$15,000 that was donated by Taylor County for the District Building comes from a reduction in the payoff on the bridge loan from \$100,000 to \$85,000.
7. Jim Gooding reported that DEP has a number of new requirements such as O&M manuals, system maps, emergency plans biological sampling plans. Most of these will need to be completed by the end of 2005.
8. John Gentry reported that he and Jim Gooding are meeting at least once every two weeks to discuss operational/management issues. The top priority is completing the feasibility study and finding funding for the new well. DEP has a State Revolving Loan program that might provide some funds. John will check into this and report back at the next meeting. TCU still needs a mechanism to get easements for some of our equipment on private property. John will check with Delta Surveyors about the cost of a "template" we could complete for easements and then record them. TCU is getting close to its yearly withdrawal limit in its SRWMD consumptive use permit. We will need to modify the permit when the new well comes on line. John spoke with DEP and they do want a written cross connection control program for the system. John and Jim will get together and prepare this. A meeting needs to be scheduled with Taylor County to discuss a written policy for water main relocations in their right of ways. John will set a meeting up with Kenneth Dudley to start the discussion. The amendments to DEP Drinking Water Rule 62-555 are now in effect. One of these requires a capacity analysis report when production reaches 75% of maximum day capacity. TCU is currently at $234,000/345,600 = 68\%$ of maximum capacity. The Water analysis that was completed last year and the Feasibility Study

TAYLOR COASTAL UTILITIES, INC.
MINUTES OF REGULAR BOARD MEETING
February 18, 2004
Page 2

that is currently underway should meet DEP requirements for this document. Also, DEP will review storage capacity at time of permitting new facilities.

9. Floyd Ford commented that TCU should begin looking into making a record of all Board Actions that were taken at past meetings. This record should be undated as new items are passed. Mike McKinney commented that ASKSAM software is good for doing this and that he will donate a copy of the software to TCU. Sandra Hatcher is working on this for TCU.
10. Floyd Ford commented that he is pleased to be the new Chairman and will work hard to provide the leadership TCU needs in the coming year.
11. George Stamos asked about pressure in the water mains. John Gentry replied that the static pressure at the wellfield due to the land elevation is offset by the height of the fixtures in the elevated homes along the coast and does not help with the pressure losses in the system. The feasibility study will analyze how much pressure loss there is due to friction between the wellfield and Keaton Beach at various flow rates.
12. The meeting was adjourned. Motion by McKinney, second by Everett, unanimous.

BOARD ACTIONS: 1. Officers elected.

ACTION ITEMS:

1. John Gentry to check on State Revolving Loan Program.
2. John Gentry to check with Delta on the cost of an easement template.
3. John Gentry to set up meeting with Kenneth Dudley on water main relocation policy.
4. Sandra Hatcher to get with Mike McKinney on the ASKSAM software.
5. John and Jim to discuss the cross connection control program at their next meeting.


John K. Gentry, P.E.
General Manager