

TAYLOR COASTAL WATER & SEWER DISTRICT

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MINUTES OF BOARD WORKSHOP

August 18, 2021

1. The workshop was held at the District Building at 6:00 PM on August 18, 2021. Present were Commissioners David Dall, Michael Lynn, Randy Hathcock, Mike Hunter, and Gayle Lundy. Commissioners William Rich and Thomas Kicklighter were absent. TCWSD Staff present were Kristi Hathcock and Lynette Senter.
2. The meeting was called to order at 6:00 p.m.
3. Commissioner Hathcock led in prayer and the pledge of allegiance to the flag.
4. There were six guests: Roger Weste, Glenn Senter, Robert Lynn, LaWanda Pemberton, Michael Newman, and W. Chris Cooksey.
5. Commissioner Dall welcomed our County Commissioner Michael Newman and County Manager LaWanda Pemberton. Guest. W. Chris Cooksey introduced himself and explained that he lives at Cedar Island and was attending to see how the meetings are conducted.
6. Development within the District – Commissioner Dall explained that this is our first workshop. He stated the board needs to discuss the development aspects, figure out how to address the issues, and see what we need to do to resolve them. He explained to the board that we will need to have several workshops to get the board up to date and running smoothly

Commissioner Dall mentioned that there is public concern about our board's attorney being the wrong attorney for the District. Commissioner Hunter stated that he didn't have a problem with the current board attorney and that we should leave it alone for now.

The Florida Sunshine Laws and how they apply to the Board were then discussed. Commissioner Hunter asked Lynette to send all of the Commissioners a guide.

Commissioner Dall discussed holding a Personnel workshop where the current job descriptions, personnel manual, and staff duties could be discussed. Commissioner Dall indicated that he thought the Board might be interested in touring the facilities and meeting the field staff. Commissioner Hathcock mentioned that he spoke with the County Manager about the Board's duties, and he thought that Personnel matters were handled by the District Manager. Commissioner Hathcock also mentioned that everyone might want to read over the Commissioners Rules of Procedure and Code of Conduct to help us understand what the job is and how the board needs to do it

Commissioner Dall suggested that the budget item for legal service be increased by \$20,000 due to possible future litigation.

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7. Congressional Rider – Commissioner Dall explained about Congressional Riders and what they do. He mentioned that it's a Democratic house and we need to have a Democratic Representative who will place the rider on a bill. Commissioner Dall stated that it would be a good idea to research the Democratic power structure in Taylor County.

There was discussion regarding building a relationship with Suwannee River Water Management District to see if they will fund development. Mr. Dall suggested that the board participate in the Suwannee River Water Management District board meetings to build that relationship. Our guest, Mr. Cooksey suggested we can try to reach out to Small Business Administration (SBA) for help with possible funding and Commissioner Dall agreed. Commissioner Dall then mentioned the Covid Relief Bills and specific allocations for water and sewer work. Unfortunately, under these Bills we are not classified as eligible unless the County applies for funding. Commissioner Hathcock asked County Commissioner Newman and Ms. Pemberton about the Infrastructure Bill from the Federal Government. Ms. Pemberton explained she hasn't gotten a total yet. She also explained about the American Rescue Plan, and is waiting on answers from Treasury giving the spending outline. She confirmed that Commissioner Dall was correct that some of the funding can be used for water and sewer. The County is looking at Storm Water Improvements and waiting on Treasury to see if that's for a closed system or an open system. Ms. Pemberton clarified that the Cares Act is one and the second is the American Rescue Plan. The County is awaiting guidelines as to how this money can be spent but has heard that it can be utilized for roads, bridges, possibly water and sewer.

Commissioner Hunter asked about the Steinhatchee Water Board and where they get their funding. Ms. Senter explained that Big Bend Water Authority is looking at an expansion project and exploring funding at this time, but she did not have the details about the project.

County Commissioner Newman asked the reason for exploring re-financing the District's debt. Commissioner Hathcock explained that the District was bound by the restrictions in the funding we received for the sewer project and by refunding the debt, the District would then be released from the restrictions. County Manager, LaWanda Pemberton asked the board if they had reached out to any local legislators, such as Representative Shoaff or Representative Ausley, to ask them for direction as far as legislative earmarks or future funding. The Board explained that they have not yet taken this step. Ms. Pemberton told the board that she would call Representative Shoaff to give him a heads up that we are looking to refinance our loans. Ms. Pemberton asked Ms. Senter if she had applied for any Springs Grants or River Grants. Ms. Senter explained that we have applied in each grant cycle for the past few years, but we haven't qualified. However, Suwannee River Water Management District did award us \$100,000 for our Neighborhood Meter Project. The Neighborhood Meter project will help the District narrow down locations of water loss. We will supply the labor and use the grant funds for equipment and a local contractor to dig. SRWMD has indicated that if we have monies left over, we may pursue additional installations at other neighborhoods. If this project is successful, we could possibly get more funding in the future. Ms. Senter has been unable to meet with Melvin Bowden and will schedule a meeting with Dustin Beach to get a quote for excavation.

Commissioner Lundy had a question concerning grinder pump installations. Ms. Senter explained that the District uses a special pump called an eOne that hooks into our pressurized sewer line. There are only a few other pump manufactures that have a comparable pump. Commissioner Lundy indicated that she was told by Danny Grinner that she could have as many grinder pumps as she

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wants but that after 2019, the District limited her to one. Ms. Senter explained that there was a District Ordinance regarding this, and she would get a copy for Commissioner Lundy as well as a copy of the grinder pump specifications.

Ms. Senter explained about the grinder pump installations and grinder pump kits. She also explained that there is now a delay of three months for complete customer packages. We have ordered single pumps from WASCON and even the single pumps are taking longer to arrive. Because we are in the middle of storm season, Ms. Senter has reached out to another company regarding grinder pumps that could be dropped into our existing installations. She indicated that she was going to arrange a meeting between our field staff and Victoria Messina Associates so they could see what was being offered. Commissioner Hathcock talked about the grinder pump warranty and explained that he thought we should order grinder pump kits as soon as they are paid for by the customer and go ahead and install them and not wait for the customer to get power. The board agreed to discuss this policy at the next regular board and possibly make changes to the procedure.

One of the visitors, Mr. Cooksey, asked the name of the current District attorney, and why the Board felt he was the wrong attorney. He also asked why Mr. Conrad Bishop who is the County's attorney, wasn't the District's attorney as well. The Board explained that our current attorney was J.D. Durant of Boyd & Durant in Tallahassee. Commissioner Dall explained that we have been notified of a possible lawsuit by the attorney for the owners of Fish Creek Cove, LLC but did not give any explanation as to why our current attorney was the wrong attorney. County Manager LaWanda Pemberton explained that other various boards and commissions each had their own attorneys including the Big Bend Water Authority and this practice was common.

Mr. Cooksey asked if there was a way developers could put in their own sewage treatment system like is often done in south Florida. Ms. Senter explained that within the boundaries of the District, alternatives to the existing grinder pump system aren't allowed but that it could be changed. County Manager LaWanda Pemberton explained that the District and the County developed an Exemption Form (a waiver to opt-out of the district) that would allow a property that the District couldn't service, to obtain their own water and sewage disposal. Mr. Cooksey and the Board discussed Fish Creek putting in their own sewer system. Mr. Cooksey suggested if you want to develop your parcel bad enough then you can justify putting in your own sewer system. Ms. Senter explained that the State of Florida Health Department only allows performance-based types of sewerage systems in the coastal high hazard area. She has gathered some information regarding these types of systems and discussed them with the health department.

Guest Robert Lynn asked to have a discussion of impact fees put on the next meeting's agenda for the developments because he feels it's not right for customers to pay for the developer costs.

Commissioner Lynn suggested that the District look for ways to expand our sewer system and work towards the future, and the other commissioners agreed.

Commissioner Lundy asked if the loan states how many grinders a development can have. Ms. Senter indicated that this was outlined in the District's ordinances not the funding agreements. The loan restrictions indicated that the funds can only be used for the existing homes, businesses, lots, and parcels that had an active water account and an existing septic tank. There was an amendment to

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the restrictions that added developed parcels, and lots could obtain future connections. Mr. Cooksey asked about all of the campers with no septic tanks and Ms. Senter explained that they had paid for and received their future water and sewer connection. They did not receive a grant funded grinder pump if they did not have an existing water account and septic tank.

Commissioner Dall discussed having a feasibility study to look at expansion, development, and future growth. The estimated time for completion of a feasibility study is at least three months and would not meet the timeline for the possible lawsuit. Ms. Senter explained that DEP performed a capacity study to give a timeline for future expansion and the District's last capacity study did not indicate it was time for an expansion. County Commissioner Newman explained that we may be able to look at the potential area we encompass which might allow for a faster expansion timeline. Commissioner Dall agreed that could be a good long-term solution, but it doesn't address the cut-off date for the lawsuit. Commissioner Hathcock mentioned that our attorney stated that there was no case law to support the possible Fish Creek Cove LLC suit and Commissioner Dall agreed.

Commissioner Lynn asked what the current loan balance was, and Ms. Senter explained that we had two loans for the wastewater project. Loan 92-01 (Series 2005B Bond) which has a balance of \$537,000 and Loan 92-05 (Series 2011A) which has a balance of \$360,938 as of September 30, 2020. The District also has one more loan 91-03 (Series 2005A) which has a balance of \$317,193 but this loan was for the purchase of the water company and does not have the same restrictions as the wastewater loans. Commissioner Lynn asked what the length is on the term of our loans. Ms. Senter explained that Loan 2005B matured on September 1, 2044, and has an interest rate of 4.25%. Loan 2011A matured on September 1, 2050, and had an interest rate of 4.375%. The annual principal and interest payment for all three loans is \$78,977.30. Commissioner Dall explained that he had a meeting with Mr. Marvin Brooks at Capital City Bank to discuss possible refinancing of the loans. Commissioner Hathcock asked if we could use the Cares Act funding and Ms. Pemberton said no. Commissioner Hunter asked how much we have in the bank. Mrs. Lynette stated we have around \$1,110,000 in savings and around \$500,000 in checking. Commissioner Dall discussed the worry that USDA-RD might be hesitant to fund future projects if their loan was paid off early, but we would have other financing opportunities to look at in the future. Commissioner Hathcock asked how the interest and principal are split. Ms. Senter indicated that \$52,094.30 is the interest and that \$26,883.00 is the principal.

The Board discussed holding another workshop in two weeks. The board discussed the steps for water and sewer service including whether or not power should be available prior to installation of the grinder pump. Commissioner Hathcock stated that we need to meet with Danny Griner to discuss the steps for water and sewer service. Ms. Pemberton explained that Danny Griner reviews the zoning and local land development codes, but the District is following a restriction on the loans. The board discussed the information that is given to Danny Grinner when a customer applies for service.

Commissioner Hunter asked Taylor County Commissioner Newman about Sandhill Road being on the road list and if Taylor County would take over the maintenance. He also asked if the District gave the road to the County, would it be maintained? County Commissioner Newman stated he would discuss it with the Taylor County Board. Ms. Senter explained that the District owns Sandhill Road and is responsible for its' maintenance. The District received a complaint from an adjacent

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landowner that the road needed to be repaired. Taylor County Commissioner Newman and the Taylor Coastal Board discussed this at length. Ms. Senter explained that she would discuss the maintenance with our field staff and see if they had any recommendations about what equipment we could purchase to maintain the road with our tractor. Commissioner Hathcock asked that we get a quote from someone local to fix and maintain Sandhill Road.

Mr. Robert Lynn asked Commissioner Dall the due date for Mr. Curtis to file suit and Commissioner Dall stated that he believes the date is October 24, 2021. Ms. Senter mentioned that the attorney and insurance company stated that we haven't received a formal lawsuit notification. Mr. Robert Lynn stated that he would have a discussion with Mr. Ray Curtis regarding this matter. Commissioner Lynn stated we have one item we need to work on now is getting a Congressional rider to cancel the restrictions on our loans. Commissioner Hathcock explained that we can't move on that now, but we do need to let attorney Curtis know we are working toward solving the issue and meet with him to show him that we are trying to solve it. The board discussed the Board Secretary position. Commissioner Hathcock asked to add the Secretary position back to the agenda for the meeting on Tuesday.

8. Closing Remarks Commissioners/Staff

Commissioner Hunter thanked Taylor County Commissioner Newman and County Manager LaWanda Pemberton for coming to our meeting, and also thanked everyone for being here.

9. Motion to Adjourn

Chairman Dall requested a Motion to Adjourn. Commissioner Hunter made a motion to adjourn the meeting. Commissioner Hathcock offered a second. The meeting adjourned at 7:40 P.M.



BY: Lynette Taylor Senter, District Manager
Taylor Coastal Water and Sewer District