

TAYLOR COASTAL UTILITIES, INC.
POST OFFICE BOX 73
PERRY, FL 32348
(850) 578-2277.

MINUTES OF BOARD MEETING
JANUARY 14, 1998

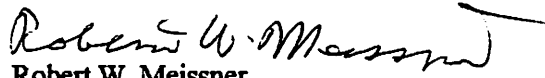
1. The meeting was held at the Keaton Beach Marina at 7:00 PM. Present were Directors Travis Beach, Bob Ballinger, Melvin Bowden, Jim Moody, Mike McKinney, Larry Murphy, and Betty Towles and Staff, Sandra Bolton, and Bob Meissner.
2. The minutes of the December 17, 1997 meeting were read and approved. Motion by Murphy, second by Bowden, unanimous.
3. Bob Meissner gave the Treasurer's Report. Our present Debt Reserve Account pays 1.90% interest. A comparison of CD rates was passed out. First Union CD's for \$10,000 or more for 7 months had a yield of 5.25%. At present there is approximately \$30,000 in the Debt Reserve Account. The Board directed that \$10,000 be used to purchase a 7 month CD at First Union Bank each month that the funds are available. Motion by McKinney, second by Towles, unanimous.
4. Sandra Bolton discussed billing and water sales. Ike Devane and Jody Devane were discussed. The board suggested that appropriate letters be sent when necessary. The Board was advised that one Lusby was turned off after he failed to respond to an overdue letter.
5. Baynard Ward and Chuck Davis discussed the progress of Oak Ridge Estates. Possible ways to offset the cost of the new piping were discussed. One suggestion was that when the sales are 50% the developer might be in a position to pay for all the remaining connection fees. Another possibility may be some consideration on land near the well site to protect our water supply. No decisions were reached, however, Mr. Ward and Mr. Davis agreed to delay sales of property adjacent to the well property for 3 months. We both agreed to seek a way that the wellfield could be protected and the pipes could be run. Further negotiations will be needed over the next few weeks.
6. Bob Meissner discussed progress toward a central sewer system for the Beaches. He reported that he talked with Frank Darabi, an engineer who works on projects such as this and who is presently doing the survey of needs for the Swannee River Water Management District. Mr. Darabi felt that we had a good chance to get a complete system designed and funded from various sources. Bob also talked with Jerry Ausley regarding a central sewer system and he was very encouraging. He also advised that we would have to get funds from various sources to supplement what Farmers Home could do. The Board was very supportive of moving ahead with the planning for a central sewer system.
7. Fluoridation was discussed. Dr Boland will talk about it at the annual meeting. The Board was supportive of this. Costs will be developed in the next few weeks. Initial funding may be by a State grant.

Taylor Coastal Utilities, Inc.
Board of Directors Meeting
January 14, 1998
Page 2

8. We were not able to sell the old Cedar Island tank so it will be moved to the wellsite for storage until we find a use for it or a sale.

9. The annual meeting was discussed. All items have been arranged as planned last month. The board will place Jim Moody and Melvin Bowden in nomination for re-election as directors. Nominations will be open from the floor. Ballots will be available for voting.

10. The meeting was adjourned.


Robert W. Meissner
General Manager

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MINUTES OF BOARD MEETING
MARCH 18, 1998

1. The meeting was held at the Keaton Beach Marina at 7:00 PM. Present were Directors Travis Beach, Bob Ballinger, Melvin Bowden, Jim Moody, Mike McKinney, Larry Murphy, and Betty Towles and Staff, Sandra Bolton, and Jim Gooding. A quorum was declared by Travis Beach.
2. Officers for 1998 were elected as follows:
President Travis Beach Motion by McKinney, second by Bowden, unanimous
Vice-President Mike McKinney Motion by Beach, second by Towles, unanimous
Sec-Treasurer Bob Ballinger Motion by Towles, second by Bowden, unanimous
3. President Beach thanked the Staff for their efforts during the year. The Board, by consensus, approved the continuation of service contracts with Sandra Bolton, Jim Gooding and Bob Meissner.
4. The minutes of the Board Meeting on January 14, 1998 were approved with the provision that the date of the meeting be changed from 1997 to 1998. Motion by Beach, second by Towles, unanimous. The minutes of the Annual Meeting on February 5, 1998 were approved with the provision that the date of the meeting be changed from 1997 to 1998. Motion by Beach, second by Towles, unanimous.
5. Sandra Bolton reported on billing activities. A delinquent letter will be sent to Floyd Fraeizer. Mike Lusby's account will be adjusted.
6. The Board asked Travis Beach to contact the sign painter to repaint the sign at the Booster Station.
7. The Board asked Bob Meissner to offer Buddy Parker the option of running his own line to the existing pipeline on Jody Morgan Grade. Since there will be two residences at the end of the line, two meters will be required. We will have to resolve this issue. The Utility cannot underwrite the cost of the line because of its length and because it may be crossing private property.
8. The Board requested an update on the closing of the wells at Cedar Island.
9. The Board discussed the possibility of purchasing the lots adjacent to the well site which are not a part of Oak Ridge. Perhaps title to the lots can be arranged in exchange for the installation of the water line to Unit 1 of Oak Ridge. This was tabled for further discussion at the next meeting.

Taylor Coastal Utilities, Inc.
Minutes of Board Meeting March 18, 1998
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10. Jim Gooding said that arrangements are being made to inspect the inside of the pressure tank. The water may be off for 2 hours for this work to be done. Jim will schedule the work and Sandra will get signs up at the Marina to tell customers what is going to happen.
11. Jim also reported that Bill Hargesheimer will complete the blow-off holding pond at the well site.
12. Motion was made to adjourn by Towles, second by Murphy, unanimous.



Robert W. Meissner
General Manager

Attention: Travis Beach

I, Lewis Moody regret that I must resign AS A board member. I feel that the lack of being a full time resident, thus unable to make monthly meetings, this must happen. I feel sure the board can and will find a replacement worthy of the duty.

THANKS
Lewis Moody

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MINUTES OF BOARD MEETING
APRIL 15, 1998

The meeting was held at the Keaton Beach Marina at 7:00 PM. Present were Directors Mike McKinney, Bob Ballinger, Melvin Bowden and Betty Towles and Staff, Sandra Bolton, and Jim Gooding and Bob Meissner. Melvin Bowden had a proxy from Travis Beach. A quorum was declared by Mike McKinney who led the meeting.

The minutes of the Board Meeting on March 18, 1998 were approved. Motion by Bowden, second by Towles, unanimous.

The treasurer's report was given by Bob Meissner. The purchase of the first CD for \$10,000 from First Union Bank was made in January at a yield of 4.90%. The Board previously approved this action. The audit is completed and has been sent to Rural Economic & Community Development. Ms Waters will be at the meeting May 20 to discuss accounting requirements. A budget will be prepared for review at the May meeting. This will have to be adopted by the Board prior to July 1, 1998. The treasurer's report was approved. Motion by Bowden, second by Towles, unanimous.

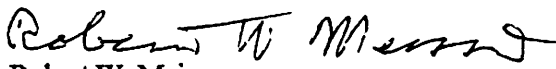
The billing report was given by Sandra Bolton. One customer is substantially behind in payment of his membership fee. A letter will be sent and if he does not pay in 10 days his service will be terminated. Motion by Ballinger, second by Towles, unanimous.

The operations report was given by Jim Gooding. The tank cleaning project is complete. No problems were found. About a wheelbarrow of sediment was removed from the tank. Two areas will be looked at to include in a jack and bore when the contractor comes in for the one for Howell. They are at the Hot Dog Stand and on Fantasy Island.

Bob Meissner covered various items:

- a. The Board asked Bob to send a letter of thanks to Dr Boland for the talk at the Annual Meeting.
- b. The Board asked Bob to get detailed costs for the installation of Fluoridation.
- c. The Board authorized a jack and bore for Howell's and two other jack and bores as mentioned above.

- d. Bob reviewed the progress of the sewer project. He reviewed the Jones Edmunds tour on March 14 and the recent SRWMD listing with our project still "high priority". He showed the newspaper article and mentioned that the Commissioners had approved the resolution we requested.
 - e. The abandonment of the wells at Cedar Island has not been completed yet. More work will be completed this month.
 - f. The Board asked Bob to study a request by the County for us to repair the road at Cedar Island and 361. Bob will report back to the Board next month.
7. Mike McKinney excused himself from Discussion of the installation of chase pipes under the road in the new Cedar Island subdivision. Melvin Bowden presided. Since this was the same thing we did at Oak Ridge, the Board felt that this installation was proper. The installation was approved for up to \$2,000. Motion by Bowden, second by Ballinger, unanimous.
8. The General Manager discussed the office that is now provided by Sandra Bolton for exclusive use of Taylor Coastal Utilities. He reviewed the office size and comparable costs of rental space. The office has complete air conditioning and insurance coverage. He suggested that Sandra's fee be adjusted by \$400 per month, starting the first of May, for this service improvement. Sandra's fee will now be \$1,200 per month. Sandra is an independent contractor. The Board approved. Motion by Towles, second by Ballinger, unanimous.
9. The meeting was adjourned. Motion by Ballinger, second by Bowden, unanimous.


Robert W. Meissner
General Manager

April meeting

PROXIE VOTE 4/15/97

This is my vote for Melvin
Powden to vote on ISSUE of
CEDAR ISLAND IMPROVEMENTS.

Jim Powell

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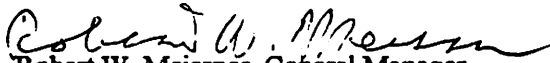
MINUTES OF BOARD MEETING
MAY 20, 1998

1. The meeting was held at the Downtown Café at 7:00 PM. Present were Directors Travis Beach, Bob Ballinger, Melvin Bowden Jim Moody and Larry Murphy and Staff, Sandra Bolton, Jim Gooding and Bob Meissner. This was a dinner meeting and wives were invited. Mr. & Mrs. Waters were guests. President Beach declared a quorum.
2. Ms Sheryl Waters, CPA, reported on the recent audit as the first order of business. She discussed the responsibilities of Directors and the importance of properly recording all financial transactions. She reviewed the extent that she is required to go in researching our records to properly complete the Audit. She mentioned a few items we may want to look at this year. She said the report reflected good accounting practices and accountability. At the end of the meeting Mr. & Mrs. Waters asked to be excused to attend other business.
3. The minutes of the Board Meeting on April 15, 1998 were approved. Motion by Murphy, second by Moody, unanimous.
4. The treasurer's report was given by Bob Meissner. The second CD for \$10,000 was purchased from First Union Bank on May 21, 1998 at a yield of 4.55%. The Board previously approved purchase of \$10,000 CD's whenever funds were available in the Dept Reserve Account. Budget numbers for this current fiscal year were included with the income statement for the first time. A budget for next year will be prepared for approval at the June 17th Board Meeting. The treasurer's report was approved. Motion by Bowden, second by Moody, unanimous.
5. The billing report was given by Sandra Bolton. All customers are current at present. The customer who was delinquent last month has made complete payment of his membership fee. Sandra will be out of town from May 27 to June 5.
6. The operations report was given by Jim Gooding. The ongoing program of installing backflow preventers is being continued as time permits. It will be continued until all services have backflow preventers installed. The hydropneumatic tank inspection report has arrived. The inspector recommended planning painting of the interior of the tank in about 5 years. No other problems were reported. The air regulator has been repaired. Jim gave a review of his visit to the City of Perry to look at their fluoride addition equipment. He mentioned several concerns related to the corrosivity of the liquid added. It requires special handling from both an equipment standpoint and a personal safety hazard to the operator. Additional regular testing and reporting is required. Jim recommended that we look closely at the ongoing cost of chemicals and the probable additional operator costs before committing to the addition of fluoride. He also suggested that we find out how many young children of the age to receive the benefits of this treatment, live in our service area.

7. Bob Meissner covered various items:
 - a. Permits have been requested from both the County and Department of Environmental Protection for the 4 jack and bore road crossings.
 - b. Recent activities relating to a central sewer project were discussed. The Board asked Bob to send a letter to all members to get their opinion on the desirability of us providing central sewer service. It was suggested that the letters be sent with the bills. Motion by Murphy, second by Bowden, unanimous.
 - c. The wells at Cedar Island are closed but have to be cut off below the ground.
 - d. Daniel Crapps Agency indicated the desire to cable off the road into the woods beside the Water Company. The Board saw no problem with this. It does not affect our property.

8. The Board discussed the need to move ahead with purchase of property around the wellfield as protection for our water supply. The three wells are on .6 acre of land. The board agreed that it is essential for us to own several hundred feet around the wells to eliminate the possibility of contamination sources locating there. The Board felt that Lots 11, 19 and 20 of Oak Ridge Estates and the northern part of the Merschman property were very important to this issue. The Board authorized the President to form a committee to negotiate with the owners of Oak Ridge Estates about lots 11, 19 and 20. The Board authorized the committee to tie up the lots as quickly as possible with a good faith deposit and secure an option to purchase for 3 months with another 3 months renewal clause. The Board further authorized communication with Farmers Home Administration and the Suwannee River Water Management District requesting help with payment for the land. Motion by Ballinger, second by Moody, unanimous.

9. The meeting was adjourned.


Robert W. Meissner, General Manager

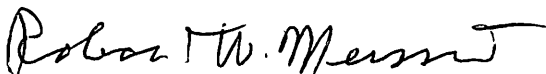
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MINUTES OF BOARD MEETING
JUNE 17, 1998

1. The meeting was held at Bob Meissner's home at 7:00 PM. Present were Directors Bob Ballinger, Jim Moody, Melvin Bowden, Larry Murphy and Betty Towles, and staff Sandra Bolton, Jim Gooding and Bob Meissner. Guests were Mike Smith, Baynard Ward and Chuck Davis. Travis Beach, President, and Mike McKinney, Vice President, were out of town. Melvin Bowden had Travis Beach's proxy. Bob Ballinger presided at the meeting. A quorum was declared.
2. Mike Smith, the Corporation's legal counsel, was invited to attend to discuss director's liability and to participate in discussions concerning the possible purchase of land to protect our wellfield and/or to site a sewer treatment and disposal system. After extended discussion, Mr. Smith recommended that the Corporation look into the possibility of securing director's liability insurance. The board asked Bob Meissner to secure quotes for this coverage. Motion by Murphy, second by Moody, unanimous. Mr. Smith then participated in the discussion of possible land purchase and consideration of the specific proposal presented by Baynard Ward and Chuck Davis.
3. Baynard Ward and Chuck Davis of Daniel Crapps Agency, presented the possibility of our purchase of land adjacent to the wellfield. Previous to this discussion, the Utility was considering purchasing three lots in Oak Ridge Estates that adjoin the well property. Baynard Ward presented the possibility of our purchase of approximately 275 acres south of the well property that could be used for additional wells in the northern end and perhaps for a sewage treatment and disposal system in the Southern end. The property is one mile long. Our purchase would probably depend on our obtaining financial assistance from the Suwannee River Water Management District. Mr. Ward offered price proposals on the three lots originally discussed and the large tract. Mr. Ward offered to hold these properties for 6 months at no expense to the Utility. Mr. Smith suggested that we write a contract so that we will have the assurance of the availability of the property while we attempt to find finding assistance. The Board asked Mr. Smith to include the provision to extend the option on all the property for an additional 6 months at some cost. The option should have the presently proposed property costs shown. Mr. Ward assured the Board that the cost of the option extension would be reasonable. The Board felt that the funding could be resolved within a year. Mr. Smith suggested that we try to get Mr. Jerry Scarbrough and Mr. Jerry Ausley together to plan a strategy to obtain the funding. The Board authorized Mr. Mike Smith to secure an agreement under the general guidelines above with Daniel Crapps Agency for an option on all the land proposed. Motion by Murphy, second by Moody, unanimous.
4. The minutes of the last meeting were approved. Motion by Ballinger, second by Towles, unanimous. Bob Meissner gave the Treasurer's report. The budget for next year was approved. Motion by Murphy, second by Bowden, unanimous. Ms Waters was approved to do the audit this year. Motion by Murphy, second by Towles, unanimous.
5. Sandra Bolton reported that there were no billing problems.

Taylor Coastal Utilities, Inc.
Minutes of Board Meeting June 17, 1998
Page 2

6. Jim Gooding reported that water use was up substantially. Mr. Robinson was asked to visit our plant to test drawdown on the wells to ensure that there is not a potential problem with water levels due to the dry weather. Mr. Robinson will check other items as routine preventative maintenance while he is here. The Booster station is on the line and there have been no reported problems with water pressure.
7. The issue of fluoride addition was discussed briefly. It was decided by consensus to table this item so that we could concentrate our efforts on gathering support for the sewer system.
8. Bob Meissner reported that the Jack and Bore project should be completed in a week or two. All permits are in hand and the contract for the work has been executed.
9. Bob Meissner mentioned that the County Commission has decided to locate the boat ramp on the Lichtveld property. He reminded the Board that there is a large septic tank system on the property that may be of interest to the Utility. It could be a temporary solution to some of the problems at Ezell Beach or on the Main Street of Keaton Beach.
10. The meeting was adjourned. Motion by Murphy, second by Towles.


Robert W. Meissner
General Manager

15 Jun 98

✓
Proxy Vote for Meeting on 19 Jun 98. to
Melvin Borden to Vote on Issues Pertaining
to All Business.

Jim Beach

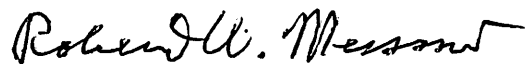
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MINUTES OF BOARD MEETING
JULY 15, 1998

1. The meeting was held at Bob Meissner's home at 7:00 PM. Present were Directors Travis Beach, Jim Moody, Melvin Bowden and Mike McKinney, and staff Sandra Bolton, Jim Gooding and Bob Meissner. Melvin Bowden had Betty Towles' proxy. A quorum was declared.
2. The minutes of the meeting of June 17, 1998 were read and approved. Motion by Bowden, second by Moody, unanimous.
3. Sandra Bolton gave the billing report. There are no customers with unexplained overdue balances.
4. Jim Gooding gave the operations report. We are pumping 180,000 GPD now where an average during the off season is 70,000 GPD. The 6" pump does not cycle off during these high usage periods. This may explain some of the water discoloration. The electrical system will be modified to cycle to the 8" pump after 15 minutes on the 6" pump. We will still alternate pumps. Most of the water discoloration problems appear to be from high usage that brings sediment and stale water out of lines not used frequently. Blowing off lines appears to cure the specific location problem. Generator maintenance will be done jointly by Jim and Ernie. This may help catch potential problems. The trickle charger will be changed to ensure that it is not damaging the battery. We have never lost system pressure since 1995. Beeper procedures were discussed extensively. Jim asked that his home telephone be used whenever possible before the beeper is used. He asked that the beeper be used only when he cannot be reached on the telephone.
5. Bob Meissner reported on the following items:
 - A. The following statement of Taylor Coastal Utilities, Inc. Goals was offered.
 - To Provide a reliable and adequate supply of high quality drinking water to all landowners, residents and establishment operators in our service area.
 - Where economically feasible, to collect the wastewater generated by these customers and provide a reliable system for its proper disposal.
 - To maintain the highest level of compliance with applicable State and Federal Rules and regulations.
 - To perform our services in a kind, friendly and helpful manner while operating the business on a sound fiscal basis.
 - To ensure fair treatment for all customers regarding financial matters and response to service requests.The Board adopted these goals. Motion by McKinney, second by Bowden, unanimous.

Taylor Coastal Utilities, Inc.
Minutes of Board Meeting July 15, 1998
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- B. The contractors cost of the Jack & Bore work was \$2,600. Mr. Howell's meter is installed.**
 - C. The Board approved the signing of the land option, written by Mr. Mike Smith, for the Crapps' land. Motion by Moody, second by Bowden, unanimous.**
 - D. The Board authorized discussing a similar option with Mr. Merschman.**
 - E. Strong support for the sewer has been given by 5 current and future business owners on Keaton Beach. They are Bill Hargesheimer, Larry Dean, Lynn Aibejeris, Dr. Willard and Travis Beach. Information about a Rural Hardship Community Grant was discussed. Jones Edmunds and Associates, Inc. offered to assist us in completing this initial grant application for a fee of \$350.00. The Board authorized this expenditure. Motion by Moody, second by Bowden, unanimous.**
 - F. The Board authorized advertisement for Continuing Engineering Services primarily for the sewer project. Motion by Bowden, second by McKinney, unanimous.**
 - G. The board, by consensus, authorized sending a letter requesting a show of support, to landowners on Ezell and Keaton Beach Main Street who answered previous letters discussing the possibility of sewer service.**
 - H. Work is progressing to find a suitable location for a central sewer plant. Possibilities are Between Gibson Road and Dekle Beach Road on the West side of 361, North of Dekle Beach Road and West of 361, South end of the Daniel Crapps' property, and Foley Timber and Lands property off Jody Morgan Grade.**
 - I. There is a need for us to begin thinking about a sewer plant operator. It was suggested that we authorize funds for David Morgan to go to a conference in Central Florida to find out whether he would be interested in training for this position. The Board authorized reimbursement of expenses.**
 - J. The Board supported a GOAL of having sewer service available to the Keaton/Ezell area by May 15, 1999. All of us realize that funding needs will make this very difficult unless interim private capital is available. The Board is committed to ensuring that those who derive the benefits of the sewer pay for the sewer.**
- 6. The meeting was adjourned. Motion by Bowden, second by Moody, unanimous.**


Robert W. Meissner
General Manager

7-14-98

Proxy ~~Fan Melvin Bowden~~
given Betty Jewles

Betty Jewles

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MINUTES OF SPECIAL BOARD MEETING
August 5, 1998

The meeting was held at Bob Meissner's house at 7:00 PM. All Board members were notified of the meeting. Present were Directors Mike McKinney, Melvin Bowden, Jim Moody, Larry Murphy, Bob Ballinger, Betty Towles; and staff Sandra Bolton, and Bob Meissner, and guest Christy Moody. A quorum was present.

The purpose of the meeting was to open the proposals from Engineers for Central Sewer System design, funding and construction. And, to adopt a procedure for selecting the firms to be short-listed to give presentations at a Special Meeting at the Blue Creek Baptist Church.


Proposals were received from Broward Davis & Associates, Inc., William Bishop & Associates, Inc., Jim Stidham and Associates, Inc., and Jones Edmunds & Associates, Inc./Darabi & Associates, Inc. The Board decided by consensus to invite all 4 firms to make presentations.

The selection process was discussed. The Board agreed that the following points should be covered in presentations.

1. Experience of the engineer with installing sewer systems in localities similar to ours.
2. Success rate of finding government grants and loans to pay for part or all of the central sewer system installation.
3. Relationship of the engineer with DEP, DCA, SRWMD, County Governments and Legislative Delegations.
4. Ability and desire of the engineer to defer payment for some or all of his services until money from funding sources is received. Ability to minimize interim financing.

The Board asked Bob Meissner to schedule the presentation meeting within two weeks.

The meeting was adjourned.


Robert W. Meissner
General Manager

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BOARD PROJECT LIST – August 15, 1998

1. Send all current contracts for continuing services to Mike Smith for review. Meissner, Gooding, Morgan, Bolton.
2. Secure a written agreement for continuing legal services from Mike Smith
3. Secure a written agreement for emergency services from Melvin Bowden.
4. Develop a written policy concerning connections to RV's. At present two RV's receive service to adjacent houses.
5. Develop a written policy concerning responsibility beyond the meter.
6. Adopt a schedule for regular newsletters. Secure a member volunteer if possible. Combine policy information with "Quality on Tap" information. First issue should go out with November bills.
7. Adopt a written Emergency Operation Plan.
- 8.

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August 9, 1998

TO: Broward Davis & Associates, Inc.
Jim Stidham & Associates, Inc.
Jones, Edmunds & Associates, Inc./Darabi & Associates, Inc.
William M. Bishop, Consulting Engineers, Inc.

SUBJECT: RFP for Continuing Engineering Services
Wastewater and Drinking Water System
Short-List & Presentation Time

On August 5, 1998 at 7:00 PM the Board of Directors met and opened proposals from the above companies. There were no other proposals received.

The Board decided to allow all 4 firms to make a presentation to the full Board on August 18, 1998. The presentations will be at the Blue Creek Baptist Church which is located on CR 361 between Keaton Beach and Cedar Island. Presentations will start at 7:00 PM.

The schedule for presentations will be as follows:

7:00 PM to 7:30 PM Broward Davis & Associates, Inc.
7:30 PM to 8:00 PM William Bishop & Associates Consulting Engineers, Inc.
8:00 PM to 8:30 PM Jim Stidham & Associates, Inc.
8:30 PM to 9:00 PM Jones Edmunds & Associates, Inc./Darabi & Associates, Inc.

We feel confident that all four firms have the technical expertise to handle any and all of our engineering needs. The questions we would like each firm to answer in detail are listed on page 2. Your direct and honest answers to these questions and related issues will weigh heavily in the selection process.

We would like your presentation to be structured to allow questions from the Board at any time. Please keep your answer directly related to the question and move ahead as expeditiously as possible. Since we have a full evening you will have only 30 minutes. It will be important that your presentation answers all questions.

RFP for Continuing Engineering Services
Wastewater and Drinking Water System
Short-List & Presentation Time
August 9, 1998
Page 2

We would like your presentation to answer the following questions in the order listed. It will be important that all questions be answered before additional information is provided to the Board.

1. What is your vision for central sewer service in our service area?
2. Can we begin with small systems in areas of greatest need and later combine them in one central system?
3. What would the final central system look like?
4. What would each of the smaller starter systems look like?
5. Where would capital funding come from?
6. What grants may be available for our type of organization (a not-for-profit corporation)?
7. How quickly could a small system be put in place?
8. If interim capital could be found for a small system could a later grant pay off the loan required?
9. Is there any way you see that we could have a small system in operation by May 15, 1999?
10. Can we get grants to provide sewer service without the County passing a mandatory hookup ordinance?
11. What are some creative ways that engineering services could be provided in such a way that the fees are taken from grant money?

Please call me with any questions you may have. We appreciate your interest in our project and we look forward to seeing you at the presentation.

Sincerely,



Robert W. Meissner, P. E.
General Manager

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ENGINEERING PROJECT LIST' - August 16, 1998

1. Additional hydropneumatic or elevated storage tank chlorine retention time during periods of high usage such as holidays and drought.
2. Install a new 12" supply well to ensure sufficient volume for high usage periods and future expected demand.
3. Replace liquid chlorine solution with gas chlorinator for precise control and reduced operating costs.
4. Generate a computer-based set of maps for all our water lines.
5. Construct building for equipment storage, supplies, office space, lab space and pump controls at first opportunity, with system expansion.
6. Purchase additional wellfield property for new well and protection of existing wells.
7. Study the possible need for chlorination station and loop connection at Fish Creek end of line.
8. Review metering at the wellhead ensure accuracy and to meter flow continuously.

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SYSTEM PROJECT LIST – August 15, 1998

1. Purchase Weed Eater for maintenance of the treatment site and booster station site.
2. Purchase a metal detector for location of valve boxes.
3. Explore different types of pipeline detectors for a recommendation to make a purchase.
4. Construct a 40-gallon retainer structure around the generator to contain a possible diesel spill and avoid well contamination.
5. Make up a written emergency plan for storms and other emergencies to ensure that we have repair people on contract for emergency service.
6. Install battery back up light in pump house.
7. Complete backflow prevention project with approximately 15 more installations
8. Construct cover over pumps at booster station.
9. Complete the following additional loops as soon as possible.
 - a. Complete Fantasy Island paperwork and fieldwork.
 - b. At Ezell Beach extend the 2" line near Bowden to a 4" line near Doctor Falany. Easement needed along Pike property.
 - c. Discuss with Larry Dean connecting 500' from Keaton Beach Motel to Baungardner property.
10. Install a block valve at the main for the Cedar Island East loop.
11. Develop a list of products used with purchase order information and stocking information to ensure standardization of equipment and availability of spare parts. Meter boxes, saddles, repair parts, meters, valves, pipe, etc.
12. Develop our own monthly report for generator checks, well operating pressure vs. rate, well drawdown, electrical controls checks, well operating hour logging, generator operating hour logging, etc.
13. Develop a monthly report for general use that covers key operating data.

14. **Install a block valve at the intersection of Blue Creek Drive and Ponce DeLeon.**
15. **Make a continuing contract with a tank inspection and repair service.**
16. **Set up a program to locate, clean and operate block valves on a scheduled basis.**

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MINUTES OF SPECIAL BOARD MEETING
August 18, 1998

The meeting was held at The Blue Creek Baptist Church at 6:30 PM. All Board members were notified of the meeting. Present were Directors Travis Beach, Mike McKinney, Melvin Bowden, Jim Moody, Larry Murphy, Bob Ballinger, Betty Towles, and staff Sandra Bolton, and Bob Meissner, and guests Stella Meissner and Garry Allshouse, Taylor County Environmental Health Director. A quorum was present.

The purpose of the meeting was to receive information from the four Engineering firms who responded to our Request for Proposals for Continuing Engineering Services, Wastewater and Drinking Water System. The attached letter states the order of the presentations and the information requested from each presenter. Presenters were Broward Davis & Associates, Inc., William Bishop & Associates, Inc., Jim Stidham and Associates, Inc., and Jones Edmunds & Associates, Inc./Darabi & Associates, Inc.

At the completion of the presentations the President asked that the Board Members be ready to make their selection at the regular Board Meeting to be held August 19, 1998.

The meeting was adjourned.


Robert W. Meissner
General Manager

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MINUTES OF REGULAR BOARD MEETING
AUGUST 19, 1998

1. The meeting was held at Bob Meissner's home at 7:00 PM. Present were Directors Travis Beach, Jim Moody, Betty Towles, Bob Ballinger, Melvin Bowden and Mike McKinney, and staff Sandra Bolton, Jim Gooding and Bob Meissner, and guests Baynard Ward and Stella Meissner. Betty Towles had Larry Murphy's proxy. A quorum was declared.
2. The minutes of the Regular Meeting July 15, 1998 and the Special Meeting August 5, 1998 read and approved. Motion by Bowden, second by Ballinger, unanimous.
3. Sandra Bolton gave the Comptroller's report. There are no customers with unexplained overdue balances. We have our third \$10,000 CD. Mike McKinney pointed out that depreciation was not shown on the Income Statement for the month. Sandra said that this would be corrected. The report was approved. Motion by McKinney, second by Towles, unanimous.
4. Jim Gooding gave the operations report. He discussed the priority lists we now have for projects. The lists were discussed and approved by the Board. The Board authorized the purchase of a weed eater and the construction of containment under the generator to catch any diesel spills to prevent contamination of the ground. The Board asked that Danny Ezell and Kenny Jones be contacted about helping us get an aluminum fabrication for this purpose. The Board asked that Jim and Bob prioritize the items on each of the three lists. Motion by Towles, second by Ballinger, unanimous. Jim reported that the electrical system has been modified so that the 6" pump will not have to run long periods without stopping. Now the 8" pump will come on after 10 minutes of demand above the capacity of the 6" pump. A beeper procedure sheet was attached to the handout packet to the Board Members. Jim reported that David Morgan attended the one information meeting for Sewer Plant Operators and David is very interested in becoming a sewer operator.
5. Bob Meissner reported that the land option papers have been signed by our President. They are going to Daniel Crapps Agency for final signing. The Grant that we applied for last month was not accepted because we are not a part of city or county government. The visit to the Suwannee River Water Management District Board Meeting on August 11 was discussed. Betty, Sandra and Bob went. There were several reports on land purchases and studies that may help our funding for a central sewer system. Bob has written contracts for Jim Gooding and David Morgan. David Morgan's contract raises his hourly fee to \$9.00. There were no other significant changes in either contract. The new contracts were approved by the Board. The Board asked that these contracts be sent to Mike Smith for proper wording. The Board also requested that Mike Smith be asked for an agreement with him for continuing legal services. These items were approved by the Board. Motion by McKinney, second by Towles, unanimous.

Taylor Coastal Utilities, Inc.
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5. President Beach opened a discussion of the reimbursement presently paid to the General Manager. After extensive discussion it was decided by the Board to increase the fee for General Manager duties to \$600.00 per month. The fee for engineering work associates with the Central Sewer Project and DEP Permitting activities will be increased to \$20.00 per hour. Records of the cost of the services provided for the Central Sewer Project will be kept separate from costs associates with the water system permitting. Motion by Towles, second by Moody, unanimous.

6. The selection of the Engineer was by secret ballot. Jones Edmunds/Darabi ranked #1 and William Bishop ranked #2. The Board agreed by consensus that negotiations should be started with Jones Edmunds/Darabi as soon as possible. The President asked that we move quickly to inform Senator Williams and Representative Janegale Boyd of our intentions to have a request for funds from the Legislature in their hands by October 15, 1998.

7. The meeting was adjourned. Motion by Bowden, second by Moody, unanimous.

Robert W. Meissner
General Manager

Proxy for Aug 19 meeting

Petty Towles to vote for Mr

L. D. Murray

① Jones Edmunds

② Will. Bishop & Assoc

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MINUTES OF SPECIAL BOARD MEETING
August 24, 1998

The meeting was held at The Lighthouse Restaurant in Fanning Springs at 6:30 PM. All Board members were notified of the meeting. Present were Directors Travis Beach, Mike McKinney, Melvin Bowden, Larry Murphy, Bob Ballinger, Betty Towles, and staff Sandra Bolton, and Bob Meissner, and guests Frank Darabi and Stella Meissner. A quorum was present. The meeting was preceded by a visit to the new central sewage collection and treatment system in the City of Suwannee.

The purpose of the meeting was to receive additional information from Jones Edmunds & Assoc., Inc./Darabi & Assoc., Inc. (JEA&D) regarding their proposal to furnish Continuing Provisional Engineering services for Taylor Coastal Utilities, Inc. (TCU). This meeting was part of our negotiations with this firm. The primary factor in our negotiations will be the financial obligations placed upon TCU as the feasibility study, funding search, and design progresses. Our Board has indicated a desire to not use funds derived from water service for sewer system study, design and installation.


There was extensive discussion about the design and funding of the system installed in the City of Suwannee. Their area is similar to ours in location and economic base. Their system is two years old. Funding and design took place over 5 years from 1991 to 1996. The problems and challenges they had in design and funding were similar to the things we face. At the completion of discussion, the Board decided to move ahead with negotiations with JEA&D. Motion by Murphy, second by Towles, unanimous. The Board suggested that Bob Meissner take the following steps regarding the negotiations:

1. Ask JEA&D for a proposed Contract.
2. Review the proposed Contract with Mike Smith.
3. Ensure that all liability, financial and other matters are clearly covered.
4. Negotiate any changes necessary in the Contract.
5. Obtain Task Assignment #1 for preparing a feasibility study for the central sewer system. This will cover deliverables, costs and timing in detail.
6. Present the Contract and Task Assignment #1 to the Board for approval.

The Board suggested that as soon as we feel secure in our ability to move ahead, we do the following:

1. Send a letter to our Legislators in Tallahassee and Washington.
2. Schedule a public meeting to explain our plans to our members.
3. Schedule a meeting with our legislative delegation.

The meeting was adjourned.


Robert W. Meissner, P. E.
General Manager

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MINUTES OF REGULAR BOARD MEETING
SEPTEMBER 16, 1998

1. The meeting was held at Sandra Bolton's home at 7:00 PM. Present were Directors Travis Beach, Jim Moody, Betty Towles, Bob Ballinger, Larry Murphy, Melvin Bowden and Mike McKinney, and staff Sandra Bolton, Jim Gooding, David Morgan and Bob Meissner. A quorum was declared.
2. The minutes of the Special Meeting August 18, 1998, Regular Meeting August 19, 1998 and Special Meeting August 24, 1998 were read and approved. Motion by Towles, second by Ballinger, unanimous.
3. Sandra Bolton gave the Comptroller's report. She discussed that Clint Wood was behind in payments. The Board asked that the regular late notice be sent to him every two weeks. Bob informed the Board that Myra Yates said she could begin paying her bill. It has been paid by the Blue Creek Baptist Church for the past year. Bob will send her a letter of explanation. Sandra reported that several Board Members thought we may want to cap the bills at \$25.00 this month because of the need to wash up from Hurricane Earl. The Board approved this action. Motion by Murphy, second by Bowden, unanimous.
4. Jim Gooding gave the operations report. He reported on the cost of a containment pan for the generator. He obtained a price of \$250.00. He also reported that a metal detector and pipe locator could be purchased for \$750.00. The Board approved these purchases. Motion by Ballinger, second by Towles, unanimous. He told the Board that the meter on the 8" well had to be replaced. The Board approved approximately \$1,000 for replacement and asked that the old meter be rebuilt and kept as a spare. Motion by McKinney, second by Murphy, unanimous. A leak around the fire hydrant at Cedar Island was discussed. Efforts will be made to repair the leak or install a valve instead of the hydrant. The system did not lose pressure on during Hurricane Earl. Emergency procedures will be discussed and written plans will be made for Board approval. The Board asked that Roy Dennis Woods, the County Emergency Services Director, be invited to our next meeting to discuss emergency planning. Jim suggested that David Morgan attend the upcoming Rural Water Association Meeting. The Board approved paying for David to attend. Motion by Bowden, second by Moody, unanimous.
5. Bob Meissner reported on the following:
 - A. Bob asked the Board to consider a contract with someone to furnish heavy equipment and labor during an emergency. Bob was asked to secure a contract with Melvin Bowden for consideration by the Board.
 - B. Mike Smith reviewed the contract proposed by Jones Edmunds for engineering services. Mike sent a letter to Jones Edmunds requesting some changes.

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C. Mike Smith reviewed our contracts with staff. He concluded that the Staff should be employees and not contractors. Bob was asked to compare costs and make a proposal at the next meeting.

D. Mike Smith submitted a bill for items 2 and 3 above for \$1,200. After extensive discussion the Board asked that we approach Mike and ask him to review his billing hours and rate. The Board asked that an agreement for continuing services with Mike Smith be tabled until the next meeting.

E. Ms. Waters' increase in fee was discussed. The Board asked Bob to talk with her and get the total cost reduced to \$3,500. If this is not possible Bob should look for another CPA to do our audit and annual reports.

The Board then discussed the pros and cons of continuing work on the sewer project. There is a strong feeling that our members will not support spending any of our current funds on sewer planning activities. The Board felt that we should table discussion of the sewer project until the next meeting.

The meeting was adjourned. Motion by Bowden, second by Ballinger, unanimous.


Robert W. Meissner
General Manager

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MINUTES OF REGULAR BOARD MEETING
October 21, 1998

1. The meeting was held at Sandra Bolton's home at 7:00 PM. Present were Directors Jim Moody, Betty Towles, Bob Ballinger, Larry Murphy, Melvin Bowden, and staff Sandra Bolton, Jim Gooding, David Morgan and Bob Meissner, and guests Baynard Ward and Sandy Manning. A quorum was declared.
2. The minutes of the Regular Meeting September 16, 1998 were read and approved. Motion by Ballinger, second by Murphy, unanimous.
3. Sandra Bolton gave the Comptroller's report. All accounts are either up to date or being addressed.
4. Jim Gooding gave the operations report. The pan has been installed under the generator. The controls have been repaired. The line detector has been ordered. The weed eater has been purchased. The 8" flowmeater has been replaced. The Board approved back up lights at the pump house by consensus. Jim was asked to check on the cost of the Sparkmaster 2000 equipment protection from Chasetronics, Inc.
5. Bob Meissner reported that Sheryl Waters has been engaged to complete our audits for two years at \$4,000 per year. After one year we will reopener negotiations for the third year. The Board approved. Motion by Towles, second by Murphy, unanimous.
6. The Board agreed to sign a Professional Services contract with Mike Smith. Motion by Bowden, second by Moody, unanimous.
7. The Board agreed by consensus to proceed with the water line installation at Oak Ridge Estates. This project has been previously approved.
8. The Board discussed the Central Sewer Project at length. There was some concern that there was not sufficient support in some areas to allow us to proceed with planning and engineering. The general feeling was that we should not make any decisions or spend any engineering money at this time. By consensus the Board agreed to table the issue.
9. The Board discussed Wellhead Protection and suggested that we move ahead with an engineering study and a search for funding. Jones Edmunds may be engaged for this work with funding help from the Surwannee River Water Management District. Bob Meissner was asked to continue to work on this project. Baynard Ward said that he would hold additional lots directly behind the wellfield for a "few months" while we study our options.
10. The following items remain to be completed by Bob Meissner: Employees vs. Contract services; Tank Maintenance Contract; Heavy equipment contract with Melvin Bowden.

Taylor Coastal Utilities, Inc.
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11. The meeting was adjourned. Motion by Ballinger, second by Bowden, unanimous

Robert W. Meissner

Robert W. Meissner
General Manager

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MINUTES OF REGULAR BOARD MEETING
November 18, 1998

1. The meeting was held at Sandra Bolton's home at 7:00 PM. Present were Directors Jim Moody, Bob Ballinger, Melvin Bowden, Mike McKinney and Travis Beach and staff Sandra Bolton, Jim Gooding, David Morgan and Bob Meissner, and guest John Martineau from the Rural Water Association. A quorum was declared.
2. John Martineau was introduced by President Beach and he talked to us about the need for wellhead protection and the pros and cons of getting into the sewer business. In summary John said that we should go after the wellhead protection property with the Suwannee River Water Management District aggressively. They might help us find a place for a future wellfield or they may help us purchase land around the present wellfield. John said that we could go after that by ourselves without hiring an engineering firm at this early date. Regarding sewer, John said that sewer is usually a looser financially unless everyone is required to hook up. He said that maybe a small area could be sewerred where there were enough commercial interests to pay for the sewer service and it could be provided to residences on an optional basis. He suggested that we start small and look carefully at the financial justification before we spend any money on the project. The Board thanked John for his comments and advice.
3. The minutes of the Regular Meeting October 21, 1998 were read and approved. Motion by Bowden, second by McKinney, unanimous.
4. Sandra Bolton gave the Comptroller's report. All accounts are either up to date or being addressed.
5. Jim Gooding gave the operations report. There are no present problems. All issues previously discussed are either completed or being completed.
6. Bob Meissner reported that Mike Smith wrote a letter to Jones Edmunds stating that we were not in a position to enter into a contract with them at this time. The Board agreed to support this action. Motion by McKinney, second by Moody, unanimous. Bob stated that a service contract with Mike Smith has been signed. Bob further reported that final arrangements are being made to run the water service to Oak Ridge.
7. Bob Meissner suggested that Dr Falaney be invited to be the speaker at our annual meeting. The Board agreed by consensus.
8. The following items remain to be completed by Bob Meissner: Employees vs. Contract services; Tank Maintenance Contract; Heavy equipment contract with Melvin Bowden.



Robert W. Meissner
General Manager

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MINUTES OF REGULAR BOARD MEETING
December 16, 1998

1. The meeting was held at the Downtown Café at 7:00 PM. Dinner was served at 6:00 PM. Present were Directors Jim Moody, Bob Ballinger, Melvin Bowden, Mike McKinney, Betty Towles, Larry Murphy and Travis Beach and staff Sandra Bolton, Jim Gooding, David Morgan and Bob Meissner, and their guests. A quorum was declared.
2. The minutes of the Regular Meeting November 18, 1998 were read and approved. Motion by McKinney, second by Ballinger, unanimous.
3. Sandra Bolton gave the Comptroller's report. All accounts are either up to date or being addressed.
4. Jim Gooding gave the operations report. There are no present problems.
5. Bob Meissner reported that the County Commission is holding up our permit for running a pipeline in Oak Ridge until we repair the crossings cut in the road several years ago. The Board discussed our options. The decision was that we should repair the bumps and then write a letter to the Commission outlining what was repaired and requesting permission to proceed with the pipeline in Oak Ridge. The estimated cost of repairs was \$10,000. Motion by Ballinger, second by Moody, unanimous.
6. Bob Meissner requested permission to cash in one of the \$10,000 CD's to pay for the road crossing repairs. The Board approved by consensus.
7. Bob Meissner reviewed a recent conversation with Mr. Brian Kauffman of the Suwannee River Water Management District regarding wellhead protection and sewer service.
8. The Board agreed that it would be a good idea to invite Dr. Floyd Falany to speak at our annual meeting. The terms of Mike McKinney and Bob Ballinger will expire in February 1999.
9. The meeting was adjourned. Motion by McKinney, second by Ballinger, unanimous.



Robert W. Meissner
General Manager