

**CEDAR KEY WATER & SEWER DISTRICT  
P.O. BOX 309 / 510 THIRD STREET  
CEDAR KEY, FL 32625**

**Minutes of Regular Meeting  
Board of Commissioners  
May 2, 2016**

Board Members Present: Dottie Haldeman, Leslie Sturmer, Chris Reynolds.

Others Present: John McPherson, Mack Cox.

1. Meeting called to order at 5:03 P.M.
2. Pledge and Prayer.
3. Adoption of Agenda: **Motion** by Leslie Sturmer to adopt the agenda as published. **Second** by Chris Reynolds. Passed by a unanimous vote.
4. Public Input. Public input was requested but none was provided.
5. Approval of Minutes: **Motion** by Chris Reynolds to accept minutes of the April 11, 2016, regular meeting as submitted. **Second** by Leslie Sturmer. Passed by a unanimous vote.
6. Financial Reports: Budget, Balance Sheet, Checkbook Activity, Past Due Accounts, and Employee Leave reports were presented for review. There was discussion about the manner in which District staff moves money back and forth between the operating account and savings account. It was noted that a temporary high balance in the savings account can give a false impression that there is a greater surplus than actually exists. The General Manager was directed to be more conservative in transferring funds to the savings account so that the savings balance is a better indication of an actual surplus. **Motion** by Leslie Sturmer to accept financial reports as submitted. **Second** by Chris Reynolds. Passed by a unanimous vote.
7. Bill Adjustment Requests: The following bill adjustment requests were presented:
  - a. A request by Tina Roberts for an adjustment due to a hose being left on outside unnoticed for two days which resulted in a high water bill that qualified for an adjustment due to the fact that the water did not go through the wastewater system. The following adjustment was requested: from \$290.82 to \$172.66.
  - b. A request by Peter Stefani for an adjustment due to a hose being left on unnoticed for several days which resulted in a high water bill that qualified for an adjustment due to the fact that the water did not go through the wastewater system. The following adjustment was requested: from \$511.30 to \$301.22.

- c. A request by Randall Hinshaw for an adjustment due to a broken exterior water line which resulted in a high water bill that qualified for an adjustment due to the fact that the water did not go through the wastewater system. The following adjustment was requested: from \$1,647 to \$888.89.

**Motion** by Leslie Sturmer to approve the three requested adjustments. **Second** by Chris Reynolds. Passed by a unanimous vote.

- 8. First Reading of Supplemental Bond Resolution. The following title was read by the General Manager:

**Resolution 2016-01**

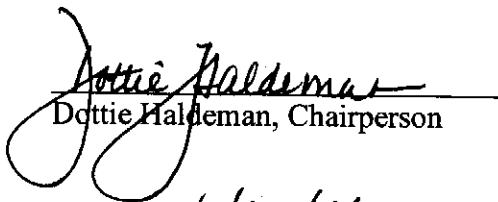
A RESOLUTION SUPPLEMENTING A RESOLUTION ENTITLED: "A RESOLUTION AUTHORIZING THE ISSUANCE BY THE CEDAR KEY WATER AND SEWER DISTRICT OF NOT EXCEEDING \$1,180,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2012 TO FINANCE THE COST OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF ADDITIONAL IMPROVEMENTS TO THE DISTRICT'S WATER SYSTEM; PLEDGING THE NET REVENUES FROM THE WATER SYSTEM TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION"; PROVIDING FOR THE ISSUANCE OF A \$1,486,000 WATER REVENUE BOND, SERIES 2016; PROVIDING CERTAIN TERMS AND DETAILS OF SAID BOND; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID BOND; AND PROVIDING AN EFFECTIVE DATE.

The General Manager explained that this was part of the process of bond validation for the Rural Development new water plant loan, and that it was being done as "supplemental" to the existing Rural Development loan to meet Rural Development bonding requirements. **Motion** by Leslie Sturmer to adopt Resolution 2016-01 on First Reading as presented. **Second** by Chris Reynolds. Passed by a unanimous vote.

- 9. General Manager's Report.

- a. *New Water Plant: Well 5.* The GM reported that the well is functioning properly and that Tim Norman is working with the contractor on the new fencing and gate.
- b. *New Water Plant: Rural Development Funding.* The GM reported that there are no new developments with the RD funding other than the Supplemental Loan Resolution passed earlier in the meeting.
- c. *New Water Plant: Design and Construction.* The GM reported that the District is working with Wigen in moving ahead with the pilot test, and that the expected delivery date is May 23.

- d. *Cedar Key Bridge Work.* The GM reported reminded that Board that DOT will pay for the design and directional drilling of water and sewer lines for the Dock Street bridge and the two airport bridges. He reported that he had asked the engineer working on these bridges for a proposal to do the engineering for Bridges 1, 2, and 3, and had received a response indicating that the total cost for the engineering and construction for drilling the wastewater pipes on Bridges 1, 2, and 3 was estimated to be \$204,000.
- e. *Engineering Contracts.* The GM presented a contract that had been agreed to by the three engineering firms selected for ongoing services. **Motion** by Chris Reynolds to authorize the chair to sign the contract with each of the three firms. **Second** by Leslie Sturmer. Passed by a unanimous vote.
- f. *Community Confidence Report.* The GM reminded the Board that for the past two years the District has not mailed out the annual water quality report to each customer, but rather had followed a provision in state law allowing a notice to be placed on each customer's bill telling the customer that the report is available on the District's website. The GM reported that a couple of customers had asked why they were no longer getting the annual report. The GM requested direction from the Board as to whether the District should resume mailing the reports at an estimated cost of \$400 for printing and postage. The Board directed the GM to resume mailing the reports to the customers.
10. Public Input: Public input was requested but none was provided.
11. There being no further business to address, the meeting was adjourned at 5:45 p.m.

  
Dottie Haldeman, Chairperson

  
Leslie Sturmer, Commissioner &  
Secretary of the Board

Date: 6/13/16