

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

Minutes of Regular Meeting
Board of Commissioners
December 12, 2022

Board Members Present: Dottie Haldeman, Leslie Sturmer, Joe Hand, Stephen Rosenthal, and Tabitha Lauer.

Other Presents: Evan Rosenthal, Alicia Johns, James McCain, Darin Kilfoyl, Malcom Cox, Mandy Offerle, and Jim Wortham.

1. Meeting called to order at 5:00 p.m. by Dottie Haldeman, Chair.
2. Pledge and Prayer.
3. Public Comment. Jim Wortham ask if anyone from the District attended the County Commission meeting that was held on December 6, 2022, and ask if the Waccasassa Water and Wastewater Cooperative Interlocal Agreement was signed. Joe Hand replied that he attended the meeting by phone and that the Levy County Commissioners did sign saying that they would support the project. Mr. Wortham also stated that the City Commission will be discussing a Resolution of endorsing the Cooperative. Mr. Wortham ask the Board if they had considered instead of joining the Cooperative appealing to Tallahassee and extending the Water and Sewer District Boundaries. The Board responded by saying that it had been discussed, but only to extending its boundaries to the Rosewood area and no further, but that nothing had been finalized on whether the District would pursue that route or not. It was also stated that it would be much easier for the County to handle that area instead of extending the District's boundaries, because the State Legislature was not really in favor of establishing anymore Special Districts. Ms. Dottie thanked the gentleman from North Florida Professional Services for the lovely fruit basket that he brought for the District employees. Leslie ask if the Board would be discussing the County Meeting any further and Joe Hand said that he would report further on the meeting during Commissioner Comments.
4. Adoption of the Agenda. **Motion** by Leslie Sturmer to accept the Agenda. **Second** by Joe Hand. Stephen Rosenthal ask about the new verbiage at the top of the Meeting Agenda and had issue with the last line of the new verbiage that states, "The District may consider and take action with respect to matters not listed on the draft agenda." Mr. Rosenthal stated that in his six years on the Board that has never been done and he would not like that to become standard practice due to the fact that we post what will be discussed at said meetings in the agenda and is concerned that if this happens often citizens might have an issue with that becoming standard practice as they would not really know what was going to be discussed at the District's meetings. Dottie Haldeman replied that sometimes the Board has had to add things to the Agenda at the meeting because things have come up that needed to be added after the Meeting Agenda has been posted, since the Agenda has to be posted seven days prior to the meeting, and that she thinks that is why the new verbiage has been added. Mr. Stephen ask how and who added the new verbiage, to which the District's legal council Evan Rosenthal responded that at the time of posting the agenda it is pretty much the same from month to month and that sometimes things come up that need to be added so they can be discussed that it was a good idea from a legal standpoint to add the new verbiage to the agenda.

Alicia then added an item to the Agenda for the discussion by the Board about the approval of the

District's Credit card through Seacoast Bank (Drummond Bank) that will be discussed under the GM's report. Tabitha let the Board know that she will have to excused from the discussion and vote on that particular item since she works for Seacoast Bank. Joe Hand ask to add his report on the County Commission meeting before item 8 in the agenda. Dottie ask for approval from the other members of the Board for the added agenda items and to Leslie Sturmer since she made the motion of Agenda Approval, all were in favor of the added agenda items. Passed by a vote of 5-0.

5. Approval of Minutes. **Motion** by Stephen Rosenthal with the purpose of discussion. **Second** by Joe Hand. James ask for clarification on if just the minutes were being approved at this time and the Board replied with a yes. With no further discussion. Passed by a vote of 5-0.
6. Financial Reports. Balance Sheet, Budget Report, Checkbook Activity, Past Due Accounts Report, Employee Leave reports were presented for review. **Motion** by Stephen Rosenthal to approve all Financial Reports in this section with purpose of discussion. **Second** by Leslie Sturmer. James ask the Board to turn back to page two of the minutes and he reported that items 8-11 have been signed and sent in and returned to the District, and that item 12 for the State of FL DEP Standard Grant Agreement LPA0260 has been signed and sent in but has not been returned to the District. James then ask the Board to look on page 5, Balance Sheet, under line item 311 Construction in Progress and let the Board know that he was not aware of what that line item was for since we did not have any projects under the SRF. James let the Board know that he would be having a meeting with Robert Beauchamp on Friday, December 16, 2022 at 9:00 am to discuss some things in the budget that he has question about and any others that the Board would like answered. James ask the Board to look at line item 390 on the P/L sheet and stated that was the money that was refunded for money we spent last year and that he was going to ask Robert Beauchamp if that money could be transferred to line item 640.06 Water Plant Maintenance. Leslie stated that this line item has been discussed many times and she thought it would not continue to keep showing up and she thought Ann had spoken to him about that line item. James said he would discuss this with Robert at their meeting on Friday. Leslie ask James to discuss line 770.01 under Capital Expenditures and see why it still shows up on the P/L. The Board then went on to discuss the Past Due Accounts. One account in particular that has a very high balance was cause for concern. Alicia explained to the Board why it had been so high what was being done to get the bill caught up. Alicia also explained that the payment agreement that was made with the customer had not been kept up on the customers part so said customer will be getting a 7 day shut off notice along with the Notice to Customers about the Shut Off Policy and a copy of both will be sent to the Housing Authority. Tabitha ask that the Board be given a list of customers that are shut off. Tabitha and Dottie were concerned if when customers water gets shut off if the District needed to contact the Public Health Department and after a brief discussion no clear answer to whether the Health Department needed to be contacted after a customers water was shut off. The Board ask that someone find the answer and report back to the Board. The Board, James, and Evan discussed different possible payment plan options. The Board then decided to have Evan draft up a payment plan to be brought back at the next Board Meeting for discussion and review. James and the Board then went on to discuss the employee leave and gave the Board a copy of the report that Ann's QuickBooks prints out and a copy of the Excel Spreadsheet that he created to show the employee leave. The Board and James then discussed why there was a difference between what QuickBooks prints out verses what James figures are because the sick time was the same on both reports but the vacation time differed. The Board ask that James recheck his figures, but liked the way the Excel Spreadsheet broke everything down verses the way it was shown in the QuickBooks report. Financial Reports were accepted and Passed by a vote of 5-0. **Motion** by Leslie Sturmer for Evan Rosenthal, the District's Legal Counsel, to draft a proposal for customer payment plan for discussion and review at the next Board Meeting. **Second** by Joe Hand. Passed by vote 5-0.
7. Bill Adjustment Request. No Bill adjustment requests.

8. Approval for Wetland Solutions on behalf of Waccasassa Water and Wastewater to submit funding application. Joe Hand gave a brief update on what needed to be done by Friday, December 16, 2022. Joe let the Board know that Scott Knight would be putting his name on the application that will be submitted on December 16th for the Waccasassa Water & Wastewater Cooperative that has not been formed yet. Tabitha ask why the District could not just have an interlocal agreement with all the entities involved in the project instead of creating or being a part of the Waccasassa Water & Wastewater Cooperative? Evan then replied that this is the direction the Water Management District is pushing as a way to funnel the Grants through. Evan also stated that this might be an easier way than having to address boundary issues and other potential water and wastewater issues that would or could come up if the District tried to go through this process as a separate entity. Dottie stated that it was her understanding that their would be a person from each of the separate entities on the Waccasassa Water & Wastewater Cooperative, so that each entity would have a say every step of the process. Evan let the Board know that joining the Cooperative would also be easier than trying to go through the Legislative Process to extend the District's Boundaries. Joe let the Board know that as of right know the W3C would be made up of Cedar Key, Bronson, and Otter Creek with Levy County possibly coming on board at a later date. Joe also let the Board know that Scott Knight would be requesting \$69 million for the Wastewater Project and another \$36 million for the Drinking Water Project. It was ask by a few of the Board members if Rosewood and Sumner would be included in the project and Joe stated as of right know they were not included but could be if the County decided to become a part of the W3C. Joe then told the Board about all the different ways this project would or could be funded. Leslie ask Joe if he knew if it would Scott Knight or would someone else be hired to try to find other ways to fund the W3C Project without having to get a loan. Joe and James, both stated it was there understanding that the W3C would be responsible for hiring someone to explore those different options. James also brought up the question of who is going to fund the W3C and Evan replied that he and Scott Knight had discussed having a feasibility study done to show what all the costs of creating the W3C and how long that would need to be funded by each entity until the Project was finished and started gaining its own revenue. **Motion** Joe Hand to support the grant that Wetland Solutions is pursuing through SRWMD. **Second** by Tabitha Lauer. Passed by vote of 4-1. Stephen Rosenthal opposed.

9. General Manager Report.

a.) *Water Treatment Plant/Well.*

High Service Pump #1 shorted out and had to be repaired and electrician came and put in internal heaters were installed to keep the moisture out which was causing part of the problem. James ask the Board to look at 4.05 Point of Connection and Extension Charges, Section B, in the Codified Resolutions. James and the Board discussed why the District was paying the \$1500 for part of the directional drilling if the customer lives on the opposite side of the street from the water or sewer lines. **Motion** by Tabitha Lauer to have Evan bring back a Resolution that modifies the 4.05 Point of Connection and Extension Charges to make the customer responsible for all directional drilling costs if water and sewer laterals are on opposite side of street from customers property. **Second** by Leslie Sturmer. Passed by vote 5-0. James then brought up 5.04 Miscellaneous Charges line G Service Charges for initial wastewater connection. James was unclear where the \$2,500 charge for sewer connection came from since that cost is usually more than the water. Leslie stated that John McPherson came to the Board and presented them with figures to reflect the charges that are now currently being charged, but that if that charge is not enough should it be raised. James said that it should. James also wanted the Board to clarify line F charge for removal and installation of water meter. James ask the Board if he was to shut off a customer and remove their meter if the District is to charge that customer \$3,000. Leslie ask if James really had to pull a customers meter if he shut them on for nonpayment and he said yes, if he was not able to lock the meter out. Evan was asked by the Board to bring back a modified Resolution for this section as well for the next Board Meeting.

James and the Board discussed the Water Pumped vs. Water Billed report that is given to the Auditors every year. James explained that the water pumped numbers came from his MOR reports from the water plant and the water billed numbers come from the Billing Register that the billing system creates from the customer water meters that are read each month. James and the Board discussed some of the reasons that these numbers may be off and what to do to try and find out why these numbers are so different each month.

b.) Water and Wastewater Treatment Plant/Lift Station.

James reported that there have been no issues at the Wastewater Plant.

c.) Day Off Request

James ask the Board if they would give the employees December 23, 2022 the day off without them having to take a sick or vacation day. He stated that he was the one on call that weekend and would take his scheduled day off at a later date. The Board thought it was a good idea. **Motion** by Tabitha Lauer to give the District employees December 23, 2022 off without using vacation or sick time and to forgo the Christmas Party and James close the office and take the District employees to lunch and for the District to not purchase the employees hams this year. **Second** by Joe Hand. Passed by vote 5-0.

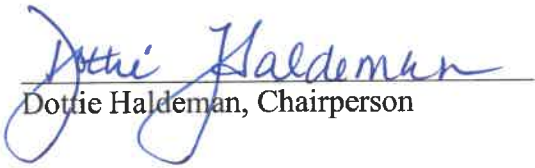
d.) District Credit Card.

With the buyout of Drummond Community Bank, which is now Seacoast Bank, the District is now required to reapply for the District's Credit Card that has to be turned in by January 9, 2023 and needs to have a set of Board Meeting minutes with it approving the Boards decision to apply for the Credit Card. **Motion** by Stephen Rosenthal to approve the District's Credit Card application with Seacoast Bank. **Second** by Leslie Sturmer. Tabitha Lauer recused herself from this vote due to a conflict of interest since she works for Seacoast Bank. Passed by vote of 4-0.

10. Attorney Report. Evan let the Board know of the potential of a conflict of interest in regards to the Waccasassa Water & Wastewater Cooperative. The Board expressed there understanding and have no issues. **Motion** by Stephen Rosenthal to thank Evan Rosenthal for advising them on the potential conflict of interest between the District and the Town of Bronson in regards to the Waccasassa Water & Wastewater Cooperative. **Second** by Tabitha Lauer. Passed by vote 5-0.
11. Commissioners Comments. James brought up to the Board that since Ann has been out for so long, Ann has run out of sick and vacation time and would like to know what the Board would like to do as far as Ann's weekly paycheck. Leslie stated that in the past the Board had approved for other employees to give sick or vacation time to other employees. After a lot of discussion James decided to give Ann 40 hours of his sick time. Dottie ask the Board to consider a \$1.00 raise for Alicia based on the extra duties she performs and after much discussion it was decided that when it is time for the Budget review all employee raises will be considered then.

12. Public Input. No Public Input at this time.

13. Adjournment: There being no more business to conduct, the meeting was adjourned at 7:30 p.m.


Dottie Haldeman, Chairperson


Leslie Sturmer, Commissioner &
Secretary of the Board