

**SOUTH SANTA ROSA UTILITY SYSTEM  
BOARD OF DIRECTORS MEETING  
OCTOBER 13, 2008**

1. **CALL TO ORDER**

The 85th regular meeting of the South Santa Rosa Utility System Board of Directors was called to order at 7:00 p.m, at Gulf Breeze City Hall by Dr. Richard Snyder

2. **ROLL CALL:**

The following Board members were present at the start of the meeting: Tom Naile, Terry Mills, Dr. Richard Snyder, and Otto Prochaska.

3. **APPROVAL OF MINUTES:**

Tom Naile made a motion to approve the minutes as written. The motion was seconded by Otto Prochaska and approved unanimously.

5. **REPORTS**

A.. **FINANCIAL REPORT**

Zack Hanna from O'Sullivan Creel gave the financial report.

B. **OPERATIONS REPORT**

Vernon Prather stated that utility operations for August 2008 and September 2008 were normal. The demand for reuse is high due to high temperatures and lack of rain. Hurricane Ike caused some flooding, but our system was inspected on Sept. 3 with no deficiencies noted.

Discussions are continuing with Navarre Beach Utility to receive their treated effluent for disposal and also preliminary discussion with Santa Rosa County to determine the potential for using Utility property for a County Park. Both projects have the potential to increase revenue for the utility.

The WWTP flow for August was 1.380 MGD and September was 13650 MGD. Golf course irrigation including the east course well during this time was .869 MGD in August and .636 MGD in September.

Sewer customer base from August 2007 to August 2008 has seen an increase of 1.3% and September 2007 to September 2008 saw an increase of 1.3%. Sewer revenue for August 2007 was  $\$112,974.05/4227=\$26.73$  per customer and in August 2008,  $\$118,463.37/4221=\$28.07$  per customer. In September 2007 it was  $\$105,776.35/4224=\$25.04$  per customer in September 2008 it was  $\$114,399.09/4229=\$27.05$  per customer

Customer base for water from August 2007 to August 2008 increased 0.1 %, from September 2007 to September 2008 it increased by 0.1%. Water revenue in August 2007 was  $\$112,974.05/4227=\$26.73$  per customer and August 2008 was  $\$118,463.37/4221= \$28.07$  per customer. Revenue in September 2007 was  $\$105,776.35/4224=\$25.04$ /customer and September 2008 was  $\$114,399.09/4229=\$27.05$  per customer.

**C. LEAD AND COPPER UPDATE (VERBAL)**

Thomas Lambert gave the report on the lead/copper testing stating the first phase of remediation was completed on September 18, 2008. At this time we have not received permission to place the facility into operation.

**D. ENGINEERING AND PERMITTING**

Ric Delp gave the report on engineering and permitting.

6. **OLD BUSINESS**

\_\_\_\_\_ **A. EXPENDITURE PLAN**

Thomas Lambert stated that due to financial situations the Public Services staff is taking steps to reduce costs and putting off capital expenditures as long as possible. No action required.

\_\_\_\_\_ **B. SRF FUNDING**

Thomas Lambert stated that the City Council has decided to move ahead with the application for the State Revolving Fund Loan. We will submit the loan application and if approved, we will ask City Council to accept the loan and apply for the first draw. No action required by the Board at this time.

**C. WATER AND SEWER RATE INCREASE**

Thomas Lambert stated that the Council had approved the 4% rate increase for water and sewer and it will become effective on January 1, 2009.

7. **NEW BUSINESS**

**A. CITY'S INTERIM POLICY FOR IMPACT FEE FINANCING**

Thomas Lambert stated that the City Council has approved a new payment plan for commercial developments within the City limits. This is an informational item only

8. **PUBLIC FORUM**

9. **SETTING OF NEXT MEETING -December 8, 2008**

10. **ADJOURNMENT at 8:10 p.m.**