

THE ISLAND WATER ASSOCIATION, INC.

POST OFFICE BOX 56

SANIBEL ISLAND, FLORIDA 33957

December, 1978

Dear Members:

Since our last report management, construction and planning activities have continued at a brisk pace. In September, Larry Snell, Genral Manager for the past several years resigned to enjoy a more tranquil island existence and well earned rest. The Association was fortunate to acquire the services of Ralph Zeiss, also well known to islanders, and whose credentials are eminently suited to our needs. Ralph became General Manager October 16th this year. The Company retains a strong Engineer-Management team.

Topics of current interest to members and commentary on status are as follows:

NEW CONSTRUCTION: The two 5,000,000 gallon storage tanks on the new Reverse Osmosis Plant site, on San-Cap Rd. near Rabbit Road are on schedule and are expected to begin receiving water in February next year. The plant building also is progressing according to plan. Pumps are to be operational in time to have the new tanks on line during March.

WELLS: Drilling of the Suwannee well, also on the new plant site, has been completed. Outlook for this water source is optimistic. Data will be released as soon as determinations can be made, and these data are fundamental to final design of the RO plant.

A new well into the Lower Hawthorne is being drilled at the corner of Palm Ridge Rd. and Tarpon Bay Rd. to assure an adequate water source. Wells #5 and #6 currently on line are steadily deteriorating and replacements must be available. Evaluations by three separate hydrologists of the nature of water reserves make it clear that a continuing search for adequate raw water supply is essential - a primary responsibility of the Association.

WATER DEMAND: History does not provide a precise basis for predicting user demands, and with changing conditions predictions for planning purposes become increasingly difficult. For example, the Saturday after Thanksgiving of this year, not historically a time of peak demand, existing resources were pushed almost to capacity. The Board of Directors is concerned that Association funds are not committed to over-expansion of the system, yet we are required to meet all reasonable demands. The rate-of-growth law on Sanibel introduces a new dimension, and in spite of limiting the anticipated revenue from hook-up charges, should provide a welcome stabilizing influence.

FINANCIAL POSITION of the Association is sound. The budget, however, has been strained a bit by exorbitant cost of clearing and filling the new plant site, and installing feed water and brine discharge lines. In each case only one bid could be obtained, and the construction schedule did not permit delays.

There are no significant financial adjustments at this reporting, and full

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Dear Members:

IWA is very definitely a growing enterprise! Your Association now supplies water to 7,500 homes, condominium and motel units, and commercial properties. We, in management, are looking continuously for ways to serve our customers more efficiently and to collect and maintain our numerical data more accurately.

At the direction of the Board of Directors, in their meeting of December 20, 1978, we are setting up a three zone meter-reading program, that will begin in late January of 1979. Here is how it will work:

Zone 1 All meters on the west end of Sanibel from the elementary school to Blind Pass plus Captiva will be read about the 20th of the month.

Zone 2 All meters in the Dunes, Shell Harbor and Gumbo Limbo will be read about the 30th of each month.

Zone 3 All meters in the remaining areas such as W. Gulf Dr., Middle Gulf Dr., Tarpon Bay Road and Periwinkle Way will be read about the 10th of each month.

For one last time, all meters will be read during the first week in January and everyone will get their bill for the water used by each customer in December. Then the new system will begin, and the zones will be read on the days explained above. Here are some examples:

\$2/1000 gallons + demand charge		\$4/1000 gallons + demand charge	
Jan 20	zone 1	Feb 20	zone 1
Jan 30	zone 2	Feb 28	zone 2
Feb 10	zone 3	Mar 10	zone 3

and so on until

\$4/1000 gallons + demand charge		\$2/1000 gallons + demand charge	
May 20	zone 1	June 20	zone 1
May 30	zone 2	June 30	zone 2
June 10	zone 3	July 10	zone 3

and so on until February 20 when the change in rates occurs again.

We hope to make a smooth transition to this more efficient way of reading and billing. If you have any questions, please call the office Monday through Friday, 8:30 to 4:30, 472-1502.

Sincerely,

THE ISLAND WATER ASSOCIATION, INC.

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