

Sugarmill Woods Bulletin

August 15, 2010

Dear Residents,

There will be a special meeting of the Board of County Commissioners to address contracting out the operations and maintenance of the County owned Utilities Systems which includes the SMW Water Treatment Plants and the Waste Water Treatment Plant. This topic is very important to us as a community and needs your attention and awareness. If you have an interest and would like to attend the meeting, I have included the meeting notice below. I plan to attend and ensure the best interests of the Sugarmill Woods Community and its residents are represented. Your active support at this meeting will be appreciated.

*Press Release
August 12, 2010*

*Special commission meeting to consider utility co.
Contact: Jim Hunter, Citrus County Public Information Officer 352-527-5484*

The Citrus County Board of County Commissioners will hold a special meeting on Tuesday, August 17 to allow two companies to present their qualifications for performing operations and maintenance for the County's Utility Systems.

The commission is looking into the possibility of using a private company for the operation of its water and sewer utilities. It has made no decision on whether or not to use a private company instead of hired staff.

*Veolia Water North America-South, LLC and Woodward & Curran will each get 20 minutes to address the Board regarding their qualifications. **The meeting begins at 9 AM in the commission chambers at the Citrus County Courthouse in Inverness.***

The board could vote to choose the most qualified of the two at the meeting and authorize staff to begin negotiations with the chosen company. The water and sewer utilities are enterprise systems, in other words, they are funded by fees rather than property taxes.

The next regular commission meeting is Tuesday, August 24 at 1 PM.

So what does this mean? If you recall when the County purchased the SMW Water Treatment Plants (WTPs) and the Pine Ridge / Citrus Springs WTPs from FGUA a couple of years ago, they were operated and managed by a third party, Severn Trent Utilities, Inc. Because there was little to no oversight by FGUA, many problems were found in the systems which needed to be corrected. This took time and slowly the management of the systems has improved significantly since the County assumed ownership and total control. In December of last year, county staff assumed total operational and maintenance control by eliminating Severn Trent as the main contractor of services, and committed to a significant annual savings as a result. We are monitoring this commitment to make sure there is an ongoing annual savings.

We all agree it is important to continuously look for better and less expensive ways to operate county government. However when you look at contracting out services such as the operations of a county owned utility, we need to be careful to ensure that it is really a cost savings and not a cost increase, we don't create the same problems we just fixed with the elimination of FGUA and Severn Trent, there is not a loss of county government responsibility and accountability for the systems, there is not a loss of control

over future cost increases and subsequent water rate increases charged to customers, and equally important there is not a loss of customer response times and services.

It should be an interesting and informative meeting. For those of you not able to attend, I will provide an update to you on the outcome and actions.

Sincerely,

Duane Dueker
President, Sugarmill Woods Civic Association

cc: Cypress Village POA, Oak Village Association, Southern Woods POA