

Pipeline

A Newsletter of South Walton Utility Company, Inc.

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South Walton Utility Company Mission Statement

"From water to wastewater, our mission is to provide our members quality and reliable service in a responsive and equitable manner."



SWUCI Joins FlaWARN Disaster Network



This home on Scenic Gulf Drive suffered major damage from Hurricane Dennis, as well as beach erosion.

The South Walton Utility Company, Inc. (SWUCI) Board of Directors recently voted unanimously to join other water and wastewater utilities in the FlaWARN network. The network is in place to help other utilities in times of disaster. With the arrival of Hurricane Dennis, SWUCI became the first in the state to realize the benefit of this organization. Within 24 hours of Dennis' landfall, help arrived from Jacksonville in the form of equipment and personnel. Even though little damage was suffered with the exception of Scenic Gulf Drive, where there was significant beach erosion, the 48-hour

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ANNUAL MEMBERSHIP MEETING SCHEDULED

The South Walton Utility Company, Inc. Annual Members Meeting is scheduled for Tuesday, November 15, 2005. All members are invited to attend the meeting, which will get underway at 5:00 p.m. at the company offices at 79 Scenic Gulf Drive in Miramar Beach. Board of Directors elections will be held during the meeting.

"Network" CONT. FROM COVER

power outage would have caused countless overtime hours for SWUCI personnel and equipment and possible sewage overflows without the help of Jacksonville Electric Authority.

FlaWARN, Florida's Water-Wastewater Agency Response Network, is the formalized system of "utilities helping utilities" to address mutual aid during emergency situations. The project's infrastructure consists of a secure web-based data bank of available resources and a practical mutual aid agreement designed to reduce bureaucratic red tape in times of emergency.

Banding together with other water and wastewater utilities is just one of the steps SWUCI is taking in preparing for future hurricanes. In January the Board approved the purchased of permanently mounted generators for two additional water wells and ten of the most critical liftstations. With the anticipation of a busy hurricane season generators have been in short supply, however, SWUCI expects several generators to arrive in the next two weeks. Permanently mounted generators will go a long way in providing a back up power supply in event of a power outage.



Beach erosion has been a problem for beach front homes. Hurricane Ivan destroyed the retaining wall and the additional surge of Hurricane Dennis washed away the remaining sand. Without the support of the retaining wall, the parking lot collapsed.

Make Your Vote Count

South Walton Utility Company, Inc. is a member-owned and operated utility that relies on a key group of volunteers to keep the company headed in the right direction. As a member of SWUCI, you have chance to decide who sits on the Board of Directors.

"Every one of our members has a voice in the operation of SWUCI through election of Directors," said Pete DeBogory, SWUCI General Manager. "Our customers are also our owners – and that helps us keep a strong focus on service and value."

Members of the Board of Directors are elected to three-year terms. The current Board will appoint a nominating committee

to recommend candidates for the positions becoming vacant this year. Members can also make nominations for the Board.

Directors and officers receive no compensation for their services.

Current Board members are:

Ken Creel – Vice-President, Board member since 1999

Jack McGill – Treasurer, Board member since 1996

Mike Richardson – Secretary, Board member since 1997

Mike Flynt – Board member since 2000

Bill Berberich – Board member since 2002

Dave Brown - Board member since 2005

AUTHORIZATION FOR ELECTRONIC TRANSFER OF FUNDS

SOUTH WALTON UTILITY COMPANY, INC.

79 SCENIC GULF DRIVE • MIRAMAR BEACH, FL 32550-4938 • (850) 837-2988

CUSTOMER NAME(S)

SWUCI

ACCOUNT

NUMBER(S)

Please deduct payments from my:

- Checking Account
- Savings Account

Direct debits will occur on the 1st of the month. If the 1st falls on a weekend or holiday, direct-debit entries will be deducted on the next working day after the 1st. Please allow two (2) weeks processing time before your direct-debit order is operational.

SOUTH WALTON UTILITY COMPANY, INC., IS HEREBY AUTHORIZED TO PROCESS AN ELECTRONIC DEBIT — FROM THE ACCOUNT DESCRIBED ABOVE — ONCE A MONTH IN THE AMOUNT OF MY MONTHLY WATER/SEWER BILL.

Please be sure to include a voided check for bank account verification, and mail together with this completed form to:

South Walton Utility Company, Inc.
79 Scenic Gulf Drive, Miramar Beach, FL 32550-4938

A Letter From the President



Dear Members,

After several years of writing the Presidents letter for the SWUCI newsletter, I have arrived at the end of the tunnel, so to speak. That's right--this is my last letter to members of South Walton Utility Co., Inc.

I have resigned from the Board of Directors effective August 23rd. Dona and I are moving to Aston Gardens Senior Retirement Community in Tampa Bay. We will be in our new home on September 1st.

I want to thank you all for allowing me to serve on your Board of Directors for nine years and as the President for the past eight years. We have gone through some remarkable changes during that period of time---changes that will serve all of you well for many years to come.

At the risk of being redundant (since you were kept advised of the changes and their effects as we progressed through the many phases) I want to list some of them here e.g., the new North wellfield and 2 million gallon storage tank, the 24-inch water pipe line from Highway 331 to Mack Bayou Road, the construction of 2.5 million gallon storage tank and pump station at Goldsby Road, the 24-inch water pipe line from Goldsby Road west to the Okaloosa/Walton County line, and the completion of a new 2 million dollar operations building

just north of the Miramar Beach Post Office.

These projects represent an investment of \$29 million dollars - that is quite an accomplishment for a small utility company. During the last nine years, the value of your company has increased from \$21million to \$67 million and the member's equity has increased from \$19 million to \$53 million.

You are blessed with a "can do" water utility led by an outstanding general manager, Pete DeBogory. Pete, his staff, plant and field employees are the best in the business. Your Board of Directors is made up of some of the most qualified and dedicated of the membership. As the ad says, "you are in good hands".

I have been involved in a lot of varied activities and few have given me as much satisfaction as serving on your Board of Directors. Once again, I thank you for the privilege.

Our new address:

11714 Lake Aston Court, Apt # 108, Tampa, FL. 33626
We would be pleased to hear from you.

Best Regards.

Bill V. Brown
Maj/General, USAF, Ret.

HOW TO NOMINATE A DIRECTOR

Any member of SWUCI can nominate a candidate for election to the Board of Directors by following these guidelines:

1. The individual(s) being nominated must be an eligible member of SWUCI.

To be an eligible member of SWUCI the individual must have an active account as of the nomination record date of September 16, 2005. Once elected to the Board of Directors, an individual can serve on the Board only so long as that individual remains an eligible member of the company.

2. You must prepare a petition nominating the individual of your choice (a separate petition for each individual being nominated) on which you have presented sufficient information to validate

that individual's status as an eligible member of SWUCI.

This petition must include the signatures, addresses and account numbers of fifteen (15) eligible members of SWUCI in addition to the individual being nominated who are eligible as of the nomination record date of September 16, 2005.

3. You must provide a short (one page) biography of the individual being nominated which specifically sets forth the qualifications you feel this individual possesses, which will make him/her an asset to the Company and its members by serving on the Board of Directors. Please keep in mind that this individual, if elected, will be expected to attend the monthly Board meetings, the Annual Members meetings and any special meetings as

properly called.

4. All of this information must be delivered to the Company by mailing or delivery to the Administrative Offices of SWUCI, 79 Scenic Gulf Drive, Miramar Beach, FL 32550-4938.

- This information must be received no later than 4:30 p.m. on September 30, 2005.
- This time frame is required to permit the individual's name and biography to be included on the printed ballot that will be mailed to all members.
- Petitions received after that date cannot be accepted and will not be considered.

5. Nominations for Directors will not be accepted from the floor at the Annual Members Meeting on Tuesday, November 15, 2005.



*South Walton
Utility Company, Inc.*

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Above and Beyond

General Bill Brown Retires from Board of Directors



South Walton Utility Company is sad to announce the retirement of our president General Bill Brown. This announcement marks the end of a productive term, one that saw tremendous progress and innovation for SWUCI.

Gen. Brown was elected to the Board of Directors in 1996 and then to the office of the president in 1997. During his tenure, Gen. Brown was instrumental in bringing together SWUCI, Destin Water Users and Regional Utilities in hopes

of finding a solution to the long-term water supply issue. His diligence eventually saw a resolution to that issue as well as the expansion of land holdings and well sites.

Brown encouraged the establishment of reserve funds for operations, emergencies, and repair and replacement funds. He fought for tax-exempt status, and he also gave back, establishing the Jack Harper scholarship, in memory of the previous employee, general manager and board member.

We at South Walton Utility Co., Inc. would like to say thank you to General Bill Brown, a committed leader who served the company for nearly a decade, and wish him the best of luck.