Inside This Issue

Water Quality Report

SWU water meets or exceeds all state standards

New Field Maintenance Facility

New facility is under construction and should be completed in July

Letter from the President

Update on SWUCI projects

New website launched

Visit the new website at www.swuci.org

Above and Beyond

Jack Kent made considerable contributions to Board of Directors

In the Flow

Jack Nowling is SWUCI model employee

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."



New Field Maintenance Facility Under Construction



South Walton Utility Company, Inc.'s (SWUCI) new Field Maintenance Facility is under construction at 369 Miramar Beach Drive. The project includes approximately 9,000 square feet of new warehouse space and 7,000 square feet of new office space. The facility should be completed in July.

The new facility will house the maintenance department and the laboratory. Approximately fifteen employees will work in the building. In addition to the lab and offices for maintenance personnel, there will be a warehouse for storage of field equipment, archive storage, and a training room that will also be available as a conference room.

The new building will replace the existing field maintenance facility that was originally constructed in 1968. The building housed the administrative office until new SWUCI offices were built in 1993. The old facility will be torn down upon completion of the new facility.

New water line suspension from Highway 331 Bridge proposed

South Walton Utility Co., Inc. has applied for a permit from the Florida Department of Transportation (FDOT) to construct a 24-inch pipeline across the Choctawhatchee Bay. This new pipeline would be suspended from the Highway 331 Bridge to provide redundancy for the existing water pipeline under

"New Water Line" CONT. FROM COVER

Choctawhatchee Bay.

Because the current pipeline runs across the bottom of the Choctawhatchee Bay it would be very difficult to repair if there were ever a leak. By suspending the line from the 331 Bridge there will be an alternate water route should the need arise.

SWUCI currently shares the pipeline that runs under the bay with Regional Utilities. The new suspended pipeline would also be shared with Regional Utilities. Pending FDOT approval, a contract for construction could be issued in July.





Study on reclaimed water could offer new options for disposal

SWUCI recently began an extensive study to determine the best options for disposal of reclaimed water from the wastewater treatment plant. Currently, four local golf courses are the main source of disposal as they use the water for irrigation. However, wet weather poses a problem for this method. In addition, an expansion of the wastewater treatment plant to 4.5 million gallons per day will require additional reclaimed water disposal.

In conjunction with the reclaimed water study, SWUCI is also planning to upgrade the wastewater treatment plant to provide advanced wastewater treatment. After this upgrade, the reclaimed water that comes out of the wastewater treatment plant could meet state drinking water standards. This is the highest degree of treatment that is available today.

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,

I am pleased to report that our drinking water continues to meet or exceed all state and federal drinking water standards. Enclosed is our complete Water Quality Report for 2004 which describes in detail where

our water comes from and the numerous tests that we perform to ensure the highest quality drinking water. In case anyone tries to sell you a water purification system, I don't think you need one.

As our Phase II Water Supply Project enters daily service, you might think we are through with our capital projects. That is not the case. We have several projects coming in the next couple of years that are presently in the design and permitting stage. For example:

- To provide redundancy for the pipeline bringing potable water from the Rockhill wellfield, we are planning to construct a 24 inch diameter pipeline across Choctawhatchee Bay which will be installed on the Hwy 331 Bridge. This will provide a backup in the event of a problem with the existing pipeline laid on the bottom of Choctawhatchee Bay.
- We have also begun a study that will identify our long term reclaimed water disposal options for our wastewater treatment plant. Presently, we provide reclaimed water for irrigation to 4 golf courses. As part of the project, we plan to upgrade our wastewater treatment to provide Advanced Wastewater Treatment (AWT) which is the highest degree of treatment that is available today. Reclaimed water from an AWT plant meets or exceeds current drinking water standards.

Our new Field Maintenance Facility is taking shape on Miramar Beach Drive (look north from the Miramar Beach Post office and you can see the new facility under construction). This facility will replace the existing facility constructed in 1968. Our field employees will utilize the new offices and warehouse and the original facilities will be torn down.

We are also proud to announce our new website at www.swuci.org. Please visit our website for up to date news and information for our members. We look forward to hearing your comments and suggestions on how we can make our website more useful to our members.

One more thing...recently, one of our Board members, Jack Kent, moved out of our area. We were sorry to see Jack leave; however, the Board appointed a member, Dave Brown, to fill the vacant position. Dave will serve until the next annual Member's meeting in November. We welcome Dave and thank him for volunteering his time to serve the community as a Director of our non-profit, member owned corporation.

As always, thanks for your continued interest in the company and your support of our employees and the Board of Directors.

Have a great summer.

Respectfully,

Bill V. Brown

M/Gen. USAF (R)

President

SWUCI launches new website

South Walton Utility Company, Inc. has recently launched a new, user-friendly website at www.swuci.org. The new site offers:

- SWUCI updates
- New service and electronic payment transfer forms
- Rate and fee information
- Frequently asked questions
- Links to state water organizations
- Conservation information

Please come visit us at www.swuci.org.

In the Flow



Jack Nowling works at the Wellfield north of Freeport. Other employees are in and out of the facility throughout the day but Jack is always there, willing to help out wherever needed. Because he is the only one consistently at the location his job varies from maintaining the grounds

to reading meters to administrative work. Jack is always willing to lend a hand and is a consistent model employee.





79 SCENIC GULF DRIVE MIRAMAR BEACH, FLORIDA 32550-4938

PHONE: (850) 837-2988 FAX: (850) 837-7648

www.swuci.org

Above and Beyond



Jack Kent served on the Board of Directors for more than three years. He and his wife, Harriet, recently relocated to be near family. SWUCI regrets his leaving, but appreciate the time he spent on Board. Mr. Kent contributed a considerable amount of time to the scholarship committee where he interacted between Okaloosa-Walton College and SWUCI working out the details of the Harper Scholarship.

Dave Brown was officially welcomed to the

Board at the May 2005 meeting to fill the vacant seat. He will serve in the voluntary position until the Annual Members Meeting in November 2005.

In the Pipeline

- Well No. 1, which was also constructed in 1968, is being replaced. Work should begin in June.
- Permitting for the new suspended pipeline under the Highway 331 Bridge should be completed in June.
- New field maintenance facility is under construction at 369 Miramar Beach Drive and should be complete by July.