



IWA QUARTERLY

October 1984

Next January 19th will be the twentieth anniversary of IWA's corporate birth. Like many island enterprises it has grown from a "small potatoes" operation to a rather substantial organization. IWA now distributes more water each month than it did during its first year of full operation. It now has a net capital value of around twelve million dollars and an annual gross income of about three million.

IWA will start its third decade with a serious look at its relationship with its owners--the water users of Sanibel and Captiva. Every officer and employee of the company is now participating in a study of each point of public contact, from overall water quality and dependability to individual employee encounters with the public, from which will emerge a comprehensive policy to improve IWA's level of service to its members. Comments and suggestions on this important subject are genuinely solicited!

New Well Started

Construction of a fourth Suwannee well has been started across from the Sanibel Elementary School on the site provided by "C.R.O.W.". This will provide a much needed margin of safety for IWA's water supply and will allow necessary well maintenance during the steadily growing season of peak demand.

Until 1980 IWA drew all the water for its treatment plants from the "Hawthorn" aquifer about 600 feet below the surface of Sanibel. IWA is now banking on wells in the so-called "Suwannee" aquifer, about 200 feet deeper, for its long term raw water supply. Three such wells already feed the reverse osmosis plant.

Plant or Pipe, That is the Question

The recently completed main water transmission system leading from the central pumping station at the R.O. plant to the lighthouse end of Sanibel performs as planned. But now the almost twenty year old pipe carrying water west to the Wulfert area is causing excessive back pressure because of its small size.

The engineering firm of Post, Buckley, Schuh & Jernigan is making a study to find out whether it's better to construct larger pipes between the R.O. plant and Wulfert or to build a third treatment plant in the Wulfert area. The possibility of such a plant is interesting because IWA's future wellfields are near Wulfert and the cost of expensive raw water pipes would be saved. An offsetting problem, however, involves the appropriate disposal of the waste stream from the proposed new plant according to government standards.

Lab Equipment Promotes Water Quality

IWA has recently purchased a microprocessor-controlled spectrophotometer. This permits on-duty operators to monitor water quality during plant operation instead of having to send all samples to outside labs and await results. Official samples are still sent out less frequently to certified outside labs to double check results. Savings in lab fees will pay for the test unit within a year.

Centralized Purchasing Installed; Capital Improvements "On the Ramp"

It took several months, but IWA has completed a manual for centralized purchasing of operations and maintenance items. The new system went into effect September 1st. A similar manual of procedures for capital improvement items is now in the drafting stage and is scheduled for completion for the 1985 budget year.

Further IWA Honors

Three of IWA's personnel happily took a one day round trip to Gainesville to collect the state's award for the "Best Operated Plant in the South Florida District" ("plant" refers to the combination of IWA's R.O. and E.D. plants). Chief R.O. Plant Operator Mike Humphreys accepted a plaque describing the award on behalf of all IWA plant employees before an audience of water supply specialists.

Uncle Sam: IWA's "Partner"

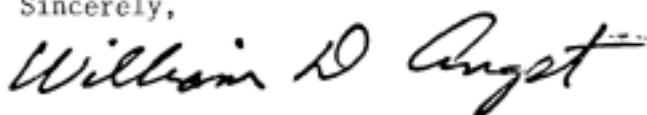
All of IWA's borrowing has been from the federal government. Between 1965 and 1979 the Farmers Home Administration loaned IWA over five million dollars at an interest rate of five percent. IWA has always remained on schedule with principal and interest payments which are being made at the rate of \$25,039 per month. The outstanding balance is now near four million and should be paid off by the year 2019.

Financial: These figures represent the unaudited accounts as of September 30, 1984.

<u>RECEIPTS</u>	<u>NINE MONTHS OF</u>	
	<u>1984 Budget</u>	<u>Actual Receipts</u>
Water Sales	\$ 1,901,250	\$ 2,073,156
Interest	37,500	60,916
Other Receipts	11,250	7,636
Connection Fees	<u>300,000</u>	<u>454,916</u>
<u>TOTAL RECEIPTS</u>	\$ 2,250,000	\$ 2,596,624
Carryover		<u>611,847</u>
<u>TOTAL FUNDS</u>		\$ 3,208,471

<u>DISBURSEMENTS</u>	<u>NINE MONTHS OF</u>	
	<u>1984 Budget</u>	<u>Actual Disbursements</u>
Wages and Benefits	\$ 615,375	\$ 566,243
Professional Fees	40,950	43,077
Electricity	450,000	453,224
Telephone	11,250	12,133
O & M Service & Supply	308,550	301,586
Motor Fuels	9,375	10,433
Insurance	37,350	44,051
Postal Charges	9,000	9,125
Travel, Training, Conferences	14,625	11,931
Debt Repayments (Farmers Home Admin.)	225,351	225,351
Capital Expenditures	<u>591,975</u>	<u>262,716</u>
<u>TOTAL DISBURSEMENTS</u>	\$ 2,313,801	\$ 1,939,870
<u>EXCESS OF FUNDS OVER DISBURSEMENTS</u>		\$ 1,268,601
<u>LESS RESERVE REQUIREMENTS & CONTRACTUAL OBLIGATIONS</u>		<u>\$ 956,347</u>
<u>NET AVAILABLE FUNDS</u>		\$ 312,254

Sincerely,



William D. Angst
President