

**MINUTES OF THE BOARD OF DIRECTORS ANNUAL MEETING OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY HELD ON JULY 26, 2012.**

Be it remembered that the Board of Directors of the Beaufort-Jasper Water and Sewer Authority held its Annual Meeting Thursday, July 26, 2012 at the Beaufort-Jasper Water & Sewer Authority Administration Building. This meeting met the notice requirements of, and was properly constituted pursuant to Chapter 4, Title 30 of the Code of Laws for South Carolina, 1976, as amended, commonly known as the "Freedom of Information Act".

**ATTENDANCE**

Members of the Authority in attendance: Brandy Gray, Chair; Lorraine Bond, Secretary/Treasurer; Michael Bell, Vice Chair; David Lott; Gen. Pat O'Neal; James Scott; Dr. William Singleton and Skeet Von Harten.

Members of the Authority absent: Donna Altman and John Rogers.

Staff in attendance: Ken Griffin, General Manager; Ed Saxon, Deputy General Manager/Engineering & Operations; John Wells, Director of Administrative Services; Dottie Hofmann, CFO; Julie Voges, HR Manager; Charles Sexton, Director of Engineering; Matthew Brady, Communications Manager; Sarah Linkimer, Controller; Will Bettis, Purchasing Manager; Ken Jordan, Safety and Risk Manager; and Denise Morey, Operations and Maintenance Coordinator.

Legal Counsel in attendance: Erin Dean, Esq., Tupper, Grimsley and Dean, P.A.

Guests in attendance: Lawrence Flynn, Pope Zeigler LLC.

**CALL TO ORDER**

Chair Brandy Gray called the meeting to order at 8:00 a.m. and announced that a quorum was present. Ed Saxon, Deputy General Manager/Engineering & Operations, gave the invocation and the Pledge of Allegiance followed.

**APPROVAL OF MINUTES**

The minutes of the June 28, 2012 Board Meeting will be revised to reflect that Chair Brandy Gray accepted the recommendations of the Committee (no second required) in all sections of Contract Awards and CIP Project Additions. Further, there were no Committee assignments and said section will be deleted from the minutes. Revised minutes will be presented for approval.

All voted in favor of these revisions, none opposed.

**PUBLIC COMMENT**

There was no public attendance, and therefore no public comments.

## **GENERAL MANAGERS REPORT**

Ken Griffin, General Manager, reported on the following issues:

- BJWSA Safety Report: As explained during the meeting on June 28, 2012, we had a better safety year in FY12 versus FY11. Unfortunately, on the last working day of the fiscal year we did have one further preventable incident, a single vehicle driver error accident. The doctor advised our employee to rest and to not return to work for two days. This counts as another OSHA lost work day incident.

*A copy of the Safety Report dated July 1, 2012 is attached to these minutes and is made a part hereof.*

- Taste and Odor Issue: Thanks to the continued efforts of our Customer Service Department, our Operations division and our communications staff, as of Tuesday, July 10<sup>th</sup> we have totally completed recovery from our taste and odor incident.
- The South Carolina portion of the Governor's Savannah River Committee met on Monday. That committee has been reconstituted with some new appointments. As you may know, Catherine Templeton, the new head of DHEC, is on that committee along Colonel Alvin Taylor and others, and Dean Moss is the new Chair. The three Hilton Head utilities and BJWSA met with the committee that Monday. The utilities met the week prior to prepare a joint presentation that covered a brief history of groundwater pumping of the Upper Floridan Aquifer by South Carolina and especially Georgia. The presentation focused on the severe impact this is causing. With agreement from the other utilities I made the request that the next time they meet with their Georgia counterparts they insist on a serious implementation schedule that would initiate the pumping reductions that were agreed to in 2010, which is 2 mgd for South Carolina and 10 mgd for Georgia. They took our comments very seriously and requested that Dean, as Chairman, immediately schedule a meeting with their Georgia counterparts.
- Last week I met with my fellow utility managers from the coastal portion of South Carolina. We covered many topics, most importantly how to cover the cost of utility relocations for DOT improvement projects and crisis communications.
- We have fully completed the annual evaluation of each of our employees and each received a 1% COLA and a merit increase based on their performance during the year as documented in their evaluation. Thank you for making this possible.
- We are conducting the interviews for John Wells' replacement as Chief Administrative Officer. We have three internal candidates, and we will keep you updated on this process.
- Libby is doing well in her gradual recovery from her fall and broken bone. We will continue to keep her in our prayers.
- We have several significant items under the new business section and executive session portions of your agendas. Matthew has our Public Affairs report, including an update on each of the projects he helps monitor.

**Public Affairs Report.** Matthew Brady highlighted the following projects and community events throughout the service area:

- **Burton CDBG:** Waterline extension to serve up to approximately 40 customers.
  - Design changes have been reviewed by staff.
  - The project has a 30-day bid period, and will go to construction in approximately two months.
- **Purrysburg CDBG:** Gravity sewer extension to serve up to 40 new connections.
  - A pre-con will be held the week of 7/23 with the County, LCOG, the engineer and the contractor. Construction will begin the following week.
  - Jasper County has the lead on administering this project, and we are playing a supporting role.
  - Residents in this project will be permitted to tie in for free if they are not low to moderate income. This was stated otherwise in the Jasper Sun and BJWSA will notify them and request they correct this misstatement.
- **Bluffton CDBG:** Gravity sewer extensions throughout the Buck Island and Simmonsville Rd. corridor.
  - Phase II (Simmonsville Road) water and sewer main extensions are physically complete to 60 homes in the area. We continue work to tie in meters and services to new customers in the area.
  - Phase III, including areas at the intersection of Buck Island and Simmonsville Roads, is currently being designed by the Town's consulting engineer, HGBD.
  - We met with the Town of Bluffton staff to coordinate on the Phase III project, and will reach out to the residents in that area.
- **Downtown Waterline Project:** Water rehabilitation project for approximately 100 customers.
  - All pipes are in the ground, and all tests for water quality have been passed. Tie-ins are nearly complete.
  - Crews are working to complete all other work and clean up. We've been working with the City of Beaufort and the community to ensure the work is done to satisfaction.
  - The project is nearly concluded, but we were working around the Water Festival, and should finish any punch list or final completion items by the end of July.
- **Sewer Rehabilitation Projects:** These projects will enhance sewer service in their areas. Residents have been notified in the affected areas.
  - Downtown Beaufort – gravity sewer lining work continues in this area for about 1000 residents.
  - Duke Street in Downtown Beaufort – We are continuing work on a four block section on Duke Street (Church to Bladen) where we are replacing the gravity sewer mains and laterals prior to a CDBG Streetscape project in this area, to be managed by the City. We are continuing to work with both the residents and the City to keep them informed about our progress. We should be complete with our work by the end of August.
  - Tansi Village – 150 retail customers. This project is complete.

- Cherry Hill – 35 homes. This project is complete.
- Hardeeville – 175 homes. This project is complete.
- We attended Camp Treasure Chest, a camp for developmentally disabled kids, as we do each year. It has expanded a bit this year to include videos and water demonstrations.
- Water Festival – Our Sewer Ratz rafting team participated again this year. They won 1<sup>st</sup> Place for the non-profit division, and won 3<sup>rd</sup> overall. There is a video available that will probably be placed on YouTube.
- WHHI is expanding north of the Broad, and we will do a spot on Monday. They have asked that we submit the questions we would like for them to ask.

*A copy of the Community Projects Update memo to Ken Griffin from Matthew Brady dated July 26, 2012 is attached to these minutes and is made a part hereof.*

## **COMMITTEE REPORTS**

### **Executive Committee**

Chair Brandy Gray reported that the Executive Committee did not meet, and therefore had no report at this time.

### **Capital Projects**

Committee Chair Gen. Pat O’Neal reported that the Capital Projects Committee did not meet, and therefore had no report at this time.

### **Finance**

Committee Chair Lorraine Bond reported that the Finance Committee did not meet, and therefore had no report at this time.

### **Personnel**

Committee member Michael Bell noted that the Personnel report was included in the Board packets. It included the following information

- Supervisor’s Roundtable – Review and discussion of proposed schedule/topics.
  - Julie Voges presented the schedule of Supervisor’s Roundtable meetings planned for the next year. By definition, a supervisor is anyone who supervises someone else. Topics will vary and remain flexible as the needs change. These 90-minute sessions are informational and training-oriented and designed to create a feedback loop for supervisors. Current topics include FMLA, FISH, Substance Abuse, Employee Handbook, and Sexual Harassment. Future topics may include Knowledge Management and the group agreed that there is a need to plan for retirement, and retention of intellectual knowledge. There was some discussion around the length of the sessions – was 90 minutes too long – and it was determined that the session length will likely vary depending on the topic and depth of discussion. The general feeling was to do these at the start of the day or at the end of the day to allow for maximum attendance.

- Retirement Update: Julie Voges provided an update on the recent changes to the South Carolina Retirement System (SCRS) and the anticipated impact on BJWSA. Notably, the scheduled increases to the contribution rate structure ultimately reaching 8% for the employer for 2014, the discontinuation of the TERI program, and the new retire/rehire earnings limitation (\$10,000) to be imposed effective January 1, 2013, which will most likely eliminate the need for BJWSA's Retiree/Rehire Policy now in effect.
- Safety Report: June 2012 – A copy of the June 2012 Safety Report was provided. Michael Bell asked for clarification on the Take Twos completed (182) and felt this data item alone wasn't as helpful as it could be. He is looking for a percentage or some kind of a comparison to connect it to how many Take Twos could/should have been completed. Opportunities to present this data with more context will be explored.
- Hiring Update: Challenges and Process – A copy of the Hiring Activity Log was provided. The discussion focused on some of the challenges to recent hires for Field Operator 1 and Senior Meter Reader, specifically, the need to review our hiring process with an emphasis placed on the background checking piece. Several recent applicants were not able to provide proof of education and were dismissed during orientation. Background checking procedures and perhaps more detailed pre-screening will be explored to supplement the process.

## **OLD BUSINESS**

**There was no old business to discuss.**

## **NEW BUSINESS**

### **Capital Improvement Program.**

- A. Approval of Purchase Order Request for a Vac Truck from Atlantic Machinery for \$334,269.00.

**Motion:** Moved by Skeet Von Harten, seconded by David Lott, to approve this purchase. All voted in favor of approval, none opposed.

**Motion passed unanimously.**

*A copy of the memorandum from Will Bettis to Ed Saxon, Charles Sexton, and Tricia Kilgore dated July 18, 2012 is attached to these minutes and is made a part hereof.*

### **Resolutions for Adoption**

1. *Adopting "2012A Series Resolution": approving the financing of the Purrysburg-Levy Waterline.*

**Motion:** Moved by Secretary/Treasurer Lorraine Bond, seconded by Dr. William Singleton, to approve this resolution. All voted in favor of approval, none opposed.

**Motion passed unanimously.**

*A copy of the above Resolution dated July 26, 2012 is attached to these minutes and is made a part hereof.*

2. *Approving Amendments to Loan Agreements.*

Description and clarification of the Amendments was provided by Lawrence Flynn of Pope Zeigler, LLC.

**Motion:** Moved by Skeet Von Harten, seconded by Secretary/Treasurer Lorraine Bond, to approve this resolution. All voted in favor of approval, none opposed.

**Motion passed unanimously.**

*A copy of the above Resolution dated July 26, 2012 is attached to these minutes and is made a part hereof.*

**Committee Assignments**

Chair Brandy Gray distributed Committee appointments for fiscal year 2012-2013. The following officers were elected at the June Board Meeting:

Brandy M. Gray, Chair; Michael L. Bell, Vice Chair; and Lorraine Bond, Secretary/Treasurer.

The following Committee assignments will be in effect for fiscal year 2012-2013:

**Executive Committee:** Chair, Brandy Gray; Michael Bell; Lorraine Bond; and Pat O'Neal (At Large). The Executive Committee meets as scheduled.

**Finance Committee:** Chair, Skeet Von Harten; Bill Singleton; Brandy Gray; and Lorraine Bond. The Finance Committee meets on Thursday of each month the week prior to the Board Meeting, at 8:00 a.m.

**Capital Projects Committee:** Chair, Michael Bell; Donna Altman; John Rogers; and one vacant member position for the HHI Representative. The Capital Projects Committee meets on Wednesday of each month the week prior to the Board Meeting, at 8:00 a.m.

**Personnel Committee:** Chair, Pat O'Neal; James Scott; and David Lott. The Personnel Committee meets on Tuesday of each month the week prior to the Board Meeting, at 8:00 a.m.

The Board Meeting is held on the 4<sup>th</sup> Thursday of each month at 8:00 a.m. (until further notice) unless it falls on a Holiday and then will be moved up to the previous week.

*A copy of the memorandum from Chair Brandy Gray to the Members of the Authority dated July 26, 2012 is attached to these minutes and is made a part thereof.*

**OTHER COMMENTS**

A portion of the BJWSA Hurricane Plan was included in the Board Packets. Appendix B, Emergency Response Scenario, SCP Modes: Crisis and Recovery will be amended to state Board Members will be contacted prior to Media and Politicians.

**PUBLIC COMMENT**

There was no public attendance, and therefore no public comments.

**EXECUTIVE SESSION**

**Motion:** David Lott motioned, Secretary/Treasurer Lorraine Bond seconded, to move into Executive Session to discuss legal matters. All voted in favor, none opposed.

**Motion passed unanimously.**

**RECONVENE**

**Motion:** Gen. Pat O’Neal motioned, Secretary/Treasurer Lorraine Bond seconded, to reconvene into regular session. All voted in favor, none opposed.

**Motion passed unanimously.**

**Motion:** Gen. Pat O’Neal motioned, Secretary Treasurer Lorraine Bond seconded, to adjust the GM’s compensation based on a market adjustment. All voted in favor, none opposed.

**Motion passed unanimously.**

**ADJOURNMENT**

**Motion:** With no further business, a motion was made by Michael Bell, Skeet Von Harten seconded, to adjourn the meeting. All voted in favor, none opposed.

**Motion passed unanimously.**

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*Respectfully submitted by:*  
*Denise Morey, Operations and Maintenance Coordinator,*  
*Substituting for Libby Breland, Clerk to Board*