

## **MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY HELD ON MARCH 22, 2012.**

Be it remembered that the Board of Directors of the Beaufort-Jasper Water and Sewer Authority held its Regular Meeting Thursday, March 22, 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, Chairman; Michael Bell, Vice-Chairman; Lorraine Bond, Secretary/Treasurer; Donna Altman; David Lott; Pat O'Neal (telephonically); John Rogers; James Scott; Dr. William Singleton; Skeet Von Harten.

Members of the Authority absent: Charlie White due to illness.

Staff in attendance: Ken Griffin, General Manager; Ed Saxon, Deputy General Manager/Engineering & Operations; John Wells, Director of Administrative Services/HR Manager; Dottie Hofmann, CFO; Charles Sexton, Director of Engineering; Chris Petry, Director of Treatment; Joe DeVito, Director of Operations; Tricia Kilgore, Capital Projects Manager; Matthew Brady, Communications Manager; Sarah Linkimer, Controller; Lou Brown, Customer Service Representative; Lori Crews, Customer Service Representative; Libby Breland, Executive Assistant/Clerk to Board.

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

Guest in attendance. Gerald Dawson, Beaufort County Council, (District 6–Sheldon/Dale/Lobeco) and Chip King, Archer Company, Human Resources & Organizational Consultant.

### **CALL TO ORDER**

Chairman Brandy Gray called the meeting to order at 8:05a.m. and announced that a quorum was present. James Scott gave the invocation and the Pledge of Allegiance followed.

### **TELEPHONIC STATEMENT**

Chair, Brandy Gray, gave the following statement: *"I Brandy Gray, Chair, announce that a quorum for this Meeting is physically present and that **Gen. Pat O'Neal** is attending this meeting telephonically".*

### **APPROVAL OF MINUTES**

**Motion:** Moved by Donna Altman, seconded by Skeet Von Harten, to approve the February 23, 2012 Board Minutes.

**Motion Passed Unanimously.**

## **PUBLIC COMMENT**

There were no public comments at this time.

## **GENERAL MANAGERS REPORT**

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

- BJWSA Safety Report. There were *37 Calendar Days Since Last Preventable Lost Time Case* as of February 2012 with *0 Recordable Injury, 0 Preventable Lost Work Day* and *98 Take Twos Completed*. Vice Chairman Bell asked for an update on developing metrics for the amount of take twos. Ken Griffin reported that staff will present a recommendation to the Personnel Committee in April. *The Safety Report for the month of February 2012 is attached to these minutes and is made a part hereof.*
- AMWA Annual 2012 Water Policy Conference. He attended the Water Policy Conference in Washington DC where he led the Legislative Committee meeting and will return to DC after the Board Meeting where he and Ed Saxon will meet with the SC Congressional Delegation next week and will give a full report at the next Board meeting.
- Comprehensive Annual Financial Report (CAFR) Award. The staff was recognized for receiving the Certificate of Achievement for Excellence in Financial Reporting for the *8<sup>th</sup> consecutive year*. Special recognition goes to Dottie Hofmann, CFO, Sarah Linkimer, Controller, their staffs and Matthew Brady, Communications Manager for their collaborative efforts. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. Matthew Brady will prepare a press release.
- Reuse Water Master Plan. We are close to completing our Reuse Water Master Plan and are meeting with our consultant on April 2. Staff will have a brief presentation at the April Board Meeting. This is an important component of our High Level Strategic Plan.
- Downtown Water Line Replacement Project. We are working on the last section of North Street. This is a big step forward in maintaining the quality of our water in the older section of Beaufort. Special thanks to Charles Sexton and his staff for keeping this project on budget and on schedule.
- Town of Port Royal Sewer Line Extension. This project is near completion and another much needed project for the older parts of the Town. Special thanks to Dick Deuel and his staff.
- Budget Performance. We have kept our expenses more than \$400k below budget and at the same time have seen our revenue more than \$540k over budget. Our operating ratio is up 1.91 verses 1.88 (FY11). Special thanks to Dottie Hofmann and her staff, and Ed Saxon and his staff for keeping the Authority in a strong financial position.
- Moss Creek PSD. Negotiations are ongoing with the issues involved in our taking over the Moss Creek water and sewer systems. Dottie Hofmann and Ed Saxon are reviewing franchise fees, and alternative acquisition approaches. Staff is completing an inspection of their system.
- Asset Management System. We are developing the first two components of our Asset Management System. Joe DeVito is leading the effort on our 7500 hydrants and

Charles Sexton is leading the effort with our 500(+) lift stations. Staff will present the layout for both in the coming months.

- Municipalities Meetings. The meeting with the Town of Ridgeland Administrator, Jason Taylor and Mayor Joey Malphrus was rescheduled due to a conflict. The remaining meetings with the Town of Yemassee and Hampton/Colleton counties are being arranged.

**Public Affairs Report.** Matthew Brady provided a summary sheet dated March 13, 2012 identifying several projects taking place throughout the service area and highlighted the following projects and community events:

- Burton CDBG. The initial design for this waterline extension is complete and being reviewed by staff. Construction is expected to begin in the next couple of months.
- Purrysburg CDBG. Bids for this gravity wastewater extension were opened on March 15. Construction should start in April, after contract approval from the SC Department of Commerce.
- Bluffton CDBG. Phase II (Simmons Road) water and sewer main extensions are complete. Once DHEC permitting is received, the Town's contractor will connect service laterals from the mains to the property lines and then to the affected homes. Phase III, including areas at the intersection of Buck Island and Simmons Roads, is currently being designed by the Town's engineer, HGBD.
- Downtown Waterline Replacement. Crews are in the process of completing this project, and are currently working on North Street. The project should be completed by the end of April.
- Town of Port Royal CDBG. This wastewater extension project is complete, and residents have been connected.
- Stuart Point Waterline. This is a proposed water line extension project that could serve up to 150 customers, (mostly LMI). Lowcountry Council of Governments (LCOG) and Beaufort County are working on an official notice of intent to apply for a Community Development Block Grant (CDBG). There has been a slow response, but the staff of BJWSA continues to work with LCOG reaching out to the community. The residents of Seabrook Point have been communicated with regarding the CDBG requirements.
- Company Picnic. BJWSA will have an employee picnic on April 28, from 11:00am-2:00pm at the Administrative building grounds. All Board members are invited to attend.
- Water Contamination Exercise. Matthew and Al Legare attended a round table exercise with the staff of Parris Island simulating water contamination.

Lorraine Bond gave a presentation to a new professional group of Jasper County. She thanked Matthew for providing materials such as rain barrel information, article on cyber bullying, treatment of wastewater reclamation, the Thad Coleman program and other information about the services which BJWSA provides. The group was so impressed that one of the individuals has asked Ms. Bond to give the same presentation to a group of Sun City residents. Matthew expressed that he would be delighted to join her in addressing the group.

*A copy of the memo to Ken Griffin, from Matthew Brady dated March 13, 2012 is attached to these minutes and is made a part hereof.*

## **COMMITTEE REPORTS**

### **Executive Meeting**

The Executive Committee met after the last Board Meeting and Ken Griffin's performance measures will be discussed in Executive Session.

### **Capital Projects**

Committee Chair, Skeet Von Harten, reported that the Capital Projects met on Wednesday, March 14, 2012 and received an update on CIP and developer project activity. The Purchasing Policy changes were also discussed along with debt management, drought update and legislative affairs and an employee policy change on the driving changes. A recommendation for contract approval CIP # 21322 will be presented under New Business. *A copy of the Capital Improvement Plan Update is attached to these minutes and is made a part hereof.*

### **Finance**

Lorraine Bond reported that the Committee met on Thursday, March 15, and received the following information:

- **Interim Financial Statements.** The February 2012 financial statements were reviewed along with key ratios. Total revenues are \$541 thousand above budget through February and \$2.7 million higher than prior year to date. Total Operating expenses (including depreciation) are \$317 thousand under budget through February. Operating Cash of \$14.3 million remains well above the 3 month minimum of \$9.35 million.
- **Call Center Metrics.** The statistics continue to improve. The abandonment rate decreased from 11.8% last month to 10.4% this month. The average wait time fell from 2.18 minutes in January to 1.50 minutes in February.
- **Purchasing Policy Changes.** The Committee discussed the purchasing policy and had some comments relating to the policy surrounding O&M purchases. Revisions to the policy will be considered and sent around to all board members for review.

*A copy of the Financial Reports dated February 28, 2012 is attached to these minutes and is made a part hereof.*

### **Personnel**

Committee Chair, Dr. Singleton provided the following status report of committee activity held on March 13<sup>th</sup>:

- **Recruiting and Hiring Actions.** The vacancies for a Database Information Analyst, has been filled by David Haberstadt who is scheduled to begin on April 2<sup>nd</sup>. An offer has been made for the Process Analyst position; interviews are being conducted for the Field Operator I positions and the Humans Resources Manager position and the Customer Service applications are being reviewed by the committee.

- Employee Handbook Policy, Driving Records Check. A proposed policy change to the Driving Records Check was presented to the Committee. The changes would establish more consistency during the hiring process and the annual driving record check. It would establish policy guidance for the consequences for certain driving offenses. This item will be presented under New Business.
- GM Performance Measures. The Committee members were provided documents of the GM's First Year Priority Areas, Performance Measures, Discussion of Contribution and a draft copy of the Board's summary letter. These items will be further discussed during Executive Session. Any action will be taken in Regular Session.

## OLD BUSINESS

### Thad Coleman Fund Update – Dottie Hofmann

Dottie Hofmann introduced and recognized the two top Customer Service Representative winners of the Thad Coleman Fund contest; Lori Crews and Lou Brown. The contest was so successful, she is continuing the initiative. The "NewsSplash" customer newsletter also helped with the efforts by getting the message out about the Thad Coleman Fund program. Chairman Brandy Gray asked if the municipalities contributed with a match to the fund. Dottie Hofmann has contacted Beaufort County and while they have supported the fund in the past, they were not able to contribute in this budget year.

## NEW BUSINESS

### Capital Improvement Program.

#### *Contract Awards*

- CIP #21322 Phase I Purrysburg Road 36" Waterline Construction to R.H. Moore Construction of Murrells Inlet, S.C., in the amount of \$3,555,090.00. This project consists of the construction of a 36-inch waterline along Purrysburg Road from Becks Ferry to Highway 17 through Levy along Highway 170 to under the New River and connecting to the Bluffton system at New Riverside. Phase I consists of the Purrysburg Road portion and the New River crossing. The pipe for Phase I has been bid, awarded, ordered and is being manufactured. Phase II consists of the Freedom Parkway and the Bluffton segments. Phase II is in design. Staff recommends approval of the contract award of this project to **R.H. Moore Construction for \$3,555,090.00.**

**Motion:** Moved by Committee Chair, Skeet Von Harten (no second required) that, CIP #21322 Phase I Purrysburg Road 36" Waterline Construction to R.H. Moore Construction in the amount of **\$3,555,090.00** be approved as presented and referenced in the Memorandum to Ed Saxon, Charles Sexton from Tricia Kilgore dated March 7, 2012.

**Motion passed unanimously.** *A copy of the referenced Memorandum dated March 7, 2012 is attached to these minutes and is made a part hereof.*

### Employee Policy Change

Approval of Recommendation to modify current Driving Record Check policy. John Wells presented the current policy requires all employees maintain a valid driver's license and have a driving record check from the Department of Public Safety prior to

employment and on an annual basis post-employment. The purpose of this driving check is to determine the validity of the driver's license, to provide a history of the individual's driving record and to maintain a safe workforce not only for the Authority but also for the citizens who drive on the roads. Staff has determined a need to make several changes to the current policy so as to continue our emphasis on driver safety for employees and applicants.

**Motion:** Moved by Committee Chair, Dr. Singleton (no second required) that, the changes to the current Driving Record Check policy be approved as presented and referenced in the Memorandum to Personnel Committee from John Wells, Director of Administrative Services dated March 13, 2012.

**Motion passed unanimously.** *A copy of the referenced Memorandum dated March 13, 2012 is attached to these minutes and is made a part hereof.*

**PUBLIC COMMENT**

Councilman Gerald Dawson reported that the responses from the community for the proposed water line extension in Stuart Point, is not going quite as well as expected. Michelle Knight, Community & Economic Development Director, LCOG, will go ahead and send in the application process even though 80% was not met.

**EXECUTIVE SESSION (9:03)**

**Motion:** Moved by John Rogers, seconded by Donna Altman, to go into Executive Session to discuss BJWSA Compensation Plan, General Manager Performance Measures/Discussion of Contribution.

**Motion Passed unanimously.**

**RECONVENE**

**Motion:** Moved by Skeet Von Harten, seconded by Lorraine Bond, to approve a 5% salary increase for the GM effective 180 days from hire date.

**Motion passed unanimously.**

**TELEPHONIC STATEMENT**

Chair Brandy Gray, made the following statement: *"I, Brandy Gray, the Presiding Officer of this Meeting have previously stated that **Gen. Pat O'Neal** was attending this meeting telephonically. This Meeting is in full compliance with the criteria for the attendance of this Meeting telephonically as set forth in Article II Section II of the Bylaws."*

**ADJOURNMENT**

Chair Brandy Gray declared the meeting adjourned at 10:30 a.m.

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*Respectfully submitted by:  
Libby Breland, Clerk to Board*

Attachments on file.