

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 10/22/2015.

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 10/22/2015, 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: David Lott, Chair; Donna Altman, Vice-Chair; James N. Scott, Secretary/Treasurer; Jimmy Baker; Michael Bell; Lorraine Bond; Jack Burke; Donald Manson; Dr. Bill Singleton and Skeet Von Harten.

Members of the Authority not in attendance: Brandy Gray.

Staff in attendance: Ed Saxon, General Manager; Dottie Hofmann, DGM F&A; Frank Eskridge, DGM O&TS; Brian Chemsak, Director of Engineering; Joe DeVito, Director Field Operations; Allena Lee-Brown, HR Manager; Pamela Flasch, Communications Manager; Sarah Linkimer, Controller; Libby Breland, Executive Assistant/Clerk to the Board; Tracey Gandhi, Training and Development Specialist; Kevin Sexton, Chief Water Operator (Purrysburg WTP); Dan Heaton, Tech Maintenance and Jonathan Carey, Tech Maintenance Specialist.

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

Public in attendance: Frank Turano, Regional Manager, Alliance Consulting Engineers.

CALL TO ORDER

The meeting convened at 8:00 a.m., Chair David Lott presiding.

INVOCATION AND PLEDGE OF ALLEGIANCE

Jimmy Baker gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

APPROVAL OF MINUTES

Motion: Moved by Michael Bell, seconded by Don Manson, to approve the minutes of the 9/17/2015 regular board meeting as written and distributed in advance to the Members of the Authority. No corrections were noted,

All voted in favor, none opposed,

Motion passed unanimously.

PUBLIC COMMENT

The public was introduced and welcomed. There was no public comment at this time.

GENERAL MANAGERS REPORT

Ed Saxon submitted the following report:

1. Safety Report – We experienced 1 minor incident in September and have surpassed the 150,000 safe work hours mark. The Safety & Wellness Festival is set for Friday November 20th at the Chelsea Plant. The festivities will begin at 11:30 and all Board members are welcome.
2. Savannah River Basin – Average September rainfall occurred in the basin. The 10/2-10/4 superstorm increased the lake levels by ~ 4 feet and they are now above the Stage 1 drought level.
3. The Superstorm– This 1000 year storm started the evening of Friday 10/2 and lasted thru the weekend. Fortunately, we were on the southern edge of the storm on only received 6-8 inches of rain mostly NOB. The Charleston area received >20 inches and Columbia >15. The rain we received coupled with the abnormally high tides we experienced caused some lowland flooding locally but our facilities were not impacted. The Charleston area had extensive flooding but Columbia was the hardest hit with major flood damage, loss of life and a crippled water system. We sent a couple of water operators and tech maintenance folks to set up and operate a RO system to provide potable water to people living in the areas of the city that had no service. *Here today is Kevin Sexton, Dan Heaton and Jonathan Carey. Anthony Sauls was absent, but also recognized. They received a round of applause.*
4. HomeServe – We are starting the roll-out of the program and began our initial mailings this week. You probably have received a blue post card this week introducing you to the program. The 2nd mailing will include more details about this optional program and how to sign up.
5. November & December Board Meetings – Just a reminder, the November and December Board meetings will be a week earlier than normal due to the holidays (11/19 & 12/17).
6. Savannah River Site Tour – The SRS tour will occur Monday November 9 from 10AM to 4PM. We have rented a 12 passenger van and plan to leave from the Admin building at 8:00. Please try to be here by 7:45. We should be back by 6.
7. AMWA Tour - BJWSA is a member of the Association of Metropolitan Water Agencies (AMWA) and last week, AMWA held their annual conference in Savannah. They asked us to host a tour of one of our facilities so on Wednesday, 10/14; we hosted a group of 20 water executives at our Purrysburg Water Treatment Plant. During the tour, we had stations set up where our employees talked about the various BJWSA initiatives and programs (safety, employee development, capital planning, customer/community involvement, operational efficiencies, etc.) that makes BJWSA unique. We called it “Southern Sustainability” and it was very well received by everyone who attended. Thanks to Pam, Libby, Lou, Joe, Frank, Brian, Chris, Steve, Mike, Tracey, Allena, Kevin, & Jason.
8. BJWSA United Way Campaign – I am extremely proud to announce that we have already met our 2015 UW goal of \$14,500. The employee contributions we received at our Admin and Operations/Engineering monthly meetings held in early October exceeded the goal (current total \$14,876). This is the most we have ever received from employees, the highest participation rate (53%) and the quickest we have reached the goal. The campaign will end October 31 and the Board is welcome to contribute as well. Thanks to Pam and the HR Department for leading this great effort.

9. Handouts – At the last Board meeting, several questions were asked about the status of the Savannah Harbor deepening and the Palmetto Pipe line Project. I've distributed recent articles about these projects along with a Lowcountry Council of Governments Demographic Overview of the Lowcountry (Beaufort, Jasper, Colleton, and Hampton counties). There is a lot of good, relevant information in the LCOG study. *Chair David Lott encouraged the members to review the study and we may have a more involved discussion in the future.*

➤ **Staff Presentations-**

- BJWSA University – *Tracey Gandhi* – Tracey provided an update on the status of the BJWSA University. *A copy of the power point presentation titled “Developing...BJWSA University” is attached and is made a part hereof.*
- Canal Maintenance – *Joe DeVito* – Joe provided an update on recent canal maintenance efforts and its budget impact. *A copy of the power point presentation titled “2015 Hydrilla” is attached and is made a part hereof.*

➤ **Public Affairs Report.** Pamela Flasch highlighted community events and identified several projects taking place throughout the service area:

- ‘Imagine a Day without Water’ event, was October 6 to 8, with participation from the City of Hardeeville and their Planning Department, City of Beaufort, Town of Hilton Head Island (along with their three PSDs), Town of Bluffton, Town of Port Royal along with Jasper County and the Jasper County Public Schools. Each municipality adopted a resolution at their next regular meeting. The only thing left is our Pizza Party at Hardeeville-Ridgeland Middle School. Juan Singleton, Media Director, City of Hardeeville, is producing a video that deals with “Imagine a Day without Water” event and will share this video with us once it’s completed.
- Municipal Association of South Carolina. Pam and Lou attended a communications seminar at the **Municipal Association of South Carolina** HQ in Columbia October 21.
- Association of Metropolitan Water Agencies (AMWA) 2015 Executive Management Conference. With phenomenal help from Libby, Lou and our presenters, we held a FAM tour at Purrysburg October 14 as part of the **AMWA Conference** in Savannah. We were thrilled at the many questions and requests to share information.
- Blood Drive, Health Screening and United Way. Are in the books. We exceeded our United Way goal.
- Hardeeville Catfish Festival, Shrimp 5K Festival, National Night Out and the Fire Department Open House. During these events we were able to get a lot of their contact information to update our customer records even if they were not our customers we were able to share emergency information.
- Savannah River Site. Our tour of the Savannah River Site is confirmed for Monday, November 9.
- Annual Safety & Wellness Festival. Is scheduled for Friday, November 20.
- CAFR. The **CAFR** is currently ‘under construction’ for printing unveiling at the December BOD meeting.

A summary memo dated 10/22/2015, was included in the Board packet and is attached to these minutes and is made a part hereof.

COMMITTEE REPORTS

Report of the Executive Committee. Committee Chair David Lott stated that the Executive Committee did not meet therefore had no report.

Report of the Capital Projects Committee. Committee Chair Donald Manson reported that the Capital Projects did not formally meet. A summary of noteworthy projects was included in the Board Packet. Items of note:

- 21571- SCDOT Hwy 21 & Parris Island Gateway FM Relocation. This is a CIP addition that will be presented under new business. The project will be reimbursed by DOT.
- 21821- Misc.WW Pump Station Replacements. Two contract awards will be presented under new business.

A copy of the CIP Update memorandum from Brian Chemsak dated 10/13/2015 was included in the Board Packet and is attached to these minutes and is made a part hereof.

Report of the Finance Committee. Committee Chair Donna Altman reported that the Finance Committee met on 10/15/2015 and submitted the following report:

- FY15 Audit. The Auditors were here and presented their audit report for year ended June 30, 2015. A clean unmodified opinion was received. The Auditors did review the GASB 68 pronouncement and the impact it has on financial statements for pension liability. They will present their report to the full board in November.
- 9/30/2015 Interims. Total operating revenues were \$139 thousand under budget year-to-date. Expenses were under budget year-to-date, \$477 thousand without depreciation and \$455 thousand with depreciation. Capacity fee revenues for 9/30/2015 were \$857 thousand, \$813 thousand over budget year-to-date. Cash is healthy; ratios are within our limits and policies.
- Call Center Report. Receiving over 10,000 calls. This may become the norm due to the number of renters in the area, which may lead to budgeting for extra staffing.
- 2006 Bond Refunding. Our financial advisors are seeing a significant savings of \$2M (\$100-200,000 per year) to refinance our 2006 Bonds. This savings would result from the interest rate going from an average of 4.8 percent to an average of 2.8 percent. The plan is to have bond counsel at the November and/or December meeting and close the transaction in January or February. *Chair, David Lott asked to have bond counsel here, if at all possible, in November, to go through the Bond process and discuss the role of the Board, since a lot of the members have not been through this process.*

A copy of the financial report dated 9/30/2015, was included in the Board packet and is attached to these minutes and is made a part hereof.

Report of the Personnel Committee. Committee Chair Lorraine Bond reported that the Personnel Committee met on 10/13/2015 and submitted the following report:

- Safety and Wellness Update. The monthly safety report was reviewed. The Annual Health Screening was held on September 25th, participants included 81 employees, 9 spouses and 1 retiree.
- Open Enrollment. October is open enrollment for health care benefits changes.
- New Compensation Consultant. The new compensation consultant is Pontifex out of Minnesota. Pontifex made their first visit to BJWSA on 10/12. One of the firm's principals, Bob Greene, is the author of the AWWA salary survey. They met with senior management, directors, managers and HR. First priorities are to establish our compensation philosophy, program direction and document policies.
- United Way. Employees attained their goal after just 2 meetings. 102% of \$14,500 goal/\$14,786 and counting.
- Miscellaneous. The committee was brought up to date on 2 personnel matters.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Capital Improvement Program

CIP FY16 Additions

The following project needs to be added to the FY2015-2017 CIP:

1. 21571 SCDOT Hwy 21 & Parris Island Gateway Force Main Relocation for \$28,290. This project is in response to an agreement signed with the SCDOT to relocate an existing force main that is in conflict with a proposed storm drain. The project will relocate approximately 120 linear feet of the existing 8" force main. The funds for this project are provided by SCDOT at the close of the project per the agreement signed 9/14/15.

Motion: Moved by Michael Bell, seconded by Lorraine Bond, approving CIP Project #21571 SCDOT Hwy 21 & Parris Island Gateway Force Main Relocation for \$28,290, to the FY16 CIP as presented and referenced in the memorandum from Brian Chemsak, dated 10/12/2015,

All voted in favor, none opposed,

Motion passed unanimously.

Contract Award

1. CIP-21821 Misc. WW Pump Station Replacements FY16 to BRW for \$503,571 and to Southern Champion for \$430,200. The scope of this project is to rehab 8 existing pump stations located throughout the system. After reviewing the proposals and discussing the various options, staff recommends the award of the project be split into two separate contracts, one for the SOB pump stations and one for the NOB pumps stations. In order for the project to remain within budget, BR01 and CP09 were removed from the scope of work. With the award of two contracts, BJWSA will see a reduction in construction schedule.

Motion: Moved by Lorraine Bond, seconded by Secretary James Scott, approving CIP 21821 Misc. WW Pump Station Replacements FY16 Contract Award to BRW for \$503,571 and to Southern Champion for \$430,200 as presented and referenced in the memorandum from Brian Chemsak, dated 10/12/2015,

All voted in favor, none opposed,
Motion passed unanimously.

PUBLIC COMMENT

There was no public comment.

(9:35 a.m.)

EXECUTIVE SESSION

Motion: Vice-Chair Donna Altman moved, seconded by Jimmy Baker, to go into executive session for the purpose of discussing litigation matters regarding: Jarman, 10 Frontage Road, Smith/Van Zyle, Sadowsky, Adkins, and Sauls Funeral Home.

All voted in favor, none opposed.

Motion passed unanimously.

Chair David Lott, excused all persons from the meeting. Legal counsel, GM, DGM F&A, DGM O&TS remained for the executive session for the legal briefing.

(9:45 a.m.)

RECONVENE

Motion: Vice-Chair Donna Altman, moved, seconded by Lorraine Bond, to reconvene regular session,

All voted in favor, none opposed.

Motion passed unanimously.

ACTION

No action was taken.

ADJOURNMENT

With no further business to come before the Board, Michael Bell, moved, seconded by Lorraine Bond, to adjourn the meeting at, 9:45 a.m.

All voted in favor, none opposed.

Motion passed unanimously.

APPROVED: 11/19/2015

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.