

## **MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 3/24/2016**

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 3/24/2016, 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; Michael Bell; Lorraine Bond; Jack Burke; Brandy Gray; Donald Manson; Dr. Bill Singleton and Skeet Von Harten.

Members of the Authority not in attendance: Jimmy Baker.

Staff in attendance: Ed Saxon, General Manager; Dottie Hofmann, DGM F&A; Frank Eskridge, DGM O&TS; Brian Chemsak, Director of Engineering, Jim Baker; Allena Lee-Brown, HR Manager; Pamela Flasch, Communications Manager; Sarah Linkimer, Controller; Will Bettis, Purchasing & Risk Manager; Earl Sheppard, Wastewater Manager; Keith Schubert, Chief Wastewater Operator; Ryan Yoder, Chief Wastewater Operator; Lou Brown, Communications Specialist; Libby Breland, Executive Assistant/Clerk to the Board.

Legal Counsel in attendance: Erin Dean, Esq., Tupper, Grimsley and Dean, P.A., and Melissa L. Azallion, McNair Law Firm.

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**

Lorraine Bond gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

### **APPROVAL OF MINUTES**

**Motion:** Moved by Skeet Von Harten, seconded by Don Manson, to approve the minutes of the 2/25/2016 regular board meeting as written and distributed in advance to the Members of the Authority. No corrections were noted,

*A vote was held, Donna Altman Abstained due to her absence.*

**The motion carried.**

### **PUBLIC COMMENT**

The public was introduced and welcomed. There was no public comment.

## GENERAL MANAGERS REPORT

*Ed Saxon submitted the following report:*

1. **Safety Report** – We experienced another great safety month, 3 minor incidents (all vehicle related and the other drivers & the deer's fault) and with no recordable injuries. Please note that the Industry Average rates have been updated to show 2014 averages. We had a very successful Safety & Wellness Festival on 3/11. BJWSA has partnered with Coastal Carolina Medical Associates (Coastal Carolina Hospital) to provide wellness and medical services to our employees, services include employment physicals, return to work screenings, vaccines and drug screens. Distributed updated Quick Guide.
2. **Savannah River Basin** – February rainfall was normal and lake levels are in line with the guide curves. Savannah River levels at our intake have recently dropped below 10 feet.
3. **Presentations** – I gave a presentation at the March 2<sup>nd</sup> Beaufort Rotary Club meeting and Frank gave a similar presentation to the Lowcountry Rotary Club on 3/18, both were well received. On March 8<sup>th</sup>, I gave a presentation at the AWWA Sustainability Conference on our ASR systems. Frank will represent the state of SC during the AWWA Fly-In on April 13-14 in DC and will brief the Board on his trip at the April meeting.
4. **SCEC** – BJWSA was well represented at the 2016 SCEC. Kevin Sexton and Brian Chemsak gave presentations and I assisted Dean in discussing the Savannah River Clean Water Fund. Four other presentations about BJWSA projects were given by consultants. All our wastewater facilities received the DHEC Excellence in Operations Award and Steve Lee received the WEASC Safety Certificate of Merit.
5. **Boundary Street Project** – The 3/21 shutdown was well planned and was completed without incident. Service was restored by 2AM, 3 hours ahead of schedule. Thanks to Engineering, Field Ops, Communications and our contractor, Potter Construction, for this remarkable effort. The next shutdown is planned to occur in a couple of weeks.
6. **Palmetto Pipeline Project** – There have been several recent developments. A Georgia judge has rejected Kinder Morgan's appeal of the Georgia DOT's decision to deny approval for them to use eminent domain to secure easements for the pipeline project. SC Senate Bill 868 which prevents private pipeline corporations like Kinder Morgan from using eminent domain has passed the Senate and is going through the House.
7. **Employee Appreciation Day** – Friday, March 4 was national Employee Appreciation Day. Sr. Management recognized our best in class employees and Dottie personally presented every employee a cupcake as a token of our appreciation.
8. **Growth Article** – A 3/24 Post & Courier article listed Beaufort County as the 12<sup>th</sup> fastest growing county in the country from 2010-2015. Horry County (Myrtle Beach) was ranked 2<sup>nd</sup> and Charleston County was ranked 19<sup>th</sup>.
9. **Retreat** – We have canvassed the Board and Thursday 5/19 appears to be a good day to hold our annual retreat. As in years past, we will start at 10 & finish by 2. We are looking at facilities in Beaufort and will get you the details as soon as they are set. We will have a preliminary agenda for your review and comment at the April Board meeting. Please let me know if there is a particular subject or topic you would like for us to address at the Retreat so we can add it to the agenda.
10. **Annual Spring Picnic** – Set for Saturday, 4/23 at Hardeeville ballpark behind city hall. Start with softball game vs Hargray @ 9:30 and picnic to begin around 10. Board is welcome to attend.

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

- Consumer Confidence Report. We will publish our wholesale CCR at the end of March.
- Drinking Water Week. DWW is the first week of May, with our annual *Customer Appreciation Day Thursday, May 5*. Again this year, we will have an essay contest for older students and we are already receiving entries for the poster contest for elementary students.
- Focus Group. The Customer Focus Group will meet here *Saturday, May 14*. We are beginning to work with the facilitator on both our list of prospective participants as well as the discussion and study guide.
- Employee Fun Day. BJWSA's annual Employee Fun Day is April 23 at Hardeeville Rec Park and we will play Hargray in a softball game at the beginning of the day, followed by food, fellowship and games.
- Smithsonian Institution. SI will use our wastewater video in a six-year traveling exhibit on water. Opportunities to host the exhibit are granted in a competitive process through the South Carolina Humanities Council. That process takes place in 2018.
- Kiplinger Finance. The latest issue of Kiplinger Finance featured Dottie Hofmann, talking about our "courtesy leak adjustment claims".
- Lowcountry Phone Directory. Ed is featured in the Lowcountry Phone Directory. He was also a featured guest on WSAV, talking about the EPA's 'Fix a Leak Week', which was last week. Mike Jones, our billing and revenue manager, was a guest on 'The Beaufort News', talking about that as well.
- Events. I attended the SCEC, and career day at Royal Live Oak Academy; upcoming events include hosting Sr. Leadership Beaufort Wednesday April 6; KidsDay in Beaufort and the Taste of Beaufort 5K.
- DHEC's Facility Excellence Award Our wastewater leaders are here, as they were recognized at the South Carolina Environmental Conference last week, where they received DHEC's Facility Excellence Award for Cherry Point; Palm Key; Hardeeville; Point South; St Helena; Port Royal and Laurel Bay WWTP.

*A summary memo dated 3/24/2016, 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 Committee met on 3/16/2016 and reviewed the status of the Capital Program and Development Activity. A summary of noteworthy projects was included in the Board Packet. Some projects of note:

- Current Active Projects. Hardeeville WL Extension, Old Bailey's Road Loop Sewer Line Extension, Boundary Street Expansion, Hardeeville WWTP Expansion.
- Feb FY16 Military Project Activity. 11 total, 8 - active and 3 - waiting for approvals.
- Capacity Fees. \$3.2 million received year-to-date in capacity fees.
- Water & Sewer Taps. Averaging 126 water taps and 137 sewer taps.

*A copy of the CIP Update memorandum from Brian Chemsak dated 3/11/2016 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 3/17/2016 and submitted the following report:

- 2/29/2016 Interims. Total operating revenues were \$665 thousand under budget year-to-date. Total operating expenses were under budget year-to-date, \$156 thousand; this is down in February due to the closing cost for the bond refunding that was not budgeted of \$374 thousand. February capacity fee revenues were \$312 thousand and \$1.2 million over budget year-to-date. Developer contributions for the month totaled \$93 thousand and are \$1.1 million over budget year-to-date. Operating cash remains healthy. Ratios are down because of the debt service payment on the bonds, but we are still well within our limits and policies.
- Audit RFP – Firm Recommendation. The Finance Committee made a selection of Carr Riggs & Ingram, Alabama. 10 firms submitted proposals, 5 were interviewed and Carr Riggs & Ingram had the highest score.

*A copy of the financial report dated 2/29/2016, 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 3/15/2016 and submitted the following report:

- Safety. The February Safety Report shows 342 days and 277,499 hours since our last preventable lost work day case. We are well on our way to our 1,000,000 hour goal. The Safety and Wellness Festival was held Friday, 3/11. Very informative and educational event. Highlight was the LifeStar helicopter landing. The updated 2016 Quick Guide was distributed. Enhancements include a table of contents on the first pages and color banding at the bottom of each page, making it easier to locate information.
- National Employee Appreciation Day. Employee Appreciation Day was Friday, March 4<sup>th</sup>. Ed sent his appreciation to all employees via email first thing that morning. Expressing the appreciation of senior management, Dottie delivered a cupcake to every employee.
- Employee Survey. The bi-annual Employee Climate Survey will begin in April.
- GM Performance Evaluation. We discussed the logistics for managing the GM Performance Evaluation this year.
- Slate of Officers. The Personnel committee will present a proposed Slate of Officers during the May Board meeting with a goal to finalize the selections during the June Board Meeting.

- Board Leadership Award. It is time for nominations for the Board Leadership Award. If you have any suggestions, please turn them in to the HR Manager. The Personnel Committee will review nominations during our May meeting and present a selection to the Board during the June Board Meeting.
- Personnel Matters. The McNair Law firm will provide an update on our current lawsuit during Executive Session.

## **OLD BUSINESS**

There was no old business.

## **NEW BUSINESS**

### Capital Improvement Program

#### *Contract Award*

CIP-1703 Battery Creek Park Galvanized WL Replacement. This project will install new waterlines along Drayton Drive and Battery Park, Port Royal, SC.

**Motion:** Recommendation for approval of CIP 1703 Contract Award to Deepwater Construction, Burton, SC for \$159,645.00 as presented and referenced in the memorandum from Brian Chemsak, dated 3/7/2016, came from the Capital Projects Committee, *requiring no second,*

*All voted in favor, none opposed,*

**Motion passed unanimously.**

## **PUBLIC COMMENT**

There was no public comment.

(8:36a.m.)

## **EXECUTIVE SESSION**

**Motion:** Dr. Bill Singleton moved, seconded by Lorraine Bond, to go into executive session for the purpose of discussing litigation matters regarding: Jarman, Smith/Van Zyle, Adkins, Sauls Funeral Home, Earling and Christine Olsen and Denise Jones.

*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; HR Manager remained for the executive session for the legal briefing. Melissa Azallion, McNair Law Firm, was present for the Adkins litigation.*

(9:10 a.m.)

## **RECONVENE**

**Motion:** Brandy Gray 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, Chair David Lott adjourned the meeting at 9:10 a.m.,

*All voted in favor, none opposed.*

**Motion passed unanimously.**

APPROVED: 4/28/2016

*Respectfully submitted,*

*Libby Breland, Clerk to Board*

Signatures and Attachments on file.