

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 7/28/2016

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its annual meeting Thursday, 7/28/2016 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: Chair Donna Altman; Vice-Chair Michael Bell; Secretary/Treasurer Don Manson; Jimmy Baker; Lorraine Bond; Lorraine Bond; Jack Burke; Brandy Gray; David Lott, via telephonically; James Scott; Dr. Bill Singleton; Skeet Von Harten.

Members of the Authority not in attendance:

Staff in attendance: Ed Saxon, General Manager; Dottie Hofmann, DGM of F&A; Brian Chemsak, Director of Engineering; Ken Jordan, Director of Planning, Safety & Security; Tricia Kilgore, Director of Treatment; Jim Baker, Capital Projects Manager; Will Bettis, Purchasing & Risk Manager; Dick Deuel, Development Projects Manager; Pamela Flasch, Communications Manager; Allena Lee-Brown, HR Manager; Libby Breland, Executive Assistant/Clerk to the Board.

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

Beaufort County Liaison to BJWSA: Not in attendance.

Compensation Consultants: Peter Ronza, Pontifex Consulting Group, LLC.

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

CALL TO ORDER

The meeting convened at 8:03 a.m., Chair Donna Altman presiding.

TELEPHONIC STATEMENT

“I Donna Altman, announce that a quorum for this Meeting is physically present and DAVID LOTT IS ATTENDING THIS MEETING TELEPHONICALLY.”

INVOCATION AND PLEDGE OF ALLEGIANCE

Vice-Chair Michael Bell gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

APPROVAL OF MINUTES

Motion: Moved by, Secretary/Treasurer Don Manson, seconded by, Vice-Chair Michael Bell, to approve the minutes of the 6/23/2016 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.

GENERAL MANAGERS REPORT

Ed Saxon submitted the following report:

1. Safety Report – We are approaching 400,000 safe work hours without a lost work day injury and completed another month without a recordable injury. We had 3 minor incidents in June, all vehicle related. We completed FY16 with no recordable injuries, our best safety performance ever!! Since 2002, BJWSA has averaged ~5 recordable injuries a year. To celebrate that milestone and daily commitment together, the Board received lunch coolers featuring artwork by Zach Johnson, Project Engineer and Safety Team member. Each employee will also receive a cooler. The Board bestowed accolades on everyone then followed by a round of applause.
2. Savannah River Basin – The basin continues to experience sub-normal rainfall and basin lakes levels hit the first drought trigger this week. When this occurs discharges from Thurmond will be reduced from the current rate of 5,000 cfs to ~4,000 cfs. The upper basin has been extremely dry and was paced in the moderate drought status in early July.
3. Daufuskie Island Utility (DIUC) – We continue to have discussions with the DIUC. Operations Staff made a second trip to further assess the condition of the system and we have asked for additional financial information from DIUC. I met with representatives from the Haig Pt POA and provided them an update.
4. Cherry Pt WRF Toxicity Violation – We exceeded the permit limitations on toxicity at Cherry Pt WRF in October 2015 and January 2016 which resulted in a Notice of Violation from DHEC. Staff met with DHEC to discuss the events and our response. We were assessed a civil penalty of \$4,800. Tricia will brief the Board on the event.
5. Employee Newsletter (Weekly What's Up) – Our Communications Dept. has been publishing the WWU for ~18 months and it has been well received by the employees. I started sharing this with the Board in July. Kudos to Pam and Lou for their efforts in producing this great publication.
6. DGM- Ops & TSO Search – We conducted 5 “go to meeting” interviews the past 2 weeks and will shortlist 2 or 3 candidates for a second on-site interview in the next 30 days. I will keep the Board informed of our progress.
7. August Meetings – A reminder, there will be no August Committee or Board meetings. Please plan accordingly.
8. Military UP Contract Report Card – We finally received our report card for the period 2/15 through 2/16 and again received a “Very Good” rating. This is a total BJWSA Team effort and congratulations to all. Special thanks to Al Legare for his contract oversight.

9. SC Sales Tax Refund Update – We received \$167,268 from the SC Department of Revenue this month which represents the first of the bigger checks we are anticipating. Total refunds received as of the end of July was approximately \$176,582.
10. Employee of the Quarter – I am pleased to announce that Beth Lowther was selected EOQ for the 2nd Quarter of 2016. Beth has been with us for 12 years and started off in Accounting. She is currently a Software Application Specialist in IT. Congratulations Beth.
11. Director of IT – Our new Director of IT, Kenneth Frazier, started his employment on 7/18. He had a previously scheduled vacation this week and could not be here. I'll introduce him at the September Board meeting. There was some information about Kenneth in last week's What's Up.
12. Boundary St Project – The intersection of Hwy 21 and 170 will be closed from Friday 7/29 starting at 8PM until Monday 8/1 @ 8PM for additional storm drain work and for our contractor to install the new 20" water main across Boundary St (Hwy 21). No water shutdown will be required.
13. Stakeholder Dashboard – Staff has made the Board requested changes to the proposed Stakeholder Dashboard. Once June numbers are available, we will distribute the revised Dashboard to the Board and review it at the September Board meeting prior to placing it on our website.

➤ **Public Affairs Report.** Pamela Flasch highlighted recent and upcoming Communications Department initiatives:

- Customer Focus Group. We were surprised to find that so many people enjoy getting a paper bill, and that they still keep a file of the paper bills. They would like to receive text messages in case of emergencies or other notifications. They would really appreciate more follow-up when they've made a service call.
- Community Involvement. Lou and I have had a number of off-site educational opportunities, and will be at Eco-Camp tomorrow morning at Port Royal Elementary.
- Training. We have also been training when possible, attending a fantastic Excel training yesterday, and I will go to another free 2-day training course by Texas A&M/FEMA (in Columbia) on '*Public Information in an All-Hazards Incident*'.
- Networking. Debbie Szpanka with Town of Bluffton and BJWSA will hold the inaugural meeting of the Lowcountry & Coastal Empire PIO Alliance Wednesday, September 7. Our goal is to have PIOs from the four SC counties and two GA counties adjacent to us networking and collaborating to support one another and our constituents more effectively.
- Imagine a Day Without Water Event. We are participating again in Value of Water Coalition's '*Imagine a Day Without Water*' event Thursday, September 15. In addition to the municipal engagement that we had last year, we will hold an SCAWWA/WEASC '*No Water, No Beer*' event at Southern Barrel Brewing that evening. We'll have swag for the general public, and plan to have coasters at most Jasper and Beaufort county restaurants and bars, making the public aware of the role of clean drinking water - and the infrastructure that makes it possible - on their daily lives.

Michael Bell suggested that we look into using a text to close the loop of a service call and also allow random customers to complete a brief survey at the end of a service call.

A summary memo dated 7/28/2016, 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. Donna Altman 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 7/21/2016 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:

- CIP Activity. 7 projects are in progress totaling ~\$43 million.
- Military Projects Activity for June. 9 projects totaling \$1.4 million - 3 projects have been submitted for approval.
- Capacity Fees. ~\$5 million in capacity revenues were received in FY16.
- Developer Projects Activity. 9 new projects were reviewed.
- Water and Sewer Taps. 108 water taps and 157 sewer taps were completed for June.

A copy of the CIP Update Memorandum from Jim Baker dated 7/20/2016 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 7/21/2016 and submitted the following report:

- 6/30/2016 Interims. Due to the fiscal year-end, financial reports for 6/30/2016, were not generated.
- 2016 Audit Schedule. A video conference was held with the auditors, Carr, Riggs & Ingram. They reviewed the strategy and time schedule and hope to maintain the same schedule as in the past. The plan is to present the audit to the full Board at the November meeting. They will also be contacting Board members asking if you have any particular issue or concerns that you would like to be looked into and it will give the opportunity to communicate directly with the auditors.
- Quarterly Reports and Call Center Metrics. The reports are in the Drop Box for review. There is no June data for the call center due to the loss of the reporting component system that went down on the server. We are transitioning to a new telephone system going live in September; therefore the old system will not be repaired which will also result in no data for the beginning quarter on the next quarterly reports.
- Annual Balances for The Juanita White Fund and The Thad Coleman Fund. The ending balance at FY 2016 year-end for the Juanita White Fund was \$24,400 and the ending balance for the Thad Coleman Fund was \$38,475.

- Boundary Street Expansion Change Order. Dick Deuel reviewed the change order request that will be presented under new business.

A copy of the presentation by Keith Hundley, Partner, Carr, Riggs & Ingram, LLC was included in the Board packets 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 7/27/2016 and submitted the following report:

- Safety Report for June-16. The safety report was reviewed, which was a “great” report, a round of applause was given.
- 2015 Affirmative Action Summary. We will share this information at a future meeting.
- Deputy GM O&TS Hiring Status. The plan is to complete the search within the next month.
- GM Performance Evaluation. Peter Ronza, Pontifex Compensation Consultant, presented salary survey data and a summary of the GM performance evaluation that will also be presented during today’s executive session.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Capital Improvement Program

Contract/Purchase Award

CIP-1530 Business Continuity Plan Contract Award to AECOM for \$149,954.44 as presented and referenced in the memorandum from Ken Jordan dated 7/20/2016 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1530 Contract Award to AECOM for \$149,954.44 came from the Capital Projects Committee, *requiring no second,*
All voted in favor, none opposed,

Motion passed unanimously.

CIP 1652 CP19 Rehab and Upgrade Contract Award to BRW Construction Group, LLC for \$446,750.32 as presented and referenced in the memorandum from Jim Baker dated 7/21/2016 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1652 CP19 Rehab and Upgrade Contract Award to BRW Construction Group, LLC for \$446,750.32 came from the Capital Projects Committee, *requiring no second,*
All voted in favor, none opposed,

Motion passed unanimously.

CIP 1670 Hardeeville WRF Expansion Contract Award to State Utility Contractors, Inc. for \$25,900,000 as presented and referenced in the memorandum from Brian Chemsak dated 7/21/2016 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1670 Hardeeville WRF Expansion Contract Award to State Utility Contractors, Inc. for \$25,900,000 came from the Capital Projects Committee, *requiring no second*,
All voted in favor, none opposed,
Motion passed unanimously.

CIP 1670 Hardeeville WRF Expansion Contract Award to GE Equipment for \$805,548 as presented and referenced in the memorandum from Brian Chemsak dated 7/21/2016 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1670 Hardeeville WRF Expansion Contract Award to GE Equipment for \$805,548 came from the Capital Projects Committee, *requiring no second*,
All voted in favor, none opposed,
Motion passed unanimously.

CIP-1754 Mixing and Aeration System for Port Royal Island Water Reclamation Facility (PRIWRF) Equalization (EQ) Tank Contract Award to EnviroMix for \$428,850 as presented and referenced in the memorandum from Jim Baker dated 7/21/2016 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1754 Mixing and Aeration System for PRIWRF EQ Tank Contract Award to EnviroMix for \$428,850 came from the Capital Projects Committee, *requiring no second*,
All voted in favor, none opposed,
Motion passed unanimously.

Change Order Approval

CIP 1565 Boundary Street Expansion Asset Relocations to Potter Construction for \$109,530 Change Order.

Motion: Recommendation for approval of CIP 1565 Boundary Street Expansion Asset Relocations Change Order to Potter Construction for \$109,530 came from the Capital Projects Committee, *requiring no second*,
All voted in favor, none opposed,
Motion passed unanimously.

Appointment by the Chair of FY17 Standing Committees – Majority Consent. (Memo)

Chair Donna Altman presented the Committee Appointments for Fiscal Year 2017 as referenced in the Chair's Memo dated July 28, 2016.

Approved: All members concurred. The following are chair and members of each standing committee for fiscal year 2017, effective July 28, 2016:

Executive Committee: Donna Altman, Chair; Michael Bell; Donald Manson; David Lott, immediate past Chair.

Personnel Committee: Jimmy Baker, Chair; Jack Burke, David Lott.

Capital Projects Committee: Michael Bell, Chair; Lorraine Bond; James Scott.

Finance Committee: Brandy Gray, Chair; Donald Manson; Dr. William Singleton; Skeet Von Harten.

A copy of the referenced Memorandum dated 7/28/2016 is attached to these minutes and is made a part hereof.

PUBLIC COMMENT

There was no public comment.

(8:50a.m.)

EXECUTIVE SESSION

Motion: Dr. Bill Singleton moved, seconded by Lorraine Bond, to go into executive session for the purpose of discussing contractual matters and the GM Evaluation presentation by Pontifex.

All voted in favor, none opposed.

Motion passed unanimously.

Chair Donna Altman, excused all persons from the meeting. Legal counsel, GM; DGM F&A; and David Lott via telephone remained for the executive session.

(10:05a.m.)

RECONVENE

Motion: Brandy Gray, moved, seconded by James Scott, to reconvene regular session,

All voted in favor, none opposed.

Motion passed unanimously.

ACTION

Motion: *Committee recommendation was made approving a 3% salary increase for the General Manager. No second was required,*

All voted in favor, none opposed.

Motion passed unanimously.

TELEPHONIC STATEMENT

“I Donna Altman, the Presiding Officer of this Meeting have previously stated that DAVID LOTT 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 11 of the Bylaws.”

ADJOURNMENT

With no further business to come before the Board, Vice-Chair Michael Bell, moved, seconded by Jimmy Baker, to adjourn the meeting at, 10:10a.m.

All voted in favor, none opposed.

Motion passed unanimously.

APPROVED: 9/22/2016

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.