

## **MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 1/26/2017.**

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 1/26/2017 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, Lorraine Bond, Brandy Gray, David Lott, Jerry Schulze, James Scott, Dr. Bill Singleton, Thayer Rivers.

Members of the Authority not in attendance: All attended.

Staff in attendance: Ed Saxon, General Manager; Dottie Hofmann, DGM of F&A; Brian Chemsak, Director of Engineering; Jim Baker, Capital Projects Manager; Kenneth Frazier, Director of Information Technology; Will Bettis, Purchasing & Risk Manager; Pamela Flasch, Communications Manager; Allena Lee-Brown, HR Manager; Sarah Linkimer, Controller; Libby Breland, Executive Assistant/Clerk to the Board; Lou Brown, Communications Specialist; Dan Heaton, Tech Maintenance Specialist III.

Legal Counsel in attendance: Counsel Erin Dean left before the meeting was called to order due to an emergency matter.

Beaufort County Liaison to BJWSA: Council Member Brian E. Flewelling, District 5 (Okatie/Burton/Shell Pt.)

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

### **CALL TO ORDER**

The meeting convened at 8:00 a.m., Chair Donna Altman presiding.

### **INVOCATION AND PLEDGE OF ALLEGIANCE**

James Scott gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

### **APPROVAL OF MINUTES**

**Motion:** Moved by Dr. Bill Singleton, seconded by Lorraine Bond, to approve the minutes of the 12/15/2016 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 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 – Through December, we have worked over 540,000 hours without a lost workday case, 648 days. We had 3 minor incidents in December, all involving vehicles.
2. Savannah River Basin – The upper sub-basins received about 50% of the normal rainfall in December. Total rainfall for 2016 was ~70% of normal (short 15 inches). As a result lake levels remain at the Stage 2 Drought range, 5 feet from the Stage 3 level. Lake levels have stabilized and are expected to rise gradually this winter. Most forecasters are predicting a continuation of the drought in 2017.
3. Jimmy Baker Board Appointment - The Town of Hilton Head has recommended Jimmy Baker to serve the unexpired term of Mr. Burke on our Board. The Beaufort County Delegation is meeting in Columbia this week and expects to approve the Town's request and forward it on to the Governor for approval.
4. Employee of the Quarter & Year – I am pleased to announce that Dan Heaton, a Tech Maintenance Mechanic III, has been selected as the Employee of the 4<sup>th</sup> Quarter & Employee of the Year for 2016. Dan is being recognized for his devotion to duty, teamwork and initiative. In the absence of any SCADA personnel, Dan has taken on those duties along with his normal tech maintenance duties and has done a great job. Please congratulate Dan.
5. Update FY17 GM Goals and SFP Progress – During the committee meetings last week, I provided an update on the FY17 GM Goals and progress on the FY15-17 Strategic Focus Plan and those reports are included in your packet. As you can see, we are making great progress toward meeting all goals. We will do a FY18-FY20 Strategic Focus Plan in FY18 and the Board will be involved.
6. North American Society for Trenchless Technology (NASTT) Board – I have been selected as the Vice-Chair of the NASTT Board and am in line to Chair the Board in 2018.
7. Quarterly HomeServe Report –3014 customers have signed up with HomeServe for a total of 3,738 contracts. They have processed 100 claims since January 1, 2016 (40 the last quarter) and are reporting a 100% customer satisfaction rate. We are receiving ~ \$3,000/month in commission and are placing these funds in the Hardship Account (current balance \$58,000).
8. 2017 Ethics Filing – The 2017 required Ethics Filings deadline is March 30 and Libby will be glad to help you with this. Just let her know.

- **Public Affairs Report.** Pamela Flasch highlighted recent and upcoming communication department initiatives:
- Customer Interaction Research, Inc. Research, Inc. has begun our new *Customer Interaction Research*, following up on issues handled by customer service, the meter division and field operations. They will call 50 customers each month (randomly chosen) and report to us quarterly – unless a customer asks for additional interaction with staff.
  - Customer Satisfaction Survey. Our bi-annual customer satisfaction survey will take place in late April.
  - NewsSplash. The winter *NewsSplash* is currently at the printer, and should be in your home mailbox next week.
  - FEMA Public Information Officer (PIO). I attended FEMA PIO training last week in Columbia, as well as a strategic marketing seminar yesterday at HHI Chamber.
  - Crisis Communication Plan. At next month’s meeting, Ed and I will present the latest version of our Crisis Communication Plan, highlighting a few points during the meeting. South Carolina’s first ‘Social Media Hurricane’ was a test of that system, and offered exciting new ways to inform our customers in (almost) real time. We’ll show you what we’ve done to update the plan, including lessons learned from Hurricane Matthew.

*A summary memo dated 1/26/2017, 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 Donna Altman stated that the Executive Committee will meet immediately following today’s Board meeting 1/26/2017.

**Report of the Capital Projects Committee.** Committee Chair Michael Bell reported that the Capital Projects Committee met on 1/18/2017 and reviewed the status of the Capital Program and Development Activity. A summary of noteworthy projects was included in the Board Packet. He submitted the following report:

- Agenda Items: None for New Business.
- Reviewed: Project and developer activity, military projects, capacity fee collections, and the December 2016 Safety Report.
- Hardship Fund: Details were reviewed.

- FY17 GM Goals/SFP: Ed Saxon distributed the final update for the FY17 GM Goals along with the FY15-17 Strategic Focus Plan update. Members were asked to provide feedback.
- Hardeeville Water Reclamation Expansion Project: The Contractor's Progress Report dated 1/4/2017, with attached photos, was included in the Board packets.

*A copy of the CIP Update Memorandum from Jim Baker dated 1/18/2017 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 Brandy Gray reported that the Finance Committee met on 1/19/2017 and submitted the following report:

- 12/31/2016 Interims: December was a fantastic month! Total operating revenues are \$3.5 million over budget, while total operating expenses (including depreciation) are \$336 thousand under budget. December is historically a slower month for development as Capacity Fees received were \$57 thousand. January has already started off strong with \$283 thousand received and we are still on track to meet budget. Operating cash and all ratios continue to be healthy and within our limits and policies.
- Thad Coleman & Juanita White Funds: The Committee reviewed the quarterly reconciliations for the Thad Coleman and Juanita White funds. Both funds are healthy.
- Capital Improvement Program: The Committee reviewed the quarterly project reconciliation for the Hardeeville Wastewater Treatment plant expansion.
- Hardship Fund: In partnership with United Way, the BJWSA Hardship fund officially kicked off on January 2nd and currently has a balance of approximately \$58 thousand. The Committee was briefed on the guidelines and process for the fund. Staff is excited to have this option to help customers who are in crisis or have a hardship.
- Customer Follow-Up Program: The Committee received details regarding the process to develop, select a vendor and begin the customer follow-up program. We will receive our first report in April.
- FY17 GM Goals & SFP Update: Ed provided an update on his FY17 Goals and the Strategic Focus Plan.

*A copy of the financial report dated 12/31/2016, 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 David Lott reported that the Personnel Committee met on 1/17/2017 and submitted the following report:

- Safety. December-16 Safety Report was reviewed. 3 incidents during December, all involved vehicles. Smith Driving System onsite today delivering refresher training to in-house driver trainers.
- Personnel Actions Report. December Update reviewed. Overall turnover at 2.98% and voluntary turnover at 1.19% for FY17.
- PEBA Deferred Compensation Retirement Participant Statistics - Clarification. Questions raised at last month's meeting were addressed. Detailed statistics provided regarding the numbers of employees at what level to the various deferred compensation retirement plans offered e.g. 401k, 401k Roth, 457 and 457 Roth. Concerns regarding the approx. \$20 Billion underfunded SC Retirement Program was discussed. According to the State newspaper, the underfunding issue was one of the first issues lawmakers began to address in the new session beginning 1/11/2017. To enhance employee awareness about the importance of planning for retirement, educational forums with PEBA Retirement Plan experts has been scheduled for 1/31/2017.
- Hardship Fund. Details regarding its origin, current monetary balance, guidelines and the process used by United Way and the BJWSA Customer Service Reps to distribute the monies were reviewed.
- FY17 GM Goals/SFP Update. The GM distributed & reviewed progress toward FY17 Goals & the Strategic Focus Plan.

## **OLD BUSINESS**

There was no old business.

## **NEW BUSINESS**

There was no new business.

## **PUBLIC COMMENT**

There was no public comment.

(8:20 a.m.)

## **EXECUTIVE SESSION**

**Motion:** David Lott moved, seconded by Lorraine Bond, to go into executive session for the purpose of receiving an update on Cyber Security. Since Counsel had to leave, no legal advice would be received regarding; Smith/Van Zyle, Sauls Funeral Home, Earling and Christine Olsen, Denise Jones and O'Quinn Claim.

*All voted in favor, none opposed,*

**Motion carried.**

*Chair Donna Altman, excused all persons from the meeting. GM; DGM F&A remained for executive session to receive an update regarding cyber security.*

(9:15 a.m.)

**RECONVENE**

**Motion:** Vice-Chair Michael Bell moved, seconded by Lorraine Bond, to reconvene regular session,

*All voted in favor, none opposed,*

**Motion carried.**

**ACTION**

No action was taken.

**ADJOURNMENT**

With no further business to come before the Board, Chair Donna Altman adjourned the meeting at 9:15 a.m.

APPROVED: \_2/23/2017

*Respectfully submitted,*

*Libby Breland, Clerk to Board*

Signatures and Attachments on file.