

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY ANNUAL MEETING HELD ON THURSDAY 7/27/2017

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its annual meeting Thursday, 7/27/2017 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; Jimmy Baker; Lorraine Bond; Brandy Gray; David Lott; Thayer Rivers; Jerry Schulze; Dr. Bill Singleton.

Members of the Authority not in attendance: James Scott.

Staff in attendance: Ed Saxon, General Manager; Sarah Linkimer, DGM, F&A; Jeff Boss, DGM of O&TS; Will Bettis, Director of Business Services; Brian Chemsak, Director of Engineering; Joe DeVito, Director of Field Operations; Kenneth Frazier, Director of Information Technology; Tricia Kilgore, Director of Treatment; Allena Lee-Brown, Director of Human Resources; Al Legare, Director of Tech Maintenance & SCADA; Jim Baker, Capital Projects Manager; Linda Tillery, Customer Care 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.

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

CALL TO ORDER

The meeting convened at 8:00 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 Vice-Chair Michael Bell, seconded by Secretary/Treasurer Don Manson, to approve the minutes of the 6/22/2017 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 at this time.

PRESENTATION OF THE BJWSA BOARD LEADERSHIP AWARD - Chair

Donna Altman, on behalf of the Board of Directors, presented the **Board of Directors, 2017 Leadership Award** to the “*Hurricane Matthew Stay Behind Team*”. The Stay Behind Team of 74 employees who sheltered in place for 4 days during Matthew to prepare and recovery from the storm. The team was in a meeting in the Training Room and the Board surprised them with the award. Donna and the entire Board commended the Team on their hard work overcoming the many challenges they faced during the hurricane and returning the system to normal within less than a week without experiencing a single recordable injury.

GENERAL MANAGERS REPORT

Ed Saxon submitted the following report:

1. Safety Report – June was another great month for safety with no injuries and 2 minor incidents (vehicle glass broken by a rock thrown from a weed eater & a minor rear end collision). We are on track to reach the 1,000,000 safe hours worked by the end of FY18. I shared the results of the 2017 Safety Survey with the Board in an email earlier in the month. Our overall score was 93 out of a possible of 100 and represents an 11% improvement over our 2015 score. This biannual survey has been conducted 3 times and the charts displayed on the wall graphically shows the improvements we have made since the initial survey in 2013. This documents that our Safety Program is indeed World Class.
2. Savannah River Basin – The basin received above average rainfall for the third straight month with June totals being ~ 50% above normal. I’ve distributed a graph of the Thurmond Basin rainfall compared to the average from June 2015 to June 2017. Lake levels remain near the Stage 2 Level and are predicted to slightly decline over to next 30 days. For the first time in about a year, the US Drought Monitor map shows no drought in any area of the basin.
3. NACWA Excellence in Management Award - BJWSA has been selected to receive NACWA’s Excellence in Management Silver Recognition. This honor demonstrates our commitment to sustainable, successful programs that exemplify the attributes of an effectively managed utility. I just got back from attending their summer conference to receive this award along with the Platinum Award for the Hardeeville WRF’s 5 year record of 100% permit compliance. Pam is attending a post conference session on Strategic Communications.
4. August Board & Committee Meetings – A reminder, there will be no August Board or Committee meetings. The next committee meetings will be held the week of September 18th with the Board meeting on 9/28.
5. FY18-FY21 Strategic Plan - The kickoff for the FY18-21 SP was held on Friday 7/21 with Sr. Staff, managers and Supervisors. Sandra Ralston, Consensus LLC, will facilitate the

development of the SP. The kick off included an analysis and assessment of how well BJWSA is aligned with the Effective Utility Management Program. Strength, Weaknesses, Opportunities and Threats (SWOT) workshops will be held with 2 BJWSA Core groups in August and September. We will hold a workshop with the Board in early October to review progress to date and conduct a SWOT analysis. The SP process will be completed in early 2018.

6. Joe DeVito's Retirement - As I said in my email to the Board, it is with mixed feelings that I announce that Joe has decided to retire with his last day being August 31st. A celebration of Joe's distinguished BJWSA Career will be held on August 31st starting at 2PM here at the Admin Building. We are glad that Joe is staying in Beaufort and will continue to stay active in the community. Joe will be missed.
7. New Field Operations Managers & Employee of the Quarter – I am pleased to announce that we have promoted Justin Thomas and Justin Vaughn to the newly created North of Broad and South of Broad Field Operations Managers. Justin T was the NOB Pipeline Supervisor and Justin V was the SOB Collections Supervisors. Also, Anthony Sauls was selected as EOQ. Anthony is a wastewater operator and is the lead operator for the Hardeeville WRF.
8. Savannah River Clean Water Fund Update – The SRCWF Board has approved its initial Application for funding for the 1930 Acre Thompson Tract located in Georgia adjacent to the Savannah River just below Augusta. The Natural Resources Conservation Service will be the funding partner with SRCWF. Final funding approval and acquisition of the conservation easement is expected to occur by the end of the year.

- ***2017 Customer Survey Results & 2nd Quarter Customer Interaction Report.*** Linda Tillery gave a PowerPoint presentation highlighting the objectives and overall results of the 2017 Customer Survey. Her presentation included a comparison of results from the 2015 surveys. The *Objectives* of the survey were: determine overall customer satisfaction, seek input on our performance, identify preferred method of communication, and identify ways BJWSA can better meet customers' needs. From the *Results*, the following improvements are underway or planned for FY18: refining the customer problem/compliant resolution procedure; replacing the online bill payment software; and further implementing our outbound notification system. Another Survey will be conducted in 2019.

A copy of the referenced PowerPoint presentation "Customer Research 2017" and "Customer Interaction Survey, Second Quarter 2017" is attached to these minutes and is made a part hereof.

- ***Public Affairs Report.*** Sarah Linkimer highlighted recent and upcoming initiatives taking place throughout the service area:
 - Splash Newsletter and CCR. Our summer newsletter and annual water quality report both published this month.

- Community Events. This year's *Imagine a Day without Water* will be October 12, followed by the October 14 *Beaufort Walk for Water* to benefit Water Mission. BJWSA will sponsor a team, and provide planning and support for the event, which will be held in Port Royal.
- Tours. We've hosted several tours recently, and have upcoming talks and tours planned with the NAACP, Love House Ministries and a few other small groups. Pam will attend Bridges out of Poverty training – a national initiative that we may be able to use in conjunction with our LMI programs.
- Conferences. Pam is at the National Association of Clean Water Agencies' *Strategic Communications for H2O* conference this month and the National Information Officers Association annual conference in August. She is on the planning committee for the *Confluence Conference* in Charleston in September.

A summary memo dated 7/27/2017, 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 did not meet.

Report of the Capital Projects Committee. Committee Chair Michael Bell reported that the Capital Projects Committee met on 7/19/2017 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:

1. Project Activity. Was reviewed and discussed.
2. Military Projects Report - MCAS pump station improvements are being made; the Laurel Bay Bolden Elementary Middle School project is 65% complete. 5 projects totaling \$1.2M.
3. Capacity Fee Collections for June - Water - 22,600 gals; \$67,800/mo; | sewer - 14,800 gals; \$135,035/mo. Total year-to-date water and sewer capacity revenue \$3,971,040.
4. Safety Report. Received an update for June ending 2017.
5. 1670 Hardeeville WWTP Expansion - Reviewed the quarterly progress report dated 7/10/17 that was also included in the Board packets.

A copy of the CIP Update Memorandum from Jim Baker dated 7/19/2017 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 7/20/2017 and submitted the following report:

1. FY2017 Audit Planning. Carr, Riggs, & Ingram, LLC reviewed the audit schedule with the committee.
2. Call Center Metrics. Reviewed the June call center metrics and making some improvements in these areas.
3. Thad Coleman Fund, Juanita White Fund, & Hardship Fund. Received an update on the funds and working to utilize these funds more effectively in the community.
4. Capital Improvement Program. The committee reviewed the extensive list of active projects.

Report of the Personnel Committee. Committee Chair Jimmy Baker reported that the Personnel Committee met on 7/18/2017 and submitted the following report:

1. Safety Report. Reviewed the Safety Report for June and the Safety Survey highlights.
2. Personnel Actions Report. Overall turnover for FY17 is 7% which is down from last year.
3. BJWSA University. All of our employees have had diversity training and harassment training and conducted Train-the-Trainer sessions for our in-house trainers.
4. Succession Planning. Began the succession planning process; reviewed an organization chart that identified employees: immediately eligible for retirement; already retired/rehired and within 5 and 10 years of retirement eligibility. This report was prepared without employee or PEBA input so it may not be 100% accurate.
5. Board Leadership Award Logistics. Reviewed the logistics plan for the Board recognition of the Hurricane Matthew team. Jimmy Baker complimented Chair Donna Altman on her presentation of the Leadership Award this morning to the Stay Behind Team.
6. Miscellaneous. Reviewed FY18 GM goals; confirmed FY18 Board Committee assignments.

Report of the Ad Hoc Committee - Information Technology. Committee member Michael Bell reported that the Ad hoc committee met on 7/19/2017 and submitted the following report:

1. GIS Systems Presentation. The GIS department gave a presentation of our GIS systems, and discussed a few items that are on the improvement roadmap. IT will bring forth a list of GIS recommendations to the September Committee meeting.
2. General Projects Update. IT has completed the Palo Alto firewall implementation, and has recently installed a call accounting platform (Microcall) for Customer Care. This platform is

in the validation phase currently, and should be turned over to Customer Care during the week of July 31st.

3. PCI Compliance. IT has received the final draft of the PCI Gap Analysis, and is currently reviewing. IT will bring forth a detailed roadmap of all PCI requirements and a plan of attack in the October Committee meeting. IT continues to address some of the security related requirements for PCI, but this plan will include all items.
4. IT Team Introductions. The committee got to meet the entire IT staff and was very impressed with the quality of their background.

OLD BUSINESS

Michael Bell asked for a brief update on FEMA reimbursement resulting from Hurricane Matthew. Will Bettis gave the following stats totaling to date collected on FEMA and insurance reimbursements: \$390,000 in FEMA reimbursements and \$250,000 in insurance reimbursements.

Lorraine Bond reported that her customer service issue was resolved with HomeServe and that she was very pleased with the service by the contractor who was from the Savannah area. Ed noted that HomeServe was very appreciative that this issue was brought to their attention.

NEW BUSINESS

Capital Improvement Program

Budget Adjustment

1. CIP 1475 South of the Broad Operations Center Budget Increase from \$1,750,000 to \$2,500,000, as presented and referenced in the memorandum from Brain Chemsak dated 7/14/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1475 SOB Operations Center budget increase from \$1,750,000 to \$2,500,000 came from the Capital Projects Committee, *requiring no second*
All voted in favor, none opposed,

Motion carried.

Contract Award/Purchase Award

2. CIP-1475 South of the Broad Operations Center Contract Award to Beaufort Construction for \$2,095,005 as presented and referenced in the memorandum from Brian Chemsak dated 7/14/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1475 SOB Operations Center contract award to Beaufort Construction for \$2,095,005 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion carried.

3. CIP-1764 Line Ductile Iron Pipe at Pump Stations in the Cherry Point Basin to Southeast Pipe for \$190,000 as presented and referenced in the memorandum from Brian Chemsak dated 7/11/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 1764 Line Ductile Iron Pipe at Pump Stations in the Cherry Point Basin to Southeast Pipe for \$190,000 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion carried.

4. CIP 1822 Miscellaneous Wastewater Pump Station Replacements SS07 & SS26 to Tencarva Municipal for \$308,429.26 as presented and referenced in the revised memorandum from Jim Baker dated 7/19/2017 and is attached to these minutes and is made a part hereof:

Motion: Moved by Jerry Schulze, seconded by Jimmy Baker, for approval of CIP 1822 Miscellaneous Wastewater Pump Station Replacements SS07 & SS26 to Tencarva Municipal for \$308,429.26,

All voted in favor, none opposed,

Motion carried.

5. CIP 1823 Miscellaneous Wastewater Pump Station Replacements Material Purchase Approval – SP01 Dowlingwood PS for \$272,652.14 as presented and referenced in the memorandum from Brian Chemsak dated 7/24/2017 and is attached to these minutes and is made a part hereof:

Motion: Moved by Vice-Chair Michael Bell, seconded by Lorraine Bond, for approval of CIP 1823 Miscellaneous Wastewater Pump Station Replacements Material Purchase SP01 Dowlingwood PS to Tencarva Municipal for \$272,652.14,

All voted in favor, none opposed,

Motion carried.

6. CIP 2176 Beacon Meter Retrofitting *Purchase Order* to Carolina Meter & Supply for the purchase of 15000 Beacon Units for \$2,373,075 as presented and referenced in the memorandum from Will Bettis dated 7/19/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 2176 Beacon Meter Retrofitting *Purchase Order* to Carolina Meter & Supply for \$2,373,075 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion carried.

7. CIP 2176 Beacon Meter Retrofitting *Contract Award* to Outsource Services, HHI, for retrofitting 15000 Beacon Units for \$223,500 as presented and referenced in the

memorandum from Will Bettis dated 7/19/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 2176 Beacon Meter Retrofitting *Contract Award* to Outsource Services for \$223,500, came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion carried.

FY18 Purchase Order Approval - 2018 Ford F-550 Truck (Fleet Maintenance) in the amount of \$121,995 to Dick Smith Ford.

Motion: Recommendation for *Purchase Order* approval to Dick Smith Ford in the amount of \$121,995 for a 2018 Ford F-550 Truck, came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion carried.

Approval of the General Manager Goals for FY18.

The FY18 GM Goals were properly presented and is attached to these minutes and is made a part hereof.

Approved: All members agreed to approve the General Manager Goals for FY18.

Appointment by the Chair of FY18 Standing Committees - Majority Consent.

Chair Donna Altman presented the Committee Appointments for Fiscal Year 2018 as referenced in the Chair's Memo dated 7/27/2017 and is attached to these minutes and is made a part hereof.

Approved: *All members concurred.* The following are chair and members of each standing committee for fiscal year 2018, effective July 27, 2017:

Executive Committee: Donna Altman, Chair; Michael Bell; Don Manson; David Lott

Personnel Committee: Jimmy Baker, Chair; Brandy Gray; David Lott

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

Finance Committee: Don Manson, Chair; Bill Singleton; Thayer Rivers; Jerry Schulze

PUBLIC COMMENT

Frank Turano

Commented that Alliance Engineering is also experiencing bids higher than the engineer's estimates and material costs have also increased.

(9:12a.m.)

EXECUTIVE SESSION

Motion: Jimmy Baker moved, seconded by Dr. Bill Singleton, to go into executive session for the purpose of discussing litigation matters regarding: Smith/Van Zyle, Sauls Funeral Home, Denise Jones, O’Quinn, Michael Boltin and Lempesis verified claim

All voted in favor, none opposed,

Motion carried.

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

(9:18a.m.)

RECONVENE

Motion: Lorraine Bond moved, seconded by Jimmy Baker, to reconvene regular session,

All voted in favor, none opposed,

Motion carried.

No action was taken.

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, Brandy Gray moved, seconded by Lorraine Bond, to adjourn the meeting at 9:19 a.m.

All voted in favor, none opposed,

Motion carried.

APPROVED: 9/28/2017

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.