

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 10/26/2017

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 10/26/2017 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; Jimmy Baker; Lorraine Bond; David Lott; Thayer Rivers; Jerry Schulze; Dr. Bill Singleton.

Members of the Authority not in attendance: Brandy Gray; James Scott.

Staff in attendance: Ed Saxon, General Manager; Jeff Boss, DGM of O&TS; Sarah Linkimer, DGM, F&A; Will Bettis, Director of Business Services; Brian Chemsak, Director of Engineering; Kenneth Frazier, Director of Information Technology; Allena Lee-Brown, Director of Human Resources; Al Legare, Director of Tech Maintenance & SCADA; Tricia Kilgore, Director of Treatment; Pamela Flasch, Communications Manager; Libby Breland, Executive Assistant/Clerk to the Board.

Legal Counsel in attendance: Erin Dean, Esq., Tupper, Grimsley and Dean, P.A.; James B. Hood, Esq., and John O. Radeck, Jr., Hood Law Firm, LLC.

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.

INVOCATION AND PLEDGE OF ALLEGIANCE

Chair Donna Altman gave the invocation with special mention of Jim Baker and Skeet Von Harten and their families, all joined in the Pledge of Allegiance to the flag of the United States.

(8:00 a.m.)

EXECUTIVE SESSION I

Motion: Jimmy Baker moved, seconded by Lorraine Bond, to go into executive session for the purpose of discussing litigation matters regarding: Smith/Van Zyle,
All voted in favor, none opposed,

Motion carried.

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

(8:10 a.m.)

RECONVENE

Motion: Jerry Schulze moved, seconded by Lorraine Bond, to reconvene regular session,
All voted in favor, none opposed,

Motion carried.

ACTION

No action taken.

APPROVAL OF MINUTES

Motion: Moved by, Vice-Chair Michael Bell, seconded by David Lott, to approve the minutes of the 9/28/2017 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.

GENERAL MANAGERS REPORT

Ed Saxon submitted the following report:

1. Safety Report – Through today, we have worked over 810,000 hours without experiencing a lost workday case and well on our way to the 1,000,000 hour mark. We have completed the 1st quarter of FY18 without a recordable injury and only 2 minor incidents (both vehicle related).
2. Savannah River Basin – The Basin received 85% of average rainfall amounts in September with Irma providing 80% of the total. Lake levels continue to remain near the Stage 2 Level and are predicted to stay at that level for the next 30 days.
3. Utility of the Future Recognition - BJWSA was one of only 25 utilities nationwide that received a **Utility of the Future Today award** during WEFTEC. Hopefully you noticed the flag that is attached to the 2nd floor railing as you enter the double doors.
4. FY18-FY21 Strategic Plan – All BJWSA groups have completed their SWOT workshops and many common themes were identified. I emailed you the Board's SWOT report a week ago and have not received any comments. A 21 member Core Team has been established and the Strategic Themes workshop is scheduled for 11/1. We remain on track for completion by the end of March.

5. Savannah River Summit – The Nature Conservancy in conjunction with the SRCWF is planning a Summit on the Savannah tentatively set for Tuesday 12/5 from 10:30 to 1:30 at Savannah location TBD. BJWSA is a co-host and the goal of the summit is to emphasize the importance of the Savannah River as an economic asset to both South Carolina and Georgia, with a focus on connecting the value of natural resources to future development through leveraged state investments. The event will target state and federal elected officials and relevant stakeholders along the Savannah River. The focus will be on the vitality of the Savannah as a major port and drinking water source, along with the SRCWF as a model for accomplishing source water protection through leveraged investments in land protection from programs like the SC Conservation Bank. I will let you know when the summit details have been finalized.
 6. Veterans Day Breakfast – The 12th annual BJWSA Veterans day breakfast will be held on Friday 11/10 at 8AM at the Beaufort Golden Corral. All BWJSA employees, retirees & Board members (past & current) are invited to attend.
 7. SoLoCo Meeting – SoLoCo is the recently formed regional planning council for Southern Beaufort & Jasper Counties. It consists of the mayors of Ridgeland, Hardeeville, & Bluffton; the Beaufort & Jasper County Administrators and several members of the Hilton Head Town staff. BJWSA was asked to attend their 10/24 meeting to discuss our infrastructure in the region and how we extend services to unserved area. Jeff, Brian and I attended. We explained our capital planning process, how we seek input from our local municipalities and counties regarding their water/sewer needs, and our project prioritization process. We also mentioned how we leverage grants and developer projects to provide services to adjacent areas. They agreed to provide BJWSA their prioritized list of projects to extend water/sewer to certain areas.
- **Public Affairs Report.** Pamela Flasch highlighted recent and upcoming initiatives taking place throughout the service area:
1. Community Crisis Communication Plan - updated to include the importance of reputation/brand management. We uphold our mission and vision as compassionate, transparent members of our community. (Show PowerPoint with emphasis on mission and those traits listed above.)
 2. 2017 Customer Interaction Survey 3rd Quarter - You received our quarterly customer interaction report in your packets. Customer service and field ops provide the customer data for contact as well as any follow-up when requested.
 3. Sun City Survey - Linda, Mike, Sarah and Pam met with 110 Sun City Neighborhood Representatives Council (NRC) members, representing the 55 neighborhoods in Sun City. NRC reviewed their recent Resident Advisory Committee (RAC) survey on water usage, and found “there is no ‘systemic’ problem. Resolutions for those who reported high usage included:

- Adjust Irrigation Timing
- Check for items using too much water
- Check for irrigation failures

Mike presented features of the new Badger transponder, and answered questions from the audience. Linda provided a handout on “*Handling High Consumption Calls with Beacon Technology and Without,*” as well as dye tabs for those who wanted to check for toilet leaks.

A summary memo dated 10/26/2017, 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 did not meet.

Report of the Capital Projects Committee. Committee Chair Michael Bell reported that the Capital Projects Committee met on 10/18/2017 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 Sheet Review & Discussion - Committee reviewed in detail.
2. Military Projects Report – The military projects are nearing completion, and the Bolden Elementary Middle School project is approximately 65% complete.
3. Capacity Fee Collections – Cumulative water capacity/revenue: 47,280 gals./\$131,553; cumulative sewer capacity/revenue: 58,358 gals./\$228,490; year-to-date total capacity revenue: \$360,043.
4. Developer Projects Activity Summary – Projects highlighted were the new SOB Operations Center, in review; the Waddell Gardens water line replacement, design is complete and this project will also replace galvanized water lines improving the community; the new generator the Board approved for the Broad River GST is on site ready to be connected.
5. Safety Report - GM discussed under his report.
6. Contract awards - Recommendations for approval will be presented during New Business.
7. Miscellaneous Items - GM Hiring Schedule and United Way Campaign participation was discussed.

Note: Chair Donna Altman reported that Dr. Singleton agreed to serve on the Capital Projects Committee and once Mr. Padgett is appointed to replace James Scott, he will likely start on the Personnel Committee.

A copy of the CIP Update Memorandum from Brian Chemsak dated 10/16/2017 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 Don Manson reported that the Finance Committee met on 10/19/2017 and submitted the following report:

1. September Financials - The month of September had an increase in usage compared to the first two months of this year. Total operating revenues are \$284 thousand over budget, while total operating expenses (including depreciation) are \$8 thousand over budget. Hurricane/Tropical Storm Irma expenses are reflected in the September numbers and total approximately \$221 thousand. Operating cash and ratios are healthy and within our limits and policies.
1. Call Center Metrics - The Committee reviewed the call center metrics. The stats declined compared to prior month due to several factors including a phone outage and Hurricane/Tropical Storm Irma. The Average call wait time was 4.36 minutes and the abandonment rate was 12% in September.
2. FY2017 Audit Update - The Committee received the FY17 Audit results from our auditors Carr, Riggs & Ingram. The Authority received an Unmodified Opinion (clean opinion). The auditors will present the results to the full Board next month.
3. Change Order - The committee reviewed and approved the change order for the Solar Project that will be presented in New Business today.

A copy of the financial report dated 9/30/2017, 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 Jimmy Baker reported that the Personnel Committee met on 10/18/2017 and submitted the following report:

1. Safety - Surpassed 784,000 safe hours worked since last lost work day; 921 days since last lost work day.
2. Personnel Actions Report - 2 voluntary resignations this fiscal year; overall turnover rate is 2.29%.
3. Employee Handbook Update - Handbook is now with legal counsel for review, the next steps are senior staff review, then Personnel Committee, then to the full Board. The expected completion is the end of first quarter 2018.

4. United Way - Collected approximately \$9,500 in pledges from 54 employees to date; the Goal is \$14,500, as Michael Bell stated in his report, support from the Board is welcomed.
5. GM Hiring Plan - This will be a continued focus in Committee and will be discussed in today's Executive Session.

Report of Information Technology Plan Ad Hoc. Committee Chair Jerry Schulze highlighted the following:

1. PCI Compliance Project Roadmap – First initial focus will be sections that are IT centered followed by other disciplines, finance and then customer care.
2. IT Policies and Procedures – The next step will be communicating the IT policies and procedures to the organization.
3. IT Corner Newsletter – The first monthly edition was released and Kenneth welcomes any suggestions and/or feedback.
4. Skype for Business and Quickhelp Previews – Will be postponed until December, he will be out of town in November.
5. IT Initiatives -Testing continues for Office 365; VPN (Virtual Private Network) Migration Pilot was completed without any issues, moving forward with all user migrations; the new Customer Service Platform upgrade should be available to customer service to begin testing; conversations have begun with Hargray to discuss service options that would mitigate the recent phone outages experiencing with CenturyLink.

OLD BUSINESS

Strategic Plan. Discussion was held regarding Board participation during the remaining Strategic Plan workshops involving the BJWSA staff Core Team. It was decided to allow the Chair to use her discretion whether further Board attendance at these Strategic Plan workshops is required. Staff has agreed to provide the Board a thorough briefing after each workshop at the Board meeting following the workshop. Ed Saxon will provide the dates of the planned workshops to the Board.

NEW BUSINESS

Capital Improvement Program

- *Contract/Engineering Services Award*
 1. CIP 21896 Process Optimization Study for Chelsea and Purrysburg WTP for Operational Efficiency to Hazen for \$155,730 as presented and referenced in the memorandum from

Tricia Kilgore dated 10/12/2017 and is attached to these minutes and is made a part hereof:

CIP-21896 Contract/Engineering Services Award to Hazen for \$155,730 came from the Capital Projects Committee, *requiring no second*,
All voted in favor, none opposed,
Motion carried.

- *Change Order*

2. Solar Projects for St. Helena WWTP and PRIWRF Change Order for \$147,767 as presented and referenced in the memorandum from Al Legare dated 10/12/2017 and is attached to these minutes and is made a part hereof:

Solar Projects Change Order Award for \$147,767 came from the Capital Projects Committee, *requiring no second*,
All voted in favor, none opposed,
Motion carried.

PUBLIC COMMENT

There was no public comment.

(9:05 a.m.)

EXECUTIVE SESSION II

Motion: David Lott moved, seconded by Dr. Bill Singleton, to go into executive session for the purpose of discussing the GM Hiring Plan, pursuant to SC Code Ann. Section 30-4-70(a)(1)
All voted in favor, none opposed,

Motion carried.

Chair Donna Altman, excused all persons from the meeting. Legal Counsel remained for executive session for discussion of the GM Hiring Plan.

(9:32 a.m.)

RECONVENE

Motion: Lorraine Bond moved, seconded by Jerry Schulze, to reconvene regular session,
All voted in favor, none opposed,

Motion carried.

ACTION

No action taken.

ADJOURNMENT

With no further business to come before the Board, Jerry Schulze moved, seconded by Jimmy Baker, to adjourn the meeting at 9:32 a.m.,

All voted in favor, none opposed,

Motion carried.

APPROVED: 11/16/2017

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.