

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 12/21/2017

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 12/21/2017 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; Greg Padgett; Thayer Rivers; Jerry Schulze; Dr. Bill Singleton.

Staff in attendance: Sarah Linkimer, DGM, F&A; Jeff Boss, DGM of O&TS; Will Bettis, Director of Business Services; Brian Chemsak, Director of Engineering; Kenneth Frazier, Director of Information Technology; Tricia Kilgore, Director of Treatment; Allena Lee-Brown, Director of Human Resources; Pamela Flasch, Communications Manager; Linda Tillery, Customer Care Manager; Libby Breland, Executive Assistant/Clerk to the Board; Tammy Isham, CPPB, Buyer; Leslie Bright, Accounting Specialist; Beth Lowther, Accounting Supervisor; Angela Murdaugh, Accounts Payable Specialist; Jeanie Phillips, PR and Accounts Payable Specialist.

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; Frank Glover, BJWSA water and sewer customer.

CALL TO ORDER

The meeting convened at 8:00 a.m., Chair Donna Altman presiding. She announced that since the last meeting the passing occurred of a dear friend and colleague and employee of BJWSA, Jim Baker, and a moment of silence was held in his remembrance.

INVOCATION AND PLEDGE OF ALLEGIANCE

Dr. Bill Singleton gave the invocation including heartfelt prayers to the Baker family and all joined in the Pledge of Allegiance to the flag of the United States.

AMEND THE AGENDA

Motion: Moved by Jimmy Baker, seconded by Jerry Schulze, to amend the Agenda of 12/21/2017 to remove Agenda Item XII. Executive Session. Counsel advised that there were no legal updates or information on the GM Hiring Plan to report to the Board at this time.

All voted in favor, none opposed,

Motion carried.

APPROVAL OF MINUTES

Motion: Moved by Lorraine Bond, seconded by Jerry Schulze, to approve the minutes of the 11/16/2017 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.

Frank Glover came before the Board with a request concerning BJWSA's Pool Adjustment Policy that's used when water and sewer customers fill their personal swimming pools. He has been working with Linda Tillery, Customer Care Manager, on this issue and appreciates her help along with Ed Saxon. He asks the Board to reconsider changing the way the adjustment is calculated on the sewer usage. Chair Donna Altman thanked Mr. Glover for bringing his concern to the Board and reassured him that his request would be sent to the Board Finance Committee for review and that the Committee will inform him of their decision.

RECOGNITION OF JAMES N. SCOTT FOR HIS YEARS OF SERVICE TO BJWSA.

James Scott could not be present due to travelling conflicts and asked the Chair to proceed in his absence. Chair Donna Altman read into the record the titled: "RESOLUTION JAMES N. SCOTT", recognizing him for his six years of service to the BJWSA. The signed Resolution will be delivered to James Scott accompanied with the traditional meter plaque inscribed with his service dates. *A copy of the Resolution was included in the Board Packet and is attached to these minutes and is made a part hereof.*

Motion: Jimmy Baker moved, seconded by Don Manson, to approve stated Resolution recognizing James N. Scott for his years of service to the BJWSA.

All voted in favor, none opposed,

Motion carried.

PRESENTATION OF THE FY 2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

- *Highlights by Sarah Linkimer, Deputy GM/Finance & Administration*

Copies of the 2017 CAFR were distributed. She acknowledged all photos were taken by Pam Flasch, Lou Brown and one by Merilee Moore, our NOB Field Operations Coordinator. She also recognized the entire accounting staff, who were present, for their hard work and dedication, it was a team effort in producing this document.

Sarah then provided highlights including the event of the Hurricane and our first interaction with FEMA, which was successful. Fiscal year 2017 was a great year financially and the Authority experienced a significant increase in customer usage. A copy of the CAFR is available on BJWSA's website at www.bjwsa.org and available upon request.

GENERAL MANAGERS REPORT

Sarah Linkimer submitted the following report on behalf of Ed Saxon who was on vacation:

1. Safety Report – We continue to do well in safety and had no lost workday cases or incidents in November. We have worked over 840,000 hours without a lost workday case and are striving to hit the 1,000,000 hr. mark by the end of FY18.
2. Savannah River Basin – November was a dry month for the basin, Hartwell received less than 25% of normal rainfall (driest month since records have been kept) and Thurmond received ~ 1/3 of normal. Lake levels remain at the Stage 2 Level and are predicted decline slightly for the next 30 days. Weather forecasts predict higher than normal temps and lower than normal rainfall for the next 90 days.
3. Savannah River Summit – The Summit was held on 12/5 and was attended by ~80 stakeholders. Ed participated on a panel that stressed the importance of the river to the economy for both states, the importance of the river for water supply for the region, and the role that the Savannah River Clean Water Fund plays in protecting the water quality of the river. Several of our local delegation and county council members attended.
4. Warsaw Eustices Oaks – A WEO membership meeting was held on 12/5 and a quorum was present. The Amended WEO By-Laws and proposed Board slate ballot was approved. The 1st meeting of the reconstituted Board was held on 12/12 and officers were elected and a rate increase was approved and will be effective February 2018.
5. Employee Awards - Our Employee of the Fourth Quarter is Vince Guess who is a Network Administrator. Our 2017 Employee of the Year is Andie Mattie who is the Field Operations Supervisor NOB Pipeline. Also would like to recognize Tammy Isham who was recently named *Buyer of the Year* at the South Carolina Association of Government Purchasing Officials Annual Forum. *All received a round of applause.*
6. FY18-FY21 Strategic Plan – The Critical Goals workshop was held with the Core Group on 11/29. The next workshop to develop metrics and schedules is set for 1/10/18.

➤ ***Staff Presentations-***

Sarah provided a presentation on the results of the Strategic Planning Timeline, with the Critical Goals workshop. A copy of the presentation is attached to these minutes and is made a part hereof.

Jimmy Baker asked the staff to give the Board updates on the implementation process.

➤ ***Public Affairs Report.*** Pamela Flasch highlighted recent and upcoming initiatives taking place throughout the service area:

1. BJWSA SplashNewsletter - The winter edition newsletter will publish in January.

2. Beaufort Chamber of Commerce “Coffee with Colleagues” - is Friday, January 19 from 8:30am to 9:30am in the BJWSA Admin training meeting. Please join us!
3. BJWSA Webpage - Our website *homepage* is being updated to provide more functionality for customers ; it should be available in January.
4. National Association of Clean Water Agencies (NACWA) - We’re on the **Communications & Public Affairs Committee** for the NACWA, working on new, unified messaging about clean water. Public Health will be the focus.
5. Public Information Officers’ (PIO) Group - Our regional Public Information Officers’ group will meet again in January. We hope to have Mount Pleasant Waterworks here to discuss their recent issues. Our proposed dates are January 17 or 31.

A summary memo dated 12/21/2017, 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 therefore had no report to submit.

Report of the Capital Projects Committee. Committee Chair Michael Bell reported that the Capital Projects Committee met on 12/13/2017 at the Hardeeville WWTP 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. Hardeeville WWTP – A tour of the facility was led by Brian Chemsak. Chair Donna Altman mentioned that Brian did a great job giving the tour, and that it is amazing that the facility will be a one-man operation, it’s all about automation. There was a quorum during the committee meeting.
2. Board Agenda Items - Committee Chair Michael Bell reported that the Contract Awards and Budget Adjustment memos to be brought for Board approval were discussed in great detail.
3. 3-Year Cash Plan Projected for FY18 Developer Contributions. Was reviewed and also included in the Board Packets.

A copy of the CIP Update Memorandum from Brian Chemsak dated 12/13/2017 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 12/14/2017 and submitted the following report:

1. November Financials: November was another great month for revenue. Total operating revenues are \$1.3 million over budget, while total operating expenses (including depreciation) are \$154 thousand over budget. Operating cash and ratios are healthy and within our limits and policies. The committee reviewed projected capacity fees and the revised the cash flow statement.
2. Call Center Metrics: The Committee reviewed the call center metrics. The new customer payment website was launched at the end of November and approximately 3,200 customers have signed up for the new site. The Average call wait time was 4.28 minutes and the abandonment rate was 12% in November.
3. Capital Improvements: The committee discussed and approved a \$500 thousand budget increase for CIP-1767 to include construction contingency that will be presented in New Business today.

A copy of the financial report dated 11/30/2017, 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 12/12/2017 and submitted the following report:

1. Safety Report November -17. 837,923 safe hours worked since last lost work day; 982 days since last lost work day and “0” incidents in November.
2. Personnel Actions Report. 182 employees, 1 employee retired, 3 resigned.
3. BJWSA University. Considerable training completed and underway.
4. GM Request for Proposal. RFPs went out for bids on December 1.
5. Succession Planning. Reviewed draft of the overall plan.

Report of the Information Technology Plan Ad Hoc. Committee Chair Jerry Schulze reported that the Committee reviewed the status of several projects and gave the following report:

1. IT Initiatives Update. Office 365 User Migration is extended to the end of February 2018; IT continues to monitor the Help Desk Calls; 7 of the 13 Cisco firmware has been upgraded and 22 of the 18 End-Of-Life (EOL) device replacement have been completed. Committee Chair Jerry Schulze commended the IT staff on their accomplishments; with the aggressive list of projects they created.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Capital Improvement Program

CIP Budget Adjustment

1. CIP-1767 Lady's Island Sewer Diversion Increase the CIP budget amount by \$500,000, from \$6,750,000 to \$7,250,000, as presented and referenced in the memorandum from Brian Chemsak dated 12/13/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation to increase CIP-1767 Lady's Island Sewer Diversion budget by \$500,000 from \$6,750,000 to \$7,250,000, came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

Contract Award(s)

1. CIP-1767 Lady's Island Sewer Diversion sole source Contract Award to Mears Group, Inc., for \$1,912,500 as presented and referenced in the memorandum from Brian Chemsak dated 12/13/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP-1767 sole source Contract Award to Mears Group, Inc., for \$1,912,500 which is within budget came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

2. CIP-1767 Lady's Island Sewer Diversion Division I Contract Award to Potter Construction, LLC for \$1,230,650.31 as presented and referenced in the memorandum from Brian Chemsak dated 12/13/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP-1767 Lady's Island Sewer Diversion Division I Contract Award to Potter Construction, LLC for \$1,230,650.31 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

3. CIP-1767 Lady's Island Sewer Diversion Division II Contract Award to BRW Construction Group, LLC for \$2,368,189.00 as presented and referenced in the memorandum from Brian Chemsak dated 12/13/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP-1767 Lady's Island Sewer Diversion Division II Contract Award to BRW Construction Group, LLC for \$2,368,189.00 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

David Lott, mentioned to keep the public informed of upcoming projects that would have an impact to the residents and community of Lady's Island.

4. CIP-2177 Barker Court Waterline Replacement to Malphrus Utilities, LLC for \$119,085.00 as presented and referenced in the memorandum from Brian Chemsak dated 12/13/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP-2177 Barker Court Waterline Replacement to Malphrus Utilities, LLC for \$119,085.00 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

5. CIP-1870 Purrysburg WTP Structure Filter Rehab for Materials to AWI for \$135,337.00 as presented and referenced in the memorandum from Tricia Kilgore dated 12/7/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP-1870 Purrysburg WTP Structure Filter Rehab for Materials to AWI for \$135,337 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

6. CIP-1870 Purrysburg WTP Structure Filter Rehab Installation to BRW for \$112,780.00 as presented and referenced in the memorandum from Tricia Kilgore dated 12/7/2017 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP-1870 Purrysburg WTP Structure Filter Rehab Installation to BRW for \$112,780.00 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.

ADJOURNMENT

With no further business to come before the Board, David Lott moved, seconded by Jimmy Baker, to adjourn the meeting at, 9:15a.m.

All voted in favor, none opposed,

Motion passed unanimously.

APPROVED: 1/25/2018

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.