

## **MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 1/25/2018**

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 1/25/2018 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, Jerry Schulze, Dr. Bill Singleton.

Members of the Authority not in attendance: Thayer Rivers.

Staff in attendance: Ed Saxon, General Manager; Sarah Linkimer, DGM, F&A; 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; Libby Breland, Executive Assistant/Clerk to the Board; Linda Tillery, Customer Care Manager; Beth Lowther, Accounting Supervisor.

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

Beaufort County Liaison to BJWSA: Not in attendance.

### **CALL TO ORDER**

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

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

Jimmy Baker gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

### **APPROVAL OF MINUTES**

**Motion:** Moved by Lorraine Bond, seconded by Jimmy Baker, to approve the minutes of the 12/21/2017 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**

There was no public in attendance.

## GENERAL MANAGERS REPORT

*Ed Saxon submitted the following report:*

1. Safety Report – We continue to do well in safety and for the 2<sup>nd</sup> month in a row, had no incidents or recordable injuries. To date, we have worked over 885,000 hours without a lost workday case and are striving to hit the 1,000,000 hr mark by the end of FY18. Our safety celebration is scheduled for Friday, March 9<sup>th</sup>. I will provide details at the February meeting.
2. Savannah River Basin – December was another dry month for the basin but for the calendar year 2017, the basin received near normal rainfall. Lake levels are ~1 foot below the Stage 2 Level and are predicted to increase slightly for the next 30 days. Weather forecasts continue to predict higher than normal temps and lower than normal rainfall for the next 90 days.
3. Savannah River Clean Water Fund – I distributed to the Board the national AWWA Connect article that was published in early January about the Fund and participated in a SRCWF presentation to the AWWA Board in Savannah on 1/20. The Fund has been described as one of the largest bi-state utility collaboration efforts in the country and I have been asked to do a presentation about the Fund at the Utility Management Conference in San Antonio on February 22<sup>nd</sup>. We are close to finalizing a conservation easement on a 1500 acre Priority 1 tract near Augusta.
4. WEO Water Company – Jeff & I met with the Warsaw, Eustis and Oaks Board on January 23<sup>rd</sup> to discuss the cost of operations and replacement of the system. The system is over 40 years old and if WEO is to maintain ownership of the system, they need to start setting aside a portion of their revenue for R&R. We notified all WEO customers about the rate increase which will be effective Feb 1, 2018.
5. FY18-FY21 Strategic Plan – Workshop #5, Goals Schedule and Enterprise Metrics was held with the Core Group on January 10, 2018. The Implementation Workshop is scheduled for 2/14/18. Sarah and I will brief the Board on the results of Workshop #5.
6. Storm Grayson Impacts – BJWSA was shut down from Wednesday 1/10 until noon Friday 1/12 due to the snow and ice associated with Grayson. We were able to maintain services without incident or injury to any personnel. The event we generated 189 work-orders of which 74 we related to customer service connections (frozen/low pressure/) service connection calls and another 105 to repair minor leaks. We just discovered a leak on the 20” line that feeds Lady’s Island and Brian will discuss this one.
7. February Board Meeting – As I mentioned above, I will be away attending the Utility Management Conference and Jeff will lead the 2/22<sup>nd</sup> Board meeting.
8. Southern Carolina Alliance – Beaufort County has officially joined the SCA and I have been asked to serve on the Board of SCA and will be attending a 2 day SCA Board Retreat on Hilton Head right after today’s meeting.

9. WE&T Article – A recent article in WET, a national publication for the Water Environment Federation, highlights the project that Tricia Kilgore did as part of her participation in the Water Leadership Institute. The project dealt with how operators and engineers should communicate. Several of our employees were quoted in the article.

➤ ***Staff Presentations-***

- *2017 Customer Interaction Study:* Pam gave a presentation on the fourth quarter report for the 2017 Customer Interaction Study. *A copy of the presentation is attached to these minutes and is also made a part hereof.*
- *Strategic Planning Update:* A timeline identifying the Goals, Schedule and Metrics was distributed. The Board would like to attend a work session to discuss the plan before being finalized and recommended proposing a couple of dates to choose from.
- *McTeer Bridge Waterline Leak:* Brian Chemsak reported that when we were repairing a leak on the 12” waterline on the McTeer Bridge, crews discovered a ~200 gpm on the 20” waterline in the marsh adjacent to the bridge approach from Lady’s Island. This line is the main feed for Lady’s Island and the leak is due to a gasket problem at a mechanical joint. Apparently, the mechanical fitting has corroded to a point that allowed the pipe to move enough to cause the gasket to leak. We are determining repair options but the leak has been stabilized and we will monitor the leak closely.

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

1. Beaufort Chamber “Coffee with Colleagues”: Last Friday, we hosted visitors from 40 local businesses. It was a well received, successful event.
2. BJWSA Website Homepage: Our new website homepage is under development and will significantly improve our methods of customer education and notification. We’re on track to roll it out in the next 60 days.
3. Customer Focus Group: We are planning our bi-annual customer focus group for May and will be using a new consultant, the USC-B’s Lowcountry & Resort Islands Tourism Institute.
4. BJWSA Employee Events: Please put these two dates on your calendar: Friday, March 9 for the Safety & Wellness Festival and Saturday, April 28 for Employee Fun Day.

*A summary memo dated 1/25/2018, 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 1/17/2018 and reviewed the status of the Capital Program and Development Activity. A summary of noteworthy projects was included in the Board Packet and noted that the Items up for approval under New Business was discussed in length with specific attention to the CIP budget increases.

*A copy of the CIP Update Memorandum from Brian Chemsak dated 1/12/2018 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 1/18/2018 and submitted the following report:

- 1) December Financials: December was another great month for revenue. Total operating revenues are \$1.7 million over budget, while total operating expenses (including depreciation) are \$399 thousand over budget. Operating cash and ratios are healthy and within our limits and policies.
- 2) Pool Adjustment Policy: The committee reviewed and approved the pool adjustment policy, included in your Board of Directors packet, which will be presented in New Business today.
- 3) Call Center Metrics: The Committee reviewed the call center metrics. The new customer payment website was launched at the end of November and approximately 8,000 customers have signed up for the new site. A weekly average call wait time report was added this month to reflect vacation time and the holiday schedule. The Average call wait time was 9.37 minutes and the abandonment rate was 23% in December.
- 4) Capital Improvements: The committee discussed and approved a \$3 million budget increase for CIP-1487 that will be presented in New Business today. The committee also received a quarterly reconciliation for the Hardeeville WWTP Expansion.

*Discussion was held regarding the December customer average call wait time metric of 9.37 minutes. Staff explained the various events contributing to the December wait time (holidays, employee absences due to vacation/illness, CSR turnover, etc.). The Board strongly encouraged the staff to find an immediate solution to reduce this wait time.*

*A copy of the financial report dated 12/31/2017, 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 1/16/2018 and submitted the following report:

1. Safety: Previously discussed.
2. Personnel Actions Report: 2 voluntary Resignations; overall fiscal 2018 YTD turnover rate is 5.6% very favorable compared to the previous year.
3. GM Recruitment Update: Received 6 responses from both national and local search firms. The Personnel Committee will meet after the Board meeting today and bring a recommendation to the Board at the February meeting.
4. Succession Planning: Staff detailed a structured plan to address the steps in the process including: It was recognized that this is a continuous ongoing process. *Handouts of the Succession Planning dated 11.28.2017 were distributed.*

**Report of the Information Technology Plan Ad Hoc.** Committee Chair Jerry Schulze reported that the Committee met on 1/18/2018 and reviewed the status of several projects and gave the following report:

1. IT Initiatives Update. VPN Migration completed on 12/13/2017. Cisco Firmware, End of Life (EOL) device replacement has been completed. Employees have been briefed on Office 365, Pilot Users to begin 2/14/18 and User Migrations to begin on 2/19/18. The IT Policies and Procedures Handbook has been reviewed by attorney Erin Dean. Windows Server 2003 Retirement Plan is 29% completed (6 of 21); In Flight Target completion date is 6/30/18. The CIS (Customer Service) platform rebuild completion date is 2/28/18.

*Chair Donna Altman thanked the Committee for their leadership and staff on the great progress.*

## **OLD BUSINESS**

There was no old business.

## **NEW BUSINESS**

### Capital Improvement Program

#### *CIP Budget Adjustment*

CIP 1487 Great Swamp Expansion to 15 MGD requesting approval for a \$3,000,000 budget increase from the current budget of \$2.9M to a new budget of \$5.9M, as presented and referenced in the memorandum from Brain Chemsak dated 1/12/2018 and is attached to these minutes and is made a part hereof:

**Motion:** Recommendation for approval of CIP 1487 budget increase of \$3,000,000 from the current budget of \$2.9M to a new budget of \$5.9M, came from the Capital Projects Committee, *requiring no second,*

*All voted in favor, none opposed,*

**Motion passed unanimously.**

*Contract/Purchase Award(s)*

CIP-1487 Great Swamp Expansion HDD to 15 MGD to Mears for \$2,247,500, as presented and referenced in the memorandum from Brian Chemsak dated 1/12/2018 and is attached to these minutes and is made a part hereof:

**Motion:** Recommendation for approval of CIP 1487 Contract Award for the Great Swamp Expansion HDD to Mears for \$2,247,500 came from the Capital Projects Committee, *requiring no second,*

*All voted in favor, none opposed,*

**Motion passed unanimously.**

CIP 1732 SCADA Replacements/Enhancements FY18 Contract Award to MR Systems for \$153,842 as presented and referenced in the memorandum from Brian Chemsak dated 1/12/2018 and is attached to these minutes and is made a part hereof:

**Motion:** Recommendation for approval of CIP 1732 SCADA Replacements/Enhancements FY18 Contract Award to MR Systems for \$153,842 came from the Capital Projects Committee, *requiring no second,*

*All voted in favor, none opposed,*

**Motion passed unanimously.**

CIP 1823 Miscellaneous Pump Station replacement FY 18 to BRW Contract Award for \$298,818 as presented and referenced in the memorandum from Brian Chemsak and Will Bettis dated 1/12/2018 and is attached to these minutes and is made a part hereof:

**Motion:** Recommendation for approval of CIP 1823 Miscellaneous Pump Station replacement FY 18 to BRW Contract Award for \$298,818 came from the Capital Projects Committee, *requiring no second,*

*All voted in favor, none opposed,*

**Motion passed unanimously.**

*Financial Policy Revision*

Pool Adjustment Policy as presented and referenced in the memorandum from Sarah Linkimer dated 1/16/2018 and is attached to these minutes and is made a part hereof:

**Motion:** Recommendation for approval amending the Pool Adjustment Policy came from the Finance Committee, *requiring no second,*

*All voted in favor, none opposed,*

**Motion passed unanimously.**

**PUBLIC COMMENT**

There was no public in attendance

( 9:40 a.m.)

**EXECUTIVE SESSION**

**Motion:** Brandy Gray moved, seconded by Lorraine Bond, to go into executive session for the purpose of discussing litigation matters regarding: Denise Jones, O’Quinn, Michael Boltin, and Edge pursuant to SC Code Ann. Section 30-4-70(a)(2).

*All voted in favor, none opposed,*

**Motion passed unanimously.**

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

(10:00 a.m.)

**RECONVENE**

**Motion:** Brandy Gray moved, seconded by Jimmy Baker, to reconvene regular session,

*All voted in favor, none opposed,*

**Motion passed unanimously.**

**ACTION**

No action was taken.

**ADJOURNMENT**

With no further business to come before the Board, Brandy Gray moved, seconded by Dr. Bill Singleton, to adjourn the meeting at 10:00am,

*All voted in favor, none opposed,*

**Motion passed unanimously.**

APPROVED: 2/22/2018

*Respectfully submitted,*

*Libby Breland, Clerk to Board*

Signatures and Attachments on file.