

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 4/26/2018

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 4/26/2018 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; Jimmy Baker; Lorraine Bond; Brandy Gray, (telephonically); Greg Padgett; Thayer Rivers; Jerry Schulze; Dr. Bill Singleton.

Members of the Authority not in attendance: David Lott; Secretary/Treasurer Don Manson.

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; Allena Lee-Brown, Director of Human Resources; Pamela Flasch, Communications Manager; Shawn Flood, Capital Projects Manager; Earl Sheppard, Wastewater Manager; Beth Lowther, Accounting Supervisor; Justin Thomas, Field Operations Manager (NOB); Linda Tillery, Customer Care manager; Justin Vaughn, Field Operations Manager (SOB); Oliver Simmons, Wastewater Operator III; Libby Breland, Executive Assistant/Clerk to the Board.

Legal Counsel in attendance: Erin Dean, Esq., Tupper, Grimsley, Dean & Canaday, PA.

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, Chair Donna Altman announce that a quorum for this Meeting is physically present and Brandy Gray IS ATTENDING THIS MEETING TELEPHONICALLY.”

HONORING THE MEMORY OF JIM ARAND

Chair Donna Altman announced the passing of employee Jim Arand, Technical Maintenance Supervisor of 20 years. A moment of silence was held in his remembrance.

INVOCATION AND PLEDGE OF ALLEGIANCE

Chair Donna Altman gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

APPROVAL OF MINUTES

Motion: Moved by Jerry Schulze, seconded by Dr. Bill Singleton, to approve the minutes of the 3/22/2018 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 - We have now accumulated over 980,000 safe work hours and will surpass the 1M safe hours in mid-May. BJWSA plans to celebrate this remarkable achievement during our 1st biannual "State of the Authority" all employee meeting (an initiative of the Crystal Clear Strategic Focus Plan) scheduled for June 1st at the USC-B New Riverside campus. In April, BJWSA received a National Safety Council safety award and the Safety Team travelled to Columbia to receive the SC Chamber of Commerce's Safety Award.
2. Savannah River Basin - The upper basin had normal rainfall in March and currently, the lake levels are at the guide curve (7 feet higher than this time last year). The basin is in great shape as we approach our high demand season.
3. National Water Policy Conference - I attended the annual NACWA policy conference in DC in mid-April and was able to meet with staff from Sen. Scott's and Rep. Sanford's office to discuss important issues related to the water & sewer industry. There is a water workforce development Bill (**S.2346**) that will set up a competitive grants program for utilities workforce development initiatives and a reauthorization of the Farm Bill (**H.R.2**) that includes significant funding for conservation easement programs; both are important to BJWSA. *I am passing around the packet distributed at the meetings.*
4. Solar Project Start-up Event - We had a very successful Solar Array Ribbon Cutting event on April 4th at 2PM at the PRIWF Site. Thanks to all Board members that attended.
5. Employee of the Quarter- I am pleased to announce that Oliver Simmons is the EOQ for the 1st quarter of 2018. Oliver is a WW Operator III at PRIWRF and has been with us since 2009. Congratulations Oliver. *A round of applause was given.*
6. May Board Retreat - The **Board Retreat** will be held on **May 24th from 10-2** here at BJWSA. The focus of the retreat will be the proposed FY19 Budget, the final Crystal Clear SFP and Asset Management. (Impact Fee Study) The retreat will replace the May Board meeting.
7. New Employee – Jeff Boss introduced new employee Shawn Flood, Capital Projects Manager. Shawn came from Hazen and Sawyer, and has extensive experience while consulting on projects with BJWSA.

- **Staff Presentation.** Justin Thomas gave a presentation regarding the repairs to the 20 inch water line leak located on the Lady's Island side of the McTeer Bridge resulting from the ice storm. The repairs have been completed with follow-up testing being performed today. Engineering consultants, Black & Veatch also performed corrosion analysis on the vertical pipe and bell housing and will let us know if additional work (*Phase II*) is needed, which we will share with the Board.
- **Public Affairs Report.** Pamela Flasch highlighted recent and upcoming initiatives taking place throughout the service area:
 1. **BJWSA Employee Events:** Please see the back of your event card for a map to Sergeant Jasper Park and Saturday's picnic from 10 am to 2 pm. My cell number is on there, if you have any trouble that morning.
 2. **BJWSA New Website Homepage:** Our new website homepage, along with wider pages, is live now. We are adding pages as the home page tiles dictate.
 3. **FY19-23 Strategic Focus Plan:** We are working on collateral for the new strategic plan, as well as developing our parts of the plan.
 4. **Customer Focus Group:** Our bi-annual customer focus group is May 19 on site, with USC-B's Lowcountry & Resort Islands Tourism Institute handling the project. Based on their recommendations, we will have South of Broad group and a North of Broad group, as issues/constituencies on either side of river seem to be different.

COMMITTEE REPORTS

Report of the Executive Committee. Committee Chair Donna Altman stated that the Executive Committee did not meet therefore shared no report at this time.

Report of the Capital Projects Committee. Committee Chair Michael Bell reported that the Capital Projects Committee met 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. **CIP Project Activity Sheet Review & Discussion:** Construction continues on the South of the Board Operations Center; Town of Bluffton Jason St. sewer extension is complete; Hardeeville WWTP Expansion monthly report is included in your packets, the project is approximately 77% complete; completing contracts for the Waddell Gardens waterline replacement project.
2. **Military Projects Report for March FY18:** 1 project listed; MCAS/Laurel Bay Bolden Elementary Middle School.
3. **FY18 Third Quarter Capacity Fee Collections:** \$1.1M capacity revenue for March; ~166,000 gals water and ~99,000 gals sewer for March; ~\$3.3M YTD capacity revenue.

4. Developer Projects Activity Summary: 11 new projects reviewed; 1 DRP submittal; 11 pre-constructions; 8 service authorizations.
5. March 2018: NOB - 26 water taps/18 sewer taps; SOB - 101 water taps/135 sewer taps.
6. New Business: Two contract awards will be brought forward under New Business.
7. CIP Discussion: Reviewed project requests criteria.
8. Impact Fee Study: Will be presented during the Board Retreat.
9. Capital Projects Committee Charter Review: Reviewed with no suggested changes at this time.

A copy of the CIP Update Memorandum from Brian Chemsak dated 4/12/2018 was included in the Board Packet and is attached to these minutes and is made a part hereof.

Report of the Finance Committee. Committee Member Jerry Schulze reported that the Finance Committee met on 4/19/2018 and submitted the following report:

1. March Financials: March was another great month for revenue. Total operating revenues are \$2.9 million over budget, while total operating expenses (including depreciation) are \$784 thousand over budget. Operating cash and ratios are healthy and within our limits and policies.
2. Call Center Metrics: The Committee reviewed the call center metrics. The Average call wait time was **35 seconds** and the abandonment rate was dropped to **1.54%** in March. The daily reports continue to reflect the positive impact of adding support team members to the customer service department.
3. Capital Improvements: The committee received a quarterly reconciliation for the Hardeeville WWTP Expansion.
4. Finance Committee Charter Review: In response to the board's discussion on vendor payments when reviewing the revisions to the procurement policy the Finance Committee has added an additional procedure in the Finance Committee Charter to review annually the AP History Report for both O&M and CIP that is provided to the auditors. This report is a detailed list of all payments made to all vendors during the fiscal year. The updated Finance Committee Charter will be presented in New Business today.
5. Cash & Investment and General Financial Policies: The committee received an updated version of the Cash and Investment Policy and the General Financial Policy for their review. The policies will go to committee meetings in May and to the Board for approval in June.
6. FY2019 Operating Budget Update: The committee discussed the budget schedule and the FY19 Operating Budget presentation will be at the May Board Retreat.

A copy of the financial report dated 3/31/2018, 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 4/17/2018 and submitted the following report:

1. Safety Report: Was received and discussed.
2. Personnel Actions Report: 0 turnover in March; YTD turnover rate is 6.73%.
3. Personnel Committee Charter Review: Reviewed with no suggested changes at this time.
4. Board Leadership Award: No nominations for this year.
5. 2018 Employee Handbook Review: Draft changes will be reviewed during May Committees with approval by the full Board at the June Board Meeting.
6. Customer Service Incentive Compensation Plan: A draft of the incentive program was discussed and will be presented for approval in new business.
7. Employee Fun Day: Pam reminded and provided directions to the picnic.
8. GM Search Firm: During Cabot's recent visit, the process and timeline was reviewed; will be having weekly conference calls very soon and the search committee will meet as needed. Cabot also met with key staff to gain a sense of direction from the organization.

Board Chair Comments: *Chair Donna Altman stated that the Employee Handbook has gone through an extensive review by the Personnel Committee and administrative staff and strongly encouraged the Board to review the handbook or the changes outlined, that it is the most important "Policy" that the Board, as a whole, will approve. With approval scheduled in June, if the Board needs more time to review the document, we can defer the action.*

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: Office365 migration is complete • preparing the launch of the new intranet portals; late May • working on migrating the new IT ticketing system, including GIS • working with the training department; cut to new platform in June • working on the new infrastructure for the Hardeeville WRF and will turn over systems, network and servers to our integrator, MR Systems, by May 4th • working with MR Systems and Al Legare on the replacement end-of-life (EOL) SCADA alarm platform • scheduled to become PCI compliant end of December 2018.

Jerry Schulze reported that by the end of the year the Ad hoc committee may not need to continue once the PCI becomes compliant. **Michael Bell** recommended to continue monitoring the GIS development.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Capital Improvement Program

Contract Award(s)

1. CIP-21868 PRIWRF Headworks Rehab to BRW Construction Group, LLC for \$444,641 as presented and referenced in the memorandum from Brian Chemsak dated 4/12/2018 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 21868 PRIWRF Headworks Rehab Contract Award to BRW Construction Group, LLC for \$444,641 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

2. CIP-21956 Force Main Evaluation to Woolpert Inc. for \$198,033 as presented and referenced in the memorandum from Brian Chemsak dated 4/20/2018 and is attached to these minutes and is made a part hereof:

Motion: Vice-Chair Michael Bell moved, seconded by Thayer Rivers, to approve CIP-21956 Force Main Evaluation to Woolpert Inc. for \$198,033,

All voted in favor, none opposed,

Motion passed unanimously.

Approval of Committee Charters Bi-annual Review

Executive | Capital Projects | Finance | Personnel

Each Charter was properly reviewed and discussed. As presented in the Finance Committee report, one change was made to the Finance Committee Charter (item 8 Procurement) to add an additional procedure to review annually the AP History Report for both O&M and CIP that is provided to the auditors. This report is a detailed list of all payments made to all vendors during the fiscal year:

Motion: Dr. Bill Singleton moved, seconded by Lorraine Bond, to approve the Committee Charters; including the additional procedure referenced in item “8. Procurement”, of the Finance Committee Charter,

All voted in favor, none opposed,

Motion passed unanimously.

Michael Bell commended the Finance Committee for adding this procedure into their Charter.

Approval of Customer Service Incentive Compensation Plan

This plan creates an opportunity for the CSR’s to receive a cash bonus award based on the criteria outlined in the *Incentive Compensation Plan*. This policy will become effective May 1, 2018 upon approval.

Jimmy Baker with the addition of this companion piece, commended Sarah Linkimer and Customer Service on a great job they have accomplished in a short period of time, which reflects in the call center metrics:

Motion: Recommendation for approval of the Customer Service Incentive Compensation Plan came from the Personnel Committee, *requiring no second*,
All voted in favor, none opposed,
Motion passed unanimously.

PUBLIC COMMENT

There was no public comment.

(8:43a.m.)

EXECUTIVE SESSION

Motion: Vice-Chair Michael Bell moved, seconded by Jerry Schulze, to go into executive session for the purpose of discussing litigation matters regarding: Denise Jones, O'Quinn, Michael Boltin, Edge, Rondelle Warren, and one claimant, Maria Del Marin Riley 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 O&TS; DGM F&A remained for executive session for the legal briefing.

(9:00a.m.)

RECONVENE

Motion: Jerry Schulze moved, seconded by Brandy Gray, to reconvene regular session,
All voted in favor, none opposed,
Motion passed unanimously.

ACTION

No action was taken.

TELEPHONIC STATEMENT

"I Donna Altman, the Presiding Officer of this Meeting have previously stated that BRANDY GRAY 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, Chair Donna Altman, adjourned the meeting at, 9:00am.

APPROVED: 6/28/2018

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.