

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 12/20/2018.

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 12/20/2018 at the Beaufort-Jasper Water & Sewer Authority Administration Building. This meeting met the notice requirements of, and was properly constituted pursuant to, Chapter 4, Section 30-4-80(A) 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; Brandy Gray; Greg Padgett; Thayer Rivers; Jerry Schulze; Dr. Bill Singleton.

Members of the Authority not in attendance: Lorraine Bond.

Staff in attendance: Ed Saxon, General Manager; Joe Mantua, 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; Shawn Flood, Capital Projects Manager; Mike Jones, Revenue and Billing Manager; Linda Tillery, Customer Care Manager; Beth Lowther, Accounting Supervisor; Lou Brown, Communications Specialist; Mark Ferrell, Chief Operator, Chelsea WTP; Diane Thames, HR Specialist; Accounting Staff.

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

Beaufort County Liaison to BJWSA: Council Member Brian E. Flewelling, District 5 (Okatie/Burton/Shell Pt.), was 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

Jimmy Baker gave the invocation and asked for a moment of silence for Frank Turano and his family due to the sudden loss of his son. The Pledge of Allegiance to the flag of the United States followed.

APPROVAL OF MINUTES

Motion: Moved by Secretary/Treasurer Don Manson, seconded by Greg Padgett, to approve the minutes of the 11/15/2018 regular board meeting as written and distributed in advance to the Members of the Authority. Michael Bell asked for one correction, referenced on page 3, under the GM Report: to invite board members when meetings are set introducing the new General Manager

to elected officials. Moved by Brandy Gray, seconded by Greg Padgett, to accept the minutes as amended,

All voted in favor, none opposed,

Motion carried.

PUBLIC COMMENT

The public was introduced and welcomed. There was no public comment.

WELCOME NEW GENERAL MANAGER, JOE MANTUA

Chair Donna Altman introduced Joe Mantua who began on November 26. Joe Mantua addressed the Board with gratitude and expression of excitement on joining the BJWSA organization and continuing the Strategic Focus Plan.

PRESENTATION OF THE FY2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

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

Sarah Linkimer distributed copies of the 2018 CAFR and gave a slide show highlighting the year's achievements and challenges. Sarah gave special recognition to the accounting department for their efforts during this process as well as Pam and Lou for contributing photos. A round of applause was received. Chair Donna Altman also commended the finance department. *A copy of the CAFR is available on BJWSA's website at www.bjwsa.org and available upon request.*

GENERAL MANAGERS REPORT

Ed Saxon submitted the following report:

1. Safety Report December-18: We only experienced 1 minor incident and had no injuries in November. Take Twos dropped below our 175/month goal partially due to the holidays but we are averaging 200/month since we established the goal 4 months ago. We continue to work without suffering a lost workday case and our running total safe work hours record is near 1.2 million.
2. Savannah River Basin: Basin November rainfall totals were twice the normal amount and when you couple that with the 6 inches of current December rainfall, all lakes are now a couple of feet above the guide pool level.
3. Employee of the 4th Quarter and the Year: I am pleased to announce that Mark Ferrell was selected as the Employee of the 4th Quarter. Mark is the Chief Operator at the Chelsea WTP. Additionally, Diane Thames, HR Specialist, was named Employee of the Year. Let's congratulate both Mark and Diane.
4. January Board Meeting: A reminder, we return to our normal schedule in January with the committees meeting the week of the 14th and the Board meeting on 1/24. We plan to have the Board meeting in the new SOB Operations Center and the official ribbon cutting ceremony after the Board meeting.

5. GM Transition: Joe, Sarah and I have had many productive lunch introductory meetings with representatives with the various entities we serve. To date we have met with the Beaufort and Jasper County Managers, the Town/City Managers and Mayors from Beaufort, Port Royal, Bluffton and Hardeeville, and the GMs from the 3 Hilton Head utilities along with the HH Town Manager. I will schedule appearances before the Beaufort and Jasper County Councils along with Beaufort, Bluffton, Port Royal, Hardeeville and Ridgeland Councils to introduce Joe. Board members will be notified and are invited to attend.
6. Holiday Events: We had a great turnout at our 12/1 Christmas Party at MCAS. Thanks to Donna, Mike, Lorraine & Dr. Singleton for attending. The Holiday Sharing event was held on Friday 12/14 here at the Admin Building beginning at noon and we had a great turnout.
7. New SCDHEC Director: Rick Toomey has been selected to head SCDHEC and is awaiting Senate confirmation. Rick is the former Beaufort Memorial CEO and has been on the SCDHEC Board since March. Jerry Schulze and I will reach out to Rick.
8. Crystal Clear 2022 Status Report: The Strategic Plan Committee and the goal teams have been hard at work and Will Bettis and Beth Lowther will provide the Board an update on our progress.
9. Public Affairs: Pam will provide the Public Affairs report which will include a brief presentation by Lou Brown on her Haiti trip with water Missions
 - **Staff Presentations:**
 - Crystal Clear 2022 Status Report - Will Bettis/Beth Lowther. Will and Beth gave an update on the 5 strategic themes and goals associated with each theme. Each goal has an established timeline for completion and a listing of the types of resources needed to ensure success. A spreadsheet was distributed that showed the progress made by the Strategic Plan Committee Goal Teams. Will and Beth will provide quarterly status reports to the Board.
 - Water Mission International/Beaufort Walk for Water – BJWSA partners with the annual Beaufort Walk for Water event and Lou Brown is on that committee. The committee invited Lou Brown to join the efforts of Water Mission travelling to Haiti documenting the progress and success of projects that provided clean water. Lou provided slides showing different filtration systems purifying millions of gallons of water leading to better health in communities throughout the region, particularly in the remote villages. Lou thanked BJWSA’s Sr. Leadership and Board for allowing her this opportunity. Lou will also share her many photos and videos from the trip. *A copy of the PowerPoint presentation titled, “HAITI AND WATER MISSION OCTOBER 2018” is attached to these minutes and is made a part hereof.*
 - **Public Affairs Report.** Pamela Flasch highlighted recent and upcoming initiatives taking place throughout the service area:

- BJWSA Events: Rack Cards were distributed with information of upcoming events, please RSVP, if required, to Lou if you have not already done so.
- Public Engagement: An award for the *Image a Day Without Water* project was presented to the Robotics Club of the Hardeeville/Ridgeland Middle School. We will be partnering with them and providing support for their program. With the help of Kenneth Frazier, we will be helping a math group in Bluffton and also the Head Start group reached out to us again and very excited to help them.
- Public Awareness: The new Focus groups are going well, Joe Mantua attended the Hospice 5K and also spoke with 13 people about their issues face to face. Lou along with Marilyn Fields, Customer Service Billing Specialist, will attend the Bluffton Farmers Market in January.
- Kudos Program: Being re-branded to strategic themes of the Crystal Clear out to Beth for helping.



“Hi5” to focus more on the five 2022 Strategic Focus Plan. Shout

COMMITTEE REPORTS

Report of the Executive Committee. Committee Chair Donna Altman stated that the Executive Committee met on 11/15/2018 and discussed three items:

1. GM Transition: The committee identified areas for Joe and Ed to concentrate on.
2. Attorney Contract Renewal: The committee reviewed the attorney’s contract for renewal to be discussed in executive session and bring a recommendation for approval.
3. Board Stipend Survey: Staff is compiling data comparable to other agencies and will bring a report in January.

Report of the Capital Projects Committee. Committee Chair Michael Bell, reported that the Capital Projects Committee met on 12/12/2018 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: The tour for the South of the Broad Operations Center is scheduled and listed on the Rack Card • Hardeeville WRF ribbon cutting is also listed on the Rack Card • Hwy 170 36-inch water main extension has been submitted to SC DHEC for review • Construction for the Lady’s Island Sewer Diversion pump station is progressing • The first filter for the Purrysburg WTP Structure Filter Rehab will likely finish in mid-January due to unforeseen changes to the air scour supply piping • Construction of the Shell Point galvanized water line replacement project is underway, expected to take 1-2 months to complete.
2. Capacity Fee Collections: On track to exceed projections.

3. Developer Projects Activity Summary 11/1/2018-11/30/2018: 9 new projects reviewed • 0 DPR submittals • 5 pre-constructions • 14 service authorizations.
4. November 2018 Water Taps & Sewer Inspections: NOB - 46 water taps/25 sewer taps • SOB - 76 water taps/141 sewer taps.
5. New Business: The committee received and discussed item(s) being brought forth under New Business today.

A copy of the CIP Update Memorandum from Shawn Flood dated 12/10/2018 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 12/13/2018 and submitted the following report:

1. 11/30/2018 November Financials: Total operating revenues are \$234 thousand over budget, while total operating expenses (including depreciation) are \$1.3 million under budget. Operating cash and ratios are healthy and within our limits and policies.
2. November Call Center Metrics: The Committee reviewed the call center metrics. The average call wait time was 52 seconds and the abandonment rate was 2% in November.
3. Investments: The Committee discussed and reviewed portfolio samples from Wells Fargo.
4. FY 2019 Audit: The Committee discussed the FY2019 audit and decided to execute the option to renew the contract for the 4th year of auditing services to Carr, Riggs & Ingram.
5. FY 2019 Unbudgeted Expense Notification: The committee received an update regarding the Cherry Point plant generator work about to start. The committee was notified in July about this unbudgeted expense.

A copy of the financial report dated 11/30/2018, 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 12/11/2018 and submitted the following report:

1. Welcomed Joe Mantua: A public reception will be held January 10, 2019 at Oldfield's River Club.
2. Safety Report December-18: Continued to commend staff on their efforts towards the safety program.
3. Personnel Actions Report: Overall turnover rate is still 3.3% year to date; 2.75% without involuntary separations such as retirements. Two long term employees will be retiring end of this year; Matt Green with 24 years of service and Ernest Fripp with 42 years of service.

Congratulations to them both. *Dr. Singleton asked how the 3.3% turnover rate compared to other utilities.* It compares very favorably with other utilities across the country and also compares very favorably to BJWSA's past record.

4. Hiring Plan for DGM O&TS: The plan was reviewed and the process is underway with more information forth coming.
5. Municipal HR Association Annual Meeting: Allena Lee-Brown attended the Municipal HR annual meeting and shared information with the committee.
6. Employee Benefits: Meetings were held last month for deferred compensation; 16 employees attended sessions to learn more about the 401K options, etc.; workers compensation and insurance changes were reviewed.
7. United Way: 29 employees/16% of BJWSA's workforce participated in the United Way Campaign and contributions totaled \$9,100 or 63% of our goal. You can still contribute to United Way towards BJWSA's goal.
8. Miscellaneous: Holiday sharing was held December 14; Hardeeville WRF Ribbon Cutting will be January 30 and other events are listed on your rack card.
9. Employee Survey: Allena Lee-Brown gave a report on the employee survey partnered with, Best Companies Group, Pennsylvania. The first employee survey was conducted in 2014, (65% participation); 2016 (72% participation) and 2018 (79% participation). Over the years there has been significant progress. We will begin conducting the survey every year to receive feedback more frequently to further improve the opportunities to receive the prestigious "Best Places to Work, SC". Jimmy Baker commended Ed Saxon and staff for the noticeable trend of improvement.

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. 93% completion of 240 tasks of PCI compliance • He commended Kenneth and the IT team on their successful progress • A draft of the PCI DSS *Attestation of Compliance* report is scheduled for the 15th and a final on the 31st. • The next large project will be upgrading the SCADA environments beginning with the Chelsea Water Treatment Plant.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Capital Improvement Program

Contract Award(s)

CIP-21880 Hwy 170 Booster Pump Station Electrical Upgrades Contract Award to L&L Contractors, Inc. for \$199,600 as presented and referenced in the memorandum from Shawn Flood dated 12/10/2018 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 21880 Hwy 170 Booster Pump Station Electrical Upgrades Contract Award to L&L Contractors, Inc. for \$199,600 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.

(9:10 a.m.)

EXECUTIVE SESSION

Motion: Jerry Schulze moved, seconded by Jimmy Baker, to go into executive session for the purpose of discussing litigation matters regarding: Michael Boltin, Edge, Rondelle Warren, pursuant to SC Code Ann. Section 30-4-70(a)(2) and Personnel Matters, pursuant to SC Code Ann. Section 30-4-70(a)(1), and (a)(2) regarding contract for legal services,
All voted in favor, none opposed,
Motion passed unanimously.

Chair Donna Altman, excused all persons from the meeting. Legal counsel, GM(s); DGM F&A remained for executive session for the legal briefing and personnel matters.

(9:25 a.m.)

RECONVENE

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

ACTION ITEMS ARISING FROM EXECUTIVE SESSION

Renewal of General Counsel Agreement, employing the Firm of Tupper, Grimsley, Dean and Canady, PA and specifically, Erin D. Dean by BJWSA for a four year term, January 1, 2019 - December 31, 2022 and increasing the hourly rate to \$250.00.

Motion: Jerry Schulze moved, seconded by Jimmy Baker, to renew the General Counsel Agreement of Erin D. Dean for a four year term, 2019-2022 and increasing the hourly rate to \$250.00,
All voted in favor, none opposed,
Motion passed unanimously.

ADJOURNMENT

With no further business to come before the Board, and without objection, Brandy Gray moved, seconded by Dr. Bill Singleton, to adjourn the meeting at, 9:26 a.m.

All voted in favor, none opposed,

Motion passed unanimously.

APPROVED: 1/24/2019

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.