

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 2/28/2019.

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 2/28/2019 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 (telephonically); Lorraine Bond; Brandy Gray; Greg Padgett; Jerry Schulze; Dr. Bill Singleton.

Members of the Authority not in attendance: Secretary/Treasurer Don Manson; Jimmy Baker; Thayer Rivers.

Staff in attendance: Ed Saxon, General Manager; Joe Mantua, General Manager; Sarah Linkimer, Deputy GM/F&A and Interim-O&TS; Will Bettis, Director of Business Services; Brian Chemsak, Director of Engineering; Kenneth Frazier, Director of Information Technology; Allena Lee-Brown, Director of Human Resources; Justin Thomas, Director of Field Operations; Linda Tillery, Director Customer Care & Billing; Pamela Flasch, Public Affairs Manager; Shawn Flood, Capital Projects Manager; Mike Jones, Revenue and Billing Manager; Beth Lowther, Accounting Manager; Andrew Dudley, Project Engineer-Capital Projects; Lou Brown, Public Education & Engagement Planner; Dawn Bates for 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: Council Member Brian E. Flewelling, District 5 (Okatie/Burton/Shell Pt.), was not in attendance

Public in attendance: Andy Kinghorn, City of Beaufort appointee; Frank Turano, Regional Manager, Alliance Consulting Engineers; Kate Parks Schaefer, South Coast Office Director, Coastal Conservation League.

CALL TO ORDER

The meeting convened at 8:01 a.m., Chair Donna Altman presiding.

TELEPHONIC STATEMENT

"I, Chair Donna Altman, announce that a quorum for this Meeting is physically present and Vice-Chair Michael Bell IS ATTENDING THIS MEETING TELEPHONICALLY."

INVOCATION AND PLEDGE OF ALLEGIANCE

Greg Padgett gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

RECOGNITION

Chair Donna Altman took this time to recognize Ed Saxon one final time on his retirement. Ironically today is Ed's last Board meeting, it's the last day of the month and his last day retiring after 30 years with the Authority. Along with the Board, she commended Ed for his commitment and dedication over the last 30 years of exemplary service to BJWSA and wished him the best on his retirement. Ed thanked the Board for their support and well wishes.

Chair Donna Altman also thanked Pam Flasch and her team on the amazing job with Ed's retirement party held under the shed at the Chelsea WTP.

APPROVAL OF MINUTES

Motion: Moved by Brandy Gray, seconded by Dr. Bill Singleton, to approve the minutes of the 1/24/2019 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

Before giving his formal report to the Board, Joe Mantua also gave recognition to Ed Saxon for being so supportive and sharing his knowledge and thanked the Board allowing him and Ed to work together during the 3 month transition period. He wished Ed all the best on his retirement.

Joe then submitted the following report:

Asset Management

1. Hardeeville Water Reclamation Facility Ribbon Cutting Ceremony – Congratulations to the BJWSA team for successful completion of the Hardeeville WRF project. As noted at the January 30th event, it is the very first sustainable water reclamation facility in the state. We were very pleased to have so many guests from the community join us at the ribbon cutting ceremony including Mayor Williams from Hardeeville, several Council members and staff. We also got some great publicity through various media outlets including a piece on WTOC that featured Brian Chemsak and Board member Greg Padgett. Many thanks to the folks responsible for planning and coordinating the event.
2. South Carolina Conservation Bank – A grant of \$850,000 was approved for the Groton project as part of our source water protection efforts.

Kate Schaefer, Coastal Conservation League, spoke at this time. She thanked the Authority for all the assistance with water shed growth. The Groton Tract is the largest tract to be protected along the Savannah River.

3. Microplastics Article 226856634, 2/27/19 – Copies of a recent article from the State newspaper in Columbia were handed out regarding studies related to microplastics in source water as well as drinking water. Tricia Kilgore provided more detail.

Tricia explained that microplastics are emerging contaminants with no standard method of detection/testing. They are very tiny, less than a micron, pieces of plastic. BJWSA is working with USCB to test for these in our water. The amount being removed by treatment comes from laundry because we use synthetic fibers. The study with USCB is going on now with results soon. A copy of the article is attached to these minutes and is made a part thereof.

Workforce Investment

1. Safety Report – Congrats to our Safety Team for being recognized by the South Carolina Chamber of Commerce with a *Commendation of Excellence Award* for our exemplary safety record. We will receive the award at their March 28 luncheon in Columbia. Take Twos for January exceeded our 175/month goal with a total of 189.
2. New Employee – We welcome Andrew Dudley to the BJWSA Team. Andrew is a new hire working in the Engineering Department as a Project Engineer for the CIP.

Preparation for Change

1. GM Transition – Ed, Sarah and I continue to meet with our local officials and representatives. Since last month, we have met with Representative Herbkersman, Mayor McCann and Steve Riley from Hilton Head, attended the Beaufort County Council meeting, the Beaufort Chamber Legislative luncheon, State of Jasper County breakfast, Jasper County Council meeting, Bluffton Town Council meeting, Beaufort City Council meeting and Port Royal Town Council meeting. I'd like to thank the various Board members who have joined us at these meetings.
2. Crystal Clear 2022 Status Report – The third round of quarterly meetings with each Goal Team were completed during this period. The Committee continues outreach efforts to educate state on the plan including visits to NOB operations, Port Royal and Chelsea plants, Tech Maintenance and Customer Service. They plan to meet with the SOB Operations folks in March.
3. Beaufort Futures Lab – I attended day 2 of the Beaufort Futures Lab on February 13. The first exercise was conducted on January 17 and included roughly 80 leaders from government, business and the community to conduct a visioning exercise to forecast what Beaufort will look like in 2030. Day 2 focused on taking the trends that were identified as the top issues on day 1 and creating a variety of future scenarios. The futurist that facilitated the session will be developing a final report for the City.

Organization Excellence

1. PCI Compliance Update – All work has been completed and we received the Compliance Report indicating that we have achieved PCI Compliance. Great job by the team!
2. Partnership for Clean Water Recognition – BJWSA is a charter member of a the AWWA Partnership for Clean Water program and was recognized in the inaugural class of *Directors Award* winners along with Cary, NC and Albuquerque, NM. Congrats to the team, this is a fantastic accomplishment.
3. NACWA Conference – Ed and I had the opportunity to attend the National Association of Clean Water Agencies (NACWA) winter meeting in Albuquerque with many of our peers from around the nation. The conference theme was “The Clean Water Act/Safe Drinking Water Act Nexus – Conflict or Collaboration”. Some items of interest from this meeting included a presentation by Andrew Sawyers, Director of Wastewater Management at EPA. Director Sawyers highlighted his five areas of focus which included: Integrated Water Management, Use of Technology and Predictive Analytics, Source Water Protection, Utilization of the Suite of Existing Financial Programs, and Stakeholder Collaboration and Engagement. Ed spoke with him about facilitating a discussion on the Savannah Clean River program as it related to his source water protection focus. There were a number of interesting talks and meetings regarding Biosolids Management, Climate Change and Resiliency, Affordability and Workforce Issues. We also attended the GM’s Breakfast that included a discussion on consolidation and regionalization efforts in the water sector. One last note, the Winter 2019 edition of the Clean Water Advocate, the NACWA magazine was distributed at the conference and featured an article authored by Pam Flasch regarding the impacts of Winter Storm Grayson. Great piece done by Pam!
4. South Carolina Association of Governmental Purchasing Officials (SCAGPO) Recognition – Tammy Holman, our Buyer, was elected to serve as 2019 Vice President for SCAGPO. The mission of SCAGPO, an affiliate chapter of the National Institute of Public Procurement (NIGP) is to ethically support, develop and promote the public procurement profession through education, outreach, current technology and the collaborative exchange of information. Tammy was also voted SCAGPO’s Buyer of the Year in 2017 and has served as a Director at Large for the past 3 years. Congratulations to Tammy.

Customer Satisfaction and Engagement

1. Customer Service: Congrats to the Customer Service Team for another excellent month.
2. Levy-Limehouse Bellinger Hill Community Advisory Committee: A meeting was held with the Levy Advisory Committee on February 26 at the Administration Building to update them on various issues and hear their issues/concerns.

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

1. Public Education and Engagement Planner (or PEEP): Congratulated Lou Brown on this new position. This will greatly enhance our public education and customer engagement efforts, as Lou dedicates more time pursuing those opportunities. Offered tour of Archives at Chelsea Water Treatment Plant facilities after the meeting.
2. STEM Outreach: We are amping up our STEM outreach as well, and will be at the Oldfield Environmental Fair Saturday with Joe Mantua, Kevin Sexton and Brian Chemsak. Check you WWU for a full list of where we'll be.
3. Lowcountry PIO Alliance: COL John Dorrian, The Citadel's VP for Communications & Marketing spoke to our PIO group on "The Art and Science of Successfully Controlling Your Narrative through Turbulent Times" last week. We invite more than 100 public information officers from SC and GA, and usually have attendance of around 20-30.
4. National Level Publication: Four years ago at one of our first meetings, Ed told me he wanted to pitch our stories at a national level and I'm happy to say that with his, Justin's, Brian's and Andy's help, we did it.

Pam showed the Board a plaque displaying the article she wrote entitled "Crossing the Threshold" which was published in Clean Water Advocate's Winter 2019 issue. The article features the story of Winter Storm Grayson's part in revealing the need for the waterline repair under the McTeer Bridge. A copy of the article is attached to these minutes and is made a part thereof.

5. Family Fun Day - Camp BJWSA: With goal of cross-appreciation clearing in sight, Camp BJWSA is scheduled for Saturday, April 6 at SGT Jasper Park.

COMMITTEE REPORTS

Report of the Executive Committee. Committee Chair Donna Altman stated that the Executive Committee did meet and details would be shared during Executive Session.

Report of the Capital Projects Committee. Committee Member Lorraine Bond reported that the Capital Projects Committee met on 2/20/2019 and discussed the most recent developer and capital projects. A summary of noteworthy projects was included in the Board Packet. Some projects of note:

1. Development: Has continued at the increased pace seen throughout the year. Last month the group review 8 new projects and dealt with over 30 projects throughout some stage of prior to construction.

2. Capacity Fee Collections FY19: Were collected in the amount of \$724,362 for the month, bringing the fiscal year total to \$6,924,034.
3. Capital Projects: Capital Projects were also discussed. The work on the distribution board walk in the swamp is almost complete. The Lady's Island Sewer diversion pump station is ready for startup and the diversion should take place in March. Construction began on the Bonaire Estates Sewer System.

Mr. Padgett asked if the Board Walk was open and if anyone could go at any time? Brian advised that it was not open but he would be willing to arrange a tour if the Board was interested.

4. CIP Agenda Items: The committee reviewed two memos for new business for the Board and recommends both the contract change order for CIP-1884 and the contract award for CIP-2185. *Copies of these memos were included in the packets.*

A copy of the CIP Update Memorandum from Shawn Flood dated 2/15/2019 is included in the Board Packet and is attached to these minutes and is made a part hereof.

- ***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:

- BJWSA is officially PCI compliant as the final reports were provided on 2/19/19 and signed by Ed Saxon. The IT team is now shifting focus towards the Chelsea SCADA infrastructure upgrades and anticipates the migration being completed by the end of June. We are also on track to have the new plant radio network on line before the end of June.

Report of the Finance Committee. Sarah Linkimer reported that the Finance Committee met on 2/21/2019 and submitted the following report:

1. 1/31/2019 Financials: Total operating revenues are \$456 thousand over budget, while total operating expenses (including depreciation) are \$1.6 million under budget. Operating cash and ratios are healthy and within our limits and policies.
2. January Call Center Metrics: The committee reviewed the call center metrics. The average call wait time was 60 seconds and the abandonment rate was 2% in January.
3. Investments: The committee discussed the current interest rates and continue to actively watch the market and work with Wells Fargo.
4. Capital Improvements: The committee approved the resolution authorizing the EDA Grant Application for CIP-2195. Total budget for this project is \$1.2 million, to be funding by EDA Grant (\$720 thousand) and Capital (\$480 thousand).

A copy of the financial report dated 1/31/2019, was included in the Board packet and is attached to these minutes and is made a part hereof.

Report of the Personnel Committee. Committee Member Brandy Gray reported that the Personnel Committee met on 2/19/2019 and submitted the following report:

1. Succession Planning: Consultant was unable to come due to death in the family. Rescheduled for April 1 – 3.
2. Deputy General Manager Recruitment Update: Internal search was completed and a decision was made to seek external applicants. Partnering again with the search firm Cabot Consultants and anticipate search complete by end June 2019. Sarah Linkimer will be acting Deputy General Manager Operations and Technical Services until a replacement is found.
3. Board Leadership Award: Board Members were asked to look at criteria and that HR would be accepting applications during March.
4. Employee Safety Survey: To be administered in mid-March with results expected in two months.
5. Employee Survey – Climate (Best Companies to Work For): To be administered late March/April.

OLD BUSINESS

Chair Donna Altman mentioned again the Board Leadership Award and advised that applications are due to HR by March 31st.

NEW BUSINESS

Capital Improvement Program

Change Order

1. CIP 1884 **Fire Hydrant Rehab and Replacement FY19** in the amount of \$21,514.94 to Potter Construction as presented and referenced in the memorandum from Shawn Flood dated 2/15/19 and is attached to these minutes and is made a part thereof:

Motion: Recommendation for CIP 1884 **Fire Hydrant Rehab and Replacement FY19** Change Order to Potter Construction from \$99,996.27 to \$121,511.21 came from the Capital Projects Committee, *requiring no second,*
All voted in favor, none opposed,
Motion passed unanimously.

Contract Award

2. CIP 2185 **Galvanized Water Line Replacement Program, Phase I, Division III** Contract Award to Malphrus Utilities for \$936,700.00 as presented and referenced in the memorandum from Shawn Flood dated 2/15/2019 and is attached to these minutes and is made a part hereof:

Motion: Recommendation for approval of CIP 2185 **Galvanized Water Line Replacement Program, Phase I, Division III** Contract Award to Malphrus Utilities for \$936,700.00, came from the Capital Projects Committee, *requiring no second, All voted in favor, none opposed,*
Motion passed unanimously.

Resolution Approval

3. Resolution Authorizing the General Manager of BJWSA to complete and execute and submit an **Economic Development Administration (EDA) Application** for the Hardeeville Commerce Park Improvements Project in conjunction with the City and is authorized to execute documents related to this project as presented and referenced and is attached to these minutes and is made a part hereof:

Mr. Bell asked what kind of improvements are included with the project. Water and wastewater improvements to include new lift pump station, new gravity lines, and water line extensions. City of Hardeeville will be responsible for the roadway improvements. BJWSA's portion is \$480,000.

Motion: Recommendation for approval of Resolution Authorizing the General Manager of BJWSA to complete and execute and submit an Economic Development Administration (EDA) Application for the Hardeeville Commerce Park Improvements Project in conjunction with the City came from the Finance Committee, *requiring no second, All voted in favor, none opposed,*
Motion passed unanimously.

PUBLIC COMMENT

There were no further comments.

(8:40 a.m.)

EXECUTIVE SESSION

Motion: Greg Padgett moved, seconded by Lorraine Bond, to go into executive session for the purpose of discussing litigation matters regarding: Edge litigation, pursuant to SC Code Ann. Section 30-4-70(a)(2) and personnel issues pertaining to GM retirement, pursuant to SC Code Ann. Section 30-4- (2),

All voted in favor, none opposed,

Motion passed unanimously.

Chair Donna Altman, excused all persons from the meeting. Legal counsel remained for executive session for the legal briefing.

(9:08 a.m.)

RECONVENE

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

ACTION ITEMS ARISING FROM EXECUTIVE SESSION

No action was taken

TELEPHONIC STATEMENT

“I Donna Altman, the Presiding Officer of this Meeting have previously stated that VICE-CHAIR MICHAEL BELL 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, and without objection, Dr. Bill Singleton, moved, seconded by Brandy Gray, to adjourn the meeting at, 9:09 a.m.
All voted in favor, none opposed,
Motion passed unanimously.

APPROVED: 3/28/2019

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.