

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 1/22/2015.

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 1/22/2015, 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: David Lott, Chair; Donna Altman, Vice-Chair; James N. Scott, Secretary/Treasurer; Jimmy Baker; Michael Bell; Lorraine Bond; Jack Burke; Brandy Gray; Donald Manson; Dr. Bill Singleton and Skeet Von Harten.

Members of the Authority not in attendance:

Staff in attendance: Ed Saxon, General Manager; Chris Petry, Chief Operating Officer; Dottie Hofmann, Chief Financial Officer; Allena Lee-Brown, HR Manager; Brian Chemsak, Capital Projects Manager; Al Legare, Director of Maintenance & Military Programs; Joe DeVito, Director Field Operations; Tricia Kilgore, Director of Treatment; Will Bettis, Purchasing and Risk Manager; Libby Breland, Executive Assistant/Clerk to the Board and the Lab & Water Quality Personnel.

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

Beaufort County Liaison to BJWSA: Council Member Brian E. Flewelling, (District 5: Okatie/Burton/Shell Pt.); D. Paul Sommerville, Chairman, Beaufort County Council, (District 2: MCAS/Bft/Lady's Is/Fripp Is).

Public in attendance: Frank Turano, Regional Manager, Alliance Consulting Engineers.

CALL TO ORDER

Chair David Lott called the meeting to order at 8:00 a.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

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

APPROVAL OF MINUTES

Motion: Moved by Skeet Von Harten, seconded by Vice-Chair Donna Altman, to approve the minutes of the 12/18/2014 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 passed unanimously.

PUBLIC COMMENT

The public was recognized. *There were no comments received at this time.*

CIP 1670 Hardeeville WWTP Expansion/Upgrade Project to be funded by the State Revolving Fund. Chair David Lott opened the floor to receive public comments on the CIP 1670 Hardeeville WWTP Expansion/Upgrade project. *There were no public comments received.*

GENERAL MANAGERS REPORT

Ed Saxon submitted the following report:

1. Safety/Wellness Report - We had one minor incident in December and have exceeded 750,000 safe hours worked. Fleece vests commemorating this achievement will be distributed to all employees in a couple of weeks.
2. Savannah River Basin -The entire state is no longer in the first level of drought. The basin lakes are in great shape and are operating on their guide curves.
3. Levy-Limehouse Connection to Main System - The connection is scheduled to occur in early February and Levy customers will be notified 2 weeks prior to the connection.
4. Service Lateral Maintenance Agreements (HomeServe) - BJWSA has executed the agreement with HomeServe and a press release was issued announcing our partnership and we responded to several press inquiries. Initial mailings to customers will occur in March.
5. Southside Property Transfer to City of Beaufort- The Land Transfer Agreement has been executed and the 3.891 acre Southside parcel has been transferred back to the City. The 3 parcels owned by BJWSA located adjacent to the original Southside WWTP parcel have been combined into one 1.16 acre parcel that fronts Waddell Rd and were retained by BJWSA.
6. Filing of Statement of Economic Interest - The deadline for your 2015 filing is March 30. Libby will be glad to assist you with this.
7. Purrysburg WTP Shutdown - The Purrysburg WTP has been taken offline for repairs to the 3MG Clearwell. It is expected be offline for the next couple of weeks. The Chelsea WTP is supplying water to the entire system and being supplemented with the Hardeeville wells.
8. Meeting with Fire District Chiefs- On 1/12, BJWSA hosted a meeting with all the Fire District Chiefs in our service area. It was well attend and Joe did a great job facilitating the meeting. He will provide you a report.
9. Mid-Year Update of General Managers FY15 Goals and 2017 SFP -I have distributed the mid-year update of my FY15 goals and progress on our 2017 Strategic Plan.
10. Personnel Recognition -I am pleased to announce that Allena recently passed the HR Practices certification exam, all our HR staff are now certified. With us today are our employees of the Quarter & Year for 2014, Darlene Douglas (2Q), David Crosby (3Q), (*David was not present, he was on shift work*), Victor Gaucin (4Q) and Jackie Major (IQ & EOY). Also, I am sad to report that Tricia Kilgore, our Director of Treatment, is leaving us to take a similar job with the City of savannah.
 - *Staff Presentation-Chris Petry. Chris provided an update on activities in the lab. He recognized the Lab & Water Quality personnel: Sheila Felton, Lab & WQ Manager; Shawna Williford, Lab Technician; Shawna Foster, Lab Technician; Taurean Eason, Lab Technician; Jeff Manuel, Well & Water Quality Operator III and David Sanders, Well & Water Quality Supervisor (David was not present).*

➤ **Public Affairs Report-Ed Saxon.**

- SCWARN - Ken Jordan was attending the *South Carolina Water/Wastewater Agency Response Network*, Emergency Preparedness Workshop in Columbia, SC. Topic: Violent Nature/Earthquakes and Floods.
- Communication Manager Vacancy - Applicants have been selected for the first phase of interviews for the Communications Manager position.

COMMITTEE REPORTS

Report of the Executive Committee. Committee Chair David Lott stated that the Executive Committee did not meet therefore had no report. *He will set a meeting date before the next Board meeting.*

Report of the Capital Projects Committee. Committee Chair Dr. Bill Singleton reported that the Capital Projects Committee met on 1/14/2015 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:

- Hardeeville WWTP Upgrade (1670). HDR completed the design alternative analysis and we have selected the treatment method and other process options. A short list for CMAR's was created and proposals are due to BJWSA on Feb 2.
- Annual Review of the Capital Projects Committee Charter. The CP Charter was reviewed.
- Agenda Items. Several Agenda items will be presented for approval under New Business.

A copy of the CIP Update memorandum from Brian Chemsak dated 1/9/2015 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 Donna Altman reported that the Finance Committee met on 1/15/2015 and submitted the following report:

- 12/31/2014 Interims. Total operating revenues were \$32 thousand over budget year-to-date. Expenses were under budget year-to-date, \$515 thousand without depreciation and \$360 thousand with depreciation. Capacity fee revenues received in 12/31/2014 were \$51 thousand and \$766 thousand over budget year-to-date. Cash is healthy, ratios are within our limits and policies; liquidity has increased from 1.98 to 3.19 for this fiscal year-to-date. The Authority's target liquidity is 1.80.
- FY2016 Budget Schedule. The FY16 Budget schedule is the same as last year.
- Rate Model. The rate model will be delayed until March.
- Unbudgeted Expense. The committee discussed an unbudgeted expense of \$146 thousand for the purchase of bulbs and ballasts for the Waste Water Treatment Plants.
- Call Center Metrics. The quarterly call center metrics were reviewed. The call center was short 2 staff members, who were promoted internally. This along with the holidays and the flu caused an increase in call wait time and the abandonment rate. 2 new

representatives are in training and the metrics should improve when they are live and on the phones.

- Annual Review of the Finance Committee Charter. The FC Charter was reviewed.

A copy of the financial report dated 12/31/2014, 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 Brandy Gray reported that the Personnel Committee met on 1/13/2015 and submitted the following report:

- Annual Review of Committee Charters and Bylaws. The committees reviewed their respective charters and will provide any necessary changes.
- BJWSA University. The Technical College of the Lowcountry (TCL) has designed a preliminary Public Works curriculum for field based individuals in the area. This program should help improve the applicant pool and also improve the skills of employees for local public works organizations.
- Personnel Matters. An update was given on 2 personnel matters.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Capital Improvement Program

Budget Adjustment

1. CIP 21707 Duke St. WL Replacement - \$30,000 Increase. This project deals with the second phase of the City of Beaufort's Duke Streetscape Project. During design, 300 FT section of galvanized waterline was identified that needed to be replaced as well as five dead end lines to be connected together to improve the water pressure to the residents of the area.

Motion: Recommendation for approval of CIP 21707 budget adjustment of \$30,000 as presented and referenced in the memorandum from Brian Chemsak, dated 1/8/2015 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

1. CIP 21757 CPWRF Serpentix Conveyor - \$25,000 Increase. This project will replace the Serpentix conveyor for belt presses number 1 and 2 at the Cherry Point Water Reclamation Facility. Both of the units are 18 years old and this will be the first time the Serpentix conveyor has been completely rehabilitated. The budget was based on a quotation for the necessary parts received 6 months ago. Since that time, the price of material has risen, requiring additional funds be added to this budget.

Motion: Recommendation for approval of CIP 21757 budget adjustment of \$25,000 as presented and referenced in the memorandum from Brian Chemsak, dated 1/2/2015 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

2. CIP 21772 Bonaire Subdivision WL Replacements - \$135,000 Increase. This project will replace the existing galvanized waterline in the Bonaire Subdivision. The original scope included replacing the waterlines along Bonaire Cir., Falls Rd., Joppa Rd. and Winsor Rd. The first phase of the project involved the emergency replacement of a section of line needed to restore service to a portion of the neighborhood. The scope was revised to accommodate additional SCDOT requirements and some unknown site conditions discovered during the 1st phase. The amount of the increase was based on the bids received for the project.

Motion: Recommendation for approval of CIP 21772 budget adjustment of \$135,000 as presented and referenced in the memorandum from Brian Chemsak, dated 1/8/2015 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

CIP Additions

1. CIP 21579 Dowlingwood Sewer Rehab - \$90,000. This project will incorporate all of the work needed to permanently repair the sewer installed in the marsh on piles crossing in the Dowlingwood area. The repair involved lining the existing pipe to restore the structural integrity.

Motion: Recommendation for approval of adding CIP Project 21579 to the FY2015-2017 CIP as presented and referenced in the memorandum from Brian Chemsak, dated 1/7/2015 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

2. CIP 22156 PI-P382 Front Gate ATFP Improvements - \$51,997. This project involves water extensions and services to accommodate the proposed front gate located on Horse Island on Parris Island. The funds for this project will be reimbursed by NAVFAC by way of a UP contract MOD.

Motion: Recommendation for approval of adding CIP Project 22156 to the FY2015-2017 CIP as presented and referenced in the memorandum from Brian Chemsak, dated 1/7/2015 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

Purchase Award

1. CIP 21763 Hardeeville WL Replacement – Material Award to US Pipe in the amount of \$130,889.60. This is the pipe needed for the project to replace an existing 12” line in Hardeeville which will significantly improve service in the area.

Motion: Recommendation for approval of CIP 21763 Hardeeville WL Replacement – Material Award to US Pipe in the amount of \$130,889.60 as presented and referenced in the memorandum from Brian Chemsak, dated 1/9/2015, came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

2. CIP 21772 Bonaire Subdivision WL Replacements to Potter Construction in the amount of \$411,865. This project will replace the existing galvanized waterlines within the Bonaire subdivision.

Motion: Recommendation for approval of CIP 21772 Bonaire Subdivision WL Replacements Contract Award to Potter Construction in the amount of \$411,865 as presented and referenced in the memorandum from Brian Chemsak, dated 1/9/2015, came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

PUBLIC COMMENT

There were no public comments.

(8:50 a.m.)

EXECUTIVE SESSION

Motion: Jimmy Baker moved, seconded by Jack Burke, to go into executive session for the purpose of discussing legal matters regarding: 1. Jarman litigation, 2. 10 Frontage Road litigation, 3. Hoogenboom litigation, 4. Patel Appeal.

All voted in favor, none opposed.

Motion passed unanimously.

Chair David Lott, excused all persons from the meeting. Legal counsel, the general manager, CFO and COO remained for the executive session for the legal briefing.

(9:10 a.m.)

RECONVENE

Motion: Vice-Chair Donna Altman moved, seconded by Lorraine Bond, 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, Michael Bell moved, seconded by Jack Burke, to adjourn the meeting at 9:11 a.m.,

All voted in favor, none opposed.

Motion passed unanimously.

APPROVED: 2/26/2015

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.