

MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY HELD ON MAY 26, 2011.

Be it remembered that the Board of Directors of the Beaufort-Jasper Water and Sewer Authority held its Regular Meeting Thursday, May 26, 2011 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: Brandy Gray, Chairman; Michael Bell, Vice-Chairman; Lorraine Bond, Secretary/Treasurer; Donna Altman; David Lott; B.G. "Pat" O'Neal, (telephonically); Bill Singleton; Skeet Von Harten and Charlie White.

Members of the Authority not in attendance: John Rogers and Mark Snyder.

Staff in attendance: Dean Moss, General Manager; Dottie Hofmann, CFO; John Wells, Director of Administrative Services/HR Manager; Charles Sexton, Director of Engineering; Matthew Brady, Communications Manager; Sarah Linkimer, Controller; Will Bettis, Purchasing Manager; Kelly Alston, Customer Service Manager; Accounting Staff: Patrice Whitmore, Angie Murdaugh, and Jeanie Phillips; Jessica Whitaker, summer intern and Libby Breland, Administrative Assistant.

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

Guests in attendance: Brian Flewelling, Beaufort County Council, (District 9-Burton) and Aisha Caul, sister to Board Member Lorraine Bond and daughter of Juanita White.

CALL TO ORDER

Chairman Brandy Gray presiding called the meeting to order at 9:00 a.m. and announced that a quorum was present. Charlie White gave the invocation and the Pledge of Allegiance followed.

TELEPHONIC STATEMENT

Chair, Brandy Gray, gave the following statement: "*I Brandy Gray, Chair, announce that a quorum for this Meeting is physically present and that **Gen. Pat O'Neal** is attending this meeting telephonically*".

APPROVAL OF MINUTES

Motion: Moved by Dr. Bill Singleton and seconded by Lorraine Bond, to approve the Minutes of the regular Board of Directors meeting of April 28, 2011.

Motion passed unanimously.

PUBLIC COMMENT

Chairman Brandy Gray welcomed and recognized the attending guests. There were no comments at this time.

GENERAL MANAGERS REPORT

Dean Moss, General Manager, reported on the following issues:

- April 2011 Safety Report. There were 114 calendar days since the last preventable lost time case as of May 1, 2011 with 2 recordable injuries, 3 Near Miss reports and 74 Take Twos completed. The *Safety Stand-down* task force groups provided recommendations to the Managers Team and implementation will occur the beginning of July. *The Safety Report for the month of April 2011 is attached to these minutes and is made a part hereof.*

- Resolution Recognizing Juanita White. A Resolution in recognition of the commitment and dedication of Juanita White was read into the record. Ms. White was instrumental in forming the Levy-Limehouse-Bellinger Hill Water Company and had served over 30 years on the Board of Directors and with her passing will truly be missed.

Motion: Moved by Michael Bell and seconded by Charlie White, to approve the “Resolution In Recognition Of the Dedication of Juanita White”.

Motion passed unanimously. Dean Moss presented the Resolution to Lorraine Bond and her sister, Aisha Caul.

- Summer Intern. Charles Sexton introduced Jessica Whitaker, summer intern that will be working with the engineering department focusing on the GIS system. She is a graduate of Beaufort Academy and is currently attending Clemson University studying Bio Systems engineering.

- AWWA 2011 Annual Conference & Exposition (ACE11). Dean Moss and Ed Saxon will be attending this year’s conference being held in Washington, D.C. While in Washington, he and Ed Saxon will be meeting with Representative Scott to begin establishing relationships. Dean Moss indicated that he believed that part of BJWSA’s service area may be included in the 1st Congressional District of South Carolina during the redistricting plan by the S.C. Senate Judiciary Committee.

Public Affairs Report

Matthew Brady reported on the following issues:

- Community CDBG Projects Update. ***Town of Bluffton, Simmonsville Road/Buck Island Road, Sewer Project – Buck Island Rd.*** – Through the efforts of the Town of Bluffton’s staff and BJWSA’s staff, all of the LMI residents have been connected. Simmonsville Rd.- Construction is ready to begin on this project.
- Partnership with Turf Love. This group is an extension of the Clemson Cooperative Extension Service and The Master Gardener Association of Beaufort County. They advocate smart irrigation and conservation. BJWSA had recently attended one of their seminars and sees this

partnership as an opportunity to promote BJWSA's conservation message to the public.

- BJWSA "Splash" Newsletter. The Consumer Confidence Report (CCR) will be in this issue of the newsletter.
- AWWA Drinking Water Week, May 1-7th. A 6th grade student of Beaufort Middle school won the poster contest for this year's theme "Water, Celebrate the Essential". The Board members were invited to visit the lobby and view the winning poster along with the others displayed in the hallway.

COMMITTEE REPORTS

Executive

Chairman Brandy Gray reported that the Executive Committee and members of the selection committee had during several meetings narrowed the applicants for the General Manager position. Chairman Gray also thanked David Lott for his participation in this process.

Capital Projects

Charles Sexton was asked by Committee Chairman John Rogers to give the committee report in his absence. The Capital Projects Committee met with staff on May 18 and reviewed the status of the CIP and developer projects. A Resolution approving the Capital Improvements Plan for FY12-FY14 will be presented as an Agenda item under New Business. Charles Sexton reported on the annual meeting that was held on May 11 with the Military. NAVFAC, Atlantic DIV, Jacksonville, and the Bases were represented. The Military continues to be satisfied with the progress that BJWSA is making on the bases. The main topics of the meeting were the ISM projects, contractual service standards, safety reports, and labor hours. Dupriest Construction continues to work on the Group II ISMs and has set the new wetwell for Pump Station 8. This project will eliminate eight existing pump stations. BRW has started on the pump station rehabs, and Potter Construction has started on the asbestos line replacement. Reynolds Inliner will start the lining of the gravity sewer shortly. *The Memorandum from Charles Sexton dated May 13, 2011 CIP & Developer Update is attached to these minutes and is made a part hereof.*

Finance

Sarah Linkimer gave a power point presentation on the proposed Operating Budget for FY 2012, highlighting revenue forecasts, operating expenses and debt service. She reported that the public hearing will be held on June 14th at 5:00, and has been properly noticed. After the presentation, Michael Bell expressed a concern about how to advise the public of the proposed sewer cap rate increase. He suggested a companion piece to the newsletter or a notice on the customer bills. Dean Moss indicated that they could use both methods. Dean Moss commended Sarah Linkimer on her efforts during the budget process. *A copy of the power point presentation for the Fiscal Year 2012 Operating Budget is attached to these minutes and made a part hereof.*

Personnel

Committee Chairman Michael Bell reported that the Personnel Committee met with staff on May 17 and received the following updates:

- **Hiring and Recruiting Status.** Two Field Operator I positions should be filled by early June; the Customer Service Representative position was filled on May 16th; the Planning position job description is under review and recruiting will begin in June or July; the internal recruitment is underway for the Revenue and Billing Manager position in Customer Service. The Committee also received an update of the General Manager recruitment process.
- **General Manager Performance Evaluation.** The timelines for the FY12 Performance Measures document and the Discussion of Contribution was provided. Key dates are June 28th and July 28th.
- **Affirmative Action.** Acquisition of new Affirmative Action software will allow compliance with an FY12 federal requirement. The committee asked for a demonstration once it was implemented. A proposed change from the Federal Government will require monitoring of military veterans as is currently done for women and minorities.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

Capital Improvement Program.

1. FY 2009-2011 CIP Modifications – MILCON Projects.

- **CIP #22121, MCRD Building 283 Fire Line in the amount of \$8,500.00.** This project involves installation of a 6” fire line to provide a fire suppression water service to Building 283, the MCRD Visitors Center.
- **CIP #22122 MCRD Water and Sewer Modifications for Child Development Center Solar Array in the amount of \$53,598.00.** This project involves relocation of water and gravity sewer systems around a parking structure with a rooftop solar array that was added to the CDC construction.
- **CIP #22129 MCRD Building 330 Fire Line in the amount of \$8,367.00.** This project involves installation of a 6” fire line to provide a fire suppression water service to Building 330, H&S Battalion Barracks.
- **CIP #22130 MCRD 3rd Battalion Hydrant and Waterline Replacement in the amount of \$7,807.00.** This project involves removal of an existing hydrant that is in the path of the new fitness track directly east of the new 3rd Battalion complex. Also, approximately 300 FT of 6” waterline under the track will be disconnected, abandoned, and replaced with 300 FT of 2” waterline, and reconnected to the water service supplying BJWSA pump station P108.

Motion: Moved by committee member Skeet Von Harten that CIP #22121, #22122, #22129, and #22130 be approved as presented and referenced in the Memorandum to Ed Saxon, from Charles Sexton dated May 12, 2011.

Motion passed unanimously. *A copy of the referenced Memorandum dated May 12, 2011 is attached to these minutes and is made a part hereof.*

Resolutions

1. Resolution Approving the FY12-FY14 Capital Improvement Plan. (Postponed)

Motion: Moved by David Lott, seconded by Donna Altman, to postpone, until the next meeting, the adoption of the Resolution Approving the FY 2012, 2013, and 2014 Capital Improvement Plan to allow members to further review the Plan and also to amend the resolution to include a total dollar amount.

Motion passed unanimously.

2. Resolution Authorizing the Application to State Revolving Fund in the amount of \$4,000,000.00 to Defray the Costs of Rehabilitating the Cherry Hill, Charles Street, Lauren Street and Duke Street Sewer Systems. This Resolution authorizes the General Manager, and the Chairman of the Board to execute and submit an application to the State Authority for a loan from the Fund in the amount of approximately \$4,000,000 to defray the costs of rehabilitating the Cherry Hill, Charles Street, Lauren Street and Duke Street sewer systems.

Motion: Moved by David Lott, seconded by Michael Bell, to approve the Resolution authorizing the application to SRF in the amount of \$4,000,000.00 to defray the costs of rehabilitating the Cherry Hill, Charles Street, Lauren Street and Duke Street Sewer Systems as presented.

Motion passed unanimously.

3. Resolution Authorizing the Application to State Revolving in the amount of \$300,000.00 to defray the costs of taking over the Tansi Village Sewer Systems. This Resolution authorizes the General Manager, and the Chairman of the Board to execute and submit an application to the State Authority for a loan from the Fund in the amount of approximately \$300,000 at 1% interest to defray the costs of taking over the Tansi Village Sewer System.

Motion: Moved by Skeet Von Harten, seconded by Lorraine Bond, to approve the Resolution authorizing the application to SRF in the amount of \$300,000.00 to defray the costs of acquiring the Tansi Village Sewer System as presented.

Motion passed unanimously.

Appointment of Nominating Committee.

Chair, Brandy Gray, stated that the standard practice has been to appoint the Personnel Committee to serve as the Nominating Committee and therefore, appointed *Michael Bell, as Chair, David Lott and Bill Singleton* to serve as the Nominating Committee and to bring a recommendation to the Members of a slate of names to be officers of the Authority for the next fiscal year.

PUBLIC COMMENT

No comments were noted.

EXECUTIVE SESSION (9:50)

Motion: Moved by Charlie White, seconded by David Lott, to move into Executive Session for the purpose of discussing personnel matters related to the transition process of the General Manager.

Motion passed unanimously.

RECONVENE

Motion: Moved by Donna Altman, seconded by Dr. Bill Singleton, to return to regular session.

Motion passed unanimously.

ACTION TAKEN

There was no action taken.

TELEPHONIC STATEMENT

Chair Brandy Gray, made the following statement: *“I, Brandy Gray, the Presiding Officer of this Meeting have previously stated that **Gen. Pat O’Neal** 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 II of the Bylaws.”*

ADJOURNMENT

The meeting was adjourned at 10:45a.m.

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Attachments: Safety Report dated April 2011, CIP and Developer Update Memo dated May 13, 2011, Financial Report dated April 30, 2011, CIP Modification dated May 12, 2011.