



**Laurens County Water and Sewer Commission**

**Board of Commissioners Meeting**

**January 26, 2016**

**8:15am**

**Minutes**

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**COMMISSIONERS PRESENT:** Ted Davenport, Chairman (Municipal), Wofford Woods (I), Philip O'Dell (II), Jurell Byrd (III), Bill Teague, Treasurer (IV), Susan Curry (V), John McMurray (VI) and E.L. Mason, Secretary (VII)

**STAFF:** Jeff Field, Executive Director  
Kevin Anderson, Director of Operations and Engineering  
Debbie Price, Executive Administrative Assistant  
Angie Nelson, Director of Administration and Customer Service  
Heather Owens, Director of Finance and Human Resources

**ATTORNEY:** Allen M. Wham

**PRESS:** Clinton Chronicle, Laurens Advertiser

**GUESTS:** Rob Weisner and Bland Roper

**Call to Order**

**Invocation**

**Approval of November 24, 2015 Minutes**

**Chairman Remarks**

**Executive Director Remarks**

**LCWSC Monthly Financial Summary**

**LCWSC Monthly Operations Summary**

### **New Business**

1. FY 15 Audit

### **Old Business**

1. Update on New Billing Software

### **Other Business**

1. Residential Affordability Indicator

### **Executive Session**

1. Follow-up discussion of negotiations related to a proposed contractual agreement associated with the withdrawal of water from Lake Greenwood

### **Adjourn**

### **CALL TO ORDER**

Chairman Davenport called the meeting to order at 8:20am in the Board Room of the Laurens County Water and Sewer Commission.

Invocation was given by Commissioner McMurray.

### **APPROVAL OF MINUTES**

Chairman Davenport asked if there were any additions or corrections to the November 24, 2015 minutes, as submitted to the Commissioners.

Commissioner Mason MOVED *that the minutes be accepted as submitted*. MOTION SECONDED by Commissioner Byrd. MOTION CARRIED. AYES, 7; NAYS, 0

### **CHAIRMAN REMARKS**

Chairman Davenport welcomed Rob Weisner and Bland Roper to the meeting to discuss the FY15 Audit; he also welcomed the press, Vic MacDonald and Cory Engle. Congratulations to Vic MacDonald on his promotion to Editor for the Clinton Chronicle.

### **EXECUTIVE DIRECTOR REMARKS**

Mr. Field congratulated Allen Wham on the birth of his third child and also Kevin and Devynne Anderson, who are expecting their second child in July.

Information for filing the 2016 Statement of Economic Interests (SEI) report is included in the packet. All elected, appointed and government officials are required to file the report by March 30, 2016. Failure to do so will result in a minimum late filing penalty of \$100.00.

### **LCWSC MONTHLY FINANCIAL SUMMARY**

Mr. Field presented the monthly financial summary to the Commissioners. A copy of this summary can be found in the Commissioner Board packet. As of December 31, 2015 LCWSC currently had a total of \$4,084,406 in cash and cash reserves as compared to \$3,625,003 this time in FY15. The difference is partially due to our capital rate increase and more revenue in both the sewer treatment and sewer collection systems, and fewer capital expenses in December FY16 than in FY15. In addition, there was one less cycle billed in December FY15 as compared to December FY16. There were only three cycles billed in September FY15 as compared to the normal four cycles. This cycle will be billed at the end of the fiscal year.

### **LCWSC MONTHLY OPERATIONS SUMMARY**

The monthly operations summary was presented to the Commissioners. A copy of this summary can be found in the Commissioner Board packet.

There were 80 new services installed as of December 31st, with 4 new services in the month of December and 26 new services in the month of November. There were 10 active service line leaks and 4 active main line leaks.

### **NEW BUSINESS**

#### **1. FY 15 Audit**

Mr. Field discussed the FY15 audit. The overall audit is good and, with the exception of wastewater treatment, we saw improvements in all departments.

Mr. Field stated that LCWSC must also now report our pension liability. The state has an overall gap or liability in the state retirement system and we are required to report our percentage of that gap. It is not an actual cash expense.

The revenue bond debt coverage was also discussed; this is actually a percentage of our excess operating revenue compared to our debt. As of June 2015, Rabon Creek Rural Water Distribution System and the Lake Rabon Water Supply System were in compliance with debt service ratio requirements. The Clinton/Joanna Wastewater Treatment Plant was not in compliance with debt service ratio requirements. The two lending agencies are very comfortable with where we are as revenue for the current fiscal year has improved and is projected to finish above last fiscal year.

Mr. Field turned the discussion over to Rob Weisner, Accountant with Bland Roper, CPA. Mr. Weisner discussed the audit in more detail and reported no significant

deficiencies or material weaknesses in internal control during the audit of the financial statements of LCWSC. There were no instances of noncompliance to the financial statements and no deficiencies of compliance for each major federal award program for LCWSC.

Commissioner O'Dell MOVED *to accept the FY15 Audit as submitted*. MOTION SECONDED by Commissioner Byrd. MOTION CARRIED. AYES, 7; NAYS, 0

## **OLD BUSINESS**

### **1. Update on New Billing Software**

Ms. Nelson provided an update on the new billing system. In preparation for the new billing/payment system, LCWSC implemented a Customer Awareness Campaign that utilized banners and the electronic sign, a note on the billing, and a press release.

Ms. Nelson reported that we did encounter problems with the telephone and internet infrastructure being able to accommodate the demands.

There were gains in efficiency with customer service move in/move out, billing time, meter reading/re-reads, and shut offs. The move in/move out process total time with QS1/Cityworks is 20 - 25 minutes and the move in/move out process total time with True point is 4 - 5 minutes.

The billing time process, which includes meter reading completion and bills checked, final bills entered and sent to printer, now takes 1.5 - 2 hours; the process took 8 - 10 hours in the past.

We also now have auto creation of work orders for meters that did not read, usage comparison, and better customer service.

The new system also offers auto creation of shutoff and unlock of work orders in Cityworks. The shut off process will stop if payment arrangements are in place. We did not have these options with QS1. Cityworks gives a visual map of the shut offs.

With the new system, rules are set up to enter customers into collections. LCWSC controls the rules, which moves the customer step by step to the collection process. We see the trends as the customer transitions.

Ms. Nelson also discussed the IVR system. Customers now have the ability to do more than make a payment. They can get information about their account, i.e. how much is due, last payment, etc.

We are using web services to write between our billing system and work order system. This process has peaked a lot of interest and Cityworks would like to write an article for the Cityworks magazine to feature what LCWSC has done.



## **OTHER**

### **1. Residential Affordability Indicator**

Mr. Field discussed the residential affordability indicator; this is an indicator of whether our rates are affordable based on the income level of our customers. The recommendation for water is >2.5% and sewer >2%. We are well below the 2.5% threshold for water even when including our capital rate increase for our new Greenwood water treatment facility. We are below the 2% threshold for sewer, but have little room for the future rate increase if we are going to use this indicator as part of our rate decision process.

## **EXECUTIVE SESSION**

### **1. Follow-up discussion of negotiations related to a proposed contractual agreement associated with the withdrawal of water from Lake Greenwood**

Commissioner McMurray MOVED that the *Board of Commissioners go into Executive Session at 10:25 am* to discuss a contractual matter. MOTION SECONDED by Commissioner Curry. MOTION CARRIED. AYES, 7; NAYS, 0

Commissioner Byrd MOVED that the *Board of Commissioners come out of Executive Session at 10:55am.* MOTION SECONDED by Commissioner Woods. MOTION CARRIED. AYES, 7; NAYS, 0


Informational discussion; no vote taken.

## **Adjourn**

Commissioner Curry MOVED that the *Board of Commissioners meeting be adjourned.* MOTION SECONDED by Commissioner Byrd. MOTION CARRIED. AYES, 7; NAYS, 0

There being no further business the Commission adjourned at 10:55am.

I certify that the above Minutes accurately reflect the business conducted at the Commission meeting on January 26, 2016 and that the minutes were approved at the meeting held February 23, 2016.



E. L. Mason, Secretary