



**Laurens County Water and Sewer Commission**

**Board of Commissioners Meeting**

**June 28, 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  
Wendy Workman, Director of Finance

**ATTORNEY:** Allen M. Wham

**PRESS:** None

**Call to Order**

**Invocation**

**Approval of May 24, 2016 Minutes**

**Chairman Remarks**

**Executive Director Remarks**

**LCWSC Monthly Financial Summary**

**LCWSC Monthly Operations Summary**

## **New Business**

1. Public Hearing for Proposed FY 2017 Budget
2. Approval of Proposed FY 2017 Budget
3. Approval of Proposed Sewer Rate Plan

## **Executive Session**

*Upon returning to open session, the Commission may take whatever action deemed appropriate on matters discussed in executive session.*

1. Discussion concerning contractual agreement with Greenwood County associated with the withdrawal of water from Lake Greenwood.
2. Discussion concerning contractual agreement with Town of Gray Court for the Sale and Purchase of Water.
3. Discussion concerning contractual agreement with Mogul Industries associated with proposed sewer system improvements to serve their facility.

## **Other Business**

## **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 Woods.

## **APPROVAL OF MINUTES**

Chairman Davenport asked if there were any additions or corrections to the May 24, 2016 minutes, as submitted to the Commissioners.

Commissioner Byrd MOVED *that the minutes be accepted as submitted.*

MOTION SECONDED by Commissioner Curry. MOTION CARRIED. AYES, 7; NAYS, 0

## **CHAIRMAN REMARKS**

Chairman Davenport expressed appreciation to Mr. Field and the staff for their hard work on preparing the FY17 budget.

## **EXECUTIVE REMARKS**

Mr. Field congratulated Ms. Nelson on the recent publication of her article in the latest quarterly edition of *Cityworks in Print*.

## **LCWSC MONTHLY FINANCIAL SUMMARY**

The monthly financial summary was presented to the Commissioners. A copy of the summary can be found in the Commissioner Board Packet.

As of May 31, 2016 LCWSC currently had a total of \$4,463,888 in cash and cash reserves as compared to \$3,607,310 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, as well as fewer capital expenses in FY16 than in FY15.

## **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.

Mr. Field discussed the work order summary. There were 135 new services installed as of May 31<sup>st</sup> with 11 new services in May; 15 active service line leaks and 4 active main line leaks.

## **NEW BUSINESS**

### **1. Public Hearing for Proposed FY 2017 Budget**

The public hearing for the adoption of the FY 2017 budget was opened for comment. Hearing no one, the public hearing was closed.

### **2. Approval of Proposed FY 2017 Budget**

Mr. Field discussed highlights of the following budgets: Admin, Operating, Collection, Lake Rabon, and Water Distribution.

The budget was approved by the Budget Committee, comprised of Ted Davenport, Susan Curry and John McMurray, on May 25, 2016.

Budget Summary:

- Total Budget is \$11,306,170
  - Capital Expenses Increased \$530,151 or 13.4%
  - Operating Expenses Increased \$445,492 or 6.98%
- Water Plant Reserve Fund (Capital Expense)
  - Increased \$440,847 to align with revised project budget
  - **Represents 45% of total budget increase**

- Lake Rabon Dam Rehabilitation (Capital Expense)
  - One-time \$127,000 expense for precautionary measure to repair improper expansion joints associated with original dam construction
  - Issues were identified from Engineering evaluation performed at the request of SCDHEC
- Water purchase increased 5.16% due to growth and 5% increase from City of Clinton
- Payroll increased 9.2% due to two (2) additional employees, restructuring of Finance Department, changes in salary range for various positions and merit increases averaging 3.8%.
- O&M Expenses increased 7.1% due to general increase in several line items
- Third year of approved 5-year capital rate plan
  - Eliminates minimum usage of 500 gallons from base fee
  - Represents a \$2.52 increase to average monthly water bill
  - Generates \$416,200 to be reserved for future water treatment facility expenses
- First year of a proposed 4-year Sewer Treatment rate plan
  - Proposed 4% volume rate increase
  - Represents a \$0.57 increase to average monthly sewer bill
- First year of a proposed 4-year Sewer Collection rate plan
  - Proposed 3% volume rate increase
  - Proposed \$0.50 increase in Base Fee
  - Represents a \$0.91 increase to average monthly sewer bill
- Sewer increases are required to eliminate the need to use limited reserve funds for routine rehabilitation projects needed to maintain compliance with State and Federal Regulations

Commissioner Byrd MOVED *that the Proposed FY 2017 Budget is approved.*

MOTION SECONDED by Commissioner Curry.

MOTION CARRIED. AYES, 7; NAYS, 0

### **3. Approval of Proposed Sewer Rate Plan**

Mr. Field discussed the proposed sewer rate plan.

Laurens County Water & Sewer Commission (LCWSC) is proposing a 4-year Sewer Capital Rehabilitation Rate Plan. In order to ensure that a sustainable sewer system is available for future generations, this plan will eliminate the need to use limited reserve funds for capital rehabilitation projects as required to maintain compliance with state and federal regulations.



- **Phase I** (July 1, 2016): Sewer Collection increase monthly base fee \$0.50, and 3% increase in volume fees. Sewer Treatment 4% increase in volume fees.
- **Phase II** (July 1, 2017): Sewer Collection increase monthly base fee \$0.50, and 3% increase in volume fees. Sewer Treatment 3% increase in volume fees.
- **Phase III** (July 1, 2018): Sewer Collection 3% increase in volume fees. Sewer Treatment 3% increase in volume fees.
- **Phase IV** (July 1, 2019): Sewer Collection 3% increase in volume fees. Sewer Treatment 3% increase in volume fees.

The projected total increase after 4 years is \$4.69 per month, or an average increase of 3.1% over 4 years. This is a very modest rate increase to ensure the sustainability of a sewer system that will be invaluable to future generations of Laurens County.

Commissioner McMurray MOVED *that the Proposed Sewer Rate Plan is approved.*  
MOTION SECONDED by Commissioner Curry. MOTION CARRIED. AYES, 7; NAYS, 0

### **Executive Session**

*Upon returning to open session, the Commission may take whatever action deemed appropriate on matters discussed in executive session.*

1. **Discussion concerning contractual agreement with Greenwood County associated with the withdrawal of water from Lake Greenwood.**
2. **Discussion concerning contractual agreement with Town of Gray Court for the Sale and Purchase of Water.**
3. **Discussion concerning contractual agreement with Mogul Industries associated with proposed sewer system improvements to serve their facility.**

Commissioner O'Dell MOVED that the *Board of Commissioners go into Executive Session at 10:48am* to discuss a contractual/legal matter. MOTION SECONDED by Commissioner Mason. MOTION CARRIED. AYES, 7; NAYS, 0

Commissioner McMurray MOVED that the *Board of Commissioners come out of Executive Session at 11:29am.* MOTION SECONDED by Commissioner O'Dell. MOTION CARRIED. AYES, 7; NAYS, 0

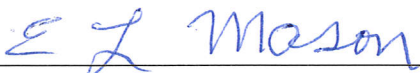
Commissioner O'Dell MOVED *to authorize the Chairman and the Executive Director to take necessary action related to the contractual agreement with Mogul Industries as required to fund, at no cost to LCWSC, proposed sewer system improvements to serve their facility.*  
MOTION SECONDED by Commissioner Woods. MOTION CARRIED. AYES, 7; NAYS, 0

**ADJOURN**

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

There being no further business the Commission adjourned at 11:31am.

I certify that the above Minutes accurately reflect the business conducted at the Commission meeting on June 28, 2016 and that the minutes were approved at the meeting held July 26, 2016.

  
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E. L. Mason, Secretary