



## **LAURENS COUNTY WATER AND SEWER COMMISSION**

### **Board of Commissioners Meeting**

**8:15 a.m.**

**Minutes**

**Called Meeting**

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**COMMISSIONERS PRESENT:** Sam Peden (I), Philip O'Dell (II), Jurell Byrd, Secretary (III), Bill Teague, Vice Chairman (IV), Susan Curry, Treasurer (V), John McMurray, (VI) and Ted Davenport, Chairman (VII)

**COMMISSIONERS ABSENT:** Doug Hendrick (Municipal),

**STAFF:** Jeff Field, Executive Director  
Steve Griffin, Construction Manager  
Damas Mattison, Regulatory Compliance and Operations Manager  
Wendy Medlock, Director of Finance  
Angie Nelson, Director of Administration and Customer Service  
Debbie Price, Executive Assistant  
KC Price, Engineering Manager

**ATTORNEY:** Allen M. Wham

**PRESS:** Clinton Chronicle

**Call to Order**

**Invocation**

**New Business**

1. United States Department of Agriculture (USDA) Letter of Conditions, Additional Funding for Lake Greenwood Water Treatment Plant (WTP) – Debra Green, USDA Rural Development

**Adjourn**

## **CALL TO ORDER**

Chairman Davenport called the meeting to order at 8:23 am in the board room of Laurens County Water and Sewer Commission.

Invocation was given by Commissioner Byrd.

## **NEW BUSINESS**

### **1. United States Department of Agriculture (USDA) Letter of Conditions (LOC), Additional Funding for Lake Greenwood WTP – Debra Green, USDA Rural Development**

Chairman Davenport opened discussion of the proposed Lake Greenwood WTP additional funding.

Mr. Field stated a request was made February 25, 2019, for additional funds to cover the cost overrun in connection with the Lake Greenwood WTP. The LOC originally dated September 6, 2016 is amended with the necessary revisions. Ms. Green stated that project numbers, funds, security and loan repayment have been updated from the original LOC.

The interest rate will be the lower of the rate in effect at the time of loan approval (3.125%) or the time of loan closing. The revised docket is completed on the basis of an additional RUS loan in the amount of \$1,756,000 and a grant in the amount of \$3,828,670, total not to exceed \$5,584,670. This amount will be added to the original loan of \$34,810,000 and original grant of \$1,184,400 and a prior cost overrun loan in the amount of \$6,041,930.

The Board of Commissioners must adopt and execute RUS Bulletin 1780-27, "Loan Resolution", along with Operating Budget (revised), Equal Opportunity Agreement, Assurance Agreement, and Request for Obligation of Funds. All documents will be executed by the Chairman and attested by the Secretary/Treasurer.

The changes to the LOC that was initially issued on September 6, 2016 are:

- Project Budget
  - Total project cost is \$49,641,000
- Project Funds (loan and grants)
  - Total loan and grants are \$49,641,000
- Security (revenue bonds)
  - This loan will be evidenced by a Water System Improvement Bond secured by a pledge of revenue and statutory lien on the water system. The pledge of water revenue and the statutory lien on the water system will be parity with the previous loans.

- Loan Repayment
  - Ms. Green stated the loans will be scheduled for repayment via monthly installments over a period of 40 years.
- Reserves
  - Debt Service Reserve – as part of the RD loan proposal, LCWSC must establish and fund monthly a debt service reserve fund equal to 10% of the monthly payment each month over the life of the loan until they accumulate one annual installment. This reserve is required to establish an emergency fund for maintenance and repairs and debt repayment should the need arise.
  - Short-Lived Asset Reserve – In addition to the debt service reserve fund, LCWSC must establish a short-lived asset reserve fund to pay for repairs and/or replacement of major system assets.

Mr. Field stated the Commission must approve a Bond Resolution for the Bond Anticipation Note (BAN) at August's Commission meeting. Our plan is to borrow project funds (interim financing) over 30 months, which includes additional months, to allow us the ability to close and pay the loan off early. We must finalize the contract with Harper Construction and bid the distribution line work by the end of this month. If so, we are in good shape from a scheduling standpoint and looking forward to the groundbreaking hopefully in October.

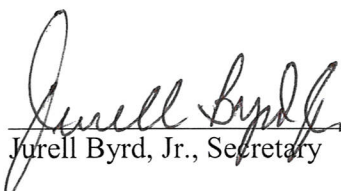
Commissioner Byrd **MOVED to approve the USDA Rural Development Letter of Conditions Associated with Additional Funding for the Lake Greenwood Water Treatment Facility as submitted, which includes: Form RD 400-1 – Equal Opportunity Agreement, Form RD 400-4 – Assurance Agreement, Form AD 1047 – Certification Regarding Debarment, Suspension, and other Responsibility Matters, Form AD 1049 – Certification Regarding Drug-Free Workplace Requirements, Form RD 1910-11 – Applicant Certification, Federal Collection Policies, RD Instruction 1940-Q, Exhibit A-1, Certification for Contracts, Grants, and Loans, RUS Bulletin 1780-27 – Loan Resolution (Public Bodies), and Form RD 1940-1 – Request for Obligation of Funds.** MOTION SECONDED by Commissioner Peden. MOTION CARRIED. AYES, 6; NAYS, 0

## Adjourn

Commissioner Curry **MOVED that the Board of Commissioners meeting be adjourned.** MOTION SECONDED by O'Dell. MOTION CARRIED. AYES, 6; NAYS, 0

There being no further business the Commission adjourned at 8:50am.

I certify that the above Minutes accurately reflect the business conducted at the Commission meeting on August 6, 2019 and that the minutes were approved at the meeting held August 27, 2019.

  
 Jurell Byrd, Jr., Secretary