



Laurens County Water and Sewer Commission

**Board of Commissioners Meeting
June 23, 2020**

Minutes

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), Doug Hendrick (Municipal)

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

ATTORNEY: Allen M. Wham

PRESS: Clinton Chronicle

Call to Order

Invocation

Approval of May 26, 2020 Minutes

Chairman Remarks

Executive Director Remarks

LCWSC Monthly Financial Summary

LCWSC Monthly Operations Summary

New Business

1. Public Hearing for Proposed FY 2021 Budget
2. Approval of Proposed FY 2021 Budget
3. Approval of Proposed Water Distribution Monthly Base Rate Increase

Old Business

1. Lake Greenwood Water Treatment Plant (WTP) Update

Executive Session

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

Other Business

Adjourn

CALL TO ORDER

Chairman Davenport called the meeting to order at 8:17am in the Training Rooms 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 May 26, 2020 minutes, as submitted to the Commissioners.

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

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

CHAIRMAN REMARKS

Chairman Davenport welcomed the Commissioners and the press to the meeting.

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, 2020, LCWSC had a total of \$7,207,556 in cash for operating and reserve funds as compared to \$5,387,100 this time in FY19.

Mr. Field discussed highlights for Water Distribution, Wastewater, Lake Rabon, and Town of Gray Court (6 months of data). LCWSC has spent a total of \$168,984 on meter replacement for the Town of Gray Court.

He also provided the percentage breakdown for operating revenue, operating expenses, capital revenue and capital expenses by department.

LCWSC MONTHLY OPERATIONS SUMMARY

Mr. Field reported 193 new services installed as of May 31st, with a total of 16 new services in the month of May.

There were 5 active service line leaks and 3 active main line leaks.

Mr. Mattison discussed water purchased and water loss for the system, which includes the percent unaccounted for and the percent audited. For the month of April, the total water loss was 27.8% of which 21.0% was unaccounted for through background leaks in the system. The rolling 12-month average for unaccounted water loss is 15.1%. The target is 18.00%.

Line extensions, including completed and in progress, were also discussed.

Ms. Nelson discussed delinquent customer accounts and stated that delinquent account cut-offs will restart on July 8th. Letters were sent to customers letting them know that we will cut-off delinquent accounts in July; the letters clearly state to call our office to make payment arrangements if you have been affected by Covid-19. She also stated that LCWSC partners with the Laurens Baptist Crisis Association to help people pay their bills. The LCWSC Coins That Care program gives customers the option of rounding their bill up to the nearest dollar to help other customers in need. This funding is provided to the Laurens Baptist Crisis Association for distribution.

NEW BUSINESS

1. Public Hearing for Proposed FY 2021 Budget

The public hearing for the adoption of the FY 2021 budget was opened for comment. Hearing no one, the public hearing was closed.

2. Approval of Proposed FY 2021 Budget

Mrs. Medlock discussed highlights of the following budgets: Administration, Sewer Treatment, Sewer Collection, Lake Rabon, and Water Distribution.

The following budget was approved by the Budget Committee, comprised of Ted Davenport, Susan Curry, and John McMurray, on May 21, 2020.

Budget Summary:

- Total Budget is \$12,946,405
 - Operating Income increased \$319,626 or 2.69%
 - Operating Expenses increased \$306,242 or 3.83%
 - Capital Income and Expenses increased \$93,913 or 2.07%
 - Capital Reserve Fund Usage increased \$52,817 or 34.38%
- Administration Fee Allocation Change:
 - Decreased Lake Rabon Administration Fee from 10% to 7.5%
 - Increased Water Distribution Administration Fee from 60% to 62.5%
- Payroll and Benefits increased \$144,332 or 4.62% due to the following:
 - 6.73% increase for the State Health Insurance Plan starting in January 2021,
 - Includes six-month salary and benefits for one additional employee in Water Distribution (Chief Water Plant Operator), and
 - Various merit increases for employees.
- Water Purchase increased \$91,305
 - City of Clinton increased by \$127,209 due to increased usage and a 12% rate increase
 - City of Laurens decreased by (\$61,200) due to decreased usage
 - Greenville increased by \$32,600 due to increased usage
 - Raw Water Lake Rabon decreased by (\$7,304) due to decreased usage
- Overall, Debt Service decreased (\$65,793) or 4.5% due to a decrease in debt service payments for 2016 Bonds and 2017 Bonds
- Water Plant Reserve Fund remained at \$1,200,000
 - Represents 25.86% of the Capital Expense Budget

Commissioner O'Dell MOVED *that the Proposed FY 2021 Budget is approved.*

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

3. Approval of Proposed Water Distribution Monthly Base Rate Increase

Ms. Nelson discussed the meter replacement fund and proposed rate increase. She stated that 8000 meters replaced in 2009 are starting to fail at the same time, making it difficult to get a drive-by reading.

LCWSC has developed a plan for continuous changeout, without the need to borrow funds, and keeping current staffing to a minimum. We will focus on replacing 6000 of the 2009 meters in the first three years.

Ms. Nelson discussed the advantages of the Ultrasonic Badger E-Series Metering System:

- No moving parts to wear down over time
- Extended low flow measured down to 0.05 GPM
- Normal low flow measurement down to 0.1 of a gallon as compared to 0.25 of a gallon on the positive displacement meter
 - Low flow household fixtures can be measured with more accuracy
 - Small particles are no longer a problem
 - Accuracy warranty for 20 years

Automatic meter reading (AMR) and advanced metering infrastructure (AMI) was discussed:

- AMR receives meter reads by drive by
- AMI allows system to receive meter reads from the office with no drive-by required
- AMI systems need antennas mounted throughout the system
- AMI is difficult and costly for our system because the 6000 that need to be changed are spread throughout the county.

Ms. Nelson stated that test meters were installed in 10 different locations during the summer of 2019. The meters were checked for accuracy and of all readings collected, 5 locations clearly showed the E-Series had more accuracy than the other manufacturers.

370 E-Series meters with cell antenna were installed in the Town of Gray Court. The results have been positive and, using the cell antenna for this project allowed LCWSC to absorb reading for the Town of Gray Court at minimum manpower. We will continue to use this as a test case for the future of meter reading and billing. Data received will help with district metering areas (DMA) for the entire system.

Mr. Field added that we compared three meters and the Badger Meter performed the best. Increasing the minimum rate by \$1.00 per month will allow meter changeout now.

Water Tier1 and Tier 2 monthly base rate increase to fund and save for future water meter replacements, reducing the need to borrow money for future meter change outs, is as follows:

- \$1 increase in water tier 1 and tier 2 monthly base rate; representing a 2.5% increase on an average 4,000-gallon bill
- Phased increase due to COVID-19
- Initial \$0.50 effective July 1, 2020
- Additional \$0.50 effective January 1, 2021

Commissioner Peden moved ***that the Proposed Water Distribution Monthly Base Rate Increase is approved.*** MOTION SECONDED by Commissioner McMurray.
MOTION CARRIED. AYES, 7; NAYS, 0

OLD BUSINESS

1. Lake Greenwood Water Treatment Plant (WTP) Update

Mr. Price provided an update on the Lake Greenwood WTP which included a breakdown of the projects, including description, change orders, paid to date, and expected days to substantial completion.

He stated that Highway 72 is estimated to be done in August. Highway 221 and Joanna Waterline are also moving along quickly. Harper Construction expects the metal building for intake structure to be up by October.

EXECUTIVE SESSION

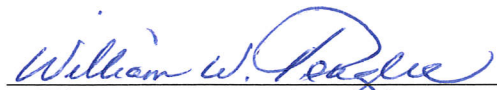
Upon returning to open session, the Commission may take whatever action deemed appropriate on matters discussed in executive session.

ADJOURN

Commissioner Hendrick 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 11.04am.

I certify that the above Minutes accurately reflect the business conducted at the Commission meeting on June 23, 2020 and that the minutes were approved at the meeting held July 28, 2020.



William W. Teague, Vice-Chairman