



**Laurens County Water and Sewer Commission**

**Board of Commissioners Meeting  
December 14, 2021**

**Minutes**

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

**COMMISSIONERS ABSENT:** None

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

**ATTORNEY:** Allen M. Wham

**PRESS:** Clinton Chronicle

**GUESTS:** Gary Bailey, Love Bailey & Associates CPA

**Call to Order**

**Invocation**

**Approval of November 23, 2021, Minutes**

**Chairman Remarks**

**Executive Director Remarks**

**LCWSC Monthly Financial Summary**

**LCWSC Monthly Operations Summary**

### **New Business**

1. Public Hearing for Proposed Capacity Fees
2. Approval of Proposed Capacity Fees
3. FY2021 Audit

### **Old Business**

1. Lake Greenwood Water Treatment Facility 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 8:21 am in the Training Rooms of the Laurens County Water and Sewer Commission.

Invocation given by Commissioner McMurray.

### **APPROVAL OF MINUTES**

Chairman Davenport asked if there were any additions or corrections to the November 23, 2021, minutes, as submitted to the Commissioners.

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

### **CHAIRMAN REMARKS**

Chairman Davenport welcomed the Commissioners and staff to the meeting. He also welcomed the Press in attendance, Clinton Chronicle and Gary Bailey of Love Bailey & Associates, CPA. Chairman Davenport thanked Mr. Price for conducting the tour of the Lake Greenwood Water Treatment Facility on December 3, 2021, for the available Commissioners.

### **EXECUTIVE DIRECTOR REMARKS**

Mr. Field also welcomed everyone in attendance.

### **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 November 30, 2021, LCWSC had a total of \$8,572,796 in cash for operating and reserve funds as compared to \$8,112,512 at this time in FY21. As of November 30, 2021, LCWSC is awaiting an EDA reimbursement totaling \$321,752 the reimbursement will remain outstanding until the Milam Road project is complete. In addition, LCWSC is awaiting a Capital Project Sales Tax reimbursement of \$4,000 due from the county of Laurens. With all outstanding reimbursements, the total cash balance would be \$8,898,548.

Mr. Field discussed the highlights for Water Distribution, Wastewater, Lake Rabon, and the Town of Gray Court. He also provided the percentage breakdown for operating revenue, operating expenses, capital revenue, and capital expenses by department as well as the overall combined percentage for each.

Mr. Field noted that LCWSC has received \$2,139,350 in contributed capital grants and \$41,975 for customer/developer paid line extensions for FY22.

### **LCWSC MONTHLY OPERATIONS SUMMARY**

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

Mr. Field stated that the gallons per day per active residential tap for the month of November was 127. The target is 134 gallons per day. Mr. Field shared the precipitation graph noting that the November precipitation was 0.79 inches, which is 4.31 inches below that of November FY21. The precipitation data is a county average derived from rain gauges at Lake Rabon, Bush River Wastewater Treatment Plant, Bethany Tank, and the Clinton Pump Station.

Mr. Field reviewed the work order summary for the current month reporting that forty-one new taps were installed in the month of November 2021. He also presented a map of the distribution of new taps installed in FY22.

Mr. Mattison discussed water purchased and the water audit. The audit compares the water purchased to the water sold, water audited, and water unaccounted. The formula used is a rolling 12-month average for unaccounted water loss; the current month data is added as the one-year-old data is removed. For the month of November 2021, the unaccounted total is 15,730,724 gallons. The unaccounted target each month is less than 19,500,000 gallons.

In November 2021, there were twelve main line leak work orders closed; eleven were repaired within two weeks, zero were repaired within two to four weeks, and one was repaired later than four weeks. There were fifteen lateral line leak work orders closed; five were repaired within two weeks, six were repaired within two to four weeks, and four were repaired later than four weeks.

For the month of November 2021, there were six active service line leaks over two weeks old. Also, there were four active main line leaks, three over two weeks old and one under two weeks old.

Mr. Griffin gave the update for line extensions, including completed and in progress. The Clyde Road line extension is current and progressing. The upcoming line extensions will occur at Whelon Road.

## **NEW BUSINESS**

### **1. Public Hearing for Proposed Capacity Fees**

Commissioner McMurray MOVED *that the Public Hearing for Proposed Capacity Fees be opened*. MOTION SECONDED by Commissioner Young. MOTION CARRIED. AYES, 7; NAYS, 0

The public hearing for the proposed capacity fees was opened for comment. Hearing from no one the public hearing was closed.

Commissioner O'Dell MOVED *that the Public Hearing for Proposed Capacity Fees be closed*. MOTION SECONDED by Commissioner Curry. MOTION CARRIED. AYES, 7; NAYS, 0

### **2. Approval of Proposed Capacity Fees**

The capacity fee schedule discussed in detail at the November 23, 2021, meeting will become effective January 1, 2022. The updated fees are listed below.

#### Water Capacity Fees

Distribution     \$800

Treatment       \$600

#### Wastewater Capacity Fees

Collection       \$500

Treatment       \$1,000

New LCWSC customers not connected to public wastewater system will only be assessed the water treatment and water distribution capacity fee.

New LCWSC wastewater customers not served by the Clinton-Joanna WWTP will not be assessed the LCWSC wastewater treatment component of the wastewater capacity fee. These new wastewater customers would be charged a wastewater treatment capacity fee by the appropriate sewer treatment provider.

Commissioner Teague MOVED *for Approval of the Proposed Capacity Fees effective January 1, 2022*. MOTION SECONDED by Commissioner Byrd. MOTION CARRIED. AYES, 7; NAYS, 0

### **3. FY2021 Audit**

Mr. Field opened discussion of the FY2021 audit then turned the discussion over to Gary Bailey, Certified Public Accountant with Love Bailey & Associates, Certified Public Accountants.

Mr. Bailey stated that the audit was a clean audit; he discussed the independent auditor's report, management's discussion and analysis, the basic financial statements including combined statements of net position, combined statements of revenues, expenses, and changes in net position, as well as the combined statements of cash flows.

The independent auditor's report expresses an unmodified opinion on the financial statements of LCWSC. The independent auditor's report on compliance for each major Federal award program for LCWSC expresses an unmodified opinion on the major Federal program.



The following are key financial highlights:

- Total assets did increase by \$42.7 million or 35% from the previous fiscal year, primarily from an increase in cash and capital assets. At year-end, total assets were \$165.7 million which exceeded total liabilities by \$57.5 million. The Commission's Net Position is still strong at \$58.3 million, an increase of \$5.6 million or 11% from the previous fiscal year.
- Unrestricted cash and cash equivalents to support short-term operations were \$7.9 million compared to \$5.9 million the prior year.
- Operating revenues for fiscal year 2021 increased 3% or \$376 thousand, compared to the previous fiscal year.
- Operating expenses for fiscal year 2021, before depreciation, decreased 7% or \$529 thousand, compared to fiscal year 2020.
- Total operating income for the year was \$1.6 million compared to \$1.9 million in the prior year.
- Ratios of operating income to total operating revenues are at 13% for 2021 compared to 16% for 2020.
- Long-term debt increased from \$59.7 million in 2020 to \$96.8 million in 2021; an increase of 38%; however, Series 2020 Anticipation bonds of \$42.7 million were paid in full subsequent to year-end.

Mr. Field noted that the LCWSC staff reviewed the audit in detail and mapped the chart of accounts to the audited financial statements. This will help in the creation of LCWSC's financial model which allows management to run different scenarios regarding future capital expenditures, funding options, and make projections for future fiscal years.

Chairman Davenport expressed his gratitude for the LCWSC qualified staff and for their emphasis on projections. Chairman Davenport recalled in years past that the audit review would take hours; however, with the qualified staff and with an intentional emphasis on projections the audit review takes far less time.

Mr. Field thanked Mr. Bailey and his staff and commended Ms. Medlock and Leeann Maddox, Staff Accountant, for their diligent work and effort to maintain the financial records of LCWSC. Mr. Field also thanked the entire LCWSC staff for the job they do in keeping LCWSC on budget.

Commissioner Curry MOVED to *accept the FY2021 audit as submitted*. MOTION SECONDED by Commissioner Hollingsworth. MOTION CARRIED. AYES, 7; NAYS, 0

## **OLD BUSINESS**

### **1. Lake Greenwood Water Treatment Facility Update**

Mr. Price provided an update on the Lake Greenwood Water Treatment Facility. He presented updated aerial photos of the Water Treatment Facility site, the Administration Building, and the Water Treatment Facility at night. Also, presented were photos of buoys surrounding the Raw Water Intake that were installed by DNR.

Mr. Price stated that the base part of the facility sign is installed, the upper part should be installed soon. Fencing is in progress. The parking has been redesigned, previously it was too narrow. Asphalt work will begin in the near future. Curbing will be painted so that they will be very distinctive.

The turbidity curtain surrounding the Water Treatment Facility is partially removed. Backwash pumps are working great, the launderers are performing accurately, and the clarifiers are performing as expected. The seven-foot sludge blanket pulse settings have been adjusted to the correct range needed; the initial settings were too rapid.

Recently, LCWSC and Harper Construction employees worked together compiling a punch list. The punch list consists of minor items to more critical issues. Harper Construction employees are working diligently to complete the punch list. The project site is busy with activity; the finish line is near.

Mr. Price added that all commissioners have toured the site except Commissioner Byrd; his tour will be scheduled as soon as possible.

Mr. Price stated that the Milam Road Tank is painted and disinfected. LCWSC is going through the process of requesting permits from DHEC.

#### ***Executive Session***

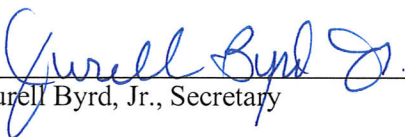
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#### **ADJOURN**

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

There being no further business the Commission adjourned at 9:44 am.

I certify that the above Minutes accurately reflect the business conducted at the Commission meeting on December 14, 2021, and that the minutes were approved at the meeting held January 25, 2022.

  
Jurell Byrd, Jr., Secretary