



Laurens County Water and Sewer Commission

Board of Commissioners Meeting

June 27, 2023

Minutes

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

COMMISSIONERS ABSENT:

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

ATTORNEY:

PRESS:

GUESTS:

Call to Order

Invocation

Approval of May 23, 2023, Minutes

Chairman Remarks

Executive Director Remarks

LCWSC Monthly Financial Summary

LCWSC Monthly Operations Summary

New Business

1. Public Hearing for Proposed Budget FY 2024
2. Approval of Proposed Budget FY 2024
3. Approval of Proposed Wastewater Treatment Rate Increase
4. Approval of Proposed five-year Water Rate Plan

Old Business

Executive Session

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

1. Contractual Matter related to Laurens CPW
2. Legal Matter related to PFAS/ PFOA

Other Business

Adjourn

CALL TO ORDER

Chairman Davenport called the meeting to order at 8:22 am in the Training Rooms of the Laurens County Water and Sewer Commission.

INVOCATION

Delivered by Commissioner Curry.

APPROVAL OF MINUTES

Chairman Davenport asked if there were any additions or corrections to the May 23, 2023, minutes, as submitted to the Commissioners. None being submitted.

Commissioner J. Byrd, Jr. MOVED *that the minutes dated May 23, 2023, are approved as submitted.*
MOTION SECONDED by Commissioner Curry; MOTION CARRIED. AYES, 7; NAYS, 0

CHAIRMAN REMARKS

Chairman Davenport thanked everyone for their attendance to the meeting and thanked the Budget Committee Members and the Directors for their diligent work on the FY2024 Budget. He congratulated Commissioner J. Byrd, Jr. on the honor of his grandson receiving the Officer of the Year award.

EXECUTIVE DIRECTOR REMARKS

Mr. Field thanked the Budget Committee members for their hard work in preparing the FY2024 budget, Chairman Davenport, Commissioner Curry, and Commissioner Hollingsworth. Mr. Field thanked Ms. Medlock for keeping everyone on schedule throughout the planning of the budget. Additionally, he thanked each Director for their dedication in preparing and managing the departmental budgets annually.

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, 2023, LCWSC had a total of \$8,173,986 in cash for operating and reserve funds as compared to \$7,736,956, at this time in FY22. As of May 31, 2023, LCWSC is awaiting a Community Development Block Grant (CDBG) reimbursement in the amount of \$124,483. Including the CDBG reimbursement, the total cash balance will be \$8,298,469.

Mr. Field discussed the highlights for Water Distribution, Wastewater, Lake Rabon, and the Town of Gray Court. He also supplied 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 \$3,091,247 in contributed capital grants for Water Distribution, \$112,690 for Wastewater Collection and \$628,604 for Clinton/Joanna. To date a total of \$3,832,541 in contributed capital grants have been received thus far for FY23.

Year to date paid line extensions for FY23 total \$155,177 from customers or developers that are not grant funded. The year-to-date line extensions include Emerald Circle, Forrester Road, Catalan Court/ Pennington Farms, Twin Branch, Ritchie Road, Wasson Gin Road, Pemberton Street, Cooley Road, Dean Woods Road, Bethel Church Road, Fountainbrook Lane, Pitts Road, and S. Harper Street Extension.

Mr. Griffin gave an update for the line extension projects. In progress is the S. Frontage Road project. The upcoming projects listed in no particular order are Thompson Road, Dean Woods Road, Cooley Road, and Bethel Church Road.

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 noted that the average gallons per day (GPD) per active residential tap for the month of May 2023 was 125 GPD. On average, each customer uses 134 GPD over a 12-month period. Mr. Field shared the precipitation graph noting that May FY23 precipitation was 2.28 inches which is 0.78 inches below that of May FY22. 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 68 new water taps, and 15 new sewer taps were installed in the month of May 2023. A total of 481 water taps, and 144 sewer taps have currently been installed during FY23. Mr. Field presented a map indicating the distribution of all new taps installed throughout the county in FY23.

Mr. Mattison shared the water audit report. The water audit compares the water purchased to the water sold, water audited, and water unaccounted for. The formula used is a rolling 12-month average for unaccounted water; the current month data is added as the one-year-old data is removed.

For the month of May 2023, the unaccounted total is 13,407,565 gallons. The monthly goal for unaccounted water is *less than* 19,500,000 gallons.

In May 2023, there were seven (7) main line leak work orders, six (6) closed within two weeks and one (1) repaired later than four weeks. There were eight (8) lateral line leak work orders in May 2023, all lateral line leaks were repaired within two weeks.

NEW BUSINESS

1. Public Hearing for Proposed FY 2024 Budget

Commissioner Chairman Davenport requested a vote to open the meeting to the public.

Commissioner O'Dell MOVED that the Board of Commissioners *open the Public Hearing for Proposed FY 2024 Budget*. MOTION SECONDED by Commissioner J. Byrd, Jr. MOTION CARRIED. AYES, 7; NAYS, 0.

Chairman Davenport asked if there were any questions or comments. There were no questions or comments brought forward.

Commissioner O'Dell MOVED that the Board of Commissioners *close the Public Hearing for Proposed FY 2024 Budget*. MOTION SECONDED by Commissioner J. Byrd, Jr. MOTION CARRIED. AYES, 7; NAYS, 0.

2. Approval of Proposed FY 2024 Budget-

Ms. Medlock, Director of Finance, discussed in detail the following budgets: Administration, Sewer Treatment, Sewer Collection, Lake Rabon, Water Distribution, and Water Treatment.

The Budget Committee members, Commissioner Davenport, Commissioner Curry, and Commissioner Hollingsworth approved the following budget on May 25, 2023.

The FY 2024 budget summary is as follows:

- Total Budget is \$17,516,728
 - Operating Income increased \$980,833 or 7.65%
 - Operating Expenses increased \$997,841 or 10.98%
 - Capital Income and Expenses increased \$850,119 or 12.91%
 - Capital Reserve Fund Usage increased \$11,560 or 0.79% to fund construction projects.
- Administration Fee Allocation Change:
 - Increased Collection System Administration Fee from 18% to 19%
 - Increased Lake Rabon Administration Fee from 2% to 3%
 - Decreased Water Distribution Administration Fee from 60% to 59%
 - Decreased Clinton/Joanna Administration Fee from 20% to 19%

- Payroll and Benefits increased \$394,262 or 10.31%:
 - 1% increase in the Employer's South Carolina Retirement System contribution,
 - 3.7% increase for the State Health Insurance Plan starting in January 2024,
 - Load factor change from 1.352 to 1.000 for the State Health Insurance Plan starting in January 2024
 - LCWSC moved from a medium employer (100 to 500 covered lives), returning to a small employer (fewer than 100 covered lives)
 - One (1) additional employee in Collection System
 - Collection System Technician
 - various merit increases for employees.
- Water Purchase increased by \$160,942 or 7.54%:
 - Increase of \$30,340 in water purchase from other providers
 - Adjustment in City of Clinton water purchase to reflect decreased monthly average for the full year; FY2023 only included five (5) months.
 - Increase in monthly average purchased from Greenville Water
 - Increase of \$130,603 in the water purchase from Lake Greenwood Water Treatment Facility
 - Increase in short-term and long-term assets.
- Overall, O&M expenses increased \$239,206 or 9.37% due to general increases in several line items throughout all budgets; reclassified some expenses which were historically included in assets to O&M expenses.
- Capital Reserve Fund Usage increased \$11,568 to a total of \$1,473,896.
 - Clinton Joanna Wastewater Treatment: \$394,125
 - To cover sludge handling project expenses
 - Collection System: \$228,709
 - To cover LCWSC's match for ISO Parkway / Fibertex Pump Station upgrade
 - Lake Rabon: \$55,500
 - To cover expenses not included in the CPW rate.
 - Water Distribution System: \$785,561
 - To cover 20% of the South Carolina Infrastructure Investment Program (SCIIP) grant match for the Hospital Area Water System Improvement project.
 - To cover building and ground projects
- Overall, Debt Service decreased \$25,637 or 0.88% even with the addition of the new USDA debt for the Metric Road project:
 - No debt service reserve payment for 2013 RD WWTP upgrade loan- Fully funded debt service reserve account in FY2023
 - Decrease in debt service payment for 2016 Bonds.
 - Decrease in debt service payment for 2017 Bonds.
- Wastewater Treatment Rate Increase
 - Proposed 4% Wastewater Treatment Rate Increase
- First year of the Proposed Five (5) year Water Rate Plan
 - Residential/Small Non-Residential Volume Rate and Base Charge (Water Tier 1)
 - Average annual rate increase is 2.7%
 - The average increase for the customer monthly bill is \$1.21.
 - Large Non-Residential/ Fire Line Volume Rate and Base Charge (Water Tier 2)
 - Average annual rate increase is 2.3%
 - The average increase to the customer monthly bill is \$19.29.

Commissioner L. Byrd, Jr. MOVED that the Board of Commissioners *Approve the Proposed FY 2024 Budget*.
 MOTION SECONDED by Commissioner Young. MOTION CARRIED. AYES, 7; NAYS, 0.

3. Approval of Proposed Wastewater Treatment Rate Increase

Mr. Field shared information and presented a diagram of the benefits of the proposed rate increase of 4 % for the budget year FY 2024.

Commissioner J. Byrd, Jr. MOVED that the Board of Commissioners *Approve the Proposed Wastewater Treatment Rate Increase of 4%*. MOTION SECONDED by Commissioner Curry. MOTION CARRIED. AYES, 7; NAYS, 0

4. Approval of Proposed Five-year Water Rate Plan

Mr. Field shared information and presented a diagram of the benefits of the proposed five-year water rate plan.

Commissioner Hollingsworth MOVED that the Board of Commissioners *Approve the Proposed five-year Water Rate Plan*. MOTION SECONDED by Commissioner L. Byrd, Jr. 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. Contractual Matter related to Laurens Commission of Public Works

2. Legal Matter related to PFAS/PFOA

Commissioner O'Dell MOVED that the Board of Commissioners *enter into Executive Session at 11:27 am*. MOTION SECONDED by Commissioner Teague. MOTION CARRIED. AYES, 7; NAYS, 0

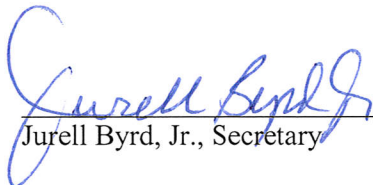
Commissioner Curry MOVED that the Board of Commissioners *return to Regular Session at 12.38 pm*. MOTION SECONDED by Commissioner J. Byrd, Jr. MOTION CARRIED. AYES, 7; NAYS, 0

ADJOURN

Commissioner Hollingworth MOVED *to adjourn the Board of Commissioners meeting*. MOTION SECONDED by Commissioner O'Dell. MOTION CARRIED. AYES, 7; NAYS, 0

There being no further business the Commission adjourned at 12.40 pm.

I certify that the above Minutes accurately reflect the business conducted at the Commission meeting on June 27, 2023, also that the minutes were approved at the meeting held on July 25, 2023.



Jurell Byrd, Jr., Secretary