



Laurens County Water and Sewer Commission

Board of Commissioners Meeting

November 28, 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: Allen Wham

PRESS: Clinton Chronicle

GUESTS: Will Walls, Love Bailey Certified Public Accountants

Call to Order

Invocation

Approval of October 24, 2023, Minutes

Chairman Remarks

Executive Director Remarks

LCWSC Monthly Financial Summary

LCWSC Monthly Operations Summary

Old Business

1. Water and Sewer Infrastructure Master Plan
2. Strategic Planning Proposal

New Business

1. FY 2023 Audit
2. Approval of USDA Funding for Clinton Area Sewer Improvements- General Obligation Bond (GO)
3. Consideration to Reschedule the December Meeting

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/PFOS

Other Business

Adjourn

CALL TO ORDER

Chairman Davenport called the meeting to order at 8:24 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 October 24, 2023, minutes as submitted to the Commissioners. None being submitted.

Commissioner Hollingsworth MOVED *that the minutes dated October 24, 2023, are approved as submitted.*
MOTION SECONDED by Commissioner L. Byrd, Jr.; MOTION CARRIED. AYES, 7; NAYS, 0

CHAIRMAN REMARKS

Chairman Davenport welcomed everyone to the meeting. He thanked Will Walls, Audit Manager at Love Bailey Certified Public Accountants, for presenting the FY2023 Audit.

EXECUTIVE DIRECTOR REMARKS

Mr. Field welcomed everyone in attendance. He also thanked Ms. Wendy Medlock, Finance Director, and Ms. Leeann Maddox, Staff Accountant, for their work year-round in maintaining excellent record keeping and for working tirelessly with Love Bailey Certified Public Accountants to complete the annual audit. Mr. Field also thanked Mr. Will Walls for presenting the FY2023 Audit.

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 October 31, 2023, LCWSC had \$7,069,304 in cash for operating and reserve funds compared to \$9,489,633 in FY23. As of October 31, 2023, LCWSC is awaiting an Economic Development Administration (EDA) reimbursement of \$813,974; including the reimbursement due, LCWSC would have a total cash balance of \$7,883,278.

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, and the overall combined percentage for each.

Mr. Field noted that as of October 31, 2023, LCWSC had received \$125,014 in contributed capital grants for Clinton/Joanna, \$1,129,110 for Wastewater Collection, and \$3,055 for Water Distribution. Thus far, in FY2024, a total of \$1,257,178 in contributed capital grants were received.

Year-to-date paid line extensions for FY24 total \$14,240 from customers, developers, or industries that are not grant-funded. Paid year-to-date line extensions include Creekfield Road, Porter Road, and Egret Lane.

Mr. Griffin shared an update on the line extension projects. In progress is Pitts Road. Future upcoming projects not listed in any specific order are Creekfield Road, Smiths Village Road, Egret Lane, and Ben Lanford 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 October 2023 was 141 GPD. On average, each customer uses 134 GPD over a 12-month period.

Mr. Field shared the precipitation graph, noting that in October FY24, the rainfall was 1.48 inches, which is 0.10 inches above October FY23. The precipitation data is a county average derived from rain gauges at Brighton Meadows, Bush River Wastewater Treatment Plant, Clinton Pump Station, and Lake Rabon.

Mr. Mattison reviewed the work order summary, reporting that twenty-eight new water taps and twenty-one new sewer taps were installed in October 2023. Installed thus far during FY24 are 138 water taps and seventy-two (72) sewer taps. Mr. Field presented a map indicating the distribution of all new taps installed throughout the county in FY24.

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

For September 2023, the total in non-revenue unaccounted water is 12,504,506 gallons. The monthly goal for non-revenue unaccounted water is *less than* 19,500,000 gallons. The information is on a 60-day delay due to the data metrics.

In October 2023, there were eight main line leak work orders; six leaks were repaired within two weeks, and two were repaired within two to four weeks. There were twelve lateral line leak work orders: six were closed within two weeks, one closed within two to four weeks, and five completed later than four weeks.

Mr. Price provided an update for the Lake Greenwood Water Treatment Facility, stating that the facility continues to operate well. In October 2023, the facility pumped a total of 70.970 MG of raw water and treated a total of 62.782 MG of water. The facility has a new operator; he is currently in training with the lead operator. Operators cleaned and inspected the #2 clarifier. The filter modification is ongoing; the purpose of the modification is to gain filter operation uniformity.

Mr. Price shared that he conducted a training session and tour on November 14, 2023, for the LCWSC Customer Service Representatives, the Customer Accounts Manager, and the Field Service Manager.

OLD BUSINESS

1. Water and Sewer Infrastructure Master Plan

Mr. Price presented a PowerPoint summarizing the areas that the Water and Sewer Infrastructure Master Plan will include and the benefits of the plan. He stated that LCWSC will begin working with an engineering consulting firm with expertise in water and sewer utility systems. The master plan will develop a clear pathway to maintain viability while enhancing our community. Additionally, the master plan will provide a holistic look at the community's best interests.

Listed below are the areas of focus included in the master plan.

- Planning goals and objectives
- Population and demand projections
- Existing infrastructure capabilities
- Capital needs and associated costs
- Funding sources
- Any risks associated with regulatory or market conditions

Mr. Field stated that the Water and Sewer Master Plan will encompass a short-term and long-term plan emphasizing facilities and supporting infrastructure to meet community needs in a sustainable and financially viable manner. He added that to maintain viability and strength in our communities, LCWSC must have a plan to guide our efforts technically, fiscally, and operationally in all that we do. This plan will update the organization's overall capital improvement goals and objectives and provide a significant part of the framework needed to guide LCWSC as it develops its first-ever Strategic plan.

The estimated cost of the master plan is \$160,000. LCWSC has received a grant for 80% of the estimate from SCRIA for \$128,000; LCWSC will provide a 20% match, or \$32,000.

2. Strategic Planning Proposal

Mr. Field shared that the Policy Committee met on September 14, 2023; at the meeting, the committee members unanimously voted to hire Raftelis Consultants as the firm to provide professional consulting services related to preparing a comprehensive, company-wide strategic plan for LCWSC.

The Board of Commissioners unanimously voted to approve the ***Strategic Planning Proposal*** for hiring Raftelis Consultants to develop the Strategic Plan for LCWSC, not exceeding \$52,500.

NEW BUSINESS

1. FY 2023 Audit

Mr. Field introduced Mr. Will Walls, Audit Manager with Love Bailey Certified Accountants, to present the FY2023 Audit.

Mr. Walls reported that the Laurens County Water and Sewer Commission (LCWSC) ended the fiscal year with an unmodified audit opinion. An unmodified opinion occurs when the auditor concludes that the financial statements are presented fairly, in all material respects, following generally accepted accounting principles. There are no findings or significant recommendations.

Below are key highlights of the FY2023 audit report.

- Total assets increased by \$8.0M or 6% from the previous fiscal year, primarily from increased capital assets.
- At year-end, total assets were \$139.6M, which exceeded total liabilities by \$77.8M. The Net Position is strong at \$78.5M, an increase of \$10.4M or 15% from the previous fiscal year.
- Unrestricted cash and cash equivalents to support short-term operations were \$6.6M compared to \$7.3M the prior year.
- Operating revenues for fiscal year 2023 increased by 5% or \$661,000, compared to the previous fiscal year.
- Operating expenses for the fiscal year 2023, before depreciation, increased by 3% or \$233,000 compared to the fiscal year 2022.
- Net operating income for the year was \$289,000 compared to an operating income of \$1.5M in the prior year.
- Ratios of operating income to total operating revenues are at 2% for 2023 compared to 12% for 2022.
- Long-term debt decreased from \$55.3M in 2022 to \$53M in 2023, a decrease of 4% due to principal payments made during the year.

Commissioner J. Byrd, Jr. MOVED that the Board of Commissioners ***accept the FY2023 Audit presented.*** MOTION SECONDED by Commissioner Young. MOTION CARRIED. AYES, 7; NAYS, 0.

2. Approval of USDA Funding for Clinton Area Sewer Improvements-General Obligation Fund (GO)

Ms. Medlock presented details and a copy of the USDA General Obligation Fund Loan Resolution of \$3.9M for the Clinton Area Sewer Improvements project funding. The project includes pump station upgrades to the Millers Fork and Sand Creek pump stations, 11,000 LF of force main replacement, and new automated screening. The expected completion date is February 2026.

Commissioner L. Byrd, Jr., MOVED that the Board of Commissioners *approve the USDA funding for Clinton Area Sewer Improvements in the amount of \$3,900,000, with an interest rate of 2.125% and a term of forty (40) years.* MOTION SECONDED by Commissioner Hollingsworth. MOTION CARRIED. AYES, 7; NAYS, 0.

3. Consideration to Reschedule/ Cancel the December meeting

Mr. Field requested that the Board of Commissioners consider rescheduling or canceling the previously scheduled December 26, 2023, meeting because the LCWSC offices are closed in observance of the Christmas holiday.

Commissioner Hollingsworth MOVED that the Board of Commissioners *Cancel the December meeting.* MOTION SECONDED by Commissioner Curry. MOTION CARRIED. AYES, 7; NAYS, 0.

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 Commission of Public Works

2. Legal Matters related to PFAS/PFOS

Commissioner L. Byrd MOVED that the Board of Commissioners *enter Executive Session at 10:42 am.* MOTION SECONDED by Commissioner O'Dell. MOTION CARRIED. AYES, 7; NAYS, 0.

Commissioner Young MOVED that the Board of Commissioners *return to Regular Session at 12:10 pm.* MOTION SECONDED by Commissioner J. Byrd, Jr. MOTION CARRIED. AYES, 7; NAYS, 0.

BUSINESS AFTER EXECUTIVE SESSION

1. Legal Matters related to PFAS/PFOS

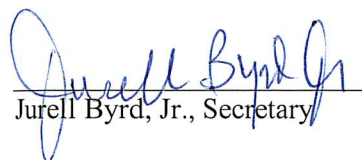
Commissioner L. Byrd, Jr., Moved *to authorize the Executive Director to take steps necessary to opt out of the Class Action Settlement against Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2:18-mn-2873-RMG and engage legal counsel used by Greenwood CPW moving forward given both utilities use the same raw water source.* MOTION SECONDED by Commissioner Young. MOTION CARRIED. AYES, 7; NAYS, 0.

ADJOURN

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

There being no further business, the Commission meeting adjourned at 12:12 pm.

I certify that the above Minutes accurately reflect the business conducted at the Commission meeting on November 28, 2023, and the minutes were approved at the January 23, 2024, meeting.


Jurell Byrd, Jr., Secretary