

**EDGEFIELD COUNTY WATER & SEWER AUTHORITY
BOARD MEETING MINUTES**

The May Regular Board of Directors Meeting of Edgefield County Water and Sewer Authority was held on May 18, 2020 starting at 5:30 p.m. at 100 Waterworks Rd., Edgefield, SC (ECWSA Administrative Building). No individual or organization requested a copy of the Agenda. Notice of this Board of Directors Meeting was posted in the Administration Office 4 weeks prior to meeting and the Agenda was posted May 14, 2020.

CALL TO ORDER: Kennamer, 5:30 p.m.

INVOCATION: Creswell

MEMBERS PRESENT: Johnson, Clark, Creswell, Kennamer, Timmerman and Kitchens.

MEMBERS ABSENT: Williams

STAFF PRESENT: Administrator Hare, Business Manager Carroway

GUEST PRESENT: None

AGENDA: A motion was made by Johnson to approve the May 18, 2020 Agenda. Second by Clark. Vote unanimous to approve the agenda.

MINUTES: A motion was made by Johnson to approve the April 27, 2020 Minutes. Second by Creswell. Vote unanimous.

PUBLIC COMMENT: No comments from the public and no one present from the public.

FINANCIAL STATEMENT: Administrator Hare discussed the Financial Statement ending April 30, 2020. Budget should be at 83.33%, Revenues are 88.33%, and Expenses are at 80.58%. Administrator Hare explained that the time of the compilation of the financial report, the North Augusta sewer bill had not been received. He reviewed the revised report with the Board as well. Administrator Hare gave a brief review of Revenue and Expenses as compared to April 2019. Water sales were up due to more people being at home and slightly drier weather.

REPORTS:

John Hare, Administrator covered the following items during the report section:

- Administrator Hare gave a brief update on the status of on-going Authority projects, including the Murrah Rd. Force Main which is complete and awaiting approval to place into operation. Administrator Hare also informed the Board that the Sandy Run RIA project is nearing completion. The Board also recognized the recent passing of Henry Williams, current Board member.
- A brief update on COVID-19 related business activities was given as well. The Authority plans to open the lobby to the public starting June 1, 2020, limiting the number of customers to a maximum of 2 given the size of the lobby. The Authority is also

resuming normal penalty and disconnection activities as a result of Governor McMaster rescinding his March 14, 2020 request to suspend these activities.

BUSINESS:

A. REVISION OF ECWSA PURCHASING POLICY

Administrator Hare presented proposed revisions to the ECWSA Purchasing Policy. This policy had last been updated in 2010. The main revisions to the policy were raising purchasing authorization limits that had not changed and allowing vehicles to be purchased via a line item in the budget and the Administrator's discretion. This was requested due to the extensive lead times now involved in finding and ordering fleet vehicles due to disruptions in the supply chain.

PURCHASING AUTHORITY AND LIMITS

(A) SUPPLY AND SERVICE BUDGETED PURCHASES

- (1) Less than \$500.00
 - Requires a signed receipt stating seller's name, item(s) purchased and amount of sale.
 - Requires a signature from one of the following: Supervisor, Department Superintendent, Operations Manager, Business Manager, Manager or Administrator.
- (2) Pre-approved Vendors (Necessary for Operation of Department) - that are more than \$500.00 but less than \$5,000.00
 - Requires an approved requisition from Department Superintendent.
 - Requires purchase order number issued by Administrative Office.
 - Requires purchase order signed by Administrator.
 - Three verbal quotes should be obtained if feasible and if time permits.
- (3) Standard Supply purchases of more than \$500.00 but less than \$5,000.00
 - Requires an approved requisition for one of the following: Operations Manager, Manager, Business Manager or Administrator.
 - Requires purchase order issued by Administrative Office.
 - Requires purchase order signed by Administrator.
 - Three verbal quotes should be obtained if feasible and time permits.
- (4) More than \$5,000.00
 - Requires an approved requisition by the Administrator.
 - Requires purchase order signed by Administrator.

- Three written quotes should be obtained using written specifications if feasible and time permits.
- The lowest bid should be used unless documented reasons are placed in the file stipulating actions by the lowest bidder that would nullify them from receiving the bid.

(B) EMERGENCY ORDERS

- (1) Less than \$5,000.00
In special cases qualifying as emergency situations and critical to the successful operations of the utility, the Administrator, Business Manager Operations Manager or Manager may approve the verbal purchase of goods or service, followed by a signed purchase order, by Administrator.
- (2) More than \$5,000.00
When the public's health, welfare or safety is in jeopardy or the Authority is in danger of extensive damage, an emergency order may be issued for corrective action without following the standard purchasing policy. The Administrator must authorize the declaration and action, with communication to the Board Chairman as soon as possible.

(C) DEPRECIATION, CONTINGENCY, AND CAPITAL ORDERS

Requires approved requisition by the Administrator.
Administrator must obtain board's approval for Depreciation, Contingency, and Capital items above \$20,000.00.

Three written quotes should be obtained using written specifications if feasible and time permits.
Requires purchase order signed by Administrator.

(D) VEHICLE PURCHASING

Establishes a budgeted line item on an annual basis with a hard cap/do not exceed amount. Board approves line item during budget approvals.
Administrator presents annual "projected" purchase of vehicles.
Administrator reports monthly on vehicles purchased, sold, traded, wrecked, or otherwise disposed.

A motion was made by Clark to accept the revised policy with the \$150,000 line item for vehicle purchases. Second by Timmerman. No discussion. Vote unanimous.

B. 2nd READING OF FY2021 BUDGET

Administrator Hare presented the second draft of the ECWSA's FY2021 Budget, highlighting the major changes in revenues and expenses. This reading reflected a 1%

adjustment in water rates to keep pace with the CPI of the South Region of 1.1% for the last year. This budget also contained the 9% sewer rate adjustment recommended in the Wastewater Systems Master Plan. In the expense section, the major change from the first reading was the inclusion of the \$150,000 line item for vehicles. This budget contained revenues of \$10,268,200 versus expenditures of \$10,268,200. This item was presented as information at this time and did not require a vote.

C. 2020 BOND RESOLUTION FOR WASTEWATER MASTER PLAN PROJECTS

Administrator Hare presented for consideration a Bond Resolution prepared by Haynesworth, Sinkler, & Boyd related to the issuance of a \$5,075,000 bond with repayment over 10 years. This would be a bank bond as the interest rate with municipal bonds are favorable at this time. If the Board approved the resolution, Administrator Hare anticipated closing on the bond towards the end of June. A motion was made by Timmerman to approve the 2020 Bond Resolution. Second by Creswell. No further discussion. Vote unanimous.

D. ENGINEERING PROPOSALS FOR FEDERAL PRISON FORCE MAIN & BROOKS ST. WWTP IMPROVEMENTS

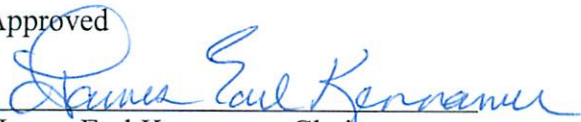
Administrator Hare presented engineering proposals from AECOM for the above referenced projects. These proposals contained a detailed breakdown of the costs of each section of engineering. Hare explained that he did not anticipate utilizing the full line item of construction observation for each project, but would like approval in the event it was needed. Administrator Hare recommended that the Authority engage AECOM to perform engineering service for the Federal Prison force main at a cost of \$216,000 and perform engineering services for the Brooks St. WWTP for \$91,400. A motion was made by Clark to engage AECOM. Second by Johnson. No discussion. Vote unanimous.

EXECUTIVE SESSION – A motion was made by Johnson to enter into Executive session to discuss a Legal matter. Second by Kitchens. Vote unanimous.

The Board exited Executive Session with no action taken.

Motion was made by Johnson to adjourn.
Second by Creswell
Time: 6:15 p.m., May 18, 2020
Vote Unanimous

Approved


James Earl Kennamer, Chairman