

MINUTES

June 23, 2014

CASSATT WATER

Kershaw County and Lee County Regional Water Authority

Commission Meeting

PROPOSED AGENDA

2:00 PM

June 23, 2014

- | | |
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| 1. Call to Order | Mr. Roosevelt Halley, Chairman |
| 2. Invocation | Rev. Kenneth Carter, Chaplain |
| 3. Statement of Public Notice Compliance with
The Freedom of Information Act and S. C. Law | Mr. Roosevelt Halley, Chairman |
| 4. Public Comment on Non-Agenda Items | Mr. Roosevelt Halley, Chairman |
| 5. Amendments to Agenda | Mr. Roosevelt Halley, Chairman |
| 6. Approval of Agenda | Mr. Roosevelt Halley, Chairman |
| 7. Secretary's Report | Mrs. Angela McCaskill, Secretary |
| 8. Approval of May 19, 2014 Minutes | Mr. Roosevelt Halley, Chairman |
| 9. Old Business | Mr. Roosevelt Halley, Chairman |
| 10. Open Public Hearing for FY 2014-2015 Budget | Mr. Roosevelt Halley, Chairman |
| 11. Presentation of the FY 2014-2015 Budget | Mr. Charles Litchfield, C.E.O. |
| 12. Public Comment on Budget | Mr. Roosevelt Halley, Chairman |
| 13. Close Public Hearing and Reconvene | Mr. Roosevelt Halley, Chairman |
| 14. Commission to Consider a Resolution to
Adopt the FY 2014-2015 Budget | Mr. Roosevelt Halley, Chairman |
| 15. Committee Reports | Mr. Roosevelt Halley, Chairman |
| 16. Financial Report | Ms. Donna Tuttle, C.F.O. |

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| 17. Commission to Consider Accepting the Financial Report | Mr. Roosevelt Halley, Chairman |
| 18. C.E.O.'s Report | Mr. Charles Litchfield, C.E.O. |
| 19. Operations Report | Mr. Steve Hunter, C.O.O. |
| 20. Projects Report | Mr. John Watkins, PM&T Manager |
| 21. Vacant Board Seat | Mr. Roosevelt Halley, Chairman |
| 22. Commission to Consider a Candidate Review Committee | Mr. Roosevelt Halley, Chairman |
| 23. Robert's Rules of Order | Mr. Roosevelt Halley, Chairman |
| 24. Executive Session, Personnel Matter | Mr. Roosevelt Halley, Chairman |
| 25. Reconvene | Mr. Roosevelt Halley, Chairman |
| 26. Action Regarding Executive Session Matters | Mr. Roosevelt Halley, Chairman |
| 27. New Business | Mr. Roosevelt Halley, Chairman |
| 28. Building Committee Meeting | Mr. Roosevelt Halley, Chairman |
| 29. Next Meeting July 21, 2014 | Mr. Roosevelt Halley, Chairman |
| 30. Adjourn | Mr. Roosevelt Halley, Chairman |

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CASSATT WATER

Kershaw County and Lee County Regional Water Authority

Members Present:	Mr. Roosevelt Halley	Chairman
	Mr. Julius Gause	Vice Chairman
	Rev. Kenneth Carter	Chaplain
	Mr. Mike Davis	Commissioner
	Mr. Furman Fountain	Commissioner
	Mrs. Ollie Thompson	Commissioner
	Mrs. Bettie Toney	Commissioner
Members Absent:	Mrs. Johnette Caughman	Commissioner
Associates Present:	Mrs. Angela McCaskill	Secretary/Treasurer
	Mr. Charles Litchfield	Chief Executive Officer
	Ms. Donna Tuttle	Chief Financial Officer
	Mr. Steve Hunter	Chief Operations Officer
	Mr. John Watkins	Project & Tech Manager
	Mr. William Cox	Company Attorney

1. Meeting called to order by the Chairman, Mr. Roosevelt Halley.

2. The Invocation

Action

- Rev. Carter delivered the invocation.

3. Statement of Public Notice Compliance With the Freedom of Information Act and S.C. Law

Action

- Mr. Halley delivered the Statement of Public Notice Compliance with the Freedom of Information Act and S.C. Law.

4. Public Comment on Non-Agenda Items

Action

- There was no public in attendance, therefore, no public comment.

5. Amendments to Agenda

Action

- Mr. Halley requested that the Commission approve the Amendments to the Agenda.

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6. Approval of Agenda

Action

- Mr. Fountain made a motion to approve the Amended Agenda. Rev. Carter seconded the motion. All voted in favor.

7. Secretary's Report

Action

- Mrs. McCaskill presented the Secretary's Report.

8. Approval of May 19, 2014 Minutes

Action

- Rev. Carter made a motion to approve the Secretary's Report. Mrs. Thompson seconded the motion. All voted in favor.

9. Old Business

Action

- There was no old business to discuss.

10. Open Public Hearing for FY 2014-2015 Budget

Action

- There was no public in attendance.

11. Presentation of the FY 2014-2015 Budget

Key Discussion Points

- Mr. Litchfield stated that we are now required to present an operating statement/budget as opposed to the old format and the new statement should include depreciation expense and should be budgeted.
- Ms. Tuttle stated that as a Special Purpose District, we are also required to show adequate debt service coverage on our Operating Budget.
- Mr. Litchfield noted that we have added an item to the budget, Taxable Bond Interest, which was previously overlooked.
- Mr. Litchfield made additional comments on the budget and asked for questions or comments.

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12. Public Comment on Budget

Action

- There was no public in attendance, therefore, no public comment.

13. Close Public Hearing and Reconvene

Action

- The Commission reconvened.

14. Commission to Consider a Resolution to Adopt the FY 2014-2015 Budget

Action

- Mr. Davis made a motion to adopt the Budget Resolution. Mrs. Toney seconded the motion. All voted in favor.

15. Committee Reports

Key Items of Discussion

- Mr. Halley requested the presentation of the Committee Reports.

16. Financial Reports

Key Items of Discussion

- Ms. Tuttle stated that the Financial Report format will change beginning July 1st, 2014.
- Ms. Tuttle discussed the Financial Report.

17. Committee to Consider Accepting the Financial Report

Action

- Rev. Carter made a motion to approve the Financial Report. Mrs. Thompson seconded the motion. All voted in favor.

18. C.E.O.'s Report

Key Items of Discussion

- Mr. Litchfield stated that there were 9 taps made in May.
- Mr. Litchfield stated that Archer & Associates recommended a 2.0% cost of living increase for Cassatt Water employees.
- Mr. Litchfield noted that we need to have a Building Committee meeting before finalizing the floor plan expansion. It was decided that the meeting will be held July 21, 2014 at 2:15 PM.
- Mr. Litchfield asked the Commission to consider the sale of two goose neck trailers that are no longer needed.
- Mr. Litchfield stated that he hopes the new bylaws will be complete by the next meeting.

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19. Operations Report

Key Items of Discussion

- Mr. Hunter stated that we had to relocate approximately 600ft. of 3” water line down a private drive. The new property owner was unaware of that line and discovered it while doing some work at the property. The cost was approximately \$2000. There was a similar incident in the Springvale area, so we corrected that issue as well.
- Mr. Hunter stated there were 9 service leaks.
- Mr. Hunter stated there were 3 main breaks in Kershaw County.
- Mr. Hunter noted there were 2 leaks in Lee County.

20. Projects Report

Key Items of Discussion

- Mr. Watkins stated that we have a few punch list items to complete on the Hwy 521 and Flat Rock BPS projects. He expects those items to be completed before the next meeting.
- Mr. Watkins stated that we had a preconstruction meeting with Maxcy Hicks for the water line construction and with North American Construction for BPS installations on June 5th. The water line construction bore pit easements needed for this project were obtained from land owners. Maxcy Hicks has scheduled water line construction to begin the first week of July. North American Construction also plans to begin clearing the Providence Road BPS site the first week of July, with the Baron Dekalb site to follow afterwards.
- Mr. Watkins noted that we opened bids for the Running Fox Road water main bids on June 5th. The low bidder was Columbus Utilities from Fair Bluff, NC. We expect to hold our preconstruction meeting by the first part of July and construction should begin by the end of July.
- Mr. Watkins commented that URS has completed the surveying of the Segment 3 projects and are now in the design stages. We anticipate construction to begin around the first of next year.
- Mr. Watkins informed the Commission that projects E & G are on hold until construction begins on the Lake Connector project.
- Mr. Watkins stated that Threat and Charlotte Thompson tanks have been repainted and should be back online by the end of the month.
- Mr. Watkins stated that the ground field work at the remaining 7 sites has begun and the concrete generator pads have been poured.
- Mr. Watkins noted that the survey for Valley Park should begin this week.

21. Vacant Board Seat

Key Items of Discussion

- Mr. Halley stated that the seat needs to be filled and stated that we need a Committee to review the applicants whom are interested in filling the seat.

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22. Commission to Consider Candidate Review Committee

Key Items of Discussion

- Mr. Davis, Mrs. Toney and Mr. Fountain are on the Candidate Review Committee. Mr. Halley asked that the Committee review the applicants for the vacant seat and report back to the Commission.

23. Robert's Rules of Order

Key Items of Discussion

- Mr. Halley stated that he likes the synopsis that was given.

24. Executive Session, Personnel Matter

Action

- Mrs. Thompson made a motion to go into Executive Session. Mr. Davis seconded the motion. All voted in favor.

25. Reconvene

Action

- The Commission reconvened.

26. Action Regarding Executive Session Matters

Key Items of Discussion

- Mr. Halley stated that during Executive Session, the Commission decided that we need to come up with some procedures to build an application approval system for the hiring of new employees. The first step is to send out a recruitment statement on the monthly bills.

27. New Business

Key Items of Discussion

- There was no new business.

28. Building Committee Meeting

Key Items of Discussion

- The Building Committee Meeting was scheduled for July 21, 2014 at 2:15. However, the Commission later decided to move the time from 2:15 PM to 1:15 PM.

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29. Next Meeting July 21, 2014 at 3:00 PM.

Key Items of Discussion

- Mr. Halley suggested moving the regular meetings to 2:00 PM and moving the Building Committee Meeting to 1:15 PM. Everyone agreed to change the meeting times.

30. Adjourn

Action

- Rev. Carter made a motion to adjourn. Mrs. Thompson seconded the motion. All voted in favor.
- Meeting adjourned.

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Cassatt Water

Kershaw County and Lee County Regional Water Authority

C.E.O.'s Monthly Report

June 23, 2014

1. TAPS

There were nine taps made in the month of May.

2. AMENDMENTS TO DRAFT BUDGET

After presentation of the draft budget at the June meeting we found that we must make some changes for the adopted budget.

The format is a little different but all budget numbers are the same as the ones approved in the first draft with the exception of those addressed below.

- Even though depreciation is not an actual cash outlay, proper accounting guidelines require that it must be shown as an expense item in the budget. A depreciation expense in the amount of \$534,000.00 is added to the O&M expenses but it is accounted for in the budget summary in which it is deducted.
- Debt service on the non-taxable bonds is not included in the budget because it will be deferred for one year and paid from the bond-funded capitalized interest account.

We found that we cannot pay interest on the taxable portion of the bonds from the capitalized interest account and the final draft budget has been amended to add item 933101 to O&M expenses in the amount of \$106,436.00.

3. FINAL COST OF LIVING ADJUSTMENT

The attached letter from Archer & Associates specifies a recommended cost of living adjustment in the amount of 2.0%.

4. REVISION TO OFFICE ADDITION FLOOR PLAN

A public unisex restroom has been added adjacent to the end of the lobby area. I will present a drawing and discuss further at the meeting.

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5. **SALE OF SURPLUS EQUIPMENT**

We found that the backhoe & trailer exceed the rated towing capacity of our dual wheel service trucks. The dump truck that we presently have on order does have adequate capacity but we must use a pintle hook trailer and we will not need two gooseneck trailers that we now have.

I request that the Commission authorize sale by bid of the two gooseneck trailers, one of which is a 28-foot unit and the other is a 14-foot unit.

6. **BYLAWS**

We are progressing on new bylaws suitable for operation as a SPD. I will forward a draft of the bylaws to the Commissioners prior to the July meeting for review.