

CASSATT WATER

Kershaw County and Lee County Regional Water Authority

AGENDA

Commission Meeting

2:00 PM

March 16, 2015

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. Commission Appointments Mr. Roosevelt Halley, Chairman
5. Public Comment on Non-Agenda Items Mr. Roosevelt Halley, Chairman
6. Amendments to the Agenda Mr. Roosevelt Halley, Chairman
7. Approval of the Agenda Mr. Roosevelt Halley, Chairman
8. Executive Session, Legal Matter Mr. William Cox, Attorney for CW
Mr. Lawrence Flynn, Attorney, Pope-Zeigler
9. Committee Reports & Discussion Mr. Roosevelt Halley, Chairman
 - Executive Committee
 - Candidate Appointments & Issues
 - Interface with Legislative Delegations
 - Personnel Committee
 - Responsibilities & Assignments
 - Finance Committee
 - Responsibilities & Assignments
10. Secretary's Report Mrs. Angela McCaskill, Secretary
11. Approval of February, 2015 Minutes Mr. Roosevelt Halley, Chairman
12. Old Business Mr. Roosevelt Halley, Chairman

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| 13. Financial Report | Ms. Donna Tuttle, C.F.O. |
| 14. C.E.O.'s Report | Mr. Charles Litchfield, C.E.O. |
| 15. Operations Report | Mr. Steve Hunter, C.O.O. |
| 16. Capital Improvements Report | Mr. John Watkins, PM&T Manager |
| 17. New Business | Mr. Roosevelt Halley, Chairman |
| 18. Next Meeting April 20, 2015 | Mr. Roosevelt Halley, Chairman |
| 19. 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. Derrick Brown	Commissioner
	Mr. Mike Davis	Commissioner
	Mr. Furman Fountain	Commissioner
	Mrs. Ollie Thompson	Commissioner
	Mrs. Bettie Toney	Commissioner

Associates Present:	Mrs. Angela McCaskill	Secretary/Treasurer
	Mr. Charles Litchfield	Chief Executive Officer
	Mr. Steve Hunter	Chief Operations Officer
	Ms. Donna Tuttle	Chief Financial Officer
	Mr. William Cox	Company Attorney
	Mr. Lawrence Flynn	Bond Counsel

1. Call to Order

Action

- Meeting called to order by Mr. 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 stated that the public has been notified of the meeting.

4. Commission Appointments

Key Discussion Points

- Mr. Halley introduced the new Commissioner, Mr. Derrick Brown.
- Mr. Halley stated that the Executive Committee met and decided that we need to get close to our legislative delegation. He suggested that we schedule a luncheon and invite the delegation so that we may get acquainted with them. We would present a slide show and discuss current events within the company. Mr. Cox, the company attorney, stated that he and Representative Funderburk both agreed that this is a good idea. Mr. Cox suggested that it would probably be beneficial to schedule the luncheon in Bishopville.

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Action

- Mr. Halley administered the Oath of Office to Mr. Gause. Ms. Tuttle will notarize. Mr. Brown stated that he has not yet received his paperwork back from the delegation. Mr. Halley stated that he will administer the Oath of Office to Mr. Brown as soon as the paperwork is received.

5. Public Comment on Non-Agenda Items

Action

- There were no public comments.

6. Amendments to Agenda

Action

- There were no amendments to the Agenda.

7. Approval of Agenda

Action

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

8. Executive Session, Legal Matter

Action

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

9. Committee Reports & Discussion

Key Discussion Points

- Executive Committee-Responsibilities include making recommendations and reporting back to the Commission when issues arise that do not required the entire Commission's involvement. The Executive Committee consists of Mr. Halley, Mr. Gause and Mrs. Toney.
- Personnel Committee-Responsibilities include selection of candidates and long range planning with Mr. Litchfield.
- Finance Committee-Responsibilities include working with Mr. Litchfield and Ms. Tuttle to develop the budget.

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10. Secretary's Report

Key Discussion Points

- Mrs. McCaskill presented the Secretary's Report. There were no questions or comments.

11. Approval of February, 2015 Minutes

- Rev. Carter made a motion to approve the minutes as printed. Mrs. Thompson seconded the motion. All voted in favor.

12. Old Business

Key Discussion Points

- Mr. Halley asked Mrs. McCaskill to review her notes and past minutes and advise the Commission of the committees and their members.

13. Financial Report

Key Items of Discussion

- Ms. Tuttle stated that we are 42% complete with Bond jobs and have spent approximately 6.4 million dollars so far. She stated that the Cash Flow Report reflects some interest that we have earned. The Monthly Budget Report shows that we are at 67 percent, our revenues are at 64.2 percent and our expenses are at 66.2 percent. These figures show that we are right on target.

14. C.E.O.'s Report

Key Items of Discussion

- Mr. Litchfield stated that the sales report reflects that we are behind in our revenue in relation to where we generally are in the spring.
- Mr. Litchfield stated that he appreciated the input of the Commissioner's to fill the positions that are open. He stated that we have some good candidates and that Mr. Hunter will ultimately make the final decision on the best-suited applicants. We have two employees who want to move to the construction crew, so their positions will need to be filled. All new employees will be hired on at entry level positions.
- Mr. Litchfield stated that we have a good candidate for the customer service position. He stated that we are close to making a final decision.
- Mr. Litchfield noted that we have approximately \$10 to \$11 million dollars' worth of Phase II projects to do, however none of them are urgent projects. He stated that the most pressing issue is the City of Camden contract, which expires December 31, 2021, and stated that we need to position ourselves to become independent of the City of Camden.
- Mr. Litchfield informed the Commission that we will see a rate increase with next year's budget. It will not be a significant increase, but is necessary to accommodate the debt we have incurred.
- Mr. Litchfield commented that it may be a good idea to plan a BBQ lunch/meeting on a regularly scheduled Commission meeting day. Mr. Litchfield commented that we need to decide where to purchase the BBQ from or see if Mr. Joey Boykin will be able to cook it. Mr. Litchfield also

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stated that the next meeting is scheduled for April 20, 2015 and that may be a good day to have the luncheon if it is agreeable with the Commissioner's.

- Mr. Litchfield informed the Commission that we are considering holding the Legislative meeting at the Opera House or Cotton Museum, with catering by Mr. B's.
- Mr. Litchfield requested authorization to sell surplus equipment by sealed bids. He stated that the equipment he is referencing is a 2004 Case trencher, a 2009 Case trencher and an A/C boring machine. Mr. Halley asked if the bids are opened to the public and Mr. Litchfield stated that we run ads in the local paper. Mr. Brown stated that we may be able to get a higher price if we sold the items through the surplus site in Columbia.

Action

- Mr. Davis made a motion to authorize Mr. Litchfield to sell the surplus equipment. Mr. Brown seconded the motion. All voted in favor.

15. Operations Report

Key Items of Discussion

- Mr. Hunter stated that we installed 3 new taps.
- Mr. Hunter noted that we had 4 main line breaks in Kershaw County and 2 leaks in Lee County.
- Mr. Hunter commented that we are waiting on materials to repair the pump and motor at Springhill.
- Mr. Hunter stated that we are upgrading our security at our well sites. We will be installing keypads at our well sites.
- Mr. Hunter noted that we had 6 vehicles with strobe lights, which drain the batteries. We have recently changed those to LED lights.

16. Capital Improvements Report

Key Items of Discussion

- Mr. Hunter informed the Commission that Valley Park and E Project bids are coming up.
- Mr. Hunter noted that the Baron Dekalb booster pump will be started up soon.

17. New Business

Key Items of Discussion

- There was no new business to discuss.

18. Next Meeting April 20, 2015

19. Adjourn

Action

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

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Cassatt Water

Kershaw County and Lee County Regional Water Authority

Chief Executive Officer's Monthly Report

March 16, 2015

1. **SALES REPORT**

Sales volume through February of the current fiscal year shows an increase of 2 % over the same period last year.

2. **RECRUITMENT OF EMPLOYEES FOR OPEN POSITIONS**

By the time of the March 16th meeting I anticipate that all candidates will have been interviewed for open positions for the Construction Crew and Customer Service Representative and finalists selected. I will give a status report at the meeting.

The Foreman & Equipment Operator positions on the Construction Crew will be filled by current employees. The Pipelayer, Flagman, and positions vacated by current employees moving from the Operations division to the Construction Crew will be filled by entry level trainees.

3. **DRAFT PHASE 2 & INDEPENDENCE PROJECT SCHEDULE & PROJECT LIST**

It is my intent to delay any debt service for Phase 2 of the Capital Improvements plan until late summer of 2016 in order to allow for completion of Phase 1 project construction and avoid incurring any additional debt service until we are into the FY 2016-2107 budget. The schedule is also focused around the expiration of the City of Camden supply contract on December 31, 2020 and negotiation of a mutually beneficial new contract to go into effect January 1, 2021.

The Phase 2 debt service will have much less budgetary and rate impact than the bond issue because the projects will be funded in groups over several years. In addition, the State Revolving Loan option allows for incurring debt as construction is completed in incremental amounts.

The schedule also provides for completion of the independence projects timed so as to allow for operation of those improvements through a peak summer period to confirm adequacy of the infrastructure improvements and still allow one year for additional work if needed. See attached schedule and project descriptions.

4. **LUNCH BBQ MEETING**

From time to time we plan a BBQ lunch and since we are now meeting earlier it would be convenient to plan it on the day of a scheduled Commission meeting. We can discuss further at the March 16th meeting.

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5. SALE OF SURPLUS EQUIPMENT

I request authorization to dispose of surplus equipment as listed below by sealed bids.

- 2004 Case trencher – used for parts
- 2009 Case trencher
- A/C boring machine

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DRAFT PHASE 2 & INDEPENDENCE PROJECT SCHEDULE

March 11, 2015

CALENDAR YEAR 2015

April – June	Complete Preliminary Engineer's Report
July FY	FY 2015-2016 Budget in place
July - August 2015	Submit PER to DHEC
September – October	Engineering & Permitting

CALENDAR YEAR 2016

January 2016	Initiate acquisition of Phase 2 SRF funding
February	Hwy 97 elevated tank in service
March	Solicit bids for construction & close SRF loan
May	Proceed with construction of Group 1 projects – no draws on loan until after July 2016
July 2016	FY 2016-2017 budget in place First draw on SRF loan

CALENDAR YEAR 2017

April	Independence project construction complete & permitted for operation in time for testing through summer demand.
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July	FY 2017-2018 Budget in place Notice of intent to City of Camden <ul style="list-style-type: none">• Provides 30 months' notice• Minimum 24 months required
September	Complete Phase 2 – Group 1 construction

CALENDAR YEAR 2018 .

January	Initiate funding for Phase 2-Group 2 funding
June 2018 – December 2020	Initiate negotiations for new C of C contract of mutual benefit

CALENDAR YEAR 2019 .

December	Complete Phase 2 construction
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CALENDAR YEAR 2020 .

Prior to December 31, 2020	Negotiate & execute new contract
December 31, 2020	City of Camden contract expires

CALENDAR YEAR 2021 .

January, 2021	New City of Camden Contract in effect
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KERSHAW COUNTY & LEE COUNTY REGIONAL WATER AUTHORITY

PHASE 2 PROJECTS

PROJECT GROUP NO. 1

C7, Baron DeKalb Water Main Upgrade

Replacement of the existing 3-inch and 4-inch water main along Baron Dekalb Road and addition of the Sycamore BPS (described below, Y1) will allow the system to maintain minimum pressure around SC Highway 97 without assistance from the City of Camden. Construction of an 8-inch water line on Baron Dekalb Road from the intersection of Kirkland Cemetery to SC Highway 97 will also provide service to potential customers in the area. Additional water modeling is required to verify the upgrade.

Y1, Sycamore-Independence Project

A new 200,000 gallon reservoir, 300-450 GPM booster pump station, and 5,000 gallon pneumatic tank is proposed at the existing Sycamore site along with a backup generator. The new booster pump station will pump water to the new Hwy 97 elevated tank (proposed). This will allow KC&LC to maintain system pressures of at least 20 psi and maintain system demands without having to purchase water from the City of Camden.

PROJECT GROUP NO. 2

C14, Holland Lane and Cheraw Road Water Main

These improvements include the installation of 8-inch water mains along Holland Lane and Cheraw Road. The increased pipe size will eliminate two low pressure zones in the Elliott-Kershaw/Shepard area that are expected to worsen as future demands increase. Additionally, these improvements will assist the Galloway Hill Tank maintain system pressure during daily maximum demands. This improvement is also required to help maintain system pressures once KC&LC stop purchasing water from the City of Camden and Project C12, Elliott – Kershaw County/Shepard Area Well is completed.

E8, Charlotte Thompson School Road and Canty Lane Water Main

The existing piping has reached the end of its useful life, and is in need of replacement. KC&LC frequently have to repair leaks from the pipe. Additionally, the existing piping is in need of upsizing to accommodate the area's project growth.

E12, Antioch Road Water Main

The existing 4-inch PVC pipe along Antioch Road has reached the end of its useful life and is in need of replacement. KC&LC frequently have to repair leaks from the pipe. Increasing size to 6-inches from Stokes Road to Highway 34 will help the system meet future demand.

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E13, Highway 34 Water Main (Dr. Humphries Road to Galloway Hill Standpipe)

The work associated with this portion of the project is required to complete the connection between the Spring Hill Standpipe and the Galloway Hill Standpipe, along with Projects E14 and E16 below. The connection will provide additional capacity to the area around the Exit 101 interchange of Interstate-20. A portion of the project will be replacing pipe that is currently under the pavement of Highway 34.

E14, McRae Road and Joy Road (Pickett Thomas Road to Highway 34) Water Main

The work associated with this portion of the project is required to complete the connection between the Spring Hill Standpipe and the Galloway Hill Standpipe. The water main will begin at Pickett Thomas Road and McRae Road and extend to Joy Road to Highway 34. A portion of the project will also replace existing water main that is currently under the road.

E16, Cleveland School Road and Brewer Springs Road Water Main

Work is to be completed by connecting to the Phase 1 project at Cleveland School Rd. and Mt. Olivet Rd to Brewer Springs Rd to Highway 34. This work is necessary to complete the connection between the Spring Hill Standpipe and the Galloway Hill Standpipe. A portion of this project will also replace bad pipe under the road.

F3, Old Georgetown Road East and Ratcliff Pond Road (Old Stage Coach to Mt. Hebron) Water Main

The existing 4-inch PVC pipe along Old Georgetown Road East and Ratcliff Pond Road is in need of replacement. KC&LC frequently have to repair leaks from the pipe. Increasing the pipe size to 8-inches will assist in providing water to the Cassatt area from the Lucknow Elevated Storage Tank.

H2, Stokes Bride Road Water Main

Improvements along Stokes Bridge Road from Bethune Highway to Lucknow Road will expand the existing 4-inch water main to 6-inches. A portion of the project will also replace bad pipe under the road.

H4, Springvale Road Water Main Extension

Commercial development has increased along Highway 15 in the vicinity of Interstate-20. To provide additional water supply to this area, a new water main is proposed along Springvale Road from Highway 34 to Browntown Road.

PROJECT GROUP NO. 3

C12, Elliott – Kershaw County/Shepard Area Well

Installation of a new groundwater well will provide redundant supply in the Elliott – Kershaw County/Shepard area. The new well will be located near Shepard Elevated Water Storage Tank and the Galloway Hill Standpipe, and will help keep pressures in this area above 40 psi. This project will also help maintain levels in the Galloway Hill Standpipe during maximum day demands. This improvement is also required to help maintain system pressures once KC&LC stop purchasing water from the City of Camden.

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F8, New Well (near KC&LC Headquarters)

A new well is proposed on the property adjacent to KC&LC Headquarters. A new well in this area will provide redundancy and an additional supply for the distribution system.

G5, Baker Well Upgrade

The existing Baker Well currently only pumps approximately 300 gpm. When the well was built, the pump tests showed that the well is capable of approximately 1,300 gpm. The existing well will be upgraded to full capacity and a new ground storage tank will be installed along with a new booster pump station. The new booster pump will pump water through the existing 6-inch water line on Dogwood Road towards Red Hill Road and Spring Hill Road. With the existing 6-inch water line, the new booster pumps will be capable of pumping 440 gpm.

F3, Old Georgetown Road East and Ratcliff Pond Road (Old Stage Coach to Mt. Hebron) Water Main

The existing 4-inch PVC pipe along Old Georgetown Road East and Ratcliff Pond Road is in need of replacement. KC&LC frequently have to repair leaks from the pipe. Increasing the pipe size to 8-inches will assist in providing water to the Cassatt area from the Lucknow Elevated Storage Tank.

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F8, New Well (near KC&LC Headquarters)

A new well is proposed on the property adjacent to KC&LC Headquarters. A new well in this area will provide redundancy and an additional supply for the distribution system.

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G5, Baker Well Upgrade

The existing Baker Well currently only pumps approximately 300 gpm. When the well was built, the pump tests showed that the well is capable of approximately 1,300 gpm. The existing well will be upgraded to full capacity and a new ground storage tank will be installed along with a new booster pump station. The new booster pump will pump water through the existing 6-inch water line on Dogwood Road towards Red Hill Road and Spring Hill Road. With the existing 6-inch water line, the new booster pumps will be capable of pumping 440 gpm.

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