



**Minutes of the Seabrook Island Utility Commission
January 17, 2018
Town Hall**

The meeting was called to order by Chairman Bannwart at 9:30 AM.

In addition to Chairman Bannwart, Commissioners Vancini and Morawski were also present. Also in attendance were Tommy West and Carmella Montgomery of Hawthorne Services and Chris Houghton of Louis Berger.

The minutes of the December 19, 2017 meeting were approved as submitted.

The financials for December were reviewed. A net loss of approximately \$16,000 occurred in December from operations, reducing the estimated operating profit of the past twelve months to approximately \$89,000. After applicable deductions for debt amortization, operating cash flow before capital outlays is estimated to be approximately \$61,000. The two business segments (water and wastewater) produced nearly equal amounts of profitability. This indicates a stabilization of their contributions enhanced by previous rate increases. It was noted that intensified efforts managing past due collections has resulted in no anticipated write-offs affecting final 2017 results.

Mr. West reported that all operations were within permit limits for the month of December. This completed a perfect year for wastewater treatment performance with no permit violations for 2017. Delayed by adverse weather, certification of the back-up generator at Pump Station #2 is anticipated in the near future. Approximately thirty properties experienced water system damage during the extended freeze period. Maintenance staff, assisted by SIPOA security, worked with property owners in shutting off and restoring water service. A subcontractor working for Comcast hit a 6-inch water main while excavating in an area that had not been marked for utilities. Maintenance crews isolated the break, resulting in a loss of water service for thirty-eight properties. Repairs were made the following morning and water service was restored, although a boil water notice had to be put into effect. Laboratory results the next day revealed that water quality was normal and the boil water notice was rescinded.

A motion was approved to purchase and install a back-up generator at Pump Station #6. This will be the third back-up generator in the program to improve Utility Commission

facilities and services during emergency situations. The grant request for additional back-up generators is due for submission in mid March.

Approval was given to the staff to submit the monthly management fee by wire transfer rather than by check requiring commissioner signatures.

A motion to go into Executive Session was approved to discuss contractual and legal matters pertaining to additional information submitted by Louis Berger in support of the proposal for the new Management Agreement.

A motion to return to regular session from Executive Session was approved. Louis Berger was requested to provide additional information.

There being no further business, upon a motion, second and unanimous vote, the meeting was adjourned at 11:35 AM. The next regular meeting of the Commission is scheduled for February 21, 2018 at 9:30 AM.

Date: February 21, 2018

Faye Allbritton, Town Clerk