



**Minutes of the Seabrook Island Utility Commission Regular Meeting
April 17, 2019
Town Hall**

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

Commissioners Present: Vancini and Smith-Jones.

Others Present: Tommy West, Beth Geiss, and Chris Houghton of Louis Berger Hawthorne Services, Inc.

The minutes of the March 20, 2019 meeting were approved as submitted.

FINANCIAL REPORT

- The financial report for March was reviewed. Ms. Geiss reported that net income for the month was a loss of \$5,305. Adjusting for Bond principal and capital expenditures resulted in a positive cash flow of \$854. On a year-to-date basis, net income showed a loss of \$7,620 but a positive cash flow of \$4,060. Much of the loss for the month was in the sewer utility, while the year-to-date loss reflected lower water sales. Water sales should increase with lawn sprinkling in warmer weather.
- No Accounts Payable Check Register report was available for March due to the resignation of Controller Montgomery (see under New Business below).
- Miss Geiss reviewed current non-payments and pending disconnects

OPERATIONS REPORT

- Mr. West reported that March wastewater plant performance was in compliance with all permit parameters. Wastewater flows for the month averaged 370,000 gallons per day, and the average for the past 12 months of 419,000 gallons per day. He further reported that SIUC delivered 11,440,359 gallons of water for the month compared to 13,648,819 gallons last year. This accounted for 87.72% of the water received from St. John's for the month compared to 87.09% last year. Mr. West also reviewed the more significant work orders completed during the month.

- Mr. West reported that St. Johns Water Company has reduced its monthly Transmission O&M charge from \$4,481 to \$4,162 for 2019, a savings of \$319 per month.
- Mr. West also indicated he will be preparing the annual Consumer Confidence Report which is to be provided to all water customers and details various water quality parameters.

OLD BUSINESS

- Mr. Houghton informed the Commission that Louis Berger Hawthorne had withdrawn their proposal to provide management services to the Beach Company's Kiawah River development. Consequently, there is no need to consider potential utilization of SIUC resources.
- Chairman Morawski reviewed current late payment penalties for SIUC services. Most have not been updated since the Utility was acquired in 1996, and will not work with the current Billing system. In addition, there are two utility services without any penalties or processes for handling late payment. After discussion, the Commissioners requested Louis Berger Hawthorne to provide an update for all late payment penalties and processes. No deadline was established due to the current Controller vacancy and ongoing audit.

Upon a motion by Smith-Jones, second by Vancini, it was requested that Late Payment Penalties and processes be updated and submitted to the Commission for approval.

- Mr. West informed the Commission that a meeting has been scheduled with SIUC Bond Council to review the Town's Bond Ordinance regarding the prohibition for providing free service.
- Mr. West also informed the Commission that the approved Engineering Study pertaining increased flows from new developments within SIUC service territory has been initiated.
- Mr. West also informed the Commission that FEMA had requested additional information regarding SIUC's grant application to fund additional emergency generators. W. K. Dixon engineering firm is providing that information.
- Lastly, Mr. West reviewed the responses he had received from other users the AC3 IT system. All were satisfied with the AC3 system. Because Commissioners approved the purchase in March, pending additional positive responses from users, no further action was required by the Commission.

NEW BUSINESS

- Mr. Houghton informed the Commission that Louis Berger Hawthorne is soliciting for a replacement of the Controller position as a result of the resignation of Carmella Montgomery. Because of the delay in reconciling accounts, Louis Berger Hawthorne is providing additional resources to assist in this effort, and has informed the SIUC auditors regarding the situation. This should not affect the 2018 audit which is currently underway.

ADJOURNMENT

There being no further business, upon a motion by Vancini, second by Smith-Jones, the meeting adjourned at 10:30 am.

The next regular meeting of the Commission is scheduled for May 15, 2019 at 9:30 am at Town Hall.

Date: May 15, 2019



Town Clerk