



**Minutes of the Seabrook Island Utility Commission Regular Meeting
May 15, 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. (LBH)

The minutes of the April 17, 2019 meeting were approved as submitted.

FINANCIAL REPORT

- The Operating Income and Charges report for April and Year to Date were reviewed. Ms. Geiss reported that net income for the month was \$29,084. Adjusting for Bond principal and capital expenditures resulted in a positive cash flow of \$33,069. On a year-to-date basis, net income was \$21,464 and a positive cash flow of \$37,245. Some of the increased revenues resulted from annual invoices of Availability and Impact Fees.
- No Balance Sheet was available for April due to LBH personnel concentrating on reworking the 2018 payables into the appropriate Finance System modules (see below). The Accounts Payable Check Register report was provided in a new format for Commissioners to review. No action was taken, but all payables had been previously approved following normal procedures.
- Ms 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 390,000 gallons per day,

with the average for the past 12 months of 419,000 gallons per day, similar to April of 2018. He further reported that SIUC delivered 16,267,434 gallons of water for the month compared to 17,553,894 gallons last year. This accounted for 90.02% of the water received from St. John's for the month compared to 91.32% last year. Mr. West also reviewed the more significant work orders completed during the month.

- Mr. West also reported on a recent sewer line repair in front of Seabrook Island Club. He indicated that a larger length of sewer line would need lining, and that he was working with a local firm that had done a similar lining project for SIUC last year. The project is too small for typical lining contractors. There was further discussion regarding whether the project could be delayed until later in the year to minimize the impact to the budget. It was decided that Mr. West would make that determination and notify the Commission next month.
- There was also a brief discussion regarding the benefits smart meters and whether SIUC should begin phasing them in. This will be further discussed next month.

OLD BUSINESS

- LBH personnel continue to update the 2018 reconciliations into the appropriate Finance System modules. The 2018 Audit could be delayed for this reason, however, Mr. Houghton indicated it is still their intent to meet the June 30 compliance date. He also updated the Commission regarding the Controller position vacancy. Applications are still being accepted through next week, and at present there are 4 applicants that meet the job requirements.
- St. Johns Fire District has requested that SIUC's Fire Hydrant Service fee of approximately \$18,000 per year be eliminated and the cost passed on to all other customers. Mr. Vancini met with Bond Council to discuss the language in the Town's General Bond Ordinance that prohibits SIUC from providing any free service. Bond Council further indicated that South Carolina State Code (Section 6-21-410) also prohibits SIUC from providing free service to the Town or any other party. St. Johns Fire District will be provided this information.

NEW BUSINESS

- Ms Geiss submitted a proposal from N. Harris Computer Corporation to do printing and mailing of SIUC's utility bills. This would replace the current service from ASFB at a similar cost but provide additional features. The Harris service would consolidate the billing process into a single service, allow SIUC to add and vary language on the bills, and allow personnel to view actual copies (pdf) of the bills. There was also discussion regarding black ink or color printing at a slightly higher cost. Current bills are printed with a blue color which Commissioners proposed a similar color be used. Ms Geiss also reviewed the increasing number of customers utilizing the on-line billing system, 162 as

of April 30. Commissioners suggested more effort be made to encourage customers to utilize the on-line system.

Upon a motion by Vancini, second by Smith-Jones, the Harris proposal was approved with color ink.

- Chairman Morawski and Mr. West informed the Commission that Charleston County has proposed a new ordinance requiring sewer connection for properties either fronting on sewer mains or adjoining properties that are already served with sewer. If adopted, it could have a significant impact to SIUC through increasing its service area. Because the Wastewater plant was designed to serve a specific area, the plant may be required to expand at an increased cost to existing customers. Commissioners requested a letter be sent to the County Commission expressing concerns with the proposed ordinance.
- Mr. West indicated that the State Treasurer's Pool which holds most of SIUC's monies requires new signatures due to the changes in authorized personnel. Commissioner Vancini will clarify with the Pool whose signatures are needed. This also generated a discussion on the need to identify all accounts and authorized signatures required by SIUC's financial institutions. LBH personnel will investigate and report back at a future Commission meeting.

ADJOURNMENT

There being no further business, upon a motion by Vancini, second by Smith-Jones, the meeting adjourned at 11:15 am.

The next regular meeting of the Commission is scheduled for June 19, 2019 at 9:30 am at Town Hall.

Date: June 19, 2019



Town Clerk