



**Minutes of the Seabrook Island Utility Commission Regular Meeting
July 15, 2020**

Due to Covid-19 mandates, the meeting was held via Zoom conference call with Zoom link published to the public on the Town's website. Meeting was called to order by Chairperson Smith-Jones at 9:30 AM.

Commissioners Present: Vancini, Morawski, and Smith-Jones.

Others Present: Tommy West, Beth Geiss, and Chris Houghton of LBH and Kellan Shuford and Trey Scott of Mauldin and Jenkins were present. No other public present.

Upon a motion by Vancini and seconded by Morawski, minutes of the June 17, 2020 meeting were approved as submitted.

Audit Report for 2019

At this point in the meeting, Chairperson Smith-Jones asked if there were no objections, we allow for the presentation of the SIUC Audit Report for 2019 by Mr. Shuford and Mr. Scott of Mauldin & Jenkins. Hearing no objections, the Report was presented. The SIUC Audit ending December 31, 2019 had a "clean opinion" with no audit findings. SIUC net current assets indicated "a good liquid financial position." Having completed the presentation and discussion, the Commission thanked the auditors. A motion was made by Morawski and seconded by Vancini to accept the 2019 Audit. Motion was passed.

FINANCIAL REPORT June, 2020 by Ms. Geiss

Net income for the month of June was a surplus of \$ 25,428. Connection and Impact fees saw an increase and Misc/Late Fees were over budget. Irrigation was billed this month but was under budget. O & M and Salaries expenses were both under budget which created the surplus. After adjusting for Bond P&I and Capital Expenditures of \$ 12,424, June showed a net profit of \$ 12,265.

On a year to date basis there is a surplus of \$ 95,283 over budget.

The Balance Sheet shows available Cash totals \$2,608,371.

During the month of June SIUC paid vendor invoices totaling \$ 209,062.97 as reflected in the disbursement report.

We have completed the Business Process Review with Edmunds and the tentative go live dates are September 1 for the Finance module and October 8 for the Utility Billing module for the new Financial Software.

Review of Financial Picture

Completed Financial Health Checkup for Water Utilities tool and began working with the Environment Finance Center at UNC Chapel Hill. They have a cooperative agreement with EPA to aid small water systems.

The June payables, as submitted electronically to Commissioners were electronically approved.

OPERATIONS REPORT June, 2020 by Mr. West

WATER RESOURCE FACILITY(Sewer)

Effluent quality continued to meet permit requirements during the month. Daily average flows were 0.511 million gallons per day (MGD). The maximum day was 0.688 million gallons for the month. The average effluent Total Suspended Solids (TSS) was 12 mg/l and the average effluent Biochemical Oxygen Demand (BOD) was 12 mg/l, indicating excellent process control. During June 1525 gallons of Sodium Hypochlorite (Bleach) was used for effluent disinfection. Total effluent & deep well pumped to Seabrook golf courses for irrigation for June was 12.259 million gallons effluent and 0.350 million gallons deep well. Total effluent and deep well pumped to Oak Point golf course was 6.667 million gallons effluent and 0.000 million gallons deep well.

WATER DISTRIBUTION

SIUC delivered 27,072,071 gallons of water for the month compared to 31,397,980 gallons last year. The accounted for water received the month from St Johns 93.68% compared to 92.68% last year.

Requested that Tidelines be used to notify customers when water may be unavailable due to leak repairs.

On 7/8/2020 an incident occurred involving an operator cleaning aeration basin #2 with the vac truck. The vac truck rolled into the aerobic digester causing damage to the blower header, conduit, and the air header. No damage to the truck and no one was injured. Damages are estimated to be approximately \$6,500.00. This was reported to the Insurance Reserve Fund for reimbursement and report was filed with LBS. There is a \$1,000. deductible that may apply to the claim. All operators were briefed on the incident to try insure this doesn't happen again.

Finally, AT&T completed a structural analysis modelling the impact of high winds on our elevated tank where their equipment is located. Apparently, their model suggested needed modifications of about \$300K to the structure for the purpose of their equipment. It is not a safety issue for the elevated tank. Our contract states that any modifications needed for their equipment is at their costs.

OLD BUSINESS

The 2020 Cash flow chart for this fiscal year and the 2020 Capital Items were discussed. Beginning Cash Balance in Jan. was \$2.63 million with an ending Cash Balance of \$2.36 million projected. Expected Capital purchases decreased from the budgeted amount of \$595,000 to \$408,049.

Motion was made Morawski and second by Vancini to authorize the previously budgeted items:
Mini Excavator in the amount of \$60K scheduled for Sept, 2020
Sewer Rehab with \$30K for assessment and up to \$20K if repairs are needed scheduled for Oct and Nov, 2020
Meter Replacements for \$50K scheduled for August, 2020
#18 Pump Station Generator for \$50K scheduled for Nov, 2020
Motion was passed.

NEW BUSINESS

Mr. Houghton stated that LBS had determined that they would follow Department of Defense ban of Zoom Meetings by their personnel. If SIUC plans to continue its Zoom meeting, he will need to request an exemption from LBS. Requested he sent information for SIUC to review the DOD ban.

There being no further business, a motion was made by Morawski and seconded by Vancini to go into Executive Session. Motion was passed and Executive Session started at 11:20 am.

The Commissioners ended the Executive Session at 12:13 pm. A motion was made by Morawski and seconded by Vancini to adjourn the Meeting. Motion passed meeting was adjourned at 12:14 pm.

The next regular meeting of the Commission is scheduled for August 19, 2020 at 9:30 am. It will be determined beforehand whether this meeting will be held with Zoom video conference call.

Date: August 19, 2020



Town Clerk