



**Minutes of the Seabrook Island Utility Commission Regular Meeting
June 19, 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 May 15, 2019 meeting were approved as submitted.

FINANCIAL REPORT

- The Operating Income and Charges report for May and Year to Date were reviewed. Ms. Geiss reported that net income for the month was \$20,544. Adjusting for Bond principal and capital expenditures resulted in a positive cash flow of \$29,368. On a year-to-date basis, net income was \$42,039 and a positive cash flow of \$66,769. Higher revenues than budgeted were attributed to greater water sales due to lack of rain in May. The Sewer operation still showed a loss but expected Impact Fees should result in some improvement.
- No Balance Sheet was available for May as LBH personnel continued concentrating on reworking the 2018 payables into the appropriate Finance System modules. The current plan is for a draft of the 2018 Audit to be submitted to the Commission at their July meeting.
- The Accounts Payable Check Register report was submitted to Commissioners. **Upon a motion by Smith-Jones, second by Vancini, the May payables, as submitted electronically to Commissioners were approved.**

OPERATIONS REPORT

- Mr. West reported that March wastewater plant performance was in compliance with all permit parameters. Wastewater flows for the month averaged 344,000 gallons per day, with the average for the past 12 months of 419,000 gallons per day. He further reported that SIUC delivered 29,972,122 gallons of water for the month compared to 21,867,443 gallons last year. This accounted for 97.03% of the water received from St. John's for the month compared to 94.45% last year. Mr. West also reviewed the more significant work orders completed during the month.
- There was also a brief discussion regarding the method of pumping and billing for irrigation to the courses at Seabrook and Oak Point. Deep Well must supplement Wastewater effluent during high demand periods and low rainfall.
- Mr. West also noted that they had experienced several water leaks under parking lots at a few regimes especially at Pelican Watch villas. They are looking into the cost of replacing aging service lines with the objective of less disruption to pavement.
- Lastly, Mr. West indicated that required lead testing of drinking water was being conducted at several residences around the island.

OLD BUSINESS

- Mr. Houghton reviewed the process and applications for the LBH Controller vacancy, concluding with the selection of Ms. Geiss. Commissioners indicated their appreciation for the effort and congratulated Ms. Geiss. Ms. Geiss' previous Bookkeeper position is on-hold while LBH evaluates the functional needs.
- Mr. Houghton reviewed the language in the Management contract pertaining to the number and types of funds used by SiUC. While the language refers to an Operating Fund and a Capital Fund, SIUC also utilizes an Accounts Payable Fund. Mr. Houghton reviewed a proposed Standard Operating Procedure (SOP) addressing authorized signatures. Before finalizing the SOP, Mr. Houghton will verify its consistency with Seabrook Island's Bond Ordinance.
- Mr. Houghton, Ms. Geiss, and Mr. West indicated that the Operating Fund was nearing depletion after two years of Capital purchases. With the recent purchases of two pickup trucks as well as the unpaid Hydrant Fees, has caused the Fund to drop below the desired level.

Upon a motion by Smith-Jones, second by Vancini, the Commission approved a transfer of \$90,000 from the State Fund to the Operating Fund.

- Ms. Geiss presented several forms to authorize signatures for transfers between Funds.
- Ms. Geiss also submitted a Fraud Protection Plan offered by the Bank at a cost of \$40.00 per month.

Upon a motion by Smith-Jones, second by Vancini, the Commission approved obtaining the Fraud Protection service.

- Ms. Geiss presented a copy of the new customer invoice for utility services. Since it was previously approved, no action was required, but Commissioners expressed their approval of its appearance.

NEW BUSINESS

- Chairman Morawski informed the Commission that Mr. West and he had participated in the Town's recent Emergency Training based on a simulated hurricane. Commissioners need to locate their copies of the Town's Emergency Plan, and Mr. West will also update the Utility's portion of the plan. The Commission will review the updated plan at their next meeting.

ADJOURNMENT

There being no further business, upon a motion by Smith-Jones, second by Vancini, the meeting adjourned at 11:20 am.

The next regular meeting of the Commission is scheduled for July 17, 2019 at 9:30 am at Town Hall.

Date: July 17, 2019



Town Clerk