

**EDGEFIELD COUNTY WATER & SEWER AUTHORITY
BOARD MEETING MINUTES**

The October Regular Board of Directors Meeting of Edgefield County Water and Sewer Authority was held on October 26, 2020 starting at 5:30 p.m. at 100 Waterworks Rd., Edgefield, SC (ECWSA Administrative Building). No individual or organization requested a copy of the Agenda. Notice of this Board of Directors Meeting was posted in the Administration Office 4 weeks prior to meeting and the Agenda was posted October 22, 2020.

CALL TO ORDER: Kennamer, 5:30 p.m.

INVOCATION: Kennamer

MEMBERS PRESENT: Johnson, Clark, Creswell, Kennamer, Smith, Kitchens, and Washington

MEMBERS ABSENT: None

STAFF PRESENT: Administrator Hare, Business Manager Carroway

GUEST PRESENT: Grant Davis of Mauldin & Jenkins

AGENDA: A motion was made by Johnson to approve the October 26, 2020 Agenda. Second by Creswell. Vote unanimous to approve the agenda.

MINUTES: A motion was made by Johnson to approve the September 28, 2020 Minutes. Second by Washington. Vote unanimous.

PUBLIC COMMENT: No comments from the public and no one present from the public.

PRESENTATION OF THE DRAFT FY 2020 AUDIT

After a brief introduction by Administrator Hare, Mr. Grant Davis of Mauldin & Jenkins made his presentation of the ECWSA FY 2020 Audit in final form. Mr. Davis then began a review of the draft 2019-20 financials for the Board. Mr. Davis stated that the Authority was in a strong position financially at the conclusion of FY 2020. Mr. Davis reviewed the different sections of the audit as well as the Post Employment Benefit liabilities required to be accounted for by GASB. Mr. Davis also reviewed the supplemental material related to the audit and upcoming new GASB regulations and how they may impact the Authority. At the conclusion of the audit, Mr. Davis expressed his appreciation, on behalf of his firm, for continued strong working relationship and cooperation of staff at the Authority. The Board thanked Mr. Davis and his firm for all of their work on this year's audit.

FINANCIAL STATEMENT: Administrator Hare discussed the Financial Statement ending September 30, 2020. Budget should be at 25%, Revenues are 27.97%, and Expenses are at 24.38%. Sewer sales by were relatively steady as compared to the previous month and previous year.

REPORTS:

John Hare, Administrator covered the following items during the report section:

- Administrator Hare gave a brief review of development and tap sales. Both are up.
- The date for the December Board meeting is December 7, 2020 at 5:30 p.m. No business will be conducted and a meal will be provided for the Board members and their spouses. This meeting will be held at Three Star Vineyards.
- Administrator Hare provided a copy of an invoice that was sent to a contractor who ha recently hit a marked water main on Martintown Rd.

BUSINESS:

A. BOND REQUIREMENT FOR ENCROACHMENT PERMITS SIGNED BY ECWSA

Administrator Hare presented information regarding ECWSA signing SCDOT encroachment permits for developers before acceptance of the water main.

“Currently S.C.DOT requires that the Authority sign and accept responsibility on any encroachment permit applications made by a developer or contractor to extend water or sewer lines from the Authority’s existing lines. This has not always been the case, and this new process only started a couple of years ago. In looking at the liability and potential legal ramifications from the Authority signing the permit application, Authority Staff & legal representation believe that it will be in the Authority’s best interest to require a Performance Bond made payable to the Authority for any work done by a developer or contractor prior to the Authority accepting such work. This would be a protection for the Authority in such cases as the developer/contractor does damage to a SCDOT road in the course of performing utility work under an encroachment permit applied for in the Authority’s name.”

Administrator Hare further presented sample guidelines that Authority should consider adopting:

BONDING REQUIREMENTS FOR DEVELOPERS & CONTRACTORS REQUIRING A SCDOT ENCROACHMENT PERMIT SIGNED BY ECWSA

1. Two (2) sets of detailed blueprint drawings showing all water and/or sewer utility work that will require an encroachment permit.
2. Preconstruction meeting with ECWSA Staff to review permit application prior to signing.
3. Establishment of a surety bond, cash bond, or Irrevocable Letter of Credit from an accredited lending institution that must be posted prior to signing of the permit application and will be held for a period of

18 months after all repairs or excavations have been completed. The cash bond is refundable after 18 months, upon a final inspection to ensure work is completed to the satisfaction of the Authority.

4. Surety bond, cash bond, or Irrevocable Letter of Credit shall include the following Authority information at a minimum:

*Edgefield County Water and Sewer Authority
PO Box 416
100 Waterworks Rd.
Edgefield, SC 29824*

5. If proposed work is not initiated, the bond shall be returned within 30 days of written notification that the project will not proceed.
6. Utility contractors in good standing can apply for an Annual Blanket Permit by posting a \$5,000 bond.
7. All other bonds will be calculated at the time of application at 25% of the total cost of construction.

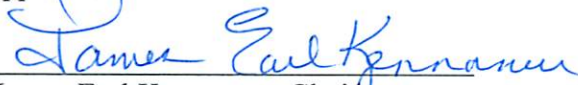
A motion was made by Kitchens to move forward with the bond requirements proposed by Administrator Hare, pending legal review. Second by Clark. No discussion, vote unanimous.

EXECUTIVE SESSION – A motion was made by Johnson to enter into Executive Session to discuss a legal issue. Second by Kitchens. Vote Unanimous.

The Board exited Executive Session with no action taken.

Motion was made by Clark to adjourn.
Second by Kitchens
Time: 6:15 p.m., October 26, 2020
Vote Unanimous

Approved


James Earl Kennamer, Chairman