

GRAND STRAND WATER & SEWER AUTHORITY
BOARD OF DIRECTORS MEETING
MARCH 22, 2010

	#MEETINGS (Since 7/1/09)	#ATTENDED (Since 7/1/09)	% ATTENDANCE
MEMBERS PRESENT:			
Sidney F. Thompson, Chairman	9	9	100%
Benjy A. Hardee, Vice Chairman	9	7	78%
John C. Griggs, Secretary	9	9	100%
David F. Singleton, Member	9	9	100%
Arnold T. Johnson, Member	9	8	89%
Robert M. Floyd, Jr. Member	9	8	89%
J. Liston Wells, Member	9	9	100%
Wilbur M. James, Member	9	9	100%
Robert L. Rabon, Member	9	8	89%

STAFF PRESENT:

Fred R. Richardson, Chief Executive Officer
Irv Wooley, Chief of Utility Operations
Marguerite S. Carroll, Chief Financial Officer
Christy S. Everett, Chief of Engineering & Construction
Chrystal Johnson, Executive Assistant

LEGAL COUNSEL:

Lynn Stevens, McNair Law Firm
Carl Schwartzkopf, County Councilman

Copies of the Notice of Meeting and Agenda were mailed to the local media.

Chairman Thompson called the meeting to order, gave the invocation and welcomed everyone in attendance.

APPROVAL OF FEBRUARY 22, 2010 MINUTES: Upon motion duly made by Mr. Johnson, seconded by Mr. James, the Minutes of the February 22, 2010 meeting was approved as presented.

CHIEF EXECUTIVE OFFICER'S REPORT – OLD AND NEW BUSINESS (ACTION ITEMS):

DISCUSSION/ACTION: Resolution 02-10: A Resolution to Authorize the Chief Executive Officer to Execute the Closing Documents for the Transfer of the Water and Wastewater System From City of Marion to Grand Strand Water and Sewer Authority. Mr. Richardson stated the City referendum passed with approximately 73% of the vote. We are looking to close as soon as possible and have the transfer date as of May 1st. Upon motion of Mr. Griggs seconded by Mr. Singleton, the authorization was unanimously approved by the Board as presented.

DIVISION REPORTS:

IRV WOOLEY, CHIEF OF UTILITY OPERATIONS

UPDATE/STATUS: BULL CREEK/MYRTLE BEACH REGIONAL WATER FACILITY PRODUCTION: Mr. Wooley stated the treated water has been real good for the month of February. The Myrtle Beach and Bull Creek plants are running below their long-term average alum dosage. We are still getting very good quality water.

In February, Myrtle Beach's flow was 8.8 mgd compared to last year of 10.2 mgd, down by 1.4 mgd. Bull Creek is almost down about 1.3 mgd. The total water flow is only down 1 mgd. We have used groundwater and ASR to take up some of the difference in the Bull Creek system. The actual Bull Creek system is up about 400,000 gpd.

UPDATE/STATUS: COMPLIANCE WITH DHEC WATER AND WASTEWATER REQUIREMENTS: Mr. Wooley stated that we had no violations for the month of February. At the Myrtle Beach WWTP, they are wrapping up the construction work. The only thing left to do is the road repair.

At the Myrtle Beach SWTP, we had a leaking expansion joint. We have had a contractor come in and do a repair on that. This should dry out the area quite a bit. We will be removing sludge from the onsite alum sludge lagoon. At the Conway WWTP, we have some road work there to finish up that project. This should not take longer than two weeks. At Carolina Forest, we have the ASR well being drilled. The drillers have completed the initial bore.

Mr. Wooley went over with the Board the wastewater flows for the month of February in comparison to last year's figures.

MARGUERITE CARROLL, CHIEF FINANCIAL OFFICER

UPDATE/STATUS: FEBRUARY 2010 FINANCIAL STATEMENTS WITH HIGHLIGHTS AND COMMENTS: Mrs. Carroll reviewed the details of the consolidated budget report for February 2010 of the major categories. She reported Total Operating Revenues of \$43.1 million, which are up by \$282,093 or 1%. The Total Operating Expenses are down from \$41.5 million to \$39.9 million for a difference of (\$1.6 million) or (4%). The Operating Surplus is up from \$1.3 million to \$3.2 million for the current year for a difference of \$1.9 million or 141%. Mrs. Carroll reported Total Non-Operating Revenues are down from \$10.9 million to \$8.4 million for a difference of (\$2.6 million) or (24%). Mrs. Carroll went over with the Board the year to date actual expenses of each major category compared to budgeted expenses.

Mrs. Carroll reviewed the details of the Bull Creek Surface Water Treatment Plant for February 2010. Total Operating Revenues were up from \$6.9 million to \$7.2 million for a difference of \$257,509 or 4%. The Total Operating Expenses are down from \$8.1 million to \$7 million for a difference of (\$1.1 million) or (13%), resulting in an Operating Surplus of \$200,904 as compared to last year's deficit of (\$1.1 million) which is a difference of \$1.3 million or 118%.

UPDATE/STATUS: INVESTMENT ANALYSIS: Mrs. Carroll reported the total amount invested was \$124.5 million; the yield for the current month is .29%, the yield for the current 3 months is (-.02%) and the yield for the current 12 months is 3.16%.

UPDATE/STATUS: CUSTOMER/REU MONTHLY REPORT: For the month of February, we had a total of 69,712 customers with 65,069 active, 1,430 inactive, and 3,213 suspended. For the month of February we had a total of 114,496 REUs with 107,239 active, 1,704 inactive, and 5,553 suspended. Mrs. Carroll reviewed with the Board the changes that occurred between the months of January and February.

UPDATE/STATUS: BUSINESS & TRAVEL EXPENSES: Mrs. Carroll noted that \$10,754.76 was spent for Business & Travel during the month of February.

UPDATE/STATUS: PURCHASE TRANSACTIONS OVER \$2,500: Mrs. Carroll called to the Board's attention the information contained in the Board packet on purchase transactions over \$2,500.

CHRISTY EVERETT, CHIEF OF ENGINEERING & CONSTRUCTION

UPDATE/STATUS: RURAL AND MINOR SUBDIVISION WATER AND SEWER PROJECTS: Mrs. Everett stated we approved 2 projects for design in the month of February for the rural water program. The Board has approved nearly \$1 million in FY 10/11 for the rural water program. We have also issued a mailout to a community on the Neal Branch Road near Loris. We gave approval to one rural water project, which added 10 new customers. On the sewer side, we have had several mailouts in the Loris area as well. We are seeing a lot of activity in the Loris and Green Sea area. We had 3 sewer projects that have gone into design in the month of February. The Board has approved

nearly \$600,000 for the rural sewer program. Currently we have a total of 41 projects in the rural water and sewer program for 131 new customers. We have 24 rural water projects and 17 sewer projects.

UPDATE/STATUS: DEVELOPER PROJECTS: Mrs. Everett stated in the month of February, we did receive 3 developer extension projects for an additional 83 REUs and 11 commercial projects that totaled 67 REUs. Most of the developer extensions projects are additional phases for single-family developments that already exist. On the commercial side, we are getting an IHOP off Hwy 501 at Legends Drive. Coastal Carolina University has submitted plans for several projects. They are designing and building a new recreational facility for the students. We held one preconstruction meeting for a developer extension project. We issued service authorization for a phase of a project for 32 REUs. Updating our active construction projects, we have 24 fairly active developer extension projects.

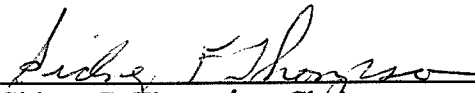
UPDATE/STATUS: CAPITAL PROJECTS: Mrs. Everett stated the 30" force main is under construction off Hwy 544 connecting Legends Drive. This project is approximately 50% complete. They have had a lot of delays for this project due to the wet weather. R.H. Moore was awarded the backgate interchange relocation project. They will be mobilizing this week and next week and will start boring under Farrow Parkway. This project will take approximately six to eight months to complete. One of the projects GSWSA's construction crews have been working on is laying a 12" water line between Tabor City and Green Sea. Another crew is laying an 8" water line off Hwy 19 and Mt. Olive Road. We also have another water line project off Hwy 905 and Old Reaves Ferry Road.

OTHER BUSINESS:


Chairman Thompson called to the Board's attention to the Employee Recognition, Monthly Report, Sod Donation Report, AWWA Conference dates, and Budget Retreat dates.

Upon motion duly made, seconded and carried the Board went into executive session for the discussion of legal and contractual matters. Following the executive session, the Board returned to regular session.

There being no further business, upon motion duly made, seconded and carried, the meeting was adjourned.



Sidney F. Thompson, Chairman



Benjy A. Hardee, Vice Chairman




John C. Griggs, Secretary



Arnold T. Johnson, Member



David F. Singleton, Member



Robert M. Floyd, Jr., Member



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