

GRAND STRAND WATER & SEWER AUTHORITY  
 BOARD OF DIRECTORS MEETING  
 FEBRUARY 23, 2026

	#MEETINGS (Since 7/1/25)	#ATTENDED (Since 7/1/25)	% ATTENDANCE
MEMBERS PRESENT:			
Benjy A. Hardee, Chairman	7	7	100%
Arnold T. Johnson, Vice Chairman	7	7	100%
Richard Singleton II, Secretary	7	6	86%
Sidney F. Thompson, Member	7	7	100%
J. Liston Wells, Member	7	7	100%
Mark K. Lazarus, Member	7	7	100%
L. Morgan Martin, Member	7	4	57%
Radha B. Herring, Member	7	7	100%
B. Kemp Floyd, Jr., Member	2	2	100%

STAFF PRESENT:

Christy Holder, Chief Executive Officer  
 Chrystal Skipper, Chief of Administration  
 Neeraj Patel, Chief of Plant Operations  
 Matthew Minor, Chief of Engineering & Construction  
 Thomas Neat, Chief of Technology  
 Wade Lewis, Chief of Field Operations  
 Greg Thompson, Chief of Accounting & Finance  
 Mary Hunsucker, HR Manager

LEGAL COUNSEL:

Bhumi Patel, Burr Forman

VISITORS:

Jerry Hearl, Retiree  
 Tommy Brittain, Brittain Law Firm  
 Preston Brittain, Brittain Law Firm  
 John White, Jr., John B. White, Jr. P.A. Law Firm  
 Jerome Tapley, Cory Watson Attorneys  
 Luke Rankin, Rankin & Rankin Attorney at Law

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

Chairman Hardee called the meeting to order and welcomed everyone in attendance. The invocation was given by Vice Chairman, Arnold Johnson.

APPROVAL OF JANUARY 26, 2026, MINUTES: Upon motion duly made by Mr. Thompson, seconded and carried, the minutes of the January 26, 2026, meeting were approved as presented.

Jerry Hearl shared information with the Board regarding his experience with health insurance as a retiree and his recent experience dealing with the Social Security Administration related to obtaining Part B coverage and expenses due to the retiree insurance changes for Medicare eligible retirees for 2026. Chairman Hardee stated that he appreciated his service with GSWSA and that he would take his comments under advisement.

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

DISCUSSION/ACTION: Capital Budget Appropriation Requests – Rural Water Projects. Mrs. Holder stated the rural water projects in the Board packet for appropriation have met the criteria for our rural program.

DISCUSSION/ACTION: Capital Budget Appropriation Requests – Rural Sewer Projects. Mrs. Holder stated the rural sewer projects in the Board packet for appropriation have met the criteria for our rural program.

Upon motion of Mr. Johnson, seconded by Mr. Singleton, the capital budget appropriation requests for rural water and sewer projects were unanimously approved by the Board as presented.

Upon motion duly made by Mr. Wells, seconded by Mr. Singleton, and carried the Board went into executive session for the discussion of legal matters. Upon motion duly made by Mr. Johnson, seconded by Mr. Singleton, and carried the Board returned to regular session.

#### DIVISION REPORTS:

##### GREG THOMPSON, CHIEF OF ACCOUNTING & FINANCE

Mrs. Holder stated that she and Mr. Thompson are working on the 5-year financing plan, 2-year plan and the 20-year plan which will be presented to the Board at the budget retreat. We are working to determine how best to structure our revenue and debt to cover the capital costs planned for regulatory compliance as well as maintaining capacity for growth.

Mr. Thompson stated the good news is, we can spread this cost over 30 years and we have a large customer base. We plan to map all the costs out over time and provide options for the Board to decide best strategy.

UPDATE/STATUS: January 2026 Financial Statements: Mr. Thompson stated our total revenues this year are \$111 million compared to \$117 million last year at this time. Most of the difference is due to the grants we received last year. He shared several charts regarding the fiscal year 2026 financials with the Board. In regard to outflows, our expenses are \$115 million this year compared to \$109 million last year.

In regard to our budget-to-actual comparison, our operating revenues are right on schedule and a little behind in regard to operating expenses. Any expenses we do not incur are transferred to fund capital. In regard to our non-operating revenues, we are ahead of schedule. We have realized \$24 million of the budgeted \$34 million in revenues. In regard to the capital budget expenses, we have realized \$40 million of the budgeted \$104 million this year.

UPDATE/STATUS: Investment Analysis: Mr. Thompson called the Board's attention to the Investment Portfolio in the Board packet. As of January 31<sup>st</sup>, our total investment portfolio was approximately \$261.9 million and earning 4.83% interest.

UPDATE/STATUS: Purchase Orders Over \$25,000: Mr. Thompson called the Board's attention to the largest purchase order on the report – a purchase order issued to Salmons Dredging Corporation for \$1.5 million for the 30" line repair on the line from Bull Creek to the South Reservoir.

Mr. Thompson stated that we received our bond ratings today from Moody's and S&P. They rated us AA+ which affirmed our rating. We will be publishing our preliminary official statement tomorrow and will take competitive bids for the \$100 million to fund capital for the next several years. We are projecting to get a rate around 4.6%.

Mr. Lazarus asked about the insurance on the Bucksport Marina and the Marine Park as shown on the purchase orders over \$25,000 report. Mrs. Holder briefly discussed this insurance with the Board.

##### NEERAJ PATEL, CHIEF OF PLANT OPERATIONS

Mr. Patel stated we received a request from a graduate student at Clemson University who wants to do some research in the Carolina Bays. We have approximately 700 acres where the student wants to study. We coordinated with Burr Foreman on an updated

liability release form. However, before granting permission we wanted to seek guidance from the Board. Mr. Johnson asked what type of research. The student is studying frog calls. Mr. Johnson and the Board further discussed previous similar requests. A decision was made to allow the student to conduct the research.

WADE LEWIS, CHIEF OF FIELD OPERATIONS

Mr. Lewis updated the Board on the 30" line repair on the line from Bull Creek to the South Reservoir. He stated it was a two-month process, but the line was put back in service yesterday. Mr. Lewis shared and described several pictures with the Board. All of the mats have already been removed. Mr. Lewis reminded the Board that this was HDPE pipe with fused joints. Unfortunately, we have more than 30 additional fused joints on the line. The line is approximately 35 years old.

In regards to the ASR program, we are approximately 150 million gallons short of what we had injected this time last year due to the leak on the 30" line. We are creating contingency plans now in the event that we need additional water during the spring and summer months.

MATT MINOR, CHIEF OF ENGINEERING AND CONSTRUCTION

Mr. Minor shared a map and information with the Board regarding a request from a customer, Mr. Eric Gibbs, to extend water service along Inman Road in the Little River area. After evaluating the request, it was determined that Inman Road is a privately owned and maintained ingress/egress easement. We typically go down private roads if we can obtain permission from all property owners with rights. We usually prepare easement documents and provide them to the customer for the customer to obtain easements. We did this for Mr. Gibbs, but he was unable to obtain all required permissions for the extension. Therefore, Mr. Gibbs has requested that we evaluate other options for providing him with water service.

Mrs. Holder added that one day this was one big piece of property. It was subdivided and a private easement was put on the property with lots on both sides. Four lots were served water by Little River Water & Sewerage Company. These individuals have run their own service lines to their parcel crossing other parcels. There are no records of easement. Based on legal guidance and our procedures, a 20' access easement doesn't give us permission to run a waterline. We have always received our own utility easements. In this case, it is not clear as to who owns the easement without doing a full title search. We do not typically perform for a rural project. As mentioned, we have always received private easements from property owners. In this case, there are sixteen easements to obtain, and Mr. Gibbs cannot obtain them all.

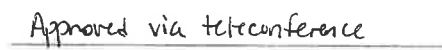
Mr. Minor, Mrs. Holder, Mrs. Patel and the Board further discussed this situation and what options we have to help provide water service to Mr. Gibbs. We will continue to try to work with Mr. Gibbs.

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

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

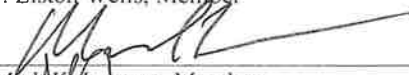
  
Benjy A. Hardee, Chairman

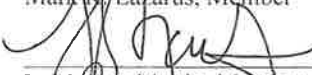
  
Arnold T. Johnson, Vice Chairman

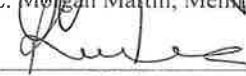
  
Richard G. Singleton II, Secretary

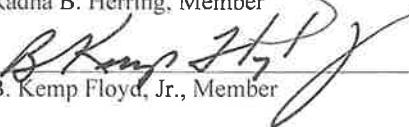
  
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Sidney F. Thompson, Member

Approved via teleconference  
J. Liston Wells, Member

  
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Mark K. Lazarus, Member

  
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L. Morgan Martin, Member

  
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Radha B. Herring, Member

  
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