

GRAND STRAND WATER & SEWER AUTHORITY
BOARD OF DIRECTORS MEETING
JUNE 22, 2026

	#MEETINGS (Since 7/1/25)	#ATTENDED (Since 7/1/25)	% ATTENDANCE
MEMBERS PRESENT:			
Benjy A. Hardee, Chairman	12	12	100%
Arnold T. Johnson, Vice Chairman	12	11	92%
Sidney F. Thompson, Member	12	11	92%
J. Liston Wells, Member	12	12	100%
Mark K. Lazarus, Member	12	12	100%
L. Morgan Martin, Member	12	8	67%
Radha B. Herring, Member	12	12	100%
B. Kemp Floyd, Jr., Member	7	7	100%

MEMBERS ABSENT:			
Richard Singleton II, Secretary	12	10	83%

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:

Ryan Gentry, Burr Forman
Bhumi Patel, Burr Forman

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 Board Secretary, Arnold Johnson.

APPROVAL OF MAY 26, 2026 MINUTES: Upon motion duly made by Mr. Wells, seconded by Mr. Johnson and carried, the minutes of the May 26, 2026 meeting were approved as presented.

PUBLIC HEARING: Resolution 03-26 – A Resolution to Raise Revenue, Make Appropriations and Adopt a Budget for Grand Strand Water and Sewer Authority for Fiscal Years Ending June 30, 2027 and June 30, 2028 and Amend Budget for Fiscal Year 2026. Chairman Hardee opened the Public Hearing for comments regarding Resolution 03-26. There were no comments. The Public Hearing portion of the meeting was closed.

DISCUSSION/ADOPTION: Resolution 03-26 – A Resolution to Raise Revenue, Make Appropriations and Adopt a Budget for Grand Strand Water and Sewer Authority for Fiscal Years Ending June 30, 2027 and June 30, 2028 and Amend Budget for Fiscal Year 2026. Upon motion made by Mr. Johnson, seconded by Mr. Wells, the resolution was unanimously approved by the Board as presented.

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

DISCUSSION/ACTION: A Series Resolution – Approving the Financing of the Conway Parallel 24" Transmission Main Project Through the Borrowing of not Exceeding Eleven Million Four Hundred Three Thousand Seven Hundred Ninety-Eight Dollars, Plus Capitalized Interest, if any, Series 2026C, From the South Carolina Drinking Water

Revolving Loan Fund. This is a loan we already applied for. We went out for bids and now have a bid amount. The bid is just under \$10 million. This is a resolution to adopt to close on the loan. Mr. Gentry added the resolution needed to be amended because the dollar amount changed slightly due to having to remove the closing costs. Upon motion of Mr. Johnson, seconded by Mr. Wells, the resolution with the amended amount was unanimously approved by the Board as presented.

DISCUSSION/ACTION: Real Estate Sales Agreement and Contract Between Marion County and Grand Strand Water and Sewer Authority. Mrs. Holder stated this was previously brought to the Board's attention. Marion County requested to purchase several acres at the back of our land application site, which is adjacent to their landfill. The City obtained an appraisal which was \$35,000. The contract with Marion is to sell 8.75 acres for \$35,000. Mrs. Holder shared a plat with the Board showing the area to be sold. Upon motion of Mr. Johnson, seconded by Mr. Wells, the sales agreement and contract was unanimously approved by the Board as presented.

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. Wells, the capital budget appropriation requests for rural water and sewer projects were unanimously approved by the Board as presented.

DIVISION REPORTS:

GREG THOMPSON, CHIEF OF ACCOUNTING & FINANCE

UPDATE/STATUS: May 2026 Financial Statements. Mr. Thompson reviewed the total uses of funds through May with the Board and shared a comparison from the same time period last year. In regard to revenues, through May, we have brought in \$176 million in revenue which is down \$7 million compared to the same time period last year. This is a combination of an increase in operating revenues and a decrease in non-operating revenues. Our water impact fees lagged earlier in the year but have caught up to our fiscal year 2025 water impact fees while sewer impact fees are 12% lower than fiscal year 2025. In regard to operating expenses, our total operating expenses are approximately \$117 million fiscal year-to-date, which is up \$7 million compared to the same time period last year while our capital project spending is down \$4 million compared to the same time period last year.

Mr. Thompson also shared a chart showing a comparison of the budget to actual revenues and expenses through May with the Board. We are 91% through the current fiscal year. In regard to operating revenues, we are at 90% of budgeted revenues. We anticipate catching up on revenues by the end of the fiscal year. In regard to operating expenses, we are at 76% of budgeted expenses. In regard to non-operating revenues, we are over 100% through our budget for fiscal year 2026. In regard to capital budget expenses, we budgeted to spend \$104 million but fiscal year-to-date, we have only spent \$52 million. We do expect to see an increase in our capital budget as we just closed a loan, have received bids for projects, have several other projects to begin soon and we are finishing up the Bull Creek Expansion project.

UPDATE/STATUS: Investment Analysis. Our total investment portfolio as of May 31st is \$365.4 million. These funds are spread over three different categories: \$218 million managed by internal staff, \$13 million debt service funds and \$135 million managed by investment firms. The funds managed by our internal staff include the \$100 million in unspent bond proceeds.

NEERAJ PATEL, CHIEF OF PLANT OPERATIONS

UPDATE/STATUS: Surface Water Treatment Report. In May, we treated and produced an average of 34.8 million gallons a day at Bull Creek and 25.4 million gallons a day at Myrtle Beach for a combined total of 60.2 million gallons a day. This is an increase of 10.1 million gallons per day compared to May of 2025. Regarding the alum dosage this month, at Bull Creek we had an average alum dosage of 41 mg/l and at Myrtle Beach the average alum dosage was 63 mg/l. The running annual averages are 65 mg/l at Bull Creek and 101 mg/l at Myrtle Beach.

Mr. Patel also shared information regarding the water quality parameters for the month of May. The average color for raw water at Bull Creek was 124 color units and at Myrtle Beach it was 226 color units. The max color on any given day during the month of May was 211 at Bull Creek and 305 at Myrtle Beach.

UPDATE/STATUS: Wastewater Treatment Report. For the month of May, we treated an average daily flow of 40.2 million gallons at all facilities combined. Mr. Patel shared the flow trends for all wastewater treatment plants for the last 10 fiscal years. The current fiscal year-to-date average is 42.8 million gallons a day.

UPDATE/STATUS: Compliance with SCDES Water/Wastewater Requirements & Project Status Update. Mr. Patel stated all monitoring was reported and all system operations were conducted in compliance with SCDES requirements for the month of May.

On the project status side, at the Bull Creek SWTP, media installation as well as SCADA and instrumentation installation is underway. We hope to have flow in the filters by this time next month. In regard to Phase 1 PFAS for the Bull Creek and Myrtle Beach plants, we conducted voluntary tours for the potential contractors for CMAR.

On the wastewater side, we are evaluating the pilot study for the Central WWTP. This will give us an opportunity to see how the system works and allow us to make sure we feel comfortable with this particular technology.

Mr. Patel also provided the Board with an update on the drought since discussing with the Board in April. After the Board Meeting in April, we did get some rain which provided some relief. However, recently we have been back in another dry spell. Mr. Patel walked through the different parameters or triggers we look at to determine our drought conditions for both the Bull Creek and Myrtle Beach systems.

During this time, due to heavy irrigation demands on Monday, Wednesday and Friday mornings, we experience low tank levels. This could impact fire flow as well. The delay in the completion of the Bull Creek upgrade as well as having to use our ASR capacity rather than inject earlier in the year have also impacted this.

Mr. Patel stated that we wanted to get the Board's input on possibly implementing the drought management plan. The biggest request we have for our customers is to change their irrigation patterns. We have full capacity at lunchtime unlike first thing in the morning on Mondays, Wednesdays and Fridays.

Mrs. Holder added that we are not suggesting implementation of the plan but stated we are getting to the severe category for several drought triggers. Mrs. Holder stated we are managing. Several days last week we had 25% in our tanks. When we do not have rain, our tanks drain during high irrigation demand. As Mr. Patel stated, the concern is if we were to have a fire during the time in which many of our customers are irrigating.

Mrs. Holder stated if we implement the Drought Management Plan, it charges excess for anything over 6,000 gallons instead of 8,000 gallons. Mrs. Herring asked when was the last time we implemented the plan. Mrs. Holder stated we have never had to. Mrs. Holder stated we are not looking at this for revenue generation, we are hoping this will reduce usage.

Mrs. Holder and the Board briefly discussed implementation of the plan with their major concern being able to maintain fire flow at all times. Mrs. Holder stated the rain we receive plays a major role in whether or not the plan needs to be implemented.

Upon motion of Mr. Lazarus, seconded by Mr. Wells, the Board unanimously approved Mrs. Holder to implement the Drought Management Plan if it becomes necessary to do so before the next monthly Board meeting.

WADE LEWIS, CHIEF OF FIELD OPERATIONS

UPDATE/STATUS: Compliance with SCDES Water/Wastewater Requirements: Mr. Lewis stated all monitoring was reported and all system operations were conducted in compliance with SCDES requirements for the month of May with the exception of a sewer spill on June 5th that occurred at the Morgan Avenue sewer pump station in Little River. This spill was caused by a pipeline failure on the pump discharge piping located inside the dry pit. This flooded the dry pit and sewer spilled out of the building and onto adjacent properties. Due to the volume spilled, which we estimated to be 21,000 gallons and the vicinity to the Intracoastal Waterway, SCDES was notified immediately and a public notice was issued to local media outlets. We are currently working with a contractor to make the necessary repairs to restore the pump station to normal operations. The station is currently operating with bypass pumps.

UPDATE/STATUS: Aquifer Storage Recovery Well Program: In regard to the Jackson Bluff and River Oaks wells, cycle testing for these wells is currently on hold because we need the water in the system and do not want to inject right now. In regard to the International well, the bidding is scheduled for the well house building. In regard to the Carolina Pines well, the well casing and screens are currently being installed. In regard to the East Cox Ferry and Longs wells, the permit to construct has been issued by SCDES for both wells. In regard to the Cool Springs well, the well building has been constructed and our electricians are working on the electrical for this now. We will schedule the start-up once the power is ready. In regard to the Highway 501 well, the permit to construct application is being reviewed by SCDES. In regard to the Green Sea Floyds well, the upgrade has been completed and the well is in operation with extra pumping capacity.

In the ASR program, for the month of May, we had a net recovery of approximately 49.8 million gallons for an average daily recovery of 1.6 million gallons. We are still injecting in some areas.

UPDATE/STATUS: Field Operations Activities: In regard to other field operations activities, in May, we smoke tested 173,347 feet of gravity sewer lines, responded to 101 water quality/quantity inquiries, responded to 21 emergency shutdowns and the water department completed approximately 3,774 work orders. In regard to water quality/quantity inquiries, approximately 70% of these were pressure related.

MATT MINOR, CHIEF OF ENGINEERING AND CONSTRUCTION

UPDATE/STATUS: Rural Water and Sewer Projects: Mr. Minor called the Board's attention to the rural water and sewer projects in the Board packet. In the FY 2026/2027 budget, the Board has approved over \$4.6 million in the rural water program. Since the last Board meeting, we have authorized 2 projects for design for 2,400 linear feet of pipeline and 13 new REUs. Four projects moved from the design phase to construction for 5,090 linear feet of pipeline and 15 REUs. We issued service authorization to one project for 1,185 linear feet of pipeline and one new REU.

On the sewer side, in the fiscal year 2026/2027 budget, the Board has approved over \$11.1 million in the rural sewer program. Since the last Board meeting, we have authorized 3 new projects for design that will add 4,285 linear feet of pipeline and 14 new REUs. Eight projects moved from the design phase to construction for 45,045 linear feet of pipeline and 219 REUs. We issued service authorization to 3 projects for 2,835 linear feet of pipeline and 7 new REUs.

Currently, there are 81 active rural projects in design and 63 projects in construction that will add a total of 51 miles of pipeline and 814 new REUs.

Mr. Minor called the Board's attention to the chart in the Board packet showing the cumulative miles of pipeline installed since the beginning of the rural program. To date, in calendar year 2026, we have installed 11 miles of pipeline which includes 7 miles of waterline and 4 miles of sewer pipeline.

UPDATE/STATUS: Developer Projects: Mr. Minor shared a map with the Board showing the locations of the developer projects that were reviewed in the month of May. In May, we received 20 new letters of intent. Eight projects were developer extension projects totaling 657 REUs. The other 12 projects were single-service commercial projects totaling 92 REUs. We issued service authorization to 8 projects for 777 REUs which accounted for \$5.8 million in developer contributions. We held 7 preconstruction meetings in May.

Overall, we have a total of 101 active developer projects in the construction or close-out phase. Mr. Minor called the Board's attention to the list of projects and trend charts in the Board packet.

In response to the discussion at last month's Board meeting, Mr. Minor stated that he pulled some numbers and by eliminating double-service connections and moving to only installing single-service connections, this would only increase the cost per lot by \$225. Mr. Minor welcomed any questions from the Board but stated it is a direction that we would like to move. Upon motion of Mr. Johnson, seconded by Mr. Lazarus, the Board unanimously approved to eliminate double-service connections and move to only installing single-service connections.

UPDATE/STATUS: Capital Projects: In regard to the Conway Parallel 24" Water Transmission Upgrade, we held a bid opening on June 10th. Mr. Minor shared a chart with the Board showing the 19 bids we received. The lowest bidder was R.H. Moore Company, Inc. with a bid of \$9,477,875.

In regard to the Perry Road Water Pump Station Upgrade project, we received the permit to construct from SRF. This project is currently out for bid with a bid opening set for June 30th. This project will upgrade the aging infrastructure at the pump station, increase pumping capacity, provide redundancy and add an additional 5 MGD of storage.

Mr. Minor also called the Board's attention to the Public Notice we had to send out for the Highway 90 to Highway 905 Water Hydraulic Improvement project. As a condition of the loan, we have to conduct a public meeting and/or hearing or be included at a Board meeting. The project will include construction of approximately 19,300 linear feet of 16-inch waterline along Old Highway 31 and a water booster station near Highway 905. The estimated cost is \$5.5 million.

CHRYSTAL SKIPPER, CHIEF OF ADMINISTRATION

UPDATE/STATUS: Customer/REU Monthly Report: Mrs. Skipper shared several graphs with the Board showing the customer and REU data for June 2025 through May 2026. During the month of May, our customer base increased by 429 customers which brings our customer account total to 152,369. Over the last twelve consecutive months, our total customer base has increased by 3.5%. During the month of May, our active accounts increased by 450, inactive accounts decreased by 40 and our suspended accounts increased by 19.

In regard to REUs, during the month of May, our total REUs increased by 632, which brings our REU total to 222,484. Over the last twelve consecutive months, our total REUs have increased by 3.0%. During the month of May, our active REUs increased by 657, inactive REUs decreased by 63 and our suspended REUs increased by 38.

THOMAS NEAT, CHIEF OF TECHNOLOGY

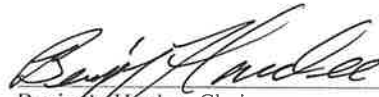
Mr. Neat did not have any updates for the Board this month.

OTHER BUSINESS:

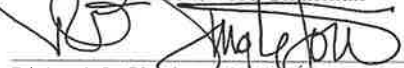
Chairman Hardee called the Board's attention to the Employee Recognition, Sod Donation Report and upcoming 2026 WEFTEC Conference in New Orleans, LA from September 26th – October 1st.

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.

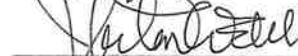
There being no further business, upon motion duly made, seconded and carried, the meeting was adjourned.


Benji A. Hardee, Chairman


Arnold T. Johnson, Vice Chairman

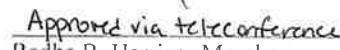

Richard G. Singleton II, Secretary

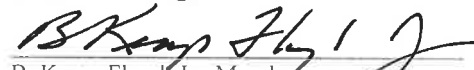

Sidney F. Thompson, Member


J. Liston Wells, Member


Mark K. Lazarus, Member


L. Morgan Martin, Member


Approved via teleconference
Radha B. Herring, Member


B. Kemp Floyd, Jr., Member