

GRAND STRAND WATER & SEWER AUTHORITY
BOARD OF DIRECTORS MEETING
MAY 26, 2026

	#MEETINGS (Since 7/1/25)	#ATTENDED (Since 7/1/25)	% ATTENDANCE
MEMBERS PRESENT:			
Benjy A. Hardee, Chairman	11	11	100%
Arnold T. Johnson, Vice Chairman	11	10	91%
Richard Singleton II, Secretary	11	10	91%
J. Liston Wells, Member	11	11	100%
Mark K. Lazarus, Member	11	11	100%
Radha B. Herring, Member	11	11	100%
B. Kemp Floyd, Jr., Member	6	6	100%

MEMBERS ATTENDING VIA TELECONFERENCE:			
L. Morgan Martin, Member	11	7	64%

MEMBERS ABSENT:			
Sidney F. Thompson, Member	11	10	91%

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

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 APRIL 27, 2026 and MAY 11, 2026 MINUTES: Upon motion duly made by Mr. Wells, seconded by Mr. Singleton and carried, the minutes of the April 27, 2026 and May 11, 2026 meetings were approved as presented.

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

PRESENTATION/DISCUSSION: 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. Mrs. Holder stated this is the budget that was presented at the Budget Retreat. It is being presented tonight for discussion. We will have a Public Hearing and vote on the budget next month.

DISCUSSION/ACTION: Resolution 04-26 – A Resolution Adopting the Horry County All-Hazard Mitigation Plan. Mrs. Holder stated Horry County updates their Hazard Mitigation Plan every 5 years. We participate in this plan. We have certain facilities and equipment listed in the plan that could be covered by potential FEMA funding. Horry County asks that anyone covered by the plan have a joint resolution as well. This resolution is to adopt the plan. Upon motion of Mr. Johnson, seconded by Mr. Singleton, the resolution 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: April 2026 Financial Statements. Mr. Thompson reviewed the total uses of funds through April with the Board and shared a comparison from the same time period last year. In regard to revenues, through April, we have brought in \$159 million in revenue as compared to \$166 million for the same time period last year. Operating revenues are \$124 million through April this year, which is an increase of \$7 million from the previous fiscal year. This is driven by the monthly rate increases adopted last year plus the addition of approximately 5 thousand customers. Non-operating revenues are \$35 million through April of this year as compared to \$49 million from the same time period last year. The decline is attributed to a \$10 million decrease in grants and a decline in investment income. In regard to operating expenses, our total operating expenses are approximately \$107 million fiscal year-to-date, which is up \$6 million compared to the same time period last year. This is being driven by personnel services and the new software implementation. We have spent \$48 million on capital projects fiscal year-to-date. We expect this to increase as we finish up the Bull Creek Expansion in the next couple of months.

Mr. Thompson also shared a chart showing a comparison of the budget to actual revenues and expenses through April with the Board. We are 10 months or 83% through the current fiscal year. In regard to operating revenues, we are at 81% of budgeted revenues, which is slightly behind. We anticipate catching up on revenues because May and June are typically higher flow months. In regard to operating expenses, we are at 69% of budgeted expenses. We realized savings in personnel services due to having some open positions and our supplies and materials are down. In regard to non-operating revenues, we are over 100% through our budget for fiscal year 2026. We estimated non-operating revenues to be \$34 million, and we are already at \$35 million fiscal year-to-date. In regard to capital budget expenses, we budgeted to spend \$104 million but fiscal year-to-date we have only spent \$48 million. This is due to several permit delays.

UPDATE/STATUS: Investment Analysis. Our total investment portfolio as of April 30th is \$363.6 million. Mr. Thompson called the Board's attention to the \$140.6 million in the SC Local Government Pool. This includes the unspent bond proceeds from the bonds we issued in March.

Mr. Thompson also called the Board's attention to the draft of the Rate Resolution in the Board Packet. Mr. Thompson summarized several sections within the resolution which were updated.

Mr. Thompson stated that he, Mrs. Holder and Chairman Hardee met with the City of North Myrtle Beach to go over the capital plan with the Mayor. Mr. Thompson and Mrs. Holder also met with the City of Conway and City of Myrtle Beach to explain the capital plan and how it will impact them over the next several years.

Mr. Lazarus commended Mrs. Holder on the presentation that she shared with a local Sertoma Club this morning. Everyone was very supportive of GSWSA's efforts.

Mrs. Holder also shared feedback from her recent meetings with other local municipalities with the Board. Everyone was very understanding of the upcoming changes to rates.

NEERAJ PATEL, CHIEF OF PLANT OPERATIONS

UPDATE/STATUS: Surface Water Treatment Report. In April, we treated and produced an average of 36.6 million gallons a day at Bull Creek and 24.8 million gallons a day at Myrtle Beach for a combined total of 61.4 million gallons a day. This is an increase of 12.1 million gallons per day compared to April of 2025. Regarding the alum dosage this month, at Bull Creek we had an average alum dosage of 46 mg/l and at Myrtle Beach the average alum dosage was 93 mg/l. The running annual averages are 67 mg/l at Bull Creek and 102 mg/l at Myrtle Beach.

Mr. Patel also shared information regarding the water quality parameters for the month of April. The average color for raw water at Bull Creek was 108 color units and at Myrtle Beach it was 180 color units. The max color on any given day during the month of April was 137 at Bull Creek and 195 at Myrtle Beach.

UPDATE/STATUS: Wastewater Treatment Report. For the month of April, we treated an average daily flow of 39.3 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 43.0 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 April with one exception. The effluent from the Bucksport WWTP being applied to the Tip Top Farm exceeded the daily maximum of 349 MPN/100 mL for E.coli in the permit. We actually produced 411 MPN/100 mL. During this time, all disinfection was in operation, so we feel that this was due to human error. After changing some of the sampling equipment and resampling it, we were back in compliance.

On the project status side, at the Bull Creek SWTP, construction for the 15 MGD expansion continues. The filter leak tests have been completed, and minor repairs are being addressed. We hope to start putting the filter media in over the next week. In regard to Phase 1 PFAS for the Bull Creek and Myrtle Beach plants, we issued the RFP for the CMAR advertisement. We should receive these proposals back by June 19th and will evaluate them at that time.

On the wastewater side, the SCDES State Revolving Loan Fund approved the Preliminary Engineering Report for the Central WWTP.

Mr. Patel also updated the Board on the Locust Tree WWTP in Marion County. This is a community with 20 existing customers but there is room for an additional 44 customers. This system did not have an owner for a while, which is how we got involved. In 2016, SCDHEC at the time reached out to us and we entered into an agreement and started operating this in 2017. We do not own the system, but we maintain it. The permit allows 2,000 gallons per day to be treated and released into the percolation pond. After three consecutive months of exceeding the 2,000 gallons per day, new limits will go into effect. Some of the landowners in the area have reached out and are interested in applying for service. SCDES recommended not getting any additional taps until we did our due diligence. We are currently looking at getting a monitoring well installed which will give us the water table. The higher the water table, the higher levels of treatment needed. We will also be able to get nitrogen values to see how it has been impacted. Once we have this information, we can get guidance on moving forward to accept additional lots in this community.

Mrs. Holder added that this is a unique situation because we do not own the system or the treatment plant. We were asked by SCDHEC at the time to accept the system under receivership. The 20 customers still pay the same rates as when we first got the receivership. We have to send an operator to the facility daily for a plant check. A

developer from the Aynor area has purchased the development and is wanting to develop it. He wants to connect and build homes, but SCDES has put a halt on this. At some point a decision is going to have to be made as to whether we invest in additional upgrades for the plant or if the developer is going to upgrade the plant. We do not have enough information at this point to make a decision, but we are putting a monitoring well in to collect information for SCDES. Mrs. Holder and the Board further discussed this briefly.

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 April.

SCDES conducted a Sanitary Survey on May 19th for the Marion, Mullins, Nichols, Lakeview and Latta systems. This survey went very well. We received a satisfactory rating, which is the highest possible rating.

UPDATE/STATUS: Aquifer Storage Recovery Well Program: In regard to the International well, the bidding is scheduled for the well house building. In regard to the Carolina Pines well, the well contractor has drilled the well and ordered the casing and screens for installation. In regard to the Cool Springs well, the well building is progressing. We expect this phase of the project to be completed in July. Our electricians are working on the electrical for this now. In regard to the Highway 501 well, we are planning to drill a new well at the existing ASR location. The permit to construct has been submitted. The existing well is a converted production well and is undersized for the high demands we experience nearby. This should give us another 1,000 gpm which will help our pressures in Carolina Forest. In regard to the Green Sea Floyds well, we are planning to upgrade this well due to the increasing demand in the western part of Horry County. The existing well casing is sufficiently sized to allow for a bigger well pump. We expect this to increase the pumping capacity by approximately 300 gpm.

In the ASR program, for the month of April, we had a net injection of approximately 2.8 million gallons for an average daily injection of 92,500 gallons. During the month, approximately ½ of the wells were injecting while the other ½ were in the recovery mode.

UPDATE/STATUS: Field Operations Activities: In regard to other field operations activities, in April, we smoke tested 413,096 feet of gravity sewer lines, responded to 166 water quality/quantity inquiries and responded to 21 emergency shutdowns.

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 \$4.4 million in the rural water program. Since the last Board meeting, we have authorized 4 projects for design for 6,925 linear feet of pipeline and 24 new REUs. Four projects moved from the design phase to construction for 5,810 linear feet of pipeline and 6 REUs. We issued service authorization to 4 projects for 15,145 linear feet of pipeline and 13 new REUs.

On the sewer side, in the fiscal year 2026/2027 budget, the Board has approved over \$5.6 million in the rural sewer program. Since the last Board meeting, we have authorized 3 new projects for design that will add 2,760 linear feet of pipeline and 11 new REUs. Three projects moved from the design phase to construction for 2,630 linear feet of pipeline and 4 REUs. We issued service authorization to one project for 1,538 linear feet of pipeline and 3 new REUs.

Currently, there are 88 active rural projects in design and 55 projects in construction that will add a total of 50 miles of pipeline and 788 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 April. In April, we received 24 new letters of intent. Eleven projects were developer extension projects totaling 683 REUs. The other 13 projects were single-service commercial projects totaling 65 REUs. We issued service authorization to 6 projects for 386 REUs. We held 7 preconstruction meetings in April.

Overall, we have a total of 99 active developer projects in the construction or close-out phase. Mr. Minor called the Board's attention to the list of projects in the Board packet. Mr. Minor also called the Board's attention to the trend charts in the Board packet.

Mr. Minor discussed eliminating double service connections and moving to only installing single service connections. This would also increase the volume. Mr. Minor, Mrs. Holder and Chairman Hardee briefly discussed the cost difference. This change would only apply to developer projects. Mr. Minor offered to compile the specific details in a spreadsheet for the Board.

UPDATE/STATUS: Capital Projects: In regard to the Administration Building Expansion, Chancel Construction, Inc. mobilized to the site last month and has completed the clearing and grubbing. We received the building permit from the City of Conway. We have issued the Notice to Proceed so the project is expected to be completed by February 2027.

In regard to the Conway Parallel 24" Water Transmission Upgrade, we received the permit and put this project out for bid recently with a bid opening scheduled for June 10th. This is the 60,000 linear feet of 24" waterline from Bull Creek to the Conway Reservoir.

In regard to the Highway 701 Widening project, we recently had a preconstruction meeting with Palmetto Corporation of Conway's subcontractor, Richardson & Richardson, Inc. who is doing the utility relocation work.

In regard to the Highway 905 Developer Extension project, this is a developer extension to our rural program to serve Columbus County. There is a lot of proposed development up there and we need to upsize the forcemain. We will be increasing from a 6" forcemain to 16" forcemain. Mr. Minor shared the bid results with the Board.

In regard to the office renovations for the Little River and Marion Administration Offices, Stalvey Construction Co. Inc. has completed all work associated with these projects.

In regard to the Perry Road Water Pump Station Upgrade project, our consultant, Weston & Sampson recently received Coastal Zone Consistency from SCDES. We received the permit to construct from SRF as well as the land disturbance permit. Bid documents and specifications are being prepared in anticipation of being able to advertise for bids.

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 May 2025 through April 2026. During the month of April, our customer base increased by 525 customers which brings our customer account total to 151,940. Over the last twelve consecutive months, our total customer base has increased by 3.6%. During the month of April, our active accounts increased by 530, inactive accounts decreased by 22 and our suspended accounts increased by 17.

In regard to REUs, during the month of April, our total REUs increased by 633, which brings our REU total to 221,852. Over the last twelve consecutive months, our total REUs have increased by 3.1%. During the month of April, our active REUs increased by 625, inactive REUs decreased by 29 and our suspended REUs increased by 37.

Mrs. Skipper asked for the Board's feedback on this year's budget retreat in anticipation of scheduling and reserving a location for next year's retreat. Tentatively, we are looking at holding the Budget Retreat on Friday, April 30, 2027. After a brief discussion, the Board was in agreement to hold the Budget Retreat at the same location as this year.

Mr. Johnson asked how the onsite health clinic was doing. Mrs. Skipper stated that the clinic opened last fall and has been doing well. Since the clinic just began, Mrs. Skipper plans to share additional information and usage history with the Board at a later time.

THOMAS NEAT, CHIEF OF TECHNOLOGY

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

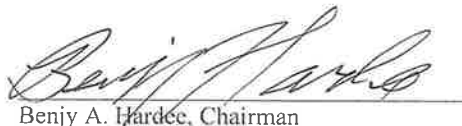
OTHER BUSINESS:

Chairman Hardee called the Board's attention to the Employee Recognition and Sod Donation Report.

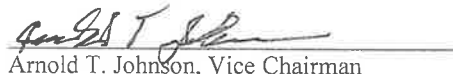
Mrs. Holder stated at the Budget Retreat, the Board approved a salary increase for her to be effective July 1st. This requires action from the Board to memorialize the increase. Upon motion of Mr. Johnson, seconded by Mr. Floyd, Mrs. Holder's salary increase was unanimously approved by the Board as presented.

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

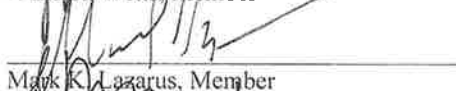
Richard G. Singleton II, Secretary



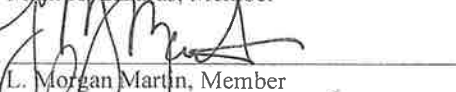
Sidney F. Thompson, Member



J. Liston Wells, Member



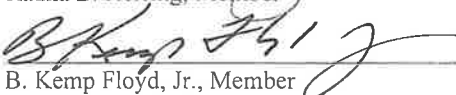
Mark K. Lazarus, Member



L. Morgan Martin, Member



Radha B. Herring, Member



B. Kemp Floyd, Jr., Member