

GRAND STRAND WATER & SEWER AUTHORITY  
 BOARD OF DIRECTORS MEETING  
 NOVEMBER 24, 2025

	#MEETINGS (Since 7/1/25)	#ATTENDED (Since 7/1/25)	% ATTENDANCE
<b>MEMBERS PRESENT:</b>			
Benjy A. Hardee, Chairman	5	5	100%
Arnold T. Johnson, Vice Chairman	5	5	100%
Sidney F. Thompson, Member	5	5	100%
J. Liston Wells, Member	5	5	100%
Mark K. Lazarus, Member	5	5	100%
<b>MEMBERS ATTENDING VIA TELECONFERENCE:</b>			
Richard Singleton II, Secretary	5	4	80%
Radha B. Herring, Member	5	5	100%
L. Morgan Martin, Member	5	3	60%

**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  
 Frannie Heizer, Burr Forman  
 Laura Foster, Burr Forman

**VISITORS:**  
 Longevity Recipients

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 OCTOBER 27, 2025 MINUTES:** Upon motion duly made by Mr. Wells, seconded by Mr. Thompson, the minutes of the October 27, 2025, meeting were approved as presented.

**PRESENTATION OF 2025 LONGEVITY AWARDS:** Mr. Hardee stated it is a very special time of the year when we give out our longevity awards. Mr. Hardee stated the Board enjoys seeing these awards passed out. It is amazing how many years some employees work, and the Board appreciates the hard work. Mrs. Holder welcomed this year's longevity award recipients and thanked them for their dedication to GSWSA and our customers. Mrs. Holder expressed her appreciation for what every employee does for her, the organization and our customers. Awards were presented by Mrs. Holder and Mr. Johnson to the employees of GSWSA who reached their longevity of five, ten, fifteen, twenty, twenty-five, thirty, thirty-five, forty and forty-five years of service in 2025. The employees were also congratulated and thanked by the Board for their service.

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

**DISCUSSION/ACTION:** A Series Resolution Providing for the Issuance and Sale of not to Exceed \$100,000,000 Principal Amount Grand Strand Water and Sewer Authority,

Waterworks and Sewer System Improvement Revenue Bonds, in one or More Series, in one or More Years, With Appropriate Designations; and Other Matters Related Thereto. Ms. Heizer stated this will be the largest single bond issue that we have had. Over time, the amount has gone up because we are growing and things cost more. The conventional wisdom is to think what you would spend in about three years. This is based on projections and planning for 36 months. This resolution authorizes the issuance of the debt, it delegates to the CEO and administration the decisions on how much, when to borrow and the structure of the debt. The projections are that \$100,000,000 of debt can be repaid with the current rate structure. Ms. Heizer welcomed any questions from the Board. The decisions on timing will be made at the beginning of the year. Mr. Hardee asked what the rates would be. Ms. Heizer stated that she typically refers this to our investment advisor, Jon Kirn, but she believes we are looking at something in the range of 4.0%. Mr. Lazarus asked if this includes funds for PFAS. Mrs. Holder responded that it will only include the design for PFAS improvements. Upon motion duly made by Mr. Lazarus, seconded by Mr. Johnson, the resolution was unanimously approved 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: October 2025 Financial Statements: Mr. Thompson shared several charts regarding the fiscal year 2026 financials with the Board. As of October 31<sup>st</sup>, our revenues are \$66 million compared to \$70 million as of the same period last year. Our operating revenues are up \$2.6 million and our non-operating revenues are down \$6.8 million compared to the same period in fiscal year 2025. Over the last few months this has been attributed to a decline in investment earnings and grants. However, this month our investment earnings caught up to last year. Now, the decrease in non-operating revenue is largely due to the grants we received in fiscal year 2025 for the American Rescue Act. In regard to operating expenses, our expenses are up \$1.2 million in fiscal year 2026 as compared to fiscal year 2025. The net result is a \$25 million surplus this year compared to a \$30 million surplus during the same time period last year.

In regard to our budget-to-actual comparison, we are 33% of the way through the fiscal year and have received 33% of our operating revenues. In regard to non-operating revenues, we are ahead of schedule. We are at 44% of budgeted non-operating revenues. We are currently only at 27% of budgeted expenses.

UPDATE/STATUS: Investment Analysis: Mr. Thompson called the Board's attention to the Investment Portfolio in the Board packet. As of October 31<sup>st</sup>, our total investment portfolio is approximately \$253.0 million.

Mr. Thompson stated there are some slight changes to this report. As we discussed when our investment managers came in August and September, we were expecting interest rates to decline. We went out to try to lock in good rates before that happened. We started by calling all our local banks and asking what they could offer us. Conway National Bank (CNB) came in at the highest. Their rate was 3.81% so we moved \$10 million into a 30-month CD. We moved these funds from the Anderson Brothers Bank (ABB) ICS account with a variable rate rather than a fixed rate. We also asked if they would honor the same rate through December when our current CD with CNB matures. They agreed to honor

the 3.81% rate. Coastal Carolina National Bank (CCNB) was the next highest at 3.72% so we converted the variable ICS account with CCNB to a fixed CD. We also moved another \$6 million from ABB to CCNB.

As previously discussed with our investment managers, PFM and PNC, we extended the duration of our portfolios with both managers. The intermediate portfolio duration for PFM increased from 3.38 to 4.29 and the intermediate portfolio duration for PNC increased from 4.01 to 4.14. We were trying to lock in good rates while they are still available.

Mr. Thompson shared with the Board our plan for allocating the \$100 million of bond proceeds we anticipate receiving in the future. We will reimburse ourselves for expenses over the last 18 months totaling approximately \$61.1 million. These expenses were for things such as the rural water and sewer program, transmission improvements, the Bull Creek expansion, WWTP improvements and the Conway Force Main Loop. The remaining \$38.9 million will be used for the rest of the Bull Creek expansion, future rural programs and the Bucksport WWTP Expansion.

Mr. Thompson called the Board's attention to the Business and Travel report in the Board packet.

Regarding the Purchase Orders Over \$3,500 report, Mr. Thompson asked for the Board's consideration to change this report to all purchase orders over \$25,000 instead, which is in line with the sealed bid requirement in our Purchasing Policy. Mrs. Holder stated that this was up to the Board. We can scale this back to any threshold that the Board is comfortable with. Mr. Johnson stated \$3,500 was minute and he did not need to see that, but he would like to see anything over \$25,000. A decision was made to change the threshold for the report to \$25,000. Mr. Hardee confirmed that more than two people were still looking over all other expenses.

#### NEERAJ PATEL, CHIEF OF PLANT OPERATIONS

UPDATE/STATUS: Surface Water Treatment Report. In October, we treated and produced an average of 34.2 million gallons a day at Bull Creek and 15.6 million gallons a day at Myrtle Beach for a combined total of 49.8 million gallons a day. Mr. Patel called the Board's attention to the trends for the last 24 months as shown in the Board packet. Regarding the alum dosage this month, at Bull Creek we had an average alum dosage of 84 mg/l and at Myrtle Beach the average alum dosage was 91 mg/l. This is in line with our annual running averages, which are 67 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 October. The average color for raw water at Bull Creek was 76 color units and at Myrtle Beach it was 170 color units.

UPDATE/STATUS: Wastewater Treatment Report. For the month of October, we treated an average daily flow of 45.8 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 47.0 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 October.

On the project status side, at the Bull Creek SWTP, construction for the 15 MGD expansion continues. At a recent coordination meeting, we discussed the raw water pump station upgrades. In regard to the Socastee SWTP, we have submitted the Surface Water Withdrawal Permit Application to SCDES.

On the wastewater side, at the Bucksport WWTP, all permit applications have been submitted. We are awaiting comments from the regulatory agencies. Regarding the

Schwartz WWTP digester blowers, the start-up has been completed for all blowers, and they are online and operational. In regard to the Central WWTP, we received the Navigable Waters Permit from SCDES in conjunction with the Army Corp of Engineers.

Mr. Patel stated we are currently working with Dargan King & Knight, our forestry consultants, for the Tip Top Tree Farm. At that farm, we have 110 acres of mature pine trees that they have recommended to timber. They are going to help us oversee the administration portion of this which may include specs and possible site visits. Once the timber is harvested, we are considering moving to hay on these fields. Currently, Tip Top is primarily a tree farm where we grow hard woods and pine trees. The Yauhannah farm is all pine trees. The idea is to cut the 110 acres of mature pines and plant hay. Hay is a little better for nitrogen. We can put more nitrogen on the ground and not affect the soil or groundwater adversely. Mr. Lazarus expressed caution as to stumping once the trees are harvested before we can plant hay. Mr. Patel stated that we converted another field from timber to hay several months ago.

#### 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 October.

UPDATE/STATUS: Aquifer Storage Recovery Well Program: In regard to the Jackson Bluff well, the fence work, record drawings and sampling have been completed. The final inspection by SCDES was today and it went well. They took samples and will give us the results tomorrow. In regard to the River Oaks well, the final inspection with SCDES was also today and we should have those sample results tomorrow as well. In regard to the International Drive well, the application for the second step of well permitting is being reviewed by SCDES. In regard to the Carolina Pines well, the contractor has the drilling rig in place but has not yet begun drilling. In regard to the East Cox Ferry and Longs wells, the permit to construct applications are being reviewed by SCDES.

In the ASR program, for the month of October, we have started transitioning from recovery to injection. We had a net injection of approximately 38.0 million gallons for an average daily injection of 1.2 million gallons. The combined total with all the plants, ASR and blend wells is 52 MGD.

UPDATE/STATUS: Field Operations Activities: In regard to other field operations activities, in October, the Wastewater Collections Department smoke tested 201,342 linear feet of gravity sewer line, cleaned and televised 9,097 linear feet of gravity sewer and responded to 225 sewer backups. The Water Department responded to 65 water quality requests, collected 382 water quality samples, inspected 253 cross connection devices, tested and inspected 599 fire hydrants and 785 isolation valves, responded to 17 emergency main line shutdowns, completed 5 scheduled shutdowns and completed 6,348 work orders primarily for meter reading services.

Mr. Lewis also shared a few pictures with Board showing the 30" forcemain that crosses the river over toward the Bucksport WWTP. We received a picture from a boater of the pipe that had floated up in the river. Fortunately, this was on the side of the river. The line was put in when the Tip Top Tree Farm came to fruition in the 1990s. It was originally an effluent line but has since been converted to a sewer force main. There is an ARV at the edge of the swamp. The ARV was clogged and air was building up in the pipeline, floating the pipe and piling up. This was an emergency purchase. Our Repair crew had to tap the line and install another ARV. We had to contract with Cape Romain to come in and put concrete piers over the pipe to anchor it back down.

#### 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 \$2.1 million in the rural water program. Since the last Board meeting, we have authorized 2 projects for design for 760 linear feet of

pipeline and 3 new REUs. Seven projects moved from the design phase to construction for 11,067 linear feet of pipeline and 10 REUs. We issued service authorization to 2 projects for 1,955 linear feet of pipeline and 3 new REUs.

On the sewer side, in the fiscal year 2026/2027 budget, the Board has approved over \$3.1 million in the rural sewer program. Since the last Board meeting, we have authorized 4 new projects for design that will add 2,295 linear feet of pipeline and 10 new REUs. Seven projects moved from the design phase to construction for 11,300 linear feet of pipeline and 13 REUs. We issued service authorization to 3 projects for 13,211 linear feet of pipeline and 38 new REUs.

Currently, there are 97 active rural projects in design and 41 projects in construction that will add a total of 49 miles of pipeline and 863 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 2025, we have installed 33 miles of pipeline which includes 12 miles of waterline and 21 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 October. In October, we received 10 new letters of intent. One project was a developer extension project totaling 143 REUs. The other 9 projects were single-service commercial projects totaling 55 REUs. We issued service authorization to 6 projects for 280 REUs which accounted for just over \$2.5 million in developer contributions. We held 5 preconstruction meetings in October.

Overall, we have a total of 104 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.

UPDATE/STATUS: Capital Projects: In regard to the Administration Building Expansion, this project is currently out for bids. A bid opening is set for December 18<sup>th</sup>. The plan holders list so far consists of several qualified local contractors as well as others from North and South Carolina.

In regard to the Bull Creek SWTP Expansion Drainage project, we have contracted with Atlas Construction of SC, Inc. to perform additional grading and ditch clearing around the Bull Creek SWTP.

In regard to the Conway Parallel 24" Water Transmission Upgrade, our consultant Goodwyn Mills Cawood (GMC) has completed the design and made all revisions from our comments. The permitting packages have been prepared and are being submitted to all permitting agencies. This project includes approximately 60,000 linear feet of 24" waterline from the Bull Creek SWTP to the Conway Reservoir.

In regard to the Forestbrook Road Widening Project, we continue to work with our consultant, Mead & Hunt, to finalize the relocation design. We are also in the process of reviewing all accounts that will be impacted by meter and grinder tank relocations. As part of the project, we will be working with property owners to have the power converted installed to today's standards.

In regard to the Highway 17 Business Intersections Improvements in Garden City, we held a preconstruction meeting on November 11<sup>th</sup> with King Construction Services, Inc., who is the subcontractor for the water and sewer utility relocations. All submittals have been submitted and approved. The contractor expects to start after the first of the year.

In regard to the Highway 90 to Highway 905 Water Hydraulic Improvement project, our engineering consultant, Bolten & Menk, continues to work toward a 90% plan set. They are currently working on the preliminary engineering report for submittal to SRF. This project includes approximately 20,000 linear feet of 16" waterline.

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 November 2024 through October 2025. During the month of October, our customer base increased by 438 accounts, which brings our customer account total to 149,173. Over the last twelve consecutive months, our total customer base has increased by 3.8%. During the month of October, our active accounts increased by 332, inactive accounts increased by 85 and our suspended accounts increased by 21.

In regard to REUs, during the month of October, our total REUs increased by 593, which brings our REU total to 218,392. Over the last twelve consecutive months, our total REUs have increased by 3.4%. During the month of October, our active REUs increased by 465, inactive REUs increased by 108 and our suspended REUs increased by 20.

Mrs. Skipper invited the Board to our annual Pig Pickin on Thursday, December 18<sup>th</sup> at Noon.

THOMAS NEAT, CHIEF OF TECHNOLOGY

UPDATE/STATUS: Cayenta Update. Mr. Neat shared a status update on the Cayenta project with the Board. We are currently going through business process testing (BPT) to see what some of our processes look like on the Cayenta system. We only have two weeks of BPT left so this will be finished by the end of the year.

Mr. Neat also shared a list of some of our accomplishments for this project over the last three months. Recently, we have been having a lot of conversations regarding service orders and work orders. The next steps include the gap analyses from the BPT results. This involves us looking at the Cayenta process versus our current processes to see where we can merge the two. We have to give Cayenta our expectations and they will give us best practices so we can reach a compromise as to how things will work.

We are also working through data conversion workshops which involve us looking at how we will take data out of the AS400 and convert it into a modern database. This is a lot of work and a lot of conversations. In the process, we are trying to clean up our "dirty" data as well. We are also working on customer interface development, which is taking some of our third-party software and making it work with Cayenta. In the new year, we will begin the integrated process cycle.

Mr. Neat also shared a security threat update for the last 30 days with the Board.

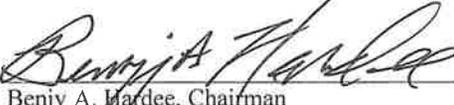
OTHER BUSINESS:

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

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.

Upon motion duly made by Mr. Lazarus, seconded by Mr. Wells and carried, pursuant to Section 3(b) of the Employment Agreement effective February 1, 2022, the Board reviewed the CEO's compensation, benefits and work performance and found the CEO eligible to receive a bonus for outstanding performance of 10%.

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

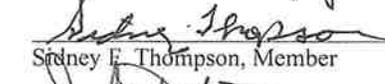
  
Benjy A. Hardee, Chairman

  
\_\_\_\_\_

Arnold T. Johnson, Vice Chairman

  
\_\_\_\_\_

Richard G. Singleton II, Secretary

  
\_\_\_\_\_

Stacey E. Thompson, Member

  
\_\_\_\_\_

J. Liston Wells, Member

  
\_\_\_\_\_

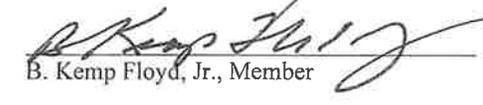
Mark K. Lazarus, Member

\_\_\_\_\_

L. Morgan Martin, Member

  
\_\_\_\_\_

Radha B. Herring, Member

  
\_\_\_\_\_

B. Kemp Floyd, Jr., Member