

Beaufort County Stormwater Management Utility Board (SWMU Board) Meeting Minutes

April 27, 2016 at 2:00 p.m. in Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina

Board Members

Present

Don Smith
Allyn Schneider
James Fargher
Marc Feinberg
William Bruggeman
Larry Meisner

Absent

Patrick Mitchell

Ex-Officio Members

Present

Kim Jones
Andy Kinghorn
Van Willis

Absent

Scott Liggett

Beaufort County Staff

Eric Larson
David Wilhelm
Ezekiel Miller
Chad Stanley
Rebecca Baker
Carolyn Wallace
Chanel Lewis
Patricia Wilson

Visitors

Denise Parsick, Bft. Soil & Water Conservation Dist.
Tony Maglione, Applied Technology & Mgt.
Alan Warren, USCB
Reed Armstrong, Coastal Conservation League
Rachel Jones, Port Royal Sound Foundation
Steve Andrews, Andrews Engineering
Neil Desai, City of Beaufort Stormwater Manager
William McBride, Beaufort County Council Dist. 3
Gerald Dawson, Beaufort County Council Dist. 1

1. **Meeting called to order** – Don Smith
 - A. Agenda – Approved
 - B. March 23, 2016 Minutes - Approved.

2. **Introductions** – Completed.

3. **Public Comment(s)** – None.

4. **Reports** – Mr. Eric Larson, Mr. David Wilhelm, and Mrs. Rebecca Baker provided a written report which is included in the posted agenda and can be accessed at:

<http://www.bcgov.net/departments/Administrative/beaufort-county-council/boards-and-commissions/council-appointed/board-list/stormwater-management-utility-board/agendas/2016/042716.pdf>

A. **Utility Update** – Eric Larson

Credit Manual Update – Mr. Eric Larson updated the board that Beaufort County Council did approve the Credit Manual on Monday, April 25th. Mr. Larson has forwarded the approved Credit Manual to the municipalities so their councils can take similar actions.

B. Monitoring Update – Eric Larson

Lab Update – Dr. Alan Warren reported that SCDHEC typically certifies Assays and then gives a two to three year grace period before coming back on site to re-certify. SCDHEC re-evaluated the Lab after only one year. Dr. Warren was pleased with the lab’s results and doesn’t anticipate any problems with certifications.

C. Stormwater Implementation Committee (SWIC) Report – Eric Larson

SWIC Meeting March 14, 2016 – Mr. Larson stated that the focus of the meeting was on public education programs, updating the website and selection of a possible mascot. Mr. Larson also mentioned that different subcommittees were formed.

D. Stormwater Related Projects – Eric Larson

Okatie West / SC 170 Widening Retrofit Land Purchase – Mr. Larson reported that the project is deep into the design stage. A 319 grant required public education meeting is being scheduled to be held in Sun City sometime in late May or early June.

Salem Drive East – Mr. Larson informed the board that the neighborhood has had a prolonged drainage problem. Utility staff and a Council member met with the residents to explain the easement request and answer questions.

Huspah Court South Ditch Easement – Mr. Don Smith commented that this project has been ongoing and he questioned if the issue would be resolved. Mr. Larson replied that negotiations are in the final stage and could result in going forward with the project or cancelling the project.

US 278 Retrofit Ponds (356,000 Budget) - Mr. Smith commented that the design and construction of the ponds look good and he gave Ezekiel Miller and his crew credit for a job well done.

E. Professional Contracts Report – Eric Larson

Mr. Larson said that he has three projects listed and there is nothing new to report.

F. Regional Coordination - Eric Larson

Mr. Larson stated that three projects are listed and the Factory Creek Watershed Regional Detention Basin Phase I and Phase II contracts have not been signed yet.

G. Municipal Reports

Town of Hilton Head Island –Mr. Larson informed the board that Bryan McIlwee will give a report on a massive inventory project that the Town completed on Hilton Head Island at a future meeting.

Town of Bluffton – Mrs. Kim Jones informed the board that Jeremy Ritchie has resigned from his position and she is the new representative from the Town of Bluffton. Mrs. Jones reported that the Town celebrated its 16th annual May River Cleanup and over 300 volunteers with representatives from Earth Day and Neighbors for Clean Water participated. Recycling

receptacles provided for a zero waste event. Over 100 Storm drain markers were placed within the old town region. Students from Mc Riley Elementary School constructed a floating wetland which was deployed into a local lagoon. Mrs. Beth Lewis with the Town of Bluffton headed up that project and the students were able to use water quality testing kits to check nitrogen and phosphorus uploading levels. Mr. Larry Meisner applauded the Town on their recycling efforts during this event and Mrs. Jones gave Mrs. Lewis the credit for initiating the recycling efforts.

City of Beaufort –

Battery Creek Pond Funded by an EPA 319 Grant (\$132,603 Budget) – Mr. Larson and others attended a preconstruction conference for the Battery Creek Pond project kick off. Mr. Larson stated that construction will start in June and Mr. Neil Desai said the grant has been extended to February 2017.

Hamar Street Project- City, County and SCDOT partnership project will start as soon as possible.

Mossy Oaks Area – Mr. Neil Desai reported that the City just completed cleaning out the drainage pipes in the Mossy Oaks neighborhood.

Town of Port Royal Island – The Town had nothing to report

H. Municipal Separate Storm Sewer System (MS4 Update) – Rebecca Baker

MS4 Update – Mrs. Rebecca Baker discussed a survey that will be used to determine a target market to meet the needs of the community. The survey will be available on the County Webpage in May. Mrs. Baker and Mr. Larson attended a MS4 group meeting in Charleston and one topic was *Different Methods of Tracking Construction*. The County is using MUNIS and Bluffton and Hilton Head Island are using Energov to track construction. Mrs. Baker reported that the Touch-A-Truck event in Bluffton had a great turn-out with about 300 kids attending.

Sub Committees – Mrs. Baker discussed how the MS4 Subcommittee is working to make reporting efforts more uniform and focusing on the best MS4 reporting methods. The Monitoring Subcommittee is creating a GIS map showing monitoring stations for all municipalities. They will also work with DHEC to determine how to report monitoring results. The Public Education Subcommittee will focus on MS4 outreach and educational events.

Staff Review Team – Mrs. Baker reported that 22 projects were reviewed and a couple of the big projects were Parkers off Highway 170 and St. Gregory Church Road and the parking lot off of Highway 278.

I. Maintenance Projects Report

Mr. David Wilhelm reported that Stormwater crews cleaned-out 1,380 feet of drainage channel pipe to drain towards the outfall. He also mentioned Gardener Drive where crews repaired a sinkhole where old RCP (Reinforced Concrete Pipe) fittings separated. A minor project Mr. Wilhelm discussed was Lady's Island Bush Hog Clearing where crews cleaned out about 5 miles of ditch. Bluffton projects mentioned were Sailors Choice and a sinkhole repair off Ann Smith Drive. Mr. Larry Meisner questioned a repair that was a Beaufort Jasper Water and Sewer Authority (BJWSA) responsibility and Mr. Wilhelm responded that stormwater crews were on site and alerted BJSWA of the problem. Mr. Wilhelm updated the board on the four 278 Retrofit pond projects. He also discussed a current Arrow Road project which the County will be reimbursed by the Town of Hilton Head Island.

Mr. Eric Larson informed the board that Ezekiel Miller is retiring in May. Mr. Miller began working for the County as a Maintenance Tech 1 in September of 1985. He promoted to Operator 1 in 1986, Operator 2 in 1987, General Support Forman in 1988, and Stormwater Superintendent in 2001. He has been with the County for almost 32 years. Mr. Miller thanked everybody for the opportunity to work with the County. Mr. Don Smith and the board thanked Mr. Miller for his dedication and quality of work. Mr. Larson introduced Chad Stanley who has been the General Support Superintendent for the past couple of years and has been with the County for over 14 years. Chad is the Interim Infrastructure Superintendent and will be shadowing Mr. Miller until his retirement from the County.

J. Financial Report – Chanel Lewis

Mrs. Chanel Lewis reported expenses are at 62% compared to the expected 75%. Operating expenses have increased since March 2015 by \$251,515 due to personnel cost, purchased services, and capital expense increases. Revenues are \$2,117,047 higher than March 2015. This increase reflects the rate increase and revenues generated from economic growth. Mrs. Lewis added that 88% of revenues have been received which is a 6% decrease from last year. Mrs. Lewis explained that the Capital Improvement Fund reflects a large increase in Net Pension Liabilities on the Statement of Net Position (SNP) due to Government Accounting Standards Board (GASB) statements 68 and 71.

5. Unfinished Business –

Rate Study Final Report/Update on Municipalities – Mr. Tony Maglione with Applied Technology and Management updated the board that the County has already accepted and implemented the recommended “Option E” of the rate study model. The Town of Port Royal and The City of Beaufort have also accepted the recommended “Option E” to be implemented during the next billing cycle. The Towns of Bluffton and Hilton Head Island are currently reviewing the report and will take action according to the direction of their governments and councils. The Town of Hilton Head Island has an added category in their model based on the Town taking over maintenance of Planned Unit Developments (PUDs) or subdivisions, which has a huge impact on their rates.

6. New Business –

Fiscal Year 2015 (FY15) Actuals –Mrs. Wallace provided a one page document with notes in the posted agenda. She highlighted a couple of items that the utility was reimbursed for. Mrs. Wallace also explained that the Utility Activities Annual Maintenance figure for FY2015 was affected by \$806, 000 because accruals were reversed for Other Post-Employment Benefits (OPEB), which the County no longer provides.

Fiscal Year 2016 (FY17) Budget – Backup

Mr. Eric Larson handed out the Fiscal Year 2017 proposed budget to the board members. Mr. Larson explained that rate study decisions made by municipalities will affect the Administrative Budget of \$375,822 by offsetting revenues and cost shares collected based on rate option implemented. “Option E” rate study users have cost shares included in the revenue totals and collect \$5.00 per account. “Option A” users will collect \$2.98 per Single Family Unit (SFU) and pay cost shares separately. Total projected Revenues for FY17 are \$12,048,113.

Mr. Larson broke down the projected expenditures of Administration (management) \$404,495; Utility Activities (Infrastructure- adding a new crew) \$3,608,382; Regulation (MS4) \$712,549; Capital Improvement Fund \$4,355,660; Capital Assets (New Purchases) \$1, 050,490; Reserve Fund \$250,000; and Surplus of \$1,968,479. He explained that depreciation affects the balance because it is applied in future years.

The board approved the proposed budget with a vote of 6:0.

7. Public Comment(s) – None.

8. Next Meeting Agenda – Agenda approved with the board voting 6:0 to cancel the May 11, 2016 meeting.

9. Meeting Adjourned

**Beaufort County Stormwater Utility
Proposed Budget for FY2017**

Unaudited Projected Revenue

	FY2016 Budget	FY2017 Proposed Budget
Revenue		
Admin SWU Fees	357,244	563,721
Unincorp/CWI SWU Fees	5,197,786	5,127,347
Total Revenue from SWU Fees	5,555,030	5,691,068
Reimbursable Projects	2,500	2,500
Interest	2,771	864
Gain on Sale of Capital Assets	-	-
Cost-Share for Joint Efforts	273,351	199,191
Bond		5,000,000
Reserve Utilization		
Utility's Cash Balance	-	1,050,490
Capital Improvement Fund	394,809	104,000
Stormwater Utility	-	-
Projected Revenue Total	6,228,461	12,048,113

Admin Budget - \$375,822
 Note: ToPR & CoB total includes WQ Monitoring (WQM)
 NoB cost-share (c/s) \$72K; Public Education & Outreach
 (PE/O) countywide (C/W) c/s \$70K; Tax Run Assistance
 C/W c/s \$30K
 \$20,331 - ToPR (Option E)
 \$35,221 - CoB (Option E)
 \$109,725 - ToHHI (Option A??)
 \$48,948 - ToB (Option A??)
 \$349,496 - BC (Option E)

SW Fees - \$4,916,612
 CWI Fees - \$560,231
 Admin fees & c/s - (\$349,496)

Note: SMMP Update \$475K C/W c/s, 18 mths
 project (12 mths c/s); Tax Run Assist \$30K C/W
 \$9,563 - ToPR SMMP \$9,563
 \$22,705 - CoB SMMP \$22,705
 \$122,137 - ToHHI PE/O \$20,437; SMMP \$92,941; Tax
 Run \$8,759
 \$44,786 - ToB PE/O \$9,117; SMMP \$31,762; Tax
 Run \$3,907

Personnel
 Director of Env Engr - .8 FTE; Business Mngr; GIS/MS4
 Data Mngr; Admin Tech - .5 FTE; Fiscal Tech - .1 FTE
Professional Services
 \$30K - Rate study implementation

Personnel
 Superintendent; (2) Foremen; (32) crew & support;
 Infrastruc Inspec Tech; Fiscal Tech - .2 FTE
 New Infrastruc Inspec Tech
 Re-Funded positions for Support Crew -
 MT I, MT II, EO I, and EO II
Professional Services
 \$15K - Survey
 \$5K - Engineering Services
 \$8K - Easement Appraisal Services
 \$2K - Wetland Delineation/Restoration
 \$0 - **Inventory Secondary System** (Staff)

Efforts (Expenditures)

	FY2016	FY2017
Administration	360,495	404,703
Utility Activities		
UA/Annual Maintenance	2,908,833	3,267,712
UA/Drainage Enhancement	39,000	14,000
UA/Additional Studies	545,000	326,670
<i>Utility Activities Subtotal</i>	3,492,833	3,608,382
Regulation		
UA/Control Reg	445,242	510,549
UA/WQ Monitoring	105,000	130,000
UA/Public Information/Outreach	70,000	72,000
<i>Regulation Subtotal</i>	620,242	712,549
Reserve Utilization		
Capital Improvement Fund		
Hwy 278 Retrofit	143,945	47,590
Okatie West/SC 170 Retrofit	315,000	73,000
Battery Creek Upper Retrofit	117,604	141,800
Buckingham Plantation	400,000	276,450
Brewer Memorial Demo Pond	9,500	9,500
Factory Creek Phase I	-	100,000
Factory Creek Phase II	-	100,000
<i>Reserve Utilization Subtotal</i>	986,049	748,340
Capital Improvement Fund		
Surplus (Deficit)	-	4,355,660
Utility Operating Fund		
Capital Assets New Purchases	611,290	1,050,490
Reserve Fund	-	250,000
Surplus (Deficit)	768,841	1,968,479
Efforts Total	6,228,461	12,048,113

Contingency

Professional Services
 \$316,670 - 12 mths cost (SMMP Update \$475K
 C/W, 18 mths project)
 \$10K - Contingency

Personnel
 Superintendent; MS4 Coord; Inspector;
 Admin Tech - .5 FTE; Fiscal Tech - .1 FTE
 New Inspector #2
Professional Services
 \$5K - Construction (Ord/Manual)
 \$5K - Post Construction WQ (Ord/Manual)
 \$30K - PPP Plan
 \$15K - Facility upgrade (design only)

\$120K - USCB Lab
 \$10K - WQ Monitoring Plan

\$70K - PE/O contract
 \$2K - Website Maint

Project delayed. Half of SW portion
 of hauling contract

2/3 design cost (\$109,473)

\$88,800 - Constructuion delayed. Half of
 cost share remaining.
 \$52,148.40 - County share in the overrun
 cost of \$100K.

Construction delayed b/c other parties have not
 found the revenue for the cost share.

2nd
year

Regulation
 \$31K - Jeep Liberty replacement
 \$31K - Pickup for SW Inspector #2
 \$5,830 - Radio (SW Inspector #2) pickup truck

Infrastructure
 \$34,000 - 4x4 pick up truck replacement
 \$46,000 - Labor Truck for 4-Man Support Crew
 \$31K - Pickup for Infr Inspection Tech #2
 \$11,660 - (2) Radios (Infr Inspec Tech #2 & 4-man
 support crew) trucks
 \$450K - Replace Shinn Cutter
 \$225K - 290 Volvo replacement
 \$135K - Bush Hog Replacement
 \$50K - Land Acquisition