

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

	#MEETINGS (Since 7/1/24)	#ATTENDED (Since 7/1/24)	% ATTENDANCE
MEMBERS PRESENT:			
Sidney F. Thompson, Chairman	8	8	100%
Benjy A. Hardee, Vice Chairman	8	8	100%
Arnold T. Johnson, Secretary	8	7	88%
J. Liston Wells, Member	8	8	100%
Wilbur M. James, Member	8	8	100%
Richard Singleton II, Member	8	7	88%
L. Morgan Martin, Member	8	5	63%

MEMBERS ATTENDING VIA TELECONFERENCE:			
Mark K. Lazarus, Member	8	6	75%
Radha B. Herring, Member	8	8	100%

STAFF PRESENT:

Christy Holder, Chief Executive Officer  
Chrystal Skipper, Chief of Administration  
Neeraj Patel, Chief of Field Operations  
Matt Minor, Chief of Engineering and Construction  
Christen Jordan, Chief of Accounting and Finance  
Thomas Neat, Chief of Technology  
Mary Hunsucker, HR Manager

LEGAL COUNSEL:

Stewart Miller, Burr Forman

LEGAL COUNSEL ATTENDING VIA TELECONFERENCE:

Bhumi Patel, Burr Forman

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

Chairman Thompson called the meeting to order and welcomed everyone in attendance. The invocation was given by Board Member, Wilbur James.

APPROVAL OF FEBRUARY 24, 2025 MINUTES: Upon motion duly made by Mr. Singleton, seconded by Mr. Wells, the Minutes of the February 24, 2025 meeting were approved as presented.

Upon motion made by Mr. Hardee, seconded by Mr. Johnson, the Board went into executive session for the discussion of legal and contractual matters. Following executive session, the Board returned to regular session.

Mr. Lazarus made a motion to continue the current lease at the Bucksport Marina on a month to month basis based on the terms of the current lease, have an appraisal performed on the Bucksport Marina and prepare an invitation to bid to receive bids for the purchase of the Bucksport Marina. The motion was seconded by Mr. Singleton and approved by the Board as stated with all members in favor except Chairman Thompson who opposed.

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

DISCUSSION/ACTION: Capital Budget Appropriation Requests – Rural Sewer Projects.

Upon motion of Mr. James, seconded by Mr. Singleton, the capital budget appropriation requests for rural sewer projects was unanimously approved by the Board as presented.

## DIVISION REPORTS:

UPDATE/STATUS: February 2025 Financial Statements: Mrs. Jordan reviewed the details of the preliminary consolidated budget report for February 2025 with the Board. As of February 28<sup>th</sup>, our total operating revenues were \$93.7 million, which is a 7% increase from the prior fiscal year. The largest changes in operating revenues were increases to the monthly water fees, wastewater fees and other revenue. Monthly water fees are up in all categories. The largest increases occurred in availability and volume. Monthly wastewater fees were up in all categories with the exception of bulk. The biggest increases were in availability and volume. Increases in availability and volume make up approximately 89% of the increases for water and wastewater fees. Other revenue is up \$683,004 mainly due to the sale and disposal of assets, cross connection fees and increases in service line maintenance. Our total operating expenses increased \$5.4 million from the prior fiscal year. The largest increases come from personnel services, supplies and materials and capital outlay. Personnel Services have increased \$2.7 million from fiscal year 2024 due to the increase of the number of employees, a merit increase and the associated taxes and retirement. Supplies and Materials have increased \$1.2 million which is mainly due to an increase in treatment supplies of \$760,000 and an increase in supplies and materials for water and wastewater facilities of \$393,000. Capital Outlay is up \$749,820 or 31% from the prior fiscal year. In February we received three trucks for the Water Department. We have received more vehicles and equipment this fiscal year than we did through February of last year. There is currently an Operating Surplus of \$11.8 million, an increase of \$616,246 compared to the same period in fiscal year 2024. Our total Non-Operating Revenues are \$40.1 million which is an increase of \$12.9 million from the prior fiscal year. The increase is mainly due to receiving ARPA funds, RIA Grant funds and funds from FEMA this year.

Mrs. Jordan shared the consolidated budget to actual report with the Board. As of February 28<sup>th</sup>, we should be at 67% of our estimated budget. Our operating revenues were budgeted at \$149 million. To-date, we have earned \$93.7 million or 63% of our estimated budget. We are just slightly below target. This includes interfund reimbursement which is at 38% of budget. This causes our overall percentage to be lower. We would be at 65% of budget without the interfund reimbursement. Interfund reimbursement includes revenue for capital renewal and improvements. We will be eliminating this through the budget process. Our operating expense budget is \$149 million. Year-to-date we have spent \$81.9 million or 55% of budget. Our expenditures will increase as the year progresses. Total non-operating revenues were budgeted at \$55.3 million and to-date we have earned \$40.1 million or 72% of budget. Investment income is higher than what was originally budgeted due to market conditions so far this fiscal year. Special fees and contributions are at 134% of budget due to receiving a large amount in grants this year.

UPDATE/STATUS: Investment Analysis: In our PNC Capital Advisors accounts, we have a balance of \$60.1 million. These funds have a current month yield of 1.36%, a three month yield of 1.38% and a twelve month yield of 5.31%. The balance in our PFM Asset Management LLC accounts is \$63.8 million with a current month yield of 1.45%, a three month yield of 1.39% and a twelve month yield of 5.57%. Truist funds total \$5.0 million with a current month yield of 1.13%, a three month yield of 1.37% and a twelve month yield of 5.27%. Overall, we have \$128.9 million invested with managers. The funds invested by our internal staff total \$118.4 million. Our debt service accounts total \$8.7 million. Our total investment portfolio is \$256 million with a current month yield of 0.87%, a three month yield of 1.21% and a twelve month yield of 4.97%.

Mrs. Jordan shared a graph with the Board showing the fiscal year-to-date comparison on our returns for PFM Asset Management LLC, PNC Capital Advisors, Truist, the South Carolina Local Government Investment Pool, Anderson Brothers Bank (ABB) ICS account and Coastal Carolina National Bank (CCNB) ICS account. The current 1-5 year benchmark is 4.20%. PNC Capital Advisors' fiscal year-to-date return is 4.02% which is below the benchmark and higher than fiscal year 2024's return of 2.56%. This year's fiscal year-to-date return for PFM Asset Management LLC is 4.25% which is just slightly above the benchmark and higher than last year's return of 2.59%. Truist's fiscal year-to-date return is 4.03% which is below the benchmark and lower than fiscal year 2024's

return of 4.22%. The Local Government Investment Pool's fiscal year-to-date return is 3.39% which is lower than the fiscal year 2024 return of 3.8%. Our fiscal year-to-date return for the ABB ICS account is 3.08% which is slightly lower than last year's fiscal year-to-date return of 3.15%. Our fiscal year-to-date return for the CCNB ICS account is 3.00% which is lower than fiscal year 2024's return of 3.39%.

UPDATE/STATUS: Business & Travel Expenses: Mrs. Jordan noted \$6,253 was spent on Business & Travel during the month of February. These costs include membership renewals, exam fees and conference fees. Year-to-date, we have spent a total of \$234,803.

UPDATE/STATUS: Purchase Transactions Over \$3,500: Mrs. Jordan called the Board's attention to the information in the Board packet on purchase order transactions over \$3,500. The total of all purchase orders included on the report for the month of February is \$5.6 million. The largest purchase orders in February were issued to Ferguson Waterworks for a total of \$2.1 million for 7,000 meter boxes for inventory. These meters will be delivered throughout the year. Other large purchase orders include a purchase order to James River Equipment for \$454,234 for a Doppstadt SM720 Tracked Trommel for the Agricultural Department, a purchase order to John Deere for \$283,941 for a tractor for the Agricultural Department and a purchase order to United Rentals, Inc. for \$218,866 for two trailered bypass pumps.

#### TIM BROWN, CHIEF OF PLANT OPERATIONS

Mr. Brown was not in attendance. Mrs. Holder stated that Mr. Brown's report was in the Board packet for the Board's information. All water and wastewater treatment plants operated in compliance with SCDES requirements in the month of February.

#### NEERAJ PATEL, CHIEF OF FIELD OPERATIONS

UPDATE/STATUS: Compliance with SCDES Water Distribution and Wastewater Collection Requirements: Mr. Patel stated all monitoring was reported and all system operations were conducted in compliance with SCDES requirements for the month of February.

UPDATE/STATUS: Aquifer Storage Recovery Well Program: In regards to the Jackson Bluff and River Oaks wells, we are working on obtaining permits from Horry County as well as working on site coordination with the wellhouse contractor. In regards to the Carolina Pines well, we are coordinating with the Purchasing Department on bid documents. This was the well we previously bid out but due to coordination issues, we had the well driller move to the International Drive well instead. We rebid this work and plan to award a contract shortly. At the International Drive well, the provider has started screen and casing installation.

In the ASR program, for the month of February, we had a net injection of approximately 143.2 million gallons for an average daily injection of 5.1 million gallons.

UPDATE/STATUS: Field Operations Activities: In regards to other field operations activities, in February, we smoke tested 387,757 linear feet of gravity sewer line, cleaned and televised 4,366 linear feet of gravity sewer mains, responded to 266 sewer backups and 66 water quality requests, collected 348 water quality samples, inspected 158 cross connection devices, tested and inspected 563 fire hydrants and 1,451 isolation valves, responded to 26 emergency main line shut-downs, completed 7 scheduled shutdowns and completed 6,087 work orders primarily for meter reading services.

Mr. Patel also made the Board aware of a recent sewer backup in Surfside. We had a sewer backup that adversely affected a customer several weeks ago. At the Board's request previously, we wanted to make the customer whole since a significant portion of the customer's home was affected. We secured mitigation services immediately. Since the home was unsanitary, we provided living arrangements for the family. Since the customer is now out of the situation, we are working with our insurance adjuster who will now also work with the family.

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 fiscal year 2024/2025 budget, the Board has approved over \$5.4 million in the rural water program. Since the last Board meeting, we authorized 7 projects for design for 11,715 linear feet of pipeline and 26 new REUs. Two projects moved from the design phase to construction for 2,220 linear feet of pipeline and 2 REUs. We issued service authorization to 4 projects for 4,373 linear feet of pipeline and 7 new REUs.

On the sewer side, in the fiscal year 2024/2025 budget, the Board has approved over \$7.5 million in the rural sewer program. Since the last Board meeting, we authorized 2 new projects for design that will add 1,990 linear feet of pipeline and 2 new REUs. Three projects moved from the design phase to construction for 7,133 linear feet of pipeline and 5 REUs. We issued service authorization to 4 projects for 9,533 linear feet of pipeline and 11 new REUs.

Currently there are 90 active rural projects in design and 45 projects in construction that will add a total 48 miles of pipeline and 746 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 10 miles of pipeline which includes 5 miles of waterline and 5 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 February. In February, we received 27 new letters of intent. Seven of these projects were developer extension projects totaling 251 REUs. The other 20 projects were single-service commercial projects totaling 201 REUs. We issued service authorization to 6 projects for 302 REUs, which accounted for \$2.9 million in developer contributions. We held 6 preconstruction meetings in February.

Overall, we have a total of 259 active developer projects. 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. The trends are staying pretty consistent. The number of new projects is trending upward slightly but the number of new REUs is trending slightly lower.

UPDATE/STATUS: Capital Projects: In regards to the Administration Building Expansion, the architect, Mozingo & Wallace has completed the plans and specifications for the expansion as well as the associated civil site plans. The civil plans have been provided to permitting agencies for review. Our current plan is to move forward with construction of one of the new wings.

In regards to Contract 20, RWF Construction, LLC (RWF) has completed the Hwy 378 Ext. 1 rural sewer project, the Pee Dee Hwy hydraulic improvement project and the Hendricks Shortcut Road sewer project. Crews are now working on the Pauley Swamp Road Ext. 2 project. The last remaining project will be the Pee Dee Hwy Ext. 1 sewer project.

In regards to the Conway to Bucksport WWTP Flow Diversion project, M.B. Kahn Construction Co., Inc. (M.B. Kahn) has completed the majority of the work associated with the new diversion pump station located at the Conway WWTP. The start-up needs to be completed but this cannot be done until the sewer line is complete. In regards to Contract 2, the pipeline contract, R.H. Moore Company, Inc. has installed approximately 27,000' of the 40,000' of 20" sewer force main along Hwy 701 South.

In regards to the Forestbrook Road Widening project, we recently held a progress meeting with our consultant, Mead and Hunt, Inc.. After providing information in coordination with ongoing modeling efforts, it was determined that a new 20" waterline

and 16" sewer forcemain would be sufficient to improve capacity and pressures along the corridor. These improvements will also help with other planned improvements including the proposed Peachtree site capital improvements.

In regards to the Highway 90 to Highway 905 Hydraulic Improvement project, Bolton & Menk, Inc. continue to make progress on the design of the 20,000 linear foot hydraulic improvement project. They have collected data and are working on preparing a water model to confirm the size of the new waterline.

In regards to the Perry Road water pump station upgrade, we recently submitted a project questionnaire to SRF to begin the process of requesting funding for upgrading a pump station and adding an additional reservoir at the existing Perry Road site.

#### 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 March 2024 through February 2025. During the month of February, our customer base increased by 347 customers which brings our customer account total to 144,929. Over the last consecutive twelve months, our total customer base has increased by 6,047 customers or 4.4%. During the month of February, our active accounts increased by 315, inactive accounts decreased by 22 and our suspended accounts increased by 54.

In regards to REUs, during the month of February, our total REUs increased by 438, which brings our REU total to 212,801. Over the last consecutive twelve months, our total REUs have increased by 7,741 REUs or approximately 3.8%. During the month of February, our active REUs increased by 328, inactive REUs decreased by 7 and our suspended REUs increased by 117.

UPDATE/STATUS: Customer Satisfaction Survey. Mrs. Skipper reviewed information with the Board from our recent Customer Satisfaction Survey. She called the Board's attention to the breakdown of questions and graphs in the Board Packet. The purpose of the survey is to gain insight into how our customers feel about our products, processes and services. We value our customers' opinions and look for ways to improve.

A total of 4,000 customers received an electronic survey. We received 584 responses which is a slight decrease from last year. A total of 591 customers were completed last year. All customers who completed the survey received a \$10 credit on their account.

There are places within the survey where participants are able to provide comments and request information. All of the customers who provided comments have been contacted by our Customer Service staff.

Mrs. Skipper went over a few highlights from the survey with the Board. 92.62% of the respondents were homeowners and the service location was their primary address. The customer demographics were predominantly over 50 years old and had lived in Horry, Marion or Dillon County for over five years. In regards to customer service quality, 92.29% rated our service above average and 62.84% of the respondents rated our service as excellent. The majority of the respondents communicated with our employees over the telephone and were pleased with our processes. Over 98% of the survey respondents believed our staff was courteous, friendly, knowledgeable and efficient.

In regards to water quality, 69.86% of the respondents rated the overall quality of our drinking water above average and 30.65% rated the water quality as very good. Overall, the respondents were satisfied with the odor, taste, color, price, reliability, and pressure. 82.19% believe their drinking water is safe, which is 4.9% lower than last year's percentage of 86.46%. It is assumed that this is primarily due to the PFAS concerns in the news.

94.52% of respondents expressed the quality of drinking water either met or exceeded their expectations. The last question on the survey is, "If given a choice, would you continue to use GSWA as your water provider?" 94.52% of the respondents said yes.

Mrs. Skipper also shared a recent recruitment video put together by T2H Advertising. This video is posted on our website so others are able to get some insight into what it is like to work for GSWA.

THOMAS NEAT, CHIEF OF TECHNOLOGY

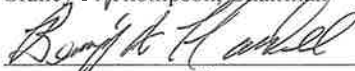
UPDATE/STATUS: Technology Update. Mr. Neat briefly provided the Board with some security updates.

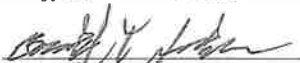
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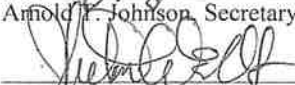
Chairman Thompson called the Board's attention to the Employee Recognition, Sod Donation Report, upcoming Budget Retreat dates and upcoming AWWA Conference in Denver, CO.


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

  
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Sidney F. Thompson, Chairman


  
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Benjy A. Hardee, Vice Chairman

  
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Arnold R. Johnson, Secretary

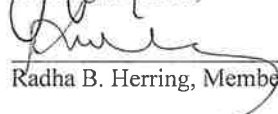
  
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J. Liston Wells, Member

  
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Wilbur M. James, Member

Approved via teleconference  
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Richard G. Singleton II, 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