

January 20, 2009

The regular meeting of the SJWD Water District was held with the following present: Buddy Carlton, John Sexton, Wanda Fowler, Roger Nutt, Mike Caston-Executive Director, Mike Frost – Director of Projects and Construction, Larry Christopher – Director of Finance and Administration, and Mitch Turner – Manager of Water Resources. Guests: Mr. and Mrs. Brian English (adjoining property owners at Lyman Lake), and Brian Boughner, Traci Pennell, and Geoff Gilley (BB&T Investments). Clint Shealy – Black & Veatch (provided information via conference call). Tom Lomax was absent.

John Sexton called the meeting to order.

APPROVAL OF DECEMBER 16, 2008 MINUTES:

Buddy Carlton made a motion, which was seconded by Roger Nutt, to approve the minutes of the December 16, 2008 meeting. The motion was approved unanimously.

BOAT DOCK VARIANCE

Roger Nutt made a motion, which was seconded by Buddy Carlton, to grant a variance for the construction of a boat dock for Mr. and Mrs. Brian English at Lyman Lake. The dock should be constructed in accordance with SJWD specifications. The request is being granted with the understanding that Mr. and Mrs. English relied on information provided by a former employee that led them to believe that their property qualified for a dock when it did not. The motion was approved unanimously.

INVESTMENT UPDATE

Brian Boughner, Regional Portfolio Manager with BB&T Investments, presented an update of the investments held in SJWD's Capital Reserve Fund. The fund is earning slightly over 3.0% consisting of money market funds, government bonds, government agency bonds, and certificates of deposit. Brian explained that some of the government bonds that SJWD owns have increased in value. There is an opportunity for SJWD to sell these bonds for a profit and reinvest the proceeds on a short-term basis while the market stabilizes.

Roger Nutt made a motion, which was seconded by Buddy Carlton, to authorize Larry Christopher to negotiate the sale of one or more of these bonds where it is advantageous for SJWD to do so. The motion was approved unanimously.

MONTHLY FINANCIAL REPORT

Staff reviewed the Financial Report and Bank Balance Report for the period ending December 31, 2008. The District's financial position remains strong despite decreased revenues as compared to the prior year. Expenses are well within budget.

LAND LEASE AGREEMENT

Mike Caston presented a letter from Ms. Laura Scott, the daughter of Ms. Anna Wilcox, who recently passed away. The lease covers land at the old Zoar tank site. Ms. Wilcox owned a trailer on the site until her death and Ms. Scott now wishes to sell the trailer to a qualified buyer and is requesting that the land lease be extended to the new trailer owner.

Roger Nutt made a motion, which was seconded by Buddy Carlton, to allow Mike Caston to communicate with Ms. Scott and negotiate an agreement that is suitable for SJWD. The motion was approved unanimously.

LAKE POLICIES AND FEES

Mitch Turner discussed some issues relative to docks, permits, fees, and lodge and shelter rentals at our reservoirs. He will gather additional information for the next Commission meeting with recommendations regarding changes.

SITE VISIT

Clint Shealy arranged a site visit with the Gaffney Board of Public Works for Tuesday, February 3rd at 10:00 am. All interested in going will meet at the SJWD office to leave at 9:15 am. The site visit will include a tour of the reservoir aeration system at Lake Wheelchel and the liquid sodium permanganate feed system at their plant.

PROJECT STATUS UPDATE

Clint Shealy (via conference call) presented an update on the status of proposed capital projects relative to water treatment expansion options, water line projects, and wholesale water sales opportunities.

MISCELLANEOUS ADMINISTRATIVE MATTERS

- Larry Christopher discussed the Workers Compensation Insurance Renewal for 2009.
- Larry Christopher discussed a response letter written to SJWD's auditors regarding the use of District-provided credit cards. All present Commissioners agreed with management's response to continue their use.
- Roger Nutt and Larry Christopher will attend the AWWA "Fly In" in Washington, DC (March 23rd – March 25th).
- Rooms have been reserved for the SC Environmental Conference in Myrtle Beach (March 21st – March 24th). Those planning to attend were instructed to contact Larry Christopher by the end of January.
- Larry requested that Commissioners inform him by the end of February if they desired to attend the AWWA Annual Conference and Exposition in San Diego, CA (June 14th – June 18th).

- A strategic planning session was held January 16th, with a follow-up session scheduled for January 23rd at the Lyman Lake Lodge to discuss opportunities and threats ahead for SJWD. The meeting will begin at 8:30 am. All Commissioners are invited.
- A workshop is being planned for Thursday, March 5th designed around the book “Good to Great”. All Commissioners and Directors are encouraged to participate. Bob DiAntonio will be the facilitator.
- Mike Caston was instructed to draft a letter to the Tyger River Foundation to inform the Foundation that SJWD does not intend to pursue any opportunities relative to trails or conservation easements at this time.
- The closing for the Upward property transfer is scheduled for Wednesday, January 28th.

EXECUTIVE SESSION

Roger Nutt made a motion to go into Executive Session to discuss a personnel matter, which was seconded by Buddy Carlton. All Commissioners were in favor.

Buddy Carlton made a motion to end the Executive Session, which was seconded by Roger Nutt. All Commissioners were in favor.

Based upon discussions in the Executive Session, Mike Caston was directed to further discuss the personnel matter with legal counsel and provide the Commission with information at a future meeting.

NEXT MEETING DATE:

The next regular Commission meeting will be held February 3, 2009. The meeting was adjourned by mutual consent.

Read & Approved

Wanda Fowler
Secretary

