The meeting of the SJWD Water District Commissioners was held May 19, 2026, at 198 Watershed Way, Spartanburg, South Carolina.

Commissioners Present: Buddy Carlton (Chair), Frank Nutt (Vice-Chair), Wanda Fowler (Secretary), Barry Frost, Brian Leonard

Senior Management Present: Billy Cothran (Chief Executive Officer), Bobby Walden (Chief Operating Officer), Jeff Diaz(Chief Information and Services Officer)

Staff Present: Corey Bennett, Josh Fulmer, Julie Gillespie, Jamie Jordan, Cam Miller, Katie Clark, Fatima Contreras, Katie Balog, Savannah Bailey, Ivonne Osorno, Alexander Kuznetsov, Eric Bennett, Bradley Norman, Dusty Peace, Jake Lancaster

Guests Present: Patrick Knie of Patrick E. Knie Law Offices

NOTICE OF MEETING

The meeting was properly noticed in accordance with South Carolina FOIA requirements. The agenda was provided to WSPA TV and the Spartanburg Herald-Journal, posted in the lobby of **SJWD's Administrative Office**, and published **on SJWD's website.**

Buddy Carlton called the meeting to order at 10:35 a.m.

APPROVAL OF MAY 19, 2026, REGULAR MEETING MINUTES

Barry Frost made a motion, seconded by Frank Nutt, to approve the May 19, 2026, Regular Meeting Minutes. The motion was approved.

PUBLIC HEARING FOR YEAR 2027 OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN

Barry Frost made a motion, seconded by Frank Nutt, to open a public hearing for members of the public to be heard about the operating budget and CIP plan for the fiscal year ending June 30, 2027. The motion was approved. No one from the public appeared before the Commission to be heard.

Frank Nutt made a motion, seconded by Barry Frost, to close the public hearing. The motion was approved.

CEO'S REPORT

a. LEGISLATIVE UPDATE

No legislative update was presented.

b. COMMUNICATIONS AND PUBLIC OUTREACH UPDATE

Jeff Diaz (Chief Information and Services Officer) and Katie Clark (Director of Communication and Outreach) **gave a brief presentation regarding SJWD's recent efforts in** this area.

MONTHLY FINANCIAL UPDATES

a. **Monthly Financial Report:** Billy Cothran provided the monthly financial report to the Commission for May 2026.

b. **Open Capital Projects Report:** Cam Miller and Corey Bennett updated the Commission on the open capital projects.

APPROVAL OF PURCHASE OF WATER TABLES FOR MIDDLE TYGER EDUCATION CENTER

Billy Cothran presented a request for SJWD to partner with Middle Tyger Education Center to purchase indoor and outdoor water tables and related supplies for the children at the center. Barry Frost made a motion, seconded by Brian Leonard, to make a funding commitment of $100,000 ($25,000 per year for four years). The motion was approved. (Wanda Fowler recused herself from the vote.)

APPROVAL OF RESOLUTION FOR THE 2026 GENERAL OBLIGATION BOND ANTICIPATION NOTE

Frank Nutt made a motion, seconded by Wanda Fowler, to approve the resolution for the 2026 General Obligation Anticipation Note. The motion was approved.

APPROVAL OF A REIMBURSEMENT RESOLUTION FOR PURCHASE OF VEHICLES

Billy Cothran presented a reimbursement resolution that would allow SJWD to lessen the cash flow burden when purchasing vehicles. Barry Frost made a motion, seconded by Brian Leonard, to approve a reimbursement resolution for purchase of vehicles. The motion was approved.

APPROVAL OF FISCAL YEAR 2027 OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN

Wanda Fowler made a motion, seconded by Barry Frost, to approve Fiscal Year 2027 Operating Budget and Capital Improvement Plan. The motion was approved.

APPROVAL OF THE PHASED PLAN FOR MODIFICATIONS TO WATER RATES AND SEWER BILLING SERVICE

Billy Cothran presented a staff recommendation for a four-year rate adjustment plan to support SJWD's financial sustainability, system resilience, and long-term ability to deliver reliable services. The plan includes an annual 4% increase in base and volumetric rates, a phased increase in the outside rate differential from 35% to 50%, and "flattening" of the non-residential declining block rate structure. Wanda Fowler made a motion, seconded by Brian Leonard, to approve the phased plan for the water rate modifications. The motion was approved.

Billy Cothran presented a staff recommendation to increase the sewer billing service fee by 1% per year for the next three years (from 7% to 10%) to more closely align the sewer billing fee with SJWD's current cost of service. Brian Leonard made a motion, seconded by Barry Frost, to increase the sewer billing fee to 10% effective January 1, 2027. The motion was approved.

EXECUTIVE SESSION (*Pursuant to S.C. Code §30-4-70(a)(2)*)

At 12:06 p.m., Frank Nutt made a motion, seconded by Wanda Fowler, to enter Executive Session pursuant to S.C. Code §30-4-70(a)(2) to discuss the following matters.

a. Receipt of legal advice regarding potential regulatory impacts on the District
b. Receipt of legal advice and discussion of a matter involving potential claims related to a previously approved policy
c. Discussion of negotiations incident to proposed property transaction near Pine Ridge Road

The motion was approved.

At 12:54 p.m., Barry Frost made a motion, seconded by Frank Nutt, to exit Executive Session. The motion was approved.

ANY ACTION, IF NECESSARY, FROM EXECUTIVE SESSION

No action was taken.

MISCELLANEOUS ADMINISTRATIVE MATTERS

a. Next Regularly Scheduled Commission Meeting - Tuesday, July 14, 2026, at 10:30 a.m.

ADJOURNMENT

At 12:58 p.m., Wanda Fowler made a motion, seconded by Barry Frost, to adjourn the meeting. The motion was approved.

Read & Approved

Frank Nutt

Buddy Carlton

Wanda Fowler
Secretary

Wanda L Fowler