

MEETING OF THE COMMISSION
ISLE OF PALMS WATER & SEWER COMMISSION
APRIL 19, 2023

In accordance with the Freedom of Information Act, the Agenda was posted on Wednesday, April 12, 2023, at City Hall, the Commission Office, and provided to *The Post and Courier*. The meeting was held on Wednesday, April 19, 2023, at the Commission Office, 1300 Palm Boulevard on the Isle of Palms, SC.

Attending were Chairman Jay Leigh, Vice Chairman Bob Hooper, Secretary Donald Smith, Commissioner Curtis Helfrich, Commissioner Jeff Forslund, General Manager Chris Jordan, Special Projects Administrator Bill Jenkins, Comptroller Helena Stickles, CPA, Operations Manager Shorty Meade, Engineer Mark Yodice, and Attorney Jennifer Blumenthal. Also present were Dana Love and Linda Tucker.

Vice Chairman Hooper made a motion to approve the minutes of the regular meeting of March 15, 2023. Commissioner Forslund seconded the motion. The motion passed unanimously.

As there were no citizens present, Chairman Leigh dispensed with the reading of the Chairman's Statement.

Special Projects Administrator Jenkins began the Manager's Report by sharing that work has begun on the pump station in Wild Dunes. Surveys have been done, and some things need to be moved. The Forest Trails project has been on hold since April 1 while staff waits to hear from South Carolina EMD. The project at Timber, Oakview, and Shady Lane is complete.

Staff continues to discuss issues surrounding the R/O concentrate line and manatee monitoring requirements with US Fish & Wildlife. General Manager Jordan reported that US Fish & Wildlife is making excessive requests, but he believes all the issues can be resolved. He said that staff understands the need to move the line out into deeper water to obtain the proper dilution.

The City's drainage project at 30th Avenue is complete, but the work to finish 36th Avenue will take place after the season due to a lengthy road closure.

General Manager Jordan said that there are still some materials delays for the odor control unit at the Waterway Blvd pump station. He stated that staff still has not heard anything regarding the ARPA grant awards. He has been in touch with Representative Mace's office.

All IOPWSC customers have received a mailing informing them about the online customer portal. As of April 18, 259 customers have signed up for the service.

Special Projects Administrator Jenkins reported that the structure around the pump station at the marina parking lot has been refurbished, but he has not heard anything regarding the need to move it.

Comptroller Stickles delivered the Financial Report. The balance in the bond revenue account is \$2.5 million. Four checks totaling over \$1 million were written in March 2023.

A check for \$23,000.00 was received from Verizon for tower rental.

The request for proposal (RFP) for the audit services has been posted, and bids are due next month. The Commission earned approximately \$38,000.00 in interest income last month.

Referring to the balance sheet, Comptroller Stickles explained that expenses are slightly higher than this time last year due to the installation of the odor control unit and the higher costs of everything else. Revenues in March 2023 were \$55,000.00 under budget, and expenses were \$83,000.00 under budget, resulting in a \$29,000.00 positive net revenue, which is slightly below the net revenue of March 2022.

There was no Correspondence.

The Commissioners and Director Kerr of the City's Building Department engaged in a lengthy conversation about the City Fire Department's desire to encourage homeowners to install sprinkler systems in their homes. Because these systems could be tied into the water lines, the Commission is concerned about the liability involved in shutting off a customer's water for non-payment and a fire subsequently destroying the home due to a lack of water.

Special Projects Administrator Jenkins said that he had a conversation with the State's Fire Marshal many years ago, who said that the Commission's procedure "was justified as long as we did not charge for the service, monthly charges. I told him we just charge for the tap to recoup our materials, and we do charge an annual fee based on the size of the line and consider that a ready service, which he agreed was fine."

Attorney Blumenthal added that she spoke with the City's attorney, and he proposed a possible solution to the liability issue. "He said the City could require any owner to sign a waiver and release of the Commission and an indemnity. My concern with that is as a consumer, I would question whether that type of waiver and release would be enforceable. It might be. It might not be. I haven't looked into it that far. The indemnity would be worth the paper it is written on because at that point what do they have, and also how is it going to transfer? I don't know how a waiver and release and an indemnity of an existing party is going to transfer when they sell the property."

Director Kerr said that the Fire Department's goal would be to have more homes with sprinkler systems. He said that other water systems allow for this, but Special Projects Administrator Jenkins disagreed, stating that Mt. Pleasant Waterworks does not.

Special Projects Administrator Jenkins said, "Based on the way we do things and Douglas, on what you are suggesting and what the Fire Chief and the Fire Marshal are suggesting, I don't think we would be privy to it, allow it, because it is not meeting out policy for fire lines. And then it goes back to if we shut the system down for non-payment, it is solely ours. So, all I can say is no, that would not be something that we would allow, and it goes back to liability about turning the water off for non-payment."

Attorney Blumenthal noted, "The South Carolina Building Code does permit this, and with the issue about turning off the water, it says that shut-off valves are prohibited with the exception of shut-off valves for the entire water distribution system. So, it does allow you to shut off the water to a house that has one of these sprinkler systems."

The Commissioners discussed their concerns regarding the Commission's liability involved with shutting off the water. Attorney Blumenthal said that the building code does not address liability "but that is where I would hang my hat on if I were trying to defend a liability case is that it is allowed. You are not prohibited from shutting off the water to the whole house."

Commissioner Helfrich made a motion to continue this discussion next month when more information is available. Secretary Smith seconded the motion. The motion passed unanimously.

Engineer Yodice questioned whether the addition of sprinkler systems would affect the delivery of water and the costs involved. Director Kerr will invite Chief Oliverius to attend the next meeting with information from other jurisdictions.

Mr. Love asked, "Does any ruling that is made relieve us of liability? That is what it comes down to."

Chairman Leigh reported that he and General Manager Jordan met recently with someone who is interested in renting the property after the plant is decommissioned for storage of boats and RVs.

Vice Chairman Hooper made a motion to go into Executive Session in accordance with Section 30-4-70(a)(2) to receive legal advice concerning a potential claim. Secretary Smith seconded the motion. The motion passed unanimously.

The Commission went into Executive Session at 8:54 a.m.

The Commission came out of Executive Session at 9:02 a.m.

Chairman Leigh stated that no action was taken.

Vice Chairman Hooper made a motion to adjourn. Commissioner Helfrich seconded the motion. The meeting adjourned at 9:02 a.m.



Jay D. Leigh, Chairman

5-17-20

Date