



ADMINISTRATOR'S REPORT
Kevin Bronson
OFFICE OF THE CITY ADMINISTRATOR
WESTMINSTER, SOUTH CAROLINA

March 14, 2025

GENERAL INFORMATION

Westminster 150th Birthday Celebration

The City of Westminster's 150th Birthday Celebration will be held tomorrow, March 15, beginning at the Westminster Depot at 10:00am and going until 2:00pm. Live music, street vendors, and a time capsule opening headline the day. City Council is invited to present a proclamation for the event around 12:00 at the Depot.

Statement of Economic Interests (SEI) for the South Carolina Ethics Commission

A reminder to all city councilmembers to file 2024 SEI's prior to noon on March 30th. The website is <https://ethics.sc.gov/>

News Report in the Upstate Business Journal

The Upstate Business Journal ran a short informational piece about the Horton/Westminster partnership. It can be found at the following link: <https://upstatebusinessjournal.com/business-news/anderson-notes-vbase-gets-250k-boost/>.

Sewer Improvements Invitation to Bid

The City published an advertisement for bids for the second phase of the SCIIP Sewer Project, the installation of 8" gravity sewer line and manholes. Bids are due on April 9, 2025 at 2:00pm at City Hall. The advertisement can be found at www.westminstersc.org/departments/administration/#bids.

This Week in Rec: An Update from Recreation Director Herb Poole

- Volleyball games began on Monday. Teams will take spring break off from games until March 24.
- Lunches will be served to kids 18 & younger beginning on Monday for WRD's Spring Break Meals Program. We are still accepting donations to cover the meals each weekday of Spring Break. Lunches will be served 11:30 am – 12:30 pm on March 17-21.
- Sponsors are needed for the tball, baseball, and softball season. Contact the recreation department for information.
- This coming Saturday the Community Tree will donate several food boxes to us. We distribute these to visitors from the community that need them. We also use these to help keep the blessing box at the rec department stocked.

SCIIP Sewer Project

Tugaloo/McClam have completed the lower half of Spring St and turned up Green St. The City is working to move the service connection to the 6" main water line across the road and remove the 2" water line.

Anderson Park

Nothing new to report this week. Contractors are awaiting additional deliveries of equipment.

Horton Outdoor Recreational Area

The contractor continued to make progress this week excavating and grading the site and should be complete in the next week, weather dependent. Construction components continue to be delivered on site, and construction will begin in the coming weeks. City Staff continue to clean and level areas of the site that are not under construction.

Removal of invasive Bradford Pear Trees at City Entrance

The city has partnered with Books For Less and Clemson University's Bradford Pear Bounty Program (<https://www.clemson.edu/extension/bradford-pear/index.html>) to remove and replace approximately 20 invasive Bradford Pear Trees located along HWY123 at the entrance to the city limits with native tree species. City staff is removing the trees as work schedules allow, Clemson University will provide replacement native species trees. This effort is aimed at beautifying the city entrance, or gateway, and replacing the invasive species with native species. City staff has assisted other property owners with Bradford Pear replacements as noted in the November 22, 2024 Administrator Report.

Westminster partnered with the South Carolina Forestry Commission to complete an urban forest tree canopy assessment. The assessment identified the Westminster's current tree canopy coverage, areas which could be improved upon, and strategies to build on Westminster's existing tree canopy. That report identifies the removal of Bradford Pears as a strategy to increase native plant life. That report can be found here: https://westminstersc.org/wp-content/uploads/2025/03/WestminsterSC_UTC_Report.pdf

Bradford pears are not native to the U.S. and have been widely planted in South Carolina for years. While the blossoms are pretty, they have a pungent odor, and the trees often break during storms. Even worse, Bradford pear trees directly contribute to one of the worst invasive plant species in the Southeast – the Callery pear. (Copied from Clemson University Extension website)

Buying or selling Bradford Pears in the state of South Carolina became illegal starting on October 1, 2024. While it is still be legal to keep them in your yard if you have one already, experts at Clemson University are offering a program to replace the bright white blossoming trees with species better suited to the environment. (source: The Greenville News March 13, 2024).

Heirloom Farms

J&M has begun water construction and prepping for road bore with a tie into the 2" main on next week

Long and sons began sewer construction from the County connection through the marshlands to the Subdivision. The Service Road is almost complete so they can finish construction. The manhole is set at the County Sewer and they are progressing quickly through the remainder of the project.

Long Creek Highway Chauga River Bridge (from Utilities Director Scott Parris)

Two bridge columns have been constructed. They will be setting up the form next week for the next two.

Westminster Planning Commission

The Westminster Planning Commission meeting scheduled for March 17 has been cancelled due to lack of business.

OJRSA

The OJRSA Board of Directors met March 6, 2025. The draft minutes are attached.

Attached is a copy of the summary for the proposed revisions to the Sewer Use Regulation (SUR) by OJRSA. Customers can also see <https://ojrsa.org/wp-content/uploads/Board-2025-2-3-Agenda-Exhibit-C-SUR-Revision.pdf> with rationale for the changes and exactly what’s being modified in the SUR.

PMPA

Nothing to report.

PLEASE MARK YOUR CALENDARS

- March 18, 2025 at 8:30 am Operations & Planning Committee at OJRSA
- March 20, 2025 at 10:00 am PMPA Board Meeting at PMPA
- March 25, 2025 at 9:00 am Finance & Administration Committee at OJRSA

April 7, 2025 at 4:00 pm OJRSA Board Meeting at OJRSA

April 8, 2025 at 4:00 pm City Council Budget Workshop at the Westminster Fire Department

April 8, 2025 at 6:00 pm City Council Meeting at the Westminster Fire Department

April 10, 2025 at 9:00 am OJRSA Ad-hoc Feasibility Implementation Committee at OJRSA

April 29, 2025 at 4:00 pm Called City Council Budget Workshop at the Westminster Fire Department

City Council Meeting Schedule

January 14, 2025		6:00 PM	City Council Meeting
February 11, 2025	4:00 PM	6:00 PM	Budget Workshop/City Council Meeting
March 11, 2025	4:00 PM	6:00 PM	Budget Workshop/City Council Meeting
April 8, 2025	4:00 PM	6:00 PM	Budget Workshop/City Council Meeting
April 29, 2025	4:00 PM		Budget Workshop
May 13, 2025		6:00 PM	City Council Meeting
June 17, 2025		6:00 PM	City Council Meeting
July 8, 2025		6:00 PM	City Council Meeting
August 12, 2025		6:00 PM	City Council Meeting
September 9, 2025		6:00 PM	City Council Meeting
October 14, 2025		6:00 PM	City Council Meeting
November 18, 2025		6:00 PM	City Council Meeting
December 9, 2025		6:00 PM	City Council Meeting

Special Events Calendar

March 15, 2025 Westminster 150th Birthday Kickoff at the Westminster Depot

Festivities, vendors, and a live band to celebrate the City of Westminster's 150th Birthday; Oconee County History Museum Presentation on the History of Westminster will begin at 10:00am at the Depot. A flyer is attached.

April 18, 2025 Three Crosses at Retreat Street Park

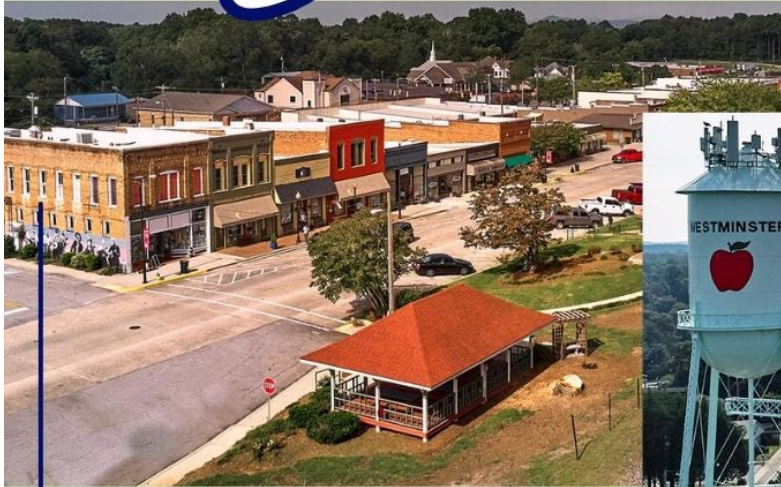
Good Friday event hosted by Cross Roads #2 Baptist Church at Retreat Street Park beginning at 5:00pm. Food and music will be apart of the community event.

May 17, 2025 Music on Main in Downtown Westminster

Westminster Music Centre presents Music on Main. Car Show will begin at 3:00.

150TH ANNIVERSARY

Birthday



150
city of
WESTMINSTER
1875 | 2025



Saturday, March 15th from 11:00 AM- 2:00 PM on Main Street



OCONEE JOINT REGIONAL SEWER AUTHORITY

Commission Meeting

March 6, 2025

The Oconee Joint Regional Sewer Authority Commission meeting was held at the Coneross Creek Wastewater Treatment Plant.

Commissioners that were present:

- Seat 8 (Westminster): Kevin Bronson, Board Chair
- Seat 1 (Seneca): Bob Faires, III, Board Vice-Chair
- Seat 2 (Seneca): Scott Moulder
- Seat 4 (Seneca At-Large): Marty McKee
- Seat 5 (Walhalla): Celia Myers (*arrived 4:02 p.m.*)
- Seat 6 (Walhalla): Laramie Hinkle
- Seat 7 (Westminster): Scott Parris
- Seat 8 (Westminster): Kevin Bronson
- Seat 9 (Walhalla-Westminster At-Large): David Dial

Commissioners that were not present:

- Seat 3 (Seneca): Scott McLane

OJRSA appointments and staff present were:

- Lynn Stephens, Secretary/Treasurer to the Board and Office Manager
- Chris Eleazer, Executive Director

Others present were:

- Larry Brandt, OJRSA Attorney
- Daryll Parker, Willdan Financial
- Angie Mettlen, W.K. Dickson/Ardurra
- Lawrence Flynn, Pope Flynn (OJRSA Attorney) – *via telephone call*
- Norm Cannada, The Journal
- Dick Mangrum, WGOG Radio
- Robert Royer, AQD
- Kenneth Marshall, AQD
- Tony Adams, Oconee Co. Citizen

A) Call to Order – Mr. Bronson called the meeting to order at 4:01 p.m.

B) Invocation and Pledge of Allegiance – By Mr. Parris.

C) Public Session – None.

D) Approval of Minutes:

- **Board of Commissioners Meeting of February 3, 2025**

Mr. Parris made a motion, seconded by Mr. McKee, to approve the February 3, 2025 Board Meeting minutes as presented. The motion carried.

E) Committee and Other Meeting Reports:

- **Sewer Feasibility Implementation Meeting of January 9, 2025** – Ms. Stephens presented the report to the Commission. **See attached minutes.*

Mr. Dial made a motion, seconded by Ms. Myers, to approve the January 9, 2025 Sewer Feasibility Implementation Meeting minutes as presented.

Mr. Moulder asked if the board is approving the minutes or accepting them, as the board was not at the meeting. Mr. Bronson said that was a good point and asked Mr. Brandt what the board should do. Mr. Brandt said the board could just accept them.

Mr. Dial amended his motion to accept the January 9, 2025 Sewer Feasibility Implementation Meeting minutes as presented. Ms. Myers seconded. The motion carried.

- **Operations & Planning Meeting of February 19, 2025** – Mr. Faires presented the report to the Commission. **See attached minutes.*

Mr. Faires made a motion, seconded by Mr. Dial, to approve the February 19, 2025 Operations & Planning Meeting minutes as presented. The motion carried.

- **Finance & Administration Meeting of February 25, 2025** – Mr. Moulder presented the report to the Commission. **See attached minutes*

Mr. Moulder made a motion, seconded by Mr. Dial, to approve the February 25, 2025 Finance & Administration Meeting minutes as presented. The motion carried.

F) Secretary/Treasurer’s Report (Exhibit A) – Ms. Stephens presented the Secretary/Treasurer’s Report to the board.

Mr. Moulder made a motion, seconded by Mr. McKee, to approve the Secretary/Treasurer’s Report as presented. The motion carried.

G) Oconee County Government Update Regarding Matters Involving Wastewater – None.

Mr. Bronson asked if this item needed to be on future agendas, as it has been on several previous agendas and no one from Oconee County has attended the meetings. He added that if anyone from Oconee County comes to the meetings, the OJRSA will surely recognize them and make space for them on the agenda. Mr. Eleazer replied that previous OJRSA Chairman Brian Ramey asked for it to be on the agendas to show that Oconee County is welcome to attend and that the OJRSA would dedicate a spot for them to address the board.

Mr. Bronson requested it be removed, and Mr. Dial agreed. Mr. Faires noted that there have been no complaints from Oconee County about being a part of the meetings since this has appeared on the agenda. The board members agreed to have this removed from future agendas.

H) Presentation and Discussion Items:

1. Rate and Cost of Service Study Presentation – Mr. Eleazer called Mr. Flynn on the phone at this time and introduced Mr. Parker to make the presentation (*made a part of these minutes*). The OJRSA asked Mr. Parker to do a rate study, which was done, and an analysis model was created with the 10-year Capital Improvement Plan (CIP) included in it. He stated he was going to present some options in this presentation, and he now needs direction from the board on how to proceed.

Mr. Parker said the CIP is mostly growth-related projects; however, it also includes the rehabilitation of the old system lines. The projects total a cost of approximately \$190 million over the next ten (10) years with half of that amount happening in the first three (3) years. Mr. Parker stated that issuing debt to smooth out the spending plan is not currently an option, so everything must be cash-funded. Mr. Parker is providing five (5) scenarios in this presentation.

Mr. Flynn stated that it isn’t that debt is not an option, but rather that debt requires the approval of the governing board of each Member City’s council and has been problematic (or difficult to do) in times past. Also, in taking new debt in the immediate term, it could be problematic with what to do with that debt in the event of reconstitution of the board by consideration of the recommendations from the RIA study and Ad Hoc Committee.

Mr. Parker showed the analysis model for funding all the projects. He stated that if things were left “status quo” with no rate adjustments, the OJRSA would start out with two (2) negatives: 1) The Capital Projects for the first year total \$20 million, and the OJRSA does not currently have that money available, and 2) Expenditures would outweigh revenue within the first five (5) years.

Mr. Parker ran the model for the different scenarios for the board to view. Mr. Parker said he wasn't asked to set the model up for rate adjustments and debt service payments, but it could be done later if the OJRSA wants. Ms. Mettlen added that this is a dashboard model as part of the study that Mr. Eleazer has a copy of the model and can run it as needed.

- 2. Discuss Rate and Cost of Service Study** – Mr. Bronson asked for the total cost for Priority 1 (the items OJRSA staff have identified as must be addressed due to Consent Order or critical operational issues and a sheet was provided to the board and *made a part of these minutes*). Mr. Parker replied that Priority 1 is \$105 million. Mr. Bronson said that although this provides the financials for the total cost, it does not speak to the OJRSA getting all these projects done in one (1) year. The ability for the entity to secure and put all the projects in the ground is unlikely to happen. Mr. Parker asked if Mr. Bronson was saying that most of the projects would be spread out over 2-3 years, and Mr. Bronson replied yes. Mr. Parker asked if the CIP captured those multiple years; Mr. Eleazer replied yes.

Mr. Eleazer explained how he and OJRSA Operations Director, Kyle Lindsay, were asked to reprioritize the capital projects. Priority 1 was divided into 1A and 1B, with 1A being critical O&M/Consent Order projects with no growth at an approximate cost of \$49,000,000 and 1B being critical O&M/Consent Order projects with growth with an approximate cost of \$104,000,000. In addition, Priority 1B includes the plant expansion as part of an upgrade in this priority due to not having time or means to go through and itemize individual costs needed at the plant. A Priority 4 was added for growth-related projects only.

Mr. Bronson asked how long it would take to do the projects in Priority 1A. Mr. Eleazer replied the timeframes are on the sheet. He said 1A has some items that will have equal time for all twenty (20) years.

Mr. Bronson said that although he likes the model, it shows the money slotted per year; however, the way the money will be spent takes much longer. He said that it takes years from the time SCIP money is secured to when the projects are complete. He said the money in the model is being compressed per year with the major slotted amount in the first year. He said before the projects in the first year are complete, the model is already looking for the next slot of money. He said he is wondering why this isn't being looked at in a pace of what can really be completed in the field.

Mr. Parker replied that he believes that is what Mr. Eleazer was trying to do by showing the projects in the CIP spread out over multiple years. Mr. Eleazer added that he is planning to request for the addition of five (5) new staff positions for this coming fiscal year to get the projects done operationally as well as manage them. The current staff cannot keep up with all these projects.

Mr. Bronson asked what the current base cash in hand. Mr. Parker replied around \$10,000,000. Mr. Eleazer replied that is not accurate. The Director referenced the Secretary/Treasurer's report (Exhibit A) and stated there is approximately one hundred-eighty (180) days' worth of cash on hand, but a project starting now at the plant right will take \$500,000 from that cash. Mr. Eleazer added there are two (2) unrestricted accounts (one for the wholesale system and the other for the retail system) which have approximately \$3.3 million in them as of the end of February, and there will be some additional funds available after the Sewer South project is closed out. He also stated that the rest of the money is in restricted funds for specific projects. Mr. Eleazer said impact fees can only be used for growth-related projects and cannot be used for operations and maintenance, which Mr. Flynn confirmed.

Mr. Eleazer asked what the next step is. Does the OJRSA board need to definitively identify the projects that are to move forward with budgeting? Mr. Parker replied for planning and rate-setting purposes, yes, that needs to be done. There are sizable rate adjustments for all the scenarios. Mr. Eleazer asked if for Priority 1 there would be a 74% increase for each of the next two (2) fiscal years and then no adjustments for the following eight (8) years. Mr. Parker said yes, unless the amounts are smoothed out for the first three (3) years.

It was discussed that being the cash on hand is not accurate, Mr. Eleazer and Mr. Parker would work together to get that into the model correctly. There was some further discussion about the change in cost per customer and how each Member City's growth rate was factored in.

Mr. Bronson said this may be too many factors to put in a model, but he said impact fees should be considered; the reality of what could be seen yearly may affect the high rate increases. He also expressed his concern that the OJRSA is taking a lifetime's-worth of neglect and trying to fix it in ten (10) years, and he's not sure that's the best approach. He added he could not support putting those rate increases on anybody.

Mr. Eleazer spoke about how the board was recommended to raise the cost of impact fees, but the board only improved a partial increase. Mr. Flynn followed up by saying that by not level-setting those approximately \$25 per gallon impact fees (historical reference: committee and board presentation and discussion in September and October 2023), the cost is probably \$35-40 per gallon now, the Member Cities are subsidizing the impact fees and giving it away to the users of the system.

The Director stated that these projects aren't going to be paid by just rate increases but rather a mixture of things such as grants, debt service, and rate increases. Ms. Mettlen added that it will take a year from raising rates now to have money for projects, but she agreed with Mr. Eleazer that it will take a mixture of items together to pay for it all. This exercise was just meant to open the eyes to show what needs to be done.

Mr. Bronson said he appreciates the eye opening, but the Cities cannot force people to pay what they can't afford to pay. He added that he understands about the capacity and how there may come a time when that capacity comes at a premium price, but continued growth may help the cost. Mr. Flynn spoke about the consequences of not raising rates now. Ms. Mettlen stated that it is not the recommendation to raise rates by 75%, but it was just an exercise to help everyone understand the situation.

Mr. Moulder said this exercise is almost at the point of being able to back into it now. The OJRSA can decide what level of increase it does feel comfortable with and back that in which would tell what gaps need to be covered by other means. He added that he agreed with Mr. Bronson that additional impact fees could help pay for growth-related items.

Mr. Flynn made a point to state that if the OJRSA debt finances the improvements, it cannot pick up additional capacity fees, because it cannot double-hit those new customers. If it is not picked up on the front end when it has no debt and applies the cost on the ancestral system to those payers as they join currently, it is leaving the money on the table.

Mr. Eleazer asked Mr. Flynn if he was recommending the OJRSA consider impact fee adjustments right now. Mr. Flynn replied that if OJRSA knows growth is coming, the growth is agnostic to the fees that the OJRSA is charging for growth. By not capturing the cost of the ancestral system on the people coming in to utilize those costs, the OJRSA is pushing the cost off to the historic payers on the system.

Mr. Eleazer said that impact fees must be equitable across the board per gallon. There cannot be one impact fee for residential customers and another for nonresidential users. Mr. Flynn said that is correct; the cost to treat is the cost to treat, and the treatment plant doesn't understand the difference between a residential or non-residential customer.

Mr. Parker said he and Mr. Eleazer will work on the starting cash in the next several weeks. Ms. Mettlen said if the Member Cities have data on growth based on building permits or what they are seeing, they can supply that data to incorporate into the model. Mr. Eleazer replied that for the purpose of what needs to be done here, the best numbers to work with are the ones received by the Member Cities each month which are actual sewer customers; most of the subdivisions are speculative builds, and using address points or building permits isn't a reliable way to consider customers, because it is not possible to determine when someone will move into a home.

3. Board of Commissioners to Receive Input from Committees and Establish Organizational Goals for 2025 (Exhibit B)

Mr. Moulder made a motion, seconded by Mr. Dial, to adopt the 2025 goals as submitted by the committees. The motion carried.

Ms. Myers stated a lot of these fall under the Feasibility Study. She said Mr. Eleazer mentioned new staff, and she suggested doing something with staff retention and training for sustainability over the next twenty (20) years. There will be a problem in twenty (20) years if the OJRSA doesn't have the staff to work.

Mr. Moulder amended his motion to adopt the 2025 goals as submitted by the committees to incorporate staff secession planning and training for future sustainability of capital projects as well as operations. Mr. Dial seconded. The motion carried.

I) Action Items:

- 1. Consider an Agency Response to Proposed South Carolina House Bill 3656 to Amend South Carolina Code of Laws by Adding Section 44-1-320 to Prohibit the Department of Environmental Services from Denying Property Owners the Right to Repair or Replace a Well or Septic Tank Solely because of Any Other Available Water or Sewer Service, or Both (Exhibit C) –** This was discussed in both OJRSA committees. The OJRSA has concerns with this bill which allows existing customers to remove themselves from the sewer system and install a septic tank or allow them not to connect even though there is a line available to connect to. If new customers do not connect, or if existing customers leave the system, the OJRSA will lose the flow the system was designed to have to keep the waste moving through to the plant (could cause overflows). In addition, the OJRSA will lose revenue.

Mr. Eleazer stated he drafted a letter that he is asking the board to approve that he and Mr. Bronson sign and send to the delegation representatives (Senator Alexander, Representative Whitmire, and Representative Duncan). Mr. Faires said he would like it to focus on Item D, as Items A, B, and C address wells for irrigation purposes. Mr. Eleazer said the letter doesn't mention wells or potable water and specifies wastewater. Mr. Faires stated he would like it to mention Item D.

Mr. Faires made a motion, seconded by Ms. Myers, to approve sending the letter specifically mentioning Item D to the delegation representatives. The motion carried.

Mr. Eleazer asked Ms. Mettlen if anything has been changed in the bill since the copy he received of it back in early-to-mid February that could change the wording of his letter. Ms. Mettlen replied that there were amendments added to have some concessions, and she said she was not sure it was still Item D, but Mr. Eleazer could look online. Mr. Moulder said he would hope they would clarify their bill.

Mr. Bronson asked that this letter to also be sent to the Municipal Association and the SC Rural Water Association, as they are interested in legislation as well and would share the OJRSA's perspective. Ms. Mettlen suggested adding the Water Quality Association and the Water Utility Council as well. Mr. Moulder also added the Appalachian Council of Governments.

- 2. Consider Making the Following Memorandums That Were Distributed to the Ad Hoc Sewer Feasibility Implementation Committee Available to the Public –**
 - a. "Summary of Reconstitution, Including Acquisition of Sewer Collection Infrastructure" (February 2025; Pope Flynn, LLC); and**
 - b. "Noted Issues and Recommendations Related to OJRSA Enforcement Authority" (March 2025; Maynard Nexsen, PC) –** Mr. Eleazer stated these were two (2) documents created for the Ad Hoc Committee which were discussed in Executive Session by Mr. Flynn and Mr. Traynham. As the members of the board want as much to take place in a public session for transparency, it was decided the first memo from Mr. Flynn was to be made public ("Options for Future Reorganization and Next Steps" was approved for public release by the OJRSA board February 3,

2025). It was then decided to do the same with any subsequent memos. The attorneys do not want to break attorney-client privilege, so it is being brought to the board to make them public.

Mr. Faires made a motion, seconded by Mr. Dial, to make the two (2) memorandums listed above public for transparency.

Mr. Bronson noted his objection to the memo in Item 1)2.b. above, as he believes this memo is full of conjecture and misinformation. It does not recognize the spirit of transparency that was just noted. It notes a city or commissioner without naming the city or person, and in so doing, it impugns everyone on the board and all three (3) Member Cities. Mr. Bronson added that he strongly objects to the way it was written, constructed, and given to the Ad Hoc Committee before this board had a chance to discuss it in Executive Session. He said he votes against it.

Mr. Faires asked if Mr. Bronson was against both memos or just that one. Mr. Bronson said the motion was made together. Mr. Faires asked if he should separate them.

Mr. Faires amended his motion to separate the motions on the memorandums and make the memorandum in Item 1)2.a. public for transparency. Seconded by Mr. Dial. The motion carried.

Mr. Faires decided to let Item 1)2.b. sit and allow for more conversation. Mr. Dial said when he read this memo, he thought it was damning, and he asked if Mr. Bronson wanted it rewritten. Mr. Bronson replied there was a comment that said the Cities did not respond to certain things. He held up a notebook and said he has a 180-page document that shows the City of Westminster did.

Mr. Bronson added there were statements that said "one city" or "a commissioner." He said the board knows who it is referring to, but the general public can only assume who it is. This accuses everyone and mischaracterizes across the board.

Mr. Bronson also asked Mr. Eleazer to what point was this written. Mr. Eleazer replied that this was a summary of what was provided to the Ad Hoc Committee. Mr. Bronson asked why. Mr. Eleazer replied to bring up the ideas about the issues that the OJRSA has and why the reconstitution is worthwhile pursuing. Mr. Bronson asked if that could have been accomplished without this type of document.

Mr. Brandt stated it was not time for some of the criticisms in this document. He asked what period of time did some of those criticisms occur: 10 years ago, 20 years ago? Mr. Brandt said some of those criticisms were from years ago before Mr. Eleazer even came to the OJRSA.

Mr. Bronson said the fact that this was already presented to the Ad Hoc Committee, it needs to be addressed with the Ad Hoc Committee. He said he believes the committee needs to hear from people on this board. He said he will attend the next Ad Hoc Committee meeting to let them know this is erroneous.

Mr. Eleazer asked if Mr. Bronson wanted Mr. Traynham to address it and name the names. Mr. Bronson said if this was to be given to the committee, it should have the names, and each person on the board should have the opportunity to present their side of it. Some of this was pure conjecture. Mr. Bronson also stated that he didn't understand how this memo was supposed to help the committee do its job from what it was already on the trajectory to do.

Mr. Eleazer said he didn't know and started to talk about Ms. Mettlen being here today to talk. Mr. Bronson said this information came from Mr. Traynham from Mr. Eleazer and did not originate from Ms. Mettlen. Mr. Eleazer replied that Mr. Traynham had been reviewing documents and has worked representing the OJRSA for years. Mr. Bronson asked if Mr. Traynham got all of this from documents and board meeting minutes. Mr. Eleazer replied yes and he didn't provide him with this information. Mr. Bronson asked Mr. Eleazer if he didn't provide Mr. Traynham with the information. Mr. Eleazer replied that he may have provided some of the information but not most of it. Mr. Bronson said there was a statement in the memo that left the impression that Mr. Eleazer provided the information.

Mr. Faires asked if there needed to be a motion to keep this document private. Mr. Bronson said there didn't need to be a motion, as the document is currently protected under attorney-client

privilege; however, he added that each board member, and each city, has the right to (and should) attend the next Ad Hoc Committee Meeting and provide their perspectives.

Mr. Bronson asked Mr. Eleazer why this document was created and what its purpose was. Mr. Eleazer replied it was a summary of what was discussed at the last meeting where everyone wanted transparency and what was discussed in the Executive Session. Mr. Bronson asked why the memo was constructed; Mr. Eleazer replied, "For that exact reason." Mr. Bronson asked what it accomplished through its construction. Mr. Eleazer said it was just a summary of what Mr. Traynham discussed behind closed doors with the Ad Hoc Committee.

Mr. Bronson asked if Mr. Traynham got all his comments from board meeting minutes; Mr. Eleazer replied he would ask him and find out. The Director added that he could point out two (2) items that he specifically gave Mr. Traynham. Mr. Eleazer added that Mr. Traynham could have received some information from staff through numerous other projects he's worked with the OJRSA on in the past, such as Consent Orders, jurisdiction issues, and the Corrective Action Plan.

Mr. Bronson asked Mr. Eleazer if he reviewed the memo before it was given to the Ad Hoc Committee; Mr. Eleazer replied yes. Mr. Bronson asked if he didn't have any concerns about it; Mr. Eleazer said it was just a summary of what he discussed. Mr. Bronson asked if Mr. Eleazer believed it was accurate; Mr. Eleazer said yes. Mr. Bronson asked Mr. Eleazer if there was any misinformation in it; Mr. Eleazer replied no.

Mr. Bronson asked even when he shows 180 pages that were delivered to the OJRSA, Mr. Eleazer still thinks the memo is okay? Mr. Eleazer said even with the items that were resubmitted to the OJRSA a few weeks ago, after reviewing those, the OJRSA is currently working with Mr. Traynham to respond to those submittals where additional information was requested and is needed but was not provided. Mr. Bronson asked that the OJRSA staff didn't say there is no additional information needed. Mr. Eleazer replied that the OJRSA staff, the environmental attorney, and third-party consultants went through this because of the Consent Order the OJRSA is under.

Mr. Bronson said this memo states that all three (3) Member Cities are not interested in providing this information. He is okay with more information being needed, but it makes it seem like everyone did not even attempt to provide it. Mr. Eleazer replied he did not agree with that statement. Mr. Bronson said that is what the document says, and Mr. Eleazer read it before Mr. Traynham distributed it. He added this is a horrible document. He said he can't imagine this advances what the committee is trying to do; all it did was sully the reputation of the board members (but not himself).

Mr. Bronson said he does not understand why this board did not have a chance to review it before it went to the Ad Hoc Committee. He also questions how Mr. Eleazer did not have any concerns about distributing it – and for what purpose does it serve the Ad Hoc Committee in the work they are doing? Mr. Eleazer replied that is the difficulties the OJRSA sees every single day in what it does with working with the Member Cities and trying to get itself in compliance with those that are upstream. The OJRSA is reliant on what is, and is not, being done by the upstream users. Mr. Bronson said he understands that part, but the way the memo was constructed is horrible. Mr. Eleazer stated, yet again, that this is a summary of what Mr. Traynham discussed with the committee. Ms. Myers and Mr. Parris were also at the meeting and can vouch for that.

Ms. Myers said that the more this is being discussed, it may as well be made public, because it is being shared already. She suggested it be discussed in an Executive Session later. Mr. Bronson said he felt it should be discussed here.

Mr. Brandt stated he has been involved with this board since its inception. The items addressed in this memo have been heard all through his career. These same complaints have been made from time to time through all these years. They are not new and are not unique to this board or the preceding board. He said he could specify times he's heard those complaints before any of the current board members were on the board. Mr. Brandt asked if the board wants to call Mr. Traynham in and ask him for the identification of where he got the information. Mr. Brandt spoke

about how, before he became the OJRSA attorney, a past board member who was removed from the board the same day he went against the wishes of his city. He stated there is one instance in there specifically that was from a long time ago.

Mr. Faires asked if, being this document was written by an attorney, should the Member Cities' attorneys be the ones to respond to it. Mr. Bronson said he thinks this document adds a dirtiness to the work that the Ad Hoc Committee is doing that didn't need to be there. The committee would've arrived at its decision without this document. He added that it is a horrible document with misinformation and can give proof to that. Mr. Bronson added that the information doesn't apply to himself or the City of Westminster, but he still finds it horrible. The memo reads in one part: "The Cities are not presently acting in a manner consistent with OJRSA serving as its designated regulator." Mr. Bronson said he fundamentally disagrees with that. Everything that Westminster does recognizes OJRSA as the permit holder and recognizes its obligation to the OJRSA, and its own, Consent Orders.

Mr. Bronson said that he cannot get an answer from Mr. Eleazer as to why this was constructed. After restating that Mr. Parris and Ms. Myers attended the meeting and can vouch for this, the Director stated this was a summary of what exactly Mr. Traynham said to the Ad Hoc Committee about the challenges the OJRSA has with environmental compliance with the Member Cities to make it transparent. Mr. Parris said that the information Mr. Bronson mentioned that was left out, an example being the city is not named, leaves it open to all the cities. He added that if this memo is going to be transparent, it needs to be totally transparent, and Mr. Eleazer knew that when he received it for review.

Mr. Eleazer said in discussions with Mr. Traynham, it was decided to not name names to avoid making anyone look bad. It was just a blanket of issues the OJRSA must deal with multiple times each week. Mr. Bronson asked who decided this. Mr. Eleazer replied he and Mr. Traynham. Mr. Bronson asked Mr. Eleazer, if he felt not putting the names in was an appropriate means to do it, what was he trying to accomplish? Mr. Eleazer replied he wanted everyone to understand what the OJRSA deals with on a day-to-day basis. Mr. Bronson asked how that helps the Ad Hoc Committee to be constructively informed. Mr. Eleazer replied for them to make a recommendation on what needs to be done. Mr. Bronson asked if Mr. Eleazer thought a different recommendation would be made without this document; Mr. Eleazer said he did not know.

Mr. Bronson said everyone has said they wanted to look for a new governance structure. He added that the City of Westminster is willing to hand over the sewer assets to the OJRSA for the purpose of being a cleaner management of the systems. He doesn't know if the others were willing to do the same, but he believes in some documents sent to Ms. Mettlen, this was a theme in there and doesn't think that it was just from one city. This document did not add anything except dirt.

Mr. Bronson finally said that, with the fact that Mr. Eleazer read the document and distributed it to the Ad Hoc Committee and doubled down in this discussion several times to say it was accurate, he questions Mr. Eleazer's judgment.

There were no motions made on item I.2.b.

Mr. Moulder left the meeting at 6:00 p.m. due to other scheduling issues.

3. Consider Changing the Date of Operations & Planning Committee Meeting Scheduled for March 21, 2025 Due to a Scheduling Conflict – The O&P Committee members agreed to reschedule the meeting for Tuesday, March 25, 2025 at 8:15 a.m.

J) Executive Director's Discussion and Compliance Matters – Mr. Eleazer reported on the following:

1. Environmental and Regulatory Compliance Matters:

Sanitary Sewer Overflow (SSO) – During a rain event on February 14, 2025, the subsequent inflow and infiltration (I&I) pushed debris down the line to the Perkins Creek Pump Station and clogged the pumps. (There were several stations this happened to.) Approximately 45,000 gallons were

spilled. It was reportable to SC Department of Environmental Services (SCDES). The site was cleaned up by OJRSA personnel. SCDES approved of the clean-up procedure.

Pretreatment Inspection Report – The OJRSA received the 27-page inspection report from SCDES, and the OJRSA was given a great rating: satisfactory with no deficiencies. Allison McCullough, OJRSA Regulatory Services Coordinator, gets full congratulations for this.

2. **OJRSA Sewer Use Regulation** – The DRAFT regulation is online for review. There is a one-page document given out today requested by Ms. Myers for distribution to the public. There will be a stand-alone public comment item on the agenda for the April 7, 2025 board meeting. There will be three (3) legal notices put out in the paper over the next few days and ads on social media as well.
3. **Update to OJRSA Development Policy** – Due to the changes in the Sewer Use Regulation, there will be some modifications to related items in the Development Policy as well. Mr. Eleazer will get a draft of this to the O&P Committee for review soon.
4. **Miscellaneous (If Any)** – The OJRSA is looking into a grant opportunity, at minimum for the engineering portion, and also funding through emergency management grants, for raising the manholes on the system. The system was designed in the 1970s for a 50-year storm event, but the creek elevations now are at or above that point. Floods are seen more commonly now. The first phase would be to identify what needs to be done. The grant will have a 75%/25% match (with OJRSA having the 25% match).

K) **Commissioners' Discussion** – None.

L) **Executive Session - NOTE: Board May Act on Matters Discussed in Executive Session Upon Returning to Open Session**

- **Receipt of Legal Advice – Agency Responsibilities Following Sanitary Sewer Overflow**
[Executive Session Permissible Under SC Law 30-4-70(a)(2), Which States: Discussion of Negotiations Incident to Proposed Contractual Arrangements and Proposed Sale or Purchase of Property, the Receipt of Legal Advice Where the Legal Advice Relates to a Pending, Threatened, or Potential Claim or Other Matters Covered by the Attorney-Client Privilege, Settlement of Legal Claims, or the Position of the Public Agency in Other Adversary Situations Involving the Assertion Against the Agency of a Claim.]

At 6:10 p.m., Mr. Faires made a motion, seconded by Ms. Myers, to enter an Executive Session to receive legal advice regarding a Sanitary Sewer Overflow. The motion carried.

At 6:37 p.m., Mr. Faires made a motion, seconded by Ms. Myers, to return to Regular Session. The motion carried.

No action was taken.

M) **Upcoming Meetings:**

1. **Sewer Feasibility Implementation Ad Hoc Committee** - Thursday, March 13, 2025 at 9:00 a.m.
2. **Operations & Planning Committee** – Tuesday, March 25, 2025 at 8:15 a.m.
3. **Finance & Administration Committee** – Tuesday, March 25, 2025 at 9:00 a.m.
4. **Board of Commissioners** – Monday, April 7, 2025 at 4:00 p.m.

N) **Adjourn** – Mr. Bronson adjourned the meeting at 6:38 p.m.

Approved By: _____
Kevin Bronson, OJRSA Commission Chair

Approved By: _____
Lynn M. Stephens, OJRSA Secretary/Treasurer

Approved By: _____
Christopher R. Eleazer, OJRSA Executive Director

Notification of the meeting was distributed on February 7, 2025 to *Upstate Today*, *Anderson Independent-Mail*, *Westminster News*, *Keowee Courier*, WGOG Radio, WSNW Radio, City of Seneca Council, City of Walhalla Council, City of Westminster Council, Oconee County Council, SC DHEC, www.ojrsa.org, and posted at the OJRSA Administration Building.

***ATTACHMENTS STARTING NEXT PAGE**



Board of Commissioners Meeting
OJRSA Operations & Administration Building
Lamar Bailes Board Room
March 6, 2025 at 4:00 PM

OJRSA commission and committee meetings may be attended in person at the address listed above. The OJRSA will also broadcast meetings live on its YouTube channel at www.youtube.com/@OconeeJRSA (if there is a technical issue preventing the livestreaming of the meeting, then a recording will be published on the channel as soon as possible). For those not able to attend in person, then the OJRSA Board or Committee Chair will accept public comments by mail (623 Return Church Rd, Seneca, SC 29678) or at info@ojrsa.org. Comments must comply with the public session instructions as stated on the meeting agenda and will be received up until one hour prior to the scheduled meeting. If there is not a public session scheduled for a meeting, then comments shall not be accepted.

Agenda

- A. Call to Order** – Kevin Bronson, Board Chair
- B. Invocation and Pledge of Allegiance** – Led by Commissioner Scott Parris
- C. Public Session** – Receive comments relating to topics that may or may not be on this agenda. Session is limited to a maximum of 30 minutes with no more than 5 minutes per speaker.
- D. Approval of Minutes**
- Board of Commissioners Meeting of February 3, 2025
- E. Committee and Other Meeting Reports**
- Sewer Feasibility Implementation Meeting of January 9, 2025 – Lynn Stephens, Secretary/Treasurer
Minutes from the February 13, 2025 meeting to be considered at the April 7, 2025 board meeting
 - Operations & Planning Meeting of February 19, 2025 – Bob Faires, Committee Chair
 - Finance & Administration Meeting of February 25, 2025 – Celia Myers, Committee Chair
- F. Secretary/Treasurer's Report** (Exhibit A) – Lynn Stephens, Secretary/Treasurer
- G. Oconee County Government Update Regarding Matters Involving Wastewater** – Oconee County Administrator or Appointed County Representative
- H. Presentation and Discussion Items** *[May include vote and/or action on matters brought up for discussion]*
1. Rate and cost of service study presentation – Daryll Parker, Willdan Financial Services
 2. Discuss rate and cost of service study – Led by Kevin Bronson, Board Chair
 3. Board of Commissioners to receive input from committees and establish organizational goals for 2025 (Exhibit B) – Led by Kevin Bronson, Board Chair
- I. Action Items**
1. Consider an agency response to proposed South Carolina House Bill 3656 to amend South Carolina Code of Laws by adding Section 44-1-320 to prohibit the Department of Environmental Services from denying property owners the right to repair or replace a well or septic tank solely because of any other available water or sewer service, or both (Exhibit C) – Chris Eleazer, Director
 2. Consider making the following memorandums that were distributed to the Ad Hoc Sewer Feasibility Implementation Committee available to the public – Chris Eleazer, Director
 - a. "Summary of Reconstitution, including Acquisition of Sewer Collection Infrastructure" (February 2025; Pope Flynn, LLC); and
 - b. "Noted Issues and Recommendations Related to OJRSA Enforcement Authority" (March 2025; Maynard Nexsen, PC).
 3. Consider changing the date of Operations & Planning Committee meeting scheduled for March 21, 2025 due to a scheduling conflict – Chris Eleazer, Director
- J. Executive Director's Discussion and Compliance Matters** – Chris Eleazer, Director
1. Environmental and regulatory compliance matters
 2. OJRSA Sewer Use Regulation
 3. Update to OJRSA Development Policy
 4. Miscellaneous (if any)

-
- K. Commissioners' Discussion** – Led by Kevin Bronson, Board Chair
Discussion can be related to matters addressed in this meeting or for future consideration by the Board or Committee. Voting is not permitted during this session.
- L. Executive Session** *NOTE: Board may act on matters discussed in executive session upon returning to open session*
- Receipt of Legal Advice – Agency responsibilities following sanitary sewer overflow [*Executive Session permissible under SC Law 30-4-70(a)(2), which states: Discussion of negotiations incident to proposed contractual arrangements and proposed sale or purchase of property, the receipt of legal advice where the legal advice relates to a pending, threatened, or potential claim or other matters covered by the attorney-client privilege, settlement of legal claims, or the position of the public agency in other adversary situations involving the assertion against the agency of a claim.*]
- M. Upcoming Meetings** *All meetings to be held in the OJRSA Lamar Bailes Board Room unless noted otherwise.*
- Sewer Feasibility Implementation Ad Hoc Committee – March 13, 2025 at 9:00 AM
 - Operations & Planning Committee – TBD
 - Finance & Administration Committee – March 25, 2025 at 9:00 AM
 - Board of Commissioners – April 7, 2025 at 4:00 PM
- N. Adjourn**



Board of Commissioners Meeting Sign-in Sheet

Date: 3/16/25 Time: 4pm Location: WWTP Board Room

NAME (Print)	POSITION/TITLE	ORGANIZATION
Angie Metten	Dir. of Funding & Reg Affairs	WKO/Arclurra
DICK MANGUM	REPORTER	WGOG
Robert Boyer	AQD	AQD
Kenneth Marshall	AQD	AQD
Norm Deanna	Reporter	The Journal
LARRY C. BRANDT	ATTNY	OJRSA
TONY ADAMS	CITIZEN	
Daryll Parker	Consultant	Willdan



Secretary/Treasurer's Report for Board of Commissioners

Prepared for the March 6, 2025 OJRSA Board of Commissioners Meeting

Cash and investment information stated herein come from bank and other financial records as of: February 28, 2025

UNRESTRICTED FUNDS CASH AND INVESTMENTS SUMMARY

Account/Fund Name	Cash (\$)	Investments (\$)	Total (\$)
Wholesale Operations & Maintenance (O&M)	600,538	2,695,000	3,295,538
Retail Operations & Maintenance (RO&M)	2,463,526	245,000	2,708,526
TOTAL UNRESTRICTED FUNDS	3,064,064	2,940,000	6,004,064

RESTRICTED FUNDS CASH AND INVESTMENTS SUMMARY

Account/Fund Name	Cash (\$)	Investments (\$)	Total (\$)
Projects and Contingency (PCF)	815,917	0	815,917
Wholesale Impact Fund (WIF)	417,402	4,837,000	5,254,402
Retail Impact Fund (RIF)	3,400	0	3,400
TOTAL RESTRICTED FUNDS	1,236,719	4,837,000	6,073,719

Combined Total for All Funds

Cash Investments Combined

Account Notes:

DAYS CASH ON HAND

Financial & Accounting Policy Section 2.10(H) states the minimum balances established for OJRSA Wholesale O&M and Retail O&M funds are 120 Days Operating Cash on Hand.

$$\text{Formula for Cash on Hand} = \frac{\text{Cash} + \text{Cash Equivalents}}{(\text{Annual Operating Expense} - \text{Depreciation}) \div 365 \text{Days}}$$

	Cash on Hand (Days)	Annual Operating Expense minus Depreciation (\$)	Budget Amended During Fiscal Year?
O&M Fund	180.7	6,657,488	X NO YES
RO&M Fund	73.8	13,390,177	X NO YES

INDEPENDENT RECONCILIATION OF ACCOUNTS

All transactions for all funds have been satisfactorily reconciled by an independent accounting firm for the month of January 2025 (mark with an "X" on appropriate line): X YES NO See attached document(s) from accountant.

Reconciliation Notes:

Waiting on reconciliation letter from accountant's office.

See next page for more information

INVESTMENTS UPDATE

Maturing Investment	%age Rate	Fund Code	Maturity Date	Amount (\$)	To Be Reinvested?
Western Alliance	5.35	WIF	3/28/2025	245,000.00	X YES NO
Preferred Bank	5.35	WIF	3/31/2025	245,000.00	X YES NO
California Bank	5.30	WIF	4/3/2025	245,000.00	X YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO
					YES NO

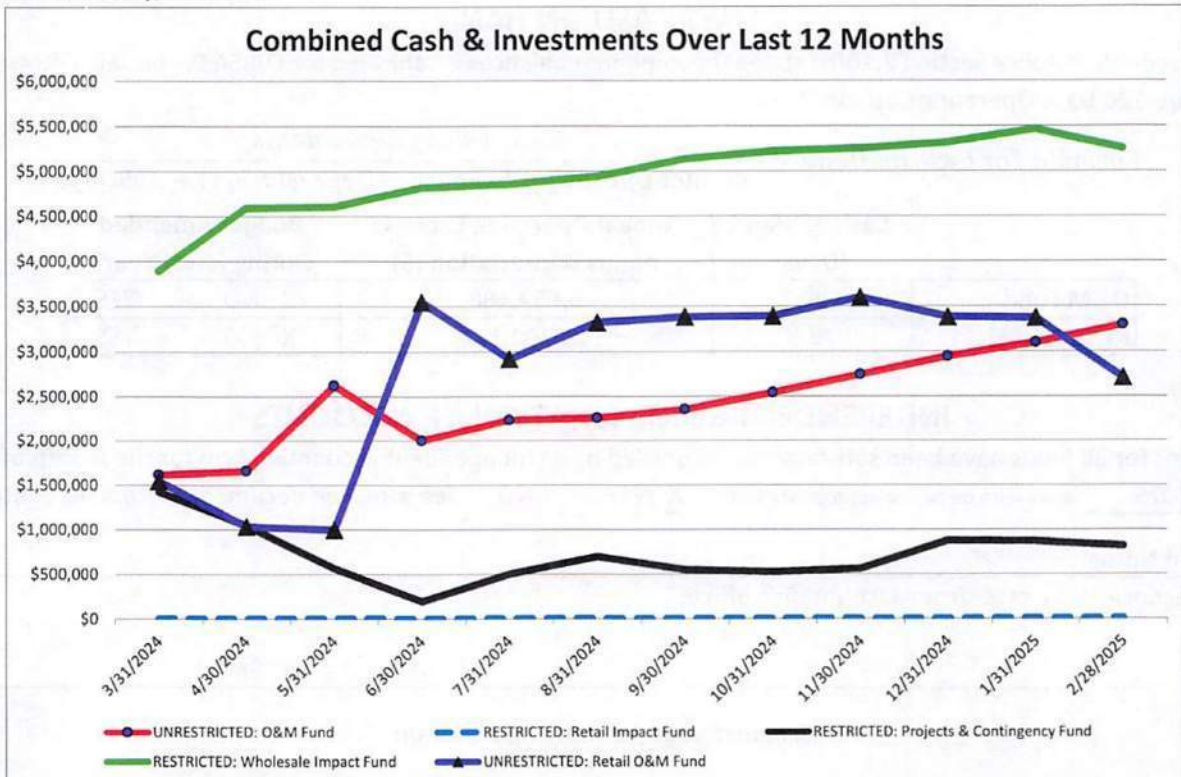
Investment Notes:

See additional sheets for investment information and trends

By my signature, to the best of my knowledge, I certify this report is accurate.



Lynn Stephens
OJRSA Secretary/Treasurer





STANCIL
COOLEY ESTEP
& STAMEY, LLP

*Certified Public
Accountants*

631 ByPass 123
P. O. Drawer 1279
Seneca, SC 29679

(864) 882-3048
Fax 882-7489

602-5 College Avenue
Clemson, SC 29631

(864) 654-4945
Fax 654-9476

www.scescpa.com

March 3, 2025

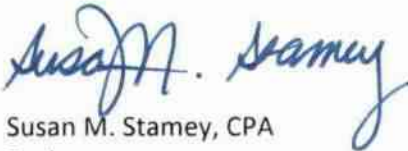
Lynn Stephens
Oconee Joint Regional Sewer Authority
623 Return Church Road
Seneca, SC 29678

RE: Bank Reconciliations for OJRSA January 2025

Dear Lynn,

We have completed the bank reconciliations for the Oconee Joint Regional Sewer Authority for the month ending January 31, 2025. Copies of the bank reconciliations are attached for your review. Please contact me if you have any questions.

Sincerely,


Susan M. Stamey, CPA
Enclosures

Oconee Joint Rsa

Bank Reconciliation SummaryPage 1 of 2
2/17/2025 at 10:11 am

Fund	Bank Code	Account Number
010-000	10	010-001-00101-01000

Reconcile to Bank Register	
Statement Date	01/31/2025
Opening Balance	0.00
Net Activity	3,400.00
Calc Ending Balance	3,400.00
Statement Ending	3,400.00
Out Of Balance	0.00

Reconcile to General Ledger	
Period	07
Fiscal Year	2025
G/L Balance	3,400.00
Outstanding Items	0.00
G/L Calc Ending Balance	3,400.00
G/L Out of Balance By	0.00

No Outstanding Items

Oconee Joint Rsa

Bank Reconciliation SummaryPage 1 of 3
2/17/2025 at 10:13 am

Fund	Bank Code	Account Number
010-000	20	010-001-00101-01020

Reconcile to Bank Register

Statement Date	01/31/2025
Opening Balance	3,135,151.74
Net Activity	(11,397.35)
Calc Ending Balance	3,123,754.39
Statement Ending	3,123,754.39
Out Of Balance	0.00

Reconcile to General Ledger

Period	07
Fiscal Year	2025
G/L Balance	3,118,954.39
Outstanding Items	(4,800.00)
G/L Calc Ending Balance	3,123,754.39
G/L Out of Balance By	0.00

Oconee Joint Rsa

Bank Reconciliation SummaryPage 1 of 2
2/17/2025 at 10:16 am

Fund	Bank Code	Account Number
010-000	40	010-001-00101-01040

Reconcile to Bank Register	
Statement Date	01/31/2025
Opening Balance	876,013.61
Net Activity	(8,009.66)
Calc Ending Balance	868,003.95
Statement Ending	868,003.95
Out Of Balance	0.00

Reconcile to General Ledger	
Period	07
Fiscal Year	2025
G/L Balance	868,003.95
Outstanding Items	0.00
G/L Calc Ending Balance	868,003.95
G/L Out of Balance By	0.00

No Outstanding Items

Oconee Joint Rsa

Bank Reconciliation SummaryPage 1 of 6
2/17/2025 at 12:50 pm

Fund	Bank Code	Account Number
010-000	60	010-001-00101-01060

Reconcile to Bank Register

Statement Date	01/31/2025
Opening Balance	495,377.54
Net Activity	(89,871.28)
Calc Ending Balance	405,506.26
Statement Ending	405,506.26
Out Of Balance	0.00

Reconcile to General Ledger

Period	07
Fiscal Year	2025
G/L Balance	380,633.27
Outstanding Items	(24,872.99)
G/L Calc Ending Balance	405,506.26
G/L Out of Balance By	0.00

Oconee Joint Rsa

Bank Reconciliation SummaryPage 1 of 2
2/17/2025 at 10:20 am

Fund	Bank Code	Account Number
010-000	80	010-001-00101-01080

Reconcile to Bank Register	
Statement Date	01/31/2025
Opening Balance	235,640.58
Net Activity	(97,835.43)
Calc Ending Balance	137,805.15
Statement Ending	137,805.15
Out Of Balance	0.00

Reconcile to General Ledger	
Period	07
Fiscal Year	2025
G/L Balance	137,805.15
Outstanding Items	0.00
G/L Calc Ending Balance	137,805.15
G/L Out of Balance By	0.00

No Outstanding Items

Oconee Joint RSA

Wastewater Rate Study

March 6, 2025

Willdan Financial Services

Daryll Parker, Principal Consultant



Rate Study Goals & Objectives

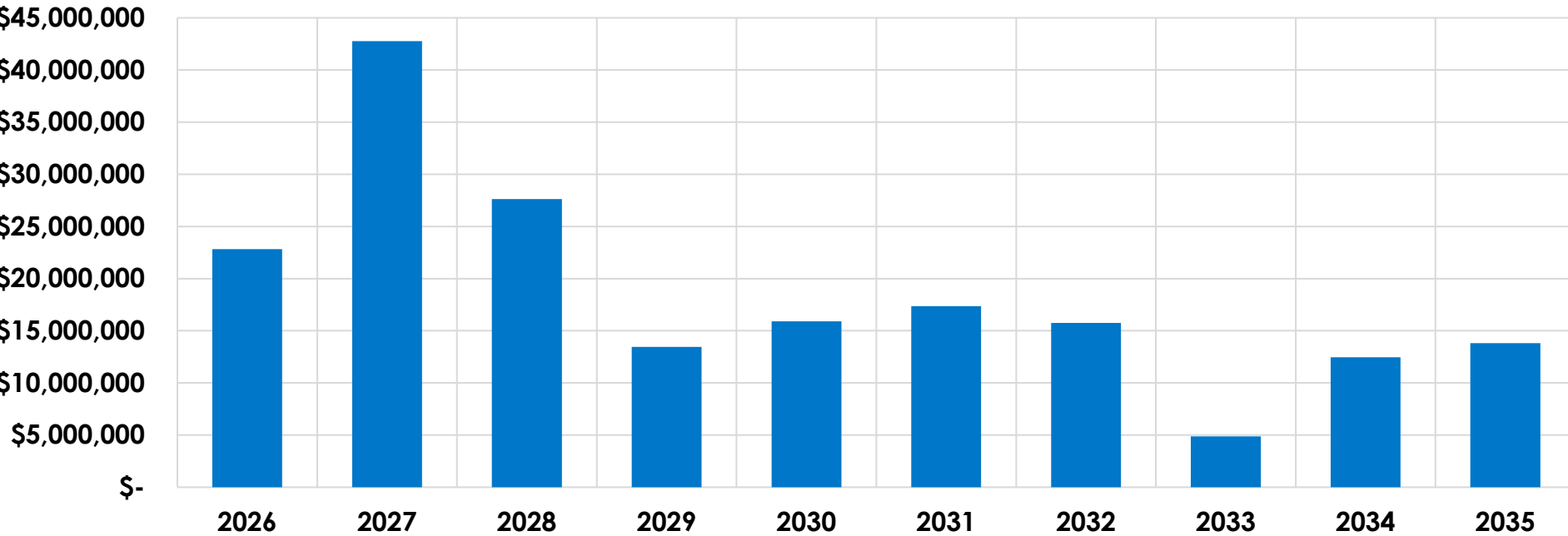
The primary goals and objectives of the rate study include:

- Full Cost Recovery of utility expenditures
- Cost-based rate structure
- Equity among customer classes
- Administrative efficiency
- 5 to 10-Year financial plan (FY 2026 – FY 2035)
- Consistency with common industry standards

Issues Driving The Financial Plan

- Rising operating costs (chemicals, supplies, equipment, etc.)
- Rising personnel costs (labor, benefits, etc.)
- Major capital expenditure needs, primarily to serve regional growth
 - Davis Creek Road No. 1 Pump Station & Force Main (Newry Area)
 - Martin Creek Pump Station & Force Main
 - Newry Area Pump Station & Force Main
 - Coneross Creek WRF Upgrade Phase 1 (Upgrade to 10.4 mgd)
 - Systemwide Improvements (Rehab 100% of System Plus Misc. Gravity Sewer Improvements)

Capital Improvement Program

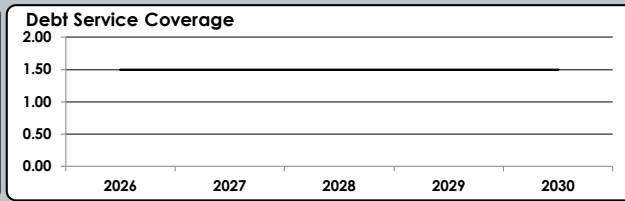
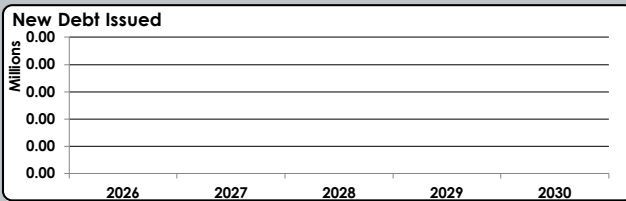
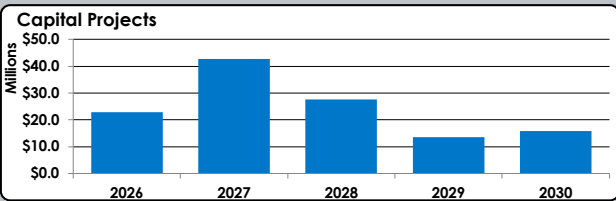
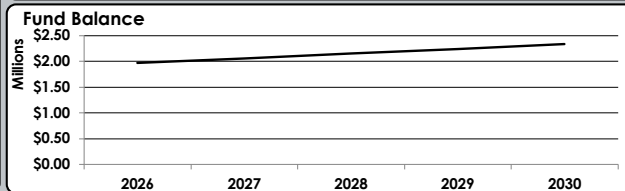
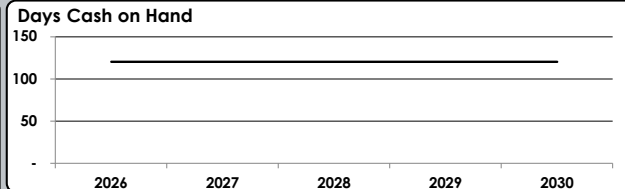
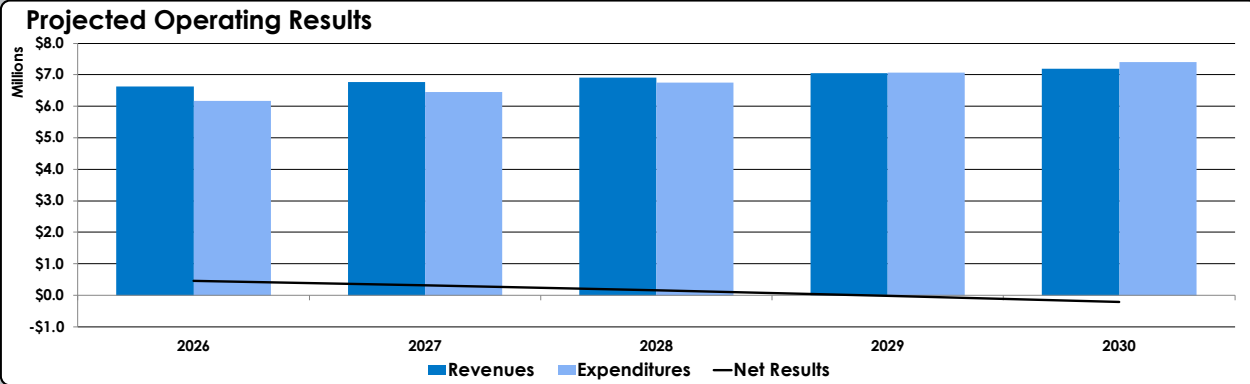


10 – Year Total = \$186.8 Million
3 – Year Total = \$ 93.2 Million

Financial Impacts of Funding the CIP

- Projections assume Pay-Go funding only (no debt)
- Capital projects prioritized by staff
- Rate adjustments based on target of 120 days-cash-on-hand
 - Scenario 1 – Fund All Capital Projects
 - Scenario 2 – Fund Priority 1-3 Projects
 - Scenario 3 – Fund Priority 1-2 Projects
 - Scenario 4 – Fund Only Priority 1 Projects
 - Scenario 5 – Don't Fund Any Projects

Review Analysis Model



Conclusion

- Sizable capital improvement costs
- Rate adjustments needed to:
 - Continue addressing Consent Order, CMOM, aging equipment and facilities, and other compliance matters
 - Pay for rising operating costs (energy, fuel, supplies, etc.)
 - Pay for rising personnel costs (labor, benefits, etc.)
 - Meet targeted financial metrics for Fund Balance Reserves/Days Cash on Hand

QUESTIONS & DIRECTION FROM THE BOARD

Municipal Advisor Disclosure

Willdan Financial Services ("Willdan") is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority. As part of its SEC registration Willdan is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Willdan. Pursuant to MSRB Rule G-42, Willdan is required to disclose any legal or disciplinary event that is material to Client's evaluation of Willdan or the integrity of its management or advisory personnel. Willdan has determined that no such event exists. Copies of Willdan's filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at: <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Willdan Financial Services or for our CIK number which is 0001782739.

For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the municipality with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the municipality, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the municipality, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, unless formally engaged to provide such information.

OCONEE JOINT REGIONAL SEWER AUTHORITY 20-YEAR CAPITAL IMPROVEMENT PLAN & REHABILITATION PLAN

Includes projects identified in *Oconee County & Western Anderson County Sewer Master Plan Scenario 4* as recommended by Weston & Sampson/Bolton & Menk (2024) and known/anticipated O&M and rehabilitation projects. All costs in July 2024 Dollars.

December 2024 (priorities updated February 2025)

Priorities -- 1A: Critical O&M/Consent Order with No Growth **1B:** Critical O&M/Consent Order with Growth **2:** Approaching End of Life with No Growth **3:** Approaching End of Life with Growth **4:** Growth Only **N/A:** Not Applicable

PRIORITY	PROJECT	LOCATION	DRIVER	FUNDING SOURCE	FISCAL YEAR(S)	CONSENT ORDER	SIGNIF O&M COST?	TOTAL PROJECT COST	PRIORITY COST	CUMULATIVE COST
1A	Systemwide Improvements (Rehab 100% of System Plus Misc. Gravity Sewer Improvements)	Conveyance	O&M	Primary Debt	ALL 20 YEARS = \$1,228,750/Yr	YES	No	\$ 24,575,000		
	CCTV/Cleaning	Conveyance	O&M	Annual (O&M)	ALL 20 YEARS = \$200,000/Yr	YES	YES	\$ 4,000,000		
	Engineering/Flow Metering	Conveyance	O&M	Annual (O&M)	ALL 20 YEARS = \$800,000/Yr	YES	YES	\$ 8,000,000		
	GIS/Mapping	Conveyance	O&M	Annual (O&M)	ALL 20 YEARS = \$29,550/Yr	YES	YES	\$ 591,000		
	Coneross Influent PS Replace Soft Starts	WRF	O&M	Annual (O&M)	2026	No	No	\$ 104,650		
	Primary Clarifiers: Prim Clarifier Sludge #3 Pump Replacement	WRF	O&M	Annual (O&M)	2026	No	No	\$ 30,000		
	Choestoea Creek PS Replacement	Conveyance	O&M	Cash &/or Debt	2026-2027	YES	No	\$ 2,887,500		
	Pelham Creek PS Replacement CAN BE ELIMINATED BY DAVIS CREEK SEWER PROJECT	Conveyance	Growth/O&M	Cash &/or Debt	2026-2027	No	No	\$ 2,000,000		
	Speeds Creek Force Main Replacement	Conveyance	Growth/O&M	Cash &/or Debt	2026-2027	YES	No	\$ 2,713,000		
	Aeration: Gate Replacements	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 300,000		
	Aeration: Motor Repair / Replacement	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 107,620		
	Biological Reactor Basin: Valve / Gate Replacements	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 293,020		
	Digesters / Sludge Holding Tanks: Mixer Replacement for #1	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 273,000		
	Digesters / Sludge Holding Tanks: Replace Blowers	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 560,300		
	Electrical: Backup Power - Portable Generator Connection (inc. Engineering)	WRF	Growth/O&M	Cash &/or Debt	2026-2027	No	No	\$ 212,875		
	Flow Equalization & Storage: Day Tank Mixing and Control Equipment	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 232,473		
	Secondary Clarifiers: Rebuild / Replace Mechanical Equipment	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 375,800		
	Coneross Influent PS Flood Protection	WRF	O&M	Cash &/or Debt	2027-2028	No	No	\$ 154,700		
	Digesters / Sludge Holding Tanks: Repair Decanter System	WRF	O&M	Cash &/or Debt	2029-2030	No	No	\$ 149,500		
	ISS PS Replacement	Conveyance	O&M	Cash &/or Debt	2033-2034	No	No	\$ 1,155,000	\$ 48,715,438	
1B	Martin Creek H2S Control	Conveyance	O&M	Cash &/or Debt	2026-2027	No	YES	\$ 1,000,000		
	Millbrook PS Upgrade CAN BE ELIMINATED BY DAVIS CREEK SEWER PROJECT	Conveyance	Growth/O&M	Cash &/or Debt	2026-2027	No	YES	\$ 2,000,000		
	Perkins Creek PS Replacement	Conveyance	Growth/O&M	Primary Debt	2026-2027	YES	No	\$ 6,930,000		
	Seneca Creek PS Upgrade POSSIBLE ELIMINATION BY DAVIS CREEK SEWER PROJECT	Conveyance	Growth/O&M	Primary Debt	2026-2027	No	YES	\$ 3,750,000		
	Coneross Creek WRF Upgrade Phase 1 (Upgrade to 10.4 mgd)	WRF	Growth	Primary Debt	2027-2032	No	YES	\$ 52,000,000		
	Martin Creek Pump Station & Force Main	Conveyance	Growth/O&M	Primary Debt	2034-2035	YES	No	\$ 38,486,000	\$ 104,166,000	\$ 152,881,438
2	Septage Receiving Station: Rehabilitation	WRF	O&M	Cash &/or Debt	2026	No	No	\$ 85,000		
	Digesters / Sludge Holding Tanks: Blower Room Repairs	WRF	O&M	Annual (O&M)	2026-2027	No	No	\$ 14,960		
	Primary Clarifiers: Scum Pump #2 Replacement	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 40,000		
	Secondary Clarifiers: Replace RAS Valves and Check Valves	WRF	O&M	Cash &/or Debt	2026-2027	No	No	\$ 70,000		
	Primary Clarifiers: Rehabilitate Distribution Box	WRF	O&M	Cash &/or Debt	2027-2028	No	No	\$ 86,710		
	Cane Creek PS Upgrade	Conveyance	O&M	Cash &/or Debt	2031-2032	No	No	\$ 2,887,500		
	Cryovac PS Upgrade	Conveyance	O&M	Cash &/or Debt	2032-2033	No	No	\$ 1,155,000		
	Speeds Creek PS Replacement	Conveyance	Growth/O&M	Primary Debt	2034-2035	No	No	\$ 4,620,000		
	Wexford PS Replacement	Conveyance	O&M	Cash &/or Debt	2034-2035	No	No	\$ 1,155,000	\$ 10,114,170	\$ 162,995,608
3	US 123 / 76 West Seneca RR Bridge Crossing / Bottleneck	Conveyance	Growth/O&M	Cash &/or Debt	2026-2027	No	No	\$ 1,000,000		
	Davis Creek Road Gravity Sewer / PS Elimination	Conveyance	Growth/O&M	Primary Debt	2026-2028	No	No	\$ 5,281,000	\$ 6,281,000	\$ 169,276,608
4	Davis Creek Road No. 1 Pump Station & Force Main (Newry Area development)	Conveyance	Growth	Primary Debt	2026-2028	No	YES	\$ 22,143,000		
	Martin Creek Gravity Sewer (needed to serve Newry Area development)	Conveyance	Growth	Primary Debt	2026-2028	No	No	\$ 7,318,000		
	Newry Area Pump Station & Force Main	Conveyance	Growth	Primary Debt	2026-2029	No	YES	\$ 19,751,000		
	Richland Creek Trunk Sewer Extension	Conveyance	Growth	Primary Debt	2026-2029	No	No	\$ 7,900,000		
	Richland Road Gravity Sewer	Conveyance	Growth	Cash &/or Debt	2027-2028	No	No	\$ 2,100,000		
	Primary Clarifiers: Alkalinity Control	WRF	O&M	Cash &/or Debt	2029-2030	No	YES	\$ 694,850		
	West Perkins Creek Gravity Sewer	Conveyance	Growth	Primary Debt	2032-2034	No	No	\$ 5,132,000		
	Lower Westminster Gravity Sewer	Conveyance	Growth	Cash &/or Debt	2036-2038	No	No	\$ 1,872,000		
	Shiloh Road Gravity Sewer	Conveyance	Growth	Cash &/or Debt	2036-2037	No	No	\$ 1,802,000		
	Flat Rock Downstream Gravity Sewer	Conveyance	Growth	Cash &/or Debt	2040-2042	No	No	\$ 1,890,000		
	Coneross Creek WRF Upgrade Phase 2 (Upgrade to 13.0 mgd)	WRF	Growth	Primary Debt	2040-2045	No	YES	\$ 52,000,000		
	Lower Seneca Creek Sewer Improvements	Conveyance	Growth	Primary Debt	2041-2043	No	YES	\$ 4,033,000		
	Choestoea Creek Gravity Sewer	Conveyance	Growth	Cash &/or Debt	2042-2044	No	No	\$ 1,790,000		
West Oak Sewer Extension	Conveyance	Growth	Primary Debt	2042-2044	No	YES	\$ 4,712,000			
Valley View Sewer Improvements	Conveyance	Growth	Primary Debt	2043-2045	No	YES	\$ 5,459,000	\$ 138,596,850	\$ 307,873,458	
N/A	I-85 Region Sewer OCONEE COUNTY FUNDED (2022 Dollars: \$16,000,000)	Conveyance	Growth	Oconee Co	TBD	No	YES	\$ -		
	TBD	TBD (if needed)	TBD (if needed)	N/A	TBD	No	No	\$ -		
	TBD	TBD (if needed)	TBD (if needed)	N/A	TBD	No	No	\$ -		
								\$ 307,873,458		

Priority/Fiscal Years	Total Project Costs/Fiscal Years
1A	\$ 48,715,438
2026	\$ 134,650
2026-2027	\$ 9,955,588
2027-2028	\$ 154,700
2029-2030	\$ 149,500
2033-2034	\$ 1,155,000
ALL 20 YEARS = \$1,228,750/Yr	\$ 24,575,000
ALL 20 YEARS = \$200,000/Yr	\$ 4,000,000
ALL 20 YEARS = \$800,000/Yr	\$ 8,000,000
ALL 20 YEARS = \$29,550/Yr	\$ 591,000
1B	\$ 104,166,000
2026-2027	\$ 13,680,000
2027-2032	\$ 52,000,000
2034-2035	\$ 38,486,000
2	\$ 10,114,170
2026	\$ 85,000
2026-2027	\$ 124,960
2027-2028	\$ 86,710
2031-2032	\$ 2,887,500
2032-2033	\$ 1,155,000
2034-2035	\$ 5,775,000
3	\$ 6,281,000
2026-2027	\$ 1,000,000
2026-2028	\$ 5,281,000
4	\$ 138,596,850
2026-2028	\$ 29,461,000
2026-2029	\$ 27,651,000
2027-2028	\$ 2,100,000
2029-2030	\$ 694,850
2032-2034	\$ 5,132,000
2036-2037	\$ 1,802,000
2036-2038	\$ 1,872,000
2040-2042	\$ 1,890,000
2040-2045	\$ 52,000,000
2041-2043	\$ 4,033,000
2042-2044	\$ 6,502,000
2043-2045	\$ 5,459,000
N/A	\$ -
TBD	\$ -
TBD	\$ -
TBD	\$ -
Grand Total	\$ 307,873,458



OJRSA Board of Commissioners' Goals for 2025

To be considered during the March 6, 2025 Board of Commissioners meeting.

Goals below were provided by members of the OJRSA Finance & Administration and Operations & Planning committees:

Operations & Planning Committee

1. Focus on completing the Ad Hoc Sewer Feasibility Implementation Committee review, recommendations, and implementation.
2. Determine how the OJRSA is to govern the cities and how it is to handle the enforcement of the sewer use regulations when a system is not in compliance.
3. Develop a consensus on how much we are going to approve capital improvement projects.
4. Consider replacing the Speeds Creek force main.
5. Have an open discussion about incorporating Oconee County government into the OJRSA board and what their financial obligation will be.

Finance & Administration Committee

- Continue with the projects and the feasibility study.

Board Chair and Others Discussed During Board Meeting (if any)

-



OCONEE JOINT REGIONAL SEWER AUTHORITY

623 Return Church Road
Seneca, South Carolina 29678
Phone (864) 972-3900
www.ojrса.org

March 6, 2025

**IDENTICAL LETTERS TO BE SENT TO:
REPRESENTATIVE WHITMIRE (HOUSE DISTRICT 1)
REPRESENTATIVE DUNCAN (HOUSE DISTRICT 2)
SENATOR ALEXANDER (SENATE DISTRICT 1)**

Submitted via email (EMAIL ADDRESS)
and South Carolina Legislative Messaging Portal

RE: **Opposition to Proposed South Carolina House Bill 3656**
Allowing Septic Systems on Any Property in South Carolina

Dear (TITLE AND NAME) :

We are writing on behalf of the Oconee Joint Regional Sewer Authority to strongly oppose South Carolina House Bill 3656, which is currently pending in the House Agricultural Committee. As a public sewer utility our specific issue regarding this bill is related to allowing septic systems on any property. We feel strongly that this would undermine our community's sewer utilities while allowing a proliferation of septic systems in the area. While we appreciate Chairman Hixon's efforts to find compromise language, we urge you to oppose this legislation.

Our primary concern is that the bill would allow landowners to abandon public sewer service in favor of septic systems. This undermines public investment in sewer infrastructure, weakens our ability to address failing septic systems through sewer expansion, and limits our capacity to support future growth. Septic systems have high failure rates and are often poorly maintained, making them an unreliable alternative where regulated public wastewater systems exist. This legislation would be a step backward for public health, environmental protection, and responsible growth management.

Where public sewer service is available, properties should be required to connect or pay benefit fees; otherwise, the financial burden of maintaining and expanding infrastructure falls on fewer customers, driving rates up drastically and creating inefficiencies in system operation. Instead of achieving economies of scale, fewer users mean higher costs per customer, increased maintenance issues, and difficulty in designing a properly sized conveyance system. Without a stable user base, designing and maintaining wastewater infrastructure becomes nearly impossible, leading to either oversized, inefficient systems or undersized facilities unable to meet demand.

Beyond these operational concerns, this bill could hinder affordable housing and economic development. Higher sewer costs make housing less affordable, and uncertainty in wastewater infrastructure discourages economic investment. A stable and predictable sewer system is critical to fostering economic growth and ensuring affordability for all residents, businesses, and industries in Oconee County.

We urge you to reject House Bill 3656 and support policies that promote sustainable wastewater management. Thank you for your service and for considering our concerns. We are available to discuss this matter further at your convenience.

Sincerely,
OCONEE JOINT REGIONAL SEWER AUTHORITY

Kevin Bronson
Chairman

Christopher Eleazer
Executive Director

C (via email) OJRSA Board of Commissioners

South Carolina General Assembly
126th Session, 2025-2026

H. 3656**STATUS INFORMATION**

General Bill

Sponsors: Reps. Ligon and Hardee

Document Path: LC-0112VR25.docx

Introduced in the House on January 14, 2025

Currently residing in the House

Summary: Wells and Septic Tanks

HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with journal page number
12/12/2024	House	Prefiled
12/12/2024	House	Referred to Committee on Agriculture, Natural Resources and Environmental Affairs
1/14/2025	House	Introduced and read first time (House Journal-page 282)
1/14/2025	House	Referred to Committee on Agriculture, Natural Resources and Environmental Affairs (House Journal-page 282)
2/4/2025	House	Member(s) request name added as sponsor: Hardee

View the latest [legislative information](#) at the website

VERSIONS OF THIS BILL

12/12/2024

1
2
3
4
5
6
7
8
9
10

A BILL

11 TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 44-1-320 SO AS
12 TO PROHIBIT THE DEPARTMENT OF ENVIRONMENTAL SERVICES FROM DENYING
13 PROPERTY OWNERS THE RIGHT TO REPAIR OR REPLACE A WELL OR SEPTIC TANK IN
14 CERTAIN CIRCUMSTANCES.
15

16 Be it enacted by the General Assembly of the State of South Carolina:

17
18 SECTION 1. Chapter 1, Title 44 of the S.C. Code is amended by adding:

19
20 Section 44-1-320. The Department of Environmental Services shall not deny a property owner the
21 right to repair and replace any well or septic tank existing on the effective date of this act solely because
22 of any other available water or sewer service, or both.
23

24 SECTION 2. This act takes effect upon approval by the Governor.

25 ----XX----

26
27 **Received from South Carolina Water Quality Association by email on February 10, 2024:**

28
29 **The bill is being pushed by the SC Groundwater Association (well-drillers).**

30
31 **3656 AMENDMENT 1**

32 **ADD AN APPROPRIATELY NUMBERED SUBSECTION THAT READS:**

- 33 a. A county, municipality, or water authority shall not deny or prohibit the installation of a private
- 34 irrigation water well, regardless of whether the property is connected to, or served by, a public water
- 35 system.
- 36 b. The irrigation water well shall not be interconnected to plumbing that is connected to any public
- 37 water system and will be used for irrigation or other non-potable purposes only.
- 38 c. For purposes of this section, "irrigation water well" means a well that produces water for uses other
- 39 than human consumption, to include, but not be limited to, lawn and landscape watering.
- 40 d. A county, municipality, or water authority shall not deny or prohibit the installation of a septic system
- 41 on a parcel of land that meets Department of Environmental Services guidelines for a septic system,
- 42 regardless of whether the property is connected to, or served by, a public sewer system.

SEWER USE REGULATION UPDATE SUMMARY



The summary below compiles the proposed revisions incorporated into OJRSA's current Sewer Use Regulation. These updates were prepared to address public feedback regarding fats, oils, and grease as well as several new or modified definitions to support these changes to add clarity.

FATS, OILS, AND GREASE ADDITIONS AND EDITS *(Multiple Sections)*

- Removes two subsections altogether from Section 10.6 that discuss maintenance since this is covered in Section 10.9
- Revises Section 10.8 to require that FOG Trap Devices must be certified by the Plumbing and Drainage Institute for flow and grease capacity
- Revises Section 10.8 changing the order information is presented for clarity

MAINTENANCE REQUIREMENTS *(Section 10.9)*

- Adds language to enable OJRSA to
 - change maintenance requirements due to evolving changes to operation, business hours, equipment, menu options, seating capacity, etc.
 - require increased cleaning of FOG Control Devices should OJRSA experience FOG maintenance issues on the collection system
 - perform sampling to determine the source of the FOG should OJRSA experience FOG maintenance issues on the collection system
 - work on a case-by-case basis with FOG Generators to adjust the cleaning frequency
 - perform enforcement action on FOG Generators for noncompliance with maintenance regulations
- Adds language regarding the frequency of FOG Control Device maintenance by type, establishes minimum timelines for maintenance schedules and includes an explanation of the 25% Rule to assist with cleaning frequency.
- Clarifies requirements for Hauled Waste Transporters and Plumbers.

REQUESTS FOR VARIANCE *(Section 10.13)*

- Establishes a process for FOG Generators to request in writing a reduction in cleaning frequency.

AUTHORITY AND GENERAL CONDITIONS *(Section 11.1)*

- Establishes the ability of OJRSA to accept waste from outside of the OJRSA service area during an emergency declaration from the state or federal government

GENERAL EDITS

- Adds language for how this regulation is formatted in Section 3.5
- Adds clarifying language for variances in Section 4.17
- Clarifies the requirement for wet signatures for the following submittals to OJRSA: industrial permits (Section 7.1), baseline reporting requirements (Section 7.2), certification statements (Section 7.11), and Septic Tank Discharge Record forms with certification statement (Section 11.3)
- Clarifies language about resampling requirements in Section 7.8
- Removes the requirement of a facility to provide their NAICS code for FOG generation in Section 10.7



Ad Hoc Sewer Feasibility Implementation Committee

OJRSA Operations & Administration Building

Lamar Bailes Board Room

March 13, 2025 at 9:00 AM

This advisory committee was established by the OJRSA Board of Commissioners at its November 4, 2024 meeting to consider recommendations and report to the OJRSA Board and Oconee County as identified in the [Regional Feasibility Planning Study](#) as adopted by the OJRSA on September 9, 2024. The committee can neither create policy nor make decisions on behalf of the OJRSA or other wastewater service providers within the area. See the study at www.ojrsa.org/info for more information.

OJRSA commission and committee meetings may be attended in person at the address listed above. The OJRSA will also broadcast meetings live on its YouTube channel at www.youtube.com/@OconeeJRSA (if there is a technical issue preventing the livestreaming of the meeting, then a recording will be published on the channel as soon as possible). For those not able to attend in person, then the OJRSA Board or Committee Chair will accept public comments by mail (623 Return Church Rd, Seneca, SC 29678) or at info@ojrsa.org. Comments must comply with the public session instructions as stated on the meeting agenda and will be received up until one hour prior to the scheduled meeting. If there is not a public session scheduled for a meeting, then comments shall not be accepted.

Agenda

- A. Call to Order** – Joel Jones, Committee Chair
- B. Public Comment** – Receive comments relating to topics that may or may not be on this agenda. Session is limited to a maximum of 30 minutes with no more than 5 minutes per speaker.
- C. Presentation and Discussion Items** – Led by Joel Jones, Committee Chair, unless otherwise noted [*May include vote and/or action on matters discussed*]
 - 1. Update on SC RIA timeline and process schedule
 - 2. Review summary of reconstitution memo and discuss next steps (Exhibit A)
 - 3. Update on potential legislative amendment to the South Carolina Joint Authority Water and Sewer Systems Act – Chris Eleazer, OJRSA
 - 4. Rate and cost of service study – Chris Eleazer, OJRSA
 - 5. Update of discussion with partner communities about conveyance of systems to new joint authority – Chip Bentley, ACOG
 - 6. Public comments following discussion items
 - 7. Consider agenda items for next meeting
 - 8. Confirm date for next meeting, which is scheduled for Thursday, April 10, 2025 at 9:00 a.m.
- D. Upcoming Meetings** *All meetings to be held in the Lamar Bailes Board Room unless noted otherwise.*
 - 1. Operations & Planning Committee – March 25, 2025 at 8:15 AM
 - 2. Finance & Administration Committee – March 25, 2025 at 9:00 AM
 - 3. Board of Commissioners – April 7, 2025 at 4:00 PM
 - 4. Sewer Feasibility Implementation Ad Hoc Committee – April 10, 2025 at 9:00 AM
- E. Adjourn**



Pope Flynn, LLC
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 Post Office Box 11509 (29211) FAX 803.354.4899
 Columbia, SC 29201 www.popeflynn.com

PRIVILEGED AND CONFIDENTIAL
 ATTORNEY-CLIENT COMMUNICATION

MEMORANDUM

To: Oconee Joint Regional Sewer Authority, South Carolina

From: Pope Flynn, LLC

Re: Summary of Reconstitution, including Acquisition of Sewer Collection Infrastructure

Date: February 25, 2025

Oconee Joint Regional Sewer Authority, South Carolina (the “**Authority**” or “**Joint Authority**”) is a body politic and corporate, and a joint authority sewer system organized under Title 6, Chapter 25 of the Code of Laws of South Carolina 1976, as amended (the “**Joint Authority Act**”). The Authority was created in 2007 under the provisions of the Joint Authority Act by its three member-municipalities (collectively, the “**Members**”)¹: the City of Seneca, South Carolina (“**Seneca**”), the City of Walhalla, South Carolina (“**Walhalla**”), and the City of Westminster, South Carolina (“**Westminster**”).

Based on funding from the South Carolina Rural Infrastructure Authority, the Joint Authority engaged a team comprised of W.K. Dickson & Co., Inc., Willdan Financial Services, and Bolton & Menk, Inc. to prepare a regional feasibility planning study, which was formally adopted by the Oconee Joint Regional Sewer Authority Commission, as the governing body of the Authority, on September 9, 2024 (the “**Study**”). The purpose of the Study was to determine long-term sewer service options within Oconee County, South Carolina (the “**County**”). Contemporaneously with the Study, the Joint Authority also undertook its “Oconee County and Western Anderson County Sewer Master Plan” (the “**Master Plan**”). Major infrastructure recommendations in the Master Plan include: developing plans to expand the Coneross Creek Wastewater Reclamation Facility (the “**Coneross WRF**”); updating the regulatory checkbook to gain permitted capacity at Coneross WRF; reducing pump station infrastructure and wastewater travel time; and working with Members to improve collection infrastructure.

Based on the terms of the Study and the Master Plan, Pope Flynn, LLC, prepared a memorandum dated November 26, 2024 to describe options for the reorganization of the Joint Authority. The material determination of such memo was that the Joint Authority be reconstituted with a complete revision of its governance documents. Additionally, and subsequent to the release

¹ For purposes of the reconstituted Joint Authority, such term would also include the County (as defined herein) once or if it is added as a Member.

of the memo, the ad hoc committee studying the Joint Authority recommended that the sewer collection systems owned and maintained by Seneca, Walhalla, Westminster, and any other contributing public satellite sewer system be conveyed to the Authority such that all sewer treatment and collection services in the County would be performed exclusively by the Joint Authority. This memorandum attempts to outline (at a high level) the steps for reconstitution of the Joint System, and conveyance of the Members' collection systems to the Joint Authority.

1. Governance Structure

- The Authority shall be reconstituted to include the County as a Member.
- The governing body of the Authority shall be a five-member commission (the "New Commission"), with representatives as follows:
 - One representative from the County;
 - One representative from Seneca;
 - One representative from Walhalla;
 - One representative from Westminster; and
 - One additional member, with the method of appointment to be determined.
- Draft legislation has been proposed to amend the Joint Authority Act to permit the fifth member to be appointed by the Governor upon the recommendation of the legislative delegation from Oconee County.

2. Operating Agreement

- A new operating agreement shall be executed with a minimum term of 40 years.
- The agreement shall define governance, financial obligations, operational responsibilities, and dispute resolution mechanisms.
- Operating agreement shall require the board member to be a customer, and shall include a restriction that no representative of a Member serving on the New Commission may be an officer or employee of the appointing member. Further, no ex officio appointments shall be permitted.

3. Voting Mechanism

- General matters shall be determined by per capita voting.
- Debt-related matters shall be subject to weighted voting based on an agreed-upon formula.

4. Expansion & Debt Parameters

- A framework shall be established for funding system growth, including capital improvements and infrastructure expansions.
- Preapproval mechanisms shall be established for financing certain projects.
- Member approval requirements shall be clearly defined for all other debt issuances.

5. Addition of New Members

- The Authority shall establish clear parameters and a defined mechanism for admitting new members.

6. Rate Structure

- An equitable rate structure shall be developed, ensuring fairness across all Members and customers.

7. Regulatory

- Joint Authority to develop stringent sanitary sewer permit requirements that clearly define system requirements for all Members (and any other dischargers).
- Authority to conduct regular inspections of sewer collection network (based on Department of Environmental Services standards) and establish clear rules and enforcement requirements.

8. Acquisition of Municipal Collection Systems

- Reconstitution shall provide that the Authority shall have the power to provide retail sewer services within its service area.
- The Authority shall acquire the respective sewer collection systems currently owned and operated by Seneca, Walhalla, Westminster and any other contributing public satellite sewer system.
 - Phased implementation may be considered if immediate acquisition is not practicable.
- Conveyance of systems to be conducted by ordinance of each respective Member. No referendum is required as a result of the Supreme Court's determination in *Sojourner v. St. George*, 383 S.C. 679 S.E.2d 182 (2009).
- Review of outstanding utility debt obligations of each Member is required, and consideration must be made as to limitations for sale of system components secured by revenues of sewer systems, respectively:
 - Walhalla (combined water and sewer)²
 - \$17,945,000 principal amount still outstanding on originally issued \$20,620,000 Water and Sewer System Revenue Bonds, Series 2018.
 - Various capital leases secured by utility system assets.
 - Seneca (combined water, sewer and electric)³
 - \$890,000 principal amount still outstanding on originally issued \$8,350,000 Combined Utility System Refunding Revenue Bonds, Series 2012.
 - \$460,015 principal amount still outstanding on originally issued \$3,762,930 Combined Utility System Refunding Revenue Bonds, Series 2020.
 - \$537,729 principal amount still outstanding on originally issued \$1,993,633 Combined Utility System Revenue Bond, Series 2007 (South Carolina Drinking Water Revolving Loan Fund).
 - \$6,943,035 principal amount still outstanding on originally issued \$11,528,750 Combined Utility System Revenue Bond, Series 2014 (South Carolina Drinking Water Revolving Loan Fund).
 - \$4,791,937 principal amount still outstanding on originally issued \$6,031,455 Combined Utility System Revenue Bond, Series 2007 (South Carolina Drinking Water Pollution Control Revolving Fund).
 - Potential capital leases secured by combined utility system assets.

² Source: 2023 Audited Financial Statements

³ Source: 2024 Annual Comprehensive Financial Report

- Westminster (combined water, sewer and electric)⁴
 - \$8,260,000 principal amount still outstanding on originally issued \$8,260,000 Combined Utility System Revenue Bond Anticipation Note, Series 2023⁵.
 - Originally issued \$369,947 Combined Utility System Revenue Bond, Series 2022 (ConserFund Loan).
 - Various capital leases secured by combined utility system assets.
- The terms and conditions of acquisition, including valuation, financial considerations, and transfer processes shall be reviewed and considered.

Next Steps:

- Finalization of governance details and appointment process for the fifth New Commission member.
- Make arrangements to file proposed amendments to the Joint Authority Act.
- Confirm approval/consent of Members for conveyance of sewer collection system.
- Development of financial models and legal framework for asset transfers and debt structuring.
- Create timeline for implementation of reconstitution.

⁴ Source: 2024 Audited Financial Statements

⁵ To be taken out by long-term financing with United States Department of Agriculture, Rural Development.