



Solving the water needs of tomorrow, today.

Chester Metropolitan District
Regular Commission Meeting
February 11, 2020

The Chester Metropolitan District's Regular Commission meeting was held at 6:00 pm on Tuesday, February 11, 2020 at the CMD Office, 155 Wylie Street, Chester, SC. Members attending were: Earl Thraikill, Chairman; Jean H. Nichols, Secretary; Raymond Douglas; James Simpson; George Wilmore; Danielle Hughes; and Donald Camp. Others in attendance were Fred Castles, Executive Director; Kelli Johnson, Executive Assistant; Andy Litten, District Engineer; Arthur Gaston, Attorney; Becky Moon Finance Manager; Richard Zhao Senior Accountant; Everett Stubbs, Attorney; and Tommy McMinn of Richburg.

Chairman Thraikill stated that due to only four board members present, reports would be read for information only to start the meeting.

Filter Plant Report: Mr. Castles read the Filter Plant Report for January. A copy of the report is attached to the minutes.

Chairman Thraikill called the meeting to order at 6:05 PM.

Commissioners stood for the Pledge of Allegiance, then Attorney Gaston offered a short invocation for those interested in participating.

Minutes:

Chairman Thraikill asked for corrections or additions to the minutes. Motion to approve the minutes of the January 14, 2020 meeting was made by Jean Nichols, seconded by George Wilmore, and unanimously approved.

Public Comment:

There were no members of the public in attendance.

Old Business:

Engineer's Report: Mr. Litten read the Engineer's Report for January. A copy of the report is attached to the minutes.

DMAG Report: Mr. Litten read the DMAG Report for January. A copy of the report is attached to the minutes.

Mr. Castles stated that we received 4.8 inches of rain at the Water Plant.

New Business:

Director's Update:

Mr. Castles stated that Andy Litten and himself met with members of Century Communities about a piece of property down in Lando. It is located on the right side of the road approximately where Lando Road and Edgeland Road come together. They have a proposed subdivision slated for that property and they were inquiring about water and sewer service. They are a good ways out, and it was just a request for information. Mr. Castles wanted to bring it to the attention of the board that people are still looking to develop along 901.

Mr. Castles stated that CMD met with AECOM to develop a scope for our new safety training program CMD has used a consultant for the last 20 years and the training has become to stale and is inadequate for our needs. It is not keeping pace with current regulations and future regulations. We put out a request for qualifications, and we selected AECOM. They are providing a scope for us through June 30th, 2020. AECOM is also preparing budget information for the new 2021 budget.

Mr. Castles stated that board members attended the Chamber Banquet in January and thanked them for participating.

Mr. Castles stated that some of the board members would be attending the Water for All Summit in Gastonia, North Carolina on February 14, 2020.

Mr. Castles stated that a few of the board members would be attending the Rural Water Decision Makers Conference in Myrtle Beach on February 19, 2020.

Mr. Gaston asked where everyone was meeting for the Water for All Summit and what time everyone was leaving.

Vice Chairman Election

Chairman Thrailkill stated that he would like to elect a Vice Chairman since the last Vice Chairman was no longer on the board. Chairman Thrailkill asked the board members what their thoughts were on electing a new Vice Chairman.

Chairman Thrailkill nominated Jean Nichols, and stated she has been on the board for a long time, and is very capable. Chairman Thrailkill stated that while he was out, she did a very good job presiding over the Commission meetings while he was out.

Mr. Douglas stated that he would like to nominate George Wilmore.

Chairman Thrailkill made a motion to nominate Jean Nichols and Donald Camp seconded the nomination for Jean Nichols for Vice Chairman.

Mr. Douglas made a motion to nominate George Wilmore, and James Simpson seconded the nomination for George Wilmore for Vice Chairman.

Chairman Thrailkill asked the board how they would like to conduct the vote. He asked if they would like to raise their hand or secret ballot. No one responded, therefore Chairman Thrailkill stated they would use a secret ballot to place their votes.

Chairman Thrailkill asked who would like to tally the votes, since the Secretary has been nominated for the position.

Chairman Thrailkill asked Mr. Gaston if he would tally the votes.

Mr. Gaston counted the votes and Mr. George Wilmore had four votes and Ms. Jean Nichols had three votes.

Chairman Thrailkill stated the Mr. George Wilmore is the new Vice Chairman.

Bylaws

Mr. Castles stated that there are Bylaws in the packet for the board to review. He asked the board to take the proposed bylaws with them and review at home, and to bring back any questions or comments to the March Board Meeting.

Mr. Stubbs stated that with the proposed Bylaws, that a special meeting will have to be called to adopt or make changes to the Bylaws.

Mr. Castles asked would that be to approve the Bylaws.

Mr. Stubbs stated that yes because in Article 10 in the Bylaws states that Bylaws can only be changed or approved in a special meeting.

Mr. Castles asked for convenience to hold a special meeting at 5:45pm before a Board Meeting.

Mr. Stubbs stated that they could.

Mr. Castles stated that he feels it would be better if it was convenient for all the board members.

Chairman Thrailkill asked when Mr. Castles was planning to hold this special meeting.

Mr. Castles stated that we would need to collect comments from the board members and make the edits to the proposed Bylaws before the special meeting can take place.

Chairman Thrailkill asked Mr. Castles if there were any changes going to be made to the Bylaws.

Mr. Castles stated the copy was amended from the copy they received in their packet. There was some language added in about the attorneys in Section 14.

Chairman Thrailkill asked if they should review the changes first, then vote on the Bylaws.

Mr. Stubbs stated yes that is what Mr. Castles was stating for them to view the changes and then a meeting would be held. Mr. Stubbs also went over with the board that there must be a two thirds vote, so therefore 6 of the 7 board members would need to be there to vote.

Mr. Castles proposed that at the March meeting, comments would be taken on the bylaws, so we could get the final copy completed, and then a special meeting would be called in April to adopt the Bylaws.

Capital Recovery Fee

Mr. Castles stated that the Board had previously approved the Capital Recovery Fee for new developments in our district. This is for water service only. If you recall, the capital recovery fee for a residential water service is \$1,045 per residential tap, and that was approved back in 2018. We now have a lot of subdivisions proposed to come to Chester. Andy has one now that he is ready to approve the plans for. Andy and I believe it would be best for the district if we amend the language that was approved in 2018. I would like to draw your attention to one line on this document, it is down at the bottom under collection of recovery fees in the old version the original language states that 50% of the capital recovery fees will be paid up front based on the number of lots, and 50% paid at the time tap fees are paid, at the time the property owner actually builds a house and needs for water service. What we are actually proposing is that we require the developer at the time that he gets his plat approved for the subdivision they pay 100% of capital recovery fees up front. This means the District gets paid up front whether or not they sell all the lots. We cannot make our improvements overnight at the water plant and these are for capacity at the water plant. That is a 3-5-year plan if we move forward with a plant expansion. It would turn into a record keeping nightmare, keeping up with the multitudes of subdivisions that have paid the 50%. We recommend changing the language.

Chairman Thrailkill asked if there was any discussion.

Mr. Wilmore asked since 2018 how many subdivisions have; we had the problem with the 50%.

Mr. Castles stated that we have not had any subdivisions since 2018, but it is getting ready to start. After we approve tonight, Andy will send them an invoice tomorrow.

Chairman Thrailkill asked if we have any outstanding subdivisions from 2018.

Andy stated that no we do not.

Mr. Douglas asked if they were just amending the Capital Recovery Fee Policy starting this month?

Mr. Castles stated that all the capital recovery fees have been paid up front for single taps. The change in policy would affect large residential subdivisions.

Mr. Douglas asked if they were building a subdivision what kind of water line would they put in?

Mr. Castles stated that they would put in an 8-inch water line.

Mr. Gaston asked if Andy has a subdivision that is pending and if so, how many lots?

Mr. Litten stated that there is a subdivision pending and there are 305 lots.

Mr. Gaston asked if the developer will be paying all that up front?

Mr. Litten stated yes, the developer would be paying that up front.

Chairman Thrailkill asked where will they connect to the line?

Mr. Castles stated at the intersection of JS Gaston Road and Edgeland Road.

Chairman Thrailkill asked who was picking that cost up?

Mr. Castles stated that the developer is.

Mr. Wilmore stated to correct him if he is wrong. If I come in and I want to create a subdivision and I have 305 lots, I multiply the number of lots by the capital recovery fee of \$1,045 and that is the price I would have to pay upfront before I can start working on those homes?

Mr. Castles stated that they must pay that upfront before we can issue the willingness and capable letter that is required for them to get a permit from DHEC.

Mr. Wilmore asked would that hurt the District?

Mr. Castles stated that it would not hurt the District, that they pay the money and they can roll that cost over in the price to build.

Mr. Litten stated the situation that started this is the subdivision on Orrs Road beside Springs Golf Course. It was permitted and built in 1982 and they only sold 5 lots over the last 40 years and just sold 28 lots last month. For us to keep up with how many capital recovery fees were paid and were not paid in that amount of time, would be impossible. Do they owe the price now or do they owe the price from 40 years ago? Chester has numerous subdivisions that still have lots available and are still building as time goes on. They may sell 10 lots now and then in a few years down the road they will sell 10 more. That would be very difficult to keep up with if they are not paying 100% of the Capital Recovery Fees up front.

Mr. Castles stated when a neighborhood like that comes in, we mentally keep up with how many lots we are going to have to serve. It is a planning number that we keep up with for capacity at our plant. If a developer pays the 50% up front and down the road, they want to add lots into the development, we may not have the necessary capacity because we did not collect the money up front to expand the water plant.

Mr. Camp asked if we would have to run the pipes?

Mr. Castles stated that the developer would do that at their cost, and they will pay the capital recovery fees also. Capital Recovery Fees are based on the available treatment capacity of the water plant, that the residents of Chester have paid for it and it has equity. Paying these Capital Recovery Fees are paying for the equity that we have in it.

Mr. Thrailkill stated 40 years ago the capital recovery fees would cover a lot more than it would cover today. I think it is a good idea.

Chairman Thrailkill stated the board needs to vote and made a motion to amend the Capital Recovery Fee Policy from 50% to 100% paid upfront, seconded by Donald Camp, and approved by a vote of 4-0-2.

Online Exchange Deposit Resolution

Mrs. Moon stated that there is a document in your packet outlining the Online Exchange Deposit. A year ago, we brought to the board a proposal for Online Exchange which is a credit check, to show what risk the customer would pose. The resolution that we have is to demonstrate the willingness of the Board to approve the Online Exchange Deposit Policy. The last document has the actual deposit amounts. It goes in a light system: Green light, Yellow light, and Red light. Green light means that the customer is not a risk and they will not be charged a deposit. The Yellow light means they pose a small risk and they will be required to pay a \$65 deposit. The Red light means they pose a big risk and they will be required to pay a \$130 deposit. This deposit would help keep the district out of the hole if a customer does not pay their bill, because the deposit would be applied to their balance. The maximum deposit is \$300. This is when a customer comes in and refuses to do the credit check, or if the check comes back and it shows identity theft. There is a provision in the policy that if a customer goes 24 months without any issues, we will refund that deposit back to the customer. Stated that other companies use this and is regulated by Federal Law and it is a soft credit check and it does not hurt their credit. If their credit comes back with a Yellow or Red, we must give the customer a letter on the spot or in the mail depending if they applied online or in person.

Mr. Castles stated to make it clear, that we are asking the board to approve the actual deposit amounts and the resolution, because the Online Exchange was already approved by the board last year.

Mr. Simpson asked if this was going to be applied to new customers?

Mrs. Moon stated that yes, new customers would have to go through the Online Exchange. We are currently waiting on the software to come in, and once it does CMD will be able to begin.

Mr. Simpson asked what about current customers?

Mrs. Moon stated that CMD will go through the system and see which of our current customers have meet our criteria for deposit refund and refund those deposits. Future deposits and what we charge will depend on the Online Exchange.

Mr. Simpson asked if you have a current client and they come back as a red light but have already put up a \$30 deposit before what would you do?

Mrs. Moon stated that the only way a current customer would be checked with the Online Exchange would be if they have closed their account and are applying for a new service. We can not go in and just check current customers. If a former customer comes in and starts a new service, we then can check their credit. It also states in the policy that we have a client that is cut off and it is for 2 billing cycles or more, we will close out the account, apply the deposit, and they would have to apply for new service. They will then go through the Online Exchange if they allow us, but if they refuse then they will pay the maximum deposit of \$300.

Mr. Simpson asked was this going to hurt someone's credit by running a report.
Mrs. Moon stated that no this is a soft credit check and it would not have impact their credit score.

Mr. Wilmore asked what about renters if there was more than one renter?

Mrs. Moon states that the policy states that each person in the house would be checked if the lease has more than one person's name on it. If you are on the lease and we see your name, then we would check everyone on the lease and the person. The deposit would be based on the person with the most risk, or if one of the renters refuses to be checked then the deposit will be the maximum deposit.

Mr. Wilmore said that he is still confused.

Mrs. Moon stated that if the board would like to have a side bar so that she could explain more, to please let her know.

Chairman Thrailkill asked if the board could get back to CMD about the deposit policy at March's Meeting.

Mrs. Moon stated that that would be fine.

Reports:

Director's Report: Mr. Castles read the Director's Report for February. A copy of the report is attached to the minutes.

Hydrant Report: Mr. Castles read the Hydrant Report for February. A copy of the report is attached to the minutes.

Financial Report: Mrs. Moon read the Financial Report for February. A copy of the report is attached to the minutes.

Mrs. Moon stated that CMD seems to be on track and no department seems to be seriously over budget. She stated that for insurance budget, it looks as if we are over budget, but because half of the insurance is paid during one budget year and the other half is paid during the other year budget and it equals out in the end.

There was a motion by Jean Nichols to go into Executive Session, Seconded by George Wilmore, and unanimously approved. Chairman Thrailkill stated Executive Session is for Director's Compensation.

There was a motion by James Simpson to come out of Executive Session, Seconded by George Wilmore, and unanimously approved.

Chairman Thrailkill stated No action was taken in Executive Session.

Chairman Thrailkill made motion for a 4.25% salary increase for Executive Director, seconded by Jean Nichols, and approved by a vote of 4-0-2.

With there being no further business to discuss, the meeting was adjourned. Motion to adjourn was made by Jean Nichols, seconded by Raymond Douglas, and unanimously approved.

The meeting adjourned at 7:32pm.

Approved:

Respectfully Submitted:

Date: **March 10, 2020**

By: *Kelli Johnson*

Chester Metropolitan District

Agenda

Tuesday, February 11, 2020

6:00 PM

CMD Conference Room, Chester, SC

I. Call Meeting to Order

II. Approval of Last Meeting Minutes

III. Public Comment

Public Comment is limited to three (3) minutes per speaker.

IV. Old Business

- | | |
|----------------------|----------------|
| A. Filter Plant | - Fred Castles |
| B. Engineer's Report | - Andy Litten |
| C. DMAG Report | - Andy Litten |

V. New Business

- | | |
|---|------------------|
| A. Director's Update | -Fred Castles |
| B. Election of Vice-Chair | -Earl Thrailkill |
| C. Discussion of Proposed Bylaws | -Fred Castles |
| D. Amendment to Capital Recovery Fee Collections | -Fred Castles |
| E. On-line Utility Exchange Customer Deposit Resolution | -Becky Moon |

VI. Reports

- | | |
|----------------------|----------------|
| A. Director's Report | - Fred Castles |
| B. Hydrant Report | - Fred Castles |
| C. Financial Report | - Becky Moon |

VII. Executive Session-Executive Director's Compensation

No action will be taken during Executive Session

VIII. Action Taken as a Result of Executive Session, If Necessary

IX. Adjourn

This agenda is subject to change up to 24 hours in advance of the meeting.



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Chester Metropolitan District
Regular Commission Meeting
January 14, 2020

The Chester Metropolitan District's Regular Commission meeting was held at 6:00 pm on Tuesday, January 14, 2020 at the CMD Office, 155 Wylie Street, Chester, SC. Members attending were: Earl Thraikill, Chairman; Jean H. Nichols, Secretary; Raymond Douglas; James Simpson; George Wilmore; Danielle Hughes; and Donald Camp. Others in attendance were Fred Castles, Executive Director; Kelli Johnson, Executive Assistant; Susan Roddey, IT Support Specialist; Andy Litten, District Engineer; Arthur Gaston, Attorney; Becky Moon Finance Manager; Richard Zhao Senior Account; Clay Shannon IT Manager; and Tommy McMinn of Richburg.

Chairman Thraikill called the meeting to order at 6:02 PM.

Commissioners stood for the Pledge of Allegiance, then Attorney Gaston offered a short invocation for those interested in participating.

Minutes:

Chairman Thraikill asked for corrections or additions to the minutes. Motion to approve the minutes of the December 10, 2019 meeting, was made by Donald Camp, seconded by Jean Nichols, and unanimously approved.

Public Comment:

There were no members of the public in attendance.

Mr. Castles stated that a lady called in to sign up, but apparently, she was unable to make it.

Old Business:

Filter Plant Report: Mr. Castles read the Filter Plant Report for December. A copy of the report is attached to the minutes.

Mr. Castles stated that the filter plant got a new fiber optic cable run into the building from Hwy 9 which will help with internet connection. Mr. Castles stated that Mr. Shannon CMD's IT Manager would explain in detail, how this will help communication between office and filter plant.

Mr. Shannon stated because the filter plant is so far removed from where the office is, that we have had difficulties in the past with connections, we have had to maintain a network here and a network at the filter plant. It has kept us from being able to improve security. For us to share files, they have to be emailed back and forth, and for us to maintain some of their equipment we have had to go on site. We have now started using some remote access to the filter plant. This will allow us to connect the filter

plant back to CMD office and be able share our network with them. This will help with security, control, and help us provide assistance. This will improve our relationships with the filter plant and CMD office.

Engineer's Report: Mr. Litten read the Engineer's Report for December. A copy of the report is attached to the minutes.

Mr. Thrailkill asked about the housing project across from Fishing Creek north of Lando.

Mr. Litten stated that it is under construction, they have started grading right now. CMD has reviewed preliminary plans twice but has yet to receive a revised set of plans. Mr. Litten stated he has not spoken to the engineer since the last set of plans were submitted.

Mr. Wilmore asked about the in-house projects in Great Falls area.

Mr. Litten stated that for Hollybrook, it was a dead-end line, the road loops around from 99 to 99 (Chester Ave). At one end the water line was about 50 feet from connecting to the existing 16-inch water line at Chester Ave. Some of the hydrants in that area had low flow and pressure, so we have made a tap and connected that water line back to the 16-inch line. So now it is a looped line that will help have greater water flow and pressure and will help eliminate stagnate water. They have been working on that for the last 2 weeks, and the valve and piping are there, the only thing lacking is a fire hydrant to be installed.

Mr. Douglas asked about Magnolia.

Mr. Litten stated there are old galvanized lines that are in the backyards of the houses and we are moving those services over to an existing 6-inch line along Magnolia Ave.

Mr. Douglas asked where this cost comes from, do we have grants.

Mr. Litten stated that this is something that we spend out of our distribution funds, and it helps us save money in the end because we do not have to spend money on flushing those lines. It is not a lot of cost for us.

Mr. Douglas asked if it was just housing or businesses in that area.

Mr. Litten stated that there were about 10-15 houses in that area, and most of those are tied to a 2 inch, and now will connect them to the 6 inch water line. They will have better flow and will be off the galvanized lines.

Mr. Castles stated that it would be hard to work on those lines in the back yards of the houses, because some have chained fences, dogs, and if you take a back hoe into a back yard, you will would have to move around pools and other items in yards. We will take the meter boxes from the back yards and move them to the front yards.

Mr. Douglas asked if the customers would have to do anything.

Mr. Castles stated that the customers will not have to do anything.

DMAG Report: Mr. Litten read the DMAG Report for December. A copy of the report is attached to the minutes.

New Business:

Director's Update:

Mr. Castles asked the commissioners to mark the following dates on their calendars

- January 23rd, 2020 Chamber Banquet at The Gateway
- February 13, 2020 Water for All Summit in Gastonia, NC
- February 19-21st, 2020 Decision Makers Summit in Myrtle Beach South Carolina
- May 20, 2020 Special Purpose District Leadership Meeting in Columbia

Mr. Castles passed out the agenda for the 2020 Decision Makers Summit and went over the agenda and the importance of the conference.

Mr. Thrailkill asked if Mrs. Johnson was going to send out reminders for the above dates.

Mrs. Johnson stated that she would send out email reminders prior to the above events, and that the tickets for the events are printed and ready for the events.

Mr. Castles stated that Sheriff Max Dorsey asked CMD if they would sponsor an award for their annual Christmas banquet. CMD donated a wooden plaque with a hundred-dollar gift card, and another hundred-dollar gift card to be used as a door prize. The wooden plaque did not have a name on it, just had CMD on it and went to an employee for providing excellent protection to Chester County over the past year. Sheriff Dorsey sent a Thank You letter to CMD for donating this award and for the donations of the gift cards.

Mr. Castles stated that CMD received a certificate of appreciation from South Carolina Department of Natural Resources. For the last 18 months, the board as allowed Mr. Castles to participate in the River Basin Planning studies in SC. Mr. Castles stated there will be more to come in the next 5 years, that it is being worked into the state budget and the governor is on board. Mr. Castles stated he was presented this certificate at the last meeting. Thank you for letting me participate in the State River Basin Planning Process.

Mr. Castles stated that CMD did develop a customer contact form, for customers to mail back in to update phone numbers and information, so that we can inform them of late notices, boil water notices, and other important information via text and email.

High Water Usage

Mr. Castles stated that CMD had recently had a grievance committee meeting that Ms. Nichols and his staff attended. We had a gentleman, who had a crazy high usage, in a short period of time, and CMD was unable to solve the issues. Mr. Castles and Ms. Nichols spoke about creating a new policy to adjust high water usage.

Mr. Castles stated that after speaking with his customer service staff and looking back at the new meters that were put in that cost roughly around two million dollars, another seventy-eight thousand for Flex Net, and half a million dollars in antennas to make it work, he now has a new recommendation. People are using this water, and it would under cut everything that we have worked towards for the last three years and in accounting for our water loss and making people accountable for water usage. Mr. Gaston knows that our enabling legislation will not permit CMD to give water away to individuals or government entities. The discussion was to help with customer service, but looking at it, it would be best for us to utilize the Flex Net System to see when there is high water usage and having a staff member to concentrate on those alarms, and when they notice high water usage they can go straight out to the customers house and handle the situation. Instead of recommending a new high-water usage policy, Mr. Castles proposes we stay the course with a manager on-site and implement the manpower currently on staff in monitoring those alarms, so that high usage complaints do not get out of hand.

Mr. Wilmore asked what the plan for CMD is to implement this procedure.

Mr. Castles stated that we have a staff member in the Meter department that will be reassigned, and will monitor those, and the position will now be an inside job.

Mr. Douglas asked if that staff member would be watching the screen.

Mr. Castles stated that our Meter Superintendent would now, have a more administrative roll, rather than someone who is in the field and looking at meters.

Mr. Wilmore asked what the staff would do if they saw a high water use alarm on Flex Net.

Mr. Castles stated that the staff member would call the customer, get in their truck and head to the customer's house if no one answers, and would turn water off at the customer gate valve, and would put a door hanger on the door.

Mr. Castles stated if that was ok, then this is how we would proceed going forward.

Mr. Wilmore asked if the water would be cut off if no one is at home.

Mr. Castles stated that it will be cut off at customer gate valve and will put a door hanger on door.

Mr. Litten stated that we have our new door hangers in, and that if no one is at home, they will put a flag at the customer gate valve and will put that information on the door hanger that is left on door. On the door hanger it says that the water is cut off where the blue flag is. In the past we have had customers who were very happy that we had turned the water off when found.

Reports:

Director's Report: Mr. Castles read the Director's Report for December. A copy of the report is attached to the minutes.

Hydrant Report: Mr. Castles read the Hydrant Report for December. A copy of the report is attached to the minutes.

Mr. Thrailkill asked about leak adjustments, questioned if there was one tremendously large bill in the total.

Mr. Castles stated that by averages some of these leak adjustments could have been high, but without a printout he would not be able to speak in anymore detail. Mr. Castles stated that he can report back, after he gets a printout.

Financial Report: Mrs. Moon read the Financial Report for December. A copy of the report is attached to the minutes.

Mrs. Moon stated that there was a software issue, where an item was checked in the software, and things were not reporting to the right area. As a result of that, on the report the number under Month to date operating revenue states that \$490,000 was billed. That is not correct. That number is \$ 606,000. It was corrected on December 10th, 2019, that means there is a difference of \$116,000 in revenue reporting. What that changes for the month is instead of a surplus of \$140,000 for December, there is a surplus of \$256,000 for December. This means the Year to Date activity is \$958,000. Mrs. Moons stated that her and Richard are working on getting all the moving parts corrected.

Mr. Castles introduced Richard Zhao the new Senior Accountant to the Board Members.

There was a motion by Jean Nichols to go into Executive Session, Seconded by Raymond Douglas, and unanimously approved. Mr. Castles stated IT Related Issues was the content for Executive Session.

There was a motion by George Wilmore to come out of Executive Session, Seconded by James Simpson, and unanimously approved.

Chairman Thrailkill stated No action was taken in Executive Session.

Mr. Douglas asked about The Wellman property on the other side of Dawson Dr. Mr. Douglas stated someone was looking to buying it and questioned was there water and sewer.

Mr. Castles stated that there was water, but he was unable to say if there was sewer or not. He also stated that the person who was purchasing the property could come to CMD, and we could help them with water availability.

Mr. Douglas stated that he did not have all the information and would gather that information later.

Chairman Thrailkill stated that when conversations and questions like above need to be done another time, and not on-board time.

With there being no further business to discuss, the meeting was adjourned. Motion to adjourn was made by George Wilmore, Seconded by Jean Nichols, and unanimously approved.

The meeting adjourned at 6:54pm.

Approved:

Respectfully Submitted:

Date: _____

By: _____

January 2020

- Completed all reports.
- All Emergency generators and diesel engines were exercised by Dell Hughes and were reported as operating fine.
- Collected 24 Distribution Samples and analyzed for the presences of Coliform Bacteria. All samples were within acceptable range.
- We are currently discharging a Total Chlorine Residual of 2.60 ppm and maintaining an average level throughout the distribution system this month at 1.31 mg/l.
- SCDHEC performed a scheduled Sanitary Survey on January 14th, 2020. Their report has been received with “NO” actions taken and a satisfactory rating.
- SCDHEC Laboratory section performed an inspection on November 6th, 2019. We implemented all regulations, procedures and requirements for continued laboratory certification and have received the renewed Laboratory Certification.
- Started draining the East basin for cleaning and installation of the flocc basin partition wall. Setup 6” pump to start decanting the Thickener to receive basin sludge.
- Started making necessary measurements for location of the concrete columns, rebar and anchor bolts for installation of the flocculation partition wall and drilled all location points for the rebar and anchor bolts.
- Hobgood Electric replaced the #1 High Service pump failed Soft-Start with new component boards. The pump was placed back in service.
- Removed the #1 High Service breaker and sent the breaker out to be serviced.
- Hobgood electric replaced the failed VFD unit on the #2 Flocculator. The VFD placed was the last of the 4 units installed in the early 90’s, the other 3 units were replaced as needed in the mid 2000’s.
- Fabricated the parts needed for repairing the Fluoride machine and placed the unit back in service.
- Collins pumps and Controls performed the preventive maintenance on Chlorine system and rebuilt the Top of Filter chlorine injector.

- Sweated in a new copper union on the #3 filter influent control valve.
- Modified the Fluoride machine drive mechanism cover to allow ease of access for maintenance.
- Replaced the Raw water sample pump.
- Cleaned the ammonia injector of build-up at the throat nozzle.
- Replaced deteriorated insulation on the water meter at the tank farm.
- The sludge removed and sent to the landfill this month was 70.50 tons.

CMD Engineering Department Report February 2020

Development Project Reviews

Walker's Mill: Plans were reviewed and are conditionally approved. We still need to submit the Capital Recovery Fee invoice to the Developer so that we can officially approve the plans.

Knights Bridge (Richburg): We're reviewing the third set of construction plans.

Cross-Connection Control Program

We're continuing to go through the paperwork to make sure that all non-residential customers have testable backflow devices.

GIS Mapping

We've developed a digital form so that the Valve Exercise Program can be performed electronically. We'll now have a database of the valve data for the valves in the system. This will allow us to perform an analysis to see what areas may need work or replacement. It will also allow us to monitor to make sure the valves are being repaired.

FlexNet Project (Remote Meter Reading)

We're waiting on Gaston, Marion, and Stubbs to provide us a lease agreement to present to Springs Creative.

In-House Projects

Magnolia Avenue, Great Falls: We're currently switching the residents from an old 2"/3" galvanized main that is located in the backyards between Sunset Ave and Lybrand St to the 6" main that runs along Magnolia Road. This will allow us to abandon the galvanized line. This project is still underway.

Great Falls Hwy, Chester: The 6" water main along Great Falls Hwy between Wilson St and the railroad is severely corroded which reduced the flow and made some of the hydrants along Columbia St non-compliant. We're laying out a new 8" water main to replace the 6" main. We plan to start construction on the new main in the next 2-3 months.

DMAG

SC Drought reports that Chester's status is normal.

The US Drought Monitor reports that the State is no longer experiencing drought conditions.

NOAA 3-Month precipitation outlook is equal chance. (no change)

NOAA 3-Month temperature outlook is above normal. (no change)

Dated _____, 2020

CHESTER METROPOLITAN DISTRICT

BYLAWS OF THE

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BYLAWS

ARTICLE I NAME AND PURPOSE

Section 1. Name. These Bylaws have been adopted and shall be implemented on behalf of the Chester Metropolitan District (the "District"), acting through the Chester Metropolitan District Commission (the "Commission"), as the governing body of the District.

Section 2. Purpose. The District is a special purpose district created and established as a body politic and corporate pursuant to Act No. 379 of the Acts and Joint Resolutions for the General Assembly of the State of South Carolina for the year 1959, as amended (the "Enabling Act") for the purpose of providing waterworks services. The District manages and operates a waterworks system for the benefit of the customers residing in the District (the "System").

Section 3. Principal Office. The District shall have its principal office, and such other offices as the Commission deems appropriate, at such location or locations as the Commission determines by resolution. The principal office is currently located at 155 Wylie Street, Chester, South Carolina.

Section 4. Existence. It is the intent of the Commission that the District shall have perpetual existence. Any dissolution of the District shall be performed in conformity with the laws of the State of South Carolina (the "State").

ARTICLE II COMMISSION; MEETINGS

Section 1. Powers; Composition of Commission. As provided by the Enabling Act, the powers of the District shall be exercised by the Commission. The Commission determines the operating policies of the District and reviews and approves of all budgetary matters of the District. The Commission is composed of those nine members, each appointed and serving under the provisions of the Enabling Act.

Section 2. Regular Meetings; Notice. The Commission shall conduct regular monthly meetings on a regular schedule to be determined by the Commission and at such place as the Commission determines from time to time or, in lieu thereof, on such other days, times and places as the Commission determines at a regular or special meeting. The current practice, which is subject to change at the Commission's discretion, is to meet on the second Wednesday of every month at the offices of the District or such other location as may be timely determined by the Commission. Written notice of each regular meeting shall be given to each member of the Commission at least three days prior to the date of such regular meeting, specifying the date, time, place, and agenda of the meeting. If mailed or transmitted by telegraph, telecopier, telex, email or the like, notice shall be deemed given when post-marked or transmitted, as applicable.

Section 3. Special Meetings; Notice. Special meetings of the Commission may be called by the Chairman (as defined herein), the Executive Director (as defined herein) or by any five or

more members of the Commission who may determine the purpose and agenda of such special meeting. Notice of each special meeting of the Commission shall be given by the person or persons calling the meeting, as the case may be, at least 24 hours prior to the time of the special meeting, specifying the date, time, place, and agenda of the meeting. Such notice shall be deemed given when transmitted, as provided in Section 2 of this Article with respect to notice of regular meetings.

Section 4. Freedom of Information Act. The District is subject to and governed by the provisions of the South Carolina Freedom of Information Act, as codified at S.C. Code Ann 30-4-10 et seq. ("FOIA"). The Commission expects and intends to comply with the provisions of FOIA in all of its actions and activities. The public shall be notified of meetings of the Commission and all meetings shall be conducted in every respect in the manner required FOIA. The records of the District, except as FOIA or any other laws or provisions of State or federal law otherwise permit, shall be open to the public in the manner required by FOIA.

Section 5. Presence in Person at a Meeting. Members of the Commission may participate in a meeting of the Commission by means of a conference or internet telephone or similar communication equipment so long as all persons participating in the meeting and any members of the public attending such meeting can hear all others participating in the meeting at the same time; provided that the conduct of any such meeting shall meet the standard of an "open meeting" as required by FOIA. Participation of a member of the Commission by such means shall constitute presence in person at a meeting for all purposes, including, for the avoidance of doubt, quorum and voting.

Section 6. Waiver of Notice. Any member of the Commission may waive the requirements of notice of a meeting or any irregularities in any notice by an instrument in writing executed before or after the meeting or by attendance at the meeting. Attendance at a meeting for the sole purpose of objecting to the form or manner of notice shall not constitute a waiver of notice.

Section 7. Agenda. The District, acting through the Chairman or staff, shall prepare, or cause to be prepared, and deliver, or cause to be delivered, to each member of the Commission and the public (under the terms of FOIA) an agenda of matters to be considered and acted upon at each meeting of the Commission.

Section 8. Meeting Procedure. Roberts Rules of Order shall be followed in order that each meeting of the Commission can be conducted in an orderly way, and the time commitment of each member of the Commission is respected. In lieu of Roberts Rules of Order, the Commission, in its discretion, may adopt other procedural rules to govern the operation of its meetings.

Section 9. Quorum. Consistent with FOIA, a quorum of the Commission means a simple majority of the constituent membership, including vacancies, of the Commission.

Section 10. Minutes. The Commission shall prepare and keep minutes of its meetings and furnish copies thereof to all members of the Commission as soon as is practicable after each

meeting and a copy thereof shall be filed with and made a part of the permanent records of the District.

Section 11. Voting. Except as expressly set forth in these Bylaws, State law or the Enabling Act and upon confirmation that a quorum is present and acting, approval of any action or resolution of the District shall be approved by a majority of the votes entitled to be cast by members of the Commission present. Each member of the Commission shall be entitled to cast one vote with respect to any matter to be acted upon by the Commission. No member of the Commission may give its proxy to another member of the Commission for the purposes of any vote to be taken under these Bylaws.

Section 12. Compensation; Expenses. Consistent with the Enabling Act, no member of the Commission shall receive compensation for the performance of their duties. However, each member of the Commission may be paid a per diem as determined by the Commission and shall be reimbursed for all reasonable and necessary expenses incurred while engaged in the performance of such duties.

Section 13. Administrative Limitations. The Commission and its members are the executive body of the District; they shall establish and set all legislative and policy requirements for the governance of the District. However, outside of the engagement of the Executive Director, the Commission, including all members of the Commission in their individual capacities, shall not be involved in the daily operations or administration of the District. Consistent with Article III, Section 6 herein, the Executive Director is the chief executive officer and head of the administrative operations of the District.

Section 14. Legal Counsel. The Commission may engage an attorney, a firm of attorneys, multiple attorneys or multiple firms of attorneys (collectively, the "Attorney") to represent the District on all legal matters affecting the District. As requested by the Commission, the Attorney shall attend meetings of the Commission for the purpose of providing legal advice to the District. Notwithstanding the Commission's determination to engage the Attorney and subject to the provisions of any procurement policy adopted by the District, the Executive Director (as defined herein), or his assigns, shall be authorized to execute all engagement letters with the Attorney on behalf of the Commission and shall work with the Attorney on all matters affecting the District.

ARTICLE III OFFICERS

Section 1. Designation. Consistent with the Enabling Act, the officers of the District shall include a Chairman of the Commission (the "Chairman") and a Secretary of the Commission (the "Secretary"), and such other officers as the Commission deems necessary or appropriate.

Section 2. Election; Tenure. The officers of the District shall serve for a term of one-year. Each officer shall be elected annually by the Commission at its first regular meeting in each fiscal year and shall serve until their successors are elected and qualified or they sooner resign from office, are removed or die. In the event of any delay, the term of each officer shall automatically renew on a month-to-month basis until a proper election can be held. Any officer

may be removed with or without cause by a majority-vote of the Commissioners then-appointed at any regular or special meeting.

Section 3. Chairman. The Chairman shall be the principal executive officer of the Commission. The Chairman shall preside at all meetings of the Commission and shall execute all deeds, bonds, contracts and other instruments which the Commission has authorized to be executed on behalf of the District, either alone or together with any other officer or agent of the District as the Commission prescribes, except as the Commission may otherwise delegate authority for the execution thereof. The Chairman shall perform such other duties as are incidental to the office of Chairman and as may be prescribed by the Commission. The Chairman shall at all times be a Commissioner and shall be deemed to have resigned as Chairman upon his removal as a member of the Commission or appointment of his successor as a member of the Commission. In the event of such removal or appointment of a successor, the office of Chairman shall be deemed vacant and an election shall be held at the next regular or special meeting to fill such vacancy.

Section 4. Vice-Chairman. The Commission may determine to fulfill a position of Vice-Chairman of the Commission (the "Vice Chairman"). In the absence of the Chairman or in the event of the Chairman's inability or refusal to act for any reason or if the office of Chairman is vacant, the Vice Chairman shall perform the duties of the Chairman. In addition, the Vice Chairman shall perform such other duties as may be prescribed by the Commission. The Vice Chairman shall be at all times be a member of the Commission and shall be subject to the same provisions as to eligibility and tenure as provided in Section 3 of this Article with respect to the Chairman.

Section 5. Secretary. The Secretary shall keep or cause to be kept the minutes of all meetings of the Commission and all other records and the official seal of the District; shall execute or attest such deeds, bonds, contracts and other instruments as the Commission has authorized to be executed by the Secretary; shall transmit all notices of meetings and agendas for meetings as directed by the Chairman, Vice Chairman, or a Commissioner or Commissioners as the case may be; shall maintain a register of the postal and email addresses of the Commissioners; and shall keep or cause to be kept complete and detailed records of all transactions of the District. The Secretary may solicit the assistance of the District's staff in the performance of any or all of his administrative duties (excluding the execution of legal documents).

Section 6. Executive Director.

(a) Consistent with the Enabling Act, the Commission shall employ, with compensation as to be determined by the Commission, an Executive Director of the District (the "Executive Director") who shall be the superintendent-in-charge of the entire operations of the District. Subject to the terms of any contract between the parties, the Commission shall have the right at will to remove or discharge a person holding the position of Executive Director. The Executive Director shall administer the affairs of the District and carry out the policies defined by the Commission. The Commission may authorize the execution on behalf of the District of an employment contract with any person to serve as Executive Director.

(b) The Executive Director shall:

(i) be the chief executive and head of administrative functions for the District;

(ii) provide a monthly inventory of all materials, supplies, equipment and machinery on hand to the Commission;

(iii) shall make a monthly report to the Commission which shall include all receipts and expenditures.

(iv) be in charge of and responsible for the management of the day-to-day operations of the District and the administration of its affairs;

(v) empowered to employ, promote and terminate administrative and operations staff subordinate to the Executive Director (subject to such fiscal and other guidelines and policies as the Commission may determine);

(vi) prepare annual budgets and otherwise assist in the budgetary processes of the District for final consideration and approval by the Commission; ~~and~~

(vii) perform such other duties as the Commission may prescribe; ~~and~~

(viii) serve as the liaison between the Commission and the Attorney.

ARTICLE IV COMMITTEES

Section 1. Committees. The Commission may establish committees for any purposes as it deems appropriate from time to time. Each committee, if any, shall exist only so long as is necessary to accomplish the purpose for which it is established. The Commission shall review the status of all committees existing as of the beginning of each calendar year and determine whether or not such committees, or any of them, are to continue to exist and, if so, for what purposes and periods of time.

Section 2. Officers. Each committee shall elect governing officers, consistent with the terms and provisions for officers of the Commission, for each committee.

Section 3. Committee Minutes. Each committee shall prepare and keep minutes of its meetings and furnish copies thereof to all members as soon as is practicable after each committee meeting and a copy thereof shall be filed with and made a part of the permanent records of the District.

Section 4. Advisory Role of Committees. Except as the Commission may otherwise prescribe, the actions and votes of any committee shall be advisory to the full Commission and shall not constitute action of, or be binding upon, the Commission or the District.

ARTICLE V
CONTRACTS; CHECKS;
DEPOSITS; GIFTS AND GRANTS; ETHICS

Section 1. Contracts. The Commission may authorize the execution and delivery of any instrument (including Electronic Signatures and Electronic Documents as described and defined hereinbelow) by any officer of the Commission, the Executive Director and/or other agent or agents of the Commission or of the District, including, but not limited to, delegating general authority to enter into contracts not exceeding a maximum amount prescribed by the Commission.

Section 2. Checks; Drafts; Obligations. All bonds, bond anticipation notes, notes and other evidence of indebtedness and checks, drafts or other orders for the payment of money issued in the name of the District shall be signed by such person or persons as the Commission may prescribe by resolution.

Section 3. Deposits. All funds and other property shall be deposited in depositories selected by the Commission in interest-bearing accounts whenever practicable; provided, however, that deposits exceeding the Federal Deposit Insurance Corporation limits shall, to the extent practicable, be properly secured and collateralized (consistent with State law) by the institution with which the deposit is held.

Section 4. Gifts; Grants. The Commission may, but is not required to, accept any contribution, gift, bequest or devise of funds, property or services from any person or entity. Similarly, the Commission may, but is not required to accept any grant from the United States of America or the State or any agency, governmental body or political subdivision of either of them.

Section 5. Ethics.

(a) In carrying out their respective duties, the members of the Commission and employees of the District shall be subject to the requirements of Title 8, Chapter 13, Code of Laws of South Carolina 1976, as amended and Article 7 of the Rules of Conduct. In particular, without limitation of the generality of the foregoing, no member of the Commission or employee of the District shall use his or her position or office to obtain financial gain for himself or herself.

(b) In any case in which a member of the Commission would be required to take action or make a decision which in his or her opinion would substantially affect directly his or her personal financial interest or those of a member of his or her household or a business with which he or she is associated, such person shall, prior to taking action or making a decision with respect to the matter, prepare a written statement describing the matter and the nature of his or her potential conflict of interest and furnish a copy of such statement to the Commission. Upon receipt of such statement, the Chairman shall cause the statement to be printed in the minutes and the Commission shall determine, without participation by the person submitting such statement, what action may be taken by or on behalf of the District with respect to such matter.

Section 6. Electronic Authorization.

(a) *Electronic Documents.* Whenever these Bylaws require that a document, record or instrument be “written” or “in writing,” the requirement is deemed satisfied by an Electronic Document. An “Electronic Document” is defined as information created, transmitted, received, or stored by electronic means and retrievable in humanly perceivable form including, without limitation, email, web pages, electronic documents, and facsimile transmissions.

(b) *Electronic Signatures.* Whenever a member of the Commission or staff of the District is required to execute any documents related to the District, such documents may be signed by an Electronic Signature. An “Electronic Signature” is defined as an electronic sound, symbol or process attached to or logically associated with an Electronic Document and executed or adopted by an authorized member of the Commission or staff with the intent to sign the Electronic Document. Further any Electronic Signature is only permitted if: (i) the signature is easily recognizable as a secure electronic signature that is capable of verification, under the sole control of the signatory, and attached to the Electronic Document in such a way that the document cannot be modified without invalidating the signature; or (ii) the Commission reasonably believes that the signatory affixed the signature with the intent to sign the Electronic Document, and that the Electronic Document has not been modified since the signature was affixed.

(c) *Verification.* The Commission may require reasonable verification of any Electronic Signature or Electronic Document. Pending verification, the Commission may refuse to accept any Electronic Signature or Electronic Document that, in the Commission’s sole discretion, is not clearly authentic.

ARTICLE VI INDEBTEDNESS

Section 1. Authorization. To the extent authorized by law, the Commission may authorize the borrowing of funds by the District and the issuance of bonds or other evidences of indebtedness evidencing such borrowing upon such terms and conditions as the Commission may prescribe, all in accordance with the provisions of State or other applicable law.

ARTICLE VII RENTS; RATES; FEES AND CHARGES; REGULATIONS

Section 1. Rents; Rates; Fees and Charges. To the extent authorized by law, the Commission may fix, charge and collect rents, rates, fees and charges for the operations associated with the services provided by the District.

Section 2. Regulations. With respect to all matters and consistent with the terms of the Enabling Act, the Commission may adopt rules and regulations for the conduct of the affairs of the District.

ARTICLE VIII
PROJECTS

Section 1. Projects. The District may undertake the ownership, operation, maintenance, financing or contractual use of one or more projects as necessary for the successful management and operation of the System.

ARTICLE IX
FISCAL YEAR; AUDIT; ANNUAL REPORT

Section 1. Fiscal Year. The fiscal year of the District shall mean the period of twelve (12) calendar months, beginning on July 1 of each year, and ending on June 30 of the following year.

Section 2. Annual Audit. The Commission shall make necessary arrangements for an independent public accountant or accountants to prepare audited financial statements of the financial condition and operations of the District for each year. The Commission may authorize or direct the preparation of additional audited or unaudited financial statements of the District as the Commission determines is appropriate from time to time. Copies of all financial statements so prepared shall be distributed to all Commissioners.

Section 3. Annual Report. The District shall, following the close of each fiscal year, submit an annual report of its activities as required by State law and in accordance with all other obligations, including continuing disclosure obligations, incurred by the District.

ARTICLE X
AMENDMENT

These Bylaws may be amended by the Commission upon a vote of at least 2/3 of all votes entitled to be cast by the members of the Commission. Bylaws may only be amended at a special meeting called for that express purpose and properly noticed pursuant to these Bylaws.

ARTICLE XI
CONFORMITY WITH LAW

These Bylaws shall be construed whenever possible in conformity with the Enabling Act, Constitution of the United States, the Constitution of the State, and all applicable laws. If any provisions of these Bylaws, whether or not set forth in a separate paragraph, sentence or phrase, is held to be invalid or unenforceable, such provision shall be deemed narrowed or modified in such manner and to such extent, if any, which will render it valid and enforceable and such holding of invalidity or unenforceability shall not affect the validity or enforceability of any other provisions hereof.

A RESOLUTION

AUTHORIZING THE ADOPTION AND IMPLEMENTATION OF BYLAWS FOR THE CHESTER METROPOLITAN DISTRICT; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED by the Board of Commissioners of the Chester Metropolitan District, South Carolina, in a meeting duly assembled:

Section 1. Findings of Fact

The Chester Metropolitan District Commission (the "*Commission*"), the governing body of the Chester Metropolitan District, South Carolina ("*CMD*"), has made the following findings of fact:

(A) The CMD is a special purpose district created and established as a body politic and corporate pursuant to Act No. 379 of the Acts and Joint Resolutions for the General Assembly of the State of South Carolina for the year 1959, as amended (the "*Enabling Act*") for the purpose of providing waterworks services within the boundaries of the District.

(A) In keeping with the respective authorizations in the Enabling Act, the Commission is authorized to "[t]o adopt and make rules and regulations regarding its operations, functions and services."

(B) While much of the governance, structure and operations of the CMD are controlled and dictated by the Enabling Act, the Commission has further determined to adopt and implement bylaws governing certain functions and operations of CMD, the form of which is attached hereto as Exhibit A (the "*Bylaws*").

Section 2 Ratification of Findings.

The Commission ratifies and approves the findings of fact recited above.

Section 3. Approval of the Bylaws

The Commission has reviewed the Bylaws, the form of which is attached hereto as Exhibit A. The Bylaws, in the form and format presented to the Commission, are hereby approved and shall be implemented upon the date of execution of this Resolution.

Section 4 Severability

If any one or more of the provisions this Resolution should be contrary to law, then such provision shall be deemed severable from the remaining provisions, and shall in no way affect the validity of the other provisions of this Resolution.

Section 5 Repealer

Nothing in this Resolution shall be construed to affect any suit or proceeding impending in any court, or any rights acquired or liability incurred, or any cause of action acquired or existing, under any act or Resolution hereby repealed; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this Resolution.

Section 6 Inconsistency

All ordinances, resolutions or parts of any ordinances or resolutions inconsistent or in conflict with the provisions of this Resolution are hereby repealed to the extent of the conflict or inconsistency.

Section 7 Effect

This Resolution shall be in full force and effect upon due adoption by the Commission.

DONE AND RESOLVED IN COMMISSION ASSEMBLED, this __th day of _____, 2020.

CHESTER METROPOLITAN DISTRICT,
SOUTH CAROLINA

(SEAL)

By: _____
Chairman
Board of Commissioners

WITNESS

By: _____
Secretary
Board of Commissioners

FORM OF BYLAWS

EXHIBIT A

Chester Metropolitan District Customer Deposit Policy

Our Deposit Policy

Chester Metropolitan District's (CMD) `deposit policy is designed to assess the credit risk associated with all applications for new or continued service, while protecting the assets of our utility.

It is important that every employee of CMD understands and supports our policy of treating those customers who act responsibly and pay their bills on time with the respect their actions deserve. Likewise, we must also appreciate that it is not fair that those good-paying customers pay the financial burden of those who act irresponsibly and do not pay for their service as agreed. Thus, it is vital to our success that we adopt and strictly adhere to the policy of shifting the financial burden of potential bad debt away from our best customer to those who pose credit risk. This policy is aimed at accomplishing that task.

It is also important to note that many of our customers will be charged no deposit, because they pose little credit risk. Likewise, those customers who have not established credit or pose substantial credit risk deserve to bear the financial risk of providing service to them mitigated through a credit-based deposit policy that shifts the financial burden they may pose off of our best-paying customers onto those who do, in fact, pose a risk.

This policy is based upon the use of a new, technology-based screening tool called the ONLINE Utility Exchange to assess credit risk at the point of application and charge deposits only to those potential customers and existing customers who pose credit risk.

Deposit Criteria

CMD shall consider the status of the applicant and act according to the following criteria:

Residential Service Applicants

1. Applicants who pose no credit risk (**GREEN LIGHT** returned on the ONLINE Utility Exchange) will be charged no deposit.
2. Applicants who pose minimal risk (**YELLOW LIGHT** returned on the ONLINE Utility Exchange) will be charged a deposit based on the most recent board approved deposit schedule.
3. Applicants who pose substantial credit risk (**RED LIGHT** returned on the ONLINE Utility Exchange) will be charged a higher deposit than the person who poses minimal risk. The deposit will be based on the most recent board approved deposit schedule
4. CMD cannot demand that an applicant provide their social security number as a requirement for service. However, it is our policy that applicants who refuse to provide their social security number pose a greater credit risk and shall be charged the maximum deposit. The deposit will be based on the most recent board approved deposit schedule.
5. Any existing customer who has two or more non-payment fees assessed in any consecutive 24-month period shall be deemed to have an unsatisfactory payment record and must pay a **RED LIGHT** deposit to continue service.
6. A service applicant who provides a social security number that is returned as deceased, non-issued, belonging to a person under the age of 18, or belonging to a person other than the applicant, or is fraudulent, shall be considered to "refuse" credit checking and will be subject to the maximum deposit.

Commercial Applicants

1. Commercial applicant's deposit will be determined in the following manner:
 - A. Sole proprietorships will have an ONLINE Utility Exchange report pulled on the sole proprietor and charged the corresponding deposit.
 - B. Partnerships, Limited Liability Companies (LLC) and Limited Liability Partnerships (LLP) that are less than one year old will have an ONLINE Utility Exchange Report pulled on the managing partner or managing director, as appropriate, and the corresponding deposit will be charged. If the entity is over one-year-old, an IntelliScore Report will be pulled and a deposit charged as described in paragraph 2 below.
 - C. Commercial applicants who are corporations, regardless of whether they are Subchapter S or full "C" Corporations, or any corporation that has a corporate headquarters outside of our service area (foreign corporation), shall have their credit risk based upon the ONLINE Utility Exchange's Business Profile Report and IntelliScore Report.
 - i. If there are no negative trade items or indications of risk, the deposit shall reflect the IntelliScore risk as described in paragraph 2 below.
 - ii. If the Business Profile Report OR IntelliScore Report indicates credit risk, the customer will be referred to commercial rates for their deposit to be determined.
 - iii. Any commercial customer who bills in excess of \$2,000 per month will have their deposit determined by commercial rates.
2. The ONLINE Utility Exchange's Business IntelliScore reports.
 - A. Commercial applicants who pose low risk and display an IntelliScore of <<80 to 100>> shall pay a deposit of one times the highest monthly usage of the service address during the prior 12 months.
 - B. Commercial applicants who pose a medium credit risk and display an IntelliScore score of <<70 to 79>> shall pay a deposit of two times the highest monthly usage of the service address during the prior 12 months.
 - C. Commercial applicants who pose a moderate credit risk and display an IntelliScore score of <<69 or lower>> shall pay a deposit of three times the highest monthly usage of the service address during the prior 12 months.

Deposit Duration

CMD reserves the right to hold a deposit for as long as water service is active. However, CMD may return deposits to our customers if all the following conditions are met:

1. A service account has at least 20 on-time payments in the last 24 months.
2. The customer named on the account has never interfered with, tampered with, or diverted service.
3. A non-payment fee has been assessed no more than one time within the most recent 24 months.
4. No payments have been returned within the most recent 24 months.

General

1. Deposits are required to be paid prior to the time a connect order is issued.
2. Deposits are never used to cover an overdue bill and will not prevent service being disconnected for nonpayment.
3. Deposits are transferable from one service address to another, but not from one customer to another.
4. Deposits will only be refunded to the customer named on the account.
5. Upon termination of service, the deposit will be applied against any unpaid balance. Any remaining balance will be returned to the consumer.

Who Will Be Screened Using the ONLINE Utility Exchange

Homeowners

If the applicant indicates that they own their home, or are in the process of purchasing their home, the homeowner and their spouse, if applicable, must be screened to determine their identity and credit risk. Our deposit decision shall reflect the decision on the applicant who poses the greater credit risk in the case of husband and wife.

Renters

If the applicant indicates that they rent their home, each person responsible for the lease of the rental unit shall be screened and the deposit decision shall reflect the decision on the applicant who poses the greater credit risk among those responsible for the lease. As an example, four persons are renting an apartment: three pose no risk, but one scores a maximum deposit. The deposit shall be the maximum deposit. If any of the persons responsible for the lease of the rental unit refuse to provide their social security number, the deposit shall be the maximum deposit.

Letters of Credit

CMD will not accept a letter of credit in lieu of screening an applicant through the ONLINE Utility Exchange. If a new-service applicant produces a letter-of-credit, you may place that letter in their file; but you should explain that it is our policy to base our deposit decisions on the ONLINE Utility Exchange reports and not their past history with another utility.

Opting for Maximum Deposit

CMD will allow a new-service applicant to opt to pay a maximum deposit in lieu of having an ONLINE Utility Exchange report pulled.

Deposit Decision

The ONLINE Utility Exchange returns deposit decisions that reflect the credit risk associated with the credit report of the individual(s) applying for service. These decisions are based upon the credit score from Experian's national credit repository involving hundreds of millions of credit files. Credit scores take into account the consumer's credit history and are able to predict future credit behavior two years into the future with pinpoint accuracy.

Bankruptcies

It is our belief that the fact that the applicant has declared bankruptcy indicates substantial credit risk and shall require a maximum deposit of the individual who has a bankruptcy returned as part of their credit record.

Exchange Matches

It is also our policy that any applicant who has an Exchange results returned indicating that they have a utility bill that remains unpaid and is returned as part of the Utility Exchange Report indicates significant credit risk and shall require a maximum deposit.

Adverse Action Letters

An adverse action letter will be printed and given to each applicant who is denied service, or charged a deposit. The Federal Trade Commission and the Fair Credit Reporting Act (FCRA) mandate that a consumer who is charged a deposit based upon their credit information be given notification as to where that information was obtained and detailed procedures as to how they might dispute the information.

Deposit Receipt

A receipt of deposit shall be issued to each customer from whom a cash deposit is received, or by any other method of payment if the applicant requests a receipt.

Methods of Payment

It is required that CMD collect all monies owed on the account after a deposit decision has been made and prior to the connection of service.

1. The full deposit must be paid before connection via any of the four payment methods:
 - A. Coming in the office
 - B. Credit/Debit Payment via Phone
 - C. Credit/Debit Payment Online
 - D. Mailing a check or money order
2. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and the payment habits of the customer.
3. Where a customer has been required to make a guaranteed deposit, that deposit shall not relieve the customer of the obligation to pay the service bill when due, but where such deposit has been made and service has been disconnected because of nonpayment of account, then unless the customer shall, within 30 days after service has been disconnected, apply for reconnection of service and pay the account, the account may be discontinued. If the utility discontinues the account, the utility shall apply the deposit of such customer toward the discharge of such account and shall refund to the customer any excess. In the event a balance remains on the account, CMD will begin Collection Activities.

A RESOLUTION

OF THE CHESTER METROPOLITAN COMMISSION PROVIDING FOR THE RESTRUCTURING OF WATER SERVICE DEPOSIT COLLECTION AND MANAGEMENT.

BE IT RESOLVED BY THE CHESTER METROPOLITAN COMMISSION, IN A MEETING DULY ASSEMBLED, AS FOLLOWS:

WHEREAS, the Chester Metropolitan District, South Carolina (the "**CMD**") is a special purpose district created by Act No. 379 of the Acts and Joint Resolutions of the General Assembly of South Carolina for the year 1959, as amended by multiple subsequent acts (the "**Enabling Act**"), and;

WHEREAS, by the terms of the Enabling Act, the CMD was created for the purpose of operating a potable water system (the "**System**") and providing potable water service to customers within its territory and elsewhere by contract, and;

WHEREAS, pursuant to the Enabling Act and Title 6, Chapter 11 of the Code of Laws of South Carolina, 1976, as amended, the Chester Metropolitan Commission (the "**Commission**"), the governing body of the CMD, is authorized to prescribe rates and terms and conditions of service for customers on the System, and;

WHEREAS, the Commission has given authority to the staff of the Chester Metropolitan District to bill and collect for water service, including the billing and collection of service deposits for water service, and;

WHEREAS, the Chester Metropolitan District actively collects service deposits upon application for service from every customer, and;

WHEREAS, the Chester Metropolitan District wishes to implement a new service deposit structure based on customer credit history.

NOW, THEREFORE, BE IT RESOLVED by the Commission, in a meeting duly assembled, that the Chester Metropolitan District shall implement the policy and procedure heretofore attached as APPENDIX A.

Passed and Adopted at a regular meeting of Chester Metropolitan District Board of Commissioners this ____ day of _____, 2020.

ATTEST:

Chairman, CMD Board of Commissioners

Secretary, CMD Board of Commissioners
[SEAL]



155 Wylie Street • P.O. Box 550 • Chester, South Carolina • 29706
(803) 385-5123 • www.chestermetrosc.com

Solving the water needs of tomorrow, today.

Chester Metropolitan District Customer Deposit Charges

Residential applicants who pose no credit risk (**GREEN LIGHT** returned on the ONLINE Utility Exchange) will be charged no deposit.

Residential applicants who pose minimal risk (**YELLOW LIGHT** returned on the ONLINE Utility Exchange) will be charged a \$65.00 deposit.

Residential applicants who pose substantial credit risk (**RED LIGHT** returned on the ONLINE Utility Exchange) will be charged a \$130.00 deposit.

The maximum residential deposit charged will be \$300.00.

Approved by:

Date:

Chester Metropolitan District

Director's Report

FY 2019-2020

| | January 2020 | TOTAL L 12 MOS | AVERAGE L 12 MOS |
|--------------------------------|-----------------|-------------------|---------------------|
| DISTRIBUTION NUMBER: | | | |
| Taps | 1 | 20 | 1.7 |
| Leaks | 8 | 135 | 11.3 |
| DISTRIBUTION MANHOURS: | | | |
| Taps | 4.0 | 607 | 50.5 |
| Leaks | 50.0 | 994 | 82.8 |
| Equipment | 0.0 | - | - |
| Shop | 69.0 | 3,029 | 252.4 |
| Dist. System | 1379.0 | 10,185 | 848.7 |
| Asphalt | 0.0 | 410 | 34.2 |
| Meters | 0.0 | 2,197 | 183.0 |
| Filter Plant | 0.0 | 39 | 3.3 |
| Hydrants | 0.0 | 247 | 20.5 |
| Construction Projects | 0.0 | 242 | 20.1 |
| Main Break | 0.0 | 742 | 61.8 |
| Total Manhours | 1,502.0 | 18,689 | 1,557.4 |
| Overtime Hours | 28.5 | 1,423 | 118.6 |
| METER CALLS: | | | |
| Ons | 83 | 2,265 | 188.8 |
| Offs | 11 | 713 | 59.4 |
| Checks | 23 | 1,460 | 121.7 |
| Total Calls | 117 | 4,438 | 369.8 |
| Overtime Hours | 37.3 | 628.0 | 52.3 |
| BILLING INFORMATION: | | | |
| Non-Leak Adjustments: | 9 | 88 | 8.0 |
| Leak Adjustments | 53 | 612 | 55.6 |
| \$\$\$ Adjusted | \$ 3,316.84 | \$ 51,357.10 | \$ 4,668.83 |
| Bills Mailed | 6,287 | 69,315.0 | 6,301.4 |
| Thousand Gallons Billed | 63,647.2 | 721,079.9 | 65,552.7 |
| Thousand Gallons Pumped | 77,130.0 | 1,033,607.0 | 86,133.9 |
| % Accounted For | 82.5% | | 69.6% |
| Other Gallons Accounted For | 964.9 | 52,588.1 | 4,382.3 |
| Estimated System Leakage (20%) | 15,426.0 | 206,721.4 | 17,226.8 |
| Adjusted % Accounted For | 83.8% | | 76.1% |

Chester Metropolitan District

Hydrant Report

February 11, 2020

| | |
|----------------|--------------------------|
| <u>1</u> | New Placement |
| <u>0</u> | Hydrants Replaced |
| <u>0</u> | Hydrants Repaired |
| <u>0</u> | Hydrants Removed |
| | |
| <u>\$2,500</u> | \$ Spent on Hydrant Work |

| | |
|---------------------|-------------------------------|
| <u>5534</u> | Total Hydrants Worked to Date |
| <u>\$ 1,236,397</u> | Total Cost to Date |
| <u>- 0 -</u> | Local Match |
| <u>- 0 -</u> | Contract Services |
| <u>\$ 1,236,397</u> | Total Cost |

Hollybrook Dr (GF)



Statement of Revenue and Expense

Account Summary

Chester Metropolitan District

For Fiscal: 2019 - 2020 Period Ending: 01/31/2020

| | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|--|--------------------------|-------------------------|-------------------|---------------------|---------------------|
| Revenue | | | | | |
| Function: 0100 - Operating Revenue | | | | | |
| Department: 0100 - Operating Revenue | | | | | |
| 100-0100-411000 | 7,220,589.95 | 7,220,589.95 | 523,730.63 | 3,839,381.21 | 3,381,208.74 |
| 100-0100-411002 | 0.00 | 0.00 | 0.00 | 6.83 | -6.83 |
| 100-0100-411003 | 450,000.00 | 450,000.00 | 1,488.00 | 9,201.00 | 440,799.00 |
| 100-0100-411004 | 0.00 | 0.00 | 800.00 | 1,892.28 | -1,892.28 |
| 100-0100-412000 | 65,000.00 | 65,000.00 | 6,009.00 | 47,106.97 | 17,893.03 |
| 100-0100-412001 | 130,000.00 | 130,000.00 | 9,495.00 | 94,503.09 | 35,496.91 |
| 100-0100-412003 | 0.00 | 0.00 | 390.00 | 2,438.00 | -2,438.00 |
| 100-0100-413000 | 237,049.00 | 237,049.00 | 20,368.00 | 129,634.85 | 107,414.15 |
| 100-0100-413001 | 40,000.00 | 40,000.00 | 5,159.32 | 32,910.56 | 7,089.44 |
| 100-0100-413002 | 0.00 | 0.00 | 0.00 | 490.00 | -490.00 |
| 100-0100-413003 | 0.00 | 0.00 | 207.00 | 2,921.42 | -2,921.42 |
| 100-0100-413004 | 0.00 | 0.00 | 0.00 | 441.13 | -441.13 |
| 100-0100-413005 | 0.00 | 0.00 | 4,000.00 | 11,000.00 | -11,000.00 |
| 100-0100-414000 | 0.00 | 0.00 | 0.00 | 3,200.00 | -3,200.00 |
| 100-0100-414001 | 0.00 | 0.00 | 0.00 | 138.71 | -138.71 |
| Department: 0100 - Operating Revenue Total: | 8,142,638.95 | 8,142,638.95 | 571,646.95 | 4,175,266.05 | 3,967,372.90 |
| Function: 0100 - Operating Revenue Total: | 8,142,638.95 | 8,142,638.95 | 571,646.95 | 4,175,266.05 | 3,967,372.90 |
| Function: 9000 - Non-Operating Revenue | | | | | |
| Department: 9000 - Non-Operating Revenue | | | | | |
| 100-9000-612000 | 50,000.00 | 50,000.00 | 5,076.33 | 42,613.34 | 7,386.66 |
| Department: 9000 - Non-Operating Revenue Total: | 50,000.00 | 50,000.00 | 5,076.33 | 42,613.34 | 7,386.66 |
| Function: 9000 - Non-Operating Revenue Total: | 50,000.00 | 50,000.00 | 5,076.33 | 42,613.34 | 7,386.66 |
| Revenue Total: | 8,192,638.95 | 8,192,638.95 | 576,723.28 | 4,217,879.39 | |
| Expense | | | | | |
| Function: 1000 - Operating Expenses | | | | | |
| Department: 1000 - Administration | | | | | |
| 100-1000-511000 | 622,360.00 | 622,360.00 | 46,708.39 | 363,419.62 | 258,940.38 |
| 100-1000-511001 | 14,386.22 | 14,386.22 | 1,161.70 | 8,607.33 | 5,778.89 |
| 100-1000-511002 | 2,382.00 | 2,382.00 | 28.94 | 2,232.19 | 149.81 |
| 100-1000-511008 | 0.00 | 0.00 | 2,798.59 | 13,243.93 | -13,243.93 |
| 100-1000-512000 | 39,626.00 | 39,626.00 | 3,009.99 | 18,314.88 | 21,311.12 |
| 100-1000-512001 | 9,267.00 | 9,267.00 | 703.96 | 4,521.55 | 4,745.45 |
| 100-1000-512002 | 98,490.00 | 98,490.00 | 7,888.57 | 59,287.36 | 39,202.64 |
| 100-1000-512004 | 77,789.00 | 77,789.00 | 7,963.39 | 49,389.11 | 28,399.89 |
| 100-1000-521000 | 26,143.00 | 26,143.00 | 0.00 | 17,122.10 | 9,020.90 |
| 100-1000-521001 | 18,000.00 | 18,000.00 | 385.00 | 15,454.60 | 2,545.40 |
| 100-1000-521005 | 75,236.68 | 75,236.68 | 6,974.42 | 42,764.17 | 32,472.51 |
| 100-1000-522002 | 3,000.00 | 3,000.00 | 0.00 | 1,982.34 | 1,017.66 |
| 100-1000-524000 | 6,900.00 | 6,900.00 | 570.49 | 2,600.70 | 4,299.30 |
| 100-1000-524001 | 12,500.00 | 12,500.00 | 0.00 | 129.28 | 12,370.72 |
| 100-1000-524003 | 75,556.00 | 75,556.00 | 8,142.60 | 30,494.29 | 45,061.71 |
| 100-1000-524004 | 2,000.00 | 2,000.00 | 210.09 | 1,831.81 | 168.19 |
| 100-1000-526000 | 2,000.00 | 2,000.00 | 0.00 | 0.00 | 2,000.00 |
| 100-1000-531000 | 20,000.00 | 20,000.00 | 4,759.32 | 9,694.02 | 10,305.98 |
| 100-1000-531001 | 0.00 | 0.00 | 0.00 | 559.26 | -559.26 |
| 100-1000-531008 | 2,500.00 | 2,500.00 | 195.76 | 1,026.91 | 1,473.09 |
| 100-1000-550000 | 28,642.00 | 28,642.00 | 8,075.00 | 24,063.99 | 4,578.01 |
| 100-1000-550001 | 10,525.00 | 10,525.00 | 0.00 | 1,820.80 | 8,704.20 |
| 100-1000-560001 | 0.00 | 0.00 | 161.68 | 522.61 | -522.61 |

Statement of Revenue and Expense

For Fiscal: 2019 - 2020 Period Ending: 01/31/2020

| | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|--|--------------------------|-------------------------|-------------------|-------------------|---------------------|
| 100-1000-560005 Life Insurance Premiums | 0.00 | 0.00 | 1,190.65 | 8,334.55 | -8,334.55 |
| 100-1000-560006 Contingency Account | 50,000.00 | 50,000.00 | 9,253.10 | 41,435.80 | 8,564.20 |
| 100-1000-560007 Community Support | 7,843.00 | 7,843.00 | 250.00 | 1,500.00 | 6,343.00 |
| 100-1000-560010 Miscellaneous | 0.00 | 0.00 | 55.00 | 55.00 | -55.00 |
| Department: 1000 - Administration Total: | 1,205,145.90 | 1,205,145.90 | 110,486.64 | 720,408.20 | 484,737.70 |
| Department: 1001 - Human Resources | | | | | |
| 100-1001-511000 Regular Salaries and Wages | 85,274.00 | 85,274.00 | 6,559.55 | 46,860.20 | 38,413.80 |
| 100-1001-511008 Sick Pay | 0.00 | 0.00 | 0.00 | 676.28 | -676.28 |
| 100-1001-512000 FICA | 5,287.00 | 5,287.00 | 380.92 | 2,249.68 | 3,037.32 |
| 100-1001-512001 Medicare | 1,237.00 | 1,237.00 | 89.09 | 560.33 | 676.67 |
| 100-1001-512002 SC Retirement | 13,141.00 | 13,141.00 | 1,020.66 | 7,302.50 | 5,838.50 |
| 100-1001-512004 Group Health Insurance | 7,821.00 | 7,821.00 | 842.11 | 4,880.23 | 2,940.77 |
| 100-1001-512006 Workmens Comp Ins. | 54,440.00 | 54,440.00 | 0.00 | 24,087.00 | 30,353.00 |
| 100-1001-521001 Legal Services | 6,450.00 | 6,450.00 | 150.00 | 521.25 | 5,928.75 |
| 100-1001-524001 Advertising and Promotion | 1,000.00 | 1,000.00 | 0.00 | 33.22 | 966.78 |
| 100-1001-524006 Employee Screening & Testing | 3,000.00 | 3,000.00 | 380.46 | 2,177.36 | 822.64 |
| 100-1001-531000 Office Supplies | 1,300.00 | 1,300.00 | 0.00 | 113.83 | 1,186.17 |
| 100-1001-550000 Professional Memberships and License Fees | 280.00 | 280.00 | 0.00 | 227.00 | 53.00 |
| 100-1001-550001 Educational Seminars and Classes | 2,000.00 | 2,000.00 | 0.00 | 663.02 | 1,336.98 |
| Department: 1001 - Human Resources Total: | 181,230.00 | 181,230.00 | 9,422.79 | 90,351.90 | 90,878.10 |
| Department: 1002 - Information Services | | | | | |
| 100-1002-511000 Regular Salaries and Wages | 124,221.00 | 124,221.00 | 9,643.33 | 67,292.62 | 56,928.38 |
| 100-1002-511002 Overtime | 0.00 | 0.00 | 0.00 | 352.60 | -352.60 |
| 100-1002-511008 Sick Pay | 0.00 | 0.00 | 22.01 | 2,417.43 | -2,417.43 |
| 100-1002-512000 FICA | 7,702.00 | 7,702.00 | 585.06 | 3,285.47 | 4,416.53 |
| 100-1002-512001 Medicare | 1,801.00 | 1,801.00 | 136.84 | 818.89 | 982.11 |
| 100-1002-512002 SC Retirement | 19,142.00 | 19,142.00 | 1,503.92 | 10,767.01 | 8,374.99 |
| 100-1002-512004 Group Health Insurance | 5,399.00 | 5,399.00 | 449.90 | 3,149.30 | 2,249.70 |
| 100-1002-521002 I.S. Contracts and Services | 139,068.62 | 139,068.62 | 27,036.54 | 48,424.60 | 90,644.02 |
| 100-1002-524000 Telephone and Communications | 5,323.52 | 5,323.52 | 147.60 | 887.68 | 4,435.84 |
| 100-1002-526000 Uniform Rental | 804.00 | 804.00 | 62.75 | 343.60 | 460.40 |
| 100-1002-531000 Office Supplies | 0.00 | 0.00 | 0.00 | 84.88 | -84.88 |
| 100-1002-532000 Small Tools and Equipment | 0.00 | 0.00 | 0.00 | 329.41 | -329.41 |
| 100-1002-532002 Office Furniture and Equipment | 0.00 | 0.00 | 0.00 | 77.35 | -77.35 |
| 100-1002-532003 Computer Hardware and Software | 28,940.88 | 28,940.88 | 16.88 | 20,398.73 | 8,542.15 |
| 100-1002-550000 Professional Memberships and License Fees | 120.00 | 120.00 | 0.00 | 978.42 | -858.42 |
| 100-1002-550001 Educational Seminars and Classes | 3,928.00 | 3,928.00 | 0.00 | 1,458.84 | 2,469.16 |
| 100-1002-951005 Computer and Information Technology | 71,467.50 | 71,467.50 | 0.00 | 0.00 | 71,467.50 |
| Department: 1002 - Information Services Total: | 407,917.52 | 407,917.52 | 39,604.83 | 161,066.83 | 246,850.69 |
| Department: 1010 - Board of Commissioners | | | | | |
| 100-1010-511009 Board of Commissioners Pay | 4,800.00 | 4,800.00 | 400.00 | 2,100.00 | 2,700.00 |
| 100-1010-512000 FICA | 297.60 | 297.60 | 24.80 | 130.20 | 167.40 |
| 100-1010-512001 Medicare | 69.60 | 69.60 | 5.83 | 30.53 | 39.07 |
| 100-1010-512002 SC Retirement | 369.84 | 369.84 | 15.56 | 77.80 | 292.04 |
| 100-1010-531000 Office Supplies | 0.00 | 0.00 | 0.00 | 262.22 | -262.22 |
| 100-1010-550001 Educational Seminars and Classes | 4,400.00 | 4,400.00 | 0.00 | 0.00 | 4,400.00 |
| 100-1010-550002 Mileage Reimbursements | 2,800.00 | 2,800.00 | 102.08 | 429.78 | 2,370.22 |
| 100-1010-560004 Board Meeting Expense | 3,000.00 | 3,000.00 | 0.00 | 545.00 | 2,455.00 |
| Department: 1010 - Board of Commissioners Total: | 15,737.04 | 15,737.04 | 548.27 | 3,575.53 | 12,161.51 |
| Department: 1997 - Depreciation | | | | | |
| 100-1997-560002 Depreciation Expense | 670,000.00 | 670,000.00 | 0.00 | 0.00 | 670,000.00 |
| Department: 1997 - Depreciation Total: | 670,000.00 | 670,000.00 | 0.00 | 0.00 | 670,000.00 |
| Department: 1998 - District-Wide Employee Support, Promotion & Retent | | | | | |
| 100-1998-550004 In-House Training and Development | 17,300.00 | 17,300.00 | 792.00 | 4,784.78 | 12,515.22 |
| 100-1998-551000 Employee Appreciation | 7,952.00 | 7,952.00 | 0.00 | 2,171.21 | 5,780.79 |
| 100-1998-551001 Tuition Assistance | 10,000.00 | 10,000.00 | 0.00 | 1,973.39 | 8,026.61 |

Statement of Revenue and Expense

For Fiscal: 2019 - 2020 Period Ending: 01/31/2020

| | | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|---|--|--------------------------|-------------------------|------------------|-------------------|---------------------|
| 100-1998-551002 | Crisis Fund | 2,500.00 | 2,500.00 | 0.00 | 1,740.00 | 760.00 |
| Department: 1998 - District-Wide Employee Support, Promotion & Retent To.. | | 37,752.00 | 37,752.00 | 792.00 | 10,669.38 | 27,082.62 |
| Department: 1999 - Operational Non-Departmental | | | | | | |
| 100-1999-512005 | Retiree Health Insurance | 60,000.00 | 60,000.00 | 5,214.98 | 36,504.86 | 23,495.14 |
| 100-1999-512008 | Flex Spending Admin Fee Expense | 64.00 | 64.00 | 24.40 | 81.54 | -17.54 |
| 100-1999-512009 | PEBA Admin Fee Expense | 1,548.00 | 1,548.00 | 126.00 | 970.66 | 577.34 |
| 100-1999-521005 | Other Contractual Services | 10,642.00 | 10,642.00 | 4,284.33 | 7,642.32 | 2,999.68 |
| 100-1999-523000 | Electricity | 33,600.00 | 33,600.00 | 3,196.54 | 16,019.32 | 17,580.68 |
| 100-1999-523001 | Natural Gas | 6,000.00 | 6,000.00 | 672.70 | 1,198.09 | 4,801.91 |
| 100-1999-523002 | Water and Sewer | 3,000.00 | 3,000.00 | 365.66 | 2,565.10 | 434.90 |
| 100-1999-524000 | Telephone and Communications | 32,400.00 | 32,400.00 | 3,014.11 | 17,197.63 | 15,202.37 |
| 100-1999-524002 | General Property & Liability Insurance | 66,000.00 | 66,000.00 | 66,155.09 | 94,346.99 | -28,346.99 |
| 100-1999-531001 | Janitorial and General Supplies | 3,500.00 | 3,500.00 | 1,554.66 | 3,458.96 | 41.04 |
| 100-1999-532002 | Office Furniture and Equipment | 101,824.00 | 101,824.00 | 0.00 | 98,240.27 | 3,583.73 |
| Department: 1999 - Operational Non-Departmental Total: | | 318,578.00 | 318,578.00 | 84,608.47 | 278,225.74 | 40,352.26 |
| Department: 2000 - Engineering | | | | | | |
| 100-2000-511000 | Regular Salaries and Wages | 256,540.00 | 256,540.00 | 18,876.98 | 135,870.49 | 120,669.51 |
| 100-2000-511008 | Sick Pay | 0.00 | 0.00 | 383.29 | 1,986.60 | -1,986.60 |
| 100-2000-512000 | FICA | 15,905.00 | 15,905.00 | 1,121.55 | 6,486.16 | 9,418.84 |
| 100-2000-512001 | Medicare | 3,720.00 | 3,720.00 | 262.30 | 1,595.94 | 2,124.06 |
| 100-2000-512002 | SC Retirement | 39,533.00 | 39,533.00 | 2,996.90 | 21,225.16 | 18,307.84 |
| 100-2000-512004 | Group Health Insurance | 22,863.00 | 22,863.00 | 2,501.30 | 16,476.66 | 6,386.34 |
| 100-2000-521005 | Other Contractual Services | 8,205.00 | 8,205.00 | 700.00 | 7,648.84 | 556.16 |
| 100-2000-522002 | Vehicle Repairs and Maintenance | 4,910.00 | 4,910.00 | 24.82 | 1,338.11 | 3,571.89 |
| 100-2000-524000 | Telephone and Communications | 4,632.00 | 4,632.00 | 316.58 | 2,564.73 | 2,067.27 |
| 100-2000-526000 | Uniform Rental | 1,644.68 | 1,644.68 | 129.00 | 865.04 | 779.64 |
| 100-2000-531000 | Office Supplies | 3,000.00 | 3,000.00 | 213.47 | 1,578.81 | 1,421.19 |
| 100-2000-531003 | Safety Gear and Supplies | 2,650.00 | 2,650.00 | 87.80 | 1,022.46 | 1,627.54 |
| 100-2000-531008 | Fuel | 6,480.00 | 6,480.00 | 274.29 | 2,293.16 | 4,186.84 |
| 100-2000-532000 | Small Tools and Equipment | 5,500.00 | 5,500.00 | 0.00 | 1,288.86 | 4,211.14 |
| 100-2000-532003 | Computer Hardware and Software | 3,800.00 | 3,800.00 | 0.00 | 3,739.50 | 60.50 |
| 100-2000-550000 | Professional Memberships and License Fees | 1,140.00 | 1,140.00 | 0.00 | 100.00 | 1,040.00 |
| 100-2000-550001 | Educational Seminars and Classes | 6,005.00 | 6,005.00 | 0.00 | 5,367.88 | 637.12 |
| 100-2000-560010 | Miscellaneous | 0.00 | 0.00 | 0.00 | 323.99 | -323.99 |
| 100-2000-951004 | Vehicles | 43,031.50 | 43,031.50 | 0.00 | 35,918.00 | 7,113.50 |
| Department: 2000 - Engineering Total: | | 429,559.18 | 429,559.18 | 27,888.28 | 247,690.39 | 181,868.79 |
| Department: 3000 - Distribution (Maintenance) | | | | | | |
| 100-3000-511000 | Regular Salaries and Wages | 613,562.00 | 613,562.00 | 38,810.04 | 280,927.18 | 332,634.82 |
| 100-3000-511002 | Overtime | 41,600.00 | 41,600.00 | 819.16 | 23,145.39 | 18,454.61 |
| 100-3000-511008 | Sick Pay | 0.00 | 0.00 | 1,854.34 | 13,240.47 | -13,240.47 |
| 100-3000-512000 | FICA | 40,620.00 | 40,620.00 | 2,441.82 | 14,102.48 | 26,517.52 |
| 100-3000-512001 | Medicare | 9,500.00 | 9,500.00 | 571.06 | 3,579.08 | 5,920.92 |
| 100-3000-512002 | SC Retirement | 100,960.00 | 100,960.00 | 6,454.83 | 48,745.13 | 52,214.87 |
| 100-3000-512004 | Group Health Insurance | 91,618.00 | 91,618.00 | 6,152.58 | 44,271.61 | 47,346.39 |
| 100-3000-521005 | Other Contractual Services | 29,272.00 | 29,272.00 | 3,203.27 | 15,260.41 | 14,011.59 |
| 100-3000-522000 | Building and Grounds Repairs and Mainten... | 34,100.00 | 34,100.00 | 697.78 | 20,558.78 | 13,541.22 |
| 100-3000-522001 | Equipment and Machinery Repairs and Maint... | 20,000.00 | 20,000.00 | 0.00 | 3,283.85 | 16,716.15 |
| 100-3000-522002 | Vehicle Repairs and Maintenance | 26,000.00 | 26,000.00 | 2,827.82 | 15,778.17 | 10,221.83 |
| 100-3000-524000 | Telephone and Communications | 15,600.00 | 15,600.00 | 766.47 | 6,067.23 | 9,532.77 |
| 100-3000-525000 | Hauling and tipping fees | 2,500.00 | 2,500.00 | 290.00 | 2,055.50 | 444.50 |
| 100-3000-526000 | Uniform Rental | 9,795.00 | 9,795.00 | 831.34 | 3,873.98 | 5,921.02 |
| 100-3000-526001 | Equipment Rental | 10,173.00 | 10,173.00 | 0.00 | 3,786.35 | 6,386.65 |
| 100-3000-531002 | Shop Supplies and Materials | 20,000.00 | 20,000.00 | 4,100.86 | 11,358.33 | 8,641.67 |
| 100-3000-531003 | Safety Gear and Supplies | 10,451.50 | 10,451.50 | 3,876.37 | 8,375.59 | 2,075.91 |
| 100-3000-531004 | Patching and Paving Materials | 22,000.00 | 22,000.00 | 0.00 | 11,197.65 | 10,802.35 |
| 100-3000-531008 | Fuel | 36,300.00 | 36,300.00 | 2,127.10 | 17,354.62 | 18,945.38 |
| 100-3000-531010 | Inventory Parts and Supplies | 120,000.00 | 120,000.00 | 7,752.70 | 81,608.63 | 38,391.37 |
| 100-3000-532000 | Small Tools and Equipment | 39,726.26 | 39,726.26 | 0.00 | 8,947.87 | 30,778.39 |

Statement of Revenue and Expense

For Fiscal: 2019 - 2020 Period Ending: 01/31/2020

| | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|--|--------------------------|-------------------------|-------------------|-------------------|---------------------|
| 100-3000-541002 Licenses and Permits | 100.00 | 100.00 | 0.00 | 100.00 | 0.00 |
| 100-3000-550000 Professional Memberships and License Fees | 1,965.00 | 1,965.00 | 0.00 | 95.00 | 1,870.00 |
| 100-3000-550001 Educational Seminars and Classes | 4,227.35 | 4,227.35 | 0.00 | 2,185.85 | 2,041.50 |
| 100-3000-951001 Buildings | 85,000.00 | 136,929.20 | 64,473.77 | 117,619.13 | 19,310.07 |
| 100-3000-951003 Equipment | 51,929.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100-3000-951004 Vehicles | 84,600.00 | 84,600.00 | 0.00 | 42,208.62 | 42,391.38 |
| Department: 3000 - Distribution (Maintenance) Total: | 1,521,599.31 | 1,521,599.31 | 148,051.31 | 799,726.90 | 721,872.41 |
| Department: 4000 - Meter | | | | | |
| 100-4000-511000 Regular Salaries and Wages | 118,303.00 | 118,303.00 | 12,118.06 | 78,060.91 | 40,242.09 |
| 100-4000-511002 Overtime | 15,000.00 | 15,000.00 | 1,198.05 | 9,790.91 | 5,209.09 |
| 100-4000-511008 Sick Pay | 0.00 | 0.00 | 145.07 | 2,743.26 | -2,743.26 |
| 100-4000-512000 FICA | 8,265.00 | 8,265.00 | 807.88 | 4,177.90 | 4,087.10 |
| 100-4000-512001 Medicare | 1,933.00 | 1,933.00 | 188.94 | 1,043.87 | 889.13 |
| 100-4000-512002 SC Retirement | 20,542.00 | 20,542.00 | 2,094.57 | 13,781.47 | 6,760.53 |
| 100-4000-512004 Group Health Insurance | 15,711.00 | 15,711.00 | 1,737.17 | 10,607.19 | 5,103.81 |
| 100-4000-521004 Maintenance Contracts | 84,700.00 | 84,700.00 | 0.00 | 7,452.00 | 77,248.00 |
| 100-4000-521005 Other Contractual Services | 1,300.00 | 1,300.00 | 103.80 | 626.99 | 673.01 |
| 100-4000-522001 Equipment and Machinery Repairs and Maint... | 108,000.00 | 108,000.00 | 1,831.44 | 7,871.06 | 100,128.94 |
| 100-4000-522002 Vehicle Repairs and Maintenance | 12,000.00 | 12,000.00 | 17.24 | 1,488.97 | 10,511.03 |
| 100-4000-524000 Telephone and Communications | 7,000.00 | 7,000.00 | 713.00 | 5,098.18 | 1,901.82 |
| 100-4000-526000 Uniform Rental | 3,000.00 | 3,000.00 | 202.78 | 1,010.90 | 1,989.10 |
| 100-4000-531002 Shop Supplies and Materials | 8,000.00 | 8,000.00 | 118.77 | 2,736.11 | 5,263.89 |
| 100-4000-531005 Meters Supplies and Appurtenances | 450,000.00 | 450,000.00 | 500.00 | 5,632.96 | 444,367.04 |
| 100-4000-531008 Fuel | 7,500.00 | 7,500.00 | 819.22 | 4,826.95 | 2,673.05 |
| 100-4000-532000 Small Tools and Equipment | 43,524.00 | 43,524.00 | 0.00 | 0.00 | 43,524.00 |
| 100-4000-550000 Professional Memberships and License Fees | 250.00 | 250.00 | 0.00 | 180.00 | 70.00 |
| 100-4000-550001 Educational Seminars and Classes | 2,722.00 | 2,722.00 | 0.00 | 0.00 | 2,722.00 |
| 100-4000-560010 Miscellaneous | 7,200.00 | 7,200.00 | 0.00 | 0.00 | 7,200.00 |
| Department: 4000 - Meter Total: | 914,950.00 | 914,950.00 | 22,595.99 | 157,129.63 | 757,820.37 |
| Department: 5000 - Filter Plant | | | | | |
| 100-5000-511000 Regular Salaries and Wages | 606,940.00 | 606,940.00 | 42,004.49 | 279,552.67 | 327,387.33 |
| 100-5000-511002 Overtime | 50,184.00 | 50,184.00 | 6,878.23 | 40,623.25 | 9,560.75 |
| 100-5000-511008 Sick Pay | 0.00 | 0.00 | 165.26 | 5,984.03 | -5,984.03 |
| 100-5000-512000 FICA | 40,742.00 | 40,742.00 | 2,903.41 | 15,123.41 | 25,618.59 |
| 100-5000-512001 Medicare | 9,528.00 | 9,528.00 | 679.04 | 3,770.55 | 5,757.45 |
| 100-5000-512002 SC Retirement | 101,263.00 | 101,263.00 | 7,631.85 | 50,165.50 | 51,097.50 |
| 100-5000-512004 Group Health Insurance | 91,780.00 | 91,780.00 | 6,159.11 | 41,590.53 | 50,189.47 |
| 100-5000-521003 Engineering Contracts and Services | 125,000.00 | 125,000.00 | 0.00 | 0.00 | 125,000.00 |
| 100-5000-521004 Maintenance Contracts | 30,431.00 | 30,431.00 | 0.00 | 350.00 | 30,081.00 |
| 100-5000-521005 Other Contractual Services | 312.00 | 312.00 | 1,291.57 | 36,222.92 | -35,910.92 |
| 100-5000-522000 Building and Grounds Repairs and Maintenanc... | 6,747.00 | 6,747.00 | 0.00 | 0.00 | 6,747.00 |
| 100-5000-522002 Vehicle Repairs and Maintenance | 360.00 | 360.00 | 580.00 | 580.00 | -220.00 |
| 100-5000-522004 Water Filtration System Repairs and Mainten... | 93,378.00 | 93,378.00 | 15,385.27 | 28,389.34 | 64,988.66 |
| 100-5000-523000 Electricity | 190,000.00 | 190,000.00 | 12,859.39 | 93,921.27 | 96,078.73 |
| 100-5000-523001 Natural Gas | 20,000.00 | 20,000.00 | 1,896.62 | 2,525.08 | 17,474.92 |
| 100-5000-524000 Telephone and Communications | 10,320.00 | 10,320.00 | 1,069.06 | 6,241.16 | 4,078.84 |
| 100-5000-524002 General Property & Liability Insurance | 0.00 | 0.00 | 48.60 | 213.84 | -213.84 |
| 100-5000-524004 Postage and Delivery Fees | 420.00 | 420.00 | 19.06 | 1,559.87 | -1,139.87 |
| 100-5000-525000 Hauling and tipping fees | 70,000.00 | 70,000.00 | 3,475.02 | 28,237.93 | 41,762.07 |
| 100-5000-526000 Uniform Rental | 7,146.00 | 7,146.00 | 293.47 | 1,655.20 | 5,490.80 |
| 100-5000-526001 Equipment Rental | 1,050.00 | 1,050.00 | 0.00 | 0.00 | 1,050.00 |
| 100-5000-526002 Other Rentals | 1,200.00 | 1,200.00 | 0.00 | 0.00 | 1,200.00 |
| 100-5000-531001 Janitorial and General Supplies | 4,855.00 | 4,855.00 | 962.89 | 2,021.21 | 2,833.79 |
| 100-5000-531006 Laboratory Supplies and Materials | 46,875.00 | 46,875.00 | 10,621.50 | 28,795.48 | 18,079.52 |
| 100-5000-531007 Chemicals | 262,083.00 | 262,083.00 | 40,004.40 | 250,510.27 | 11,572.73 |
| 100-5000-531008 Fuel | 4,138.00 | 4,138.00 | 250.59 | 1,771.14 | 2,366.86 |
| 100-5000-532000 Small Tools and Equipment | 8,293.00 | 8,293.00 | 0.00 | 0.00 | 8,293.00 |
| 100-5000-541000 Testing | 3,622.00 | 3,622.00 | 225.75 | 10,683.94 | -7,061.94 |
| 100-5000-541002 Licenses, Permits & Fees | 21,352.00 | 21,352.00 | 0.00 | 20,352.00 | 1,000.00 |

Statement of Revenue and Expense

For Fiscal: 2019 - 2020 Period Ending: 01/31/2020

| | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|---|--------------------------|-------------------------|-------------------|---------------------|---------------------|
| 100-5000-550000 Professional Memberships and License Fees | 1,000.00 | 1,000.00 | 50.00 | 255.00 | 745.00 |
| 100-5000-550001 Educational Seminars and Classes | 2,171.00 | 2,171.00 | 0.00 | 1,348.75 | 822.25 |
| 100-5000-560010 Miscellaneous | 250.00 | 250.00 | 100.38 | 100.38 | 149.62 |
| 100-5000-951002 Plant Equipment | 79,942.00 | 79,942.00 | 0.00 | 0.00 | 79,942.00 |
| 100-5000-951003 Equipment | 11,700.00 | 11,700.00 | 0.00 | 0.00 | 11,700.00 |
| 100-5000-951006 Electronic Equipment | 11,363.00 | 11,363.00 | 0.00 | 0.00 | 11,363.00 |
| Department: 5000 - Filter Plant Total: | 1,914,445.00 | 1,914,445.00 | 155,554.96 | 952,544.72 | 961,900.28 |
| Function: 1000 - Operating Expenses Total: | 7,616,913.95 | 7,616,913.95 | 599,553.54 | 3,421,389.22 | 4,195,524.73 |
| Function: 9500 - Non-Operating Expense | | | | | |
| Department: 9500 - Non-Operating Expense | | | | | |
| 100-9500-710000 Unrealized Gain or Loss | 0.00 | 0.00 | 0.00 | -2,656.00 | 2,656.00 |
| 100-9500-710001 Debt Service Interest Expense | 575,725.00 | 575,725.00 | 0.00 | 77,385.42 | 498,339.58 |
| Department: 9500 - Non-Operating Expense Total: | 575,725.00 | 575,725.00 | 0.00 | 74,729.42 | 500,995.58 |
| Function: 9500 - Non-Operating Expense Total: | 575,725.00 | 575,725.00 | 0.00 | 74,729.42 | 500,995.58 |
| Expense Total: | 8,192,638.95 | 8,192,638.95 | 599,553.54 | 3,496,118.64 | |
| Total Surplus (Deficit): | 0.00 | 0.00 | -22,830.26 | 721,760.75 | |

Statement of Revenue and Expense

For Fiscal: 2019 - 2020 Period Ending: 01/31/2020

Group Summary

| Department | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|---|--------------------------|-------------------------|-------------------|---------------------|---------------------|
| Revenue | | | | | |
| Function: 0100 - Operating Revenue | | | | | |
| 0100 - Operating Revenue | 8,142,638.95 | 8,142,638.95 | 571,646.95 | 4,175,266.05 | 3,967,372.90 |
| Function: 0100 - Operating Revenue Total: | 8,142,638.95 | 8,142,638.95 | 571,646.95 | 4,175,266.05 | 3,967,372.90 |
| Function: 9000 - Non-Operating Revenue | | | | | |
| 9000 - Non-Operating Revenue | 50,000.00 | 50,000.00 | 5,076.33 | 42,613.34 | 7,386.66 |
| Function: 9000 - Non-Operating Revenue Total: | 50,000.00 | 50,000.00 | 5,076.33 | 42,613.34 | 7,386.66 |
| Revenue Total: | 8,192,638.95 | 8,192,638.95 | 576,723.28 | 4,217,879.39 | 3,974,759.56 |
| Expense | | | | | |
| Function: 1000 - Operating Expenses | | | | | |
| 1000 - Administration | 1,205,145.90 | 1,205,145.90 | 110,486.64 | 720,408.20 | 484,737.70 |
| 1001 - Human Resources | 181,230.00 | 181,230.00 | 9,422.79 | 90,351.90 | 90,878.10 |
| 1002 - Information Services | 407,917.52 | 407,917.52 | 39,604.83 | 161,066.83 | 246,850.69 |
| 1010 - Board of Commissioners | 15,737.04 | 15,737.04 | 548.27 | 3,575.53 | 12,161.51 |
| 1997 - Depreciation | 670,000.00 | 670,000.00 | 0.00 | 0.00 | 670,000.00 |
| 1998 - District-Wide Employee Support, Promotion & Retent | 37,752.00 | 37,752.00 | 792.00 | 10,669.38 | 27,082.62 |
| 1999 - Operational Non-Departmental | 318,578.00 | 318,578.00 | 84,608.47 | 278,225.74 | 40,352.26 |
| 2000 - Engineering | 429,559.18 | 429,559.18 | 27,888.28 | 247,690.39 | 181,868.79 |
| 3000 - Distribution (Maintenance) | 1,521,599.31 | 1,521,599.31 | 148,051.31 | 799,726.90 | 721,872.41 |
| 4000 - Meter | 914,950.00 | 914,950.00 | 22,595.99 | 157,129.63 | 757,820.37 |
| 5000 - Filter Plant | 1,914,445.00 | 1,914,445.00 | 155,554.96 | 952,544.72 | 961,900.28 |
| Function: 1000 - Operating Expenses Total: | 7,616,913.95 | 7,616,913.95 | 599,553.54 | 3,421,389.22 | 4,195,524.73 |
| Function: 9500 - Non-Operating Expense | | | | | |
| 9500 - Non-Operating Expense | 575,725.00 | 575,725.00 | 0.00 | 74,729.42 | 500,995.58 |
| Function: 9500 - Non-Operating Expense Total: | 575,725.00 | 575,725.00 | 0.00 | 74,729.42 | 500,995.58 |
| Expense Total: | 8,192,638.95 | 8,192,638.95 | 599,553.54 | 3,496,118.64 | 4,696,520.31 |
| Total Surplus (Deficit): | 0.00 | 0.00 | -22,830.26 | 721,760.75 | |

Statement of Revenue and Expense

For Fiscal: 2019 - 2020 Period Ending: 01/31/2020

Fund Summary

| Fund | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|---------------------------------|--------------------------|-------------------------|-------------------|-------------------|---------------------|
| 100 - Operations Fund | 0.00 | 0.00 | -22,830.26 | 721,760.75 | -721,760.75 |
| Total Surplus (Deficit): | 0.00 | 0.00 | -22,830.26 | 721,760.75 | |

Subject: [EXT] RE: Catawba-Wateree Lake Operations Update - 2/10/2020

CWWMG Members,

This afternoon, Duke Energy sent this media advisory below to 31 media outlets along the Catawba-Wateree basin. Additionally, we targeted this information directly to meteorologists at six television outlets. I'm forwarding for your information.

We want to provide you an important update from Duke Energy.

The Catawba River Basin received more than five inches of rain last week and meteorologists have forecast an additional two to four inches of rain tonight through Friday. Additional rainfall forecast will result in higher lake levels in the Catawba-Wateree reservoirs.

Duke Energy continues to aggressively move water through the river system through our hydro generating units, spillways and flood gates.

Due to the already saturated ground from recent rainfall, and if the rainfall is received as forecast, the Catawba River could experience increasing flows and lake levels over the next several days.

Lakes Rhodhiss, Lookout Shoals and Wateree may experience lake levels similar to last week.

Although Mountain Island Lake did not experience flooding last week, given the current rainfall forecast, Mountain Island Lake could exceed 103.5 feet. The lake level could exceed 102 feet as early as Tuesday morning, Feb. 11, depending on when and where the rain falls.

Extreme caution should be used near rivers, lakes and streams. High water conditions can create navigational hazards and the public should continue to use caution around area lakes and rivers.

We urge people living along lakes and rivers or in flood-prone areas to follow directions from emergency officials, pay close attention to changing weather and streamflow conditions and stay informed.

We are posting real-time updates on:

- Duke Energy's webpage: duke-energy.com/lakes
- Duke Energy's lake services phone line: 800.829.5253
- Duke Energy's free Lake View app (downloadable from your cell phone app store)

Duke Energy media line: 800.559.3853

Jeff Lineberger

Chester Metropolitan District Capital Recovery Fee Schedule

*Effective June 13, 2018
Amended February 11, 2020*

Capital Recovery Fees

| | |
|------------------------------------|------------------------|
| Single ¾" Water Service Connection | \$ 1,045.00 (per each) |
| Single 1" Water Service Connection | \$ 1,740.00 (per each) |
| Single 2" Water Service Connection | \$ 5,575.00 (per each) |

Use the formula below to calculate the capital recovery fee (CRF) for water meter sizes 3" to 10" based on daily water demands requested by the owner/developer and detailed in Chester Metropolitan District's Willingness and Capability Letter to the owner/developer.

$$\text{CRF} = (\text{Water Demand, gal/day}) \times 1.4 \times 1.25 \times \$1.99$$

System Peaking Factor = 1.25

Water Loss Factor = 1.4

Collection of Capital Recovery Fees

Single Water Service Connection – Capital Recovery Fees will be paid at the time that the tap fees are paid.

Residential Subdivisions – 100% of the Capital Recovery Fees will be paid up front based on the number of lots on the approved plat.

Commercial/Industrial Water Connections – 100% of the Capital Recovery Fee will be paid at the time of the issuance of the Willingness and Capability Letter by Chester Metropolitan District. Fees will be based on daily water demands provided by the owner/developer's design engineer. If, after one year, the actual daily water demands are in excess of the design engineer's estimation which were used to determine CRF's, the owner/developer will be assessed additional CRF's to cover the excess water demand.

Fire Supply Line Connections – 100% of the Capital Recovery Fee will be paid at the time of the issuance of the Willingness and Capability Letter by Chester Metropolitan District. Fees will be based on the quantity of water required over the specified period of time necessary to meet fire code requirements.

Approved by: _____

Date: _____