

FRIPP ISLAND PUBLIC SERVICE DISTRICT

MEMORANDUM

TO: Edward D. Wetzel, Chairman  
Mike M. Murphy  
Rick E. Keup  
Michael J. Wilt  
Dennis Perrone  
John F. King

FROM: Jeremy D. Sponseller

SUBJECT: Commission Meeting February 13, 2024

DATE: February 9, 2024



The **December** Commission meeting is scheduled for **Tuesday, January 09, 2024 at 9:30 a.m.** The meeting will be held in the training room at the Fripp Island Fire Department and electronically via Zoom. All attendees may elect to attend in person or via Zoom. Login/call-in information appears on the agenda. The agenda and handouts are provided for your review.

Please let me know if you will be unable to attend the meeting.

Enclosures

C: Joshua Horton, Fire Chief  
Gary Pope, Jr., Esq.  
Yvonne Fireall, Office Manager/HR Benefits Administrator

FRIPP ISLAND PUBLIC SERVICE DISTRICT

Tuesday February 13, 2024  
Fripp Island Fire Station  
and  
Electronic Meeting Via Zoom  
9:30 a.m.

Zoom Info:

Join from PC, Mac, Linux, iOS or Android:

<https://us02web.zoom.us/j/84959765001?pwd=U3g4Q1FrTGF3K3U3OG92eDdlldlBydz09>

Or iPhone one-tap (US Toll): +19292056099,,86565978745#  
+13017158592,,86565978745#

Or Telephone:

Dial: +1 301 715 8592 (US Toll) or +1 312 626 6799 (US Toll)  
Meeting ID: 849 5976 5001  
Passcode: 911646

AGENDA

1. Call to Order
  - Confirmation of the presence of a quorum
  - Confirmation of public meeting notice, as required by the SC Code of Laws *30-4-80(A)*.
2. Pledge of Allegiance
3. Approval of January 2024 Commission Meeting Minutes
4. Reports
  - Manager Report January 2024
  - Fire Department Report January 2024
  - POA shoreline Committee
5. Old Business
  - 2024 GO Bond Update
6. New Business
  - Sea Glass Development
  - Frank Davis: Confluence Consulting, LLC
7. Questions and Comments from Visitors
8. Executive Session:
  - Personnel/Legal Matters
9. Adjourn

## FRIPP ISLAND PUBLIC SERVICE DISTRICT

**Minutes:** Commission Meeting on January 09, 2024

**Present:** Edward D. Wetzel, Rick E. Keup, Michael J. Wilt, John F. King, Mike Murphy, Dennis Perrone

**Absent:**

**Staff:** Jeremy Sponseller, District Manager  
Yvonne Fireall, Office Manager  
Joshua Horton, Fire Chief  
Rob Singletary, Field Operations Superintendent

**Guests:** John Derrick, Daniel Cotter, Darrin Love (Edmunds)  
Meghan Johnson (FIPOA) Gary Nizzi, Walt Daniels

---

1. Chairman Wetzel called the meeting to order at 9:30 a.m., confirmed the presence of a quorum and confirmed that all requirements of the SC Code of Laws, Section 30-4-80, pertaining to the notice of meetings of public bodies, have been met for this meeting.
2. Chairman Wetzel led the Commission in the Pledge of Allegiance.
3. The Commission approved the minutes with corrections for the December 2023 regular Commission Meeting upon a motion by, Mr. Murphy (Vote: unanimous).
4. Reports
  - a) The Commission reviewed the Manager's Report for January 2024. (*Att A*)
  - a. Accounting update – Software Recommendation
  - b) The Commission reviewed the Fire Department Report for January 2024. (*Att B*)
  - c) The Commission reviewed and approved Mr. King will continue to report on POA Shoreline Committee activities upon a motion by, Mr. Perrone (Vote: unanimous).
5. Old Business
6. New Business
  - a) Sea Glass Development – has been moved to the Regular February Commission Meeting.
  - b) The Commission reviewed and approved Banyon Data as the District's new Accounting Software Company upon a motion by, Mr. Keup (Vote: unanimous). (*Att C*)
7. The Commission entertained questions and comments from visitors.
8. The Commission entered executive session to discuss personnel matters at 10:23 a.m., upon a motion by Mr. Wilt (Vote: unanimous). The Commission resumed open session at 11:16 a.m., upon a motion by Mr. Perrone (Vote: unanimous).

9. There being no further business, the meeting adjourned at 11:16 a.m., upon a motion by Mr. Murphy (Vote: unanimous).



---

Edward D. Wetzel  
Chairman



---

Jeremy D. Sponseller  
Secretary

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
MANAGER’S REPORT FOR January 2024**

**I. New Taps**

<u>Category</u>	FY 2024		FY 2023		FY 2022	
	<u>Jan</u>	<u>YTD</u>	<u>Jan</u>	<u>YTD</u>	<u>Jan</u>	<u>YTD</u>
Water customers	3	14	2	22	11	21
Res. Ir. customers	0	1		-		-
Sewer customers						
a. Gravity	3	10	1	17	6	13
b. Vacuum	0	4	1	5	4	7

Total vacuum sewer customers: 598 of 726

**II. Operations Update Through Numbers**

**1. Butcher’s Island and Hunting Island Booster Pumps Avg Daily Run Time for January 2024**

	<u>2024</u>	<u>Diff</u>	<u>2023</u>	<u>Diff</u>	<u>2022</u>	<u>Diff</u>	<u>2021</u>
Butcher's Isl Pumps Hrs/Day	0.1	(0.1)	0.2	0	0.2	0.2	0.0
Hunting Isl Pumps Hrs/Day	0.0	(0.5)	0.5	0.1	0.4	0.4	0.0
Total Hrs/Day	0.1	(0.6)	0.7	0.1	0.6	0.6	0.0

**2. Fripp Island Master Metered Water Use for January 2024, Average Gallons per Day**

	<u>2024</u>	<u>% Change</u>	<u>2023</u>	<u>% Change</u>	<u>2022</u>	<u>% Change</u>	<u>2021</u>
BJW&SA	354,313	(4.5)	371,200	6.7	348,000	7.2	324,742
Harbor Island	43,509	(24.7)	57,749	40.1	41,218	1.4	40,635
Hunt Island	5,244	3.6	5,063	(38.5)	8,229	17.6	7,000
Fripp Island	292,469	(1.8)	297,914	2.0	291,964	8.5	269,000
Accountability,%	96.3	N/A	97.2	N/A	98.1	N/A	97.5
Rainfall, Inches	2.5		3.7		2.5		2.7

**3. Fripp Island Water Consumption – Recorded vs. Billed (in 1,000 gals.), December 2023.**

	<u>Annual</u>	<u>Qtr 1</u>	<u>Qtr 4</u>	<u>Qtr 3</u>	<u>Qtr 2</u>
	<u>Total</u>	<u>2024</u>	<u>2023</u>	<u>2023</u>	<u>2022</u>
Fripp Master Meter	163,224	54,268	48,488	26,235	34,233
Billed Water	<u>152,564</u>	<u>52,194</u>	<u>44,705</u>	<u>23,520</u>	<u>32,145</u>
Total Unbilled Water	10,660	2,074	3,783	2,715	2,088
Unbilled Water Percent	7%	4%	8%	10%	6%
Flushing/Unbilled Accts	<u>221</u>	<u>0</u>	<u>0</u>	<u>51</u>	<u>170</u>
Unaccounted for Water	10,439	2,074	3,783	2,664	1,918
Unaccounted for Percent	6%	4%	8%	10%	6%

**4. Wastewater Treatment Plant Flow for January 2024, Gallons per Day**

	<u>2024</u>	<u>% Change</u>	<u>2023</u>	<u>% Change</u>	<u>2022</u>	<u>% Change</u>	<u>2021</u>
Average Daily Flow	193,776	71.5	113,017	(23.3)	147,266	(9.0)	161,888
Weekly Max Flow	233,000	75.2	133,000	(28.1)	185,000	(6.1)	197,000
Peak Daily Flow	304,297	34.9	225,495	(23.8)	296,012	(4.4)	309,760

5. All water and wastewater sampling was satisfactory for the month of January 2024
6. There were no issues with the water tower levels or flows in January.

### III. Operations Update Through Field Work and Projects

1. General Water and Wastewater System Activities
  - a. Various utility locates, Daily
  - b. Regular lift station inspections
  - c. Regular WWTP maintenance
  - d. Held annual asbestos training
  - e. AirVac sump/can replacement
  - f. Performed required sampling
  - g. 4 stopped meter replacements
  - h. New customer installs
  - i. Sewer repairs
  - j. Repaired 4 Water leaks
2. Administrative & Personnel Activities (status is continuing this month)
  - a. We are currently working with Banyon to build the accounting database. It is taking a little longer than expected as we discussed with Banyon an Accounting History. Normally, they do not deal with historical data and only include what is input from the date of install. We asked if they could help us build a 3-year history and they agreed to work with us.
  - b. We have some financial data for your review. We (myself, Yvonne, Uvette) are still figuring out the whats, whys and hows. The audit is getting close to being finished with Webster Rogers. We are planning a meeting with the County Treasurer to try and clarify some procedures for the financial relationship between Beaufort County and FIPSD. The attached financials are not exact, but give a reasonable idea of where we stand, financially. (We) are working diligently to determine the missing pieces in preparation for the upcoming budget cycle.
  - c. The deadline for completion of the Lead and Copper service line inventory is October 16, 2024. We have a plan in place to comply. The Dhec spreadsheet is being populated and will be used to catalog our system.
  - d. We still plan to apply for the HTAX grant through the county but, the deadline has been extended and has no current set date. I will be revisiting the application to see if the bridge is the appropriate project to ask for auxiliary funding.
  - e. You may have seen a notice in the paper stating a violation to BJWSA for their drinking water. First, the violation was minimal and needed no immediate action. Secondly, because we purchase our water from them, does not mean that our water is automatically "bad". Our DBP results are well within the acceptable limits.
3. Fripp Inlet Bridge
  - a. JMT has submitted 95% plans and they are going through their internal QA/QC. They will be contacting us for a discussion of bidding.
  - b. Permit for the abutment work is still in progress. We have been in contact with Robert Young of Sailia Environmental Consulting to help facilitate the permitting process of the bridge abutment. There has been a question raised about the amount of "marsh grass" that might be covered as part of the construction. We won't really know anything further until Dhec notifies us.
4. The spillway is complete and operational. As you all saw, we sent out an eblast discussing the project, in response to some question of the Lake level. I have only had 1 person contact me and it was in reference to the road. He is claiming that we encroached on his property and that we need to make reparations. It looks like there might be a little road material that has washed onto his property and we plan to take care of that.

5. We will be having the north water tower serviced before the season begins. USG will mobilize any day to begin the necessary work. As part of that, we will need to remove a 22" live oak tree that is encroaching on the area needed to perform the maintenance tasks. I spoke with the county and to save us \$4500, I signed a good faith agreement that assures the county that we will consider the importance of trees in our planning processes with respect to utilities. By signing, it waives the county fee for specimen tree removal. The work could take approximately 60 days.  
Also, as part of the repair process, the tower will be stripped of all paint and an entire new coating will be applied. As such, we have the opportunity to change the color scheme of the tank, if preferred. Since this tower is the one that is seen by everyone crossing onto Fripp Island, it might be a good opportunity to update the color or logo. Let me know if you have any thoughts or ideas on this opportunity.
6. Low Country Engineering is working on the Deer Lake Force main relocation. Phil Waters and I met to discuss the design and progress. He will be submitting the permits for the work in the near future.
7. Have not made any significant progress on the GIS. There have been other priorities and we will revisit at a later time.
8. Bill Barna met with me and Mike Wilt on Porpoise Drive, during a routine look at the abutment. He sent several suggestions on what might be done to improve the revetment. I will share his proposed ideas.
9. Miscellaneous Activities

We have two quotes for AMR meters and reading systems and waiting on a third. We will be bringing budget numbers to the commission at the March meeting.

We are waiting on a third quote for the re-piping of the Davis Love Lift station. The interior piping is in very poor condition and will be replaced with C900 plastic. This is NOT in reference to the proposed development.

I have requested a quote to make a repair to the water line on the bridge. This water line is the only source of water and for that reason, I believe we need to be proactive with this repair. There is a section near the Fripp Abutment that is in significantly worse condition than other portions. BRW is the only contractor I am aware of that deals with this type of repair. I spoke with Malphrus Utilities and they are not interested. The plan will be to complete the repair as soon as water is back in the north tower after the maintenance work is completed.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT**  
 Combined Balance Sheet  
 All Fund Types and Account Groups  
 September 30, 2023

	Proprietary Fund Type		Governmental Fund Types				Totals	
	Wtr & Sew Dept.	Erosion & Bridge	Fire Dept.	Debt Service	Capital Projects	September 2023		
<b>ASSETS</b>								
Available Cash	\$3,519,216.74	36,922	140,797					3,696,936
Due from Beaufort County Treasurer	\$49,822.37	490,144	258,397	228,367				1,026,730
Accounts receivable water & sewer system	\$920,661.06							920,661
Accounts receivable-other			405					405
Lease receivable-current & noncurrent								-
Interfund receivable / transfer accounts								-
Inventory	\$40,295.35							40,295
Prepaid expenses	\$41,863.09							41,863
Restricted cash, debt service funds & investments	\$3,344,762.31	299,998			356,477			4,001,237
Fixed assets (net of accumulated depreciation)	\$12,695,171.57							12,695,172
Unamortized debt acquisition costs								-
Deferred Outflows-Pension & OPEB	160,275							160,275
Amount provided for retirement of long term debt								-
<b>Total Assets</b>	<b>20,772,067</b>	<b>827,064</b>	<b>399,599</b>	<b>228,367</b>	<b>356,477</b>			<b>22,583,574</b>
<b>LIABILITIES</b>								
Vouchers & accounts payable	\$17,408.77	2,500						\$19,908.77
Accrued employee expenses	\$23,020.52		(7,845)					\$15,175.52
Payable from restricted assets (accrued bond int.)	\$34,835.00							\$34,835.00
Deferred revenue & receivable clearing accounts	\$975,286.00							\$882,788.78
General obligation & revenue bonds payable	\$672,650.66							\$672,650.66
General obligation & revenue bonds Long Term	\$4,651,660.94							\$4,651,660.94
Pension & OPEB liability & deferred inflows	1,582,241							\$1,582,241.00
Lease deferred inflows								\$0.00
Interfund payable / transfer accounts	(\$1,366.80)	(155)	(2,100)					(\$3,621.80)
<b>Total Liabilities</b>	<b>\$7,955,736.09</b>	<b>2,345</b>	<b>(9,945)</b>	<b>-</b>	<b>(92,497)</b>			<b>\$7,855,638.87</b>
<b>FUND EQUITY</b>								
Beginning Fund Balance/Net Position	12,782,945	822,189	563,286	356,477	(263,980)			14,260,917
Fund Balance/Net Position YTD increase (decrease)	33,386	2,530	(153,742)					(117,826)
<b>Total fund equity</b>	<b>12,816,331</b>	<b>824,719</b>	<b>409,544</b>	<b>356,477</b>	<b>(263,980)</b>			<b>14,143,091</b>
<b>Total liabilities &amp; fund equity</b>	<b>20,772,067</b>	<b>827,064</b>	<b>399,599</b>	<b>356,477</b>	<b>(356,477)</b>			<b>21,998,730</b>



**FRIPP ISLAND PUBLIC SERVICE DISTRICT**

July 1, 2023 through September 30, 2023

Statement of Revenues & Expenses

Water & Wastewater Operations

	Actual	Budget	Variance Favorable (Unfavorable)	Variance Comments
Operating revenues				
Water operations	344,344	304,253	40,091	
Water Tank Leases	83,893	72,465	11,428	
Wastewater operations	241,332	305,858	(64,526)	
Total operating revenues	669,569	682,575	(13,006)	
Cost of sales	(131,003)	(146,445)	15,442	
Gross profit from operations	538,566	536,130	2,436	
Operating expenses				
General & administrative	246,480	248,548	2,067	
Water system expenses	22,365	24,545	2,180	
Wastewater expenses	80,877	95,263	14,385	
Total operating expenses	349,722	368,355	18,633	
Earnings (loss) from operations	188,844	167,775	21,069	
Nonoperating income (expenses)				
Interest earned	22,789	20,103	2,687	
Taxes & assessments collected	-	-	-	
Capital & Unrealized Inv Gain (Loss)	9,412	-	9,412	
Interfund Transfers (Out)	-	152,600	(152,600)	
Bond interest & expenses	(26,646)	(27,993)	1,347	
Net nonoperating income (expenses)	5,555	144,710	(139,155)	
Earnings (loss) before depreciation	194,399	312,485	(118,086)	
Depreciation/Loss on disposal	161,013	161,013	(1)	
Net earnings (loss)	33,386	151,473	(118,086)	
Cash available on July 1, 2023			7,281,851	
Earnings (loss) before depreciation & debt amortization			194,399	
Changes in assets & liabilities				
(Increase) decrease in accounts receivable			(152,233)	
(Increase) decrease in inventory			(3,235)	
(Increase) decrease in prepaid expenses			(225)	
(Decrease) increase in accounts payable & transfers			(26,941)	
(Decrease) increase unrealized gains			-	
Net cash provided (used)			(182,634)	
Cash flow from capital & financing activities				
Asset additions/deletions & construction in progress			(79,359)	
Principal payments on bonds & deferred debt			(300,457)	GO bonds (WWTP & WL) & Rev bond (VS)
Bond proceeds & contributed capital			-	
Net cash provided (used)			(379,815)	
Cash available on September 30, 2023			6,913,801	
Available cash includes following balance sheet accounts:				Change
	Beginning	Ending		Pos. (Neg.)
Cash (gross revenue, petty cash & contingency fund)	3,547,210	3,519,217		(27,993)
Due from Beaufort County Treasurer (Vac sewer assessments)	389,879	49,822		(340,056)
Investments & restricted cash (Sewer const fund, DS, invest.)	3,344,762	3,344,762		-
Total	7,281,851	6,913,801		(368,050)

**FRIPP ISLAND PUBLIC SERVICE DISTRICT**  
 July 1, 2023 through September 30, 2023  
 Statement of Revenues & Expenses  
 Fire Department & Erosion Operations

	Fire Department Fund			Erosion & Bridge Operations Fund		
	Actual	Budget	Variance Favorable (Unfavorable)	Actual	Budget	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Taxes & penalties	10,398	-	10,398	7,529	-	7,529
Assessments, donations & FIPOA	-	-	-	-	-	-
Utility attachment fees	2,100	1,200	900	-	-	-
*Interest, cap gain (loss) & miscellaneous	-	-	-	-	-	-
<b>Total Revenues</b>	<b>12,498</b>	<b>1,200</b>	<b>11,298</b>	<b>7,529</b>	<b>-</b>	<b>7,529</b>
<b>Expenditures</b>						
Employee expenses	112,232	159,930	47,698	-	-	-
General & Administrative	2,641	23,668	21,027	1,525	-	(1,525)
Operations	6,897	8,338	1,440	3,200	-	(3,200)
<b>Total Operating Expenses</b>	<b>121,770</b>	<b>191,935</b>	<b>70,165</b>	<b>4,725</b>	<b>-</b>	<b>(4,725)</b>
Bond Interest & expenses	-	-	-	-	-	-
Capital outlay	44,470	8,000	(36,470)	-	-	-
<b>Total Expenditures</b>	<b>166,240</b>	<b>199,935</b>	<b>33,695</b>	<b>4,725</b>	<b>-</b>	<b>(4,725)</b>
<b>Revenues over (under) expenditures</b>	<b>(153,742)</b>	<b>(198,735)</b>	<b>44,993</b>	<b>2,804</b>	<b>-</b>	<b>2,804</b>
Cash available July 1, 2023	563,286	395,400	167,886	605,857	759,150	(153,293)
Revenues over (under) expenditures	(153,742)	(198,735)	44,993	2,804	-	2,804
Increase (decrease) payables & transfers	(9,945)	-	(9,945)	218,403	(22,630)	241,033
<b>Cash available September 30, 2023</b>	<b>399,599</b>	<b>196,665</b>	<b>202,934</b>	<b>827,064</b>	<b>736,520</b>	<b>90,544</b>

**CAPITAL PROJECT ACTIVITIES SUMMARY**

	Bridge	Revetment	Totals
Cash available July 1, 2023	263,980	92,497	356,477
Revenues (bank interest/FEMA funds)	-	-	-
Less admin exp (bank chgs)	-	-	-
Less operations fund reimbursements	-	-	-
Less bond-related expenses (P&I, misc)	-	-	-
Less capital outlay	-	-	-
<b>Cash available September 30, 2023</b>	<b>263,980</b>	<b>92,497</b>	<b>356,477</b>

**FRIPP ISLAND PUBLIC SERVICE DISTRICT**

July 1, 2023 through September 30, 2023

Statement of Revenues & Expenses

Debt Service Fund

	Actual	Budget	Variance Favorable (Unfavorable)	Comments
<b>Revenues</b>				
Tax levies-wwtp, waterline, bridge, revetment	-	-	-	collections timing
Service assessments	-	-	-	
Interest, penalties & misc	-	-	-	pen & interest
<b>Total Revenues</b>	-	-	-	
<b>Expenditures</b>				
Interfund Transfers (wwtp & wtrline GO bond P&I)	-	-	-	
Governmental bonds (revtmt & bridge P&I)	-	-	-	
Bond payment fees	-	-	-	
<b>Total Expenditures</b>	-	-	-	
<b>Revenues over (under) expenditures</b>	-	-	-	
Cash available July 1, 2023	412,496	-	412,496	pen, int & higher mill value
Revenues over (under) expenditures	-	-	-	
Increase (decrease) payables & transfers	(184,129)	-	(184,129)	
<b>Cash available September 30, 2023</b>	<b>228,367</b>	-	<b>228,367</b>	pen, int & higher mill value

For 1st quarter budget, assume zero tax revenue. Actual taxes collected during 1st quarter are delinquent taxes for prior fiscal year. Budget assumes 50% collection in 2nd quarter & 50% collection in 3rd quarter.

Expenditures include interfund transfers of quarterly SRF (wwtp & wl) & biannual BB&T (revetment & bridge) debt payments.

Available cash on July 1, 2023 needs to be sufficient to cover Sept. 1, 2023 revetment biannual debt payment of \$7,780, Oct 1 & Dec 1, 2023 wwtp & wl quarterly debt payments totalling \$305,220, and Oct. 1, 2023 bridge biannual debt payment of \$36,550 (Grand Total - \$349,550)

***Fripp Island Fire Department  
Monthly Report Summary  
January 2024***

**Response Activities:**

Total emergency responses for January, 11

	Jan 2024	Jan 2023	YTD CY24	YTD CY23
• Structure Fires	00	00	00	00
• Vehicle Fire	00	00	00	00
• Medical Emergencies	08	03	08	03
• Brush Fires	01	00	01	00
• Misc. Fire	01	01	00	01
• Service Calls	00	00	00	00
• Mutual Aid	00	01	00	01
• Auto Accident	02	00	02	00
• Water Emergencies	00	00	00	00
	-----	-----	-----	-----
	11	05	11	05

**Average emergency response time:**

4 minutes 41 seconds.

**Roster:**

Total personnel active for January, 21

**Activities of Note:**

Nothing of significance to report.



10469 Waterbird Way  
Bradenton, FL 34209

**Direct:** 704.577.8133  
**Email:** fdavis2238@gmail.com

February 7, 2024

Mr. Jeremy Sponseller  
General Manager  
Fripp Island Public Service District  
291 Tarpon Boulevard  
Fripp Island, SC 29920

**Subject: Proposal for FY 2025 Utility Rate Update and Financial Forecast**

Mr. Sponseller:

Confluence Consulting, LLC (Confluence) is pleased to submit this proposal to provide financial services related to a fiscal year (FY) 2025 Utility Rate Update and Financial Forecast (Rate Update) for the Fripp Island Public Service District (FIPSD). In 2022, Confluence provided a comprehensive utility cost of service and rate study that included rate structure adjustments to improve customer equity and fairness. These adjustments included introducing a wastewater volumetric rate for residential customers and modifications to the tiered water consumption rates designed to better reflect the seasonal demand patterns of the Fripp Island residential customer base. In 2023, Confluence assisted FIPSD in updating the Model as part of the Commissioners annual budget process.

This Rate Update will include a review and evaluation of the current water and wastewater user rates and charges to determine the sufficiency and accuracy of the FY 2023 revenues forecasted under the new water and wastewater rate structures developed in 2022. However, the primary focus of this Rate Update will be an update of the FIPSD Utility Rate Model (Model) to provide rate recommendations for FY 2025 and a new five-year rate forecast. I appreciate the opportunity to provide continued assistance to FIPSD for its on-going financial planning and user rate objectives. The services described below represents the statement of work that can be completed as part of a 2024 Professional Service Agreement.

## **STATEMENT OF WORK**

The following three tasks define the scope of services I believe will be most effective in addressing the FIPSD's rate-setting objectives for FY 2025. While these tasks have been listed consecutively, some tasks will overlap and be conducted concurrently.

### **TASK 1 – REVIEW AND EVALUATE CURRENT RATES AND CHARGES FOR REVENUE SUFFICIENCY**

This task involves a review and evaluation of how effective the utility rate structure has been in achieving the revenue generation forecasted from the new residential wastewater volumetric rate and modified tiered water consumption rates adopted July 1, 2022 and July 1, 2023. This evaluation will include a high-level evaluation of available customer demand data during FY 2023 and FY 2024, in order to determine how customer demand patterns may have changed since the initial rate study was conducted in 2022.

This evaluation will not involve a detailed bill frequency analysis but will allow FIPSD to understand how the water and wastewater revenues were recovered through the various components of the modified rate structures and compare those actual results with the revenue generation forecasted during the initial rate analysis. Determining how much revenue was actually recovered through the quarterly base charges, wastewater volumetric rate; and the essential use, average use, and discretionary use water consumption rates will provide insights for any potential adjustments the Commissioners may want to consider for the components of the rate structures.

#### **TASK 2 – UPDATING UTILITY RATE MODEL AND RATE RECOMMENDATIONS**

To develop FY 2025 rate recommendations and update FIPSD's five-year rate forecast, Task 2 will involve another update of the Model to reflect the proposed FY 2025 operating budget, rate funded capital expenditures, debt coverage, and other key forecasting assumptions including customer demands and anticipated inflation. The Model update will incorporate the proposed budget and other information developed this spring as part of FIPSD's annual budget process. Once the five-year forecast and annual revenue adjustments are determined, the Model will be used to evaluate potential modifications to the water and wastewater rate structures. Since the current rate structure was recently implemented, Confluence does not anticipate any significant changes to the existing consumption rate differentials. However, slight modifications to the level of costs recovered through the fixed base charges versus the consumption rates may be warranted based updated cost of service allocations and/or changes in customer demand patterns. Any potential modifications will be presented to the Commissioners for consideration. The financial plan and final recommendations will then be presented to the Commissioners to consider for approval in late spring 2024.

#### **TASK 3 – MEETINGS AND OTHER PROJECT DELIVERABLES**

This task includes project management throughout the engagement, participation at Commission meetings, travel expenses, and project deliverables provided as part of this Rate Update. At project initiation, Confluence will submit a data request list to collect recent customer demand data, audited financial statements, and preliminary FY 2025 operating budget estimates. To maintain an appropriate level of communication and understanding with the Commissioners, Confluence anticipates attending two Commission meetings. The first meeting will be to present the preliminary rate modifications and recommended five-year rate forecast to the Commissioners and the second will be to attend the Commission meeting to formally adopt the FY 2025 water and wastewater rates. Finally, Confluence will prepare a brief Summary Rate Report (Report) to document the final rate recommendations and five-year rate forecast. The Report will also include a discussion on customer bill impacts and a quarterly bill comparison with other local utilities. A Draft Report will be delivered prior to the Commission meeting to adopt the FY 2025 rates and the Final Report that incorporates any changes will be submitted after final rate adoption.

Confluence will also be available to provide additional assistance on an as-needed-basis should the Commission request other analyses or assistance. These services will only be performed if requested and approved by the Commission and can be provided on a time and materials basis based on my 2024 professional rate of \$220 per hour.

To perform this Statement of Work, Confluence estimates professional fees not-to-exceed 20,000. My hours and proposed project fees and travel expenses are detailed in the Table below.

**Confluence Consulting, LLC**  
**Proposed Work Plan and Consultant Hours**  
**FY 2025 Utility Rate Update and Financial Forecast**

Task No.	Task Descriptions	Staff Hours Requirement		Total Fees & Expenses
		Meetings	FD	
<b>1 Review &amp; Evaluate Current Rates and Revenue Sufficiency</b>				
1.1	Data Collection and Review		2	\$ 440
1.2	Evaluate Seasonal Customer Demands		8	\$ 2,300
1.3	Compare Actual Revenues With Forecasted Revenues		4	\$ 880
1.4	Identify Potential Rate Structure Adjustments		2	\$ 440
<b>2 Updating Utility Rate Model &amp; Rate Recommendations</b>				
2.1	Incorporate Recent Customer Demands and Develop Forecast		4	\$ 880
2.2	Update Operating Expenses & Capital Expenditures		4	\$ 880
2.3	Perform Cash Flow Analysis		6	\$ 1,320
2.4	Revenue Calculation and Forecast Adjustments		4	\$ 880
2.5	Evaluate Rate Modifications		6	\$ 1,860
<b>3 Meetings &amp; Other Project Deliverables</b>				
3.1	Project Management		6	\$ 1,320
3.2	Prepare Presentation Materials (2 meetings)		8	\$ 1,760
3.3	Meetings with FIPSD Commissioners	2	12	\$ 3,180
3.4	Draft and Final Report		20	\$ 4,400
<b>TOTAL ESTIMATED MEETINGS / HOURS</b>		2	86	
<b>HOURLY RATES</b>				\$ 220
<b>PROFESSIONAL FEES</b>				<b>\$ 18,920</b>
				\$ 18,920
<b>DIRECT TRAVEL EXPENSES</b>				\$ 1,080
				<b>\$ 20,000</b>

I am excited about the opportunity to work with you and provide these continued services to FIPSD. Should you have any questions regarding this proposal, please do not hesitate to contact me at (704) 577-8133 or fdavis2238@gmail.com.

Sincerely yours,  
**CONFLUENCE CONSULTING, LLC.**



**Frank Davis**  
 President



## SOFTWARE and SERVICES PROPOSAL

Presented by Banyon Data





**TABLE OF CONTENTS**

**TABLE OF CONTENTS** ..... 2 .

**EXECUTIVE SUMMARY** ..... 3 .

**PROJECT OVERVIEW** ..... 3 .

**SCOPE OF WORK** ..... 4 .

**As requested, we are proposing the following products to enable your organization  
    to better serve your service area AND organization** ..... 4 .

**TERMS AND CONDITIONS** ..... 5 .

**AGREEMENT** ..... 6 .

## EXECUTIVE SUMMARY

Banyon Data is a leading provider of software products serving the local government (municipal) industry. Core products designed specifically for cities, towns, villages, boroughs, water and sewer districts, include Fund Accounting and Workflow management, Invoicing and Billing, Payroll, Utility Billing, Permits and Licensing, Fixed Asset Management, Cemetery Management and dozens of time saving add on modules. With a team of experts boasting extensive experience in the field, we are well placed to help our clients manage and handle small and large projects and workloads.

By really getting to know our customers, our talented team are able to offer fast and reliable solutions to support challenges and deadline pressures that arise with the local government business office. Our clients have rated our quick and knowledgeable support as our best company asset.

We don't use support tickets and have clients wait long periods of time for support. We insist that all calls coming into the office try to be answered by a team member rather than an automated system and then have the client speak with one of expert team members that know the software.

As a company with over 33 years of experience we believe in building long lasting client partnerships which help us all grow. On average our satisfied clients stay a Banyon Data client for over 20 years or longer.

**CALL (800) 229-1130 TO SCHEDULE A  
DEMONSTRATION AND SOFTWARE EVALUATION**

## PROJECT OVERVIEW

Most reputable software companies have the software skills to develop a workable system for the client. However, it takes much more than that to keep a client and Banyon Data has been satisfying customers for decades.

We understand your daily schedule and the need for time management and the trusted tools to deliver solutions fast. We understand your need to have access to easy-to-use reporting for mandatory forms printing (Federal and State) like W-2's, 1099s, 941s profit and loss reports and budget worksheets and budget reports. We understand you need quick answers to your inquiries with phone, email and ONLINE support methods. We understand your need for software to evolve and be enhanced as times and reporting requirements change. We understand your need to receive software updates on your own and when you are ready with our Website Download Page where you can find updates and new releases of our software at the click of a pad or mouse.



Date: 11/16/23  
Expires: 02/16/24

For: FRIPP ISLAND PUBLIC SERVICE DIST  
291 TARPON BLVD  
FRIPP ISLAND SC 29920

Phone: 843-838-2400  
Fax:  
Email: yvonnefireall@fipsd.org



Banyon Contact	Title	Email/Phone	Comment	Invoice #
Deb Shand	Support	sales@banyon.com		

  

Description	Price	Discount	Amount
-------------	-------	----------	--------

**Software Products\***

Utility Billing Software			\$2,195.00
Meter Device Interface (CSV File)			\$1,995.00
PSN Online Pay/eBills			\$995.00
Bank Lock Box Transfer (CSV file)			\$0.00
Direct Payments ACH			\$995.00
Fund Accounting Software			\$2,495.00
Billing/Invoicing Module			\$1,595.00
Fixed Assets Module			\$1,295.00
Payroll Software			\$2,095.00
Direct Deposit ACH w/email stubs			\$995.00
		<b>Total Software Products</b>	<b>\$14,655.00</b>

**Support Services\*\***

Utility Billing Annual Support			\$840.00
Meter Interface Annual Support			\$395.00
PSN Module Annual Support			\$195.00
Direct Payments Annual Support			\$195.00
Fund Accounting Annual Support			\$840.00
Billing/Invoicing Support			\$295.00
Fixed Assets Annual Support			\$195.00
Payroll Annual Support			\$840.00
Direct Deposit Annual Support			\$195.00
		<b>Total Support Services</b>	<b>\$3,990.00</b>

**Conversion Services**

Utility Billing Conversion: Standard			\$500.00
Fund Accounting Conversion: Standard			\$500.00
		<b>Total Conversion Services</b>	<b>\$1,000.00</b>

**Training Services**

On Line Training			\$1,200.00
------------------	--	--	------------

Sub-total	\$20,845.00
Discount	\$0.00
Tax	\$0.00
Grand Total	\$20,845.00

\* Software Products Purchase is a one-time charge for a permanent copy and unlimited use of the application.

\*\* Support Service is an optional purchase, per application for its unlimited phone support and software update. Annual renewal is recommended.

## TERMS AND CONDITIONS

This Business Proposal Contract outlines the terms and conditions that govern the contractual agreement between Banyon Data, Incorporated (Banyon Data) and your organization. Whereas, Banyon Data agrees to deliver all products and service specified in the above state proposal. Whereas, the Purchaser agrees to purchase said products according to the terms and conditions laid out in this contract. Therefore, in consideration of the mutual agreement made by the parties hereto, Banyon Data and the Purchaser agree to the following:

The service activities attached will be provided and completed in accordance with the terms and conditions. Supplemental contractual issues may be provided in future chargeable and approved activities.

This agreement shall last for the term of: Continuously so long as your organization remains active on annual support maintenance with Banyon Data, Inc.

Payment shall be made upon the signing of this agreement, the approval of an invoice from Banyon Data, Inc. to your organization. Additional fees for addition add-on software modules not noted on the attached and supplemental training, if necessary, shall be discussed and agreed upon before it is performed.

Additional cost(s) incurred for payroll and vendor check forms and utility bill forms will be handled by a third-party vendors approved by Banyon Data, Inc. The service providers shall provide additional unscheduled services upon notification of any condition that the service provider believes can adversely affect the operations of your organization.

The undersigned owner acknowledges and agrees that the information above is correct and complete. The owner also agrees to pay all charges under the agreement.

AGREEMENT

---

In signing this document below, Banyon Data, Inc. and your organization confirm their agreement to the terms and conditions laid out in this business proposal and form a binding contractual agreement beginning on the date of signing.

Banyon Data, Incorporated

FRIPP ISLAND PUBLIC SERVICE DIST, SOUTH

Signed: Deb Shand

Signed: Joanny Gonseller

Date: \_\_\_\_\_

Date: 1-16-24

Deb Shand