

## FRIPP ISLAND PUBLIC SERVICE DISTRICT

Tuesday, June 14, 2022  
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/86565978745>

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: 865 6597 8745

### 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. Public Hearing – Fiscal Year 2023 Budget
4. Approval of May Commission Meeting Minutes
5. Reports
  - Manager's Report for May 2022
  - Fire Department Report for May 2022
  - Other
6. Old Business
  - Revision of Cost of Service & Rate Study Capacity Fee Chapter
  - Adoption of a Resolution Approving the Fiscal Year 2022-2023 Annual Budget of the Fripp Island Public Service District, Prescribing and Imposing the Tax Levy Necessary Therefore, and Matters Related Thereto
  - Adoption of Water and Sewer Rates for the Fiscal Year Starting July 1, 2022 and ending June 30, 2023
7. New Business
  - Fripp Inlet/Porpoise Drive Revetment Annual Survey & Engineer's Report/Recommendations
  - Emergency Procurement of WWTP Drum Screen Parts – CleanTek Water Solutions
  - 2022 Fripp Inlet Bridge Inspection
  - Report on POA Shoreline Committee Activities – Commissioner Wetzel
8. Questions and Comments from Visitors
  - FIPOA Representative
9. Executive Session
  - Legal and Contractual Matters Related to Funding Options for Capital Planning
  - Personnel Matters – Compensation, Benefits & Legal Matters
10. Adjourn

# FRIPP ISLAND PUBLIC SERVICE DISTRICT

**Minutes:** Commission Meeting on June 14, 2022

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

**Absent:** Dan H. McCormick

**Staff:** Angie Hughes, District Manager; Joshua Horton, Fire Chief; Yvonne Fireall, Office Manager

**Guests:** Gary Pope, Jr. (Pope Flynn Group), John Derrick, Jeanne Sargent, Tom Hunter, Gary Nizzi

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1. Chairman Wilt 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 Wilt led the Commission in the Pledge of Allegiance.
3. Chairman Wilt immediately convened the public hearing for the fiscal year 2023 budgets. Chairman Wilt opened the floor to public comments. There being no comments from the floor or written comments submitted, Chairman Wilt concluded the hearing.
4. The Commission approved the minutes for the May 2022 regular Commission meeting, upon a motion by Mr. Keup (Vote: 4:0, 1 abstention).
5. Reports
  - a) The Commission reviewed the Manager's Report for May 2022. (*Att A*)
  - b) The Commission reviewed the Fire Department Report for May 2022. (*Att B*)
6. Old Business
  - a) The Commission revised the capacity fee chapter of the Water and Wastewater Utility Rate Report provided by the rate study consultant, upon a motion by Mr. Wetzel (Vote: unanimous). (*Att C*)
  - b) The Commission adopted a resolution approving the fiscal year 2022-2023 annual budget of the Fripp Island Public Service District, prescribing and imposing the tax levy necessary therefore, and matters related thereto, upon a motion by Mr. King (Vote: unanimous). (*Att D*)
  - c) The Commission adopted water and sewer rates for the fiscal year starting July 1, 2022 and ending June 30, 2023, upon a motion by Mr. Wetzel (Vote: unanimous). (*Att E*)
7. New Business
  - a) The Commission reviewed and discussed the Fripp Inlet/Porpoise Drive revetment annual survey and engineer's report and recommendations and directed the manager to procure proposals for completion of the recommended work. (*Att F*)
  - b) The Commission reviewed and discussed the emergency procurement of WWTP drum screen parts from CleanTek Water Solutions. (*Att G*)

c) Commissioner Wetzel provided information on the FIPOA Shoreline Committee's activities and efforts to mitigate erosion near the front of the island. The Commission entertained Ms. Jeanne Sargent, the FIPOA Shoreline Committee Chair, who indicated that the work is ongoing and information will be provided as it comes available.

8. The Commission entertained questions and comments from visitors.

9. The Commission entered executive session to discuss legal and contractual matters related to funding options for capital planning and personnel matters related to compensation at 11:00 a.m., upon a motion by Mr. King (Vote: unanimous). The Commission resumed open session at 12:08 p.m., upon a motion by Mr. Wetzel (Vote: unanimous).

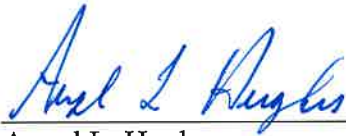
10. The Commission approved employee compensation and fringe benefits for FY2023 as discussed during executive session and authorized the Chairman to communicate these changes to the District Manager in writing, upon a motion by Mr. Perrone (Vote: unanimous).

11. There being no further business, the meeting adjourned at 12:09 p.m., upon a motion by Mr. King (Vote: unanimous).



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Michael J. Wilt  
Chairman



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Angel L. Hughes  
Secretary

# **FRIPP ISLAND PUBLIC SERVICE DISTRICT MANAGER'S REPORT FOR MAY 2022**

## I. Tap-Ins

Category	FY 2022		FY 2021		FY 2020	
	<u>May</u>	<u>YTD</u>	<u>May</u>	<u>YTD</u>	<u>May</u>	<u>YTD</u>
Water customers	2	30	6	18	-	4
Sewer customers						
a. Gravity	2	20	2	9	-	3
b. Vacuum	-	8	3	8	-	1

Total vacuum sewer customers: 587 of 726

## II. Routine Operations

### 1. Butcher's Island and Hunting Island Booster Pumps Average Daily Run Time for May

	<u>2022</u>	<u>Diff</u>	<u>2021</u>	<u>Diff</u>	<u>2020</u>	<u>Diff</u>	<u>2019</u>
Butcher's Isl Pumps Hrs/Day	7.3	0.3	7.0	0.4	6.6	0.9	5.7
Hunting Isl Pumps Hrs/Day	<u>14.6</u>	<u>0.0</u>	<u>14.6</u>	<u>1.3</u>	<u>13.3</u>	<u>1.8</u>	<u>11.5</u>
Total Hrs/Day	21.9	0.3	21.6	1.7	19.9	2.7	17.2

### 2. Fripp Island Master Metered Water Use for May, Average Gallons per Day

	<u>2022</u>	<u>% Change</u>	<u>2021</u>	<u>% Change</u>	<u>2020</u>	<u>% Change</u>	<u>2019</u>
BJW&SA	688,594	0.5	684,964	(0.4)	687,677	14.8	598,774
Harbor Island	100,550	9.0	92,232	1.0	91,277	(0.8)	91,997
Hunt Island	12,147	(23.9)	15,957	(61.3)	41,184	255.3	11,590
Fripp Island	559,313	(0.6)	562,929	3.9	541,645	2.8	527,000
Accountability, %	97.6	N/A	98.0	N/A	98.0	N/A	105.3
Rainfall, Inches	1.7		1.0		2.1		1.0

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

	Annual	Qtr 1	Qtr 4	Qtr 3	Qtr 2
	<u>Total</u>	<u>2022</u>	<u>2021</u>	<u>2021</u>	<u>2021</u>
Fripp Master Meter	169,892	26,671	33,108	59,221	50,892
Billed Water	<u>153,814</u>	<u>22,255</u>	<u>31,283</u>	<u>53,521</u>	<u>46,755</u>
Total Unbilled Water	16,078	4,416	1,825	5,700	4,137
Unbilled Water Percent	9%	17%	6%	10%	8%
Flushing/Unbilled Accts	<u>2,785</u>	<u>1,250</u>	<u>490</u>	<u>668</u>	<u>376</u>
Unaccounted for Water	13,293	3,166	1,335	5,032	3,760
Unaccounted for Percent	8%	12%	4%	8%	7%

### 4. The water tank levels and water line pressures were normal for May.

### 5. Wastewater Treatment Plant Flow for May, Gallons per Day

	<u>2022</u>	<u>% Change</u>	<u>2021</u>	<u>% Change</u>	<u>2020</u>	<u>% Change</u>	<u>2019</u>
Average Daily Flow	222,052	(3.3)	229,739	(17.0)	276,744	32.2	209,371
Weekly Max Flow	284,000	0.7	282,000	(14.0)	328,000	28.6	255,000
Peak Daily Flow	405,862	0.3	404,579	(1.9)	412,607	5.2	392,394

Peak daily flow of 405,862 occurred on Mon., 5/30/22 (Memorial Day), without rain. For May 2021, peak daily flow occurred on Sun., 5/30/21 (Memorial Day weekend), without rain. For May 2020, peak daily flow occurred on Mon., 5/25/20 (Memorial Day), without rain. For May 2019, peak daily flow occurred on Mon., 5/27/19 (Memorial), without rain.

6. The water system and wastewater treatment plant samples were satisfactory for May.

### III. Emergencies, Special Field Work and Activities

#### 1. Water System

- a) The SC Drought Response Committee maintained “incipient” (abnormally dry) drought status for 13 SC counties in May. The rest of the state remains under normal conditions.
- b) The District’s field operations supervisor, who is also the designated laboratory director, underwent proficiency testing for pH and chlorine and passed both water and wastewater tests.
- c) District field operators performed miscellaneous water system maintenance consisting of water line and meter repairs, water taps and meter installations.
- d) May 19 – The District’s tank maintenance engineer performed inspections on the 75k gallon (mid-island) and 250k gallon (Ocean Creek) water tanks. The manager and field operations supervisor met with representatives of the tank maintenance company on May 24<sup>th</sup>. There are some issues with the 75k gallon tank caused by cell carrier work over the past few years. These issues include damages to paint, corrosion caused by improperly installed cables and leftover debris, and abandoned attachments from previous installations. The carriers will be notified that repairs must be made at their expense and future work must be coordinated with the District’s tank maintenance company, with pre- and post-construction inspections occurring with every job. A complete exterior renovation of the tank at the front of the island is recommended within the next 2 years and will require containment of the tank. Containment is not included in the tank maintenance contract and the cost will be borne by the District.

#### 2. Wastewater System

- a) May 18-19 – Drum screen #2 at the wastewater treatment plant failed. Further information is provided under the New Business agenda item.
- b) May 20 – The leaking radiator on the vacuum station generator was replaced at a cost of \$7,000. This expense item will exceed the FY22 budget by \$9,100 due to these and other unexpected repairs.
- c) A study exploring replacement/rehab options for the terra cotta sewer lines at Captain John Fripp Villas is ongoing. The study was approved May 4<sup>th</sup> and is expected to take 8-10 weeks to complete.

#### 3. Administrative & Personnel Activities

- a) Cybersecurity & IT Support – The final step in implementation of the security measures recommended by Cyber Risk Analysis Group is the migration of accounting software to the cloud and retirement of the old Windows 7 server. The Accounts Payable cloud-based software is in the testing phase now. The general ledger and inventory control software will follow. Due to ongoing problems with the current vendor, management is exploring other options for bookkeeping/utility billing software.
- b) Social Media – A Facebook profile with the name Fripp psd was reported to the District in May. After unsuccessful attempts to report the profile and have it removed, the District manager sent a direct message to the profile indicating that it was illegal to impersonate a governmental organization online and demanding that the profile be taken down immediately. Subsequently, the creator of the profile changed the name to J.D. Smith. Information received from individuals who were listed as “friends” on the profile indicates that the profile never has activity or shares posts. When contacted directly, Facebook

indicated that it could not restrict or remove the profile because it doesn't violate any of Facebook's community standards. We are continuing to monitor the profile.

c) The District manager attended the SC Special Purpose District's leadership program on May 18<sup>th</sup>. Presentations included budgeting and financial planning, ethics, employment law, social media and infrastructure law updates.

d) The Insurance Reserve Fund notified the District that it will no longer insure utility or manhole covers, fire hydrants and associated piping, or piping of any kind unless it is enclosed within a utility plant, beginning with any policy issued or endorsed after June 10, 2023. The District's current coverages will continue through February 1, 2024 and will not be renewed. Options for coverage after that date are being explored.

4. Hunting Island Booster Pump Station Rehab – The pump station manufacture was completed in mid-May. The site work was started during the last week in May. The contractor's schedule is as follows:

Site Work	May 30 – June 10
Construction (with overnight shutdowns)	June 10 – August 26
Project Close-out	August 29 – September 9

5. Fripp Inlet Bridge

a) JMT Inc. conducted the annual bridge inspection the week of February 7<sup>th</sup>. Further information is provided under the New Business agenda item.

b) Research on additional options for operations and capital funding is ongoing. The District is not legally authorized to issue catastrophe (CAT) bonds and current information indicates that these bonds are only issued by re-insurance companies on behalf of primary insurers.

6. Seaglass Development – An engineer working on behalf of the developer of the proposed Seaglass Development submitted questions about District requirements as they proceed with design of the proposed 66-unit development. The engineer was given the same information provided to a real estate agent inquiring about the development last year. An engineering study is necessary to determine the extent of any upgrades necessary to serve the development and the developer must bear the cost of this study.

7. Election of Commissioners – Two Commission seats will be up for election in the November 2022 general election. One individual has submitted a Statement of Candidacy. The deadline for filing with the Beaufort County Board of Elections is August 15, 2022 at noon.

***Fripp Island Fire Department  
Monthly Report Summary  
May 2022***

**Response Activities:**

Total emergency responses for May, 29

	May 2022	May 2021	YTD CY22	YTD CY21
• Structure Fires	00	00	00	00
• Vehicle Fire	00	00	00	00
• Medical Emergencies	20	13	52	36
• Brush Fires	00	00	00	00
• Misc. Fire	05	05	10	14
• Service Calls	02	02	08	08
• Mutual Aid	00	00	02	01
• Auto Accident	02	02	03	08
• Water Emergencies	00	00	01	00
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	29	22	76	67

**Average emergency response time:**

4 minutes 49 seconds.

**Inspections:**

May 2022	May 2021	YTD CY22	YTD CY21
0	0	0	0

**Training Activities:**

No training for May

**Roster:**

Total personnel active for May, 21

Vol.-01

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## Fripp Island Public Service District

# Memo

**To:** Fripp Island Public Service District Commission  
**From:** Angel L Hughes  
**cc:**  
**Date:** 6/14/2022  
**Re:** Revision of Capacity Fee Chapter of the 2022 Cost of Service & Rate Study Report

Following the receipt of a request for information by the design engineer of a proposed new development on Fripp Island, I did some deeper research into old files of the District and reviewed the 1994 Sewer System Purchase Agreement between the District and the Fripp Island Sewer System, Inc. (a company owned by the then-developer of Fripp Island). The agreement includes, among other provisions, the following language: ***"The Buyer acknowledges its obligation to hereafter provide sewer and water service to developers above and beyond the scope of this agreement so long as the developer provides the cost of expanding or extending such service and so long as such additional demand for service is within the planned unit development of Fripp Island and is in accord with the Act creating the Buyer and its applicable rules and regulations."*** In addition to this provision, there are other provisions within the agreement that may influence the District's desire to charge a wastewater capacity fee for new development. There is some uncertainty as to whether another governing agreement between the developer and District may exist that could have a bearing on this issue, as well as which future potential developments were included in the planned unit development and in the designed capacity of the wastewater treatment plant.

Further, implementation of a wastewater capacity fee now could set a precedent of charging a specific, set fee for new development, bypassing any requirement of the developer to cover the cost of expansion or extension of service. Potentially, the District could have to bear some portion of the cost of expansion or extension of service to the new development if the capacity fee is not set high enough to cover the entire cost.

Finally, based on conversations with the District's rate consultant, a wastewater capacity fee is intended to include all capacity for new development. Hypothetically, without a specific exclusion for the wastewater treatment facility, a large new development could potentially require the District to upgrade its treatment capacity at the expense of all existing customers in order to fully provide service to a new development.

It's my recommendation that implementation of a wastewater capacity fee be delayed until further research can be completed to determine the extent of the impact of such a fee. A proposed revised version of the Capacity Fee Chapter of the Cost of Service and Rate Study Report is attached for review.





## ***FRIPP ISLAND PUBLIC SERVICE DISTRICT***

### ***WATER CAPACITY REPORT***

*May 1, 2022*

## **FINAL REPORT**



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# CAPACITY FEE REPORT

In October 2021, Fripp Island Public Service District (FIPSD) engaged Confluence Consulting, LLC (Confluence) to perform a water and wastewater cost of service rate study (Rate Study). As part of the Rate Study, FIPSD asked Confluence to update its existing water capacity fee for the FIPSD Commissioner's to consider for implementation. FIPSD currently charges \$3.00 per gallon per day (gpd) to recover the costs of capacity from new customers of the water system. The gallons per day of capacity for each customer are determined by FIPSD.

As a barrier island located 20 miles southeast of Beaufort, Fripp Island is a resort-based destination in the Low Country of South Carolina that experiences significant population increases during the seasonal summer months. This seasonality results in substantial increases in demands for water services which requires FIPSD to provide adequate water capacity for all its customers regardless of whether those customers utilize their capacity during all months of the year.

FIPSD distributes potable water purchased from the Beaufort-Jasper Water and Sewer Authority (BJWSA) at a current wholesale unit rate of \$2.97 per 1,000 gallons billed on a monthly basis. In addition to its approximately 1,790 residential, resort hotel, commercial, and irrigation customers the FIPSD also provides wholesale water service to Hunting Island State Park, retail service to select customers on Harbor Island, and water transportation services to the Harbor Island gated community.

## 1. Purpose of Report

The purpose of this Report is to provide an explanation of the methodology used to calculate the capacity fees, identify the system improvements to be recovered through the capacity fees, define the service units of capacity, and otherwise provide for the calculation of water capacity fees.

## 2. Capital Improvements Plan

As part of the Rate Study, annual capital improvements to the water system were forecasted. FIPSD has historically used rate funded capital for less significant and routine types of repairs and improvements to its water infrastructure, and debt funding to finance major system improvements. While it does not anticipate any major system improvements that would require the issuance of debt, FIPSD does anticipate a five-year program of annual water rate funded capital expenditures.

The capital improvements plan (CIP) includes an on-going project to rehabilitate the Hunting Island Pumping Station and a project to replace the Fripp Inlet Bridge water line expansion joints. In addition, the water CIP includes annual funding of a radio meter reading reserve, GIS mapping, and annual capital expenditures to improve the water system. While these improvements will not specifically expand water capacity, the improvements will benefit new customers of water system which will be purchasing, or buying into, capacity in those existing facilities which is available to serve customers.

Table 1 provides a summary of the current FY 2022 capital expenditures and the five-year water rate funded capital expenditures.

**Table 1: Estimated Annual Rate Funded Capital Expenditures (FY 2022 through FY 2027)**

Annual Rate Funded Capital	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Water System	\$60,000	\$57,000	\$75,000	\$75,000	\$75,000	\$75,000	\$417,300
Wells & Pumping	125,000	265,000	-	-	-	-	390,000
Radio Meter Reading Reserve	-	50,000	50,000	50,000	50,000	50,000	250,000
GIS Mapping	-	17,700	-	-	-	-	17,700
Other Improvements	33,600	-	-	-	-	-	33,600
<b>Total Water Capital Projects</b>	<b>\$218,600</b>	<b>\$390,000</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$1,108,600</b>

The water capacity fee calculation includes the \$390,000 rehabilitation of the Hunting Island Pumping Station as a marginal-incremental cost component. The capacity fee revenues should be used to fund these capital improvements that benefit both the existing and new customers of the system. Capacity fee revenues cannot be used to pay for operating and/or administrative costs.

### 3. Description of Water System and Existing Level of Service

FIPSD owns and operates a water distribution system that serves all Fripp Island and provides wholesale water service to Hunting Island State Park, retail service to select customers on Harbor Island, and water transportation services to the Harbor Island gated community. FIPSD owns the water main that runs from St. Helena Island (near the Shrimp Shack), across the Harbor River, Harbor Island, Johnson Creek, Hunting Island and Fripp Inlet. Potable water is pumped into three elevated tanks on the island that provide 525,000 gallons storage to meet peak demands. Water is distributed from these tanks to residential and commercial customers.

FIPSD purchases treated water from the BJWSA, which uses the Savannah River as its principal source. Based on the 2002 Water Service Agreement (Agreement), BJWSA agrees to sell FIPSD an amount not to exceed 1.415 million gallons per day (MGD) in any 24-hour period. However, not all of this purchased water is delivered to the FIPSD retail distribution system as FIPSD has contracted with the Hunting Island State Park to furnish up to 80,000 gpd of potable water which also enters through the master meter. Because the water purchases and reserved capacity for Hunting Island State Park do not benefit FIPSD retail customers, and do not enter the FIPSD retail system, the limiting factor for the daily capacity of the FIPSD retail water system is just over 1.34 MGD.<sup>1</sup> This limiting factor represents the total peak day capacity of the existing FIPSD water system facilities that is available to serve existing and new FIPSD retail water customers.

Based on purchased water data from July 2020 to June 2021, the average day demand of the FIPSD retail water system during fiscal year (FY) 2021 was 0.49 MGD, with a peak master meter reading during July

<sup>1</sup> After deducting Hunting Island State Park maximum daily purchases, the maximum daily amount of water FIPSD can purchase and distribute through its retail water system is 1,335,000 gpd.

2021 of 0.82 MGD. Thus, with a total capacity of just over 1.34 MGD, FIPSD has 0.54 MGD of peak daily capacity available to serve new water customers.

#### A. Service Units

Although FIPSD determines the peak daily demand of each new development, SC legislation requires a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development be calculated based on generally accepted engineering and planning standards. Thus, a 450 gpd peak daily usage factor for an equivalent residential unit (ERU) is determined as the water service unit for the typical single-family residential customer of FIPSD. This factor is based on the average daily usage factor per ERU of 300 gpd and a peak demand factor of 1.5x. The 300 gpd usage factor per ERU represents the average daily water demand identified in the South Carolina Department of Health and Environmental Control (DHEC) standards for determining wastewater system capacity. Since water systems must be designed and sized to meet peak demands, the 1.5x peaking factor is applied for the water service unit.

### 4. Capacity Fee Calculation Methodology

In general, impact fees (also commonly known as capacity fees) are defined as “one-time capital recovery charges assessed against new development as a way to recover a proportional share of the cost of capital facilities constructed to provide service capacity for new customers.”<sup>2</sup> These types of fees are typically used in areas experiencing high growth where recovering expansion related costs through rates would place an inequitable burden on existing customers.

The most common and accepted methodologies for calculating water capacity fees are 1) the system buy-in approach focusing on the cost of buying into the equity of the existing system, and 2) the marginal incremental cost methodology focusing on the cost of adding additional facilities to serve new customers. The system buy-in approach is appropriate for utility systems with existing capacity already in place to serve new customers, while the marginal incremental cost methodology is appropriate for utilities that must provide additional capacity to serve new customers. However, many utilities often determine capacity fees based on a hybrid approach that recognizes the average cost of the equity of the existing system and cost of adding additional facilities to serve new customers. The water capacity fee is calculated based on a hybrid approach with the \$390,000 rehabilitation of the Hunting Island Pumping Station serving as a marginal-incremental cost component.

The costs of the facilities are based on a review of fixed asset records and include the original costs of the water system assets. Any outstanding principal on funds borrowed to construct the core assets is deducted, based on the assumption that this cost will be recovered from all present and future customers through ad valorem tax revenues.

#### A. Water Capacity Fees

Since it purchases all of its treated water from BJWSA, the only water facilities FIPSD owns and operates are distribution lines, storage, and pumping stations. To determine the system buy-in value of its water

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<sup>2</sup> Source: Comprehensive Guide to Water and Wastewater Finance and Pricing - Fourth Edition, George A. Raftelis.

system facilities, Confluence reviewed FIPSD's FY 2021 depreciation schedule and determined the original costs of the existing water facilities with capacity available to serve new customers. The original costs represent FIPSD's original investment in existing water capacity. The value of any assets that were contributed by developers, funded through grants, contributed by other parties, or have contractual restrictions are excluded from the buy-in value of facilities available to serve new ERUs.

Table 2 summarizes the determination of the buy-in value of the facilities included in the water capacity fee.

**Table 2: Buy-In Value for Existing Water Facilities**

Water Capital Facilities	Original Cost
Water System	\$ 6,288,147
Pump Stations & Wells	191,604
Less Contributed	<u>(103,465)</u>
<b>Water Buy-In Value</b>	<b>\$ 6,376,285</b>

After deductions are made to exclude assets contributed by or funded through grants, the original cost buy-in value of the water system is approximately \$6.4 million before providing a credit for the principal on outstanding debt used to fund these assets. For water, the 2018 State Revolving Loan (SRF) was used to fund the Harbor River water line replacement project and a credit for the net present value of all remaining principal payments is deducted from the original costs. This credit is provided to address the issue of double payment by new customers for the same unit of capacity through the capacity fee and through their ad valorem taxes which fund the debt service fund. The net value after this credit represents the value of existing water distribution assets that is available to serve both existing and future customers of the water system. The water capacity fee calculation also includes the \$390,000 rehabilitation of the Hunting Island Pumping Station as a marginal-incremental cost component. Since FIPSD will use cash to fund the project, no debt principal credit is provided for marginal component.

Table 3 summarizes the calculation of the water capacity fee based on the System Buy-In approach.

**Table 3: Calculation of Water System Capacity Fee per ERU**

Water Facilities Capacity Fee	FY 2021 Original Cost (5)	Total Capacity (MGD) (6)	Cost Per GPD
<b>System Buy-In Component (1)</b>			
Water System	\$ 6,288,147	1.34	
Pump Station & Wells	191,604		
Less Contributed Capital	(103,465)		
Less NPV of Debt Principal Payments (2)	(1,562,566)		
<b>Total System Buy-In Investment</b>	<b>\$ 4,813,719</b>	<b>1.34</b>	<b>\$ 3.61</b>
<b>Marginal Cost Component (3)</b>			
Rehab Hunting Island Pumping Station	\$ 390,000.00	1.34	\$ 0.29
Peak Water Use Per ERU (gpd) (4)			450
<b>Water Capacity Fee Per ERU</b>			<b>\$ 1,755.00</b>

- (1) From Schedule 3: System Buy-In Capital Facilities.
- (2) From Schedule 4: Debt Principal Payment Credit. Includes principal payments for the 2018 SRF Loan used to fund the Harbor River Bridge water line repair.
- (3) From Table 1: Estimated Annual Rate Funded Capital Expenditures (FY 2022 through FY 2027).
- (4) Represents the estimated average daily demand of 300 gpd per ERU unit used by South Carolina DHEC in determining the system capacity available to serve new customers. For water, a peaking factor of 1.50x is applied to the average day demand because water system capacities are sized to meet peak demands.
- (5) Original costs represent FIPSD's original investment in water system capacity.
- (6) The total capacity represents the maximum daily amount of water FIPSD can contractually purchase from BJWSA, less the maximum daily purchases for Hunting Island State Park. The purchase amounts for Hunting Island State Park are included in FIPSD's contracted maximum daily purchase amount from BJWSA because their purchased water passes through the BJWSA master meter. However, the reserved capacity for Hunting Island State Park is excluded from the FIPSD capacity since their water purchases are not paid by, nor benefit the FIPSD water customers.

The \$1,755 water capacity fee per ERU presented in Table 3 is based on a water service unit of 450 gpd. Because FIPSD has indicated it will continue to determine the peak daily water demand for each new development, the capacity fee for each new residential home will be based on the anticipated daily demand multiplied by the updated water cost of capacity of \$3.90 per gpd.

## 5. Comparison with Local Communities

One of the FIPSD's objectives is the development of capacity fees that do not burden economic development. Therefore, a comparison of the FIPSD's full cost justified and approved water capacity fee to similar water capacity fees assessed to new customers in local communities provides a benchmark when considering the impact of the capacity fees.



Table 6 provides a comparison between the FIPSD and nine other communities in South Carolina of the applicable water capacity fees for a typical residential customer.

**Table 6: Comparison of Water Capacity Fees with Local Communities**

Utility/Community	Water Capacity Fees (1)
Charleston Water System	\$3,401
Isle of Palms	\$3,082
Mount Pleasant Waterworks	\$2,880
Hilton Head Island PSD	\$2,400
Average (Excluding FIPSD)	\$2,221
Dorchester County	\$2,200
Berkeley County	\$2,200
Beaufort-Jasper	\$1,852
<b>Frapp Island</b>	<b>\$1,755</b>
Summerville Public Works	\$1,000
Broad Creek PSD	\$975

(1) Compilation of capacity fees per for residential equivalent customers with 5/8" and/or 3/4" meters.



**Fripp Island Public Service District**  
**Water and Wastewater Impact Fee Model**  
**Schedule 1: Water Impact Fee Calculation**

	<b>FY 2021 Original Cost (5)</b>	<b>Total Capacity (MGD) (6)</b>	<b>Cost Per GPD</b>
<b>Water System Capacity Fee</b>			
<b><u>System Buy-In Component (1)</u></b>			
Water System	\$ 6,288,147	1.34	
Pump Station & Wells	191,604		
Less Contributed Capital	(103,465)		
Less NPV of Outstanding Debt Principal Payments (2)	(1,562,566)		
Total System Buy-In Investment	\$ 4,813,719	1.34	\$ 3.61
<b><u>Marginal Incremental Cost Component (3)</u></b>			
Rehab Hunting Island Water Pumping Station	\$ 390,000	1.34	\$ 0.29
			\$ 3.90
Peak Water Use Per ERU (gpd) (4)			450
<b>Water Impact Fee Per ERU</b>			<b>\$ 1,755.00</b>

- (1) From Schedule 3: System Buy-In Capital Facilities.
- (2) From Schedule 4: Debt Principal Payment Credit . Includes principal payments for the 2018 SRF Loan used to fund the Harbor River Bridge water line repair.
- (3) From Table 1: Estimated Annual Rate Funded Capital Expenditures (FY 2022 through FY 2027).
- (4) Represents the estimated average daily demand of 300 gpd per equivalent residential unit used by South Carolina DHEC in determining the system capacity available to serve new customers. For water, a peaking factor of 1.50x is applied to the average day demand because water system capacities are sized to meet peak demands.
- (5) Original costs represent FIPSD's original investment in water system capacity.
- (6) The total capacity represents the maximum daily amount of water FIPSD can contractually purchase from Beaufort-Jasper Water & Sewer Authority (BJWSA), less the maximum daily purchases for Hunting Island State Park. The purchase amounts for Hunting Island State Park are included in FIPSD's contracted maximum daily purchase amount from BJWSA because their purchased water passes through the BJWSA master meter. However the reserved capacity for Hunting Island State Park is excluded from the FIPSD capacity since their water purchases are not paid by, nor benefit the FIPSD water customers.

**Fripp Island Public Service District**  
**Water and Wastewater Impact Fee Model**  
**Schedule 3: System Buy-In Capital Facilities**

<b>Water Capital Facilities</b>	<b>Original Cost</b>
Water System	\$ 6,288,147
Pump Stations & Wells	191,604
Less Contributed	(103,465)
Water System Buy-In Value	<u>\$ 6,376,285</u>

**Fripp Island Public Service District**  
**Water and Wastewater Impact Fee Model**  
**Schedule 4: Debt Principal Payment Credit**

Interest Rate 2.03%  
Loan Amount \$ 3,199,654

<b>2018 SRF - Harbor River WL</b>			
<b>Fiscal Year</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 167,462.49	\$ 123,972.49	\$ 43,490.00
2024	\$ 167,462.49	\$ 126,596.49	\$ 40,866.00
2025	\$ 167,462.01	\$ 129,276.01	\$ 38,186.00
2026	\$ 167,462.27	\$ 132,012.27	\$ 35,450.00
2027	\$ 167,462.43	\$ 134,806.43	\$ 32,656.00
2028	\$ 167,462.73	\$ 137,659.73	\$ 29,803.00
2029	\$ 167,462.44	\$ 140,573.44	\$ 26,889.00
2030	\$ 167,462.80	\$ 143,548.80	\$ 23,914.00
2031	\$ 167,462.15	\$ 146,587.15	\$ 20,875.00
2032	\$ 167,462.82	\$ 149,689.82	\$ 17,773.00
2033	\$ 167,462.14	\$ 152,858.14	\$ 14,604.00
2034	\$ 167,462.52	\$ 156,093.52	\$ 11,369.00
2035	\$ 167,462.40	\$ 159,397.40	\$ 8,065.00
2036	\$ 167,462.19	\$ 162,771.19	\$ 4,691.00
2037	\$ 122,649.61	\$ 121,388.61	\$ 1,261.00
	<b>\$ 2,467,123.49</b>	<b>\$ 2,117,231.49</b>	<b>\$ 349,892.00</b>

<b>Water Principal</b>			
	<b>Total</b>	<b>Adjusted</b>	<b>NPV</b>
2023	\$ 123,972	\$ 123,972	\$ 123,972
2024	\$ 126,596	\$ 253,193	\$ 121,105
2025	\$ 129,276	\$ 387,828	\$ 118,303
2026	\$ 132,012	\$ 528,049	\$ 115,567
2027	\$ 134,806	\$ 674,032	\$ 112,893
2028	\$ 137,660	\$ 825,958	\$ 110,282
2029	\$ 140,573	\$ 984,014	\$ 107,731
2030	\$ 143,549	\$ 1,148,390	\$ 105,238
2031	\$ 146,587	\$ 1,319,284	\$ 102,804
2032	\$ 149,690	\$ 1,496,898	\$ 100,426
2033	\$ 152,858	\$ 1,681,440	\$ 98,103
2034	\$ 156,094	\$ 1,873,122	\$ 95,833
2035	\$ 159,397	\$ 2,072,166	\$ 93,616
2036	\$ 162,771	\$ 2,278,797	\$ 91,451
2037	\$ 121,389	\$ 1,820,829	\$ 65,242
	<b>\$ 2,117,231</b>	<b>\$ 17,467,974</b>	<b>\$ 1,562,566</b>

Interest Rate 2.03%  
Risk Premium 2.50%  
Discount Rate 4.53%

**RESOLUTION**

**OF THE FRIPP ISLAND PUBLIC SERVICE DISTRICT COMMISSION  
APPROVING THE FISCAL YEAR 2022-2023 ANNUAL BUDGET OF THE FRIPP  
ISLAND PUBLIC SERVICE DISTRICT, PRESCRIBING AND IMPOSING THE  
TAX LEVY NECESSARY THEREFORE, AND MATTERS RELATED THERETO**

**WHEREAS**, the Fripp Island Public Service District Commission (the “*Commission*”) is required by the laws of the State of South Carolina to adopt an annual budget of the Fripp Island Public Service District each year;

**WHEREAS**, Section 6-1-80 of the Code of Laws of South Carolina 1976, as amended requires that the Commission publish a notice of public hearing prior to the adoption of the annual budget;

**WHEREAS**, the Fripp Island Public Service District is authorized by enabling legislation of the South Carolina General Assembly to raise funds for corporate purposes of the District by causing the levy of a tax therefore;

**WHEREAS**, the Fripp Island Public Service District is authorized by enabling legislation of the South Carolina General Assembly to levy a tax upon all taxable property within the District sufficient to pay any general obligation bond debt and associated interest due;

**WHEREAS**, a notice of public hearing was published in *Beaufort Gazette* on May 24, 2022, a copy of which is attached as Exhibit C hereto, and such hearing was held at a regular meeting of the Commission immediately prior to consideration of this resolution; and

**WHEREAS**, the Commission desires to adopt its annual budget for fiscal year 2022-2023 (the “*FY23 Budget*”) as the same is included as Exhibit A attached hereto.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission in meeting duly assembled that:

**Section 1 Adoption of Budget.** The FY23 Budget is hereby adopted in the form attached as Exhibit A hereto.

**Section 2 Imposition of Millage.** The tax levies and millage amounts included as Exhibit B are hereby adopted and shall be imposed for the fiscal year beginning July 1, 2022.

**ADOPTED** this 14th day of June, 2022.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
COMMISSION**

  
Chairman, Fripp Island Public Service District Commission

(SEAL)  
Attest:   
Secretary, Fripp Island Public Service  
District Commission

Exhibit A

**FY23 BUDGET**

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
EROSION & BRIDGE BUDGET  
FISCAL YEAR 2023**

	<b>ACTUAL FY 2021</b>	<b>BUDGET FY 2022</b>	<b>ESTIMATED FY 2022</b>	<b>PROPOSED FY 2023</b>	<b>Budget Inc (Dec)</b>
<b>OPERATING EXPENSES</b>					
07-00-501-00 ADMINISTRATION	7,080	7,170	7,170	7,530	360
07-00-517-00 COMMISSIONERS EXPENSES	-	200	-	200	-
07-00-521-00 ACCOUNTING & AUDIT	2,313	3,410	3,410	4,160	750
07-00-522-00 LEGAL FEES	488	2,500	2,500	2,500	-
07-00-531-00 BRIDGE INSURANCE	159,853	121,100	118,500	126,830	5,730
07-00-533-00 LICENSES & TAXES	4	-	-	-	-
07-00-549-00 MISCELLANEOUS EXPENSE	-	-	1,100	1,200	1,200
07-00-562-00 GROIN REPAIR	-	-	-	-	-
07-00-564-00 REVETMENT REPAIR	6,750	-	7,500	8,000	8,000
07-00-566-00 BRIDGE INSPECT/MAINTENANCE	747	59,000	59,000	6,000	(53,000)
<b>TOTAL O&amp;M EXPENSES</b>	<b>177,235</b>	<b>193,380</b>	<b>199,180</b>	<b>156,420</b>	<b>(36,960)</b>
07-00-190-00 CAPITAL EXPENDITURES	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>177,235</b>	<b>193,380</b>	<b>199,180</b>	<b>156,420</b>	<b>(36,960)</b>
<b>REVENUES</b>					
07-00-408-00 TAX PENALTIES	332	-	300	-	-
07-00-411-00 BRIDGE ATTACHMENT FEES	18,035	18,570	18,570	19,130	560
07-00-416-00 INTEREST INCOME	7,537	3,840	3,800	3,300	(540)
07-00-419-00 UNREALIZED INV GAIN (LOSS)	(2,567)	-	(15,000)	-	-
07-00-429-00 MISC INCOME	-	-	-	-	-
	<b>23,337</b>	<b>22,410</b>	<b>7,670</b>	<b>22,430</b>	<b>20</b>
<b>BUDGET YEAR EXCESS (REQUIRED) CASH</b>				<b>(150,200)</b>	
<b>07-00-409-00 TAX LEVY</b>	<b>127,061</b>	<b>127,520</b>	<b>129,620</b>	<b>150,200</b>	
<b>BRIDGE RESERVE LEVY</b>	<b>47,059</b>	<b>70,560</b>	<b>72,010</b>	<b>75,100</b>	
<b>Estimated assessed value/mill</b>	<b>\$ 47,224</b>	<b>\$ 47,224</b>	<b>\$ 48,010</b>	<b>\$ 50,066</b>	<b>2,842</b>
<b>Based on a collection rate of</b>	<b>98.9%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	
<b>one mill equals</b>	<b>\$ 46,705</b>	<b>\$ 47,224</b>	<b>\$ 48,010</b>	<b>\$ 50,066</b>	<b>2,842</b>
<b>O&amp;M TAXES LEVIED, MILLS</b>	<b>2.7</b>	<b>2.7</b>	<b>2.7</b>	<b>3.0</b>	<b>0.3</b>
<b>BRIDGE RESERVE TAXES LEVIED, MILLS</b>	<b>1.0</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>-</b>

**PROJECTED CASH FLOW**

<b>CASH BEGINNING OF PERIOD</b>	<b>759,150</b>
INTERFUND TRANSFERS	0
AR/(AP) & INVEST (GAIN)/LOSS	(22,630)
LESS EROSION RESERVES	(251,000)
LESS BRIDGE OPS RESERVES	(280,520)
LESS RESTRICTED BRIDGE RESERVE	(221,210)
<b>AVAILABLE CASH BEGINNING OF PERIOD - JULY 1</b>	<b>(16,210)</b>
LESS EXPENSES	(156,420)
PLUS REVENUES	22,430
PLUS OPERATIONS TAX LEVY	150,198
PLUS EROSION RESERVES	251,000
PLUS BRIDGE OPS RESERVES	280,520
PLUS RESTRICTED BRIDGE RESERVE	296,309
<b>PROJECTED FUNDS AVAILABLE @ YEAR END</b>	<b>827,827</b>

**FRIPP ISLAND PUBLIC SERVICE DISTRICT FIRE DEPARTMENT BUDGET  
FISCAL YEAR 2023**

<b>ACCT NO</b>	<b>EXPENSES</b>	<b>ACTUAL FY-2021</b>	<b>BUDGET FY-2022</b>	<b>ESTIMATED FY-2022</b>	<b>PROPOSED FY-2023</b>	<b>BUDGET INC (DEC)</b>
<b>EMPLOYEE EXPENSES</b>						
03-00-500-00	PAYROLL EXPENSE	1,791	1,900	1,790	1,850	(50)
03-00-501-00	SALARIES	341,339	399,500	359,740	417,700	18,200
03-00-504-00	FICA	21,165	24,770	22,300	25,900	1,130
03-00-505-00	FMED	4,950	5,790	5,220	6,060	270
03-00-506-00	RETIREMENT	53,452	61,800	59,720	72,720	10,920
03-00-509-00	MEDICAL INSURANCE	17,235	17,460	17,410	18,650	1,190
03-00-510-00	WORKMAN'S COMP	16,031	16,300	15,290	16,300	-
03-00-511-00	EMPLOYEE PHYSICAL	-	300	-	300	-
03-00-516-00	UNIFORMS & GEAR	4,464	3,000	3,560	3,700	700
03-00-519-00	FIREFIGHTER RECOGNITION	140	150	210	150	-
	<b>TOTAL EMPLOYEE EXPENSES</b>	<b>460,567</b>	<b>530,970</b>	<b>485,240</b>	<b>563,330</b>	<b>32,360</b>
<b>OPERATING EXPENSES</b>						
03-00-513-00	TRAINING & CONVENTION	31	1,400	800	1,000	(400)
03-00-514-00	TRAVEL & RELATED	633	200	200	200	-
03-00-517-00	COMMISSIONERS EXPENSES	127	100	230	100	-
03-00-521-00	ACCOUNTING & AUDIT	8,500	12,220	11,500	14,890	2,670
03-00-522-00	BANK SERVICE CHARGES	-	-	-	-	-
03-00-523-00	BEVERAGES & COMPLEMENTS	600	700	810	700	-
03-00-525-00	CLEAN SUPPLIES/SUNDRIES	1,052	1,000	800	1,000	-
03-00-526-00	DUES	80	300	300	300	-
03-00-532-00	GENERAL INSURANCE	17,183	20,300	17,600	18,100	(2,200)
03-00-533-00	LEGAL FEES	14,670	-	3,100	550	550
03-00-533-01	TAXES & FEES	736	600	420	450	(150)
03-00-534-00	ADMINISTRATIVE SUPPORT	29,030	29,390	29,390	30,860	1,470
03-00-537-00	OFFICE SUPPLIES	37	350	350	350	-
03-00-539-00	PRINTING	-	-	-	-	-
03-00-542-00	SUBSCRIPTIONS	2,122	1,750	1,750	1,750	-
03-00-549-00	MISCELLANEOUS	5,200	3,700	6,400	5,100	1,400
03-00-581-00	ELECTRICITY	6,135	6,000	5,800	6,300	300
03-00-582-00	LP GAS & GARBAGE	1,076	1,600	2,200	1,600	-
03-00-583-00	TELEPHONE	4,773	5,000	4,500	4,600	(400)
	<b>G&amp;A Expenses</b>	<b>91,985</b>	<b>84,610</b>	<b>86,150</b>	<b>87,850</b>	<b>3,240</b>
03-00-527-00	FIRE FIGHTING SUPPLIES	1,046	1,000	1,800	1,000	-
03-00-530-00	FIRE PREVENTION	-	1,000	-	1,000	-
03-00-531-00	MEDICAL SUPPLIES	1,449	500	500	500	-
03-00-541-00	SMALL TOOLS	180	300	300	300	-
03-00-543-00	GAS & OIL	4,523	6,000	6,000	7,000	1,000
03-00-558-00	BUILDING & GROUNDS	6,155	17,000	2,000	16,000	(1,000)
03-00-561-00	FIRE HYDRANTS	-	-	-	-	-
03-00-564-00	RADIOS & PAGERS	-	350	590	350	-
03-00-568-00	EQUIPMENT MAINTENANCE	3,528	2,200	2,200	2,200	-
03-00-569-00	VEHICLE MAINTENANCE	4,746	4,500	6,330	5,500	1,000
03-00-575-00	EMERGENCY/NATURAL DISAST	429	500	-	500	-
03-00-589-00	PURCHASES FROM DONATIONS	57	-	260	-	-
	<b>O&amp;M Expense</b>	<b>22,113</b>	<b>33,350</b>	<b>19,980</b>	<b>34,350</b>	<b>1,000</b>
	<b>TOTAL OPERATING EXPENSES</b>	<b>574,665</b>	<b>648,930</b>	<b>591,370</b>	<b>685,530</b>	<b>36,600</b>
<b>ASSET ADDITIONS</b>						
03-00-590-00	PURCHASE OF FIXED ASSETS	509,378	11,000	2,200	11,700	700
	<b>TOTAL ASSET ADDITIONS</b>	<b>509,378</b>	<b>11,000</b>	<b>2,200</b>	<b>11,700</b>	<b>700</b>
	<b>TOTAL EXPENDITURES</b>	<b>1,084,043</b>	<b>659,930</b>	<b>593,570</b>	<b>697,230</b>	<b>37,300</b>

**FRIPP ISLAND FIRE DEPARTMENT  
OPERATION & MAINTENANCE  
REVENUES & CASH FLOW  
FY-2023**

	1ST QTR JUL-SEP	2ND QTR OCT-DEC	3RD QTR JAN-MAR	4TH QTR APR-JUN	TOTAL
<b>CASH BEGINNING OF PERIOD</b>	<b>\$453,980</b>				<b>\$453,980</b>
INTERFUND TRANSFERS					0
LESS CONTINGENCY RESERVE	(50,000)				(50,000)
<b>AVAILABLE CASH BEGINNING OF PERIOD</b>	<b>\$403,980</b>	<b>\$233,498</b>	<b>\$365,645</b>	<b>\$498,093</b>	<b>\$403,980</b>
EMPLOYEE EXPENSES	\$140,833	\$140,833	\$140,833	\$140,833	\$563,330
G&A EXPENSES	21,963	21,963	21,963	21,963	87,850
OPERATING EXPENSES	8,588	8,588	8,588	8,588	34,350
ASSET ADDITIONS (CAP OUTLAY)		5,850	5,850		11,700
<b>TOTAL EXPENDITURES</b>	<b>\$171,383</b>	<b>\$177,233</b>	<b>\$177,233</b>	<b>\$171,383</b>	<b>\$697,230</b>
03-00-408-00 TAX LEVY	\$0	\$308,780	\$308,780	\$25,730	\$643,290
03-00-408-01 RESERVE TAX LEVY	\$0	\$0	\$0	\$0	\$0
03-00-406-00 TAP INS (1)	900	600	900	600	3,000
03-00-499-00 INTERFUND TRANSFERS	\$0	\$0	\$0	\$0	\$0
<b>NET CASH INCREASE</b>	<b>(\$170,483)</b>	<b>\$132,148</b>	<b>\$132,448</b>	<b>(\$145,053)</b>	<b>(\$50,940)</b>
<b>AVAILABLE CASH END OF PERIOD</b>	<b>\$233,498</b>	<b>\$365,645</b>	<b>\$498,093</b>	<b>\$353,040</b>	<b>\$353,040</b>
<b>ACTUAL CASH END OF PERIOD w/RESERVE</b>	<b>\$283,498</b>	<b>\$415,645</b>	<b>\$548,093</b>	<b>\$403,040</b>	

Required Tax Revenue: **\$643,290**  
Proposed Reserve: **\$25,000**

Value of mill for tax year 2022 **\$50,066**  
Provided by P. Harriott, Bft. Co. on 4/8/2022

Tax Collection Rate: **100.0%**

Value of mill @ Collection Rate: **\$50,066**

Operations Tax Levy Required, mills : **12.8**  
Reserve Tax Levy Required, mills: **0.50**

**Cash Balance at the end of the year needs to be sufficient to cover 1/2 of the annual budget for FY 2024.**

Employee Expenses	\$290,110
Operating Expenses	62,930
<b>Total Cash Reserve</b>	<b>\$353,040</b>

**(1) For all residential & commercial water taps, the District collects a \$300.00 "Fire Flow" fee.**



**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
GENERAL OBLIGATION BOND DEBT SERVICE BUDGET  
REVENUES & CASH FLOW  
FISCAL YEAR 2023**

	1ST QTR JUL-SEP	2ND QTR OCT-DEC	3RD QTR JAN-MAR	4TH QTR APR-JUN	TOTAL
<b>CASH BEGINNING OF PERIOD</b>	<b>\$ 367,430</b>				
LESS DEBT SERVICE RESERVE	<u>\$ (349,550)</u>				
<b>AVAILABLE CASH BEGINNING OF PERIOD</b>	<b>\$ 17,880</b>				
<b>DEBT SERVICE PAYMENTS</b>					
WWTP IMPROVEMENT PAYMENT	\$ 15,200	\$ 15,200	\$ 15,200	\$ 15,200	\$ 61,000
WWTP DEBT PAYMENT	95,540	95,540	95,540	95,540	383,000
REVTMENT DEBT SERVICE	7,780	-	7,780	-	16,000
HWY 21 WATERLINE DEBT SVC	41,870	41,870	41,870	41,870	168,000
FRIPP BRIDGE DEBT SVC	38,350	-	170,350		209,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 198,740</b>	<b>\$ 152,610</b>	<b>\$ 330,740</b>	<b>\$ 152,610</b>	<b>\$ 837,000</b>
09-00-409-01 <b>TAX LEVIES</b>	<b>0</b>	<b>396960</b>	<b>396960</b>	<b>33080</b>	<b>\$827,000</b>
NET CASH INCREASE	<u>\$ (198,740)</u>	<u>\$ 244,350</u>	<u>\$ 66,220</u>	<u>\$ (119,530)</u>	<u>\$ (7,700)</u>
<b>TOTAL CASH END OF PERIOD</b>	<b>\$ 168,690</b>	<b>\$ 413,040</b>	<b>\$ 479,260</b>	<b>\$ 359,730</b>	
Required Tax Revenue for WWTP Improvements:	\$ 61,000				
Required Tax Revenue for WWTP:	383,000				
Required Tax Revenue for Revetment:	16,000				
Required Tax Revenue for Hwy 21 Waterline:	168,000				
Required Tax Revenue for Fripp Bridge:	209,000				
<b>Total Required Tax Revenue:</b>	<b>\$837,000</b>				
Less Available Cash Beg of Period:	<u>\$ (10,000)</u>				
<b>Total Required Tax Levy</b>	<b>\$827,000</b>				
<b>Value of mill for tax year 2023</b>	<b>\$50,066</b>				
<b>Value as of 4/8/22 provided by P Harriot</b>					
<b>Tax Collection Rate:</b>	<b>100.0%</b>				
<b>Value of mill @ Collection Rate:</b>	<b>\$50,066</b>				
<b>Tax Levy Required, mills :</b>	<b>16.5</b>				
<b>Cash Balance at end of year needs to be sufficient to cover the annual debt service for two qtrly WWTP debt svc pymts, two qtrly waterline debt svc pymts, one biannual revetment debt svc pymt, and one biannual bridge debt svc pymt</b>					
WWTP Improvements Debt Svc Res	\$30,400				
WWTP Debt Svc Res	191,080				
Revetment Debt Svc Res	7,780				
Hwy 21 Waterline Debt Svc Res	83,740				
Fripp Bridge Debt Svc Res	36,550				
	<u>\$349,550</u>				

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
FISCAL YEAR 2023**

ACCT NO		ACTUAL FY 2021	BUDGET FY 2022	(AMEND)		BUDGET INC (DEC)
				ESTIMATED FY 2022	PROPOSED FY 2023	
OPERATING REVENUES						
01-00-401-00	WATER CONSUMPTION	1,031,427	1,026,120	1,004,280	1,045,170	19,050
01-00-402-00	SEWER USE	720,697	728,830	729,130	761,760	32,930
01-00-403-00	PENALTIES	7,818	7,000	7,680	7,830	830
01-00-404-03	VACUUM SEWER ASSESSMENT	371,249	366,990	366,990	366,990	-
01-00-406-02	WATER TAP FEES	12,100	5,000	12,100	5,500	500
01-00-406-03	SEWER TAP FEES	27,600	12,000	28,800	13,200	1,200
01-00-407-00	ADMINISTRATIVE FEES	6,125	7,910	6,140	6,260	(1,650)
01-00-408-00	RECONNECTION FEES	3,000	3,190	2,405	1,980	(1,210)
01-00-410-00	WATER TRANSPORT FEE	11,251	14,240	14,240	17,250	3,010
01-00-410-01	EFFLUENT DISPOSAL FEE	2,591	6,740	14,800	9,780	3,040
01-00-412-00	WATER TANK LEASE	293,601	299,530	299,530	311,020	11,490
01-00-429-00	MISCELLANEOUS REVENUE	13,681	14,010	51,970	14,290	280
	TOTAL OPERATING REVENUES	2,501,139	2,491,560	2,538,065	2,561,030	69,470
COST OF SALES						
01-00-451-00	WAREHOUSE SALES	-	-	-	-	-
01-00-452-00	WATER PURCHASES	536,631	537,870	527,450	559,740	21,870
	TOTAL COST OF SALES	536,631	537,870	527,450	559,740	21,870
	GROSS PROFIT FROM OPERATIONS	1,964,509	1,953,690	2,010,615	2,001,290	47,600
GENERAL & ADMINISTRATION						
01-01-500-00	PAYROLL EXPENSE	526	650	510	680	30
01-01-501-00	SALARIES	317,795	370,000	335,000	390,000	20,000
01-01-502-00	OVERTIME LABOR	16,641	18,500	18,850	20,000	1,500
01-01-504-00	FICA	20,765	24,090	21,940	25,420	1,330
01-01-505-00	FMED	4,857	5,630	5,130	5,950	320
01-01-506-00	SC RETIREMENT	54,559	63,750	58,070	71,380	7,630
01-01-509-00	MED., LIFE & DISABILITY INSURANCE	51,806	69,600	55,500	74,540	4,940
01-01-509-01	OPEB EXPENSE	3,882	4,200	3,990	4,410	210
01-01-510-00	WORKMAN'S COMPENSATION	4,752	5,370	4,560	6,150	780
01-01-512-00	LICENSE RENEWAL	590	480	480	490	10
01-01-513-00	TRAINING & CONVENTION FEES	1,054	3,500	3,500	3,610	110
01-01-514-00	UNIFORMS	349	600	600	620	20
01-01-515-00	TRAVEL	131	800	800	820	20
01-01-516-00	BUSINESS MEALS	-	100	100	100	-
01-01-517-00	COMMISSIONER'S EXPENSES	1,256	2,500	2,500	2,580	80
01-01-518-00	FIRE DEPART ADMIN SUPPORT	(29,030)	(29,390)	(29,390)	(30,860)	(1,470)
01-01-519-00	EROSION ADMIN SUPPORT	(7,080)	(7,170)	(7,170)	(7,530)	(360)
01-01-521-00	ACCOUNTING & AUDIT	9,093	12,790	12,790	15,600	2,810
01-01-522-00	BAD DEBT	639	500	500	520	20
01-01-523-00	BANK SERVICE CHARGES	10,266	9,500	10,310	10,620	1,120
01-01-523-01	CREDIT CARD SERVICE FEES	843	2,990	3,820	3,940	950

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
FISCAL YEAR 2023**

ACCT NO	ACTUAL FY 2021	BUDGET FY 2022	(AMEND)		BUDGET INC (DEC)
			ESTIMATED FY 2022	PROPOSED FY 2023	
01-01-526-00 DUES & SUBSCRIPTIONS	4,385	4,950	4,950	5,670	720
01-01-528-00 ENGINEERING & CONSULTING	-	40,000	40,000	10,000	(30,000)
01-01-531-00 INSURANCE	56,893	57,950	57,950	64,190	6,240
01-01-532-00 LEGAL FEES	13,134	15,000	7,000	7,210	(7,790)
01-01-533-00 LICENSES, TAXES & PERMIT FEES	11,213	11,880	11,880	12,240	360
01-01-535-00 METER READING & RELATED	139	-	-	-	-
01-01-537-00 OFFICE SUPPLIES	2,309	3,200	3,200	3,300	100
01-01-538-00 POSTAGE & FREIGHT	5,562	5,520	5,520	5,690	170
01-01-539-00 PRINTING	1,380	1,500	1,750	1,800	300
01-01-540-00 PROGRAM MAINTENANCE	8,340	16,550	16,550	18,730	2,180
01-01-543-00 VEHICLE GAS & OIL	11,038	12,000	14,000	23,800	11,800
01-01-549-00 MISCELLANEOUS	3,456	4,300	4,300	4,430	130
01-01-558-00 BUILDING & GROUNDS MAINTENANCE	7,437	6,080	7,000	7,210	1,130
01-01-562-00 GRAPHIC SERVICES	-	200	200	210	10
01-01-568-00 SUPPORT EQUIPMENT MAINTENANCE	1,611	1,850	1,850	1,910	60
01-01-569-00 VEHICLE MAINTENANCE	3,914	2,500	2,500	2,580	80
01-01-581-00 ELECTRICITY & LP GAS, OFFICE	1,810	2,000	2,100	2,210	210
01-01-583-00 TELEPHONE & COMMUNICATIONS	4,629	4,000	4,500	4,640	640
<b>TOTAL G &amp; A EXPENSES</b>	<b>600,944</b>	<b>748,470</b>	<b>687,640</b>	<b>774,860</b>	<b>26,390</b>
<b>WATER SYSTEM EXPENSES</b>					
01-02-524-00 CHEMICALS	-	200	200	200	-
01-02-542-00 SMALL TOOLS & SUPPLIES	884	1,700	1,860	2,500	800
01-02-545-00 WATER TAP COSTS	3,720	2,200	7,800	5,000	2,800
01-02-557-00 BOOSTER PUMPS	110	1,000	1,000	1,000	-
01-02-560-00 CONTROLS & INSTRUMENTATION	28	500	500	500	-
01-02-561-00 FIRE HYDRANTS	2,143	3,000	-	3,000	-
01-02-568-00 SUPPORT EQUIPMENT MAINT	-	500	-	500	-
01-02-570-00 WATER LINES	46,499	8,100	8,000	8,240	140
01-02-571-00 WATER METER REPAIR	3,727	5,500	3,500	6,000	500
01-02-572-00 WATER QUAL MONITORING	1,661	2,120	2,120	2,180	60
01-02-573-00 WATER TANKS	44,534	46,680	47,500	48,930	2,250
01-02-581-00 ELECTRICITY	12,975	12,930	12,440	13,060	130
01-02-583-00 TELEPHONE/SCADA	2,254	2,500	2,500	2,580	80
<b>TOTAL WATER O&amp;M EXPENSES</b>	<b>118,534</b>	<b>86,930</b>	<b>87,420</b>	<b>93,690</b>	<b>6,760</b>
<b>WASTEWATER EXPENSES</b>					
01-03-524-00 CHEMICALS	11,029	7,300	7,300	7,670	370
01-03-525-00 CLEANING SUPPLIES	132	150	150	160	10
01-03-527-00 EFFLUENT MONITORING, WWTP	24,288	25,340	25,340	26,100	760
01-03-529-00 GENERATOR FUEL/MAINT, WWTP	4,847	6,300	6,980	7,330	1,030
01-03-529-02 GENERATOR FUEL/MAINT, VAC SEW	2,200	4,600	4,900	5,150	550
01-03-541-00 SLUDGE DISPOSAL, WWTP	119,719	80,000	110,230	115,740	35,740
01-03-542-00 SMALL TOOLS & SUPPLIES	1,076	1,800	2,000	2,060	260

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
FISCAL YEAR 2023**

ACCT NO	ACTUAL FY 2021	BUDGET FY 2022	(AMEND)		BUDGET INC (DEC)
			ESTIMATED FY 2022	PROPOSED FY 2023	
01-03-545-00 SEWER TAP COSTS	-	-	-	-	-
01-03-558-00 BUILDING & GROUNDS, WWTP	20,512	20,900	20,900	21,530	630
01-03-559-00 UV DISINFECTION SYSTEM, WWTP	-	500	-	520	20
01-03-560-00 CONTROLS/INSTRUMENTS, WWTP	6,818	11,000	4,000	11,000	-
01-03-563-00 GRAVITY SEWER LINES	5,401	4,500	3,000	4,500	-
01-03-563-02 VAC SEWER LINES & SUMPS	7,526	5,500	500	5,500	-
01-03-564-00 EFFLUENT DISPOSAL, WWTP	2,547	3,520	3,520	3,630	110
01-03-565-00 WASTEWATER TREATMENT	27,410	65,000	40,000	42,000	(23,000)
01-03-566-00 SEWER FORCE MAINS	-	31,000	-	35,000	4,000
01-03-567-00 WASTEWATER PUMPING STATIONS	20,522	18,000	24,800	18,000	-
01-03-567-02 VACUUM SEWER STATION	1,095	15,500	5,000	10,000	(5,500)
01-03-581-00 ELECTRICITY-WWPS	12,607	12,990	13,130	13,790	800
01-03-581-01 ELECTRICITY-WWTP	54,780	55,870	52,500	55,130	(740)
01-03-581-02 ELECTRICITY-VAC SEWER	12,593	12,060	12,885	13,530	1,470
01-03-583-00 TELEPHONE	-	200	200	210	10
<b>TOTAL WASTEWATER O&amp;M EXPENSES</b>	<b>335,103</b>	<b>382,030</b>	<b>337,335</b>	<b>398,550</b>	<b>16,520</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>1,054,580</b>	<b>1,217,430</b>	<b>1,112,395</b>	<b>1,267,100</b>	<b>49,670</b>
<b>NET OPERATING REVENUES</b>	<b>909,928</b>	<b>736,260</b>	<b>898,220</b>	<b>734,190</b>	<b>(2,070)</b>
<b>OTHER INCOME</b>					
01-00-416-00 INTEREST/NOT RESTRICTED	58,920	50,500	50,500	48,350	(2,150)
01-00-417-00 INTEREST/RESTRICTED	17,842	12,250	11,600	8,760	(3,490)
01-00-418-00 CAPITAL GAIN (LOSS)	630	-	-	-	-
01-00-419-00 UNREALIZED INV GAIN (LOSS)	(74,304)	-	-	-	-
<b>TOTAL OTHER INCOME</b>	<b>3,087</b>	<b>62,750</b>	<b>62,100</b>	<b>57,110</b>	<b>(5,640)</b>
<b>OTHER EXPENSES</b>					
01-01-595-00 AMORT OF DEFERRED DEBT	-	-	-	-	-
01-01-596-00 INTEREST ON BONDS	159,858	146,790	146,740	128,950	(17,840)
01-01-597-00 BOND PAYMENT FEES	1,200	1,200	1,200	1,200	-
01-01-598-00 BOND ISSUE FEES	-	-	-	-	-
<b>TOTAL OTHER EXPENSES</b>	<b>161,058</b>	<b>147,990</b>	<b>147,940</b>	<b>130,150</b>	<b>(17,840)</b>
01-00-499-00 INTERFUND TRANSFERS IN (OUT)	610,394	610,440	610,400	610,400	(40)
01-00-499-01 INTERFUND TRANS (OUT) fr SURPLUS	(506,772)				
<b>NET INCOME BEFORE DEPRECIATION</b>	<b>855,579</b>	<b>1,261,460</b>	<b>1,422,780</b>	<b>1,271,550</b>	<b>10,090</b>
<b>DEPRECIATION</b>					
01-01-611-00 G&A DEPRECIATION	28,748	37,450	30,620	30,460	(6,990)
01-02-611-00 WATER SYSTEM DEPRECIATION	149,675	151,840	143,740	150,600	(1,240)
01-03-611-00 WASTEWATER SYS DEPRECIATION	429,148	418,380	424,730	431,740	13,360
<b>TOTAL DEPRECIATION</b>	<b>607,571</b>	<b>607,670</b>	<b>599,090</b>	<b>612,800</b>	<b>5,130</b>

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
FISCAL YEAR 2023**

ACCT NO	(AMEND)				BUDGET INC (DEC)
	ACTUAL FY 2021	BUDGET FY 2022	ESTIMATED FY 2022	PROPOSED FY 2023	
<b>NET INCOME (LOSS)</b>	<b>248,008</b>	<b>653,790</b>	<b>823,690</b>	<b>658,750</b>	<b>4,960</b>
<b>CAPITAL EXPENDITURES BUDGET</b>					
01-00-172-00 BUILDINGS & GROUNDS	-	-	-	-	-
01-00-173-00 WATER SYSTEM	3,150	60,000	46,500	17,700	(42,300)
01-00-174-00 OFFICE FURNITURE & EQUIPMENT	-	3,600	3,700	-	(3,600)
01-00-175-00 FIELD SUPPORT EQUIPMENT	2,825	-	-	-	-
01-00-176-00 WELLS & PUMP STATIONS	-	500,000	125,000	265,000	(235,000)
01-00-177-00 LIFT STATIONS	-	-	-	-	-
01-00-178-00 COLLECTION SYSTEMS	-	-	-	5,200	-
01-00-179-00 WASTEWATER TREATMENT PLANT	63,219	-	87,640	-	-
01-00-180-00 COMPUTERS, SOFTWARE, ETC	6,696	-	2,370	-	-
01-00-181-00 VEHICLES	-	30,000	27,840	-	(30,000)
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>75,890</b>	<b>593,600</b>	<b>293,050</b>	<b>287,900</b>	<b>(310,900)</b>
<b>CAPITAL RESERVE BUDGET</b>					
WATER SYSTEM	-	-	-	107,300	107300
WASTEWATER COLLECTION SYSTEMS	-	-	-	24,800	24800
WASTEWATER TREATMENT PLANT	-	-	-	31,880	31880
<b>TOTAL CAPITAL RESERVE BUDGET</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163,980</b>	<b>163980</b>
<b>2013 REVENUE BOND REPAYMENT RESERVE</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>-</b>
<b>TOTAL CAPITAL EXPENDITURES &amp; RESERVES</b>	<b>110,890</b>	<b>628,600</b>	<b>328,050</b>	<b>486,880</b>	<b>(146,920)</b>

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
CAPITAL EXPENDITURES, CONSTRUCTION IN PROGRESS & CAPITAL RESERVES  
FISCAL YEAR 2023**

	PROPOSED FY 2023	FY 2024	PROJECTED *		
			FY 2025	FY 2026	FY 2027
CAPITAL EXPENDITURES					
Water System					
GIS Mapping	17,700	-	-	-	-
Collection System					
GIS Mapping	5,200	-	-	-	-
Total Proposed Capital Expenditures	22,900	-	-	-	-
CONSTRUCTION IN PROGRESS					
Wells & Pump Stations - Hunting Island BPS	265,000	-	-	-	-
Total Construction in Progress	265,000	-	-	-	-
CAPITAL RESERVE BUDGET **					
Water Systems Capital Reserves	107,300	125,000	125,000	125,000	125,000
Wastewater Collection Systems Capital Reserves	24,800	30,000	30,000	30,000	30,000
Wastewater Treatment Plant Capital Reserves	31,880	65,000	65,000	65,000	65,000
Total Capital Reserve Budget	163,980	220,000	220,000	220,000	220,000
2013 REVENUE BOND REPAYMENT RESERVE	35,000	35,000	35,000	35,000	35,000
TOTAL CAPITAL EXPENDITURES, CIP & RESERVES	486,880	255,000	255,000	255,000	255,000

<b>Capital Expenditure Items For Consideration</b>	<b>Projected Cost</b>
Vac (sludge-hauling) truck with jetter	400,000
CJFV sewer line rehab/lining	Unknown
AMD/AMI Meter reading system	Unknown

\* After development of a capital improvement plan, the columns for future fiscal year projections will be populated based on the capital improvement plan.

\*\* The capital reserve budget will include items such as meter reading system upgrades, fleet vehicles, lift and pump station improvements, wastewater treatment plant improvements, water system improvements, etc. Balances remaining from the budgeted reserves at the end of the year can be carried forward for future capital needs. After development of a capital improvement plan, amounts from the reserve budget may be reallocated to the future fiscal year projection columns.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
INCOME PROJECTION  
FISCAL YEAR 2023**

	<b>WATER</b>	<b>WASTEWATER</b>	<b>TOTAL</b>
<b>REVENUES</b>			
WATER & WASTEWATER SALES	1,045,170	761,760	1,806,930
VACUUM SEWER ASSESSMENT	-	366,990	366,990
TAP FEES	5,500	13,200	18,700
WATER TANK LEASE	311,020	-	311,020
OTHER REVENUES	39,575	17,815	57,390
<b>TOTAL OPERATING REVENUES</b>	<b>1,401,265</b>	<b>1,159,765</b>	<b>2,561,030</b>
<b>COST OF SALES</b>	<b>559,740</b>	<b>-</b>	<b>559,740</b>
<b>GROSS PROFITS FROM OPERATIONS</b>	<b>841,525</b>	<b>1,159,765</b>	<b>2,001,290</b>
<b>EXPENSES</b>			
GENERAL & ADMINISTRATIVE	387,430	387,430	774,860
WATER & WASTEWATER SYSTEM	93,690	398,550	492,240
<b>TOTAL OPERATING EXPENSES</b>	<b>481,120</b>	<b>785,980</b>	<b>1,267,100</b>
<b>NET OPERATING REVENUES</b>	<b>360,405</b>	<b>373,785</b>	<b>734,190</b>
<b>OTHER INCOME (EXPENSE)</b>			
INTEREST EARNED	48,350	8,760	57,110
AMORT OF DEFERRED DEBT	-	-	-
INTEREST ON BONDS	(42,830)	(86,120)	(128,950)
BOND PAYMENT FEES	-	(1,200)	(1,200)
BOND ISSUE FEES	-	-	-
<b>TOTAL OTHER INCOME (EXPENSE)</b>	<b>5,520</b>	<b>(78,560)</b>	<b>(73,040)</b>
INTERFUND TRANSFERS IN (OUT)	167,480	442,920	610,400
<b>NET INCOME BEFORE DEPRECIATION</b>	<b>533,405</b>	<b>738,145</b>	<b>1,271,550</b>
<b>DEPRECIATION/LOSS ON DISPOSAL</b>	<b>165,830</b>	<b>446,970</b>	<b>612,800</b>
<b>NET INCOME (LOSS)</b>	<b>367,575</b>	<b>291,175</b>	<b>658,750</b>

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
CASH REQUIREMENTS  
FISCAL YEAR 2023**

	<b>CASH ON HAND 04/30/22 FY2022</b>	<b>CASH REQUIRED 07/01/22 FY2023</b>	<b>CASH REQUIRED 07/01/23 FY2024</b>
<b>AVAILABLE FUNDS</b>			
GROSS REVENUE/O&M FUNDS	1,199,280		
BEAUFORT CO VAC SEWER ASSESSMENTS	520,037		
ACCOUNTS RECEIVABLE	273,180		
ACCOUNTS PAYABLE/TRANSFERS	(257,337)		
<b>TOTAL OPERATING FUNDS</b>	<b>1,735,160</b>		
DEPRECIATION & CONTINGENCY FUNDS	5,124,349		
- INTENTIONALLY LEFT BLANK	-		
VAC SEWER CONST/PREPAY FUNDS	794,640		
2013 REVENUE BOND DS FUND (1)	24,094		
<b>TOTAL AVAILABLE FUNDS/INVEST</b>	<b>7,678,243</b>		
<b>REQUIRED CASH &amp; DEBT SERVICE RESERVES</b>			
<b>OPERATING FUNDS</b>			
(20% over O&M budget & Cost of Sales for one quarter)		587,100	610,580
13 BOND DEBT SERVICE FUND (matures 10/01/28) (1)	(24,094)	363,980	363,910
ASSET ADDITIONS/CAPITAL IMPROVEMENTS (2)	(151,660)	451,880	220,000
WATER SYSTEM CONTINGENCY RESERVE (3)		525,100	568,680
WASTEWATER SYSTEM CONTINGENCY RESERVE (3)		525,100	568,680
WWTP MEMBRANE REPLACEMENT (4)		321,600	361,800
13 REVENUE BOND PREPAYMENT (5)		745,280	780,280
<b>TOTAL REQUIRED CASH RESERVES</b>	<b>(175,754)</b>	<b>3,520,040</b>	<b>3,473,930</b>
<b>TOTAL CASH</b>	<b>7,502,489</b>	<b>3,520,040</b>	<b>3,473,930</b>

- Bond Resolutions require funding a debt service account to pay the annual debt service.**  
The required funds are transferred from the Beaufort County Treasurer upon collection of the annual vacuum sewer assessments. The 2013 bond proceeds prepaid the 2005 bond on 10/1/2014. Required cash for 7/1/2022 & 7/1/2023 DOES NOT include debt service funds for SRF G.O. bonds, which are funded by taxes, not revenues, and listed in the G.O. Bond Debt Service schedule.
- Asset additions & capital improvements include improvements funded by the District's cash reserves & on-going projects funded by bonds.** FY2022 credit includes remaining cost of cyber security upgrades, fleet vehicle & estimated booster pump station upgrade costs to be paid in current year.
- Contingency Reserves increased each year by 1/12 (8.3%) of the currently approved sum for the current fiscal year per the District's bond resolution requirements.** For fiscal year 2022, the the approved contingency reserve was \$484,860 for water and \$484,860 for sewer. Contingency reserves are used for emergencies, major repairs , and "as needed" capital improvements such as small water line extensions and pump station rehab.
- WWTP membranes installed March 2015 at a cost of \$263,951 and have a life of 8 years.**  
Required cash based on original cost increased by 2.5% per year accrued over eight years. Includes new frames & shipping. Does not include installation.
- 2013 refunding bond matures 10/01/28. 2005 refunded bond would have matured 10/01/25.**  
Vacuum sewer assessments end in 2025 with \$1,397,200 owed on 2013 refunding revenue bond. Sewer const fund increased annually by approx. \$35,000 to prepay debt (see 5/14/13 minutes).



**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
CASH FLOW PROJECTION  
FISCAL YEAR 2023**

	<b>WATER</b>	<b>WASTEWATER</b>	<b>TOTAL</b>
<b>CASH AT BEGINNING OF PERIOD</b>			<b>7,502,489</b>
<b>REVENUES &amp; INCOME</b>			
WATER & SEWER SALES	1,045,170	761,760	1,806,930
VACUUM SEWER ASSESSMENT	-	366,990	366,990
TAP FEES	5,500	13,200	18,700
WATER TANK LEASE	311,020	-	311,020
OTHER REVENUES	39,575	17,815	57,390
INTEREST EARNED	48,350	8,760	57,110
INTERFUND TRANSFERS IN (OUT)	167,480	442,920	610,400
<b>TOTAL REVENUES &amp; INCOME</b>	<b>1,617,095</b>	<b>1,611,445</b>	<b>3,228,540</b>
<b>COST OF SALES</b>	<b>559,740</b>	<b>-</b>	<b>559,740</b>
<b>EXPENSES</b>			
GENERAL & ADMINISTRATIVE	387,430	387,430	774,860
WATER & WASTEWATER SYSTEM	93,690	398,550	492,240
<b>EXPENSES BEFORE DEPRECIATION</b>	<b>481,120</b>	<b>785,980</b>	<b>1,267,100</b>
<b>ANNUAL BOND DEBT SERVICE</b>			
BONDS - PRINCIPAL (1)	124,620	720,790	845,410
- INTEREST (2)	42,830	86,120	128,950
BOND PAYMENT FEES	-	1,200	1,200
BOND ISSUE FEES	-	-	-
<b>TOTAL DEBT EXPENDITURES</b>	<b>167,450</b>	<b>808,110</b>	<b>975,560</b>
<b>OPERATING CASH INCREASE (DECREASE)</b>	<b>408,785</b>	<b>17,355</b>	<b>426,140</b>
<b>CAPITAL CONTRIBUTIONS (EXPENDITURES)</b>			
ASSET ADDITIONS	(17,700)	(5,200)	(22,900)
CONSTRUCTION IN PROGRESS	(265,000)	-	(265,000)
CAPITAL RESERVE	(107,300)	(56,680)	(163,980)
<b>TOTAL CAPITAL CONTRIB. (EXPENDITURES)</b>	<b>(390,000)</b>	<b>(61,880)</b>	<b>(451,880)</b>
<b>TOTAL CASH INCREASE (DECREASE)</b>	<b>18,785</b>	<b>(44,525)</b>	<b>(25,740)</b>
<b>CASH @ END OF PERIOD</b>			<b>7,476,749</b>
<b>REQUIRED CASH @ END OF PERIOD (3)</b>			<b>(3,473,930)</b>
<b>CASH OVER (UNDER) RESERVE REQUIREMENTS (4)</b>			<b>4,002,819</b>

1. Debt service principal in the wastewater column includes revenue bond principal of \$319,020
2. Debt service interest in the wastewater column includes revenue bond interest of \$44,950
3. Required cash includes operating funds for one quarter (three months) & debt service reserves.
4. Funds in excess of cash requirements are available for contingencies, the purchase of assets, & capital improvements.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
WATER & WASTEWATER OPERATIONS BUDGET  
REVENUE TEST FOR SERIES 2013 REVENUE BOND ISSUE  
FISCAL YEAR 2023**

	<b>WATER</b>	<b>WASTEWATER</b>	<b>TOTAL</b>
OPERATING REVENUES	1,401,265	1,159,765	2,561,030
(LESS) AD VALOREM TAX REVENUE (1)	167,480	442,920	610,400
(LOSS) ON SALE OF FIXED ASSETS	-	-	-
INTEREST INCOME	48,350	8,760	57,110
(LESS) VAC SEWER FUNDS INTEREST (2)	-	(8,760)	(8,760)
<b>GROSS REVENUES</b>	<b>1,617,095</b>	<b>1,602,685</b>	<b>3,219,780</b>
LESS COST OF SALES	559,740	-	559,740
LESS OPERATING EXPENSES (3)	481,120	785,980	1,267,100
LESS BOND PAYMENT FEES	-	1,200	1,200
<b>NET REVENUES</b>	<b>576,235</b>	<b>815,505</b>	<b>1,391,740</b>
G.O./REVENUE BOND DEBT SERVICE			
CURRENT- PRINCIPAL	124,620	720,790	845,410
- INTEREST	42,830	86,120	128,950
LESS REFUNDED BOND DEBT (4)	-	-	-
<b>TOTAL DEBT SERVICE</b>	<b>167,450</b>	<b>806,910</b>	<b>974,360</b>
<b>ACTUAL NET REVENUE / DEBT SERVICE</b>	<b>3.44</b>	<b>1.01</b>	<b>1.43</b>
<b>REQUIRED NET REVENUE / DEBT SERVICE</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>

(1) Ad valorem property taxes are excluded from calculating net earnings for revenue test unless used for O&M or for payment of G.O. bonds

(2) Interest earned on vacuum sewer construction and assessment funds was excluded from net earnings.

(3) Depreciation, amortization of debt expenses, bond interest, & bond issue expense are not included in O&M expenses for revenue test.

(4) N/A in FY22

Exhibit B

**FY23 BUDGET TAX LEVIES**

<b>Tax Authority</b>	<b>Tax Collection Account</b>	<b>Tax Levy</b>
Erosion/Bridge		
Erosion/Bridge O&M	7031-Erosion & Bridge Ops	3.0 Mills
Erosion/Bridge Reserve	7031-Erosion & Bridge Res	1.5 Mills
	<b>Total Erosion/Bridge</b>	<b>4.5 Mills</b>
Fire District		
Fire Operations	7041-Fire Department Ops	12.8 Mills
Fire Department Reserve	7041-Fire Department Ops	0.5 Mills
General Obligation Bonds	7033-PSD Debt	16.5 Mills
	<b>Total Fire District</b>	<b>29.8 Mills</b>
<b>Total Erosion/Bridge &amp; Fire District Operations, Reserve &amp; Debt</b>		<b><u>34.3 Mills</u></b>

Exhibit C

**FISCAL YEAR 2023 PUBLIC HEARING NOTICE**



Beaufort Gazette  
Belleville News-Democrat  
Bellingham Herald  
Bradenton Herald  
Centre Daily Times  
Charlotte Observer  
Columbus Ledger-Enquirer  
Fresno Bee

The Herald - Rock Hill  
Herald Sun - Durham  
Idaho Statesman  
Island Packet  
Kansas City Star  
Lexington Herald-Leader  
Merced Sun-Star  
Miami Herald

el Nuevo Herald - Miami  
Modesto Bee  
Raleigh News & Observer  
The Olympian  
Sacramento Bee  
Fort Worth Star-Telegram  
The State - Columbia  
Sun Herald - Biloxi

Sun News - Myrtle Beach  
The News Tribune Tacoma  
The Telegraph - Madison  
San Luis Obispo Tribune  
Tri-City Herald  
Wichita Eagle

## AFFIDAVIT OF PUBLICATION

Account #	Order Number	Identification	Order PO	Amount	Cols	Depth
20970	264308	Angel Hughes	Annual Budget 2022-2023	\$315.00	3	5.00 in

Attention: Angel Hughes  
FRIPP ISLAND PUB SERVICE DIST  
ATTN: ANGIE HUGHES  
291 TARPON BLVD  
FRIPP ISLAND, SC 29920

### FRIPP ISLAND PUBLIC SERVICE DISTRICT NOTICE OF PUBLIC HEARING Tuesday, June 14, 2022 Fripp Island Fire Station 9:30 a.m.

Notice is hereby given that the Fripp Island Public Service District Commission (the "Commission"), the governing body of the Fripp Island Public Service District (the "District"), will hold a public hearing on the District's annual budget for the fiscal year beginning July 1, 2022, and ending June 30, 2023. The hearing will be held at 9:30 a.m. on June 14, 2022, at the Fripp Island Fire Station located at 288 Tarpon Boulevard, Fripp Island, SC 29920. Copies of the proposed budget and water and sewer rates are available at the Fripp Island P&D office. Public comments, written or oral, are invited. Those wishing to provide written public comments for the public hearing should email comments to [office@frippisd.com](mailto:office@frippisd.com) no later than one hour prior to the time set for the public hearing. Written comments may also be mailed to the Fripp Island Public Service District, 281 Tarpon Blvd., Fripp Island, S.C. 29920. Those wishing to make oral comments at the public hearing may attend the meeting in person or electronically. Those wishing to attend electronically should email [office@frippisd.com](mailto:office@frippisd.com) or call (843) 838-2400 to request instructions.

The current budget for fiscal year 2021-2022 and the proposed budget for fiscal year 2022-2023 are as follows.

	FY 2021-2022 Approved	FY 2022-2023 Proposed	Percentage Change
<b>Operating Budget</b>			
Revenues	\$3,272,770	\$3,437,060	5.0%
Expenditures *	\$3,587,470	\$3,532,530	-1.0%
Tax Levy (Mills)	14.8	15.8	6.8%
Tax Levy (Dollars)	\$898,850	\$793,480	13.8%
<b>Reserve Levy</b>			
Tax Levy (Mills)	1.5	2.0	33.3%
Tax Levy (Dollars)	\$70,840	\$100,130	41.3%
<b>Debt Service Budget</b>			
Revenues	\$807,000	\$826,080	2.4%
Debt Service *	\$837,000	\$834,700	-0.3%
Tax Levy (Mills)	17.0	18.5	-2.9%
Tax Levy (Dollars)	\$807,000	\$826,080	2.4%

\* Operating budget expenditures and debt service include planned expenditures of fund balances and other carry-over funds, and use of moneys on deposit in sinking funds, respectively.

STATE OF )  
SOUTH CAROLINA ) AFFIDAVIT  
COUNTY OF BEAUFORT )

I, Tara Pennington, makes oath that the advertisement, was published in The Island Packet and The Beaufort Gazette, a newspaper published in Beaufort County, State and County aforesaid, in the issue(s) of

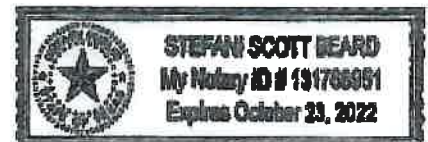
No. of Insertions: 1  
Beginning Issue of: 05/24/2022  
Ending Issue of: 05/24/2022

*Tara Pennington*  
Tara Pennington

Sworn to and subscribed before me this 24th day of May in the year of 2022

*Stefani Beard*

Notary Public in and for the state of Texas, residing in Dallas County



Extra charge for lost or duplicate affidavits.  
Legal document please do not destroy!

**RESOLUTION  
WATER & SEWER RATES FOR FISCAL YEAR 2023**

**ADOPTION OF WATER AND SEWER RATES FOR THE FISCAL YEAR STARTING  
JULY 01, 2022 AND ENDING JUNE 30, 2023**

**WHEREAS**, the Fripp Island Public Service District has prepared and adopted a budget for the fiscal year starting July 01, 2022, which requires the imposition of water and sewer rates on the residents receiving service.

**NOW, THEREFORE, BE IT RESOLVED**, that the following water and sewer rates schedule will be in effect for the fiscal year starting July 01, 2022.

**WATER RATES**

<b>Customer Category</b>	<b>Base Bill/Quarter</b>	<b>Water Consumption</b>
<b>Residential</b>		
Single family lots	\$ 51.70	
Multi-family units	\$ 51.70	
0-12,000 gals./qtr./unit		\$3.00/1,000 gals.
12,001-36,000 gals./qtr./unit		\$3.87/1,000 gals.
over 36,000 gals./qtr./unit		\$4.68/1,000 gals.
<b>Commercial/Irrigation</b>		
¾" meter	\$ 51.70	Same as residential
1" meter	\$ 87.89	
1½" meter	\$ 170.61	
2" meter	\$ 274.01	
3" meter	\$ 521.28	
<b>Hotel/Motel per Room (Sunsuites)</b>	\$ 28.10	
0-5,000 gals./qtr./unit		\$3.00/1,000 gals.
5,001-25,000 gals./qtr./unit		\$3.87/1,000 gals.
over 25,000 gals./qtr./unit		\$4.68/1,000 gals.
<b>Jetting (Hydrant Meter)</b>	N/A	Same as residential
<b>Off Island Individual Customers</b>	\$ 72.61	Same as residential
<b>Hunting Island Fishing Pier</b>	\$ 195.79	Same as residential
<b>Hunting Island State Park</b>	\$9,928.46	
0-7,200,000 gals./qtr.		\$3.65/1,000 gals.
Over 7,200,000 gals./qtr.		\$4.05/1,000 gals.
<b>Hunting Island State Park, South</b>	\$ 295.03	Same as Hunting Isl. S.P.
<b>Harbor Island Transportation Fee</b>	N/A	\$0.61/1,000 gals.

1. Where a single water meter serves more than one unit, multiply the minimum rate for the

**RESOLUTION  
WATER & SEWER RATES FOR FISCAL YEAR 2023**

- customer category by the number of units.
- Delinquent accounts will be charged a 1.5% finance charge on the unpaid balance not paid by the date due.

**SEWER RATES**

<b>Customer Category</b>	<b>Base Bill/Quarter</b>	<b>Charge Per Gallon of Water Consumption</b>
Residential (Single family or multi-family)	\$ 69.50	\$2.94/1,000 gals. up to 36,000 gals
Commercial	\$105.00	\$6.30/1,000 gals. over 22,500 gals
Hotel/Motel Room (Sunsuites)	\$37.40	\$2.94/1,000 gals.
Harbor Island Effluent Disposal Fee	N/A	\$0.60/1,000 gals.

- Where a single water meter serves more than one unit, multiply the sewer rate by the number of units.
- Delinquent accounts will be charged a 1.5% finance charge on the unpaid balance not paid by the date due.
- If Harbor Island's wastewater effluent requires additional treatment prior to disposal, the Harbor Island effluent disposal fee increases to \$6.30/1,000 gallons.

**TAP FEES**

**WATER**

5/8" Meter	\$ 500.00
¾" Meter (commercial only)	\$ 600.00
1" Meter (commercial only)	\$ 700.00
1½" Meter (commercial only)	\$ 900.00
2" Meter (commercial only)	\$1000.00
One meter for multiple units	\$500.00/unit
Hydrant Meter (Jetting)	\$ 100.00
Fire Flow (not required for irrigation meters or hydrant meter installation)	\$ 300.00

- Where a single water meter serves more than one residential unit, multiply the 5/8" water meter tap-in rate by the number of units.
- Where a single water meter serves more than one residential unit, multiply the fire flow fee by the number of units.
- An advance payment of \$150.00 will be collected for water used during construction.
- An advance payment of \$50.00 will be collected for water used with a hydrant meter.

**SEWER**

Residential	\$1,200.00
Commercial	\$200.00/toilet or \$1,200.00 whichever is greater

**RESOLUTION**  
**WATER & SEWER RATES FOR FISCAL YEAR 2023**

1. Where a single water meter serves more than one residential unit, multiply the residential sewer tap-in rate by the number of units.

**WATER CAPACITY FEES**

All new development or expansions to existing development including, but not limited to, residential subdivisions, condominiums (villas), motels/hotels, and commercial facilities shall pay a \$3.90 per gallon water capacity capital contribution fee prior to receiving water service. The amount of water capacity required and purchased shall be adequate to meet the peak daily demand of the new development as determined solely by the Fripp Island Public Service District.

**MISCELLANEOUS FEES**

<b>Non-Payment Fee</b>	<b>\$60.00</b>
Fee added if payment is not received by date noted in past-due notice mailed to delinquent accounts.	
<b>Reconnection Fees</b>	<b>\$45.00</b>
Fee for service reconnection. Applies to non-payment and customer requested cutoffs.	
<b>After Hours Trip Fee</b>	<b>\$150.00</b>
Fee for service reconnection outside of normal business hours.	
<b>Administrative Fee</b>	<b>\$35.00</b>
A non-refundable fee to establish a new account, transfer service to a new customer or to re-establish a terminated account.	
<b>Meter Tampering Fee</b>	<b>\$100 plus costs</b>
For unauthorized meter tampering (i.e., turn-on, etc.)	
<b>Theft of Service Fees</b>	
Theft of meter equipment, bypassing meter, unauthorized use (i.e., after non-payment cutoff)	
First Offense	<b>\$250.00 plus costs</b>
Second Offense (Charged in magistrate court)	<b>\$500.00 plus costs</b>
<b>Returned Payment Fee</b>	<b>\$35.00</b>
Fee charged if any method of payment by customer is returned or dishonored by the bank.	



**RESOLUTION  
WATER & SEWER RATES FOR FISCAL YEAR 2023**

**This Resolution ratified and adopted by the FRIPP ISLAND PUBLIC SERVICE  
DISTRICT COMMISSION on June 14, 2022.**

**FRIPP ISLAND PUBLIC SERVICE DISTRICT  
COMMISSION**



\_\_\_\_\_  
Chairman, Fripp Island Public Service District  
Commission

(SEAL)

Attest:



\_\_\_\_\_  
Secretary, Fripp Island Public Service District  
Commission



ATT F

May 18, 2022

Angie Hughes, Manager  
Fripp Island Public Service District  
291 Tarpon Blvd.  
Fripp Island, SC 29920

Dear Ms. Hughes,

On May 16, 2022 McSweeney Engineers conducted a routine assessment of the Fripp Island Public Service District Revetment. This assessment followed receipt of detailed land survey information provided by RPA Land Surveying dated April 10, 2022. The land survey information presented elevation and cross section information to be used as a comparison with previous surveys. The cross sections obtained from the 2018, 2019, 2021, and 2022 surveys were overlaid on one another in order to make a direct comparison and evaluate the overall condition and changes with the revetment. The visual on-site inspection was conducted in order to ascertain detailed conditions that were not readily depicted in the land survey.

The following brief narrative provides a summary of notable findings, commentary and recommendations for follow-up action.

#### Notable Findings

1. Between Sta. 0+25 and 10+00 there were no significant changes in revetment condition.
2. At Sta. 11+00 a small isolated depression was observed in the revetment crest. This depression measures approximately 1 to 2 ft lower than the surrounding revetment grade. The filter fabric is exposed and there is evidence of water coming through the revetment. Please refer to Photograph 1.
3. At Sta. 11+55 the filter fabric is exposed adjacent to the roadway and there is evidence of water coming through the revetment. Please refer to Photograph 2.
4. At Sta. 12+00 a depression was located at the base of the revetment adjacent to the roadway. The depression measured approximately 3 ft in diameter and 1 ft deep relative to the surrounding grade. There is evidence of water coming through the revetment. Please refer to Photograph 3.
5. From Sta. 18+00 to 19+00 the filter fabric was exposed in isolated areas and there is evidence of water coming through the revetment.
6. Between Sta. 23+50 and Sta. 24+00 a minor depression in the revetment crest was noted. The depression appears to be maximum of 1 ft lower than the adjacent revetment crest. Minor depressions and evidence that revetment stone has settled was noted in this area. Please refer to Photographs 4 through 6 for views of this area.



### Commentary and Recommendations

A vast majority of the PSD revetment has remained relatively unchanged since the revetment repair project was completed in early 2018.

The minor depressions and exposed filter fabric noted between Sta. 11+00 and 12+00 have become marginally worse since the previous inspection conducted in 2021.

The evidence of water coming through the revetment is a condition that has been documented since construction of the revetment was completed. During periods of high water, the elevation of the waterline is above the elevation of the roadway. This, coupled with the fact that revetments are porous by nature, leads to shallow coastal flooding. As noted in previous studies, possible remedies for this are the installation of an impermeable barrier (flood wall) or by raising the elevation of the roadway.

The depression noted between Sta. 23+50 and 24+00 appears to have marginally increased since 2021. This area was previously reported to have a maximum change in elevation of 6 to 8 inches whereas this inspection noted a maximum elevation change of 1 ft. As noted in the previous investigation, this portion of the revetment has a steeper front slope and a narrower crest than any other portion of the revetment. These conditions lessen the revetments ability to withstand wave run-up and wash-through. As such, the effects of water migrating through the revetment during periods of high water is more pronounced.

The primary purpose of the Fripp Island PSD Revetment is to protect the embankment from erosive forces that can damage the Porpoise Drive roadway and underlying utilities. Multiple studies and inspections since construction was completed just over 4 years ago indicates that the revetment is functioning as intended. It is unlikely that the minor depressions have any significant impact on the performance of the revetment. Nevertheless, installation of additional stone in these areas will return the revetment grade back to the design elevation.

Consideration should also be given to the installation of smaller stone in the voids located between armor stone units at the areas noted in this report. This stone would consist of a mix of one-man sized riprap, railroad ballast, and #57 stone and would be placed in the voids between armor units in order to "choke" the revetment stone. It is likely that this stone would washout during significant storm events; however, under normal conditions will reduce the permeability of the revetment. This would serve to reduce the rate of base material washout and prevent the depressions from significantly increasing in size.

Very truly yours,

A handwritten signature in black ink, appearing to read 'William D. Barna', is written over a light blue horizontal line.

William D. Barna, P.E.



Photograph 1: Station 11+00 – Exposed Filter Fabric in Minor Depression and Evidence of Water Coming Through Revetment



Photograph 2: Station 11+55 – Exposed Filter Fabric and Evidence of Water Coming Through Revetment





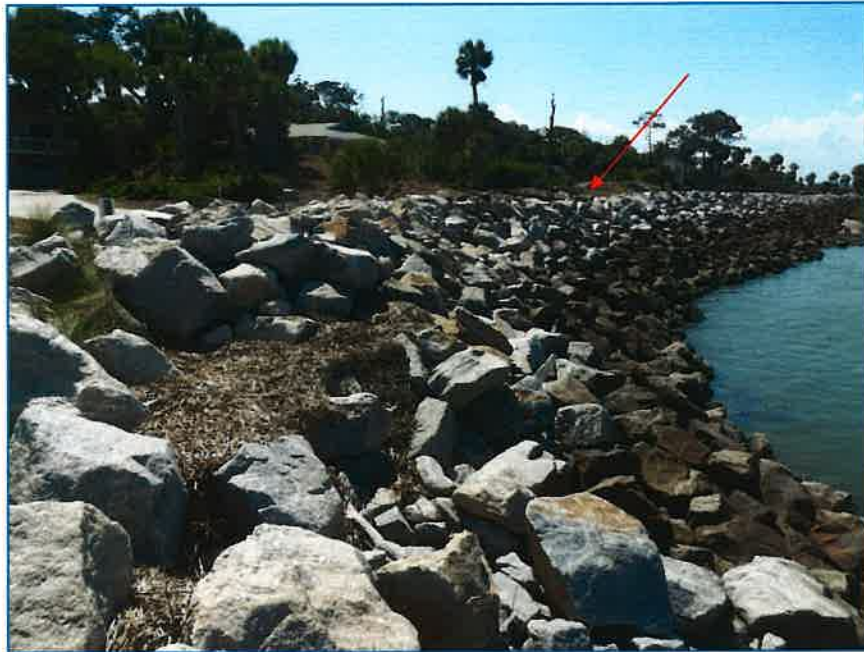
Photograph 3: Station 12+00 – Approximate 3' Diameter Depression Adjacent to Roadway and Evidence of Water Coming Through Revetment



Photograph 4: Station 23+50 to 24+00 - Apparent Settlement of the Revetment



Photograph 5: Station 23+50 – Settlement of Stone Adjacent to Roadway



Photograph 6: Station 23+50 to 24+00 - Apparent Settlement of the Revetment

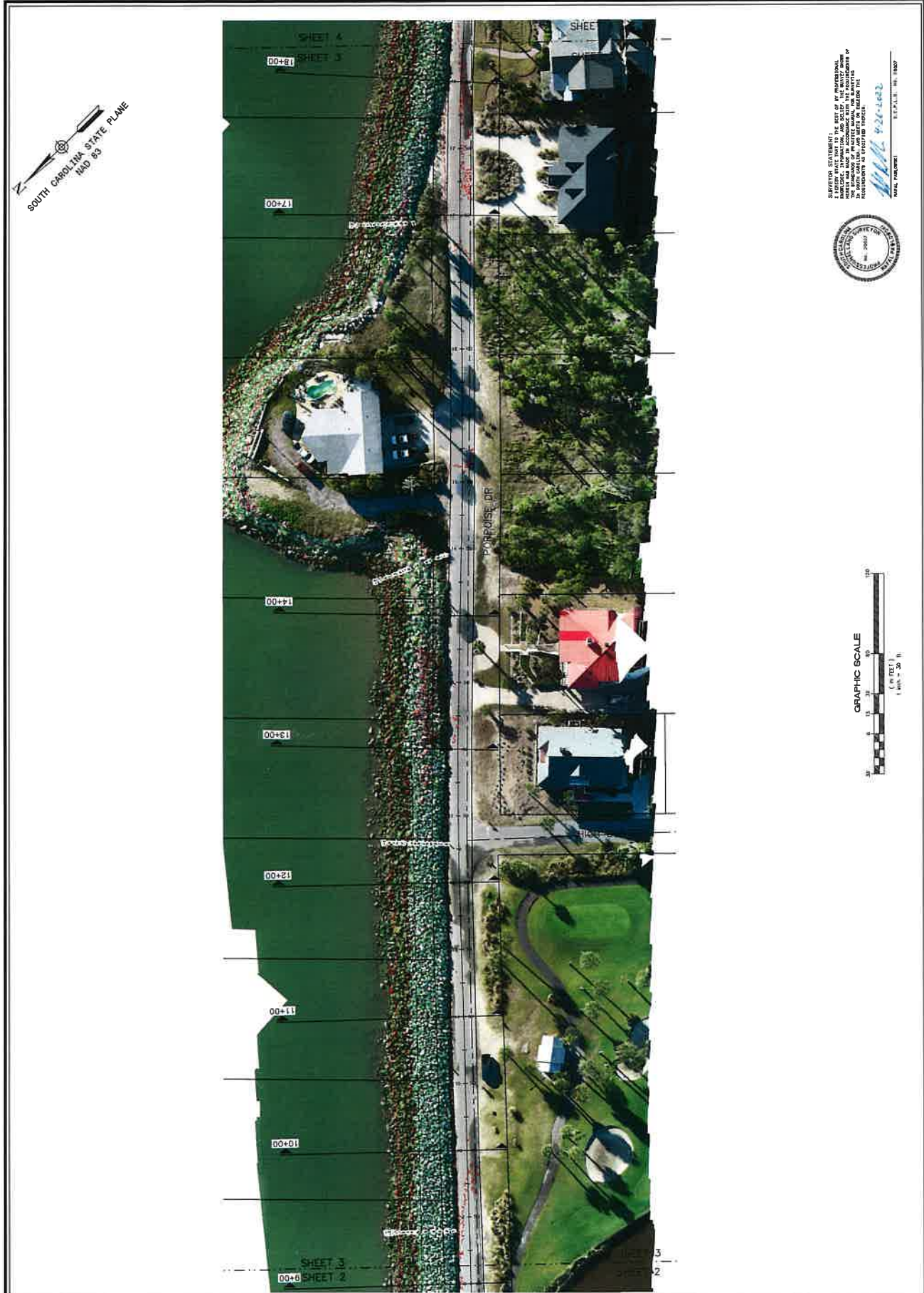








				FRIPP ISLAND PUBLIC SERVICE DISTRICT REVENUE ON FRIPP INLET REQUESTED AT THE REQUEST OF FRIPP TOWNSHIP, HAMPDEN COUNTY, SOUTH CAROLINA		SHEET: 3 OF 6 SCALE: 1" = 30' SURVEY: # 5007-04-10 PROJ.: # 2022-04-10 DATE: APRIL 10, 2022	
DATE:	APRIL 10, 2022	PROJ. #:	2022-04-10	SURVEY #:	5007-04-10	SHEET:	3 OF 6











## Fripp Island Public Service District

# Memo

**To:** Fripp Island Public Service District Commission  
**From:** Angel L Hughes  
**cc:**  
**Date:** 6/14/2022  
**Re:** Emergency Procurement – Parts for Repair of Drum Screen #2 at WWTP

The wastewater treatment plant has two drum screens that remove large objects before the wastewater undergoes further treatment. In 2015, when the treatment plant was upgraded to 0.75 MGD, the design engineer specified 304 stainless steel screens. After about six months of operation, severe corrosion of the housings and screens was detected, and it was determined that a higher quality stainless steel product should have been specified. The District and its engineer worked with the screen manufacturer to procure replacement screens made of 316SS at cost and the new screens were installed in early 2016. District field operators removed as many parts as possible from the discarded 304SS screens before disposal.

On the night of May 18-19, the on-call operator received an “overflow alarm” from the wastewater treatment plant. Upon responding, the operator determined that the #2 drum screen had failed, resulting in a small overflow contained to the concrete slab at the treatment facility. The overflow was cleaned in accordance with standard operating procedure. Because both screens don’t run simultaneously but are manually alternated on a weekly basis, the operator switched the flow to the #1 drum screen and plant operation continued uninterrupted.

On May 19, operators dismantled the #2 drum screen to troubleshoot the problem and found that many of the interior parts, including the drum itself, showed severe wear damage and the screen could not be placed back into service. Based on the condition of the #2 screen, operators opened up the #1 drum screen to visually check for similar damage. Wear damage was also found on the #1 drum screen, but to a lesser degree than what was found on the #2 screen. The drum was still usable and operators used the spare parts reserved from the 304SS screens to rebuild the #1 drum screen and return it to service. The plant is currently operating on one drum screen.

A quote for replacement parts for the #2 drum screen, including the drum, was approved on June 2, 2022 at an estimated cost of \$43,115 (see attached). This approval was made under the **Emergency Procurement** clause of the District’s procurement code because there is a threat to public health and normal daily operations of the District are affected. Competitive sourcing of the installation will be attempted but may not be feasible.

Installation cost of the 316SS screens in 2016 was approximately \$24,000, but the cost today will likely exceed this. The cost will be incurred in and allocated to FY 2023 and will be paid from contingencies available for emergencies. At the end of the year, a budget amendment to account for the budget exceedance may be necessary. Updates will be provided as new information comes in.

Regular inspection of the interior parts of the drum screens has been added to the wastewater treatment plant operating procedures. A complete overhaul of the #1 drum screen, including drum replacement, will be budgeted for FY 2025 and both drum screens will be put on a five-year overhaul schedule.



Date: June 2, 2022  
To: Russell Tuyls  
Reference: Fripp Island WWTP  
Equipment/Parts: RotoSieve 48 Screen Spare Parts

Per your request for quotation of parts for a RotoSieve 48 Screen, below is a price quote.

**Spare Parts Price Schedule**

Qty	Part#	Description	Price (each)	Extension
1	302-G39-2.0-43	Drum, RS-48, 2mm perforation, 316LSS (including crate)	\$ 33,325.00	\$ 33,325.00
2	104-40	Timing/Drive Belt	\$ 1,400.00	\$ 2,800.00
2	102-00-SP	Pinion Drive, SS/HDPE	\$ 950.00	\$ 1,900.00
1	101-40	Support Shaft/Bearing Assembly	\$ 1,450.00	\$ 1,450.00
1	108-4x	Automatic Lubricator Cartridge	\$ 85.00	\$ 85.00
1	111-52	Radial Seal	\$ 55.00	\$ 55.00

**Terms:**

- 100% Due Net 30 from ship date.
- F.O.B. Kalmar, Sweden. Freight prepaid and add.
- Freight Cost to Fripp Island, SC estimated at \$3,500.00 USD via ocean

Total est: \$ 43,115.00

**Delivery:**

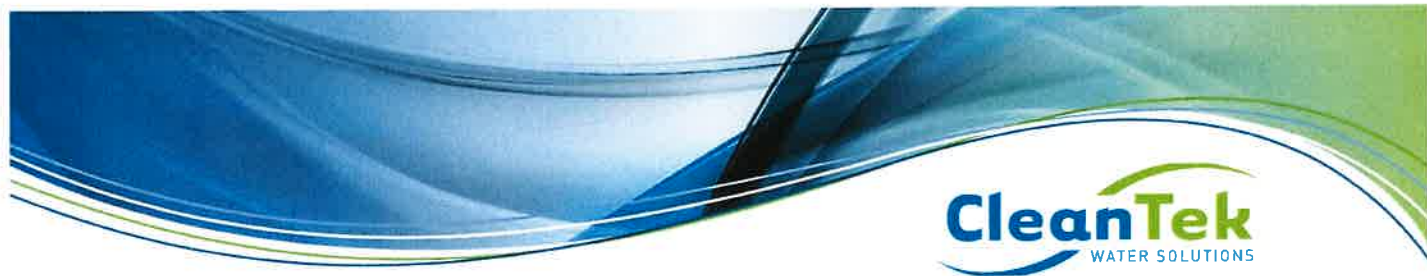
- Freight: Prepaid and add. (charged at actual cost)
- Lead time for fabrication: approx. 2-3 weeks (drum), all other parts in stock.
- Lead time for shipping: approx. 5-7 weeks via LCL. Shipping time can be expedited at additional cost if needed.

**Exclusions:**

- Taxes of any kind.
- Installation or supervision of installation

Approved AH 6/2/22





Validity:

- Our price is firm for acceptance within 30 days of quote.

For further details or questions, please feel free to contact me at 866-929-7773 or via email at [cory.kopp@cleantekwater.com](mailto:cory.kopp@cleantekwater.com).

Best Regards,

Cory Kopp  
CleanTek Water Solutions