BPW Monthly Meeting

Meeting Minutes

June 29, 2026, 5:30 PM

A MEETING OF THE COMMISSIONERS OF THE BAMBERG BOARD OF PUBLIC WORKS ON MONDAY, JUNE 29,2026, AT 5:30 P.M. AT CITY HALL. MEMBERS PRESENT: CHAIRMAN BUZZY BUNCH, COMMISSIONER JOHN HIERS, COMMISSIONER BO GRIFFIN (VIA TELEPHONE), AND MANAGER CAMDEN KITTRELL.

1. Call to Order and Invocation

Chairman Bunch called the meeting to order. The invocation was delivered by Commissioner John Hiers.

2. Approval of Minutes of Previous Meetings

Motion to approve the minutes of the previous meeting as presented was made by Commissioner John Hiers and seconded by Commissioner Griffin. All approved. The motion carried.

Motion to approve the minutes of the Board Retreat meeting as presented was made by Commissioner John Hiers and seconded by Commissioner Griffin. All approved. The motion carried.

3. Financial Reports Presented and Reviewed

Motion to accept the financial reports as presented was made by Commissioner John Hiers and seconded by Commissioner Bo Griffin. All approved. The motion carried.

Manager Kittrell noted for transparency that the reported bank balance of approximately $2.6 million was likely inflated, as a contractor payment of approximately $500,000 had not yet cleared, bringing the actual balance closer to $2.1–$2.2 million, for a revised combined total of approximately $4.6 million.

4. Manager's Report

a. Standard Report

Manager Kittrell provided an overview of significant activities since the last regular meeting, held approximately five weeks prior.

Industrial Pretreatment Inspections: Manager Kittrell and the engineer conducted annual industrial pretreatment inspections of the utility's permitted industries. Phoenix was noted as running a meticulous operation and fully adhering to EPA standards. Swiss Krono, while well-intentioned, was described as a manufacturing-focused operation for which wastewater compliance requires ongoing guidance from the utility.

Santee Cooper Contract Negotiations: Manager Kittrell stated that on May 29th, 2026, Santee Cooper representatives met with the Board to present two options for contract renewal. Manager Kittrell indicated that now that the budget process is complete, staff will closely evaluate both options and seek to improve upon them through negotiation. Manager Kittrell also noted that Santee Cooper released their Integrated Resource Plan (IRP), which staff will review.

Legal Matters: Manager Kittrell informed Commissioners that the utility was scheduled to appear in court on June 16th regarding an outstanding payment for a DAF unit. Manager Kittrell reported that payment of approximately $41,500 — which included the principal balance of roughly $35,000 plus penalty and interest as stipulated in the original contract — was received the evening before the court date, resolving the matter without a judgment.

Utility Asset Agreement – Environmental Permitting: Manager Kittrell stated that staff has been working with attorneys Aaron Ness and environmental attorney Beth Partlow to initiate the permit transfer process with DES. Manager Kittrell explained that the wastewater permit will likely dissolve as the flow transitions to a different permit, while SCA/City Farm will need to submit a new application for the water permit. A notification letter to DES is expected to be sent shortly.

Swiss Cronos Outreach: Manager Kittrell proactively contacted the CEO of Swiss Krono to inform them of the utility asset purchase agreement, noting that Swiss Krono has an active pretreatment permit and a consent order with the utility. Swiss Krono indicated they were already aware of the transition and had begun an application process with the relevant agency.

b. SCIIP Grant Update

Manager Kittrell provided updates on active construction projects under the SCIIP grant program.

Family Circle Project: This project is now complete, with a final total of $2,282,057 — approximately $16,783 under the original bid price.

Wastewater Treatment Plant: Substantial completion has been achieved. A punch list remains, and Change Order No. 4 was issued to extend the contract completion date to July 24th (from the original date of May 22nd). Manager Kittrell explained this extension was necessary to ensure the contractor remained within contract time so that the utility could be reimbursed by USDA-RIA for several hundred thousand dollars. The punch list must be completed by July 24th.

Orangeburg DPU Interconnection: The contractor is currently performing pipeline disinfection using HTH chlorine. Once sufficient disinfection kill is achieved, the contractor can apply for a permit to operate from DES. Upon issuance of that permit, the utility will take ownership of the line.

c. SCAT Park Update

Manager Kittrell reported that the utility asset purchase agreement with SCA was signed on May 29th. Shortly thereafter, the utility's attorney identified contradictory language in the contract regarding the timing of governmental authorizations (DES permitting). Amendment No. 1 to the Utility Asset Purchase Agreement was executed to clarify that all DES-related requirements must be completed prior to operator closing, not the initial closing.

5. New Business

Manager Kittrell noted that consistent with the utility's bylaws, the selection of auditor and attorney rests with the Board rather than the Manager Kittrell. He presented an audit engagement letter from McGregor and Company for the Board's consideration.

> Motion to accept the engagement of McGregor and Company as auditor, as specified in the engagement letter, was made by Commissioner Griffin and seconded by Commissioner Hiers. All approved. The motion carried.

Manager Kittrell then presented the proposed fiscal year 2027 budget and service charge/rate adjustments. He noted that the primary changes from the previously reviewed budget package were in the industrial water rates and tap fees. The industrial water base rate was standardized, the per-thousand-gallon rate was increased 25% to $4.99, the water tap fee for a 0.75-inch tap was increased from $675 to $950 (consistent with Orangeburg DPU's rate and reflective of actual material and labor costs), and the wastewater tap fee was increased from $800 to $1,200 for a 6-inch tap.

Manager Kittrell then presented three budget scenarios based on differing employee cost-of-living adjustment (COLA) percentages: 3%, 3.6%, and 4%. He noted that the May 2026 Consumer Price Index (CPI) was 3.9%. Under the 4% scenario, the budget would approximately break even; under 3.6%, the utility would realize approximately $6,000 in net positive; under 3%, approximately $17,000.

Following brief discussion, the Board expressed consensus in favor of the 4% COLA, recognizing it as appropriate given the current CPI.

> Motion to accept the 4% cost-of-living adjustment for employees as incorporated into the budget was made by Commissioner Griffin and seconded by Commissioner Hiers. All approved. The motion carried.
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> Motion to accept the service charges and rates as presented was made by Commissioner Hiers and seconded by Commssioner Griffin. All approved. The motion carried.

Manager Kittrell also distributed a statewide comparison of water and wastewater rates for the Board's reference, noting that Bamberg BPW's rates fall in the middle of the range across South Carolina municipalities.

Additionally, Manager Kittrell previewed a suite of financial policy documents — including a Purchase Order Standard Operating Procedure, an Inventory Policy, an ACH Fraud Prevention Control document, a Short-Term Capitalization Policy, and a Prepaid Expense and Authorization Cost Policy — prepared with the assistance of the new finance staff. These documents were provided for the Board's review and are expected to be formally presented for adoption at the next meeting.

Manager Kittrell also noted that the first escrow closing under the SCA utility asset purchase agreement is expected to occur between now and the next Board meeting, at which point the utility would receive $850,000 in escrow funds, representing $1,000,000 received by SCA to date.

b. Santee Cooper – Rate Increases via ML-27 and ML-28

Manager Kittrell and the Board engaged in a broader discussion regarding the utility's long-term wholesale power contract with Santee Cooper. Manager Kittrell outlined the upcoming contract decision timeline, noting that February 1st, 2028, would be the earliest point at which the utility could provide notice to terminate its current demand-rate-based contract, with a potential transition date of February 1st, 2029.

Commissioner Hiers inquired whether the utility should explore the open market to validate whether competitive alternatives exist. Manager Kittrell acknowledged that going to market is an option but expressed reservations, noting that as a 10-megawatt load, the utility may not attract highly competitive proposals from investor-owned utilities such as Duke Energy or Dominion. Manager Kittrell also referenced the example of PMPA member utilities in the upstate, which are transitioning from Santee Cooper to Duke Power in 2029 and are projected to save approximately $6,000,000 collectively — a figure that, when spread per meter, may not result in significant individual savings.

Manager Kittrell expressed a preference for negotiating the best possible terms with Santee Cooper, citing the long-standing relationship of nearly 50 years, Santee Cooper's stated commitment to its municipal customers, and the uncertainty of relying on larger investor-owned utilities for which a 10-megawatt load may not be a priority. Manager Kittrell also noted that the potential resolution of the V.C. Summer project debt — approximately $2.4 billion — could further improve Santee Cooper's rate posture and should be factored into any negotiations.

The Board expressed general agreement with pursuing aggressive negotiation with Santee Cooper rather than going to market, while acknowledging that the utility should seek hard, concrete numbers on any rate relief that could result from the V.C. Summer settlement. Manager Kittrell confirmed he would continue working through existing relationships with Santee Cooper representatives toward the best possible outcome.

6. Announcements

No announcements were made.

7. Questions from the Press and Audience

There were no questions from the press or audience.

8. Adjournment

There being no further business, Chairman Bunch adjourned the meeting at 6:14 p.m.

ATTEST:

CLERK

CHAIRMAN – BPW

COMMISSIONER – BPW

COMMISSIONER - BPW