

MINUTES OF REGULAR MEETING OF COMMISSIONERS
OF LANCASTER COUNTY WATER & SEWER DISTRICT

A regular meeting of the Board of Commissioners of Lancaster County Water & Sewer District was held at Lancaster County Water & Sewer District's Administrative Office in the Conference Center Board Room at 6:30 pm, on Tuesday, May 12, 2026, after due notice of the time, place, and purpose of such meeting.

Members Present: Gerald White, Robert Barr, Doc Steele, Jimmy Deaton, Bob Harris, Larry Hammond, and Stephen White.

Members Absent: RJ Clyburn and Mike Williams

In addition, there were present: Brad Bucy, District Manager; Wes Carter, Operations Manager; Margaret Flow, Business Manager; Kerri Mackey, Finance Director; Lori Grow, Administrative Assistant; Susan Driscoll and Jim Sheedy, District Legal Counsel.

Gerald White called the meeting to order at 6:30 pm and chaired the meeting.

Public Comment as Necessary
There were no public comments.

Approval of Minutes

Gerald asked if there were any questions or proposed changes to the April 14, 2026, Commission Meeting Minutes. There were none. Robert Barr made a motion to approve the April minutes. Larry Hammond seconded. All approved.

LCWSD Approval of 2026/2027 CRWSP Operating Budget

Brad Bucy informed the Commissioners that the Catawba River Water Supply Project (CRWSP) Board recommended approval of the 2026/2027 Operating Budget for CRWSP on February 5, 2026. The budget proposes a total cost of water of \$1.03 per one thousand gallons. This represents a \$0.03 increase over the current year rate. Brad reviewed the Operating Budget with the Board.

Bob Harris made a motion to approve the CRWSP 2026/2027 Operating Budget. Stephen White seconded. All approved.

Presentation and Discussion of LCWSD 2026/2027 Operating Budget & Retail Rates

Brad turned the meeting over to Kerri Mackey to discuss the Draft Lancaster County Water & Sewer District's (LCWSD) 2026/2027 Operating Budget. Kerri provided a presentation to the Board where she reviewed the proposed rate schedule, budget highlights, relevant revenue and expense projections, and capital projects.

Brad and Kerri reviewed the proposed rate schedule. Under the new schedule, a typical water and sewer customer will see an approximately six percent increase in their combined bill, depending on consumption. A typical water-only customer will see an increase of five percent in their bill. Staff also recommended an approximately twenty-five percent increase in the water and sewer capacity fees to keep up with increasing construction costs, infrastructure needs, and regulatory requirements. There was general discussion. This draft budget was provided for information purposes only.

Approval of Drought Management and Response Plan Updates

The Catawba-Wateree Drought Management Advisory Group (CWD MAG) recently announced the Catawba-Wateree River Basin has entered Stage 2 of the Low Inflow Protocol (LIP) because of continued extremely dry conditions. Stage 2 triggers mandatory conservation actions to be announced for public water utilities by May 15, 2026. Stage 2 requires residents and businesses to reduce nonessential water use to help protect the region's shared water supply.

This is the first time LCWSD has experienced Stage 2 drought conditions in the region since 2009. Seventeen of the nineteen previous months have recorded below average rainfall. The six-month average streamflow metric is on the verge of entering Stage 4, and all metrics must return to Stage 1 before the LIP can return to Stage 1.

Stage 2 is for mandatory drought conditions. Staff have made several updates to the Lancaster County Water and Sewer District's (LCWSD) Drought Management and Response Plan in advance of this milestone. Brad turned the meeting over to Wes Carter to highlight some of the changes which include the use of a drought surcharge rate schedule for LIP Stages 2, 3, and 4 to meet the requirements of a five to ten percent reduction in overall usage. The penalty graduates ultimately to shutoff if the customer continues to violate the conservation requirement. Wes explained other changes in the Plan and indicated that the South Carolina Department of Natural Resources (SCDNR) has reviewed, commented, and given final acceptance of the plan.

Bob Harris made a motion to approve the updated Drought Management and Response Plan. Robert Barr seconded. All approved.

Approval of Short Form Engineering Agreement for Highfill Engineering – Highway 5 and Rebound Road Water Line Evaluation

The South Carolina Department of Transportation (SCDOT) plans to install turn lanes and a traffic signal at the intersection of SC Hwy. 5 and Rebound Road near the entrance to the Catawba River Water Treatment Plant. This could result in multiple conflicts related to Lancaster County Water and Sewer District's (LCWSD) existing 30-inch, 24-inch and 6-inch water lines. The scope of engineering cannot be determined until a preliminary evaluation is performed. The proposed scope includes, for \$20,000 - reviewing existing data, locating existing lines, and comparing the conclusions to the proposed South Carolina Department of Transportation (SCDOT) drawings.

Larry Hammond made a motion to approve Highfill Engineering for a \$20,000 agreement. The agreement only includes updates to project specific information on the existing short form and therefore does not require legal review. Stephen White seconded. All approved.

Executive Session to Receive Legal Advice on Pending Litigation, Contractual Agreement, and/or Personnel Issue

There was no executive session.

Adjourn

Robert Barr made a motion to adjourn at 8:12 pm. Bob Harris seconded. All approved.



Robert L. Barr, Secretary

**A RESOLUTION TO PROVIDE FOR IMPLEMENTATION
OF AN AMENDMENT TO THE DROUGHT MANAGEMENT AND RESPONSE PLAN**

BE IT RESOLVED by the Commissioners of Lancaster County Water and Sewer District (District), at a meeting duly assembled, that:

SECTION 1. Pursuant to the Drought Response Act of 2000 (S.C. Code Ann. § 49-23-10, et seq., as amended), District enacted a Drought Management and Drought Response Plan in August of 2003 (Plan).

SECTION 2. On August 8, 2006, District became an eligible participant under the Comprehensive Relicensing Agreement (CRA). As an eligible participant in the CRA, District was required to amend the Plan so that the Plan was in conformity with the drought response provisions set forth in the Low Inflow Protocol (LIP) contained in the CRA.

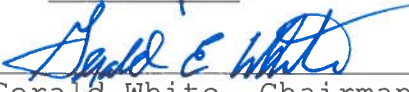
SECTION 3. The Drought Response Act of 2000 requires any amendment to the Plan to be submitted to South Carolina Department of Natural Resources (DNR) for review and approval.

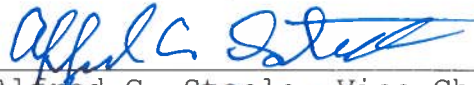
SECTION 4. District now seeks to amend the Plan to incorporate updates to the current LIP and Catawba-Wateree Drought Management Advisory Group (CW DMAG) drought response protocols and modify enforcement mechanisms in the Plan. Such amendment has already been submitted to DNR and District received written approval from DNR on May 12, 2026.

SECTION 5. District hereby enacts the amendment to the Plan, a copy of which is attached to this resolution, so that District's Plan is in full conformity with the terms of the LIP contained in the CRA, as well as protocols established by CW DMAG.

SECTION 6. This resolution was adopted by a majority of the Commissioners of District.

Adopted this 12th day of May, 2026.


Gerald White, Chairman


Alfred C. Steele, Vice Chairman


Robert Barr, Secretary

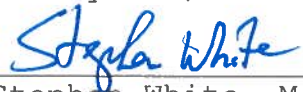

James C. Deaton, Member

Absent
Michael G. Williams, Member


Larry Hammond, Member


Robert A. Harris, Member

Absent
RJ Clyburn, Member


Stephen White, Member