

## MINUTES

The Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, February 28, 2017, at 3:00 p.m.

Copies of the agenda were forwarded to the following news media: Spartanburg Herald-Journal, The Spartan Weekly, Greenville News, The Greer Citizen, Hometown News, WSPA-TV 7, WYFF-TV 4, WLOS-TV 13, WHNS Fox Carolina, WORD News Radio, WOLT-FM Radio, Tribune Times, and the Times Examiner.

Commissioners present were Ms. Viney, Mr. Littlejohn, and Mr. Montgomery. No one was absent.

The meeting was opened with the following statement:

This is a regular meeting of The Commissioners of Public Works of the City of Spartanburg, SC. Written notice of the date, time, and place for this meeting, along with the agenda, has been posted on the bulletin board, and copies forwarded to local and nearby news media, at least 24 hours prior to this meeting.

### **1. APPROVAL OF MINUTES OF REGULAR MEETING OF JANUARY 17, 2017**

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve the minutes as written. The motion passed unanimously.

### **2. MONTHLY FINANCIAL REPORT**

Newt Pressley presented a financial summary of SWS expenditures and revenues for the six-month period ending December 31, 2016 and seven-month period ending January 31, 2017. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

### **3. FINANCIAL ADVISORY SERVICES**

In October 2016, Spartanburg Water utilized the financial advisory services of First Tryon Advisors to facilitate the bank placed forward refunding of the 2007A bonds, resulting in substantial savings for this debt.

Management is continuing to monitor refunding opportunities for the Series 2007B and Series 2009 bonds. Additionally, we are considering bond funding needs associated with various improvements in the water system. In connection with the potential refunding and new money transactions, management recommends that we again engage the financial advisory services of First Tryon Advisors. The scope of services will include the following:

- Provide recommendations for the Bonds, including such elements as the date of sale, interest payment dates, schedule of principal maturities, security provisions and such other provisions as may be appropriate to make the issue attractive to investors while achieving the objectives of the Client. All recommendations will be consistent with the goal of designing the Bonds to be sold on terms which are advantageous to the Client, including the lowest interest costs consistent with all other considerations.

**AGENDA** – Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, February 28, 2017

- Prepare a financing calendar to ensure the debt instruments are priced and closed in time to meet the Client's financing needs. The financing calendar will include all required notices, board actions, public hearings (if required), rating agency requirements, and other financing milestones.
- Establish and maintain the working group list and provide assistance in procurement of additional professionals necessary to complete the financing, as necessary (underwriter, trustee, printer, etc.)
- Coordinate all activities, meetings or conference calls with the members of the working group.
- Advise the Client of current bond market conditions, other related forthcoming bond issuances and economic announcements, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Bonds may be set at a favorable time.
- Model the bond issue and produce analytical schedules/scenarios outlining sources and uses of funds, debt service, escrow requirements, bond statistics, and other schedules.
- Review and provide comments, as appropriate on all bond and underwriting documentation.
- Assist the underwriters and their counsel in connection with their efforts to prepare the official statement.
- Maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the debt instruments.
- Assist in developing rating strategy (including the review and development of any financial policies), preparing comprehensive rating presentation materials and preparing the Client for rating agency meeting or calls. First Tryon will coordinate the logistics of any meetings or conference calls.
- Attend meetings of the governing body of the Client, its staff, representatives or committees as requested when First Tryon may be of assistance or service and the subject of the financing or related topic is to be discussed.
- Provide various services relating to the pricing of the Bonds including: preparing pre-pricing materials to review with the Client, providing pricing comparisons of the Client's transaction to other comparable transactions in the market during the same period of time, participating in all pricing calls, providing assistance in negotiating interest rates with the underwriters on the day of pricing and review final numbers provided by the underwriter.

**AGENDA** – Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, February 28, 2017

- Participate in closing activities, review final documentation, closing memo and be available as miscellaneous questions arise.
- Provide ongoing responses to routine questions and perform other tasks customarily performed in conjunction with a financing of this type.

First Tryon’s proposed fee for the refunding and new money bond transactions is a not to exceed amount of \$50,000.

Management requested Commission approval of the First Tryon financial advisory services. Mr. Pressley advised that the proposed fee is anticipated to be allocated evenly between the refunding and new money portions of the transaction.

Mr. Littlejohn moved Ms. Viney seconded management's request to approve the First Tryon financial advisory services for the not to exceed amount of \$50,000. The motion passed unanimously.

**4. BID FOR SPARTANBURG WATER SYSTEM FACILITIES MOWING AND MAINTENANCE CONTRACT**

Bids were received on January 25, 2017 for furnishing contractor services to mow and maintain 27 selected Spartanburg Water System facilities. Invitations to bid were forwarded to prospective bidders and publicized in the local media. A tabulation of the responses is below listing the annual cost submitted for the Water facilities.

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Green Lawn Specialist Rutherfordton, North Carolina	\$13,130.04
Crowe Lawncare, LCC Spartanburg, South Carolina	\$14,179.00
Green and Clean Services Cowpens, South Carolina	\$16,410.00

The bid for both water and sewer facilities was completed at the same time. The amount listed below is for the water portion. Based on the results of the bid evaluations, management recommended the approval of an award to Green Lawn Specialist for the Spartanburg Water System facilities in the amount of \$13,130.04 per year, which will be paid at a rate of \$1,094.17 per month. Funding will be provided by the operating budget.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation to award the bid to Green Lawn Specialist for the Spartanburg Water System facilities in the amount of \$13,130.04 per year, which will be paid at a rate of \$1,094.17 per month. The motion passed unanimously.

**AGENDA** – Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, February 28, 2017

**5. LAKE BLALOCK BUFFER MANAGEMENT PLAN**

The primary purpose for the Lake Blalock Buffer Management Plan is to define how the property surrounding Lake Blalock owned by Spartanburg Water will be managed to protect and enhance the water quality of Lake Blalock for generations to come. The Buffer Management Plan (BMP) first became effective in 2006 and was most recently updated in 2013.

During the summer of 2016, staff held a series of workshops and informational sessions with stakeholders in order to ensure that the public had multiple opportunities to provide feedback on the strengths and weaknesses of the BMP. In addition to the workshops, an online survey was developed to further engage stakeholders that may not have been able to attend one of the workshops. Based on stakeholder input along with staff review of prior protective measures, an edit of the existing BMP was completed. The edit substantially changed the format of the document while maintaining much of the existing text and includes enhancements where appropriate.

Management recommended that the Commission approve the edits of the Lake Blalock Buffer Management Plan with an effective date of April 3, 2017.

Ms. Schneider shared with the Commission that the original Buffer Management Plan (BMP) was developed and put in place in 2006. There have been updates since then. Management felt that after 10 years it needed to be restructured with information and an Enforcement Response Guide added. The plan is comprehensive, but needs flexibility to address different property issues. Management has met with Home Owner Associations, collected information from residents, as well as from an online survey. The goal of SWS is to keep the reservoir as least impacted as possible, but in the past the Commission has always supported recreation as long as it does not impact water quality and supply.

Ms. Schneider informed the Commission Mr. Joe Guiltner, President of The Blalock Lakeside Property Owners Association, was present and shared a letter he wrote. Some of the representatives of the homeowners' association want to review the BMP before it is approved, and management would like to move forward and make it effective in approximately one month.

Mr. Montgomery complimented management for putting a lot of hard work and effort into making the modifications to the plan. Management is correct that the BMP needed to be updated, and to keep in mind this is a reservoir first and foremost and recreation is not going to interfere with quality drinking water to SWS customers. Certainly there will be an opportunity to address the specifics that might come along, but the Commission needs to move forward and adopt this and adhere to the policies as much as possible.

Ms. Viney confirmed the effective date would be April 3, 2017, and stated there were not many differences between the current plan and the proposed plan except clarification of how policies and how the plan will be reinforced.

**AGENDA** – Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, February 28, 2017

Ms. Schneider agreed there is more flexibility for implementing procedures for individualized circumstances.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management’s recommendation approving the edits of the Lake Blalock Buffer Management Plan with an effective date of April 3, 2017. The motion passed unanimously.

**6. GENERATOR PREVENTATIVE MAINTENANCE AND SERVICE CONTRACT**

Responses from a Request for Proposals for the preventative maintenance and service of diesel generators were received on January 10, 2017. Spartanburg Water owns 15 diesel generators which are located throughout Spartanburg County. These generators vary in size, style, and manufacturer. The goal of the request was to gather specification information, costs, and to pre-qualify service providers with the ability to maintain as well as service and repair all of the diesel generators owned by SWS and to place these services under one contract. The successful vendor is responsible for providing labor, supervision, materials, equipment, transportation, and services necessary to provide preventative maintenance services for the generators, load bank testing, and to provide repair and maintenance services on an “as need” basis.

The scope of work requires the vendor to follow a predetermined maintenance schedule where each generator is serviced annually using a detailed inspection and preventative maintenance checklist; 24/7 emergency response; monthly reporting on services completed; and a warranty for services and parts. The scope of work also requires the generators to be load bank tested once every three years or as required by code.

The proposals were evaluated using a weighted scoring matrix. The matrix rated the suppliers’ (1) qualification and approach, (2) customer service, warranty, and other proposal requirements, (3) MWBE certification, (4) Community Benefit Program, and (5) cost. The evaluation and scoring of the proposals were conducted by a seven member evaluation committee in a group discussion forum.

Three service providers submitted proposals to the RFP. A tabulation of the responses is listed below. The cost information provided reflects a three year schedule in order to include the staggered costs for load bank testing each generator.

Vendor	Preventative Maintenance Cost	Load Bank Testing Cost
Cummins Atlantic Spartanburg, SC	\$33,320	\$21,965
W.W. Williams Columbia, SC	\$32,205	\$14,432
Blanchard Cat Greenville, SC	\$35,486	\$18,842

The highest scoring proposal was submitted by Cummins Atlantic.

**AGENDA** – Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, February 28, 2017

Based on the results of their response and matrix score, management recommends approval of an award to Cummins Atlantic for the generator preventative maintenance and service contract at a total cost of \$55,285.

The term of the service contract will be for 12 months with the option to renew for two additional 12 month terms. Funding will be provided through the SWS operating budget.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management’s recommendation. The motion passed unanimously.

**7. W. MAIN STREET WATERLINE REHAB PROJECT**

Proposals were received on February 7, 2017, for the rehabilitation of approximately 1800 linear feet of 10-inch cast iron water main on W. Main Street between Forest Street and Daniel Morgan Avenue within the City. The pipe will be rehabilitated by installing cured-in-place-pipe (CIPP) within the existing main. The main is over 100 years old and has experienced two significant failures within the last year.

In addition, the main is critical to providing service and fire protection to area businesses, including a hotel which is currently under construction. The rehabilitation effort will restore the hydraulic capacity and structural integrity of the water main. CIPP can be installed in a shorter time frame and with less excavation than the traditional dig-and-replace methods.

The project was publically advertised and a pre-bid meeting was held on January 17, 2017. Several contractors and CIPP product manufacturers obtained bid documents and two contractors attended the pre-bid meeting with one contractor submitting a bid. A tabulation of the cost is listed below.

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
IPR Southeast, LLC Stone Mountain, GA	\$469,485
M.G. Underground, LLC Chattanooga, TN 37422	NO BID

Due to the highly specialized nature of this project along with the required schedule, participation for this request for bid was limited.

Based on their proposal, management recommends approval of an award to IPR Southeast, LLC at a cost of \$469,485. The project will be funded by SWS distribution system rehab funds.

Ms. Schneider reviewed the W. Main Waterline Rehab Project and advised of a Memorandum of Understanding with the City of Spartanburg in sharing the cost and able to distribute the activities in the areas of economic development.

**AGENDA** – Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, February 28, 2017

Mr. Montgomery asked the cost of the engineering estimate. Bobby Walden stated the W. Main Street Waterline Rehab Project would cost approximately 1.1 to 1.2 million. Ms. Schneider added that now would be the time to make improvements as the City will be paving and streetscaping in that area.

Mr. Littlejohn moved and Ms. Viney seconded management's recommendation to approve the award to IPR Southeast, LLC at a cost of \$469,485. The motion passed unanimously.

**8. AGREEMENTS EXECUTED BY THE CHIEF EXECUTIVE OFFICER ON BEHALF OF THE COMMISSION**

The following agreements have been executed on behalf of the Commission by the Chief Executive Officer in accordance with the resolution adopted by the Commission on July 11, 1989.

**A. Inside City Private Fire Service Agreements**

**(1) GHS-Ambulatory Surgery Center**

Ambulatory Surgery Center located at 1413 John B. White, Sr. Blvd. in Spartanburg, SC wishes to connect a 6-inch water line to the Commission's 6-inch water line along Webbing Street to serve a private fire protection system for the above-mentioned health care facility. Upstate Affiliate Organization d/b/a Greenville Health System wishes to enter into an agreement for this service.

Annual Stand-by Revenue            \$137.76

**B. Outside City Water Main Extension Agreement**

**(1) Townsend Place**

Holly Drive Properties, Inc., is developing the Townsend Place Subdivision off of Beach Court. The development will consist of 26 residential lots. SWS will participate in the off-site water construction cost in accordance with the Water Main Extension Policy.

**C. Lake Agreements**

All fees have been paid on the following lake agreements, and there are no encroachments to sign.

**(1) Dyce S. Cannon, Jr.** desires to replace a dock on Lake Bowen.

**(2) Steven and Elizabeth Wallace** desire to construct a boat lift on Lake Bowen.

**(3) John P. Thompson and Bethany J. Thompson** desire to replace a dock on Lake Bowen.

**AGENDA** – Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, February 28, 2017

- (4) **Scott F. Supine and Lisa Supine** desire to replace a dock on Lake Bowen.
- (5) **Larry L. Stringer and Kathy W. Stringer** desire to construct a personal watercraft lift on Lake Bowen.
- (6) **Richard B. Van Valet and Donna H. Van Valet** desire to replace a dock on Lake Blalock.
- (7) **Robert J. Price and Carolyn S. Price** desire to construct a dock on Lake Bowen.
- (8) **William J. Murray** desires to stabilize the shoreline on Lake Bowen.
- (9) **Robert Meyer and Deborah Meyer** desire to construct a dock and hard pathway on Lake Blalock.
- (10) **Phil M. Long and Keel B. Long** desire to replace a dock on Lake Bowen.
- (11) **Jim W. Kiser** desires to replace a dock on Lake Bowen.
- (12) **Donald M. Eisenhower and Sandra O. Eisenhower** desire to replace a dock on Lake Bowen.
- (13) **George F. and Wanda T. Henderson** desire to construct a boat lift on Lake Bowen.
- (14) **Candace W. Garner** desires to construct a boat lift on Lake Bowen.
- (15) **Robert M. Cornelio and Melinda M. Cornelio** desire to construct a personal watercraft on Lake Bowen.

The above was provided as information to the Commission.

**9. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS.**

Ms. Schneider had no negotiations or miscellaneous administrative matters to discuss.

Meeting adjourned at 3:53 p.m.

---

G. Newton Pressley  
Secretary-Treasurer