

AGENDA

SPARTANBURG SANITARY SEWER DISTRICT COMMISSION

REGULAR MEETING

MEETING PLACE: 200 Commerce Street

Tuesday, March 26, 2024, 2:15 p.m.

This is a regular meeting of the Spartanburg Sanitary Sewer District Commission. Written notice of the date, time, and place for this meeting, along with the agenda, has been posted in the lobby and on the Spartanburg Water website, and copies have been forwarded to local and nearby news media (including 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) at least 24 hours prior to this meeting.

- 1. PRAYER**
- 2. APPROVAL OF MINUTES OF REGULAR MEETING OF FEBRUARY 27, 2024**
- 3. SCDHEC/WEASC FACILITY EXCELLENCE AWARDS**

Since 2007 SCDHEC has sponsored the Facility Award of Excellence programs for South Carolina wastewater systems. SCDHEC is again seeking to recognize facilities that are striving for excellence in the protection of the environment and meeting or exceeding customers' expectations.

On March 12, 2024, SCDHEC presented their 2023 Facilities Excellence Awards for the following Wastewater Treatment Facilities:

- Manning Lynch
- Clifton- Converse
- Cowpens
- Fingerville
- Lower North Tyger River
- Pacolet Mills
- Page Creek
- South Tyger River
- Chesnee

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These awards are presented to facilities that demonstrate excellence in facility operations, maintenance and management, and the protection of the environment, while meeting or exceeding customer expectations.

The above is provided as information to the Commission.

4. BLUE RIDGE FOOTHILLS DISTRICT TREATMENT AWARDS AND RECOGNITION

On February 29, 2024, Josh Stacey was recognized for his outstanding contributions to the wastewater profession in South Carolina during 2023 by the Water Environment Association of South Carolina (WEASC) in conjunction with the South Carolina American Water Works Association (SCAWWA) regional district, and the Blue Ridge Foothills District. This organization serves the Upstate and includes over 600 members from Anderson, Greenville, Oconee, Pickens, and Spartanburg counties.

Mr. Stacey is an "A" Biological Wastewater Operator, with primary responsibilities at the Lower North Tyger River and South Tyger River Wastewater Facilities. He has been employed by Spartanburg Water for 10 years.

The above is provided as information to the Commission.

5. RECIPIENT OF THE AWWA GEORGE WARREN FULLER AWARD – KEN TUCK

In reference to the George Warren Fuller Award, AWWA states the following: "Little can be said about George Warren Fuller without recalling a thousand and one connections which he has had with sanitary engineering practice in this country and abroad. Amazingly active mentally, he always catalyzed those individuals who were fortunate enough to work with him. An enthusiasm, tempered by seasoned judgment and reinforced by a remarkable technical knowledge, accounting for the fact that his name is identified with almost every important sanitary advance in this country in the last four decades . . . "

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George Warren Fuller Awards are presented annually by the American Water Works Association to the sections' respective selected members for their distinguished service to the water supply field in commemoration of the sound engineering skill, brilliant diplomatic talent, and the constructive leadership which characterized the life of George Warren Fuller.

The South Carolina section of AWWA, SCAWWA, awarded the Ken Tuck the George Warren Fuller Award at the opening session of the 2024 South Carolina Environmental Conference in Myrtle Beach, SC on March 10, 2024. The award was based on Ken's over 31 years of service and accomplishments to the water industry and environment.

The above is provided as information to the Commission.

6. MONTHLY FINANCIAL REPORT

Cam Cole will present a financial summary of SSSD expenditures and revenues for the eight-month period ending February 29, 2024.

The above is provided as information to the Commission.

7. WORKERS' COMPENSATION INSURANCE RENEWAL

Spartanburg Water's Workers' Compensation insurance renews annually on April 1. For the 2024 renewal, staff utilized the current agent, McGriff Insurance Services, to obtain quotes from insurance carriers on behalf of Spartanburg Water. The current policy is written through Amerisure at an annual cost of \$91,970.

The results of the quotes received are tabulated below:

Insurance Carrier	Annual Premium
Eastern Alliance	\$91,471
Key Risk	\$111,000
Zenith	\$170,000

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Based on the pricing received, which is \$499 lower than the current year premium, management recommends approval of the quote submitted by Eastern Alliance as the carrier for Workers' Compensation insurance at the annual premium cost of \$91,471.

The Workers' Compensation premium will be allocated as follows: \$36,588 for SSSD and \$54,883 for SWS.

8. EARLY RETIREE GROUP HEALTH INSURANCE

The Spartanburg Water Employee Group Health Insurance plan year is in effect from May 1st through April 30th of each year. Staff has been working with our health insurance consultants from Marsh & McLennan Agency (Steinberg & Associates), to identify costs, claims exposure and financial projections as well as employee rates and reinsurance costs for the upcoming plan year that renews on May 1, 2024. During this past year's budget meetings, staff discussed the rising healthcare insurance costs and claims exposure to our self-insured plan, and the increases that have taken hold over the past 5-10 years while at the same time employee payroll contributions have remained relatively unchanged.

In order to continue to offer the most affordable and vibrant health care plans to our current employees and their families, the following changes are being made for the new plan year, effective May 1, 2024.

All eligible early retirees who are currently eligible for the employee group health plan (and who are currently included in overall plan costs), will be insured under individual medical plans offered through BlueCross BlueShield (Extend Gold 1). This change will become effective May 1, 2024. **Eligible early retirees will no longer be eligible for coverage under the current employee group health plan(s) after April 30, 2024.**

For the upcoming plan year effective **May 1, 2024**, eligible early retirees will receive individual medical insurance **at no cost**. Spartanburg Water will pay 100% of the monthly premiums for eligible early retirees for the upcoming plan year, including any tobacco surcharge. The total cost of coverage for the upcoming 12 months (5/1/2024 – 4/30/2025) is expected to be \$524,082. The cost will be split between SSSD (\$131,853) and SWS (\$392,229). Effective May 1, 2025, early eligible retirees who choose to use tobacco will

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be subject to a 20% surcharge on their individual plans. Plan costs will be reevaluated each year during annual budget meetings.

Eligible early retirees may remain insured through an individual policy until the time they become eligible for Medicare at age 65. There is no change to this provision from what currently is in place.

Effective May 1, 2024, only current employees and their eligible family members will be eligible for the Spartanburg Water Group Health Insurance Plan(s). Eligible early retirees will now be accounted for under individual post-employment health plan benefits, and the Spartanburg Water Group Health Insurance Plan(s) will no longer bear any ongoing exposure for claims related to this covered group.

Over the past two calendar years, claims for this covered group have totaled more than \$3.3 million, including approximately \$100,000 in fixed costs. These claims will no longer be included in the self-insured employee group health care plan(s) or reinsurance premiums moving forward.

We do not yet have the health plan cost associated with the upcoming plan year, but under this new approach: \$1.7 million in average annual claims will be eliminated from the plan at the cost of \$520,000 in fixed premiums, providing a net upside of \$1.2 million per year (or more) of reduced cost to our self-funded group healthcare plan.

This change puts Spartanburg Water in a stronger position to continue to offer affordable health insurance to current employees and their families, while maintaining valuable, reasonable, and cost-effective coverage for our eligible early retirees. These efforts strengthen the financial position of our self-insured plans, and positively impact our reinsurance costs.

The above is provided as information to the Commission.

9. BIDS FOR COLLECTION AND DISTRIBUTION COMPLEX PAVING

Sealed bids were received on March 12, 2024, for the parking areas and main entrance drives at the Collection and Distribution Complex. The project consists of milling and repaving the exterior parking areas, main entrances, and drive lanes as well as resurfacing the interior parking lot. Due to age

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and heavy traffic, the current asphalt has begun to crack and show deterioration.

Invitations to bid were forwarded to prospective bidders and publicized in the local media. A tabulation of the bids is listed below:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Bennett Paving, Inc Spartanburg, SC	\$180,229
Bird Corp of Inman Inman, SC	\$197,655

Management recommends the award of the contract to the lowest responsive and responsible bidder, Bennett Paving, Inc., in the amount of \$180,229. Project funding will be split equally between SSSD and SWS capital funds.

10. REQUEST FOR PROPOSALS – SHORESBROOK INTERCEPTOR BASIN SEWER SYSTEM EVALUATION STUDY (SSES)

Proposals were received on March 7, 2024, for the Shoresbrook Interceptor Basin Sewer System Evaluation Study (SSES). The SSES will include smoke testing, manhole inspections, line cleaning and CCTV inspections of approximately 13,700 linear feet of gravity sewer pipelines and 77 manholes. The contractor will provide inspection reports, photographs and videos of their findings for the purpose of identifying primary areas of concern and to prioritize future sewer system improvements within the basin.

Interested contractors were requested to provide proposals that included information on company history, project team, project approach, previous experience, current workload, financial and insurance information, MWBE utilization and community benefit program. The proposals were evaluated using a weighted scoring matrix. The matrix rated the submitted proposals on (1) Approach and Strategy, (2) Technical Competency and Experience,

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(3) Schedule, (4) Cost, (5) MWBE Utilization and (6) the Community Benefit Program. The evaluation and scoring of the proposals were conducted by an evaluation committee.

The Request for Proposal (RFP) was advertised in the Spartanburg Herald-Journal and posted on the Spartanburg Water website Current Opportunities page. Twenty-Eight proposal packages were distributed to potential contractors. Five proposals were submitted and evaluated. Proposals received are as follows:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Dukes Root Control, Inc. Elgin, IL	\$ 99,560
Southeast Pipe Survey, Inc. Patterson, GA	\$106,993
Gavel & Dorn Engineering, PLLC Charlotte, NC	\$111,000
EnviroWaste Services Group, Inc. Palmetto Bay, FL	\$201,830
Bio-Nomic Services, Inc. Belmont, NC	\$376,050

The highest scoring proposal and lowest price was submitted by Dukes Root Control, Inc. Based on the results of their response and the matrix score, management recommends the award of the contract for the Shoresbrook Interceptor Basin Sewer System Evaluation Study to Dukes Root Control, Inc. of Elgin, IL in the amount of \$99,560.00. The project will be funded by the collection system rehabilitation funds.

11. OWNERSHIP AGREEMENT – BAXTER VILLAGE

Boiling Springs Holdings, LLC proposes to construct approximately 15,415 linear feet of 8-inch and 1,941 linear feet of 10-inch gravity sewer line to provide service to 550 residential lots in Baxter Village located off

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SC Highway 9. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch Wastewater Treatment Facility. SSSD will participate in the off-site sewer construction cost in accordance with the Sewer Extension Policy adopted January 26, 2023.

The line will be constructed according to District-approved plans and specifications, with District inspection provided. The owner will provide all necessary right-of-way and easement agreements for this project.

The form of the agreement transferring ownership of the gravity sewer to the District has been reviewed by the District's attorney and executed by Boiling Springs Holdings, LLC. Under the terms of the resolution adopted by the Commission on January 26, 2023, this agreement has been executed on behalf of the Commission by the Chief Executive Officer.

The above is provided as information to the Commission.

12. OWNERSHIP AGREEMENT – CLEMENT OAKS

RH Development of SC, LLC proposes to construct approximately 1,392 linear feet of 8-inch gravity sewer line to provide service to six commercial lots in Clement Oaks located off SC Highway 9. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch Wastewater Treatment Facility. SSSD will participate in the off-site sewer construction cost in accordance with the Sewer Extension Policy adopted January 26, 2023.

The line will be constructed according to District-approved plans and specifications, with District inspection provided. The owner will provide all necessary right-of-way and easement agreements for this project.

The form of the agreement transferring ownership of the gravity sewer to the District has been reviewed by the District's attorney and executed by RH Development of SC, LLC. Under the terms of the resolution adopted by the Commission on January 26, 2023, this agreement has been executed on behalf of the Commission by the Chief Executive Officer.

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13. OWNERSHIP AGREEMENT – CRESTVIEW

Pulte Home Company, LLC proposes to construct approximately 4,430 linear feet of 8-inch gravity sewer line; 1,650 linear feet of 4-inch force main; and a pump station to provide service to 126 residential lots in Crestview located off Plainview Drive Extension. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch Wastewater Treatment Facility. The developer will bear all costs.

The line will be constructed according to District-approved plans and specifications, with District inspection provided. The owner will provide all necessary right-of-way and easement agreements for this project.

The form of the agreement transferring ownership of the gravity sewer to the District has been reviewed by the District's attorney and executed by Pulte Home Company, LLC. Under the terms of the resolution adopted by the Commission on January 26, 2023, this agreement has been executed on behalf of the Commission by the Chief Executive Officer.

The above is provided as information to the Commission.

14. OWNERSHIP AGREEMENT – ESSENTIA PHASE 1

Rainbow Lake Community Holdings, LLC proposes to construct approximately 2,190 linear feet of 8-inch gravity sewer line to provide service to 12 commercial lots in Essentia located off McMillin Boulevard. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch Wastewater Treatment Facility. The developer will bear all costs.

The line will be constructed according to District-approved plans and specifications, with District inspection provided. The owner will provide all necessary right-of-way and easement agreements for this project.

The form of the agreement transferring ownership of the gravity sewer to the District has been reviewed by the District's attorney and executed by Rainbow Lake Community Holdings, LLC. Under the terms of the resolution adopted by the Commission on January 26, 2023, this agreement has been executed on behalf of the Commission by the Chief Executive Officer.

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15. CHIEF EXECUTIVE OFFICER REPORT