

MINUTES

The Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, March 29, 2016, 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 REGULAR MEETING MINUTES OF FEBRUARY 23, 2016 AND WORK SESSION MEETING MINUTES OF MARCH 2, 2016

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 eight-month period ending February 29, 2016. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

3. HEALTH AND DENTAL INSURANCE RENEWAL – FY17

Management proposed the following design plan recommendations for the upcoming health insurance plan year that is effective May 1, 2016.

These recommendations include the following:

- Increase the Tobacco Surcharge by \$5 which will be \$25 per pay period, for employees and/or spouses that are tobacco users.
- Increase the Vision hardware benefit from \$250 to \$300 (This includes lens, frames, contacts, and any coating to lens).
- Lower the Deductible for Family Coverage to a maximum to 2x from 3x.
- Increase the Dental Benefit Maximum from \$1000 to \$1500.

These recommendations include maintaining the following employee contribution structure:

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2016 - 2017 Per Pay Period Contribution	Consumer Choice Plus Medical Plan	Consumer Choice Medical Plan	Basic Medical Plan	Dental Plan
Employee Only	\$47	\$36	\$15	\$7
Employee plus child	\$60	\$49	\$27	\$10
Employee plus children (2 or more)	\$89	\$68	\$31	\$12
Family	\$114	\$89	\$44	\$14

Management recommended that the Commission approve the aforementioned design changes to the Spartanburg Water Health Insurance Plan that will become effective May 1, 2016.

Ms. Viney moved and Mr. Littlejohn seconded the motion to ratify the action taken in the SSSD meeting to approve management’s recommendation for the aforementioned design changes to the Spartanburg Water Health Insurance Plan. The motion passed unanimously.

4. WORKERS COMPENSATION INSURANCE

Spartanburg Water's Workers Compensation Insurance renews on April 1, 2016. The current carrier, Amerisure has submitted a renewal quote of \$117,983. The cost for Workers Compensation Insurance last year was \$117,440.

Staff has requested quotes from other insurance carriers and received the following quotes:

<u>Insurance Provider</u>	<u>Quote</u>
Amerisure	\$117,983
Summit	\$222,598
BrickStreet	\$224,557
Bitco Insurance	\$230,325
Key Risk	\$236,254
Berkshire Hathaway	\$275,785

Management recommended continuing the Workers Compensation Insurance with Amerisure as the carrier for a total cost of \$117,983. The allocation between companies is \$87,307.42 for SWS and \$30,675.58 for SSSD.

Ms. Viney moved and Mr. Littlejohn seconded the motion to ratify the action taken in the SSSD meeting to approve management’s recommendation to continue Workers Compensation Insurance with Amerisure as the carrier with the allocation between companies to be \$87,307.42 for SWS and \$30,675.58 for SSSD. The motion passed unanimously.

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5. PROPOSALS FOR AUDIT SERVICES

Management requested proposals to provide audit services for a four-year engagement period (Fiscal Years 2016-2019). The following firms were contacted in reference to interest in the RFP process: Cherry Bekaert; McAbee, Schwartz, Halliday & Co.; and Holcomb, Holtzclaw & Raven, LLC. Proposals were received from two firms: Cherry Bekaert and McAbee, Schwartz, Halliday & Co.

The RFP for audit services stated that the proposal would be evaluated based on the following criteria:

1. Whether the firm can perform the contract or provide the service promptly, or within the time specified, without delay.
2. Pricing and fee structure broken down by employee classification and proposed number of hours per classification.
3. Firm qualifications:
 - a. The reputation, experience and efficiency of the firm.
 - b. The quality of performance of previous audit services.
 - c. The reputation, experience and skill of the proposed audit team.
4. MWBE Utilization
5. Community Benefit Program Participation

The four-year fee proposals were provided as follows:

	<u>SWS</u>	<u>SSSD</u>
1. McAbee, Schwartz, Halliday & Co.	\$59,505	\$59,505
2. Cherry Bekaert	\$69,000	\$69,000

The evaluation team has reviewed the proposals and management recommended award of the contract to McAbee, Schwartz, Halliday & Co.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management’s recommendation to award the contract to McAbee, Schwartz, Halliday & Co. in the amount of \$59,505. The motion passed unanimously.

6. PREVENTATIVE MAINTENANCE AGREEMENTS FOR LABORATORY SERVICES

Laboratory Services maintains Preventative Maintenance Agreements (PMA’s) for select laboratory instruments and software programs. The proposed contracts are annual agreements and include service for routine preventative maintenance, troubleshooting, repairs (parts and labor), software support, certain upgrades, and priority emergency repair service. The PMA is provided by the manufacturer, who is the sole source provider of the laboratory service.

A. Perkin Elmer ICPMS System

This system is used to analyze water samples for the Safe Drinking Water Act (SDWA) and the Clean Water Act (CWA) programs and

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support of plant operations. Perkin Elmer has quoted an annual PMA for services as described above for a total cost of \$23,016.

The total cost for the renewal for the ICPMS is \$23,016. Funding will be provided through the Laboratory Services operating budget, with costs shared 50% between SWS and SSSD.

Management recommended the approval of the renewal of the Perkin Elmer Preventive Maintenance Agreements for an amount not to exceed \$11,508.

Ms. Viney moved and Mr. Littlejohn seconded the motion to approve management's recommendation of the renewal of the Perkin Elmer Preventative Maintenance Agreements for an amount not to exceed \$11,508. The motion passed unanimously.

7. PROFESSIONAL SERVICES FOR RESERVOIR OXYGENATION SYSTEM PROJECT IN LAKE BOWEN AND RESERVOIR #1

Professional services are necessary for the addition of a reservoir oxygenation system in Lake Bowen and Reservoir #1. Throughout the year, water quality varies within Lake Bowen and Reservoir #1. The reservoir oxygenation system will deliver a constant feed of liquid oxygen through a piping system along the bottom of the reservoirs to provide enhanced water quality. Some examples of these water quality enhancements include a reduction of taste and odor producers, manganese, phosphorous, and organic compounds. Long-term benefits to lake ecology will also be realized as a result of this system.

Professional services will be utilized to design, provide contract drawings, permits, and specifications for this project. Services will also provide oversight during construction and performance testing.

Management recommended the award of a contract to CH2M for professional services for design, permitting, and construction oversight for the reservoir oxygenation system project in an amount not to exceed \$540,000. The overall project budget is estimated at \$4,000,000. This project will be funded by SWS bond funds.

Ms. Viney asked to confirm that \$4,000,000 is the correct cost estimate. Ms. Schneider confirmed that \$4,000,000 is the correct cost estimate.

Mr. Montgomery asked what the time frame is for this project.

Ms. Schneider stated that the project is scheduled to be complete by the end of the 2016 calendar year, or by January 2017. SWS will continue additional sampling and has the option for algaecide applications for 2016.

Mr. Montgomery asked if management believes the oxygenation system project will be successful to eliminate algae. Ms. Schneider stated that management understands that the Oxygenation System will create a healthier and stronger reservoir which will reduce conditions that create algae.

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Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation to award the contract to CH2M for professional services for design, permitting, and construction oversight for the reservoir oxygenation system project in an amount not to exceed \$540,000. The motion passed unanimously.

8. PROFESSIONAL SERVICES FOR CORROSION INHIBITION FEED SYSTEM REPLACEMENT AT R.B. SIMMS WATER TREATMENT FACILITY

Professional services are necessary for replacement of the corrosion inhibition feed system at the R.B. Simms WTF. The current feed system has reached the end of its useful life and a replacement of the system is necessary to provide reliable addition of corrosion inhibitor to our treated water. The replacement project will include two 450-gallon chemical storage tanks with proper spill containment, two mixers, two level indicators, an automatic switch valve between the tanks, connection to the SCADA (supervisory control and data acquisition) system, and demolition of the existing feed system.

Professional services will be utilized to design, provide contract drawings, permits, and specifications for this project. Services will also provide oversight during construction and performance testing.

Management recommended the Commission award a contract to AECOM for professional services for design, permitting, and construction oversight for the corrosion inhibition feed system project services in an amount not to exceed \$29,065. The overall project budget is estimated at \$192,865. This project will be funded by SWS bond funds.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation to award the contract to AECOM for professional services for design, permitting, and construction oversight for the corrosion inhibition feed system project services in an amount not to exceed \$29,065. The motion passed unanimously.

9. 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) AC Hotel

AC Hotel located at 225 W. Main Street in Spartanburg, SC, wishes to connect two 6-inch water lines to the Commission's 10-inch water line along W. Main Street and 8-inch water line along S. Daniel Morgan Avenue to serve a private fire protection system for the above-mentioned hotel. Palmetto Hospitality of Spartanburg, LLC wishes to enter into an agreement for this service.

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Annual Stand-by Revenue - \$255.60

(2) Spartanburg Preparatory School

Spartanburg Preparatory School, located at 385 S. Spring Street in Spartanburg, SC, wishes to connect a 6-inch water line to the Commission's 16-inch water line along S. Church Street to serve a private fire protection system for the above-mentioned public school. Spartanburg Preparatory School wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$127.80

(3) Wofford Greek Village

The Wofford Greek Village located at 350 Evins Street in Spartanburg, SC, wishes to connect a 6-inch water line to the Commission's 6-inch water line along Evins Street to serve a private fire protection system for the above-mentioned buildings. Wofford College wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$127.80

B. Outside City Water Main Extension Agreements

(1) Ridgeville Crossing Section III

ARCAAE, LLC is developing the remaining section of Ridgeville Crossing off Lake Bowen Dam Road. This phase of the development will consist of 149 residential lots. Approximately 2,005 LF of 6-inch, and 3288 LF of 4-inch water main and three hydrants are being installed to provide water service to the development. Developer will bear all the costs.

(2) Sterling Estates Phase V

Mark III Properties is developing the remaining section of Sterling Estates off Rocky Branch Road. This phase of the development will consist of 88 residential lots. Approximately 1,041 LF of 8-inch and 1,733 LF of 4-inch water main, and one hydrant are being installed to provide water service to the development. Developer will bear all the costs.

C. Lake Agreements

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

(1) Marion R. Gramling, Jr. and Cindy P. Gramling desire to construct a boat lift, construct a dock, and replace a dock on Lake Bowen.

(2) Richard W. Bivens desires to replace a dock on Lake Bowen.

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The above was provided as information to the Commission.

10. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

- A.** Ms. Schneider confirmed with the Commission that the SWS Budget Work Session is scheduled for Wednesday, April 20, 2016, at 11:45 a.m.
- B.** Ms. Schneider noted that the unveiling of the Choose Tap Drinking Water – Bottle Refill Station will be held prior to the Budget Work Session at 11:00 a.m. at the corner of Dunbar Street and Church Street on Wednesday, April 20, 2016, at 11:00 a.m.
- C.** Ms. Schneider informed the Commission that the Water Dispenser Wagon constructed by SWS will be set-up and used for Earth Day on April 23. It will also be available during the CRIT Bike Race on Friday night, May 6, as well as during the Spring Fling event. Management will then review the results of those events and prepare for other events throughout the summer.

Meeting adjourned at 3:32 p.m.

G. Newton Pressley
Secretary-Treasurer

tbh