

MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 301 South Avenue, Spartanburg, SC, August 23, 2016, at 2:15 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 Mses. Barnes and Viney and Messrs. Blanton, Littlejohn, Lynch, Montgomery, and White. No one was absent.

The meeting was opened with the following statement:

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 on the bulletin board, and copies mailed to local and nearby news media, at least 24 hours prior to this meeting.

1. PRAYER

Mr. Lynch called the meeting to order and Mr. Blanton opened with a prayer.

2. APPROVAL OF MINUTES OF REGULAR MEETING OF JUNE 28, 2016 AND REGULAR MEETING OF JULY 27, 2016

Mayor White moved and Ms. Barnes seconded the motion to approve the minutes as written. The motion passed unanimously.

3. NACWA FACILITY PEAK PERFORMANCE AWARDS

In July 2016, Spartanburg Water received eight Peak Performance Awards from the National Association of Clean Water Agencies (NACWA).

NACWA'S Peak Performance Awards recognize member agency facilities for outstanding compliance of their National Pollutant Discharge Elimination System (NPDES) permit limits. This recognition program consists of three categories – Platinum, Gold, and Silver.

Platinum Awards: Lower North Tyger River – Platinum 9

Platinum 9 Awards recognize 100% compliance with NPDES permits over nine consecutive years.

Fairforest – Platinum

Platinum Awards recognize facilities that have achieved 100% compliance with their NPDES permit for five consecutive years.

Gold Awards: Clifton-Converse, Cowpens, Fingerville, South Tyger River, and Page Creek

Gold Awards recognize facilities that have achieved 100% compliance with their NPDES permit for an entire calendar year.

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Silver Awards: Pacolet Mills

Silver Awards recognize facilities that have received no more than five NPDES Permit Violations per calendar year.

Ken Tuck, Director of Water Treatment, introduced Josh Smith, Reclaimed Water Treatment Manager. Mr. Tuck stated all eight Spartanburg Sanitary Sewer District wastewater treatment facilities received awards from the National Association of Clean Water Agencies (NACWA) in Denver. Mr. Tuck congratulated Mr. Smith and his staff for their accomplishments and thanked them for a job well done.

The above was provided as information to the Commission.

4. UTILITY OF THE FUTURE TODAY RECOGNITION

A partnership of water sector organizations—the National Association of Clean Water Agencies (NACWA), the Water Environment Federation (WEF), the Water Environment & Reuse Foundation (WE&RF) and the WaterReuse Association—with input from the U.S. Environmental Protection Agency (EPA) —announced Spartanburg Water was one of the sixty-one recipients of the inaugural Utility of the Future (UOTF) Today Recognition Program. The program recognizes the progress and exceptional performance of wastewater utilities while supporting the widespread adoption of the innovative UOTF business model.

The UOTF concept was first introduced in 2013 to guide utilities of all sizes toward smarter, more efficient operations and a progression to full resource recovery with enhanced productivity, sustainability, and resiliency. Since then many utilities have successfully implemented new and creative programs to address local environmental and community priorities.

The recipients will be recognized at a ceremony at WEFTEC 2016 in New Orleans, La. The recipients will receive a display flag and a special certificate to further identify and promote their outstanding achievement as a Utility of the Future Today organization.

Ms. Schneider announced that Spartanburg Water was one of 61 recipients to receive recognition from the Utility of the Future Today Recognition Program. Spartanburg Water will receive a certificate and a display flag at the recognition ceremony at WEFTEC in New Orleans.

Recipients were from the US, Canada, Europe, and Australia. This program recognizes the progress and exceptional performance of wastewater utilities, while supporting the widespread adoption of the innovative utility of the future business model.

The above was provided as information to the Commission.

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5. MONTHLY FINANCIAL REPORT

Newt Pressley presented a financial summary of SSSD expenditures and revenues for the 12-month period ending June 30, 2016 and the one-month period ending July 31, 2016. An explanation was provided for favorable and unfavorable budget variances.

Mr. Pressley noted that bids were received for the 2016 General Obligation Bonds. The interest rate was previously projected to be 3.1%. There were four bids with the low bid from Bank of America at a rate of 2.7% for a 30-year term. Anticipated closing is August 30, 2016.

Mr. Pressley updated the Commission on the renovations of the Administration Building. Phase 1 should be completed in early October. The October Commission Meeting will be held in the renovated Commission Room.

The above was provided as information to the Commission.

6. HEALTH INSURANCE AGENT/BROKER RENEWAL

Since October 2009, Steinberg and Associates has been acting as Spartanburg Water's consultant/broker of record for health, dental, disability, and voluntary life plans. (This includes vision, prescription drug cards and reinsurance as applicable).

During these past several years, the value of having Steinberg & Associates as our agent has been demonstrated by their attention to details that resulted in savings and significant reimbursement to the company from our re-insurer. Their knowledge and oversight provides the expertise needed in the complicated medical insurance industry. Steinberg & Associates submitted a renewal proposal for their professional services of \$30,000 for the 2017 calendar year.

Management recommended renewing the agent/broker agreement with Steinberg and Associates. The allocation between companies is \$7,800 for SSSD and \$22,200 for SWS.

Ms. Schneider stated since October, 2009, Steinberg and Associates has acted as Spartanburg Water's consultant/broker for health, dental, disability, and voluntary life plans.

Steinberg and Associates has demonstrated their knowledge and expertise needed in the complicated medical insurance industry and have saved Spartanburg Water money.

Management recommended renewing the agent/broker agreement with Steinberg and Associates for professional services of \$30,000 for the 2017 calendar year with no increase. The allocation between companies is \$7,800 for SSSD and \$22,200 for SWS.

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Ms. Barnes moved and Mr. Littlejohn seconded the motion to approve management's recommendation to renew the agent/broker agreement with Steinberg and Associates. The motion passed unanimously.

7. COWPENS, CLIFTON-CONVERSE, PACOLET MILLS RECLAIMED WATER TREATMENT FACILITY DISINFECTION SYSTEM MODIFICATIONS – SUMMARY CHANGE ORDER

The Cowpens, Clifton-Converse, and Pacolet Mills Reclaimed Water Treatment Facility Disinfection System Modifications is complete. The project consisted of replacing the existing Accutab Chlorination/Dechlorination System at the Cowpens, Clifton-Converse, and Pacolet Mills Reclaimed Water Treatment Facilities with commercially available liquid sodium hypochlorite and liquid bisulfite salt chlorination/dechlorination system.

SCDHEC's Final Approval to Place into Operation was issued on May 19, 2016.

Change Order No. 1 was a decrease in the contract price of \$15,400.00 from value engineering by reducing the number of spare parts and reducing the number of days for pump start ups.

Change Order No. 2 was an increase in the contract price of \$1,631.31 to pay for additional equipment to upgrade the LCP Controller System

Change Order No. 3 was an increase in the contract price of \$7,371.72 to pay for electrical work associated with the crystal ball system and yard hydrant replacement.

Change Order No. 4 was an increase in the contract price of \$16,819.63 to pay for labor, materials, and equipment to relocate the existing reuse pumps, and furnish support braces for the chemical feed stands.

Change Order No. 5 was a decrease in contract price of \$4,225.00 that reflects adjustments to unit prices including concrete, reinforcing steel, PVC piping, conduit, paving, and crushed stone.

The financial summary of the project construction is as follows:

Construction Contract	\$720,225.00
Change Order No. 1	\$(15,400.00)
Change Order No. 2	\$ 1,631.31
Change Order No. 3	\$ 7,371.72
Change Order No. 4	\$ 16,819.63
Change Order No. 5	<u>\$ (4,225.00)</u>
Final Contract Amount	\$726,422.66

Gene Jackson explained the need of a summary change order.

The above was provided as information to the Commission.

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8. FAIRFOREST RECLAIMED WATER TREATMENT FACILITY SEPTAGE RECEIVING STATION OPTIMIZATION – SUMMARY CHANGE ORDER

The Fairforest Reclaimed Water Treatment Facility Septage Receiving Station Optimization Project is complete. The completed septage station will allow the Fairforest RWT Facility to accept three septic hauler trucks at a time and will route septic tank haulers away from the main facility, eliminating traffic congestion from the entrance to the facility and decreasing the amount of time it takes haulers to unload their trucks. Previously, the Fairforest RWT Facility could only accept one septic tank load at a time causing trucks to back-up and making the entrance to the Fairforest RWT facility congested.

SCDHEC’s Final Approval to Place into Operation was issued on April 26, 2016.

Change Order No. 1 was an increase in contract price of \$12,110 to replace asphalt paving with 4000 psi concrete and installing 703 ft of 3 inch piping for utility water.

The financial summary of the project construction is as follows:

Construction Contract	\$194,141
Change Order No.1	<u>\$ 12,110</u>
Final Contract Amount	\$206,251

The above was provided as information to the Commission.

9. BIOSOLIDS MASTER PLAN PHASE I – SUMMARY CHANGE ORDER

The Biosolids Master Plan Phase I is now complete. The project was installed by Wharton Smith, Inc., of Sanford, FL, and included the installation of a new centrifuge, related appurtenances, and conveyor and building modifications at Fairforest RWT.

Change Order No. 1 was an increase in the contract price of \$23,026 to pay for undercutting of unsuitable soils and addition of soils testing. This change order was executed as per current District policy.

Change Order No. 2 was an increase in the contract price of \$20,341 to pay for additional electrical conduits, annular seals for sludge feed pumps, additional concrete work, addition of safety switches on new equipment, and concrete testing services. This change order was executed as per current District policy.

Change Order No. 3 was an increase in the contract price of \$23,714 to pay for installation of a flow meter, additional drains, and a change in size to the polymer feed piping. This change order was executed as per current District policy.

The financial summary of the project construction is as follows:

Construction Contract	\$2,461,100
Change Order No. 1	\$ 23,026
Change Order No. 2	\$ 20,341
Change Order No. 3	<u>\$ 23,714</u>
Final Contract Amount	\$2,528,181

The above was provided as information to the Commission.

10. SEWER RIGHT-OF-WAY EASEMENTS

Ms. Schneider briefed the Commission about the types of easements that occur in the Sewer District and the maintenance approach to them. A Fact Sheet regarding Operation and Maintenance of Right-of-Way and Easements was provided to the Commission.

The right-of-way and/or easement agreement is a legal agreement that gives Spartanburg Water access to specific sections of land through which sanitary sewer and water pipelines are located and allows certain rights to use the land. The agreement makes it possible for SWS/SSSD to construct the water and sanitary sewer systems and to maintain them properly. The Right-of-Way and Easement gives the utility permission to access and maintain the water and sewer systems. SWS/SSSD does not own the property.

Right-of-way easements come in different widths based on the pipe size, depth, and depending on the specifics of the project. The most typical width is 12.5 feet on center (25 total) for sewer, and 10 feet on center (20 feet total) for water.

Right-of-Way Easements for Maintenance involves clearing of brush/trees on a 5-8 year schedule that allows access to water and sewer lines for sanitary sewer overflows, line breaks, blockages, vandalism, and other needs as required.

The above was provided as information to the Commission.

11. PROFESSIONAL SERVICES AGREEMENT FOR NPDES PERMIT RENEWALS

The NPDES permits for eight of SSSD’s reclaimed water treatment facilities are scheduled for renewal between January 2018 and June 2019. These permits are on a five-year renewal cycle. During the past renewal cycle, staff utilized the services of URS (now AECOM) to assist with permit negotiations and to serve as a liaison between SSSD and SCDHEC during permit development.

Management recommended the approval of a professional services agreement with AECOM for NPDES permit renewals required for SSSD facilities for a cost not to exceed \$49,300. Such professional services will be funded annually with operational funds.

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Mr. Blanton moved and Mr. Littlejohn seconded the motion to approve a professional services agreement with AECOM for a cost not to exceed \$49,300. The motion passed unanimously.

12. RECEIPT OF BIDS – PETERS CREEK PUMP STATION UPGRADE PROJECT

Bids were received on August 9, 2016, for the Peters Creek Pump Station Upgrade Project. This pump station receives flow from a large commercial and residential area north of I-85, including the new Rite Aid Distribution Center. The Sewer Model Development and Capacity Assessment Report by Brown and Caldwell, completed in June 2012, recommended the upgrade of this pump station. This project will include the installation of a new larger wetwell, replacement of the pumps, related hardware and piping, including several safety-related improvements, which will bring the station into compliance with current Sewer District standards. A diesel-powered standby generator system will also be installed to maintain pumping capacity during loss of commercial power.

Ten contractors obtained the bid documents for the project and three contractors submitted a bid. The bids were as follows:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Greenstone Construction, LLC Seneca, SC	\$683,300
Chandler Construction, Inc. Ninety Six, SC	\$775,010
McClam & Associates, Inc. Little Mountain, SC	\$1,062,114
Gilbert Engineering, Inc. Statesville, NC	No Bid
Larry Green Grading, Inc. Spartanburg, SC	No Bid
Harper Corporation Greenville, SC	No Bid
Davis Grading, Inc. Shelby, NC	No Bid
J.L. Construction, Inc. Greenville, SC	No Bid
L-J, Inc. Columbia, SC	No Bid
Double R Utilities, Inc. Gaffney, SC	No Bid

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Management recommended awarding the contract to the lowest responsive bidder, Greenstone Construction, LLC, of Seneca, SC for the amount of \$683,300. This project will be funded by depreciation funds.

Mr. Blanton moved and Mayor White seconded the motion to award the bid to the lowest responsive bidder, Greenstone Construction, LLC, of Seneca, SC for the amount of \$683,300. The motion passed unanimously.

13. OWNERSHIP AGREEMENT – CLAIMONT ESTATES

Holly Drive Properties, Inc., proposes to construct approximately 4,162 linear feet of 8-inch gravity sewer line to provide service to the Clairmont Estates Subdivision located off Old John Dodd Road. The sewer line will connect to the District's existing infrastructure. The domestic waste will be treated at the Fairforest Reclaimed Water Treatment Facility. SSSD will participate in the off-site sewer construction cost in accordance with the Sewer Extension Policy adopted December 17, 1996.

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 Holly Drive Properties, Inc. Under the terms of the resolution adopted by the Commission on May 29, 1990, this agreement has been executed on behalf of the Commission by the Chief Executive Officer.

The above was provided as information to the Commission.

14. PRESENTATION BY THE CHIEF EXECUTIVE OFFICER

Sue Schneider provided the Commission with a briefing on major accomplishments over the past year.

Ms. Schneider introduced the new Chief Operating Officer, Regina Cousar. Ms. Cousar relocated from Charlotte Water where she served as a part of the Senior Management Team as the Continuous Improvement Officer. The Commissioners welcomed Ms. Cousar.

15. EXECUTIVE SESSION

Mr. Montgomery moved and Mr. Blanton seconded the motion to enter into executive session to discuss personnel matters at 3:07 p.m. The motion passed unanimously.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to come out of executive session at 3:54 p.m. The motion passed unanimously.

Mr. Lynch said the Commissioners met in executive session and discussed the compensation of the Chief Executive Officer.

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Ms. Barnes moved and Mr. Blanton seconded the motion to increase the Chief Executive Officer's salary in the amount of \$4,308. The motion passed unanimously.

16. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

- A.** Ms. Schneider reminded the Commission of the Ten at the Top Upstate Regional Summit scheduled for September 13.
- B.** Ms. Schneider noted that employees recently participated in the Stuff the Bus campaign by donating school supplies to impact the lives of children in our community. The United Way of the Piedmont Campaign kick-off begins this week and the end of the campaign celebration will be held October 27.
- C.** Ms. Schneider stated the Water Matters class begins September 27, at 6:00 p.m. and will be held at the Downtown Public Library in the Barrett Room. Chad Lawson presented the Commission with a handout. Ms. Schneider invited the Commissioners to visit the class and to let her know if they would like to speak.

Meeting adjourned at 3:58 p.m.

G. Newton Pressley
Secretary-Treasurer

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