

MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, December 5, 2017, 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 in the lobby and on the Spartanburg Water website, 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 OCTOBER 24, 2017

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

3. MONTHLY FINANCIAL REPORT

Newt Pressley presented a financial summary of SSSD expenditures and revenues for the four-month period ending October 31, 2017. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

4. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2017

Mr. Blanton noted that the Audit Committee previously met with the auditors, and that the meeting went well with good discussion.

Stan Halliday and Karyn Lemon of McAbee, Schwartz, Halliday & Company reviewed the Comprehensive Annual Financial Report and communication letter for SSSD with the Commission and offered an unmodified audit opinion for fiscal year ending June 30, 2017, in accordance with generally accepted accounting principles.

The above was provided as information to the Commission.

5. COMMUNITY BENEFIT PROGRAM REPORT

Remsen Parrish, Purchasing Manager, provided a 2017 report on the Community Benefit Program to the Commission. In April 2015, The Spartanburg Sanitary Sewer District Commission and The Commissioners of

Spartanburg Sanitary Sewer District Commission – Regular Meeting, December 5, 2017

Public Works of the City of Spartanburg, SC approved a revision to the procurement policy to incorporate the Community Benefit Program.

The Community Benefit Program provides vendors the opportunity through contracts, agreements, and requests for sealed bids or proposals to propose a program that will benefit the local community. Programs can include monetary donations, in-kind contributions, volunteering, etc. The programs are centered on five areas: Workforce Development, Economic Development, Environmental Programs, Education, and Community Pride.

Fifteen different vendors have completed or are in the planning stages of their Community Benefit Program for 2017. Since April of 2015, vendors have contributed over \$63,200 in monetary donations, volunteer hours, or in-kind contribution as a part of the Community Benefit Program. There was an increase in the number of Community Benefit Programs this year. There were 19 separate programs approved in 2017.

The above was provided as information to the Commission.

6. MWBE REPORT

Remsen Parrish, Purchasing Manager, provided a 2017 report on the MWBE Program to the Commission. Spartanburg Water spent \$655,399 with certified MWBE suppliers last year. This is an increase from last year by nearly 4%. Although solicitations with MWBE vendors stayed relatively unchanged, there was a 6% drop in purchasing transactions in 2017. Ten additional vendors were added to the list this year. The vendors added in 2017 provide a wide variety of goods and services including valve boxes, line cleaning and repairs, traffic control signs, and construction services.

The above was provided as information to the Commission.

7. MONTHLY BILLING PROJECT

Newt Pressley provided the Commission with an update on the monthly billing project. Mr. Pressley reviewed the status of staffing and training, additional vehicles and equipment, billing and collection schedule, system software update, and the new bill format.

Mr. Pressley said that all of the full-time Customer Service Representatives in the contact center have been hired and trained. An additional cashier has recently been hired and is in training. Temporary Customer Service staff will be added during the transition, due to the expected increase in call volume. Mr. Pressley noted that all additional vehicles and equipment have been purchased and received.

Mr. Pressley reviewed the updated Billing and Collection Policy, which was approved by the Water Commission at the September meeting. Highlights of the new policy include the following:

- Current charges are payable within 25 days of the bill date, as with bi-monthly billing.
- The method for notifying customers of a past due balance will change for monthly billing. Currently, a Past Due Notice is mailed for bi-monthly

Spartanburg Sanitary Sewer District Commission – Regular Meeting, December 5, 2017

billing. Under the new policy, a past due notification will be by message on the next regular bill.

- For customers that provide Spartanburg Water with up-to-date information for phone, text, and email messages, Spartanburg Water will attempt a final notification at least two days prior to the Past Due balance due date.

Customer Service has received very positive customer feedback regarding the final notification process.

Mr. Pressley stated that the system software update is on schedule. Advanced will have their project manager onsite during the week of December 18 for additional system configuration and testing. A new bill format has been developed for monthly billing, and will provide additional information for the customer. Testing of the new format is currently underway.

Mr. Pressley reviewed the conversion timeline for the change to monthly billing:

Last Bi-monthly Bill:	November-December 2017
“Transition” Bill”	January 2018
First Monthly Bill	February 2018

For the January transition bill, the number of days of service will vary depending on the customer’s last bi-monthly bill; the Base Charge is reduced to the monthly Base Charge rate.

Mr. Pressley presented the Communication Timeline for the Monthly Billing Project.

September thru October, 2017	Insert, email, handout
November thru December, 2017	Insert, email, handout
December thru February, 2018	Monthly Billing link on website to include Frequently Asked Questions
December thru February, 2018	Lobby signage
December thru February, 2018	On hold messages
December thru February, 2018	Social media
January, 2018	Insert, email, handout
February, 2018	Insert, email, handout
February, 2018	New monthly bill format

Highlights from the January transition bill insert were shared with the Commission, as follows:

Monthly Billing begins in early 2018.

Your current January, 2018 bill is a “transition” bill, between your last bi-monthly bill and your first monthly bill in February.

- The Bi-monthly Base Charge will be reduced to the Monthly Base Charge rate, or one-half the bi-monthly rate.
- The number of days of service for your transition bill will be between 31 and 60 days, depending on when your meter was last read. Your January bill reflects usage since your last bi-monthly bill.
- This transition month will align our meter reading schedule to read all routes on a monthly basis.

Spartanburg Sanitary Sewer District Commission – Regular Meeting, December 5, 2017

- There will no longer be a separately mailed Past Due Notice. Reminders of past due balances will appear on the next regular bill. Your first monthly bill in February will be based on approximately 30 days of service.

Mr. Pressley provided a handout packet of monthly billing information to the Commission.

Angela asked what the cutoff fee is and if there is a way to communicate the fee amount. Mr. Pressley explained that the Nonpayment Service Charge is \$42 and this will be included on the new bill in the Billing and Collection Guidelines (which will appear on the back of the bill.)

The Commission thanked Mr. Pressley and management for all of the hard work that has been done on monthly billing.

The above was provided as information to the Commission.

8. PROPOSED 2018 COMMISSION MEETING SCHEDULE

January 23	February 27
March 27	April 24
May 22	June 26
July – No Meeting	August 28
September 25	October 23
November – No Meeting	December 4

The Commission agreed to meet on January 23, 2018, and to vote on the remaining monthly meetings at that time.

9. WATERSHED ECOLOGY CENTER GRANT PROPOSAL

The Watershed Ecology Center's mission is to collect, analyze, and disseminate sound scientific information on the ecology of the region. Special emphasis is placed on water conservation, watershed education, water quality, and the study of organisms living in the area encompassed by a watershed. All of the Watershed Ecology Center's educational programming meets state standards and incorporates hands-on learning activities. Last year, programs that focused on water served 19,800 K-8 students and 1,500 adults with presentations throughout Spartanburg County.

Watershed Ecology Center's annual goal for 2018 is to reach 21,000 students through watershed based educational programming and they continue to focus many of their efforts around Spartanburg Water reservoirs. In addition to the many classroom programs, the Watershed Ecology Center offers public participation programs. Watershed Ecology Center's public participation programs include offering certification in Adopt-A-Stream program basics as well as a program aimed to develop certified trainers. The hands-on portion of the Adopt-A-Stream program is being enhanced for Spartanburg County citizens this year through specialized training and the development of teams for basic water quality analyses. The Adopt-A-Stream program will enhance hands-on learning in Spartanburg County schools plus

encourage community volunteers to take an active role in stream monitoring and clean-up.

Management recommended the approval of targeted funding for the aforementioned K-8 educational programs offered by the Watershed Ecology Center in the amount of \$18,000, with an equal allocation of \$9,000 of the funding from SSSD and \$9,000 of the funding from SWS. Funding will be allocated from SSSD and SWS operating funds.

Ms. Barnes moved and Mr. Littlejohn seconded the motion to approve management's recommendation to approve the Watershed Ecology Center Grant Proposal. The motion passed unanimously.

10. LAWSON FORK PUMP STATION GREASE AND GRIT PROJECT – PROFESSIONAL SERVICES

During the data-gathering effort related to the planned Lawson Fork Force Main Pigging Project, Spartanburg Sanitary Sewer District (SSSD) determined that grease and grit entering the Lawson Fork Pump Station was the likely cause of increased maintenance of the pumps and clogging of the air release valves on the force main.

SSSD recently requested a proposal from Goldie Associates of Seneca, South Carolina, to perform a comprehensive evaluation of the grease and grit problems and develop detailed recommendations, including costs, for various options to address the situation.

Goldie Associates is one division of a multi-disciplined organization that includes Greenstone Construction, LLC and JACABB Utilities. SSSD was very pleased with the recent work done by Greenstone Construction in completing the upgrade of the Peters Creek Wastewater Pump Station. As information was obtained regarding the capabilities of the other divisions, which included engineering design and utility operations, it was apparent that Goldie Associates was uniquely qualified to help address the problems at the Lawson Fork Pump Station.

Management recommended the approval of a professional services contract with Goldie Associates in the amount of \$41,800. This project will be funded through the wastewater collection system rehabilitation fund.

Gene Jackson reviewed this project with the Commission. Mr. Jackson explained that while gathering data to prepare for the Lawson Fork Force Main Pigging Project it was discovered that there is a grit and grease issue at the Lawson Fork Pump Station. Grit is not being screened prior to the pump station and grease is clogging up air valves along the route of the 42" force main which effects the pump station's operation.

Management is now focusing on this issue first rather than moving forward with the Force Main Pigging Project. The three main focus areas for the pump station are determining grease and grit removal options, reducing sources of hydrogen sulfide gas odor prior to the headworks area, and optimizing operation of the pump station.

Spartanburg Sanitary Sewer District Commission – Regular Meeting, December 5, 2017

Mr. Jackson explained that we were currently underway with a pilot project to reduce the hydrogen sulfide odor coming to the headworks and that this project will identify options for dealing with grease and grit removal. Results of these efforts will be used in the third focus related to pump station optimization. Mr. Jackson noted that if we can identify how to correct the grit and grease issue and implement a more efficient operation of the pump station and force main, then the Lawson Fork Main Pigging Project may not be necessary at this time.

Mayor White moved and Ms. Barnes seconded the motion to approve management's recommendation and approve a professional services contract with Goldie Associates in the amount of \$41,800. The motion passed unanimously.

11. STRATEGIC PLAN

Ms. Schneider noted that the Commission created a Vision and Mission for Spartanburg Water during the retreat held on March 21, 2017, with Charles Weathers from The Weathers Group.

Management took that Vision and Mission and developed a Compass to provide direction. The points on the Compass are: Purpose, Protection, Promise, and People to steer Spartanburg Water to continued excellence.

- Purpose is our True North. Our purpose encourages innovation and creativity as a team and with an ethical approach to overcome challenges and find opportunities to excel.
- Protection is our pledge to be accountable. We assure the safety of our water, employees, customers and resources while protecting our watershed and returning clean water to the environment.
- Promise is our commitment to provide quality service and water. We embrace industry advancements and strive to exceed the needs of our customers, coworkers and community with exemplary service in all our interactions.
- People are the path to our success. We strive to create and strengthen an inclusive work environment by recruiting and retaining the necessary talent. We look for the best and expect the best in our workforce, and for our community.

Ms. Schneider stated that goals for the Annual Business Strategic Plan were developed and they are as follows:

- Protect public health and the environment.
- Pursue excellence in our products and services.
- Enhance customer satisfaction and trust.
- Develop a sustainability workforce.
- Ensure continued financial viability.

Ms. Schneider said the Commission provided strategic priorities and these will be addressed in the Annual Business Strategic Plan that will be available in printed format around the end of February.

The above was provided as information to the Commission.

12. REQUEST FOR ANNEXATION – CJN, LLC

CJN, LLC has requested annexation of 45.43 acres of property (Tax Map #2-36-00-119.00, 120.00, and 121.00), located at 0 Highway 9, Inman, SC 29349, 0 Bible Church Road, and 4450 Highway 9, Boiling Springs, SC 29316. The property is adjacent to the District boundaries and can be annexed by the Commission under authority granted in its enabling legislation.

Management recommended the Commission approve the annexation request, adopt the attached resolution giving 90 days' notice to subdistricts, and annex the property effective March 5, 2018.

Ms. Barnes moved and Mr. Montgomery seconded the motion to approve the request for annexation for CJN, LLC. The motion passed unanimously.

13. OWNERSHIP AGREEMENT – PEACHTREE PARK

Shoals Road Land Holdings, LLC proposes to construct approximately 4,994 linear feet of 8-inch gravity sewer line to provide service to Peachtree Park, a development of single family and townhomes on Shoals Road in Duncan, SC. The sewer line will connect to existing Spartanburg Water infrastructure. The domestic waste will be treated at the Lower North Tyger River Reclaimed Water 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 Shoals Road Land Holdings, LLC. 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. OWNERSHIP AGREEMENT – THE ORCHARDS AT REIDVILLE, PHASE 2

BOEX, LLC proposes to construct approximately 3,132 linear feet of 8-inch gravity sewer line to provide service to 86 lots in an additional phase of The Orchards at Reidville, located on Reidville Road. This project had previously been submitted to the Commission, but construction did not start prior to the expiration of the original Agreement. The sewer line will connect to existing Spartanburg Water infrastructure. The domestic waste will be treated at the South Tyger River Reclaimed Water 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 approved by the District's attorney and executed by

Spartanburg Sanitary Sewer District Commission – Regular Meeting, December 5, 2017

BOEX, LLC. 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.

15. OWNERSHIP AGREEMENT – NORTH VILLAGE SEWER EXTENSION

Upstate Land Investments, Inc., proposes to construct approximately 1,200 linear feet of 8-inch gravity sewer line to provide service to the North Village development (14 residential lots) and an attached commercial tract located between Old John Dodd Road and Asheville Highway in Spartanburg. The sewer line will connect to existing Spartanburg Water infrastructure. The domestic waste will be treated at the Fairforest Reclaimed Water 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 Upstate Land Investments, 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.

16. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

- A.** Ms. Schneider asked Chad Lawson to update the Commission on the Choose Tap program. Mr. Lawson stated that Spartanburg Water was the lead sponsor of the Hub City's sold out event, "A Taste of Spartanburg". This was a great opportunity to create awareness of the Choose Tap program and launch the Great Water Campaign. The Great Water Campaign celebrates employees as the "Great People" who make "Great Water" and highlights Great Water's role in Great Coffee, Great Beer, and Great Wine. Mr. Lawson reviewed the current "12 Days of Great Water-Great Coffee" campaign. This is a combined external/internal campaign that will be held on Spartanburg Water's Facebook page. Ms. Schneider noted that using social media offers an opportunity to share the Choose Tap message with others and by recognizing employees allows Spartanburg Water to highlight that particular job that helps create Great Water.
- B.** Chad Lawson noted that the Northside Choose Tap Fountain will be unveiled at 10:00 a.m. tomorrow, December 6, at 498 Howard Street. Representatives from the Northside Voyagers, Mary Black Foundation, Northside Development Company, the City of Spartanburg, and Spartanburg Water will unveil the third public fountain.
- C.** Ms. Schneider informed the Commission that the Utility Management Conference will be held in San Antonio, Texas, from February 20-23,

Spartanburg Sanitary Sewer District Commission – Regular Meeting, December 5, 2017

2018. Trish provided a packet with agenda, travel, and hotel accommodations. Please coordinate your registration and travel arrangements with Trish by January 19.

- D.** Ms. Schneider stated that all Commissioners received an individual mailing from the Chamber of Commerce that includes an update on OneSpartanburg.
- E.** Ms. Schneider shared that when Spartanburg Water has a favorable budget position employees receive a Bi Lo gift card, and there was one for each Commissioner included in their mail packet.
- F.** Ms. Schneider noted that the 31st Annual Dr. Martin Luther King, Jr. Unity Week Celebration (MLK Week) kicks off with the Mayor’s Unity Breakfast on January 11, the “Walk as One” event on January 13, and the week concludes with the MLK Unity Celebration on January 15. Detailed information was provided in their mail packet.
- G.** Ms. Schneider invited the Commission to the administrative office Christmas luncheon scheduled for December 13 from 11:30 a.m. until 2:00 p.m. in the Finance Training Room.

Meeting adjourned at 3:35 p.m.

G. Newton Pressley
Secretary-Treasurer

tbh