

MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, February 28, 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 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 Gene Jackson opened with a prayer.

2. APPROVAL OF MINUTES OF REGULAR MEETING OF JANUARY 17, 2017

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

3. PUBLIC COMMENT

Mr. Lynch noted that Joe Raffo wasn't currently present to make a comment. The Commission moved on to the next agenda item and will return to Public Comment if Mr. Raffo arrives and time permits.

After the OneSpartanburg presentation, Mr. Lynch recognized Mr. Raffo for Public Comment.

Mr. Raffo, customer of SSSD, and member of the Hawk Creek Home Owners Association (HOA) addressed the Commission regarding sewer averaging. Mr. Raffo said there was an issue with high bills just before the HOA annual meeting that was discussed at the meeting. The primary complaint was being billed for sewer charges on water that was used for irrigation and not sent to the sewer treatment process. The sewer averaging program is great, which was more appealing than the cost of installing an irrigation meter, but sometimes when the weather doesn't cooperate it leaves the customer with larger than average bills. These bills were received right before Christmas, which was even more stressful. As everyone is aware, the weather didn't cooperate and the average person that waters their lawn continued for longer than normal time frames. Mr. Raffo has spoken with several members of management – Hariette Stinson, Customer Service Manager, Newt Pressley, Chief Financial Officer, and Sue Schneider, Chief Executive Officer, all of which responded with the policy and user applications. Mr. Raffo believes that management should consider these situations and refund some of the money collected that was due to a longer watering season this problem as well as find a way to restructure the sewer averaging program so that it is more accurately reflects weather patterns.

Mr. Lynch thanked Mr. Raffo for his concern and noted that he is the second person in a row to present this concern to the Commission. Management will look into the sewer averaging program and present the Commission with further information during the budget process. Mr. Lynch stated that Spartanburg Water is one of only a few utilities in the state to offer sewer averaging. Some have caps, but most charge for what goes through the meter.

Mr. Montgomery noted that the budget is set and expected revenues must be met. If SSSD gives the customer a reduced rate on some services it could affect rates.

Mr. Raffo said users don't want rate increases just fairness. Mr. Lynch stated that using the policy does ensure fairness. Ms. Schneider noted that when previously speaking with Mr. Raffo, the only completely accurate way to measure water for irrigation usage is to purchase an irrigation meter.

Mr. Lynch thanked Mr. Raffo again for his concern.

4. PRESENTATION – ONESPARTANBURG

Ms. Schneider introduced Todd Horne, Chair of the Executive Board of the Spartanburg Area Chamber of Commerce. Mr. Horne introduced Allen Smith, President of the Spartanburg Area Chamber of Commerce, and Meagan Rethmeier, Executive Vice President OneSpartanburg.

Mr. Horne thanked Ms. Schneider for her service to the Chamber here locally as well as regionally with organizations like Ten at the Top. Mr. Horne said the Chamber is looking forward to recognizing Ms. Schneider with the Neville Holcombe Distinguished Citizenship Award, the highest honor given by the Spartanburg Area Chamber of Commerce, later this week.

Mr. Horne presented an overview of the OneSpartanburg initiative. This initiative began about ten months ago with a Steering Committee of 52 people. Mr. Horne recognized Mr. Montgomery and Ms. Viney as part of that committee. Mr. Horne reviewed the six phase process. Mr. Horne introduced Allen Smith, to present the path forward.

Mr. Smith stated that data was collected from all over the community. The data collected along with the survey feedback indicated what issues will be addressed over the next five years. This data led Market Street to develop eight stories about the community. Mr. Smith reviewed these stories and how they relate to the community. There are four pillars to these eight stories: Talent, Economy, Image, and Place. OneSpartanburg launched January 24 and is tasked with driving this five year community and economic development strategy. Meagan Rethmeier was hired as the Executive Vice President of OneSpartanburg. This organization launched to convene community volunteers, implementation partners, and actions in an effort to address Spartanburg's eight stories. Action teams will be formed around each of the eight stories. One thing that was surprising to the Chamber is - the question was asked, if you were to leave Spartanburg and come back in 10 years what would you want to see most improved? In a

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ratio of 5 to 1 the most commonly used word was downtown. In response to this feedback Market Street suggested forming The Downtown Development Partnership that is solely focused on economic development in the downtown area.

Mr. Smith reviewed the Implementation Budget of OneSpartanburg. The budget is 5.1 Million dollars over the next five years including programs and salaries. OneSpartanburg will be a new 1 Million dollar per year organization in the Community. Mr. Smith stated that in roughly three months \$3.55 Million dollars has been raised. It is very important to the Chamber that the fund raising process is done in house. All money invested will stay in the community. All results will be measurable.

Mr. Smith would like to request that Spartanburg Water invest in the OneSpartanburg initiative. One way to invest is by providing representation from Spartanburg Water on the various committees and action groups. The Chamber would also like Spartanburg Water to consider a \$250,000 investment over the five year period.

The Commission thanked Mr. Horne and Mr. Smith for their presentation.

5. MONTHLY FINANCIAL REPORT

Newt Pressley presented a financial summary of SSSD 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.

6. BID FOR SEWER FACILITIES MOWING AND MAINTENANCE CONTRACT

Bids were received on January 25, 2017, for furnishing contractor services to mow and maintain 83 selected SSSD 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 sewer facilities.

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Green Lawn Specialist Rutherfordton, North Carolina	\$35,649.96
Crowe Lawncare, LCC Spartanburg, South Carolina	\$36,460.00
Green and Clean Services Cowpens, South Carolina	\$49,230.00

The bid for both water and sewer facilities was completed at the same time. The amount listed here is for the sewer portion.

Based on the results of the bid evaluations, Management recommended the approval of an award to Green Lawn Specialist for the Sewer District

facilities in the amount of \$35,649.96 per year, which will be paid at a rate of \$2,970.83 per month. Funding will be provided by the operating budget.

Mayor White moved and Mr. Littlejohn seconded the motion to approve management’s recommendation to award the bid to Green Lawn Specialist in the amount of \$35,649.96 per year, which will be paid at a rate of \$2,970.83 per month. The motion passed unanimously.

7. LAWSON FORK LARGE LINE CLEANING AND CCTV PROJECT-PHASE 5

Proposals were received on February 2, 2017, for the contract cleaning and CCTV/Sonar inspection of 11,000 linear feet of 42-inch and 48-inch sewer main along Lawson’s Fork Creek. The project extends from the rear of parcels located on Eastwood Circle and Rosewood Lane to Lake Forest Drive in the City of Spartanburg. The scope of work calls for the contractor to provide cleaning, disposal, and inspection services. Removal of 100% of loose debris and 95% of hardened debris is required of the contractor. Disposal fees will be paid by the District at pre-established contract rates.

There have been no known issues with sanitary sewer overflows (SSO’s) along this section of pipe; however, a capacity assessment indicates that portions of the line may have capacity limitations.

Proposals were solicited from suppliers requiring them to address submittal requirements pertinent to the scope of work. These requirements were scored as part of the evaluation criteria by a three person evaluation team. Requirements included the contractor’s approach and strategy to the project; technical competency and experience; cost; MWBE utilization; Community Benefit Program; and work schedule.

Invitations were forwarded to prospective contractors and advertised in the local media, with two submitting proposals. A tabulation of the costs is listed below:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Hydrostructures Cayce, SC	\$261,600
Bio-Nomic Services, Inc Charlotte, NC	\$277,350

Management recommended an award to Hydrostructures with a cost of \$261,600 based on their highest scoring proposal. The project will be funded from the SSSD collection system rehab fund.

Ms. Barnes moved and Mayor White seconded the motion to approve management’s recommendation and award the bid to Hydrostructures with a cost of \$261,600 based on their highest scoring proposal. The motion passed unanimously.

8. GREENVILLE BRANCH CREEK SEWER INTERCEPTOR REHAB PROJECT

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Proposals were received on January 11, 2017, for the rehabilitation of the sewer interceptor mains within the city located between Preston St. and Crescent Ave. These mains are within the Fairforest River Basin. The majority of these mains were part of a large line cleaning and evaluation project completed in 2014 where many pipe deficiencies were found. The project includes the installation of approximately 11,000 linear feet cured in place piping, the lining of approximately 560 vertical feet of manhole interior, and the rehabilitation of 30 service laterals.

The project was publically advertised and a pre-bid meeting was held on December 7, 2016. Proposals were submitted by four contractors. A tabulation of the cost is listed below:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
SAK Construction, LLC O’Fallon, MO	\$1,086,960.00
Layne Inliner, LLC Tucker, GA	\$1,239,656.10
IPR Southeast, LLC Stone Mountain, GA	\$1,399,962.25
VacVision Environmental, LLC Tampa, FL	\$2,137,373.00

The proposals were evaluated using a weighted scoring matrix. The matrix rated the suppliers’ (1) Work Team, (2) Technical Competency, (3) Cost, (4) Schedule, (5) MWBE Utilization, and (6) Community Benefit Program. The highest scoring proposal was submitted by Layne Inliner, LLC.

Based on the results of their response and matrix score, management recommends approval of an award to Layne Inliner, LLC at a cost of \$1,239,656.10. The project will be funded by SSSD bond funds.

Mayor White moved and Mr. Montgomery seconded the motion to approve management’s recommendation and award the bid to Layne Inliner, LLC at a cost of \$1,239,656.10 based on their highest scoring proposal. The motion passed unanimously.

9. GENERATOR PREVENTATIVE MAINTENANCE AND SERVICE CONTRACT

Responses from a Request for Proposals for the preventative maintenance and service of diesel generators were received on Tuesday, January 10, 2017. The Spartanburg Sanitary Sewer District owns 31 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 SSSD 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 (3) 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	\$67,589	\$39,353
W.W. Williams Columbia, SC	\$74,856	\$26,740
Blanchard Cat Greenville, SC	\$77,782	\$41,303

The highest scoring proposal was submitted by Cummins Atlantic.

Based on the results of their response and matrix score, management recommended approval of an award to Cummins Atlantic for the generator preventative maintenance and service contract at a total cost of \$106,942.

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 SSSD operating budget.

Remsen Parrish reviewed the proposal process including the scoring matrix and confirmed management’s recommendation to award the bid to Cummins Atlantic.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management’s recommendation to award the bid to Cummins Atlantic for the generator preventative maintenance and service contract at a total cost of \$106,942. The motion passed unanimously.

10. RECLAIMED WATER TANKER TRANSPORT SERVICES BID

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Bids were received on February 15, 2017, for the tanker transfer and transportation services contract. The contract will be for the transfer of bio-solids from the Lower North Tyger River and Page Creek Reclaimed Water Treatment facilities to the Fairforest Reclaimed Water Treatment Plant. The scope of work calls for the contractor to provide equipment and personnel to load, transport, and unload bio-solids as requested for a 12 month term with the option of renewing for two – one year terms.

Estimated annual quantities for transfer are 2,500,000 gallons from the Lower North Tyger River facility and 250,000 gallons from the Page Creek facility.

The bids are calculated by the cost per gallon and miles driven from each facility to the Fairforest plant, and are shown as grand totals for the term.

Bid was advertised in local media and sent to service providers. Responses were received from two local providers of the service. The responses are tabulated below.

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Sparks Industrial Service Mauldin, SC	\$56,050
EMA resources, Inc. Mocksville, NC	\$63,125

Management recommended an award to Sparks Industrial Service, based on their lowest responsive bid of \$56,050. Funding will be provided through the SSSD operating funds.

Ms. Barnes moved and Mr. Blanton seconded the motion to approve management’s recommendation to award the bid to Sparks Industrial Service, based on their lowest responsive bid of \$56,050. The motion passed unanimously.

11. LOWER NORTH TYGER RIVER RECLAIMED WATER TREATMENT FACILITY EXPANSION AND IMPROVEMENTS PROJECT – PHASE 1B GUARANTEED MAXIMUM PRICE (GMP)

On March 31, 2015, Commission approved the award of the Lower North Tyger River Reclaimed Water Treatment Facility (LNTRRWTF) Expansion and Improvements Project to the Design-Build Team comprised of Haskell/Brown and Caldwell. A contract was awarded for Design Phase Services in the amount of \$1,398,342.

When the project was awarded, the estimated project budget was \$18 million, which included design and construction. Following an extensive treatability study to begin the project, it was demonstrated a full expansion of the facility was not necessary, allowing a reduction in the overall project scope and budget. As part of the proposed work, the Design-Build Team recommends construction of a 3 million gallon equalization tank and replacement of the existing UV disinfection system.

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The improvements being addressed during this phase of the project will mitigate risks of facility upsets from industrial non-compliance flows. It will also give operations staff flexibility with wet weather flows. Reliability of the facility is being upgraded with the replacement of the UV system, as the existing system is nearing the end of its useful life after being installed during the original construction of the facility.

During the past couple of months, staff has worked with Haskell/Brown and Caldwell to finalize the 90% GMP for Phase 1B of the project. The negotiated GMP is \$9,231,681 which is within the planned project budget.

Management recommended the Commission authorize the Chief Executive Officer to sign the Guaranteed Maximum Price with The Haskell Company for Phase 1B of the LNTRRWTF Expansion and Improvements Project. This project is being funded by bond funds.

Mr. Blanton moved and Mr. Littlejohn seconded the motion to approve management's recommendation to authorize the Chief Executive Officer to sign the Guaranteed Maximum Price with The Haskell Company for Phase 1B of the LNTRRWTF Expansion and Improvements Project. The motion passed unanimously.

12. TORAY INDUSTRIES, INC. SEWER LINE EXTENSION PROJECT – SUMMARY CHANGE ORDER

The Toray Industries, Inc., Sewer Line Extension Project is now complete. The project was installed by Strack, Inc., out of Fairburn, GA, and included the installation of approximately 4,860 LF of 24, 30, and 36-inch gravity sewer.

Change order No. 1 was an increase in the contract price of \$23,033.56 to pay for improvements to the sewer easement access road. This change order was executed as per current District policy.

Change Order No. 2 was an increase in the contract price of \$2,425.00 to accommodate a change in the size of the parshall flume. This change order was executed as per current District policy.

Change Order No. 3 was a decrease in the contract price of \$11,179.22 which removed purchasing and installation of the flow measuring and flow monitoring equipment from the contract. This change order was executed as per current District policy.

Change Orders No. 4 and 5 were extensions to the length of the contract and did not include any adjustments to the contract amount. This change order was executed as per current District policy.

Change Order No. 6 (summary) was a \$62,486.36 net decrease in the contract price for adjustment to the unit quantities as based on the actual work done. The original contract had a contingency amount of \$59,526.81 included, and only \$2,500 of this amount was used. This change order was executed as per current District policy.

The financial summary of the project construction is as follows:

Construction Contract	\$1,250,063.01
Change Order No. 1	23,033.56
Change Order No. 2	2,425.00
Change Order No. 3	(11,179.22)
Change Order No. 6(summary)	<u>(62,486.36)</u>
Final Contract Amount	\$1,201,855.99

The above was provided as information to the Commission.

13. REQUEST FOR ANNEXATION – ROIF HWY. 290 WEST, LLC

ROIF Hwy. 290 West, LLC has requested annexation of 2.705 acres of property located at 1665 E. Main Street, Duncan, SC. 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 sub-districts, and annex the property effective May 29, 2017.

Ms. Barnes moved and Mr. Blanton seconded the motion to approve management’s recommendation to approve the annexation request for ROIF Hwy. 290 West, LLC. The motion passed unanimously.

14. ECONOMIC INVESTMENT REPORT 2016

Ms. Schneider briefed the Commission on water and waste water infrastructure and its impact on the economic investment in the community. A report was provided to the Commission.

The above was provided as information to the Commission.

15. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

Ms. Schneider noted that the Commission was provided with a list of upcoming events.

- A.** The 2017 Employee Recognition Program is scheduled for February 28 and March 1 at the Cleveland Park Events Center. The meal and program will begin at 8:00 a.m.
- B.** Chamber of Commerce Annual Celebration will be held March 2 at the Marriott. Sue Schneider will be honored with the Neville Holcomb Award.
- C.** Chamber of Commerce Voice of Business Brunch will be held on March 10. State Treasurer, Curtis Loftis will be the guest speaker. More information to be provided.

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- D.** The Commission retreat will be held on Tuesday, March 21 at River Bend Sportsman’s Resort. More information will be provided as details are finalized.
- E.** The Mobile Mammography Unit will be onsite in the Human Resources parking lot on March 24. Please notify Cindy Bates if you are interested.
- F.** The March Commission meetings will be on March 28.
- G.** The Commission of Public Works will meet at 1:30 p.m. on April 18. A budget work session will be held at noon on the same day.
- H.** The Spartanburg Sanitary Sewer District Commission will be held at 2:15 p.m. on April 25. A budget work session will be held at 12:30 p.m. on the same day.
- I.** The Spartanburg Water Day of Service will be held on April 22.
- J.** The Oasis will be at the Spartanburg Earth Day Festival on April 22.
- K.** The Oasis will be at the Criterium Bike Race on April 28 from approximately 5:00-8:00 p.m.
- L.** Mr. Lynch stated that he had an item of importance to the Commission. It is both a happy day and a sad day. Mr. Lynch recognized Bobby Walden, who is taking a job somewhere else. The Commission thanked Mr. Walden for his service. Mr. Walden said it has been an honor to work with Spartanburg Water for almost 40 years, it means a lot, thank you.

Meeting adjourned at 3:36 p.m.

G. Newton Pressley
Secretary-Treasurer

tbh