

## MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, October 29, 2024, 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, Montgomery, Rice, and Willard. No one was absent.

Attendees: Guy Boyle, Cam Cole, Gene Jackson, Robert Walden, Rick Jolley, Remsen Parrish, Kevin Smith, Kevin Brown, Hariette Stinson, Jennifer Candler, Lance Johnson, Jon Morgan, CJ Armour, Brad Love, David Cheatwood, Trish Heatherington.

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. CALL TO ORDER

Commission Chair, Louie Blanton, called the meeting to order.

### 2. INVOCATION

Mayor Rice opened with a prayer.

### 3. EXECUTIVE SESSION

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to enter into Executive Session at 2:16 p.m. to discuss development of security personnel or devices related to cybersecurity. The motion passed unanimously.

The Executive Session was attended by the Commissioners as well as Guy Boyle, Cam Cole, and Kevin Brown.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to come out of Executive Session at 2:37 p.m. The motion passed unanimously.

Mr. Blanton noted that no action was taken.

### 4. APPROVAL OF MINUTES OF REGULAR MEETING OF SEPTEMBER 24, 2024

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve the minutes as written. The motion passed unanimously.

**OLD BUSINESS – NONE**

**AGENDA ITEMS 5-11 FINANCE AND PROCURMENT**

**5. MONTHLY FINANCIAL REPORT**

A financial summary of SSSD expenditures and revenues for the three-month period ending September 30, 2024, were reviewed by Cam Cole, the Chief Financial Officer. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

Mr. Montgomery asked for a point of privilege to present Commission Chair, Louie Blanton, and Commission Vice-Chair, Barbara Barnes, each with a plaque of appreciation for their 30-Years of dedicated service as a Spartanburg Sanitary Sewer District Commissioner.

The Commission and management congratulated them on their 30-Year Service Award.

**6. APPROVAL OF REVENUE BOND REFUNDING**

**A.** Brad Love of Haynsworth Sinkler Boyd, SSSD bond counsel, presented the resolution authorizing the Series 2024 bond refunding, as follows:

A RESOLUTION OF THE SPARTANBURG SANITARY SEWER DISTRICT, PROVIDING FOR THE ISSUANCE AND SALE OF NOT EXCEEDING THIRTY-SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$37,500,000) SPARTANBURG SANITARY SEWER DISTRICT, SOUTH CAROLINA SEWER SYSTEM REFUNDING REVENUE BONDS, SERIES 2024; PROVIDING FOR AN AMENDMENT TO THE BOND RESOLUTION; AND OTHER MATTERS RELATING THERETO.

Management requested Commission approval of the resolution.

Brad Love provided the Commission with an overview of the bond refunding opportunity. The bond refunding is related to the Sewer Revenue Bond(s) Series 2014A and 2014B as well as the refunding of General Obligation Bond Series 2013. The refunding would take advantage of lower market interest rates on \$33.8 Million in outstanding principal related to the 2014A&B's and \$3.45 Million in outstanding principal related to the GO Series 2013. The refunding would not change the maturity time-line schedule overall but is projected to save approximately \$1.7 Million in interest expense payments over the remaining 15 years of the issues. The General Obligation Bond Series 2013 would also be converted to Revenue Bonds during the refunding.

Mr. Boyle introduced David Cheatwood, with First Tryon Advisors.

**B.** David Cheatwood, Managing Director with First Tryon Advisors served as the Sewer District's financial advisor for the 2024 refunding transaction, presented the results of the bond refunding to the Commission.

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Mr. Willard asked how the rating assigned by rating agencies effect the percentage rate. Mr. Cheatwood explained the higher the rating the less impact on the percentage rate.

Mr. Willard questioned if real wages are considered in this process. Mr. Cheatwood noted that the rating agencies do make an adjustment for the differences between Real Income, Inflation, and Real Wages.

Mr. Willard asked what the total GO bonding capacity is for SSSD. Mr. Cheatwood stated that the total bonding capacity in GO Bonds is up to 8% of the total assessed value of real estate and personal property within District boundaries. Mr. Willard asked where SSSD stands on total GO bond capacity and for the Revenue Bond capacity. Mr. Boyle has provided this information to the Commission via email on October 30, 2024.

Mr. Boyle stated there had been some previous discussion regarding shortening the term and asked Mr. Cheatwood to speak to that option. Mr. Cheatwood noted that with the ability to refinance or pay off these bonds in 10 years, it was better to do that than to shorten the term of the debt.

Mr. Cheatwood stated that the bonds would be bid on November 13 and the bond closing would be December 3.

Mr. Montgomery moved and Ms. Barnes seconded the motion to approve the resolution authorizing the Series 2024 bond refunding. The motion passed unanimously.

**7. PROPOSED 2025 COMMISSION MEETING SCHEDULE**

January 28	February 25
March 25	April 22
May 20	June 24
July – No Meeting	August 26
September 23	October 28
November – No Meeting	December 2

The Commission agreed to review the 2025 Commission meeting schedule and vote on it at the next meeting.

**8. RED FLAGS**

Spartanburg Water adopted the Red Flags Program in 2009 in response to federal legislation aimed at protecting consumers against identity theft. C.J. Armour, Customer Experience Manager, provided an annual update on the program status.

Customer Experience Representatives handled 113,877 customer contacts. 109,998 calls were answered and 3,879 walk-in customers assisted, with 8,878 (8%) of those contacts to establish new service or to “move-in” to an account.

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Identity was verified without additional requirements for 85% of applicants. Of the red flags detected, almost 98% were resolved with effective questioning and reviews of previous or existing accounts. The remaining 2% required additional documentation presented in person to clear the red flag before opening the account. Only one customer reported they had been a victim of identity theft.

Customer Experience Representatives receive annual training on the policies and procedures established for the Red Flags Identity Theft Prevention Program. The Online Utility Exchange Service is used to verify the identity of the applicant. Any red flags detected are resolved before service is established. Screen filters are utilized on computer monitors to restrict customer data from public view. Annual training on the Red Flags Program is conducted for the Customer Experience Team.

The above was provided as information to the Commission.

**9. CONSULTING SERVICES FOR CUSTOMER EXPERIENCE DEPARTMENT**

Proposals were received on October 8, 2024, from consulting firms to review and evaluate the structure, processes, and procedures of the Customer Experience department. The objective is to establish action items to improve the employee experience, customer experience, and to optimize resources currently available.

An evaluation team was created to review and score the proposals received. The evaluation criteria consisted of the responder’s qualifications; approach and strategy; cost information; MWBE utilization; and Community Benefit Program. Each proposal was evaluated using a weighted score matrix, with the successful consultant being selected for the highest scoring proposal.

The solicitation drew responses from five consulting firms. A cost tabulation of the responses is listed below.

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Matrix Consulting Group Charlotte, NC	\$38,700.00
Whitlock Consulting Group Charleston, SC	\$39,750.00
The Ascent Group, Inc. Athens, GA	\$48,000.00
Lionel Henderson, Inc. Atlanta, GA	\$63,252.78
Raftelis Charlotte, NC	\$92,875.00

Management recommended a contract be awarded to Whitlock Consulting Group in the amount of \$39,750.00 based on their highest scoring proposal.

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Funding for these services will be provided through the SSSD operating budget (\$11,925) and SWS operating budget (\$27,825).

Remsen Parrish provided the Commission with an overview of the Consulting Services for the Customer Experience Department Agenda Item.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management’s recommendation to award the bid to Whitlock Consulting Group, based on their highest scoring proposal. The motion passed unanimously.

**10. LANDFILL DISPOSAL SCREENINGS AND GRIT**

Bids were received on September 12, 2024, for landfill disposal services for screenings and grit for the Spartanburg Sanitary Sewer District. The scope of work calls for the qualified contractor to furnish personnel, equipment, transportation, and disposal services during a 12-month period with options for renewal.

Invitations to bid were published in the local media, on the SWS website, and sent to prospective bidders. The bid tabulation of the annual cost is listed below.

<b><u>BIDDER</u></b>	<b><u>AMOUNT OF BID</u></b>
Republic Services of SC, LLC Greenville, SC 29607	\$46,740
Waste Connections of The Carolinas Duncan, SC 29334	\$65,900
Waste Management Wellford, SC 29385	NO RESPONSE

Management recommended an award to Republic Services of SC, LLC based on the lowest responsive bid of \$46,740 per year. The service will be funded from the SSSD operating funds.

Remsen Parrish provided the Commission with an overview of the Landfill Disposal Screenings and Grit Agenda Item.

Ms. Barnes moved and Mr. Littlejohn seconded the motion to approve management’s recommendation and award the bid to Republic Services of SC, LLC. The motion passed unanimously.

**11. UNARMED SECURITY GUARD SERVICES**

Bids were received on September 11, 2024, for unarmed security guard services. The scope of services includes monitoring sites by leveraging a robust camera system from a monitoring center located at the Administration Building and reporting any suspicious activity. Guards will also physically patrol the Administration Complex and ensure Lake Bowen Park and Lake Blalock Park are secure at closing.

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Invitations were forwarded to prospective bidders, advertised in the local media, and posted to the Spartanburg Water Website. A tabulation of the annual costs are listed below.

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
A&A Security Group West Palm Beach, FL	\$105,645.67
Allied Universal Security Services, LLC Greenville, SC	\$107,837.86
Team Synergy Security Lagrange, GA	NO RESPONSE

This will mark a change in the company that currently provides after hours security patrol for Spartanburg Water. The security company that is currently being used is Allied Universal out of Greenville, SC. The current hourly bill rate under the current contract with Allied Security is \$20.15 and under the new contract proposed with A&A Security Group, the bill rate is \$21.75 per hour.

Management recommended an award to the lowest responsive bidder, A&A Security Group, in the amount of \$105,645.67. The contract term will be for twelve months with the option to renew for two additional 12-month terms. Funding will be provided from operating funds and allocated between SSSD (\$21,129.13) and SWS (\$84,516.54).

Remsen Parrish provided the Commission with an overview of the Unarmed Security Guard Services Agenda Item. Mr. Parrish noted that a new scope of services is being requested and a new service provider is being recommended.

The scope of services will include monitoring sites by a camera system and reporting any suspicious activity. Guards will still physically patrol the Administration Complex and ensure Lake Bowen Park and Lake Blalock Park are secure at closing.

Ms. Viney and Mr. Littlejohn asked why unarmed guards. Mr. Boyle stated that with the low salary and high turn-over rate, it is best to monitor and notify the public service officers if there is an issue. Public Service Officers are better equipped and more experienced with those type of services.

Mr. Littlejohn asked if the company will be hiring locally since it is based out of Florida. Mr. Parrish stated they would hire locally.

Ms. Viney asked if they really need to patrol the parks since the gates automatically close. Jon Morgan stated that they let a warden know if someone is still on the lake so the warden can locate them for removal.

Mr. Boyle stated that management would like to try this option and if it doesn't work out, they will regroup for additional opportunities.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management's recommendation and award the bid to the lowest responsive bidder, A&A Security Group. The motion passed unanimously.

**AGENDA ITEM 12-13 OPERATIONS**

**12. A. MANNING LYNCH ODOR CONTROL SYSTEM REFURBISHMENT**

The BIOREM odor abatement system was installed at the A. Manning Lynch WWTF during a plant upgrade in the early to mid-2000s. This system uses a wet biological media to scrub the vapor from the incoming flow and is essential for odor suppression of the incoming sewage. Sewer vapors can be highly corrosive and overtime have caused corrosion of major support structures and channels within the units.

The system was manufactured by the BIOREM Company and the technology used is proprietary to the company. Management recommended the rehabilitation of the BIOREM odor abatement units at the A. Manning Lynch WWTF at a cost not to exceed \$140,700. The work will be funded through depreciation funds.

Lance Johnson provided the Commission with an overview of the A. Manning Lynch Odor Control System Refurbishment Agenda Item.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management's recommendation of the rehabilitation of the BIOREM odor abatement units at the A. Manning Lynch WWTF. The motion passed unanimously.

**13. UPDATE ON WORK PERFORMED DURING AND AFTER HURRICANE HELENE**

Mr. Boyle stated that he requested staff put together a presentation that walks through the challenges and recovery of Hurricane Helene.

Ms. Viney asked the Commission to join her in giving staff a standing ovation and applause for all of their hard work during Hurricane Helene and the recovery afterwards.

Mayor Rice excused himself for a prior commitment, but asked for the opportunity to see this presentation at a later time.

Rick Jolley provided an update to the Commission of work status during and after Hurricane Helene.

Mr. Jolley provided hurricane statistics noting that Spartanburg County experienced a sustained wind of 43 mph, with gusts up to 68 mph. The total rainfall was 8.63 inches. 99% of Spartanburg County residents were without power and 99% of Spectrum's customers were without service. Spartanburg County had nine deaths attributed directly to Hurricane Helene.

Mr. Jolley shared the hurricane's path and how it affected the Pacolet River and Tyger River, including normal vs. hurricane elevation and flows.

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In preparation for the storm, weather was tracked and Bowen and Blalock reservoirs were lowered to accommodate high flows. Operations staffing levels and on-call personnel were adjusted. Generators were filled with fuel and fuel sources were secured. An adjustment of chemical inventories was also completed.

Mr. Jolley shared some effects of the storm that Drinking Water Treatment, Wastewater Treatment, and Collection and Distribution work teams faced. Employees faced flooding, wind, blocked facilities due to downed trees and power lines, generator needs, communication interruptions, various fuel needs, and a lack of ice; just to name a few.

Mr. Jolley commended the employees of Spartanburg Water noting that they made the difference. Employees were able to provide quality drinking water, protect the environment with safe wastewater treatment, all while staying in compliance and working safely without any accidents. Some extreme examples included manually closing the valves at the reservoir and repairing generators to maintain wastewater treatment services to our customers and community. Not only did employees maintain the drinking water treatment system and wastewater treatment operations of Spartanburg Water, but were able to provide quality drinking water to neighboring communities in Western North Carolina as they worked through damage from Hurricane Helene. A total of 254,000 gallons of water was supplied to Western North Carolina.

Management and staff continued to assess damage and daily conference calls were held to provide updates and maintain communications. A wrap-up meeting was held off-site at the Philanthropy Center to discuss general hurricane response and recovery. Creating a strategy for generators needed, communication methods due to loss of service, fuel hauling, and ice house availability were some examples that management is strategically working on for future events. Mr. Jolley stated that the dams and other infrastructure inspections will be completed due to the hurricane to ensure that no damage was done.

Management will work with FEMA and the Insurance Reserve Fund for claims reimbursement.

Again, Mr. Jolley stated that the support, communication, and teamwork among all departments and employees made the difference in response to Hurricane Helene. Mr. Jolley thanked Mount Pleasant for providing some generators and North Charleston for sending a crew to assist Spartanburg Water employees.

The above was provided as information to the Commission.

**AGENDA ITEMS 14-16 ENGINEERING**

**14. RECEIPT OF BIDS – BENS CREEK PHASE 3 GRAVITY SEWER PROJECT**

Bids were received on October 24, 2024, for the Bens Creek Phase 3 Gravity Sewer Project. This project is part of a multi-phased project to extend sewer up Bens Creek. This phase of the project consists of approximately 9,785



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linear feet of 15-inch and 16-inch gravity sewer, beginning at Green Pond Road and extending to the Michelin Tract.

Eight 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>
Tom Brigman Contractors, Inc. Newberry, SC	\$3,457,337.35
Two Brothers Utilities, LLC Shelby, NC	\$3,698,971.00
Chandler Construction Services, Inc. Ninety Six, SC	\$4,693,197.00
Engineer’s Estimate	\$4,200,000.00

Management recommended awarding the contract to the lowest responsive bidder, Tom Brigman Contractors, Inc., of Newberry, SC for the amount of \$3,457,880.53. This project will be funded by Spartanburg County American Rescue Plan Act (ARPA) funds.

Kevin Smith provided the Commission with an overview of the Receipt of Bids Bens Creek Phase 3 Gravity Sewer Project Agenda Item.

Ms. Barnes moved and Mr. Montgomery seconded the motion to approve management’s recommendation to award the contract to Tom Brigman Contractors, Inc. The motion passed unanimously.

**15. RECEIPT OF BIDS – MEADOWS CREEK-HWY 292 BASIN GRAVITY SEWER EXTENSION PROJECT PHASES 2A AND 2B**

Bids were received on October 22, 2024, for the Meadows Creek-Hwy 292 Basin Gravity Sewer Extension Project Phases 2A and 2B. This project is part of a multi-phased project to extend sewer up Meadows Creek. This phase of the project consists of approximately 24,520 linear feet of 15-inch and 16-inch gravity sewer, and will begin near the intersection of Meadows Creek and Spring Valley Road continue northward along Meadows Creek approximately 1,600 linear feet beyond Meadow Road.

Four 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>
Don Moorhead Construction, Inc. Belton, SC	\$9,992,373.36
McClam & Associates, Inc. Little Mountain, SC	\$11,694,095.00

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Chandler Construction Services, Inc.                      \$14,739,399.00  
Ninety Six, SC

Engineer’s Estimate    \$12,800,000.00

Management recommended awarding the contract to the lowest responsive bidder, Don Moorhead Construction, Inc., of Belton, SC for the amount of \$9,992,373.36. This project will be funded by Spartanburg County American Rescue Plan Act (ARPA) funds.

Kevin Smith provided the Commission with an overview of the Receipt of Bids – Meadows Creek-Hwy 292 Basin Gravity Sewer Extension Project Phases 2A and 2B Agenda Item.

Mr. Montgomery asked if all of the easements had been acquired. Mr. Smith stated they have not.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management’s recommendation to award the bid to the lowest responsive bidder, Don Moorhead Construction, Inc. The motion passed unanimously.

**16. OWNERSHIP AGREEMENT – PATRIOT PLACE**

New Style Communities proposes to construct approximately 2,847 linear feet of 8-inch gravity sewer line to provide service to 59 residential lots in Patriot Place located off Sundyal Drive in Moore. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the Lower North Tyger River 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 New Style Communities. 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 was provided as information to the Commission.

**17. CHIEF EXECUTIVE OFFICER REPORT**

- A. Mr. Boyle provided the Commission information on a recent event that he was on the panel for called, Upstate Forum from European and American Business.
- B. Jon Morgan provided the Commission with information on a recent Floating Classroom where Jon Morgan and Meagan Roy hosted the Spartanburg Christian Homeschoolers group at Lake Bowen, on October 22. They were joined by two members of Spartanburg County Parks and Recreation who assisted with land-based activities.

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- C. Mr. Boyle noted that as of Friday, October 25, Spartanburg Water has donated 254,000 gallons of water to Western North Carolina.
- D. Mr. Boyle invited the Commission to the upcoming Thanksgiving and Celebration Drop-In luncheon scheduled for Wednesday, November 6 from 11:00-2:30 p.m. in the C&D Breakroom located at 301 South Avenue. This is in appreciation for the contributions that have been made by our Spartanburg Water Team to our community during Hurricane Helene.
- E. Mr. Boyle informed the Commission that the Customer Experience Team had a first ever Best Decorated Pumpkin Contest. The employees and customers have really enjoyed it. It is a big hit on social media as well. Commissioners are invited to view and vote for their favorite pumpkin.
- F. Mr. Boyle invited the Commission to attend the first ever Trunk or Treat event. This event will be held at the Lake Bowen Anchor Park and will be in partnership with the Lake Front Property Owner's Association and a few local businesses. There are over 60 vehicles registered and a large turn-out of participants are expected.
- G. Mr. Boyle stated that SWS has an item on the agenda from the Inman Campobello Water District (ICWD) that has requested an easement from the Commission of Public Works of the City of Spartanburg permitting ICWD to run a subterranean water line across Municipal Reservoir No. 1 as part of a project that will link a new ICWD North Pacolet River intake with a new ICWD water treatment plant to be used to serve the ICWD customer service area. The Spartanburg Sanitary Sewer District (SSSD) is working on an unrelated Spartanburg County ARPA funded project for Meadows Creek Sewer Extension Project and in order for ICWD to secure the easement agreement from SWS, ICWD will permit the SSSD to move an existing ICWD water line out of the way of the Meadows Creek Sewer Extension Project. The SSSD project is time sensitive and so in order for the project not to be slowed, management will recommended the easement be granted at the Commission of Public Works meeting immediately following this meeting. This consideration is included in the Easement Agreement that has been prepared by SWS legal counsel.

Mr. Boyle stated that ICWD would not approve an ICWD water line to be relocated due to a Spartanburg County ARPA funded project for Meadows Creek Sewer Extension Project by SSSD without SWS approval for ICWD to run a subterranean water line across Municipal Reservoir No. 1 as stated above. Legal Counsel has included this information in the prepared contract.

The above is provided as information to the Commission.

- H. Mr. Boyle noted that there is an upcoming ARPA draw for the Spartanburg County funds.

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- I. Mr. Boyle reminded the Commission that the Spartanburg Water offices will be closed on Veteran’s Day.
- J. Mr. Boyle invited the Commissioner’s to the Veteran’s Day Luncheon that will be held on Tuesday, November 12, at the Lions Gate Manor. Lunch will be provided.
- K. Mr. Boyle reminded the Commission that the Annual Holiday Party will be held on Thursday, December 12 from 6:00-10:00 p.m. The party will be held in the Heritage Ballroom at the Spartanburg Marriott.
- L. Mr. Boyle noted that 87 employees, or approximately 30% of employees participated in the United Way Campaign raising over \$52,000.

**18. REFERRALS**

There were no referrals reviewed. Mr. Boyle provided these to the Commission via email on November 1, 2024.

**19. ADJOURNMENT**

Meeting adjourned at 4:25 p.m.

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Camlyn M. Cole  
Secretary-Treasurer

tbh