

MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, September 24, 2019, 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. Horton, Littlejohn, Montgomery, and White. Mr. Blanton 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

Ms. Barnes called the meeting to order and opened with a prayer. The invocation noted the passing of former Commissioner Myles W. Whitlock, Jr.

2. APPROVAL OF MINUTES OF REGULAR MEETING OF AUGUST 27, 2019

Mr. Horton moved and Mr. Montgomery 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 two-month period ending August 30, 2019. An explanation was provided for the favorable and unfavorable budget variances.

Mr. Pressley provided an update to the Commission on the acquisition of Moore Sewer. The asset purchase agreement has been signed by both SSSD and Moore Sewer, and a joint filing was accepted by the Public Service Commission. On September 16 notification letters were mailed to the Moore Sewer customers for a 30 day customer comment period. Following the notification period, final approval will be scheduled by the Public Service Commission, with the date to be determined.

The above was provided as information to the Commission.

4. 2020 RETIREE SUPPLEMENTAL INSURANCE

Current Spartanburg Water retirees who are 65 and over are covered on a Medicare Supplement Insurance Plan provided by United American that includes prescription drug plan coverage. The plan renews in January 2020. Spartanburg Water pays 85% of the cost of the supplemental insurance for retirees and they contribute 15% as shown below. The 2020 monthly rate will increase from \$363.70 to \$382.74, which is an increase of 5.2%.

Management recommended staying with United American as the provider of over 65 retiree Medicare supplemental benefits effective January 1, 2020.

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The approximate net cost for each company is \$70,271.06 (SSSD) and \$144,446.08 (SWS) based on the number of retirees for each company. Hariette Stinson, Human Resources Manager, provided the Commission with an overview of the retiree supplemental insurance.

Mr. Horton asked how many retiree's participate. Ms. Stinson stated there are 37 from water and 18 from sewer for a total of 55 participants. Mr. Horton asked if Steinberg and Associates handle the retiree insurance and Ms. Stinson confirmed that they do.

Mr. Littlejohn asked if Spartanburg Water offers another insurance provider for retirees over the age of 65. Ms. Stinson stated that Spartanburg Water does not offer an additional provider.

Mr. Horton asked if this included dental insurance. Ms. Stinson stated that it does not.

Ms. Barnes asked if retirees have to take this policy or can they get their own policy. Ms. Schneider stated that Spartanburg Water offers this insurance but retirees are not obligated to take it.

Mr. Horton asked if other carriers have been requested to provide quotes. Ms. Stinson stated that Spartanburg Water requests proposals every three years, with the next proposal due in 2021. Mr. Horton stated that he feels there may be a more economical option available.

Ms. Schneider stated that the feedback is noted and management will look further at additional providers.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management's recommendation to stay with United American as the provider of over 65 retiree Medicare supplemental benefits effective January 1, 2020. The approximate net cost for each company is \$70,271.06 (SSSD) and \$144,446.08 (SWS) based on the number of retirees for each company. The motion passed unanimously.

5. 2020 HEALTH INSURANCE CONSULTANT/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 and Associates submitted a renewal proposal for their professional services of \$30,000 for the 2020 calendar year. This represents no increase in cost from the previous year.

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Management recommended renewing the agent/broker agreement with Steinberg and Associates. The allocation between companies is \$7,500 for SSSD and \$22,500 for SWS.

Ms. Schneider stated that Hank Steinberg with Steinberg and Associates, has been acting as Spartanburg Water’s consultant/broker of record for health, dental, disability, and voluntary life plans. The renewal proposal of \$30,000 for the 2020 calendar year represents no increase in cost from the previous year.

Mr. Montgomery moved and Ms. Viney seconded the motion to approve management’s recommendation of renewing the agent/broker agreement with Steinberg and Associates. The motion was unanimously unapproved.

Mr. Horton asked if Mr. Steinberg is waiving his commission from Blue Cross Blue Shield, because if he waives the commission the rates would be less and Spartanburg Water would just be paying the \$30,000 fee. Newt Pressley stated that management is uncertain if Mr. Steinberg waives his commission. Mr. Horton would like to know prior to bringing before the Commission.

Ms. Barnes asked when the renewal has to be authorized. Mr. Pressley stated by January.

Mr. Horton made a motion and Mr. Littlejohn seconded the motion to inquire if Steinberg and Associates are receiving a commission from Blue Cross Blue Shield in addition to the \$30,000 fee being paid by SSSD and SWS. The motion passed unanimously.

Management will look further into this information and bring it back before the Commission at the October meeting.

6. MELODY LANE CREEK CROSSING

Bids were received on September 10, 2019, for the Melody Lane Aerial Creek Crossing project. The aerial crossing is over Lawson Fork Creek near the Melody Creek Subdivision off Highway 9. The scope of work called for the contractor to replace the existing pipeline crossing and to connect the new crossing to the existing collection system. All six pre-qualified contractors were invited to attend a mandatory pre-bid meeting to submit bids. Two of the six pre-qualified contractors attended the mandatory meeting.

A tabulation of the responses is listed below.

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
North American Pipeline Management, Inc. Columbia, SC	\$176,000
Harper Corporation Greenville, SC	\$432,000

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A purchase order for the work was issued to North American Pipeline Management, Inc., (NAPM) based on their lowest responsive bid of \$176,000. Funding will be provided through the SSSD collection system rehab funds.

Charlie Logue, Special Projects Manager, reviewed the bid response for the Melody Lane Creek Crossing project.

This above was provided as information to the Commission.

7. MARY BLACK INTERCEPTOR BASIN SEWER SYSTEM EVALUATION STUDY (SSES)

Proposals were received September 10, 2019, for the Mary Black Interceptor Basin Sewer System Evaluation Study (SSES). The SSES will include smoke testing, manhole inspections, line cleaning, and CCTV inspections of approximately 57,700 LF of gravity sewer pipelines and 281 manholes. The contractor will provide inspection reports, photographs, and videos of their findings for the purpose of identifying primary areas of concern and prioritize future sewer system improvements within the basin.

Interested contractors were requested to provide proposals that included information on company history, project team, project approach, previous experience, current workload, financial and insurance information, MWBE utilization and community benefit program. The proposals were reviewed by three staff members, who used a weighted scoring system in their evaluation of (1) Approach and Strategy, (2) Technical Competency and Experience, (3) Schedule, (4) Cost, (5) MWBE Utilization and (6) Community Benefit Program.

The Request for Proposal (RFP) was advertised in the Spartanburg Herald Journal, South Carolina Business Opportunities (SCBO) and posted on the Spartanburg Water website Current Opportunities page. Twenty four interested contractors requested proposal information packages. Proposals received are as follows:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Hydrostructures, P.A. Cayce, SC	\$196,065
Envirowaste Services Group, Inc. Miami, FL	\$201,040
Pipetek Infrastructure Services, Inc. Livonia, MI	\$245,250
Gulf Coast Underground, LLC Theodore, AL	\$285,615
North American Pipeline Management, Inc. Columbia, SC	\$348,930

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Cajenn Construction & Rehabilitation Services, Inc.
Hoboken, GA \$563,650

Hydrostructures, P.A. received the highest score from the proposal review team and also submitted the lowest price. Management recommends the award of the contract for the Mary Black Interceptor Basin Sewer System Evaluation Study to Hydrostructures, P.A. of Cayce, South Carolina in the amount of \$196,065. The project will be funded by the capital fund.

Charlie Logue, Special Projects Manager, reviewed the bid response for the Mary Black Interceptor Basin Sewer System Evaluation Study.

Mayor White moved and Mr. Horton seconded the motion to approve management’s recommendation to award the contract for the Mary Black Interceptor Basin Sewer System Evaluation Study to Hydrostructures, P.A. of Cayce, South Carolina in the amount of \$196,065. The motion passed unanimously.

8. RECEIPT OF BIDS – LAWSON FORK FACILITY IMPROVEMENTS PROJECT

Bids were received on September 10, 2019, for the Lawson Fork Facility Improvements Project. This project will include the following work at the facility:

- Rehabilitation of the headworks concrete influent channels and replacement of the existing mechanical bar screens and solids-handling equipment;
- Removal and closeout of the existing grit system including associated piping and structural channel rehabilitation and improvements;
- Modifications to the wastewater holding capacity at the transfer pump station using the facility’s available concrete structures;

Eight contractors received the bid documents for the project and two contractors submitted a bid. The bids were as follows:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Greenstone Construction, LLC Seneca, SC	\$797,350
Harper Corporation, Inc. Greenville, SC	\$1,205,000
Engineer’s Estimate	\$950,000

Management recommend awarding the contract to the lowest responsive bidder, Greenstone Construction, LLC of Seneca, SC, for the amount of \$797,350. This project will be funded by capital funds.

Gene Jackson provided the Commission with an overview of the Receipt of Bids for the Lawson Fork Facility Improvements Project.

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Mr. Littlejohn moved and Mr. Horton seconded the motion to approve management's recommendation to award the contract to the lowest responsive bidder, Greenstone Construction, LLC of Seneca, SC, for the amount of \$797,350. The motion passed unanimously.

9. OWNERSHIP AGREEMENT – CHESTERFIELD SUBDIVISION

Holly Drive Properties, Inc., proposes to construct approximately 1,185 linear feet of 8-inch gravity sewer line to provide service to 36 lots in the Chesterfield Subdivision located off Seay Road. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch 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 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.

10. OWNERSHIP AGREEMENT – ELMWOOD COTTAGES OFF-SITE SEWER EXTENSION

Mark III Properties, LLC. proposes to construct approximately 810 linear feet of 8-inch gravity sewer line to provide service to 165 lots in Elmwood Cottages Subdivision located on property adjacent to the Elmwood Cottages Off-site Sewer Extension on Old Furnace Road in Boiling Springs. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch Wastewater 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 Mark III Properties, 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.

11. OWNERSHIP AGREEMENT – RESTORATION AT WESTGATE

SC Spartanburg Blackstock, LLC. proposes to construct approximately 376 linear feet of 12-inch gravity sewer line to provide service to Restoration at Westgate, an 82-room assisted living facility, located on West Blackstock Road. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch 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 SC Spartanburg Blackstock, 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.

12. OWNERSHIP AGREEMENT – THE VILLAS AT WOODFIN RIDGE

Obsidian Management, LLC. proposes to construct approximately 490 linear feet of 8-inch gravity sewer line to provide service to The Villas at Woodfin Ridge, a 17 lot subdivision, located near Lake Bowen Dam Road. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the A. Manning Lynch 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 Obsidian Management, 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.

13. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

A. Ms. Schneider noted that the College and Career Showcase will be held at the Spartanburg Memorial Auditorium on October 2-3. At this event Spartanburg Water staff reaches more than 4,000 9th grade students from Spartanburg, Cherokee, and Union Counties.

B. Ms. Schneider stated that Spartanburg Water Week will be held October 7-11. Great People – Great Water. The focus is on teamwork.

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- C.** Ms. Schneider reminded the Commission that there will be a Water Matters Alumni event held at the Spartanburg Marriott from 6:00-8:00 p.m. on October 15.
- D.** Ms. Schneider informed the Commission that Flu shots will be administered on October 16 at the C&D complex from 7:15-9:15 a.m. and in the Human Resources building beginning at 10:00 a.m. You may also get the shot from a pharmacy and insurance will cover the cost.
- E.** Ms. Schneider noted that Watershed Work Days will be held on October 16 and 17 for employees from 8:00 a.m. until noon. These work days will be held in place of Lake Sweep this year.
- F.** Ms. Schneider stated that the Hub City Brew Fest will be held on October 19 in downtown Spartanburg from 1:00-5:00 p.m. Spartanburg Water will serve as the exclusive water provider for the event with the Oasis, while promoting “Great Water, Great Beer”.
- G.** Ms. Schneider informed the Commission that the United Way End of Campaign Celebration will be held at the C&D complex on October 24 from 11:00 a.m. until 2:00 p.m. and will be catered by the Fuddruckers Food Truck.
- H.** Ms. Schneider reminded the Commission that the October Commission meetings will be held on Wednesday, October 30.

Meeting adjourned at 2:49 p.m.

G. Newton Pressley
Secretary-Treasurer

tbh