

## MINUTES

The Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 299 N. Church Street, Spartanburg, SC, December 4, 2018, at 4:00 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 Ms. Viney, Mr. Littlejohn, and Mr. Montgomery. No one was absent.

The meeting was opened with the following statement:

This is a regular meeting of The Commissioners of Public Works of the City of Spartanburg, SC. 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 forwarded to local and nearby news media, at least 24 hours prior to this meeting.

**1. APPROVAL OF MINUTES OF REGULAR MEETING OF OCTOBER 23, 2018, AND EXECUTIVE SESSION MEETINGS OF OCTOBER 22, 2018, OCTOBER 31, 2018, AND NOVEMBER 28, 2018**

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

**2. MONTHLY FINANCIAL REPORT**

Newt Pressley presented a financial summary of SWS expenditures and revenues for the four-month period ending October 31, 2018. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

**3. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2018**

Karyn Lemon of McAbee, Schwartz, Halliday & Company reviewed the Comprehensive Annual Financial Report and communication letter for SWS with the Commission and offered an unmodified audit opinion for fiscal year ending June 30, 2018, in accordance with generally accepted accounting principles.

The above was provided as information to the Commission.

**4. SOUTH CAROLINA SETOFF DEBT COLLECTION PROGRAM**

Spartanburg Water System previously obtained Commission approval to participate in the South Carolina Setoff Debt Collection Program. The program allows claimant agencies to recover delinquent debts through offset to the state income tax refund. The program is administered through the Municipal Association of South Carolina and the S.C. Department of Revenue.

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The Municipal Association requests approval of new Resolutions relating to the recovery of collection costs pursuant to the Setoff Debt Collection Act.

- Resolution #1 authorizes the Municipal Association to act as claimant agency for the collection of debt on behalf of Spartanburg Water System in accordance with the Set off Debt Collection Act.
- Resolution #2 provides that Spartanburg Water System may impose an administrative fee up to \$25.00 to offset the costs of collection associated with the process.

The new Resolutions reflect a few minor revisions. For example, Resolution #1 changes Agent to Agency, and updates the SWS management reference to Chief Executive Officer. Resolution #2 allows up to \$25.00 for the administrative fee, which is currently set at \$15.00. Management requested Commission approval of the resolutions.

Newt Pressley reviewed these Resolutions with the Commission. The resolutions are from the Municipal Association of South Carolina for the authorization of participation in the South Carolina Setoff Debt Collection Program. Spartanburg Water has participated in this program since the early 1990's. This program allows agencies to recover delinquent debt through the offset of tax refunds. This program is administered through the Municipal Association of South Carolina and the S.C. Department of Revenue.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation for approval of Resolution #1 and Resolution #2 for the South Carolina Setoff Debt Collection Program. The motion passed unanimously.

**5. PROPOSED 2019 COMMISSION MEETING SCHEDULE**

|                             |             |
|-----------------------------|-------------|
| January 22                  | February 26 |
| March 26                    | April 23    |
| May 28                      | June 25     |
| July – No Meeting           | August 27   |
| September 24 or 26 (WEFTEC) | October 29  |
| November – No Meeting       | December 3  |

The Commission agreed to ratify the action taken in the SSSD meeting to meet on January 22, 2019, and to vote on the remaining monthly meetings at that time.

**6. WATER QUALITY REPORT**

Bobby Walden provided an update on water quality for Lake William C. Bowen and Municipal Reservoir #1.

Mr. Walden stated that throughout 2018, staff has sampled both Lake Bowen and Reservoir #1 for taste and odor constituents. In May, Geosmin reached levels as high as 51 Parts Per Trillion (PPT's) and in July, MIB was detected as high as 150 PPT's. Since the last algaecide application in July Geosmin and MIB have declined. Taste and odor results from samples taken

at the Simms Intake-Structure during November continue to show low levels of Geosmin ranging from 3.1 PPT's to 9.6 PPT's and MIB ranging from 4.8 PPT's to 13 PPT's. These results are from raw water sampling prior to any water treatment or filtration. The threshold for human detection is approximately 15 parts-per-trillion. Algae count continues to remain low at all sampling locations.

The drawdown of Lake Bowen and Lake Blalock began on December 1, 2018, with a targeted drop of 2½ - 3 feet in each reservoir to allow adjoining property owners to perform routine maintenance on their docks and walkways. As of December 4, Lake Bowen has dropped 0.08' and remains slightly above full pool. Lake Blalock has dropped 0.13' and is 0.72' below full pool. Both reservoirs are trending down. As stated in our previous meeting the ability to make adjustments and maintain the lake levels will be weather dependent.

The above was provided as information to the Commission.

## **7. REPORT ON THE DRINKING WATER RESERVOIRS**

Sue Schneider provided an update on activities with the drinking water reservoirs. Ms. Schneider stated that there has been over 1,000 Land Permits issued to adjacent property owners at Lake Bowen and Lake Blalock. This is a 54% increase over last year. Ms. Schneider shared that SWS has received many comments from stakeholders around the reservoirs at various listening sessions regarding the Land Access Agreement. Some of those comments were "I didn't know that Spartanburg Water System owned the land between my parcel and the lake", "I didn't know that I had to get permission or permits from Spartanburg Water to make improvements on their property", "I didn't know that I couldn't grade Spartanburg Water System property", "I didn't know that if I damaged [e.g. removed vegetation, etc.] from Spartanburg Water System's property that I would need to remediate the area", "No one told me anything about SWS Rules and Regulations when I bought the property." Management has listened to these concerns and in response to these concerns SWS has eliminated the Private Structure Agreement and created one universal document that will be used at SWS reservoirs to allow access to SWS property: the Land Access Agreement (LAA). It addresses all the concerns heard during the listening sessions from our lakeside stakeholders. It clarifies the conditions to access SWS property for both the adjacent property owner and SWS. It will be in the chain of title so that the next property owner knows they will also have to sign an LAA with Spartanburg Water. This document will be the baseline permit for access to SWS property around all of the reservoirs. Ms. Schneider stated that there was some concern with stakeholders regarding the wording in the document because it was written in legalese. This section has been revised with less legalese and an annotated version has been created that will help explain the document as well.

Ms. Schneider noted that SWS has continued to meet with various stakeholders throughout Spartanburg County that has an interest in clean water. They have shared with SWS that their number one priority is pure water, for public health and a strong economy. They also shared that Spartanburg Water has a responsibility to intervene in the watershed: to take

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care of problems and proactively address the potential for future challenges, and noted that a reduction in water quality would depress the economy and make it harder to attract new investment.

Ms. Schneider stated that the biggest program SWS has in place as a result of comments received from stakeholders is the Press Pause Program. This program was designed from the comments received at the Listening Sessions with Lake Bowen residents. This program is designed to allow all existing improvements, semi-permanent and permanent structures already below the 827' MSL. This is a limited one time period for 14 months to work with SWS staff and establish a baseline for each adjacent property that participates. Adjacent property owners who participate can have confidence that their investments are recognized, appreciated and secured for the future. There has been 41 participants sign up for the program. Management implemented an easy notification to participate process. Applicants can send an Email: [presspause@spartanburgwater.org](mailto:presspause@spartanburgwater.org), or leave a message on a voice mailbox: 864-580-2095, or they can stop by the Lake Bowen office and complete a form. This process has been streamlined. A Single Application for all Authorization Requests. Consolidated Authorizations listing all Improvements, Semi-Permanent or Permanent Structures. Early Sign-up Discount - Participants signing up for the Press Pause Program between October 1, 2018, through March 30, 2019, will receive a 25% discount on all authorization fees.

Ms. Schneider stated that the Healthy Lakes newsletter was released the week of November 26. It was mailed to all adjacent property owners on Lake Bowen, Lake Blalock, Reservoir #1, and key stakeholders. Topics included were: Lake Drawdown, Land Access Agreement, Press Pause Program and Fish Restocking.

Ms. Schneider shared that management has been working together with SWS stakeholders on safety issues around Lake Bowen. 108 Landowners were notified that their docks have fallen into disrepair. To date, 85% of the docks have been identified for repair or removal. Management is also working with stakeholders on some other tough issues like encroachments. Residential structure encroachments are situations where the house or a portion of the house is on SWS. SWS will offer an Encroachment Agreement that allows the structure to remain in place. 106 encroachments have been identified around Lake Bowen. 24 encroachment agreements have been signed and filed in the chain of title. 57 are in various stages. 25 are in queue to begin notification in early 2019.

Ms. Schneider reviewed some things that are on the horizon. Irrigation permit renewals will be mailed this week. Lake drawdown for Lake Bowen and Lake Blalock are scheduled for December 1, 2018, thru February 2019. The Portable Fire Ring Policy and Program is scheduled for the first quarter of 2019. Watercraft permit renewals scheduled to begin March 2019.

The above was provided as information to the Commission.

## **8. IMPROVING BENCHMARKS AT SWS RESERVOIRS**

A proposal for Professional Services has been solicited from Lavender and Associates Surveyors to improve the benchmarks around the three Spartanburg Water Reservoirs to better identify the applicable contour line, which is the Spartanburg Water property line.

The scope of work includes:

- recovering any existing monuments
- verify the elevation of each one
- determine a latitude and longitude of each monument
- measure a reference tie to at least 2 nearby physical features to aid in future recovery
- photograph the monument and the general area around it
- reset any missing monuments and/or establish any new monuments per the direction of SWS.

The Spartanburg Water property line at all reservoirs is a contour line. The location of the contour line has been a topic of concern and discussion from the adjoining landowners, questioning the accuracy of the location and the data used in determining where the Spartanburg Water property line is in relation to theirs. Improving the existing benchmarks and adding benchmarks will improve the visibility of the Spartanburg Water property line and help the adjoining landowners in identifying the property line when there is a question or when they are surveying their own property.

Using the criteria above, management is recommending verifying and improving the condition of the 41 existing monuments at Lake Bowen, establishing 42 new monuments at Lake Blalock and establishing 12 new monuments at Reservoir No. 1.

Management recommended these changes be approved at a not to exceed cost of \$33,250. Funding will be provided through capital funds.

Mike Clardy, Property and Risk Manager, reviewed the proposal to improve the existing benchmarks and addition of benchmarks to improve the visibility of the SWS property line. There are 41 existing monuments at Lake Bowen that will be verified and the condition improved where necessary. There will be 42 new monuments established at Lake Blalock and 12 new monuments established at Reservoir No. 1.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation to award the bid to Lavender and Associates Surveyors at a not to exceed cost of \$33,250. The motion passed unanimously.

## **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

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programming meets state standards and incorporates hands-on learning activities. Last year, programs that focus on water served over 23,300 students with presentations throughout Spartanburg County.

Watershed Ecology Center's annual goal for 2019 is to reach 25,000 K-8 students through watershed based educational programming and they continue to focus many of their efforts around Spartanburg Water reservoirs and watershed. In addition to the many classroom programs, the Watershed Ecology Center offers other programs to promote watershed awareness by offering certification in Adopt-A-Stream program basics as well as a program aimed to develop certified trainers.

In addition, in 2019 the Watershed Ecology Center plans to promote watershed learning for educators. The launching of a teacher certification project in elementary schools will provide teachers an in-depth understanding of the natural world and provide the necessary STEAM tools to support their curriculum for students.

Management recommended the approval of targeted funding for the aforementioned K-8 educational programs and watershed based training initiatives offered by the Watershed Ecology Center in the amount of \$20,000, with an equal allocation of \$10,000 of the funding from SWS and \$10,000 of the funding from SSSD. Funding will be allocated from SWS and SSSD operating funds.

Mr. Littlejohn moved and Ms. Viney seconded the motion to ratify the action taken in the SSSD meeting and approve management's recommendation to approve the Watershed Ecology Center Grant Proposal. The motion passed unanimously.

**10. PARTICIPATION PROJECT CONSISTENT WITH OUTSIDE CITY WATER MAIN EXTENSION POLICY – BLACKMAN CIRCLE PHASE 1 AND 2**

The water main extension consists of approximately 1,946 LF of 6-inch water main and one fire hydrant, and is consistent with the SWS Water Main Extension Policy. It will be billed at the outside city rate plus surcharge until such time as the full local share is recovered.

The water main extension necessary to provide domestic service plus fire protection and also provide for future growth, are the same size and quantity, and therefore, the project estimate is \$63,100. The property owner's participation cost is based on this estimate.

Management recommended Commission approve the above.

Ms. Viney moved and Mr. Littlejohn seconded the motion to approve management's recommendation. The motion passed unanimously.

**11. AGREEMENTS EXECUTED BY THE CHIEF EXECUTIVE OFFICER ON BEHALF OF THE COMMISSION**

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The following agreements have been executed on behalf of the Commission by the Chief Executive Officer in accordance with the resolution adopted by the Commission on March 28, 1989.

**A. Outside City Private Fire Service Agreement**

**(1) Arcadia Mill Lofts FS**

Arcadia Mill Lofts located at 1875 Hayne Street in Spartanburg, SC wishes to connect an 8-inch water line to the Commission's 8-inch water line along Arcadia Station Road to serve a private fire protection system, including four private hydrants, for the above-mentioned residential/creative center facility. Cleveland Street, LLC wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$1,368.16

**(2) Penske Truck Leasing FS**

Penske Truck Leasing located at 747 Simuel Road in Spartanburg, SC wishes to connect an 8-inch water line to the Commission's 8-inch water line along Belton Drive to serve a private fire protection system, including one private hydrant, for the above-mentioned commercial venture. Penske Truck Leasing Co., LP wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$698.68

**B. Lake Agreements**

Applications have been submitted and all fees have been paid on the following Lake Agreements.

- (1) Dave Kiesel** desires to construct a hard pathway at Lake Blalock.
- (2) Brian James Gray and Rheta Lee Gray** desire to replace a dock at Lake Blalock.
- (3) Salman Gerami-Sarabi and Leah R. Goodson-Gerami** desire to replace a dock and construct a hard pathway at Lake Blalock.
- (4) George Reginald Pryor and Rene R. Pryor** desire to replace a dock at Lake Bowen.
- (5) Gary E. Vanover** desires to construct a hard pathway at Lake Bowen.
- (6) Adrienne Chapman Barnwell, Tracy Lynn Chapman, and Dustin Harold Chapman** desire to construct a hard pathway and stabilize the shoreline at Lake Bowen.

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- (7) **Gladys L. Henry** desires to replace a dock and construct a boat lift at Lake Bowen.
- (8) **Walter D. Moore and Carol L. Moore** desire to replace a dock at Lake Bowen.
- (9) **Douglas Henshaw and Patricia Henshaw** desire to replace a dock at Lake Bowen.
- (10) **Walter Stephen Neal** desires to replace a dock, construct a boat lift and a personal watercraft lift at Lake Bowen.
- (11) **William Ridings and Elizabeth M. Kluza** desire to construct a hard pathway at Lake Bowen.
- (12) **Tommy K. Padgett, Jr. and Melissa M. Padgett** desire to replace a dock at Lake Bowen.

## 12. PUBLIC COMMENT

Mr. Montgomery introduced Gene Jackson, Capital Projects Officer, who will assist with the Public Comment agenda item.

Mr. Jackson opened the Public Comment period and requested that each person speaking state their full name and address before making comments. Mr. Jackson also noted that he is the timekeeper and when the commenter hears the timer, please wrap up their comments.

Mr. Jackson called Matt Spencer to the podium. Mr. Spencer said he lives at 712 Brown Arrow Circle, and he would like to speak about the fiscal responsibility of the Board. All of these points were reported at the Delegation meeting in November, and I know Mr. Montgomery was there. As a nonprofit 65% of the SWS budget is administrative/salary/benefit related and only 35% is going to programs and services. Is that fiscally responsible? The next point is that SWS spent around \$77,000 on 20 buoys that SCDNR would have donated if they would have asked. Even more disturbing is that 20 are too many and because they are not Coast Guard or SCDNR approved, they may have to be removed or SWS could be fined. That sounds like the fish kill with bad decisions being made. Is this fiscally responsible? The next point is when Inman-Campobello Water District was bidding on Pacolet river property SWS got into the bidding and increased the bidding to \$800,000 from \$250,000. Recently the CEO was asked to speak at the November delegation meeting, but she was too busy. I wouldn't want to be a part of a city where the entire Delegation is upset with you. Thank you very much.

Mr. Jackson called Cynthia Jones to the podium. Ms. Jones introduced herself and said she is the President of the Thorn Cove Homeowner's Association at Lake Blalock. She stated she will not have time to say everything she came to say, but will pass out her information to the news networks. Ms. Jones said she has tested her water coming out of the tap and it comes out 550 PPM of bacteria. She runs it through seven filters to get it to a point that it does not stink or taste bad. Another concern is



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everyone talking about things being transparent and she doesn't see anything in any of the reports she has read where SWS is willing to do anything about the damage that was done to Lake Blalock when the cutting of the trees were done when the lake was raised in 2003. She has boated all over Lake Blalock and seen trees with an X on them, there are trees rotten around her house that could damage her property if they fall, but SWS requires she obtain a permit and pay for removal of the trees. She said her neighbor lost over 100 feet of lakefront property because the vendor cut the trees and shoved rocks and debris into his property and ruined his property line and now nobody is willing to do anything about it. Ms. Jones said she disagrees with SWS that pulling trees out of the lake will cause bacteria to be in the water. Ms. Jones would like to see an independent commission test the water. The off gasing off the trees in the water are releasing more bacteria than removing them would. They are also decreasing property value and keeping property owners from having a dock. There are things that were pushed aside that happened in 2003 that needs to be fixed. Ms. Jones stated that the fifth amendment protects her rights eminent domain and she will fight for every inch of her property.

Mr. Montgomery commented that the financial report received earlier in the Commission meeting reports to the outstanding fiscal responsibility of staff and management. This is not taken lightly and the Commission strives to continue fiscal responsibility as shown by the AA credit rating by Standard Poor's. SWS Debt Service Ratio is higher and management continues to work to improve fiscal responsibility.

Mr. Montgomery asked Mr. Walden if he wanted to respond to the water quality concerns raised. Mr. Walden stated that if a SWS customer has a problem and would like their water tested, SWS will do that and provide the results free of charge. However, Ms. Jones is not a customer of SWS.

An attendee asked if the water that SWS sells to Liberty-Chesnee-Fingerville (LCF) Water Company is tested. Mr. Walden stated that water sold to LCF is tested and meets or exceeds all requirements, but SWS is not responsible for water that is distributed by LCF.

**13. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS**

Ms. Schneider had no negotiations or administrative matters.

Meeting adjourned at 4:43 p.m.

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G. Newton Pressley  
Secretary-Treasurer

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