MINUTES

The Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 299 N. Church Street, Spartanburg, SC, June 25, 2019, at 3:30 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 MAY 28, 2019 AND WORK SESSION MEETING OF MAY 31, 2019

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

2. 2018 COMMUNITY WATER FLUORIDATION 50 YEAR AWARD

On May 30, 2019, South Carolina's State Dental Director with SCDHEC's Division of Oral Health provided notification that Spartanburg Water System would be presented the 2018 Community Water Fluoridation 50 Year Award. This award is given jointly by the American Dental Association (ADA), Association of State and Territorial Dental Directors (ASTDD), and Centers for Disease Control (CDC) and was presented to Spartanburg Water at the Annual Statewide Oral Health Forum in Columbia, SC on June 14, 2019.

The award recognizes public water systems that have consistently adjusted the fluoride concentration in drinking water for the past 50 years. Spartanburg Water has been committed to fluoridating water since August 1968.

In a prepared letter to Spartanburg Water System, the ADA, ASTDD and CDC expressed that they, "salute the dedication and perseverance of fluoridation pioneers and water system professionals. Because of your efforts and continued support from generations of dental professionals and other health care providers, health care and public health care organizations, community leaders and untold others, the prevention of tooth decay through community water fluoridation is recognized by CDC as one of the 10 great achievements in public health of the 20th century."

Ken Tuck provided an overview of the 2018 Community Water Fluoridation 50 Year Award. The Commission congratulated staff on this award.

3. MONTHLY FINANCIAL REPORT

Newt Pressley presented a financial summary of SWS expenditures and revenues for the eleven-month period ending May 31, 2019. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

Mr. Pressley presented financial policies and procedures to the Commission for review and approval.

Mr. Pressley reviewed the overall purpose of the Financial Policy document. These policies and procedures represent a compilation of best practices that SWS has followed for years, and in some instances even decades. In order to strengthen the SWS bond rating potential and the annual audit review, management is asking the Commission to formally adopt these policies. The bond rating agencies (Moody's and Standard and Poor's) recognize formally adopted policies as a strength in financial management. A formally adopted Deposit and Investment Management policy (section 6) will eliminate the Note 2 statement in the CAFR that SWS doesn't have a formal policy. The Financial Policy will also provide strategic direction that focuses on maintaining financial stability.

Ms. Viney asked if the only difference between the SSSD and SWS financial policies and procedures is Section 8. Mr. Pressley stated that Section 8 is specific to SSSD, and is not part of the SWS financial policies and procedures. The other primary difference is that SSSD is authorized to issue Revenue and General Obligation Bonds, and SWS may only issue Revenue Bonds. This difference affects Section 3, Debt Management and Section 4, Bond Compliance Policies and Procedures.

Ms. Viney moved and Mr. Littlejohn seconded the motion to approve the SWS Financial Policies and Procedures. The motion passed unanimously.

4. PUBLIC HEARING FOR PROPOSED FY 2019-2020 OPERATING BUDGET

A public hearing was held by the Commission to allow input regarding the proposed FY 2019-2020 operating budget.

Mr. Littlejohn moved and Ms. Viney seconded the motion to open the public hearing regarding the proposed FY 2019-2020 Operating Budget. The motion passed unanimously.

Mr. Montgomery asked if anyone was present that wished to speak about the budget. A gentleman from the audience asked if anyone had seen the budget.

Mr. Pressley stated that management did present the balanced proposed FY 2019-2020 Operating Budget at the work session on May 22 and SWS advertised the notice of public hearings in the Spartanburg Herald Journal on June 4 and in the Landrum newspaper on June 5. There is no proposed increase in customer rates for the upcoming year.

Mr. Littlejohn moved and Ms. Viney seconded the motion to close the public hearing regarding the proposed FY 2019-2020 Operating Budget. The motion passed unanimously.

5. DISCUSSION/APPROVAL OF PROPOSED FY 2019-2020 OPERATING BUDGET

Management requested approval of the proposed FY 2019-2020 operating budget.

Ms. Viney moved and Mr. Littlejohn seconded the motion to approve the proposed 2019-2020 Operating Budget. The motion passed unanimously.

6. PREVENTATIVE MAINTENANCE AGREEMENT FOR LABORATORY SERVICES

Laboratory Services maintains Preventative Maintenance Agreements (PMA's) for select laboratory instruments and software programs. The proposed contract is an annual agreement and includes service for routine preventative maintenance, troubleshooting, repairs (parts and labor), software support, certain upgrades, and priority emergency repair service. The PMA is provided by the manufacturer, who is the sole source of the laboratory service.

Labworks (Laboratory Information Management System) LIMS

- This database system is used to assign identification codes and store / retrieve data for samples. In addition, this system generates both regulatory and process control reports for samples associated with the Safe Drinking Water Act (SDWA) and the Clean Water Act (CWA) programs. Labworks has quoted and annual PMA for services described above for a total cost of $23,320.

The total cost for the renewal of this annual Preventive Maintenance Agreement is $23,320. Funding will be provided through the Laboratory Services operating budget, with costs shared 50/50 between SWS and SSSD.

Management recommended the approval of the renewal of the Labworks LIMS Preventive Maintenance Agreement for an amount not to exceed $11,660.

Mr. Littlejohn moved and Ms. Viney seconded the motion to ratify the action taken in the SSSD meeting and approve the renewal of the Labworks LIMS Preventive Maintenance Agreement. The motion passed unanimously.

7. WATER QUALITY REPORT

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

Mr. Walden stated that just prior to the June 3 algaecide application, raw water sampling results for taste and odor compounds taken at Lake Bowen detected levels of geosmin as high as 110 parts per trillion and MIB as high as 7.6 parts per trillion. There was a second algaecide application conducted

June 3-5 to address a rising trend in Geosmin and MIB in Municipal Reservoir #1 and Lake Bowen. Post June application data for Reservoir #1: Geosmin values from 10-18 parts per trillion and MIB remains mostly undetectable.

Ken Tuck noted that the June 3-5 algaecide application consisted of a new, environmentally friendly, prescription for peroxide based products provided by Hazen and Sawyer to treat eight priority locations - focusing on algae growth at the bottom of the lake. Spartanburg Water communicated algaecide application plans to both SCDNR and SCDHEC in advance of the application, and will continue to do so in any subsequent applications. Communication with stakeholders was accomplished through a press release and Lake Alert. SWS used Licensed Commercial Applicators to administer the application of the peroxide based products per the prescription developed by our consultant on 63.5 acres on Municipal Reservoir #1 and 128.1 acres on Lake Bowen, for a total of 191.6 acres. There were no adverse impacts observed. The peroxide based products reduced the known taste and odor algae producers that were targeted on the bottom of the lake enough in order for operations staff to significantly reduce the carbon dose at the R.B. Simms Drinking Water Treatment Facility. This resulted in a reduction in drinking water treatment costs of approximately $12,000 per week. Since the most recent application in June, SWS has only received one taste and odor complaint. SWS continues to work with Hazen and Sawyer to finalize an overall Algae Management Plan that will incorporate adaptive management, based on environmental and water quality conditions. Management met with our experts last week and, as we look towards warmer temperatures, we will likely face additional challenges with source water quality. Recent data and studies have pointed out several challenges that may require additional focus. Along with historical sediment and nutrient loadings from erosion, other development and associated run-off in the watershed is still providing significant amounts of nutrients to the reservoirs during stormwater events and is impacting algae development, especially in the bottom of the lakes. Muddy looking water washing into our drinking water supply creates bigger challenges than just discoloration or loss of volume in our reservoirs – soil transport through stormwater run-off actually carries nutrients that may be attached to soil particles into the lakes and basically provides food for the algae to grow. With the assistance of our consulting experts, we have identified significant layers of blue-green algae growing in multiple sediment layers at the bottom of our lakes. Dense algal mats have formed and are contributing to taste and odor challenges. These algal mats are more persistent and difficult to treat than algae within the water column itself and require special application and advanced treatment techniques. Due to the need to respond quickly to periodic rising trends in algae that cause taste and odor, enhanced monitoring strategies have been identified to further define potential hot spots or source areas in the lakes for taste and odor producing species, target future algaecide applications, and further reduce operational impacts of taste and odor treatment at our drinking water treatment facilities. We have enhanced wet-weather monitoring in order to quantify actual nutrient loadings from the watershed. The long-term management strategy will require both in-lake and watershed management implementation measures to be effective.

The above was provided as information to the Commission.

8. REPORT ON DRINKING WATER RESERVOIRS

Sue Schneider provided an update on activities within the drinking water reservoirs. Ms. Schneider noted that Land Permits continue to increase and there have been 681 permits issued through June 14, 2019. Press Pause program is in place until December 1, 2019. To date, 189 have signed up.

Ms. Schneider stated that management is continuing to work with adjoining landowners whose docks have fallen into disrepair. Currently, 91 Docks have been repaired or replaced. Eight docks have been removed by a SWS contractor. Six dock owners have been notified that maintenance must be completed or it will be scheduled for removal during the week of July 8.

Ms. Schneider noted that the Monument Project involves a survey team verifying, resetting or replacing the 41 existing monuments at Lake Bowen. In addition, they are establishing 42 new monuments at Lake Blalock and establishing 12 new monuments at Reservoir #1. The survey team has completed the work at Lake Bowen. The survey team have moved to Reservoir #1 and have targeted 6-8 weeks to complete that work. The estimated completion at Reservoir #1, weather permitting is June 30, and then they will move on to Lake Blalock.

Ms. Schneider stated that the Commission of Public Works purchased the property at 2290 Rainbow Lake Road, which is on Municipal Reservoir #1. This property adjoins property already owned by SWS, which is towards the dam and R.B. Simms Water Treatment Plant. This 72 acre property is located along the South Pacolet River and includes 3,000 feet of shoreline and a 2400 square foot house. Purchasing this property does a couple of positive things. It will ensure that the land is not developed and will continue to maintain water quality in Reservoir #1. It will also allow SWS to create a centralized watershed management field station at that house. Currently with all of the sampling SWS conducts on all three reservoirs, SWS can bring the staff together and be able to manage out of that office. Just to note that in 2018, staff collected 3,000 samples from lakes, and is expected to exceed 4,000 samples during 2019.

Ms. Schneider stated that staff are working on efforts to combine the Lake Blalock Buffer Management Plan and the Spartanburg Water System Policies and Procedures for Use of Water Supply Reservoirs into one consolidated rules and regulations manual. Staff will be seeking public comment in the upcoming weeks. Staff is conducting educational paddling tours of the Lake Bowen and Lake Blalock for the public – schedule and sign-up is on the web page.

The above was provided as information to the Commission.

9. GAS CHROMATOGRAPH – MASS SPECTROMETER (GC-MS) FOR ANALYSIS OF T&O COMPOUNDS

Responses to a request for proposal for a Gas Chromatograph Mass Spectrometer (GC-MS) System were received on May 29, 2019. At the present time, staff is relying on outside, commercial laboratories to perform required analysis of taste and odor compounds in source and drinking water.

This system will allow staff to perform this analysis in-house creating a substantial savings in recurring costs with commercial labs and improve result times.

The request was advertised in the local media and forwarded to prospective vendors. The proposals were scored by an evaluation committee based on the vendors' technology; approach and strategy; experience and references; cost; MWBE utilization; and community benefit program. The solicitation drew responses from four firms. A tabulation of the cost is shown below:

BIDDER	**AMOUNT OF BID**
Thermo Fisher Scientific West Palm Beach, FL	$148,494.57
Taylor Distributing Group Dallas, TX	$153,087.17
Perkin Elmer Shelton, CT	$164,585.80
Gerstel Linthicum, MD	$222,167.21

Based on the evaluation of the proposals, management recommended that an award be granted to Thermo Fisher Scientific at a cost of $148,494.57. Funding will be provided by SWS operating funds.

Remsen Parrish provided an overview of the Gas Chromatograph – Mass Spectrometer (Gc-Ms) for analysis of taste and odor compounds proposal process.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation that an award be granted to Thermo Fisher Scientific. The motion passed unanimously.

10. RECEIPT OF BIDS – R.B. SIMMS AND MYLES W. WHITLOCK WATER TREATMENT FACILITY LIME SILO DEMOLITION

Bids were received on June 13, 2019, for the R.B. Simms and Myles W. Whitlock Water Treatment Facility Lime Silo Demolition. The project is for demolition of one existing lime silo at the R.B. Simms Water Treatment Facility and two existing lime silos at the Myles W. Whitlock Water Treatment Facility.

Seven contractors obtained the bid documents for the project and three contractors submitted a bid. The bids were as follows:

BIDDER	**AMOUNT OF BID**
Target Contractors, LLC Ladson, SC	$146,500

4 Seasons Demolition, Inc. Wilmington, NC	$378,800
The Harper Corporation Greenville, SC	$417,500
Engineer's Estimate	$200,000

Management recommended awarding the contract to the lowest responsive bidder, Target Contractors, LLC of Ladson, SC for the amount of $146,500. This project will be funded by depreciation funds.

Gene Jackson reviewed the project for demolition of one existing lime silo at the R.B. Simms Water Treatment Facility and two existing lime silos at the Myles W. Whitlock Water Treatment Facility.

Ms. Viney moved and Mr. Whitlock seconded the motion to approve management's recommendation and award the contract to the lowest responsive bidder, Target Contractors, LLC of Ladson, SC. The motion passed unanimously.

11. REQUEST FOR PROPOSALS – VAUGHN CREEK PUMP STATION INTAKE IMPROVEMENTS PROJECT

The Vaughn Creek Pump Station supplies approximately 90% of the raw water required by the Landrum WTP. The design of the existing pump station intake structure is such that, during severe rain events, the intake screen can be quickly clogged with debris that is washed into Vaughn Creek. To insure that the pump station remains operational during severe rain events, a water plant operator must be dispatched to manually clean the screen of accumulated debris. The current "state of the art" alternative to a manually-cleaned intake screen is an "air-burst" system. A new intake screen configuration is installed in the creek, along with an air compressor, storage tank and associated lines and valves. As debris accumulate on the intake screen, the system periodically releases a large volume of compressed air into the interior of the screen. This action automatically dislodges the debris and cleans the screen.

In the interest of expediting this project, the Design-Build (DB) project delivery process was selected. The Spartanburg Water System Engineering Department issued a Request for Proposals (RFP) for the complete design and installation of a new intake screen and air-burst system. Copies of the RFP were requested by four entities and proposals were received from the following:

- Greenstone Construction, LLC
- Hulsey, McCormick & Wallace, Inc.

Selection of the successful DB Team was based on a number of important considerations including:

- Years of experience of the DB Team with the design, manufacturing and construction of similar projects

- The project narrative and approach that would be used
- M/WBE Utilization and Community Benefit Program Participation
- Pricing and Cost

Management recommended the approval of the proposal from Greenstone Construction, LLC to complete the project in the amount of $146,895. This project will be funded through depreciation funds.

Gene Jackson provided the Commission an overview of the request for proposals for the Vaughn Creek Pump Station Intake Improvements Project.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation of approval for the proposal from Greenstone Construction, LLC to complete the project. The motion passed unanimously.

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

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) Restoration At Westgate FS

Restoration At Westgate located at 620 W. Blackstock Road in Spartanburg, SC wishes to connect a 6-inch water line to the Commission's 12-inch water line along W. Blackstock Road to serve a private fire protection system, including three private hydrants, for the above-mentioned senior living facility. SC Spartanburg Blackstock, LLC. wishes to enter into an agreement for this service.

Annual Stand-by Revenue – $892.64

B. Outside City Water Main Extension Agreements

(1) Bella Casa Phase 2

South Tyger Properties, LLC is developing Bella Casa Phase 2. This development will consist of 108 residential lots, approximately 2,769 LF of 6-inch water main, and two hydrants. The developer will bear all costs.

(2) New Prospect Haven

ECS Development, LLC is developing New Prospect Haven Subdivision off of Foster Road. The development will consist of nine residential lots, approximately 1,777 LF of 6-inch water main and one hydrant. SWS will participate in the off-site water main construction cost in accordance with the Water Main Extension Policy.

(3) Tyger Point Phase II

Mungo Homes Properties, LLC is developing Tyger Point Phase II. This development will consist of 91 residential lots, approximately 2,334 LF of 6-inch water main, 1,234 LF of 4-inch water main, and one hydrant. The developer will bear all costs.

C. Lake Agreements

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

(1) **Albert Danielle** desires to construct a dock and hard pathway on Lake Blalock.

(2) **Jay P. Brush** desires to construct a personal watercraft lift, and replace a dock on Lake Bowen.

(3) **Douglas Emmett Congdon and Ann Sullivan Congdon** desire to replace a dock on Lake Bowen.

(4) **Brice Cook, Brice Cook Realty, LLC** desires to replace a dock on Lake Bowen.

(5) **Brice Cook, Brice Cook Realty, LLC** desires to replace a dock on Lake Bowen.

(6) **Michael A. Devine and Tammy C. Devine** desire a general license for an existing sitting area on Reservoir #1.

(7) **Stanley David Farmer and Parmala S. Farmer** desire to construct a hard pathway and replace a dock on Lake Blalock.

(8) **William Michael Free and Sharon Free** desire to construct a hard pathway on Lake Blalock.

(9) **Linda G. Hawkins** desires to construct a hard pathway, replace a dock, and a general license for an existing concrete hard pathway on Lake Bowen.

(10) **Grant Jones** desires to replace a dock on Lake Blalock.

(11) **MDK Resources LLC** desires to construct a dock and hard pathway on Lake Blalock.

(12) **Vallie Choice Mason** desires to replace a dock on Lake Bowen.

(13) **Kevin Loren Norris and Christina Lynn Gentry Norris** desire to replace a dock on Lake Blalock.

(14) **Michael S. Walker** desires to replace a dock and stabilize the shoreline on Lake Bowen.

The above was provided as information to the Commission.

13. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

Ms. Schneider said there were no negotiations or miscellaneous administrative matters.

Meeting adjourned at 3:53 p.m.

_____
G. Newton Pressley
Secretary-Treasurer

tbh