

MINUTES

The Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, May 22, 2018, at 3:00 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 WORK SESSION MEETING OF APRIL 27, 2018, AND REGULAR MEETING OF APRIL 27, 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 ten-month period ending April 30, 2018. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

3. PUBLIC HEARING FOR PROPOSED FY 2018-2019 OPERATING BUDGET

A public hearing was held by the Commission to allow input regarding the proposed FY 2018-2019 operating budget.

Ms. Viney moved and Mr. Littlejohn seconded the motion to open the public hearing regarding the proposed FY 2018-2019 operating budget. The motion passed unanimously.

There were no comments from the public.

Mr. Littlejohn moved and Ms. Viney seconded the motion to close the public hearing regarding the proposed FY 2018-2019 operating budget. The motion passed unanimously.

4. DISCUSSION/APPROVAL OF PROPOSED FY 2018-2019 OPERATING BUDGET

Management requested approval of the proposed FY 2018-2019 operating budget.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve the proposed FY 2018-2019 operating budget. The motion passed unanimously.

5. PROFESSIONAL SERVICES FOR R.B. SIMMS INTAKE AND RAW WATERLINE

On June 27, 2017, the Commission approved the award of a professional services contract to HDR Engineering, Inc., to perform an existing conditions assessment, geotechnical evaluation, concept validation, and determination of project delivery method for the installation of a new raw water intake and associated waterline at the R.B. Simms Water Treatment Facility. HDR recently completed the evaluation and provided a Technical Memorandum summarizing their work.

The Technical Memo provided an assessment of the existing conditions, an evaluation of different options for the route of the new raw waterline, a hydraulic evaluation for sizing of the raw waterline, an evaluation of intake types, analysis of the reservoir water quality, a recommendation of the intake layout, a powdered activated carbon system evaluation, an environmental evaluation, an opinion of probable cost, and a recommendation of project delivery method.

Professional services are necessary for the survey, detailed design, permitting, procurement of a Construction Manager at Risk (CMAR) and pre-construction phase coordination for the project based on the recommendations provided by HDR. The scope of professional services include a raw water intake with air burst system, raw water pipeline from the intake to the existing treatment facility connection, powdered activated carbon system, and bulk alum storage system.

Management recommended the use of professional services from HDR Engineering, Inc., in the amount of \$746,181. This project is being funded through bond funds.

Ms. Schneider stated that a few years ago the Commission talked about the steps and capital projects that would address water quality. The oxygenation project is complete, improvements to the sludge removal is being finalized, and that this project is part of the multi-level intake and carbon feed improvements for water quality.

Gene Jackson reviewed the project and process with the Commission and noted that HDR Engineering, Inc., was secured in June through a proposal process to do a validation project related to a new multi-level or bi-level intake along with improvements to our carbon feed system. The goal of this validation was to determine if allocated funding was adequate and recommend the appropriate delivery method that would provide the best value. They have completed the geotechnical part, provided a more detailed cost estimate to confirm funding and have recommended to proceed with a Construction Manager at Risk (CMAR) project.

Mr. Jackson provided an explanation of how the CMAR delivery method is different in that we will have a contract with the engineer and a contract with the contractor vs having a contract with an Owner's Agent and a Design Build team, which would include the services of a design engineer. This is one of the many alternate delivery procurement methods that is in the procurement policy and management felt that this would provide the best value as the services of an Owner's Agent would not be needed. He further

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explained that this process is very similar to a Progressive Design Build approach in that the design is done with a collaborative team that includes the design engineer, contractor, and SWS engineering, operations and maintenance staff.

Ms. Viney asked what the timeframe is for this project. Mr. Jackson said the initial process will take about a year and the construction process will take about 15 months.

Mr. Littlejohn asked what if the designer and contractor doesn't work well together. Mr. Jackson stated that this engineer was selected based on proposal and qualifications, not just lowest bid. The contractor selected will be chosen based on qualifications, proposal, experience, staff, and references, not just low bid. This process helps ensure everyone works well together.

Mr. Montgomery and Ms. Viney stated that it was a lot of money. Mr. Jackson acknowledged that and explained that the design and construction management engineering fees are typically 10 to 15% of a project's cost. We pay separately with a CMAR project where we contract separately with the engineering firm. On a Progressive Design Build Project, like the past R.B. Simms Project, the engineering fees are included in the Design Builder's project cost. However, on a Progressive Design Build project we have to pay our Owner's Agent separately and on a CMAR project, we do not need an Owner's Agent.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation for the use of professional services from HDR Engineering, Inc., in the amount of \$746,181. The motion passed unanimously.

6. PARTICIPATION PROJECT CONSISTENT WITH OUTSIDE CITY WATER MAIN EXTENSION POLICY – 829 MOUNT ZION ROAD

The water main extension consists of approximately 150 LF of 2-inch water main 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 \$4,300. The property owners' participation cost is based on this estimate.

Management recommended Commission approve the above.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve the participation project consistent with the outside city water main extension policy for 829 Mount Zion Road. The motion passed unanimously.

7. PROFESSIONAL SERVICES FOR HYDROELECTRIC GENERATOR #2 REPAIRS

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Professional services will be utilized to provide design, construction management, and engineering support services for the replacement of the hydroelectric generator #2 draft tube. These services will also be used to evaluate the repair or replacement of the generator #2 runner based on the results of the draft tube commissioning tests and review of historical equipment monitoring data.

The professional services will be performed on a time and materials basis for an amount up to \$35,000 and has been executed by management in order to expedite the design necessary to advertise for construction bids. This scope of professional services will be completed under an existing Master Services Agreement executed in 2014 with Kleinschmidt Associates of Lexington, SC. The project will be funded through the operating budget.

Gene Jackson provided the Commission with an overview of this request for professional services for hydroelectric generator #2.

Ms. Schneider provided an overview of existing Master Services Agreements.

The above was provided as information to the Commission.

8. UPDATES ASSOCIATED WITH THE OXYGENATION SYSTEM

Ms. Schneider stated that Ken Tuck would provide an update to the Commission on the oxygenation system and an update on the algaecide application, as well as water plant operations.

Mr. Tuck reviewed with the Commission a presentation providing the benefits SWS is continuing to see from the oxygenation system. This presentation included the results of managing Methyl-Isoborneol (MIB) and Geosmin in SWS water sources. The science and treatment is complex and management tools being used are research, technology, and strategies employed to provide SWS customers the best possible drinking water. There has been an increasing trend of algae occurrences over the past few decades. Algae occurrences are not new but, there has been an increase in the frequency of algae occurrences over the last several years and that can be directly correlated with increased nutrients entering the water supply and reservoirs. These nutrients are such things as fertilizer, poorly maintained septic systems, land disturbing activities, pet waste, and just general population impact in those areas. Source water protection is one of Spartanburg Water's top priorities and mission.

Mr. Tuck discussed water quality management tools. One of these tools is strategic algaecide application. Due to taste and odor in source water, Reservoir #1 and Lake Bowen received an algaecide application on May 14 and 15. This application was at a lower concentration than the previous application. Spartanburg Water experienced a fish loss following this application.

Spartanburg Water notified SCDHEC of the adverse impact observed. Management initiated a fish collection for numbers and forensics. Predominately small fish and minnows were lost including carp, catfish, and

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bass species. Management is cooperating with SCDNR, SC Office of Pesticide Regulation at Clemson, and SCDHEC. Management prepared and submitted a 5-day incident report to SCDHEC. A forensic investigation for adaptive management has been completed. SCDNR is investigating and will compile the information and provide a report. This will take between one and three months to receive the results.

Management will continue to modify and develop new treatment strategy to safely apply algaecide for existing environmental and ecological conditions, as well as research support from the team of experts.

Management has expanded the comprehensive watershed monitoring plan. This is much more robust than prior to 2015. Laboratory Services is building a library of information from extensive samples collected. The watershed management group has been restructured and additional staff has been added to enable more inspections around the lakes and reservoir. This includes the permitting process. As stated before, source water protection is one of Spartanburg Water's top priorities, and it will continue to be a primary focus for management. If the source is protected, it is more cost effective to treat the water with less challenges and treatment that may come from water quality issues in the source. Management has also created the Healthy Lakes Campaign. This is an opportunity to educate stakeholders and ask them to partner with Spartanburg Water to protect water sources.

Mr. Tuck discussed taste and odor compounds (examples are MIB and Geosmin in Spartanburg water sources) and the effort to treat these compounds.

Mr. Tuck explained the algaecide application process and discussed the fish loss response again.

In addition, Mr. Tuck explained that due to the natural organic matter released as the algae died from the algaecide application, taste and odor compounds affected the water source. The treatment process at the R.B. Simms Treatment Facility was adjusted for a period of eight hours. Customer Service did receive minimal complaints from customers who are sensitive to this adjustment.

There was discussion between management and the Commission regarding these various situations.

The above was provided as information to the Commission.

9. 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. Inside City Private Fire Protection Agreements

(1) Macedonia Missionary Baptist Church

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Macedonia Missionary Baptist Church located at 502 S. Daniel Morgan Avenue in Spartanburg, SC wishes to connect a 6-inch water line to the Commission's 6-inch water line along Highland Avenue to serve a private fire protection system for the above-mentioned religious institution. Macedonia Missionary Baptist Church wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$148.76

(2) Parkside At Drayton

Parkside at Drayton, located at 110 Fernwood Drive, Spartanburg, SC, wishes to connect a 6-inch water line to the Commission's 6-inch water line running through an easement, generally, NW to SE on the west side of 110 Fernwood Drive to serve a private fire protection system for the above-mentioned senior living apartments. Parkside at Drayton, LP wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$148.76

B. Outside City Private Fire Service Agreements

(1) Becknell Industrial

Becknell New Cut Speculative Building, located at 2725 New Cut Road, in Spartanburg, SC wishes to connect an 8-inch water line to the Commission's 16-inch water line along New Cut Road to serve a private fire protection system, including 4 private hydrants, for the above-mentioned commercial enterprise. 2725 New Cut Road South Carolina Becknell Investors II, LLC wish to enter into an agreement for this service.

Annual Stand-by Revenue - \$1,368.16

(2) Fairforest Middle School

The new Fairforest Middle School, located at 150 Lincoln School Road, in Spartanburg, SC wishes to connect a 6-inch water line to the Commission's 12-inch water line along Lincoln School Road to serve a private fire protection system, including 8 private hydrants, for the above-mentioned educational complex. Spartanburg School District 6 wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$2,008.44

C. Lake Agreements

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

(1) Charles N. Alexander and Sheila C. Alexander desire to construct a boat lift, personal watercraft lift, and replace a dock at Lake Bowen.

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- (2) **Travis Ramsey and Jennifer Ramsey** desire to replace a dock on Lake Blalock.
- (3) **Jason E. Murphy and Jennifer C. Murphy** desire to replace a dock on Lake Blalock.
- (4) **Lynne W. Poole** desires to construct a boat lift and replace a dock on Lake Bowen.
- (5) **Nan B. Cleveland** desires to construct a boat lift on Lake Bowen.

The above was provided as information to the Commission.

10. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

Meeting adjourned 4:13 p.m.

G. Newton Pressley
Secretary-Treasurer

tbh