

MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, June 23, 2015, 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 Bilanchone and Messrs. Littlejohn, Lynch, 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 on the bulletin board, and copies mailed to local and nearby news media, at least 24 hours prior to this meeting.

1. PRAYER

Mr. Lynch called the meeting to order and opened with a prayer.

2. APPROVAL OF MINUTES OF REGULAR MEETING OF MAY 26, 2015

Mayor White moved and Ms. Barnes 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 11-month period ending May 31, 2015. An explanation was provided for the favorable and unfavorable budget variances.

Mr. Pressley requested that the transfer to the Rate Stabilization Fund be decreased from approximately \$1.4 Million to \$900,000. Mr. Lynch asked if the FY15 transfer could be reduced further. After discussion, the Commission approved an additional reduction of \$100,000, so the FY 15 transfer will be \$800,000.

Mr. Pressley also requested that the Commission allow the new Industrial Surcharge and Service Charge Rates go into effect on October 1, 2015, instead of July 1, 2015. The Commission approved the requested date of October 1, 2015.

Mr. Pressley noted that the Minimum surcharge per month was listed as \$64, but it is currently \$65 and will remain at \$65.

The above was provided as information to the Commission.

4. RED FLAGS PROGRAM

Lisa Johnson reviewed and provided the Commissioners with a written annual report regarding the status of the Red Flags Identity Theft Program. The Red Flags Rule is a federal regulation established to protect consumers against identity theft. During FY 14-15 Customer Service received 88,257 inbound customer calls and over 6,300 walk-in customers. Of the more than 94,000 customer contacts, only 163 Red Flags were detected; and most of

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those were due to name differences and were easily resolved. Customer Service was contacted by three customers to report the theft of their personal information. Each of the customers were given the identity theft affidavit form provided by the Federal Trade Commission to use to notify creditors and credit reporting agencies that unauthorized accounts may have been opened in their name. Customer Service places confidential customer information in locked containers, and the material is shredded onsite. Kevin Brown discussed different systems in place to protect the transmission of electronic data. Mr. Brown also noted that as an extra security measure, employees are required to change their passwords more often than they previously were. No changes are recommended at this time.

The above was provided as information to the Commission.

5. SECURITY UPDATES

In an effort to update security at Spartanburg Water, staff engaged Paynter Security Consulting Group, a security consultant with experience in the utility sector, to assist with the identification and prioritization of security needs. With the assistance of Paynter Security Consulting, staff has completed an evaluation of the current security programs and systems, including a review of video surveillance cameras, the unarmed security guard program, facility gates, and the alarm system at the Administrative complex. The original video surveillance system is ten years old. Paynter Security Consulting developed standards and specifications that will provide structure and consistency to the security programs. Using these standards and specifications, proposals were solicited to coordinate the replacement of the video surveillance equipment and update the current unarmed security guard program.

Proposals were received on May 26, 2015, from qualified firms to provide unarmed security guard services. The scope of services includes site visits at specified locations and the inspection of critical assets at designated areas. The firms are required to furnish uniformed guards and logoed vehicles with the applicable technology to electronically document the completion of each site visit. Guards will also address and respond to any special needs as they occur. Bid results represent a yearly cost.

The bid results are tabulated below:

Guard – One Protective Services Charlotte, NC	\$34,821.00
SECURITAS Greenville, SC	\$60,372.24
Allied Barton Security Services Columbia, SC	\$88,072.64
American Security of Greenville Greenville, SC	\$132,388.80

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Security Masters Spartanburg, SC	\$166,757.50
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Proposals were received on June 4, 2015, from qualified firms to provide and install upgraded video surveillance cameras and related equipment. The scope of work includes furnishing all equipment, installation and cabling needed to establish a functional camera system. The firm will also provide ongoing maintenance and repairs needed to maintain the system.

The bid results are tabulated below:

A3 Communication Greenville, SC	\$192,194.00
Absolute Technologies Greer, SC	\$228,413.00
Star Asset Protection Greer, SC	\$239,106.00
Convergent Technology Norcross, GA	\$274,210.27

In addition to receiving proposals for surveillance cameras and security guards, bids were taken to update the alarm system at the Administrative complex, and facility gates at five locations where electronic gate operators are used. The scope of work for the alarm system upgrades call for the replacement of all systems, panic devices, and the installation of new cabling at each building. The facility gate upgrades include installation of key pads on the inside of the gates, eliminating free egress after normal business hours. This was identified as an exposure to our facilities.

The bid results for the alarm system upgrades are tabulated below:

*Star Asset Security Alpharetta, GA	Equipment - \$29,340.00 Annual monitoring - \$936.00
TYCO Integrated Security Spartanburg, SC	Equipment - \$34,863.28 Annual monitoring - \$6,116.40
Adroit Systems, Co. Greer, SC	Equipment - \$39,058.19 Annual monitoring - \$2,410.00

*Star Asset Security is a certified MWBE Contractor.

The bid results for the gate upgrades are tabulated below:

Newman Fence Co. Spartanburg, SC	\$8,400.00
Palmetto Southern, Inc. Lexington, SC	\$8,597.87

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Bagwell Fence Co.
Spartanburg, SC

Non-Responsive

In order to maintain an updated security program, management recommends award of contracts as shown below. All recommendations are based on the overall scoring of each proposal, cost, and the overall response to each solicitation.

Unarmed security guards	Allied Barton	\$88,072.64
Video surveillance camera systems	A3 Communications	\$192,194.00
Facility gate upgrades	Newman Fence Co.	\$8,400.00
Alarm system upgrades	Star Asset Security	\$29,340.00

Funding of \$229,934 for equipment and facility improvements (cameras, gates, alarm system) is requested from Capital Funds, to be allocated between SWS (\$176,558.17) and SSSD (\$53,375.83).

Funding of \$88,072.64 for the security guard service is requested from Operating Funds, to be allocated between SWS (\$70,348.02) and SSSD (\$17,724.62).

Michael Clardy provided an overview to the Commission of the above security update proposals.

Ms. Bilanchone moved and Ms. Barnes seconded the motion to approve management’s bid recommendations for the unarmed security guards, video surveillance camera systems, facility gate upgrades, and alarm system upgrades. The motion passed unanimously.

6. LOWER NORTH TYGER RIVER BASIN SEWER REHABILITATION – PHASE 1 OAK FOREST PROJECT

Bids were received on June 10, 2015, for the rehabilitation of a 12-inch sewer main in the Oak Forest area located within the Lower North Tyger River Basin. This project is the first phase of a multi-phased plan to reduce the inflow and infiltration within the collection system basin. The project includes the installation of approximately 3,200 linear feet of 12-inch cured in place piping and the rehabilitation of approximately 16 manholes.

Invitations to bid were forwarded to prospective bidders. The solicitation drew four responses. A tabulation of the responses is listed below:

IPR Southeast, LLC Stone Mountain, GA	\$233,040
Layne Liner Gastonia, GA	\$308,540
Insituform Technologies Chesterfield, MO	\$322,632

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Am-liner East, Inc. Berryville, VA	\$385,900
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Management recommended an award be granted to IPR Southeast based on their lowest responsive bid of \$233,040. Funding for the project will be provided through the SSSD collection system rehab funds.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management’s recommendation to award the bid to the lowest responsive bidder, IPR Southeast, in the amount of \$233,040. The motion passed unanimously.

7. LOWER NORTH TYGER RIVER RECLAIMED WATER TREATMENT FACILITY (RWTF) ROAD AND DRAINAGE MAINTENANCE PROJECT - SUMMARY CHANGE ORDER

The Lower North Tyger River RWTF Road and Drainage Maintenance Project is complete. This project corrected the condition of the deteriorated roads and drainage systems that were impacted by the PCB remediation effort and the above-normal rainfall which took place during late 2013 and early 2014.

Change Order No. 1 was an increase in the contract price of \$800.00 to pay for the services of a private underground utility locating contractor who used specialized equipment to locate the utilities in the project area.

Change Order No. 2 was an increase in the contract price of \$40.00 which was issued in response to unknown sub-surface conditions at the site.

Change Order No. 3 (summary) was a net decrease of \$30,232.89 in the contract price for adjustment to the unit quantities as based on the actual work done.

These change orders were executed as per current SSSD policy.

The Financial summary of the project construction is as follows:

Original Contract Price	\$112,620.00
Change Order No.1 Specialty Locating Service	\$ 800.00
Change Order No.2 Changes in scope due to sub-surface conditions	\$ 40.00
Change Order No.3 (Summary) - additions and deductions to unit quantities based on actual construction	<u>(\$30,232.89)</u>
Revised Contract Price	\$83,227.11

The above was provided as information to the Commission.

8. WACCAMAW SEWER LINE EXTENSION PROJECT - SUMMARY CHANGE ORDER

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In September 2014, the Commission awarded the construction contract for the Waccamaw Sewer Line Extension project to L-J, Incorporated of Columbia, SC. The project involved the installation of 1,600 linear feet of 8-inch diameter gravity sewer and the decommissioning of the pump station. The work is now complete.

Change Order No. 1 (summary) was a net decrease of \$24,202 in the contract price for adjustment to the unit quantities as based on the actual work done. This change order was executed as per current District policy.

The Financial summary of the project construction is as follows:

Construction Contract	\$142,403
Change Order No. 1	<u>(\$24,202)</u>
Final Contract Amount	\$118,201

The above was provided as information to the Commission.

9. OWNERSHIP AGREEMENT – SPARTANBURG HOUSING AUTHORITY NEW SENIOR LIVING HOUSING SEWER PROJECT

The Spartanburg Housing Authority proposes to construct approximately 57 linear feet of 8-inch gravity sewer line to provide sewer service to the New Senior Living Housing Project, located on Grand Central Avenue in Spartanburg. The domestic waste will be treated at the Fairforest Reclaimed Water Treatment Facility.

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 SSSD has been reviewed by the District’s attorney and executed by the Spartanburg Housing Authority. 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 – HILLSIDE ENTERPRISE PARK PHASE I SEWER PROJECT

Scannell Properties #198, LLC, proposes to construct approximately 1386 linear feet of 8-inch gravity sewer line to provide sewer service to the Hillside Enterprise Park Phase I, located near the intersection of Tyger River Drive and Howell Road in Duncan. The domestic waste will be treated at the Lower North Tyger River Reclaimed Water Treatment Facility.

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.

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The form of the agreement transferring ownership of the gravity sewer to SSSD has been reviewed by the District's attorney and executed by Scannell Properties #198, 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. PRESENTATION BY THE CHIEF EXECUTIVE OFFICER

Sue Schneider provided the Commissioners with a briefing on major accomplishments over the past year.

12. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

- A.** Ms. Schneider briefed the Commission regarding erosion around an 8 inch line on South Pine Street. Several options to address this problem were also presented.
- B.** Ms. Schneider provided the Commissioners with information regarding fitness trackers and the Wellness Program.
- C.** Ms. Schneider noted that the Health Fair will be held in September.
- D.** Ms. Schneider reminded the Commission that the computer purchase program will be offered again this year. Tablets that are 8.5 inches or larger will be allowed to be considered for the program.
- E.** Ms. Schneider stated that the United Way Campaign will kick-off in August.
- F.** Ms. Schneider informed the Commission that the September meeting is scheduled in conflict with the WEFTEC conference. If any Commissioners are interested in attending, please let management know as soon as possible. The rooming list will have to be finalized soon.
- G.** Ms. Schneider announced that Spartanburg Water won the United Way Circle of Excellence award.

Meeting was adjourned at 3:21 p.m.

G. Newton Pressley
Secretary-Treasurer

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