

MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, June 27, 2023, 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. Blanton, Littlejohn, Montgomery, Rice, and Willard. No one 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

Mr. Montgomery called the meeting to order and Gene Jackson opened with a prayer.

2. APPROVAL OF MINUTES OF REGULAR MEETING OF MAY 23, 2023

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

Mr. Boyle announced that upon completion of interviews and search for the Chief Financial Officer for Spartanburg Water, the position has been offered to Cam Cole, and she has accepted.

The Commission congratulated Ms. Cole on her new role as Chief Financial Officer.

3. APPOINTMENT OF SECRETARY-TREASURER – SSSD

The Chief Operations Officer for the Spartanburg Sanitary Sewer District (SSSD) holds the temporary responsibility/title of Secretary-Treasurer for the Spartanburg Sanitary Sewer District. The primary responsibilities of the Secretary-Treasurer of the SSSD are to approve the minutes for record keeping, attest to the signatures of the Chief Executive Officer and the Chairperson of the SSSD on various documents and agreements. In addition, with public bond closings, incumbency certificates are included in the final bond documents, which include the service, appointment or election of current members of the Board of Commissioners, the Chief Executive Officer and the Secretary-Treasurer of the Commission.

Chief Executive Officer, Guy Boyle, requested that the Commission approve the Secretary-Treasurer role be moved back under the responsibility of the Chief Financial Officer effective July 1, 2023.

Ms. Barnes moved and Mr. Littlejohn seconded the motion to approve Mr. Boyle's request for the Secretary-Treasurer responsibility to be moved back under the Chief Financial Officer position. The motion passed unanimously.

Spartanburg Sanitary Sewer District Commission – Regular Meeting, June 27, 2023

4. PUBLIC HEARING FOR PROPOSED FY2023-2024 OPERATING BUDGET

A public hearing was held by the Commission to allow input regarding the proposed FY2023-2024 Operating Budget.

Mr. Blanton moved and Mr. Littlejohn seconded the motion to open the public hearing regarding the proposed FY 2023-2024 Operating Budget. The motion passed unanimously.

There were no comments from the public.

Mr. Blanton moved and Mr. Littlejohn seconded the motion to close the public hearing regarding the proposed FY 2023-2024 Operating Budget. The motion passed unanimously.

5. DISCUSSION/APPROVAL OF PROPOSED FY2023-2024 OPERATING BUDGET

Management requested approval of the proposed FY2023-2024 Operating Budget.

Ms. Cole noted that the sewer budget work session was held on May 18 and the proposed operating budget does not include any rate or fee increases as of July 1, 2023. Management and the Commission were in agreement to meet in November to discuss rates and fees that would become effective on January 1, 2024. Ms. Cole stated that the proposed operating budget included implementing the results from the compensation study, the wellness program, and replace the credit card fee absorption plan with the convenience fee plan.

Mr. Boyle stated that there have been no additional changes or recommendations since the budget work session.

Mr. Montgomery complimented management for the hard work and efforts put into preparing the budget.

Mr. Willard moved and Ms. Barnes seconded the motion to approve the FY 2023-2024 Operating Budget as presented. The motion passed unanimously.

6. MONTHLY FINANCIAL REPORT

Cam Cole presented a financial summary of SSSD expenditures and revenues for the eleven-month period ending May 31, 2023. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

7. DEWATERED SLUDGE CONTAINER AND TRANSPORTATION BID

Bids were received on June 13, 2023, for dewatered sludge container and transportation services for the A. Manning Lynch Wastewater Treatment Facility. This service is for the hauling of dewatered sewage sludge from the

Spartanburg Sanitary Sewer District Commission – Regular Meeting, June 27, 2023

A. Manning Lynch facility to the Anderson Regional Landfill in Anderson, SC, and the Republic Landfill in Union, SC. Hauling requires the use of end dump trailers and typically utilizes a tipper at the landfill.

The request for bid was advertised in the local media and forwarded to prospective vendors. The solicitation drew responses from three vendors. The costs are tabulated below and represent annual total based on estimated haul quantities and container rental fees.

| <u>BIDDER</u> | <u>AMOUNT OF BID</u> |
|---|----------------------|
| Synagro Baltimore, MD | \$488,490 |
| Denali Corp Russellville, AR | \$580,969 |
| Sparks Industrial Service Piedmont, SC | \$665,400 |

Based on the bids submitted, management recommended the Container and Transportation Services contract be granted to Synagro at an annual cost of \$488,490. This total cost represents the split of hauls between the Anderson Regional Landfill and the Union County Regional Landfill. Funding will be provided by SSSD operational funds.

Remsen Parrish provided the Commission with an overview of the Dewatered Sludge Container and Transportation Bid agenda item.

Mr. Willard asked if the bid is based on hauls. Mr. Parrish stated it is.

Mr. Willard asked how many hauls are there annually. Rick Jolley stated 700. Mr. Montgomery asked if this bid is based on 700 hauls. Mr. Jolley stated it is.

Mr. Willard asked if special permits are required to haul to these landfills. Mr. Jolley stated they do have to be permitted and SSSD has to be qualified.

Ms. Barnes moved and Mr. Littlejohn seconded the motion to approve management's recommendation and award the Container and Transportation Services contract to Synagro. The motion passed unanimously.

8. PACOLET MILLS #2 PUMP STATION REHABILITATION PROJECT – SUMMARY CHANGE ORDER

T.P. Howard's Plumbing Co., Inc., of Fairview, NC, was awarded the contract in March 2022 for the Pacolet Mills #2 Pump Station Rehabilitation Project. This project was completed in March 2023.

Change Order No. 1 was a net decrease of \$13,500 in the contract price for adjustments to the unit quantities on the actual work completed.

Spartanburg Sanitary Sewer District Commission – Regular Meeting, June 27, 2023

This change order was executed as per current District Policy.

| | |
|--------------------------|------------|
| Original Contract Price: | \$313,000 |
| Change Order No. 1 | (\$13,500) |
| Final Contract Amount | \$299,500 |

Bobby Walden provided the Commission with an overview of the Pacolet Mills #2 Pump Station Rehabilitation Project Summary Change Order.

The above was provided as information to the Commission.

9. RECEIPT OF BIDS – PAGE CREEK UV EFFLUENT DISINFECTION UPGRADE PROJECT

Bids were received on June 13, 2023, for the Page Creek UV Effluent Disinfection Upgrade Project. The project is for the purchase and installation of two disinfection units and containment UV structure, refurbishment of the existing effluent pump station, purchase and installation of a diesel driven backup pump at the existing effluent pump station and demolition of the existing UV system.

Four contractors obtained 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> |
|---|----------------------|
| J. S. Haren Company Athens, TN | \$2,454,000 |
| State Utility Contractors, Inc. Monroe, NC | \$2,987,000 |
| Morgan Contracting, Inc. Knoxville, TN | NO BID |
| WGK Construction, LLC Chantilly, VA 20151 | NO BID |
| Engineer's Estimate | \$2,486,000 |

Management recommended awarding the contract to the lowest responsive bidder, J. S. Haren Company, of Athens, TN, for the amount of \$2,454,000. This project will be funded by capital funds.

Gene Jackson provided the Commission with an overview of the Receipt of Bids – Page Creek UV Effluent Disinfection Upgrade Project.

Mr. Montgomery asked about UV disinfection. Mr. Jackson noted that chlorine is also used as a disinfectant, but this system has already been changed over to UV disinfectant. This would be an upgrade to the current UV system.

Spartanburg Sanitary Sewer District Commission – Regular Meeting, June 27, 2023

Mr. Blanton asked the age of the current system. Mr. Jackson stated it has been a while now, maybe in 2002.

Mr. Montgomery asked about the capacity of this system. Mr. Jackson noted that this system still has a lot of capacity.

Mr. Littlejohn asked when the system will be online. Mr. Jackson stated it should be online in approximately eight months.

Mr. Willard stated that with future growth, should SSSD consider additional land acquisition around this plant. Rick Jolley noted there is additional acreage on the track owned by SSSD.

Mr. Boyle stated that management will follow up to ensure there is adequate acreage for future growth.

Mr. Blanton moved and Mr. Littlejohn seconded the motion to approve management's recommendation to award the contract to the lowest responsive bidder, J. S. Haren Company. The motion passed unanimously.

10. OWNERSHIP AGREEMENT – BRIDGE CREEK POINTE

Bridge Creek Pointe, LP proposes to construct approximately 975 linear feet of 8-inch gravity sewer line to provide service to one residential lot for 90-unit apartments in Bridge Creek Pointe located off of Oak Forest Road. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the Lower North Tyger River 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 Bridge Creek Pointe, LP. Under the terms of the resolution adopted by the Commission on January, 26, 2023, 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 – EAST MAIN TOWNES

Vava's Shopping Center, LLC proposes to construct approximately 670 linear feet of 8-inch gravity sewer line to provide service to 28 residential lots in East Main Townes located off of East Main Street (Highway 29) in Spartanburg. 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 January 26, 2023.

Spartanburg Sanitary Sewer District Commission – Regular Meeting, June 27, 2023

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 Vava’s Shopping Center, LLC. Under the terms of the resolution adopted by the Commission on January 26, 2023, 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 – SPARTAN ENTERPRISE PARK

NP BGO Spartanburg Commerce Center, LLC proposes to construct approximately 6,100 linear feet of 10-inch gravity sewer line to provide service to two commercial lots in Spartan Enterprise Park located off of Chesnee Highway. 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 January 26, 2023.

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 NP BGO Spartanburg Commerce Center, LLC. Under the terms of the resolution adopted by the Commission on January 26, 2023, 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. OWNERSHIP AGREEMENT – STRICKLAND DRIVE APARTMENTS

Jace Enterprises, LLC proposes to construct approximately 129 linear feet of 8-inch gravity sewer line to provide service to one residential lot for 17 units in Strickland Drive Apartments located off of Canaan 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. SSSD will participate in the off-site sewer construction cost in accordance with the Sewer Extension Policy adopted January 26, 2023.

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 Jace Enterprises, LLC. Under the terms of the resolution adopted by the

Spartanburg Sanitary Sewer District Commission – Regular Meeting, June 27, 2023

Commission on January 26, 2023, this agreement has been executed on behalf of the Commission by the Chief Executive Officer.

The above was provided as information to the Commission.

14. OWNERSHIP AGREEMENT – THE ONE APARTMENTS SEWER EXTENSION

OREI (One Real Estate Investment) proposes to construct approximately 155 linear feet of 8-inch gravity sewer line to provide service to one residential lot for 180 units in The One Apartments located off of North Town Drive. 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 January 26, 2023.

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 OREI (One Real Estate Investment). Under the terms of the resolution adopted by the Commission on January 26, 2023, this agreement has been executed on behalf of the Commission by the Chief Executive Officer.

The above was provided as information to the Commission.

15. CHIEF EXECUTIVE OFFICER REPORT

- A.** Mr. Boyle reminded the Commission that the office is closed on July 4 in Observance of Independence Day and the next Commission meeting will be August 22.
- B.** Mr. Boyle stated that Spartanburg Water will provide a sponsorship for the upcoming Converse Women’s Leadership Conference to take place on Thursday, July 20, at the Montgomery Student Center at Converse University. The conference takes place from 8:30 a.m. to 4:30 p.m. Please let Trish know if you would like to attend.
- C.** Mr. Boyle noted that the Commission needs to select the Audit Committee for the upcoming Fiscal Year. John Montgomery, Woody Willard, and Angela Viney will serve on the Sewer Audit Committee.
- D.** Mr. Boyle briefed the Commission on the Internship Program. Currently, there are four interns, and Human Resources is beginning to kick-off the apprenticeship program.
- E.** Mr. Boyle informed the Commission that Rick Jolley has been working to create a partnership with Spartanburg County for use of the landfill. Currently, SSSD is in test phase and allowed to take one load a day/five days a week to the Spartanburg County Landfill. This is a big

Spartanburg Sanitary Sewer District Commission – Regular Meeting, June 27, 2023

cost savings. If testing goes well, usage will be increased, resulting in additional cost savings.

- F.** Mr. Boyle noted that ARPA funding is still in process and the Commission will be updated as progress continues.
- G.** Mr. Boyle shared that the sewer easement clearing at the Edwin Griffin Nature Preserve project has been deferred until October and the Beechwood Drive sewer easement clearing has been put on hold indefinitely since SSSD infrastructure can be reached without cutting down old hardwoods.
- H.** Mr. Boyle stated that CJ Armour, Customer Experience Manager, is looking at the implementation of the convenience fee program and the target launch date. Jennifer Candler is coordinating the communication of this program.
- I.** Mr. Boyle reminded the Commission that the WEFTEC Conference will be held September 30 – October 4 in Chicago. Please let Trish know if you plan to attend.
- J.** Mr. Boyle noted that the Stuff the Bus campaign for United Way is underway if you would like to participate in this event.

Meeting adjourned at 2:54 p.m.

Camlyn M. Cole
Secretary-Treasurer

tbh