

MINUTES

Spartanburg Sanitary Sewer District Commission, Work Session Meeting, held at 200 Commerce Street, Spartanburg, SC, April 26, 2022, at 10:00 a.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, Horton, Littlejohn, Montgomery, and Rice. No one was absent.

The meeting was opened with the following statement:

This is a budget work session 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 forwarded to local and nearby news media, at least 24 hours prior to this meeting.

This work session was held to discuss the proposed FY 2022-2023 budget.

G. Newton Pressley
Secretary-Treasurer

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MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, April 26, 2022, 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, Horton, Littlejohn, Montgomery, and Rice. 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 forwarded to local and nearby news media, at least 24 hours prior to this meeting.

1. PRAYER

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

2. APPROVAL OF MINUTES OF REGULAR MEETING OF MARCH 22, 2022

Ms. Barnes moved and Mr. Littlejohn seconded the motion to approve the minutes as written.

3. PUBLIC COMMENT

Mr. Blanton opened the public comment period.

Hearing none, Mr. Blanton closed the public comment period.

4. FACILITY EXCELLENCE AWARDS

SSSD received SCDHEC Facility Excellence Awards for eight of its wastewater treatment plants at the S.C. Environmental Conference sponsored by WEASC and AWWA's South Carolina Section. On March 14, 2022, SCDHEC presented their 2021 Facilities Excellence Awards for the following wastewater treatment facilities:

- A. Manning Lynch
- Clifton- Converse
- Cowpens
- Fingerville
- Lower North Tyger River
- Pacolet Mills
- Page Creek
- South Tyger River

These awards are presented to facilities that demonstrate excellence in facility operations, maintenance and management, and the protection of the environment while meeting or exceeding customer expectations.

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Rick Jolley provided the Commission with an overview of the Facility Excellence Awards that SSSD received.

The Commission congratulated management and staff on this accomplishment.

5. MONTHLY FINANCIAL REPORT

Newt Pressley presented a financial summary of SSSD expenditures and revenues for the nine-month period ending March 31, 2022. An explanation was provided for the favorable and unfavorable budget variances.

SPARTANBURG SANITARY SEWER DISTRICT MARCH 2022 OPERATING BUDGET REPORT									
Line #	MONTH				YEAR TO DATE				
	Prior Year	Current	Budget	Variance	Prior Year	Current	Budget	Variance	
Revenues									
* 1 User Charge Revenue	2,150,494	2,290,319	2,149,300	141,018 F	18,900,980	20,020,339	19,342,394	677,945 F	
* 2 Industrial Surcharge Revenue	0	0	0	0 F	203,982	240,749	204,000	36,749 F	
* 3 Industrial Service Charge Revenue	0	0	0	0 F	232,882	232,399	232,500	(102) U	
4 Industrial Wastewater Fees	1,500	0	833	(833) U	(20,041)	2,400	7,500	(5,100) U	
* 5 Grease Disposal Fee	4,200	5,250	5,833	(583) U	49,000	52,675	52,498	177 F	
* 6 Septage Disposal Fee	32,590	23,185	23,332	(147) U	212,525	179,475	209,992	(30,517) U	
7 Misc. Cost Recoveries	15,829	9,004	10,166	(1,162) U	187,602	123,541	91,496	32,044 F	
8 Inter-Co. Fees & Charges	46,815	48,521	48,521	0 F	421,338	436,685	436,685	0 F	
*9 Ad Valorem Taxes	437,779	155,107	200,000	(44,893) U	6,925,814	7,201,969	6,950,000	251,969 F	
10 Capacity Fees	436,900	267,000	108,329	158,671 F	2,322,335	2,805,430	974,961	1,830,469 F	
11 Interfund Reimbursement	0	315	315	0 F	0	2,833	2,833	0 F	
12 Total Revenues	3,126,107	2,798,701	2,546,630	252,071 F	29,436,416	31,298,494	28,504,859	2,793,635 F	
Expenditures									
13 Labor	493,107	538,319	558,999	(20,680) F	4,536,857	5,059,293	5,182,737	(123,444) F	
14 Supplies and Maintenance	326,663	363,392	355,940	7,452 U	2,800,091	2,952,995	3,203,462	(250,466) F	
15 Outside Services	452,855	548,709	579,704	(30,995) F	4,309,836	4,779,631	5,126,704	(347,073) F	
16 Education/ Other Business Expenses	4,904	21,165	21,577	(412) F	111,929	131,275	194,192	(62,917) F	
17 Capital Outlay	28,481	3,683	9,425	(5,742) F	51,539	66,491	84,829	(18,338) F	
18 Company Expenses									
19 Debt Service	745,463	843,697	843,697	0 F	6,709,167	7,593,275	7,593,275	0 F	
20 Rate Stabilization Fund	59,560	0	0	0 F	536,036	0	0	0 F	
21 Property/Liability Insurance	387	1,150	0	1,150 U	219,686	256,686	245,000	11,686 U	
22 Depreciation Fund	166,600	166,660	166,660	0 F	1,499,400	1,699,940	1,499,940	200,000 U	
23 System Improvement Fund	291,550	357,069	357,069	0 F	5,023,950	5,213,621	3,213,621	2,000,000 U	
24 Customer Relations & Information	0	2,792	5,125	(2,333) F	1,522	9,524	46,123	(36,599) F	
25 Contingency	0	0	6,250	(6,250) F	0	0	56,248	(56,248) F	
26 Bad Debt Expense	11,662	11,666	11,666	0 F	104,958	104,996	104,996	0 F	
27 Collection System Rehab Fund	100,000	99,996	99,996	0 F	899,640	899,964	899,964	0 F	
28 Total Expenditures	2,681,232	2,958,299	3,016,108	(57,809) F	26,804,611	28,767,691	27,451,090	1,316,600 U	
				Net Budget Position					1,477,035 F

F = Favorable Variance
U = Unfavorable Variance

*Year-To-Date Budget amounts reflect prorated monthly budgets that are based on historical data.

The above was provided as information to the Commission.

6. EXECUTIVE SESSION

Mr. Montgomery moved and Mr. Horton seconded the motion to enter into executive session to discuss personnel matters at 2:20 p.m. The motion passed unanimously.

Mr. Montgomery moved and Mr. Horton seconded the motion to come out of executive session at 3:13 p.m. The motion passed unanimously.

Mr. Blanton noted that no action was taken.

7. PROFESSIONAL SERVICES – SCDOT COUNTRY CLUB ROAD IMPROVEMENTS WATER AND SEWER RELOCATIONS

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At the March 2020 meeting, the Commission approved the award of a professional services contract to Summit Engineering Group to assist Spartanburg Water with the identification of conflicts, development of water and sewer relocation plans for the conflicts, coordination with the SCDOT, and necessary permitting. The professional services contract was based on an hourly rate schedule with a not to exceed amount of \$30,000 for SSSD and \$40,000 for SWS for total of \$70,000.

An amendment to the professional services contract is needed to change the professional services contract from an hourly rate, with a not to exceed amount, to a lump sum amount. The change is needed due to the need for additional design services and to add construction administration services. The amendment increases the total reimbursement for services and is based on the amounts included in the Memorandum of Agreement between the Spartanburg Sanitary Sewer District and the SCDOT. The amounts are based on a percentage of the total construction cost estimates and completed construction plans. Based on the Memorandum of Agreement with the SCDOT, the professional services will be partially reimbursed by the SCDOT.

Management recommended the approval of the amendment of the professional services contract with Summit Engineering Group to a Lump Sum amount of \$36,800 to SSSD and \$116,600 to SWS for a total amount of \$153,400. Funding for this project is from capital funds.

Gene Jackson provided the Commission with an overview of the SCDOT Country Club Road Improvements Water and Sewer Relocations project.

Mr. Montgomery moved and Mr. Horton seconded the motion to approve management's recommendation to approve the amendment of the professional services contract with Summit Engineering Group to a Lump Sum amount of \$36,800 to SSSD. The motion passed unanimously.

8. OWNERSHIP AGREEMENT – ASHWOOD MEADOWS

Deep River South Development, LLC proposes to construct approximately 3,150 linear feet of 8-inch gravity sewer line to provide service to 105 residential lots in the Ashwood Meadows subdivision located off of Old Furnace Road and Asheville 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. 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 Deep River South Development, 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.

9. OWNERSHIP AGREEMENT – CHUMLEY ESTATES

Lyonjay, LLC proposes to construct approximately 3,762 linear feet of 8-inch gravity sewer line to provide service to 84 residential lots in Chumley Estates located off of Lightwood Knot Road in Reidville. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the South Tyger River Regional 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 Lyonjay, 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.

10. OWNERSHIP AGREEMENT – CLEVELAND MEADOWS SUBDIVISION

ECS Development, LLC proposes to construct approximately 2,290 linear feet of 12-inch gravity sewer line, and 11,900 linear feet of 8-inch gravity sewer line; 5,206 linear feet of 8-inch force main; and 522 GPM pump station to provide service to 407 residential lots in the Cleveland Meadows subdivision located off of Hope Road. The force main will discharge to the existing SSSD infrastructure. The domestic waste will be treated at the Lower North Tyger River Wastewater Treatment Facility. SSSD will participate in the off-site sewer construction cost in accordance with the Sewer Extension Policy adopted December 17, 1996.

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 ECS Development, 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. OWNERSHIP AGREEMENT – REIDVILLE TOWN CENTER

Reidville Road Properties II, LLC proposes to construct approximately 11,373 linear feet of 8-inch gravity sewer line to provide service to 290 residential lots in Reidville Town Center located off of Reidville Road in Reidville. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the South Tyger River Regional Wastewater

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Treatment Facility. SSSD will participate in the off-site sewer construction cost in accordance with the Sewer Extension Policy adopted December 17, 1996.

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 Reidville Road Properties II, 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.

12. NEGOTIATIONS AND MISCELLANEOUS ADMINISTRATIVE MATTERS

- A.** Bobby Walden informed the Commission that Janet Cann, Asset Engineering Manager, was selected as the 2022 Spartanburg Woman of Accomplishment at the Spartanburg Chapter of Business Professional Women Breakfast on March 17.
- B.** Newt Pressley noted that Spartanburg Water Choose Tap Program has supported PAL with the annual Criterium since 2016. Over 700 reusable water bottles were handed out and thousands of gallons of water given away. A total of 35 coolers and 1,000 paper cups were provided to PAL for use in sponsor tents throughout the event in place of bottled water.
- C.** Newt Pressley stated that Choose Tap will participate in the SPACE fundraiser, "A Flocking Good Time," on April 28 at Glendale Shoals.
- D.** Newt Pressley informed the Commission that Spartanburg Water has resumed accepting reservations for Rainbow Lake Pavilion #1 for dates on or after Sunday, May 1, 2022.
- E.** Newt Pressley noted that the Ten at the Top Upstate Summit is scheduled for May 10 and will be held at the Greenville Convention Center.
- F.** Newt Pressley stated that the Upstate SC Alliance 2022 Annual Meeting will be held on May 13 and will be held at the Greenville Convention Center.
- G.** Newt Pressley informed the Commission that Spartanburg Water will partner with BMW to provide the Choose Tap Oasis for the two days the BMW Charity Pro-Am tournament takes place at the Carolina Country Club on June 9 and June 10.
- H.** Newt Pressley noted the ACE Conference is scheduled for June 12-15 and will be held in San Antonio, Texas.

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- I. Newt Pressley stated that the Spartanburg Juneteenth Celebration will be held on June 18 and June 19 at Barnet Park. Spartanburg Water will support the event with Choose Tap.

Meeting adjourned at 3:23 p.m.

G. Newton Pressley
Secretary-Treasurer

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