

MINUTES

Spartanburg Sanitary Sewer District Commission, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, January 23, 2024, 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 Guy Boyle opened with a prayer.

2. OATH OF OFFICE

Mr. Lynch, Spartanburg County Council Chair, administered the oath of office to newly re-elected Commissioner of Public Works of the City of Spartanburg, John Montgomery.

Mr. Lynch administered the Commission of Public Works of the City of Spartanburg Oath of Office to Commissioner John Montgomery.

Mr. Lynch administered the Spartanburg Sanitary Sewer District Oath of Office to Commissioner John Montgomery.

3. ELECTION OF OFFICERS

Ms. Barnes moved and Mr. Littlejohn seconded the motion to nominate Mr. Blanton as Chair. The motion passed unanimously.

Ms. Viney moved and Mr. Littlejohn seconded the motion to nominate Ms. Barnes as Vice Chair. The motion passed unanimously.

4. EXECUTIVE SESSION

The Commission entered into executive session to discuss personnel matters.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to enter into executive session at 2:21 p.m. The motion passed unanimously.

Mr. Littlejohn moved and Mr. Montgomery seconded the motion to come out of executive session at 2:42 p.m. The motion passed unanimously.

Mr. Blanton noted that no action was taken.

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5. APPROVAL OF MINUTES OF REGULAR MEETING OF NOVEMBER 28, 2023

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

6. MONTHLY FINANCIAL REPORT

Cam Cole presented a financial summary of SSSD expenditures and revenues for the five-month period ending November 30, 2023, and the six-month period ending December 31, 2023. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

7. ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2023

Karyn Lemon, of Halliday, Schwartz & Company reviewed the Annual Comprehensive Financial Report and communication letter for SSSD with the Commission and offered an unmodified audit opinion for fiscal year ending June 30, 2023, in accordance with generally accepted accounting principles.

Ms. Lemon noted that she had recently met with the audit committee, which included John Montgomery, Angela Viney, and Woody Willard. The meeting went well and was a good report.

The above was provided as information to the Commission

8. LOBBYING SERVICES – THE TALLON GROUP

The Tallon Group, Inc., a South Carolina Corporation engaged in Lobbying Services, has been engaged by Spartanburg Water since the 2022 SC State Legislative session. Management requested that The Tallon Group be retained through year two of the two-year 2023/2024 legislative session to assist with lobbying efforts. The Tallon Group is tracking a number of pieces of legislation for Spartanburg Water as well as working on several pieces of legislation including changes to Lake Bowen and other House and Senate Bills that were pre-filed in December 2023 that may negatively impact water and wastewater utilities should they prevail.

Management has written the contract with The Tallon Group to be for one year, with a 30-day notice of termination at any point in time. Costs are the same as 2023 and are to be billed at a rate of \$3,750 per month for SWS and \$3,750 per month for SSSD.

Mr. Boyle reviewed The Tallon Group Lobbying Services agenda item. The Tallon Group is currently assisting Spartanburg Water with several legislative matters, for example: Water Professional's Day, Lake Bowen Legislation, and PFAS's.

If the contract is approved, management and Commission can only have general conversation regarding legislation concerning Spartanburg Water with legislators, and can not ask for their support on specific legislation. Those

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conversations will be handled through The Tallon Group directly with the legislators on behalf of Spartanburg Water.

Mr. Willard recommended that after this contract, with the 30-day notice of termination at any point in time, be for two years instead of annually after this contract term. Legislation generally spreads across two years, this will allow the contract to cover both years. Mr. Boyle agreed.

Mr. Montgomery moved and Mr. Littlejohn seconded the motion to approve management's recommendation to enter into contract with The Tallon Group for one year, with a 30-day notice of termination at any point in time. The motion passed unanimously.

9. COMMUNITY BENEFIT PROGRAM REPORT

Remsen Parrish provided a 2023 report on the Community Benefit Program. In April 2015, the Spartanburg Sanitary Sewer District Commission and The Commissioners of Public Works of the City of Spartanburg, SC approved a revision to the procurement policy to incorporate the Community Benefit Program. The Community Benefit Program provides vendors the opportunity through contracts, agreements, and requests for sealed bids or proposal to propose a program that will benefit the local community. Programs can include monetary donations, in-kind contributions, volunteering, etc. The programs are centered on five areas: Workforce Development, Economic Development, Environmental Programs, Education, and Community Pride.

Participating vendors contributed \$6,688 to the local community in 2023 through four different Community Benefit Programs. Since April of 2015, vendors have contributed nearly \$128,000 in either monetary donations, volunteer hours, or in-kind contributions as a part of the Community Benefit Program.

The above is provided as information to the Commission.

10. SPARTANBURG SAFETY TRAINING AND INCIDENT REPORT

Kevin Brown presented the Safety Training and Incident Data Report for the 2023 calendar year. A core element of the Spartanburg Water Safety Program is to perform safety observations, safety training and to report on incidents.

The above was provided as information to the Commission.

11. 2023 ANNUAL RECRUITING REPORT

Hariette Stinson, Human Resources Manager, provided the Commission with an overview of the 2023 Annual Recruiting Report.

This report included an assessment of the adequacy of Spartanburg Water policies on hiring, retention, promotion, and any recommendation for correcting deficiencies that are identified. Ms. Stinson reviewed the recruitment cycle, which included recruitment sources and the selection process.

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The 2023 Compensation Study implementation realigned salary grades and provided guidance with objectives. Employees are now able to understand how they can expect to be compensated through merit, promotion, transfer and regression processes.

Spartanburg Water backfilled 74 vacancies through December 31, 2023. There were 18 employees promoted or transferred internally and 56 new hires. Career path progressions were 39, compared to 33 in 2022. This is an 18% improvement. Statistical data including, gender, race, department, position, pay grade, and turnover rates were also reviewed.

The above was provided as information to the Commission.

12. BID FOR SEWER FACILITIES MOWING AND MAINTENANCE CONTRACT

Bids were received on November 21, 2023, for contractor services to mow and maintain 91 selected Spartanburg Sanitary Sewer District facilities. Invitations to bid were forwarded to prospective bidders, publicized in the local media, and posted to the Spartanburg Water System website.

Due to the large number of facilities, it is advisable that the contract be divided between multiple contractors. The facilities were divided into four routes (three for sewer and one for water). A tabulation of the responses is below listing annual cost.

Vendor	Route 1 Yearly Cost	Route 2 Yearly Cost	Route 3 Yearly Cost
Forest Edge Spartanburg, SC	\$44,100	\$45,360	\$28,980
Heritage Land Management, LLC Campobello, SC	\$46,200	\$45,360	\$28,980

Based on the results of the bid evaluations, management recommended awarding the contract for Route 1 to Forest Edge and Routes 2 and 3 to Heritage Land Management, LLC. The approval of the award for route one will be to Forest Edge in the amount of \$44,100 per year. Approval of the award for routes two and three will be awarded to Heritage Land Management in the amount of \$74,340 per year. Funding will be provided by the SSSD operating budget.

Remsen Parrish provided the Commission with an overview of the Bid for Sewer Facilities Mowing and Maintenance Contract agenda item. Mr. Parrish explained that due to the volume of work represented in this bid, it has been divided into different routes.

Mr. Willard inquired about the same quote on Route 2 and Route 3. Mr. Parrish stated he had discussed the bid process with both vendors and discovered they both used the same pricing method to tabulate their bid.

Mr. Boyle stated that there have been extended discussions internally regarding the bids. Since this is a new way of requesting the bid for this work, management will review the process prior to the next annual bid.

Ms. Barnes moved and Mr. Littlejohn seconded the motion to approve management's recommendation to award the contract for Route 1 to Forest Edge and award the contracts for Routes 2 and 3 to Heritage Land Management, LLC. The motion passed unanimously.

13. SPRING STREET SEWER REPAIR

In early July, contractors working for a developer on Spring Street reported issues when sewer taps were attempted. The collection line was filled with sanitary sewage. Evacuation of the material and camera work on the line indicated a sag in the line at the point of one of the taps. The repair was particularly challenging due to its depth, power duct banks, other utilities, and other underground features. A design of repair was initiated and contractors were solicited. Work was completed January 2, 2024, at a cost of \$242,000. The work was funded by the collection system rehabilitation fund.

Rick Jolley provided the Commission with an overview of the Spring Street Sewer Repair agenda item. These repairs took seven weeks, as the crews encountered several unusual obstacles. There was a sag in the line causing the problem. Some of the obstacles encountered were four-foot thick concrete, 42" storm drain impinging on the sewer line, duct bank, and a tunnel. The tunnel was six feet high and four feet wide with a natural spring flowing through it.

The above was provided as information to the Commission.

14. SEWER RIGHT-OF-WAY CLEARING PHASE XII – SUMMARY CHANGE ORDER

The Sewer Right-Of-Way Clearing Phase XII Project is now complete. The project was completed by C & S Nature Works of Boiling Springs, SC. The project scope called for the contractor to remove trees and clear vegetation from the right-of-way leaving a cleared right-of-way of no less than 25 feet wide along approximately 4,200 LF in four locations within the City of Spartanburg.

Change Order #1 was for an increase of \$11,500 to the contract price for clearing an additional 232 LF of sewer right-of-way along Arrowhead Road that was not identified in the original contract. This Change Order was executed per the Spartanburg Sanitary Sewer District Procurement Policy.

Change Order #2 was for an increase of \$1,200 to the contract price for a change in location from Beechwood Drive to Dupre Drive and the removal of additional trees and vegetation associated with the right-of-way clearing along Dupre Drive. This change order was executed per the Spartanburg Sanitary Sewer District Procurement Policy.

The financial summary of the project is as follows:

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Construction Contract	\$179,625
Change Order #1	\$11,500
Change Order #2	<u>\$1,200</u>
Final Contract Amount	\$192,325

Bobby Walden provided the Commission with an overview of the Sewer Right-of-Way Clearing Phase XII – Summary Change Order agenda item.

The above was provided as information to the Commission.

15. AUTHORIZATION TO ACQUIRE RIGHTS-OF-WAY UTILIZING THE LAW OF EMINENT DOMAIN – BENS CREEK SEWER IMPROVEMENTS PHASE II

The proposed route of the gravity sewer main that will be installed as part of the Bens Creek Sewer Improvements Project Phase II will require the acquisition of eighteen rights-of-way. Favorable responses have initially been received from the majority of affected property owners regarding the granting of rights-of-way; however, there may be some difficulty in obtaining approval from three of the eighteen. Discussions will continue with the property owners; however, if negotiations with one or more of the property owners prove to be unsuccessful, management requests that the Commission approve obtaining rights-of-way utilizing the Law of Eminent Domain.

Management recommended that staff be authorized to utilize the Law of Eminent Domain if any negotiations are unsuccessful.

Gene Jackson provided the Commission with an overview of the Authorization To Acquire Rights-of-Way Utilizing The Law of Eminent Domain – Bens Creek Sewer Improvements Phase II.

Mr. Littlejohn asked what the primary concerns for the remaining property owners regarding the right-of-way. Mr. Jackson stated obtaining right-of-ways often are a long process. Discussions are taking place with two of the remaining property owners and no response from one. The goal of Spartanburg Water is provide fair compensation to the property owner and negotiate in good faith. If that is not possible, then staff will pursue the rights-of-way utilizing The Law of Eminent Domain.

Mr. Montgomery moved and Ms. Barnes seconded the motion to approve management’s recommendation and authorize staff to utilize the Law of Eminent Domain if any negotiations are unsuccessful. The motion passed unanimously.

16. OWNERSHIP AGREEMENT – BRIGHT-MEYERS RETAIL CENTER

Bright-Meyers 2001, LLC proposes to construct approximately 1,998 linear feet of 8-inch gravity sewer line to provide service to seven commercial lots in Bright-Meyers Retail Center located off Boiling Springs Road (SC Highway 9). 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.

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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 Bright-Meyers 2001, 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.

17. OWNERSHIP AGREEMENT – CLAIBORNE

South Tyger Properties, LLC proposes to construct approximately 6,850 linear feet of 8-inch gravity sewer line to provide service to 155 residential lots in Claiborne located off Finger Street and South Randolph Avenue in Landrum. The sewer line will connect to the existing SSSD infrastructure. The domestic waste will be treated at the Page Creek 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 South Tyger Properties, 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.

18. OWNERSHIP AGREEMENT – MILLWOOD COTTAGES

Millwood Venture, LLC proposes to construct approximately 5,560 linear feet of 8-inch gravity sewer line to provide service to 143 residential lots in Millwood Cottages off Belcher 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 Millwood Venture, 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.

19. OWNERSHIP AGREEMENT – PROJECT CORE-ERP

Morgan & Henry JOF ESA II, LLC proposes to construct approximately 770 linear feet of 12-inch gravity sewer line to provide service to one commercial lot for Project Core located off South Daniel Morgan Avenue. 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 Morgan & Henry JOF ESA II, 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.

20. OWNERSHIP AGREEMENT – SAWYERS MILL

Holly Drive Properties, Inc., proposes to construct approximately 1,000 linear feet of 8-inch gravity sewer line to provide service to 32 residential lots in Sawyers Mill located off Seay 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. 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 Holly Drive Properties, Inc. 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.

21. SOUTH CAROLINA ETHICS FILING

Mr. Boyle reminded the Commission and required staff of the South Carolina Ethics Filing reporting deadline of noon on March 30, 2024.

22. CHIEF EXECUTIVE OFFICER REPORT

- A.** Mr. Boyle thanked all staff and management for a job well done regarding line breaks over the last several weeks. Everyone worked very hard and done a great job.
- B.** Mr. Boyle noted that he was invited to participate in The Diversity Leadership Initiative at Furman, The Riley Institute. Thank you to Horace Littlejohn for his recommendation.
- C.** Mr. Boyle informed the Commission that management is working with The Tyger River Foundation regarding a partnership on three projects, mostly land use opportunities.
- D.** Mr. Boyle stated that information from the recent OneSpartanburg Economic Outlook Event held on January 5 was provided in Commissioner’s mail in case they were not able to attend.
- E.** Mr. Boyle updated the Commission on the annexation process of the Meadows Creek Drainage Basin. The challenge period ended January 10, 2024. Cam Cole is meeting with Spartanburg County finance team and Cole Alverson will formally notify the Council of Governments.
- F.** Mr. Boyle shared that Gene Jackson provided the following information for completed projects from July 1 through December 31, 2023. SSSD had 21 new development projects, 8 miles of new sewer line, and 229 manholes accommodating almost 1200 new building lots. SWS had 26 new development projects, 4.5 miles of new water line, 24 new fire hydrants, 11 new fire protection services accommodating almost 700 new lots, and 2 new participation projects.
- G.** Mr. Boyle informed the Commission that Water Professional’s Day legislation has been approved. Max Hyde and Roger Nutt introduced this legislature. Water Professional’s Day will be celebrated on the first Monday of March each year. There will be a formal signing by the Governor in Columbia, and Spartanburg Water hopes to have a ceremonial signing at Spartanburg Water on a later date.
- H.** Mr. Boyle reminded the Commission of upcoming conferences. The SCEC Conference will be held in March, the ACE Conference will be held in June, and WEFTEC will be held at the end of September. If you plan to attend any of these conferences, please let Trish know.
- I.** Mr. Boyle noted that a list of upcoming events was provided in the Commissioner’s mail.
- J.** Mr. Boyle mentioned that students from the USC Upstate College of Business; will meet with Remsen Parrish on January 30 and tour the Procurement Department and discuss supply chain and logistics management.

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- K.** Mr. Boyle stated that Spartanburg Water is one of the sponsors for the OneSpartanburg Women in Business event, Paving the Way, scheduled for March 7. Please let Trish know if you would like to attend.
- L.** Jennifer Candler provided the Commission with an update on communication regarding the rate increase scheduled for February 1, 2024. Current and upcoming rates have been posted on the Spartanburg Water Website, along with printed rate cards for the lobby. CJ Armour, Customer Service Manager, has provided rated increase information to the outside utilities that bill sewer for Spartanburg Water. There has also been some media coverage on the rate increase.
- M.** Hariette Stinson, Human Resources Manager, informed the Commission that an Employee Engagement Committee has been formed and will begin meeting to discuss how to make Spartanburg Water a better place to work through employee engagement. Inclusive and strategic plans for events

Mr. Blanton offered compliments and thanks to all that had a part in planning the Holiday Party. It was very well done and looking forward to future events.

Meeting adjourned at 4:02 p.m.

Camlyn M. Cole
Secretary-Treasurer

tbh