

MINUTES

The Commissioners of Public Works of the City of Spartanburg, SC, Regular Meeting, held at 200 Commerce Street, Spartanburg, SC, March 26, 2024, 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 REGULAR MEETING OF FEBRUARY 27, 2024

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

2. MONTHLY FINANCIAL REPORT

Cam Cole presented a financial summary of SWS expenditures and revenues for the eight-month period ending February 29, 2024. An explanation was provided for the favorable and unfavorable budget variances.

The above was provided as information to the Commission.

3. WORKERS' COMPENSATION INSURANCE RENEWAL

Spartanburg Water's Workers' Compensation insurance renews annually on April 1. For the 2024 renewal, staff utilized the current agent, McGriff Insurance Services, to obtain quotes from insurance carriers on behalf of Spartanburg Water. The current policy is written through Amerisure at an annual cost of \$91,970.

The results of the quotes received are tabulated below:

Insurance Carrier	Annual Premium
Eastern Alliance	\$91,471
Key Risk	\$111,000
Zenith	\$170,000

Based on the pricing received, which is \$499 lower than the current year premium, management recommended approval of the quote submitted by Eastern Alliance as the carrier for Workers' Compensation insurance at the annual premium cost of \$91,471.

The Workers' Compensation premium will be allocated as follows: \$54,883 for SWS and \$36,588 for SSSD.

Remsen Parrish provided the Commission with an overview of the Workers' Compensation Insurance Renewal agenda item, and noted an amendment that the current policy is written through Eastern Alliance, not Amerisure.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation to approve the quote submitted by Eastern Alliance as the carrier. The motion passed unanimously.

4. **EARLY RETIREE GROUP HEALTH INSURANCE**

The Spartanburg Water Employee Group Health Insurance plan year is in effect from May 1st through April 30th of each year. Staff has been working with our health insurance consultants from Marsh & McLennan Agency (Steinberg & Associates), to identify costs, claims exposure and financial projections as well as employee rates and reinsurance costs for the upcoming plan year that renews on May 1, 2024. During this past year's budget meetings, staff discussed the rising healthcare insurance costs and claims exposure to our self-insured plan, and the increases that have taken hold over the past 5-10 years while at the same time employee payroll contributions have remained relatively unchanged.

In order to continue to offer the most affordable and vibrant healthcare plans to our current employees and their families, the following changes are being made for the new plan year, effective May 1, 2024.

All eligible early retirees who are currently eligible for the employee group health plan (and who are currently included in overall plan costs), will be insured under individual medical plans offered through BlueCross BlueShield (Extend Gold 1). This change will become effective May 1, 2024. **Eligible early retirees will no longer be eligible for coverage under the current employee group health plan(s) after April 30, 2024.**

For the upcoming plan year effective **May 1, 2024**, eligible early retirees will receive individual medical insurance **at no cost**. Spartanburg Water will pay 100% of the monthly premiums for eligible early retirees for the upcoming plan year, including any tobacco surcharge. The total cost of coverage for the upcoming 12 months (5/1/2024 – 4/30/2025) is expected to be \$524,082. The cost will be split between SSSD (\$131,853) and SWS (\$392,229). Effective May 1, 2025, early eligible retirees who choose to use tobacco will be subject to a 20% surcharge on their individual plans. Plan costs will be reevaluated each year during annual budget meetings.

Eligible early retirees may remain insured through an individual policy until the time they become eligible for Medicare at age 65. There is no change to this provision from what currently is in place.

Effective May 1, 2024, only current employees and their eligible family members will be eligible for the Spartanburg Water Group Health Insurance Plan(s). Eligible early retirees will now be accounted for under individual post-employment health plan benefits, and the Spartanburg Water Group Health Insurance Plan(s) will no longer bear any ongoing exposure for claims related to this covered group.

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Over the past two calendar years, claims for this covered group have totaled more than \$3.3 million, including approximately \$100,000 in fixed costs. These claims will no longer be included in the self-insured employee group health care plan(s) or reinsurance premiums moving forward.

We do not yet have the health plan cost associated with the upcoming plan year, but under this new approach: \$1.7 million in average annual claims will be eliminated from the plan at the cost of \$520,000 in fixed premiums, providing a net upside of \$1.2 million per year (or more) of reduced cost to our self-funded group healthcare plan.

This change puts Spartanburg Water in a stronger position to continue to offer affordable health insurance to current employees and their families, while maintaining valuable, reasonable, and cost-effective coverage for our eligible early retirees. These efforts strengthen the financial position of our self-insured plans, and positively impact our reinsurance costs.

The above was provided as information to the Commission.

5. BIDS FOR COLLECTION AND DISTRIBUTION COMPLEX PAVING

Sealed bids were received on March 12, 2024, for the parking areas and main entrance drives at the Collection and Distribution Complex. The project consists of milling and repaving the exterior parking areas, main entrances, and drive lanes as well as resurfacing the interior parking lot. Due to age and heavy traffic, the current asphalt has begun to crack and show deterioration.

Invitations to bid were forwarded to prospective bidders and publicized in the local media. A tabulation of the bids is listed below:

<u>BIDDER</u>	<u>AMOUNT OF BID</u>
Bennett Paving, Inc. Spartanburg, SC	\$180,229
Bird Corp of Inman Inman, SC	\$197,655

Management recommended the award of the contract to the lowest responsive and responsible bidder, Bennett Paving, Inc., in the amount of \$180,229. Project will be split equally between Spartanburg Water System and Spartanburg Sanitary Sewer District capital funds.

Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management’s recommendation to award the bid to Bennett Paving, Inc. The motion passed unanimously.

6. WATER QUALITY REPORT

Rick Jolley provided the Commission with an update on Water Quality.

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Mr. Jolley stated that finished water entering the distribution system: Geosmin – 4.2 ppt raw and less than detect at point of entry. MIB – is less than detect raw and less than detect at point of entry. Ozone Rates are 1 ppm. There have been no taste and odor complaints in March. A report on operational costs related to the AO System will be provided at the April Commission meeting.

The above was provided as information to the Commission.

7. BOWEN PARK PLAYGROUND EQUIPMENT

Jon Morgan provided an update on the newly installed playground equipment at the Bowen Park. The park reopened yesterday, March 25, at noon.

The above was provided as information to the Commission.

8. VARIANCE REQUEST – 330 CROW ROAD

On February 9, 2024, the contiguous property owner applied to install a concrete pathway extending from his property above the 827' contour to the walkway of his permitted dock. SWS Policies and Procedures state that "pathways are not allowed to be constructed with concrete, asphalt, or other impervious surfaces". Therefore, the application was disapproved on February 15, 2024.

On February 15, 2024, the adjoining property owner requested a variance to the no concrete pathway policy. The adjoining property owner is confined to a wheelchair and cannot easily access his dock or shoreline across the existing grass. He wishes to install a concrete pathway so that he may access his dock without worrying about getting caught in the grass or catching rocks or other potential impediments.

Installation of the pathway would reduce potential safety concerns by facilitating easy access for the adjoining property owner to his dock. The slope is gradual along the associated buffer area, and the area is suitable for the requested pathway.

Management recommended approval of an amended variance to include a single, 4' pervious concrete path extending from the 827' contour to the permitted dock. Utilizing pervious concrete would allow water from precipitation to pass directly through, thereby reducing the amount of runoff from the site and allowing a more natural groundwater recharge. This is a sustainable approach to help promote good water quality and would facilitate safe access to the dock for the adjoining property owner.

Jon Morgan provided the Commission with an overview of the requested variance at 330 Crow Road. Management originally denied the contiguous property owner's request to install a concrete pathway. The property owner submitted an amended variance requesting to use pervious concrete.

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Mr. Littlejohn moved and Ms. Viney seconded the motion to approve management's recommendation of the amended variance to include a single, 4' pervious concrete path extending from the 827' contour to the permitted dock. The motion passed unanimously.

9. VARIANCE REQUEST – 248 SKYLINE DRIVE

On August 4, 2023, the contiguous property owner was issued a hard pathway permit to install combination of stairs and boardwalks from the 720' MSL contour to the dock location. On February 23, 2024, the contiguous property owner reapplied to install a single aluminum ramp that would span from the 720' MSL contour 14' out into the lake and connect to the hinge of the dock. SWS Policies and Procedures specifically state that in areas where slopes exceed 8% hard pathways consisting of wooden stairs or boardwalks are required, thus the permit was disapproved.

On March 4, 2024, the adjoining property owner requested a variance to the hard pathway policy. They cited mobility and physical limitations, and requested permission to install a 60' continuous gangway from the 720' MSL contour, 14' out into the lake, and connect to the floating dock.

The adjoining property owner has been approved for a 24x28 covered dock with a 14' walkway. The requested aluminum ramp would replace the permitted hard pathway and the 14' walkway of the permitted marine structure.

Installation of the aluminum ramp as requested would result in an approximate 17% slope (10' height/60' length).

Management recommended the disapproval of the variance as requested citing safety issues and concerns for any users with mobility and physical limitations accessing the lake with such a high degree of slope.

Jon Morgan provided the Commission with an overview of the requested variance at 248 Skyline Drive. Due to the potential safety concerns, approval of the variance is not recommended.

Ms. Viney moved and Mr. Littlejohn seconded the motion to approve management's recommendation and did not approve the variance request at 248 Skyline Drive due to safety issues and concerns for any users with mobility and physical limitations accessing the lake with such a high degree of slope. The motion passed unanimously.

10. 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 January 26, 2023.

A. Inside City Private Fire Service Agreements

(1) Coke Facility Redevelopment FS

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Coke Facility Redevelopment, located at 500 West Main Street in Spartanburg, wishes to make five 6-inch connections to the Commission's 6-inch water line, in an easement through the former Coca-Cola Company site, to serve private fire protection systems, including two private hydrants, for the above-mentioned commercial, restaurant and retail site. Palmetto Operating Company, LLC wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$1,041.32

B. Outside City Private Fire Service Agreements

(1) Libertas Academy - Main Facility FS

Libertas Academy, located at 300 Rainbow Lake Road in Boiling Springs, wishes to connect an 8-inch water line to the Commission's 12-inch water line along Libertas Way to serve a private fire protection system, including three private hydrants, for a charter school. Libertas Academies wishes to enter into an agreement for this service.

Annual Stand-by Revenue - \$1,145.00

C. Outside City Water Main Extension Agreements

(1) Crestview

Pulte Home Company, LLC is developing Crestview located off Plainview Drive. This development will consist of 126 residential lots, approximately 1,030 linear feet of 8-inch water main; 1,560 linear feet of 6-inch water main; 795 linear feet of 4-inch water main; 730 linear feet of 2-inch water main; and six hydrants. The developer will bear all costs.

(2) Essentia Phase 1

Rainbow Lake Community Holdings, LLC is developing Essentia Phase 1 located off McMillin Boulevard. This development will consist of 12 commercial lots, approximately 3,220 linear feet of 12-inch water main, and five hydrants. The developer will bear all costs.

11. PERMITS ISSUED AT THE RESERVOIR

Applications have been submitted and all fees have been paid on the following Lake Agreements, associated with new construction and replacement.

- (1) William J. Craig and Gina L. Craig**, desire to construct a dock on Lake Blalock.
- (2) Kevin Loren Norris**, desires to replace a dock and construct a boat lift on Lake Blalock.
- (3) Michael P. Sasser**, desires to replace a dock on Lake Blalock.

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- (4) **Rafael Botello and Carol A. Botello**, desire to construct a personal watercraft lift on Lake Bowen.
- (5) **Royce D. Camp, Trustee under the Royce D. Camp Revocable Trust dated December 9, 2006**, desires to replace a dock on Lake Bowen.
- (6) **Eugene H. Campbell and Rachel K. Campbell**, desire to stabilize the shoreline on Lake Bowen.
- (7) **Gina Chapman**, desires to stabilize the shoreline on Lake Bowen.
- (8) **David R. Davis and Patricia L. Hartsfield-Davis**, desire to stabilize the shoreline on Lake Bowen.
- (9) **Galena P. Gaw and Robert George Gaw**, desire to stabilize the shoreline on Lake Bowen.
- (10) **Bryant Moss**, desires to construct a personal watercraft lift on Lake Bowen.
- (11) **Thomas R. Robbs and John R. Robbs**, desire to replace a dock on Lake Bowen.
- (12) **Kamalame, LLC**, desires to construct a dock and stabilize the shoreline on Lake Bowen.
- (13) **Zhong Wu and Sou Lam**, desire to construct a hard pathway on Lake Bowen.

Applications have been submitted and all fees have been paid on the following Lake Agreements, associated with acknowledgement of ownership.

- (1) **Robert P. Cotti and Clydene Cotti**, dock replacement and hard pathway on Lake Blalock.
- (2) **405 Watercrest, LLC**, boat lift, replacement dock, hard pathway, personal watercraft lift, and shoreline stabilization on Lake Bowen.
- (3) **Monette Santos Berman**, replacement dock and shoreline stabilization on Lake Bowen.

12. CHIEF EXECUTIVE OFFICER REPORT

- A. Mr. Boyle noted that legislation regarding Horsepower on Lake Bowen had its third reading in the House and has been sent to the Agricultural and Natural Resource Committee.

Mr. Boyle stated that Spartanburg Water had an agreement with SCDNR to allow duck hunting on Wednesday's during Water Fowl Season on Lake Blalock, but this agreement ended at Sunset at the end of the 2024 Water Fowl season. A Bill to request a 5-year renewal agreement is moving through the House. Both Bills are expected to make the cross-over and be approved.

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- B.** Mr. Boyle informed the Commission that Haynsworth Sinkler Boyd Law Firm is working to correct the deeds that were incorrectly filed under The City of Spartanburg. Counsel with work with The City of Spartanburg as needed to correct these deeds to be transferred to The Commission of Public Works.
- C.** Ms. Viney recommended that management review the Treasurer’s Website regarding unclaimed property and funds to ensure that The Commission of Public Works doesn’t have anything unclaimed. Cam Cole will look into this request.

Meeting adjourned at 3:46 p.m.

Camlyn M. Cole
Secretary-Treasurer

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