

## **July 26<sup>th</sup> Pickens County Public Service Commission Meeting Minutes**

**The session begins with Chair Bowers asked for a motion to call the meeting to order. Farish motioned, Rogers seconded, and all voted in favor.**

Clint: We need to approve the minutes, read over them and we will approve the minutes and Chairman Bowers asks for a motion to approve the minutes. Ratner motioned and Farish seconded and all voted in favor of approving the minutes.

Clint: A couple of things got doubled up so we're going to get that squared away with them as they work from home. We're supposed to hear about getting a grant for the sewer for the Jericho project which is coming along nicely with Peabody, who makes Plastic Enclosures for Telecommunications equipment.

Someone enters the room. Clint greets them and offers them a chair.

The sewerline we will operate, but the right of ways at the commerce park are important to get a physical representation of, and Taylormade will get a surveyor to get a map of the sewerline.

Last month we had Duke's Root Control treat 1/3 of the collection system at Whispering Pines. We do 1/3 of the neighborhood each year to stay within a two year limit and it has made a huge difference.

We ordered the new non-potable water pump from Charlotte for 37,000 and it will cost 7,000 to ship it here with a delivery time of 7 weeks. Jerry Holden, our Operations Manager, was able to rig a setup from our portable pump with fire hoses to get the pressure we need, so we currently have all the PSI we need for cleaning.

Matthew began biosolid application on July 8<sup>th</sup> – the rain has hampered us some – he had to sit out til Wednesday to dry the field out. We're on track to finish this plant by the end of the week and we're still on par to complete application by the end of August.

For the budget: 7% of the year has gone so far and 45% of the budget has been spent, but that covers the blanket PO's, so Wendy will make out a blank PO so there's nothing really concerning with that.

Nicholas Bank was interviewed on July 2<sup>nd</sup> and has his A Operator's License and is 16 credits away from his Environmental Engineering degree. I told him it was a full time job and he said he'd be willing to put his education to the side until Christmas and revisit the idea of pursuing the remaining 16 credits part time with a flexible schedule. We offered him the position and he will begin on August 9<sup>th</sup>. We will be back to a full crew.

Phillip Mischew of the Town of Central discussed with me the idea of the town of Central acquiring the collection system at the Grange. I spoke to Mac and the County Administrator he proposed we discuss this idea today at the table today and make a recommendation to county council before August 16th. I have put in your information a map which shows the service areas of the City of Clemson against Pickens

County against the Town of Central positioned around The Grange. You can see the Grange is squarely around the Pickens County service area. Because of that Phillip wrote us a letter. I'll read it aloud:

*"Please consider this letter Chapman Hill, LLC's request that the Town of Central (Combined Services Department) assume ownership and maintenance of the sanitary sewer collection system at the property South of HWY 123 on Chapman Hill Rd now known as "The Grange". We request that the system be deeded to the Town of Central at no cost or further obligation to either party and that homeowners in The Grange will be charged the Town of Central published, out of city base and usage rates.*

*The current system in Phase 1 is designed, approved, constructed, and inspected to SCDHEC specifications. It consists of approximately 10,270 linear feet of 8" diameter SDR-35 piping serving 199 new single-family residences. Wastewater treatment is being provided by the Pickens County Public Service Commission at the 18-Mile Creek Middle Wastewater Treatment Plant.*

*The future phases of this property include up to 2000 residential units as well as mixed use commercial properties, nature/bike trails, and other public amenities. We would like this request to include the option to transfer ownership and maintenance of the future wastewater collection systems on the property as well.*

*Thank you for considering this request and we look forward to working with you and the Town of Central Combined Services Department."*

The original request I have which I will read as well.

*"The Town of Central is requesting the permission to maintain and own the waste water collection system at The Grange housing development. This new development is located on Highway 123 and Issaquena Trail area, located in Pickens County. The developer has already received proper permits from Pickens County to operate and send the waste water to Pickens County. When this project is complete there will be approximately 2,000 homes in this development*

*Attached is the letter from Chapmen Hill, LLC making the request that we take ownership of the collection system.*

*The Town of Central has the ability to maintain this system and provide a service to the homeowners and Pickens County. We appreciate your consideration in this matter. "*

Clint: But anyway the other thing that was important to bring out is that the town of Central, Liberty, and Pickens County, have an inter-governmental agreement. This last page has a very pertinent passage in it that says in the event residential or commercial wastewater service requested outside the corporate limits of either purchaser, the participants agree the services shall be provided by the purchaser who is capable of providing such a service in the most efficient manner. If the purchaser is not capable of providing such a service. The purchaser shall notify the customer within 60 days and may elect to decline such a service.

What that means is if one of the purchasers – liberty or central – if they wanted to operate this mechanism, the legal precedent is already present in the IGA for this to happen, which makes it easier than having a third party come in and operate the collection system. In this case it's my opinion that the Reimbursement and Depreciation Fund would no longer be necessary as the town of Central is already in an agreement to provide sewer to residents and to its service area.

The County Administrator wants a recommendation from us to County Council as to whether or not we should do this – in my opinion this is a much better situation than what we were looking at before. We are still going to consider the County moving into the Collection System business. Our plan for doing that is currently hampering Pickens County. I talked with the head of Building Codes and there are some developments who come into Pickens County and don't like that we don't want to be in the Collection System business and they turn and gone somewhere else. As far as economic development, I do think this is hampering us. What we discuss today is purely about the Grange, and moving into the Collection System business can be a conversation for a different meeting. Today we'll discuss the pros and cons and I'll write down the questions to ask Les Hendrix or Rivers, but we will need to decide on a meeting date in August to craft a recommendation for County Council. When will be a convenient time for everyone? This will be before August 16<sup>th</sup> – which is two weeks away. Les is on vacation so he will not be back until next week. That will be the first opportunity he has to ask any of our questions regarding Central and Pickens. The answers shouldn't take him too long and the meeting doesn't have to be on a Monday or at 4 o'clock but this is a quorum and all four of you would have to be here before anything official can be done. The 16<sup>th</sup> is a Monday so it would need to be a date between the 9<sup>th</sup> and the 13<sup>th</sup> and Les will return on the 9<sup>th</sup>.

**Thursday, the 12<sup>th</sup> at 3 o'clock is proposed and agreed upon. A motion is proposed for this time and passed.**

Phillip thinks it's a good idea and thinks Danny Youngblood's 2,000 homes plan still needs details and wants to be there every step of the way. That particular development would be Central's but any other sewer collection business venture could be Pickens County. Phillip does not like the idea of the Private Sector running the sewer collection business because the government has a vested interest in making sure the system works and he doesn't want an out of townner with no skin in the game not cooperating.

Clint discusses that it's always possible that 2,000 homes do not actually get built and another 2007 housing collapse vaporizes the plan to build many of these homes.

Cameron thinks municipalities are already set up for this action and that this seems like the right action to him. Phillip states that he currently has 4,200 homes.

Clint states that he intends to make money off of the treatment of the sewage regardless of collection. Our base fee is 5.39 for 1000 gallons despite having two neighborhoods we inherited and we charge them 2.50 for a collection fee. That part of it will go to Central and they can determine the rate. The 5.39 will stay the same and go to us regardless.

Central already has the collection system and manpower that the county does not. Clint states we'd need to hire someone and get equipment to do it. Right now we have a contractor who does it for us but he would not be able to handle something as big as this. But the collection system itself shouldn't have any issues at the Grange.

Phillip states his guys clean out the sewerlines once a year and keep the roots out of the system.

The impact fees for tying into the county for the first phase have been paid.

What we did in the IGA is divided up the pie and built Upper, improved Roper, and put in the Middle plant to tell us how many gallons of capacity we have. This was divided between Liberty, Central, and us. We collected the availability fee from Daniel from this so that comes out of our piece. Central will be able to preserve their piece of the pie by doing it this way. One other question I have is "is the city of Clemson providing the water for this place?" You guys will need a billing agreement with the city of Clemson which will be independent of us and we will ask Les to take a look at that and whether we have any issues with that. We have a billing agreement with Clemson and it works very well and that part needs to be worked out with you guys.

Phillip states he works with Easley Central Water and they have special agreements as well.

Clint: there are no other issues from the County's point of view regarding this. We're confident the Grange project won't have a lot of I&I in it or problems to upset the treatment plant. Once we reclaim this capacity for the Middle Plant there's about 100,000 gallons left to reclaim – the plant has only about 1/3 of it's capacity so we have plenty of room to handle the Grange. There really are no other issues in my mind that would be compelling to not give The Grange to Central.

The only downside I can see is that this may be an avenue for a relationship between Clemson and the County to have issues. It was a strange thing that Clemson provides water due to lines that were drawn before sewer systems were drawn out. The sewer and water are separate in Pickens County which is very unusual. We've been working with Clemson on this – The Cottages at Clemson was the first time they wanted to be outside the city limits with a similar situation which is how we started this billing agreement. Our relationship there is good and we don't want a turf battle. In my mind I do not see that happening though. This is not something we just jumped on.

In the future, would somebody be interested in annexing it into city limits. If Central does it then it's spelled out in the IGA but if Clemson does it then that would be a different matter and a question for les.

Mac asks if an annexation clause is added to the agreement. Phillip states they do have an annexation clause, but he does not know if they're contiguous with the city of Clemson.

The table discusses the concept and rules of annexation between Clemson and Central

Clint: The areas that are not in the city limits of Clemson probably don't want to be in the city limits, whether that would be an issue I don't know. The town of Central would have to work that out. It would only be our concern as to who would be doing the billing, which is currently the city of Clemson.

We may have to work out the wording of the final option in writing.

Phillip: I want to be on the front end and make sure phase 2 meets my specs, as phase 1 is done. I didn't oversee phase 1 and will just have to trust that Clint's standards are as good as mine.

Mac: Daniel, we've got the presentation from Rivers and now we've got the town of Central. Which way are you leaning towards?

Daniel: Well the county getting into the collection business is something we'd love to see. We have another property that could benefit and forever we've had to figure out how to get to Easley-Combined from where we are because the on-site sewer can't be used. We'd love to see them both happen. For us, the biggest concern is the City of Central because we're going to build houses soon and the municipality in the sewer business benefits us. If the City of Central comes down 123 and takes our sewer that would also solve the issue.

"Other services need to be offered by municipalities like Fire, Police, things that are already in place that grant you other services when you get in bed with them, but the downside would be higher taxes."

Daniel: There's a lot of things we look at but looking at, but with Easley for example, your taxes pay for trash and we'll be paying a private company for trash here. Fire will be rural.

Clint: Rivers suggested that we could charge whatever we wanted for the collection system and we actually cannot do that, it is regulated by the state and has to be competitive, the rate is ruled and can't be the cash cow that was implied. That to me is a reason for the county to not be in the collection business for this specific venture but developing a rate for the future could pave the way for us to transition in the future. The County Admin still wants us to have that discussion and make that recommendation to County Council. Once we have the meeting in August we probably will start discussing that again. We set the rate and the state has to approve it and if it's unusually high the state can reject it and we'd be back to the drawing board. Most of what we have is very consistent currently but in the collection business there are many more variables that can effect the rate between different neighborhoods. Originally the county plan was to provide sewer capacity to attract industries and economic development – they didn't want to be in the collection business so that's the model we're following, but things have changed as the textile industries have left. It's more important for us to discuss what the future will be.

Connie: Phillip or Daniel to ya'll have any more to add?

Daniel: As far economic development of the public sewer goes a Taiwanese/California company recently wanted to come to the county and looked at a spot and asked about housing for the workforce and went to a different county in the end. As far as housing goes where we aren't contiguous, this gives us a direct cost structure, as opposed to the treatment facility handled across the board, which was

estimated to 60% more after a Water/Sewer System tax given to a private industry because they're regulated by the state. Then there's the reimbursement fund. Having the county in the collection business makes more housing-workforce for economic development a much better option.

Clint: I think the general attitude is that this would be the best for all parties and we'll get Les to give us some legal answers and we can craft a recommendation to County Council. Does anybody else have anything to add?

Connie states he's had his questions answered and asks if any other business needs to be addressed? Connie motions to adjourned, which gets seconded by Ratner.

Submitted:

  
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Director Public Service Commission

8/12/2021  
Date

  
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Chairperson Public Service Commission

8/12/2021  
Date