ANDERSON REGIONAL
JOINT WATER SYSTEM

998 Hunters Trail Anderson, SC 29625 Phone: 864-332-6534 Fax: 864-224-6116

BOARD AGENDA

Board of Commissioners
May 2024

I. Minutes April 24, 2024

II. Informational Reports

1. Executive Committee Meeting Summary
2. Finance and Administration Report
3. Operations and Maintenance Report

Future planned Board meeting dates are:

- June 26, 2024
- August 28, 2024
- October 23, 2024

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MINUTES OF THE ANDERSON REGIONAL JOINT WATER SYSTEM April 24, 2024

LET THE MINUTES SHOW THAT THE MEDIA WERE NOTIFIED OF THIS MEETING IN ACCORDANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT.

A QUORUM OF THE BOARD IS PRESENT.

COMMISSIONERS PRESENT: Benjie McGill, City of Clemson; Patrick Jackson, Starr-Iva; Matt Ruff, Big Creek-Hammond; Kevin Simpson, Broadway; Tracy Durham, Sandy Springs; Scott Banks, City of Anderson; John Lollis, West Anderson; David Rogers, Town of Williamston; Don King, Homeland Park; James Ford, Town of Pendleton

OTHERS PRESENT: Scott Willett, ARJWS; Jeff Caldwell, ARJWS; Christopher Weber, ARJWS; Jodi Logan, ARJWS; Lisa Evatt, ARJWS; Billy Bolger, Clemson University; Brandon Good, ARJWS; Billy Peele, Starr-Iva, Tristan Moore, ARJWS; Justin Clemones, ARJWS; Malinda Pettigrew, Homeland Park

Chairman Patrick Jackson called the Board meeting of Anderson Regional Joint Water System to order at 12:00 p.m. on April 24, 2024.

Chairman Patrick Jackson asked for any Commissioner comments. Mr. Jackson welcomed James Ford with the Town of Pendleton to the Board. He also welcomed General Manager of Homeland Park Water, Malinda Pettigrew, and her alternate, Don King, to the Board. Mr. Clemones introduced ARJWS's new hire, Tristan Moore. Mr. Moore was hired on April 1, 2024, as a Maintenance Technician. To smooth the transition into Mr. Willett's retirement, Mr. Caldwell started executive coaching by Carolina Leadership Group.

Mr. Simpson made a motion to approve the February 28, 2024, minutes, and Mr. Ruff seconded. Motion carried.

I. Consent Calendar (Old Business)

None

II. Items Requiring Immediate Action

1. FY 2024/25 Budget – First Reading

Mr. Caldwell recommended the approval of the first reading of the annual budget for fiscal year 2024/25. The proposed annual budget is for $14.04 million. The budget will fund $7.25 million in annual operating expenses, $5.22 million in annual debt service and $1.57 million in system R&R. In total, the proposed budget represents a 6.00% net change over the approved FY 2023/24 budget. Mr. Caldwell asked for any comments, there were none. Mr. McGill made a motion to approve the first reading of the proposed FY 2024/25 annual budget. Mrs. Durham seconded. The motion was unanimous.

2. Clemson University Wholesale Rate – FY 2024/25

Mr. Caldwell recommended setting the water rate service for Clemson University at $2.17 per thousand gallons for FY 2024/25. Mr. Caldwell discussed the increase for the University is the result of increased water deliveries over the past two calendar years. Mr. Caldwell explained the "Wholesale Water Rate Schedule Applicable To Clemson University". Mr. Jackson asked for any comments. Mr. Bolger asked if the system had recovered all the funds that had been undercollected during COVID-19. Mr. Bolger also asked when the 30-year contract will expire. Mr. McGill made a motion to set the existing water rate for Clemson University to $2.17 per thousand gallons. Mr. Rogers seconded. The motion was unanimous.

III. Discussion (New Business).

1. SCIIP Project- Onsite Hypochlorite Generation System (OSG) Equipment Purchase

Mr. Caldwell showed a PowerPoint presentation in which he broke down the cost of the firm proposal for the Microclor On-Site Hypochlorite Generation System for ARJWS by Clearwater, Inc. ARJWS's SCIIP projects include the addition of an Onsite Hypochlorite Generation System for disinfection. The former MIOX system was decommissioned in 2022 due to reliability concerns and replaced with bulk delivery. Mr. Caldwell recommended the approval to purchase the OSG equipment from the recommended manufacturer, PSI Technologies, Inc., for an amount not to exceed $1.2 million. Mr. Lollis made a motion to purchase the OSG equipment for an amount not to exceed $1.2 million. Mr. Ruff seconded. The motion was unanimous.

2. PFAS Settlement Allocation Policy

Mr. Willett made a recommendation for the Board to sign A RESOLUTION PROVIDING GUIDANCE ON PFAS LITIGATION SETTLEMENT FUNDS ALLOCATION AMONG ARJWS INTERRELATED MEMBER SYSTEM, designating ARJWS as the treatment agency to be the recipient of PFAS lawsuit settlement proceeds with use and disbursement subject to authorization of the Board of Commissioners. ARJWS and its members have been asked to clarify how any mitigation funds should be disbursed since the legal teams have reached an

agreement that seeks to provide mitigation settlements to the affected treating agencies. The Memorandum was attached to reports for members to review. Mr. Bolger and Mr. Jackson asked questions related to the lawsuit. Mr. King made a motion to Ratify and Adopt the resolution. Mrs. Durham seconded. The motion was unanimous.

3. Executive Director's Report (Oral)

Mr. Willett continued the conversation on PFAS. Mr. Caldwell presented the Board with an open position focusing on water resources, outreach, education, communication, and social media plans.

IV. Informational Reports

1. Executive Committee Meeting Summary
2. Finance and Administration Report (handed out)
3. Operations and Maintenance Report
4. SCIIP Project Update

These reports are for information and for each Member to review as written. A copy of each report is attached to the file of these minutes.

V. Adjournment

With no further business, Mr. Simpson made a motion to adjourn at 1:18 p.m., and Mrs. Durham seconded. Motion carried.

Respectfully submitted,

Benjie McGill

Secretary/Treasurer

ANDERSON REGIONAL
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COMMITTEE SUMMARY

Executive Committee
May 13, 2024
11:30 am

I. Discussion Summary

1. **FY25 Budget**
   The FY25 budget was approved on first reading at the April board meeting. A 6.00% increase in revenue is projected. Since the first reading, our staff has had conversations regarding ozone reliability. Mr. Weber explained our recent history of ozone operations including three electrical failures over the last three years. Redundant processes allowed the system to continue producing ozone during these events, Our system goal is zero instances of taste and odor and these failures have happened during the high taste and odor season. ARJWS continues to evaluate power quality and water conditioning to provide more reliable operations. Mr. Weber detailed a potential project including permanent power monitoring and chiller rental options to test its effectiveness of ozone operations. Committee members recommended reaching out to other utilities with Ozone operations. Mrs. Cleary explained the cost of permanent chiller installation is estimated at $1M, but to verify the results of operations with a temporary chiller rental is estimated at $200,000 annually. ARJWS's recommendation is to increase the O&M budget by $200,000 and offset the increase in the form of rate stabilization from the capital budget. The committee agreed.

2. **Cybersecurity**
   As an update, the EPA is driving regulation involving cybersecurity and is pushing the implementation to SCDHEC for compliance. If finalized, SCDHEC will send a questionnaire to utility systems with the purpose of performing a cybersecurity assessment and an appropriate risk mitigation plan. SCDHEC would then review them during routine inspections, note deficiencies, and require corrections if needed.

3. **Staffing**
   The committee discussed reclassifying a position to focus on water resources, outreach, education, communication, and social media plans.

4. **Continuous Improvement**
   Staff discussed improvements related to fluoride storage and operation upgrades, raw water pumping rehabilitations, and the status of the SCIIP projects

Prepared by: Jeff Caldwell, Deputy Director

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BOARD MEMORANDUM

May 6, 2024

Subject

Finance and Administration Report

Discussion

Billing

Meters were read on April 30, 2024, with average daily usage down 0.07% from last month and up 4.20% from last year. The average daily usage for each member agency is listed below.

AGENCY	PREV.YR SAME MONTH	LAST MONTH	CURRENT
# of Billing Days	**28**	**28**	**33**
Anderson	3,917,818	4,109,073	3,462,179
Big Creek	676,177	817,869	873,676
Broadway	594,931	618,563	696,147
Clemson	1,970,793	1,990,470	2,047,804
Clemson University	1,074,458	1,247,454	1,115,324
Hammond	2,044,608	2,035,739	2,051,860
Homeland Park	550,066	619,229	596,528
Pendleton	315,788	349,747	369,070
Powdersville	160,292	132,059	183,065
Sandy Springs	1,996,053	2,056,780	2,231,767
Starr-Iva	991,155	1,105,737	1,156,446
West Anderson	1,252,002	1,141,226	1,408,914
Williamston	457,608	461,662	480,832
Total Average Daily Usage	**16,001,748**	**16,685,606**	**16,673,611**

Finance/Budget Summary

For the month ending April 30, 2024, ARJWS is trending appropriately for revenues and expenses for the first (10) ten months of the fiscal year.

See the Profit & Loss report for additional information.

Safety Training

March

Subject: **Permit Required Confined Spaces in Wastewater & Water Treatment**
Training Date: **March 28, 2024**

Onsite Attendance
ARJWS Staff – 13

Prepared by: Jodi Logan, Billing/Purchasing Coordinator
Approved by: Kendall Cleary, Accounting Manager

Attachments: Profit & Loss Summary – Budget, Actual, and Forecast

ANDERSON REGIONAL
JOINT WATER SYSTEM

Profit & Loss
For the Month ending April 30, 2024

	Annual Budget	YTD Budget (10 months)	YTD Actual	10+2 Year End Projection	Ideal Percentage	% of Budget	YTD Variance	
Operating Revenue								
Operations and Maintenance	6,700,700	5,583,917	5,529,790	6,646,573	83%	83%	(54,127)	
Capital Charges	4,980,163	4,150,136	4,150,136	4,980,163	83%	83%	-	
Renewal and Replacement								
Water System	1,526,250	1,271,875	1,250,382	1,504,757	83%	82%	(21,493)	
Pump Station	69,828	58,190	56,523	68,161	83%	81%	(1,667)	
Miscellaneous	52,132	43,443	449,578	458,266	83%	862%	406,134	A
Total Operating Revenue	13,329,073	11,107,561	11,436,408	13,657,920				
Operating Expenses								
Salaries and Wages	1,800,800	1,500,667	1,441,114	1,741,247	83%	80%	(59,553)	
Payroll Taxes and Employee Benefits	782,000	651,667	649,940	780,273	83%	83%	(1,727)	
Operations and Maintenance								
Administrative Expenses	346,200	288,500	290,157	347,857	83%	84%	1,657	
Operations Expenses								
Lab Supplies/Uniforms/Safety Equipment	126,300	105,250	84,473	105,523	83%	67%	(20,777)	
Chemicals	1,069,500	891,250	807,913	986,163	83%	76%	(83,337)	
Sludge and Chemical Disposal	350,000	291,667	342,837	350,000	100%	98%	51,171	B
Utilities and Security	1,491,600	1,243,000	1,068,566	1,317,166	83%	72%	(174,434)	
Maintenance Expenses	390,800	325,667	366,879	432,012	83%	94%	41,212	C
Professional Fees	85,500	71,250	27,503	41,753	83%	32%	(43,747)	
Insurance	97,200	81,000	18,278	97,200	83%	19%	(62,722)	D
Debt Expenses	5,437,463	4,433,553	4,788,062	5,437,463	83%	88%	354,509	E
Source Water Protection	51,000	42,500	23,485	31,985	83%	46%	(19,015)	
Miscellaneous Expenses	104,800	87,333	73,889	91,356	83%	71%	(13,444)	
Total operating expenses before depreciati	12,133,163	10,013,303	9,983,095	11,759,998				
Net operating income	1,195,910	1,094,258	1,453,314	1,897,923				
Raw Water								
Raw Water Income	59,411	49,509	217,990	227,892				
Raw Water O&M Expenses	-	-	214,046	214,046				
Raw Water Operating Income	59,411	49,509	3,944	13,846				
Non-Budget Impacting Items								
Junior Lien Bond Payments	245,649	204,708	200,000	245,649				
Filter PLC Upgrade	100,000	83,333	191,489	191,489				
Transfer Manifold Project	300,000	250,000	130,000	130,000				
Pump Station Repairs (CBS & Highview)	110,000	91,667	150,942	150,942				
Large Pump Repairs	110,000	91,667	183,122	183,122				
Misc. Capital Purchases	25,000	20,833	34,850	34,850				
Clarifier #1 Repair	300,000	250,000	231,012	300,000				
Gate Project	-	-	15,108	15,108				
Fluoride Tank Replacement	-	-	32,743	32,743				
Traveling Screen	-	-	100,619	100,619				
SCIIP Grant Projects	540,000	450,000	277,823	540,000				
	1,730,649	1,442,208	1,547,707	1,924,521				

	Cash Balances	Days Cash on Hand
Operating Cash	2,344,798	71
Capital Project Fund	4,392,945	
System R&R Fund (Restricted)	1,196,357	
Pumped R&R Fund (Restricted)	647,620	
Raw Water O&M	106,734	
Raw Water R&R	272,219	
	8,960,672	

A: Over projected revenue due to $283k in interest income, $85k in water sample revenue, $54k from Pioneer Water, and $26k from SCDOT.

B: The sludge disposal project for FY 2023 was completed during August and September.

C: Over budget due to numerous repairs to major pumps and plant processes.

D: General liability insurance is paid annually in May of each year, while workers' compensation insurance is paid monthly.

E: Over budget due to transferring the debt payments for June to US Bank in July.

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BOARD MEMORANDUM

May 13, 2024

Subject

Operations and Maintenance Report

Discussion

As of May 13, 2024, Lake Hartwell's surface elevation was 660.46 ft, 0.46 ft. above full pool and 0.46 ft. above the guide curve. Raw water is being drawn from the top gate of the intake structure. Water temperature at the top gate is 76.6°F. Anderson Regional Water reached 100% of its settled water turbidity goals for the month of April. Raw water pH levels are relatively constant. Settled and finished water pH levels are normal. The maximum day for April water production was 51% of finished water capacity.

Operations and Maintenance Highlights

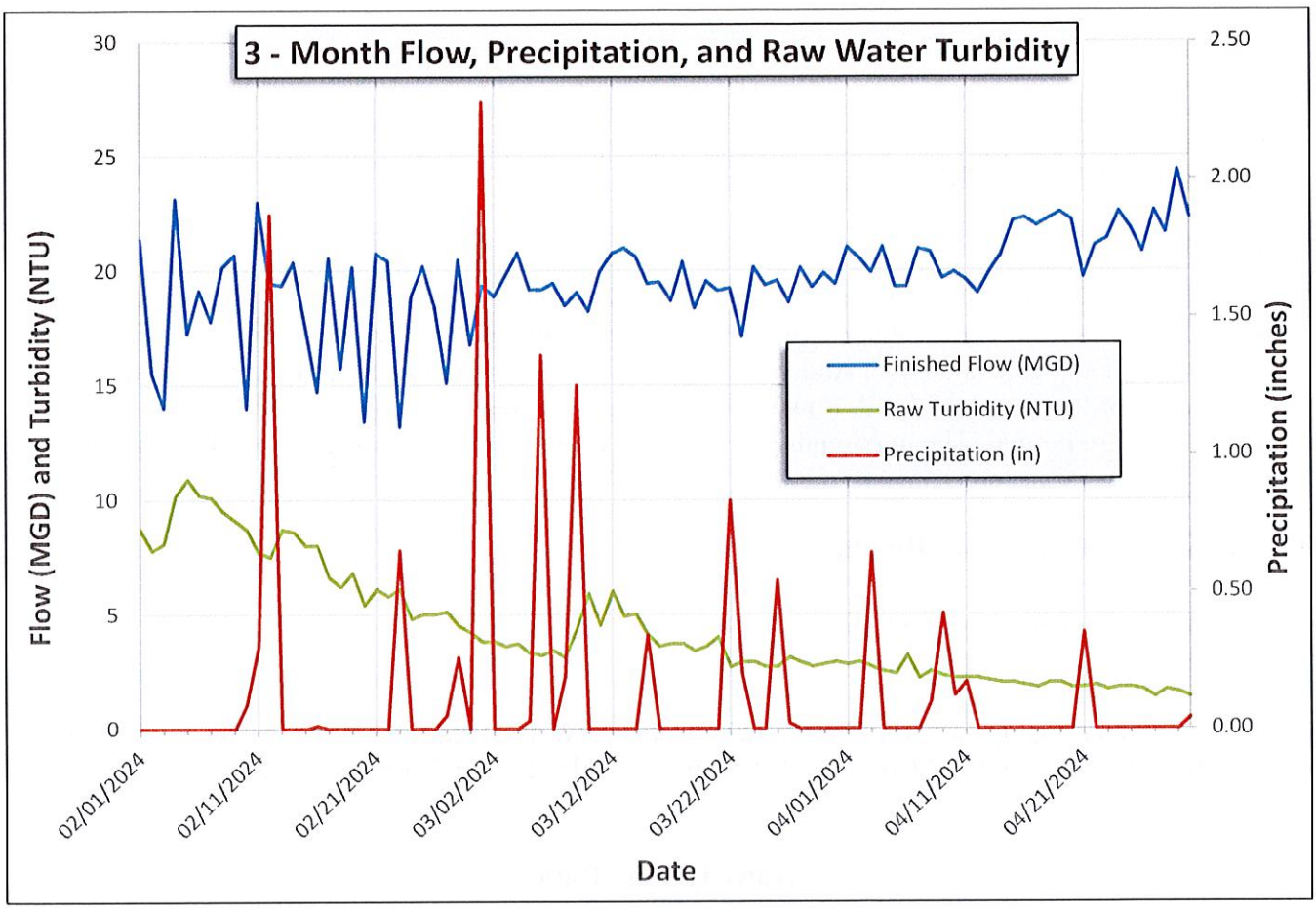
- Clarifier 1 rehab project completed
- Clarifier 2 seasonal maintenance completed

In addition to water quality sampling for the Lake Hartwell Water Treatment Plant, Anderson Regional Water staff processed 333 Total Coliform distribution samples for local entities during the month of April.

Water Quality Data

	Raw	Settled	Finished
pH	7.07	6.68	7.17
Turbidity (NTU) Range	1.4 – 3.2	0.31 – 0.84	0.03 – 0.05
Turbidity (NTU) Average	2.08	0.56	0.04
Turbidity (NTU) Exceedance	-	0%	0%
Total Organic Carbon	1.77	-	1.05
Fluoride Average (ppm)	-	-	0.57
Phosphate Average (ppm)	-	-	0.51
Residual Disinfectant (ppm)	-	-	1.74
TTHM (DBP)	-	-	4.85 ppb
Methylisoborneol (MIB)	<1.0 NG/L	-	<1.0 NG/L
Geosmin	16.5 NG/L	-	<1.0 NG/L

Weather Data



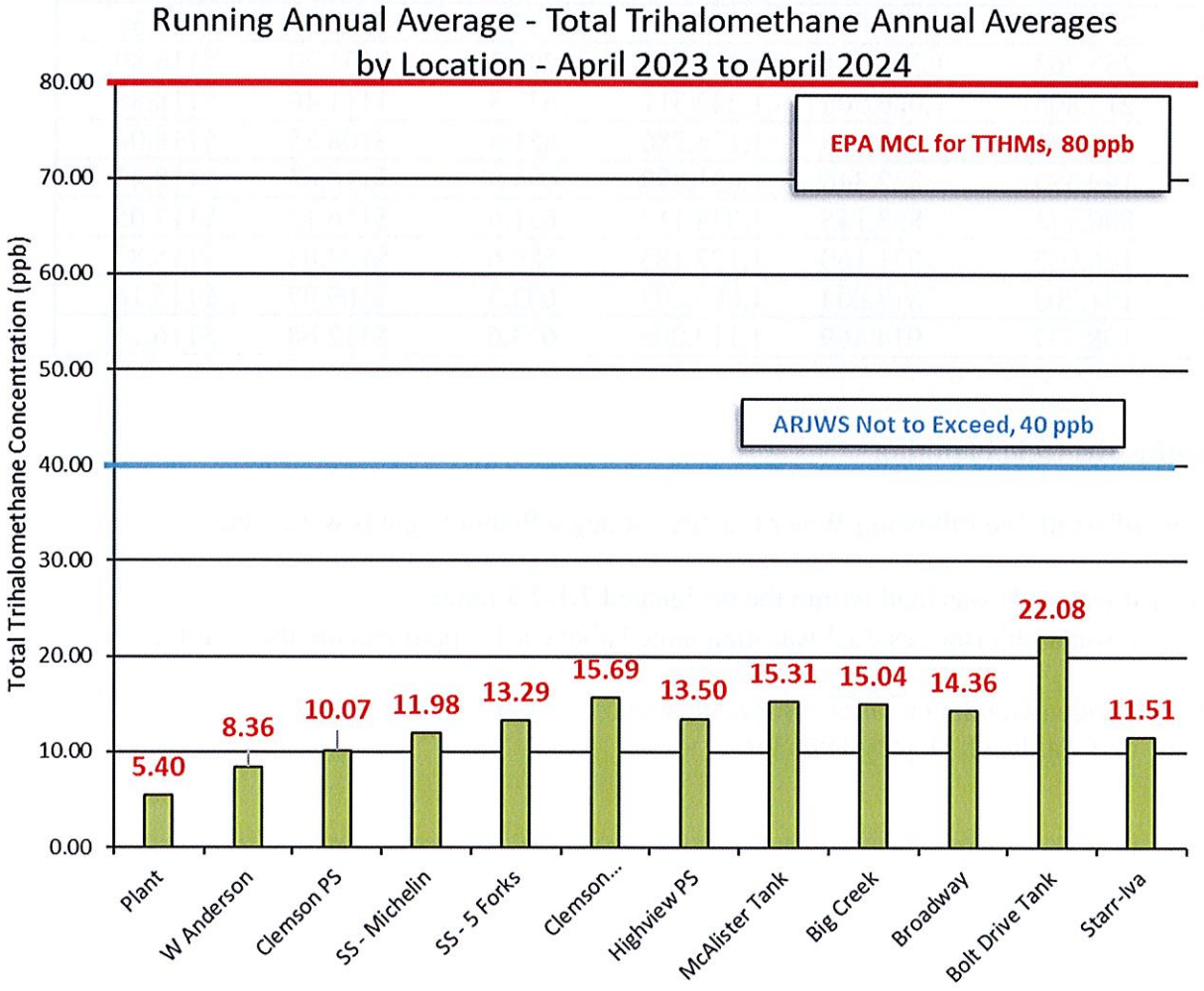
	Minimum	Maximum	Total
Rainfall	0.00 in.	0.64 in.	1.84 in.
Temperature	33.6° F	87.8° F	N/A
Humidity	17%	99%	N/A

Water Production Data

	Average	Minimum	Maximum	Total
Raw Water	19,905,000	14,452,000	24,300,000	597,164,000
Finished Water	21,120,000	19,031,000	24,397,000	633,588,000
Finished Max Capacity	44.0%	39.6%	50.8%	

Total Trihalomethane Discussion

Trihalomethanes (THMs) are one type of disinfection byproduct that can form during the treatment process and within the distribution system. THM concentrations vary primarily as a function of total organic carbon (TOC), temperature, disinfectant type, and residence time. THMs can have adverse health effects at high concentrations, and the EPA has established compliance criteria for these compounds in aggregate, termed Total Trihalomethanes (TTHMs). These criteria are established in Stage 2 of the Disinfection Byproduct Rule, which has a numerical MCL of 80 micrograms per liter (or parts per billion, ppb) based on a Locational Running Annual Average. ARJWS Operations Staff collects monthly, one-time samples, as a spot check for TTHM formation in the transmission system. The running annual averages of those results are shown in the figure below.



Monthly Power Consumption Update

For the month of April, ARJWS treated 633,588,000 gallons of water at a power cost of $112.68 per million gallons produced. The 12-month running annual average is currently $116.11.

Monthly Power Consumption Data

Month	On Peak kWh	Off Peak kWh	Total kWh	Finished Water MG	$/ MG	12 month Average
Apr – 23	202,435	816,252	1,018,687	557.2	$109.37	$103.23
May – 23	185,221	848,643	1,033,864	588.2	$103.65	$105.40
June – 23	219,316	924,320	1,143,636	607.9	$121.01	$109.26
July – 23	241,993	970,587	1,212,580	713.2	$119.66	$111.79
Aug – 23	232,084	1,171,026	1,403,110	734.2	$124.00	$113.36
Sep – 23	263,763	1,153,081	1,416,844	700.3	$133.20	$116.80
Oct – 23	215,805	1,026,506	1,242,311	672.3	$111.46	$118.88
Nov – 23	193,321	980,965	1,174,286	651.4	$108.25	$118.06
Dec – 23	199,553	832,346	1,031,899	604.9	$116.05	$118.43
Jan -24	200,971	833,145	1,034,117	631.6	$116.13	$117.05
Feb-24	196,025	931,160	1,127,185	580.6	$124.03	$115.87
Mar – 24	191,202	812,004	1,003,207	602.3	$109.97	$115.16
Apr – 24	198,737	914,469	1,113,206	633.6	$112.68	$116.11

Water Quality Strategic Planning

For the month of April, the following Water Quality Strategic Planning goals were met:

- Finished water pH was held within the designated 7.1-7.3 range.
- Finished water chlorine residual was maintained above a 1.2 ppm leaving the facility.

Prepared by: Brandon Good, Operations Superintendent
Reviewed by: Jeff Caldwell, Deputy Director