

**Water and Sewer Committee Meeting**  
**March 3, 2015**  
**9:30 a.m.**

The following were in attendance:

Charlie Kerekes and Jody Kleckley (via conference call); David Whitten and Bob Sandifer, Committee Members; Iris Hill and Bob Doub ex-officio member. Ray Johnson was absent (out of town).

The meeting was called to order and Charlie Kerekes moved to approve the minutes of the November 18, 2014 meeting. David Whitten seconded the motion, which was unanimously approved. Jody Kleckley moved to approve the minutes of the February 2, 2015 meeting. The motion was seconded by Charlie Kerekes and approved unanimously.

The Committee discussed the State Revolving Fund and possible financing of the project proposed by Council. Town Administrator Hill told the committee that she has been in correspondence with the State Revolving Fund and the information has been in turn distributed to the Water and Sewer Committee. The State Revolving Fund (SRF), managed through the Department of Health and Environmental Control (DHEC), currently has an interest rate of 2.5%. Administrator Hill submitted biographies of the selection committee and the selection process as outlined in the Progressive Design Build Procurement document. The SRF sent back a list of stipulations, which has been distributed to the Committee. According to DHEC rules, the Town cannot select a firm based on qualifications only. Mr. Kerekes asked if it was the choice of Council to go with SRF or through a bond. Administrator Hill said that Council would ultimately decide how to fund the project, and that the Town would not qualify for SRF unless the Town chose to go in a different direction than what was previously decided. Administrator Hill recommended presenting the information to Council and letting them choose whether or not they wanted to pursue SRF. Bob Sandifer suggested gathering information on the commercial interest rates versus the State Revolving Fund rates to present to Council. Administrator Hill told the Committee that she could find out what the bond rating was for a municipality with a AA+ rating. Administrator Hill said that she has talked to those who have gotten SRF funding and because of the requirements, it will cost more and has been a lengthier process. The consensus was to recommend to Council that, barring a large cost difference, that the State Revolving Fund not be pursued. Administrator Hill said she would find out first if SRF funds would even be available for an incremental project, which is what Council has indicated they wanted to pursue. It was suggested to the Committee that they compile a list of reasons why Council may want to abandon the incremental approach (cost, obsolescence of current technology and materials, etc.)

The Committee discussed the selection process. The walkthrough occurred on February 25, and four groups showed interest. Once the proposals are received, each person on the selection committee will receive a copy. The selection committee should then read through the proposals and be prepared to score them. A scoring sheet will be provided. The selection committee should read and understand the selection process through the proposal. The decision was made to have equal emphasis on the design build firm's experience and capabilities and project approach. The Committee decided to have the four firms come in to do presentations on April 2<sup>nd</sup> and score them. It was the consensus of the Committee to have two firms present in the morning and two in the afternoon, if all the firms present at the pre-submittal meeting submit proposals. The four firms that were at the pre-submittal meeting were AECOM, American Engineering, Jacobs Engineering and Thomas and Hutton. Deadline for submittal is March 17, 2015 and the deadline for questions is March 6. Administrator Hill asked Committee

members to check their calendars to make sure April 2 is a good time for presentations. Committee members present confirmed that April 2 was good for them. Administrator Hill said she would confirm the date with Ray Johnson. Utilities Director Bob Doub asked about incremental phasing. He wanted to know if there was deadline on the completion of the project. Administrator Hill told him a completion timeline has not been established yet. Mr. Doub said he has reservations that could lead to pieces becoming obsolete before completion. Bob Sandifer suggested reminding Council of the pros and cons of the incremental process. Administrator Hill asked if the Committee would like to send her their concerns to compile and present to Council if incremental implementation is pursued. Charlie Kerekes said that he thought Council had already been made aware of the issues and had chosen the incremental route anyway. Administrator Hill said that she didn't think it would hurt to remind them. David Whitten asked Iris if Council would ask for the approval from the voters via referendum as the project progressed. Administrator Hill said she had not heard anyone recommend going back to the voters. There will be a "poll" feature on the new Town website that could be utilized. That could incorporate input from non-resident property owners as well as resident, voting property owners. The decision was, if the project was done incrementally, the people who are paying the increase in the water rates will not be impacted all at one time, but over a period of time. There was a question among the Committee if the project was phased in incrementally, would water quality be at an acceptable level before the project is completed. There will not be a clear answer. Ultimately, Council will decide if quality is the most pressing issue, or infrastructure is the piece of the project that is funded first. Once the matrix is established with costs for each one of the project phases to achieve an overall result, then Council will decide how to proceed. Administrator Hill expressed her confidence in the four firms that came to the pre-submittal meeting, stating that she was looking forward to innovative, out-of-the-box ideas from them.

The Committee decided to wait until after the proposals are presented on April 2 to come up with a list of concerns for Council.

Charlie Kerekes moved to adjourn the meeting, seconded by Bob Sandifer and approved unanimously.

APPROVED BY THE WATER AND SEWER COMMITTEE



Deborah Hargis, Municipal Clerk

November 20, 2015