



Your Community-Owned and Operated System
998 Hunters Trail
Anderson, SC 29625

**MINUTES OF THE
ANDERSON REGIONAL JOINT WATER SYSTEM
September 19, 2008**

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

COMMISSIONERS PRESENT: Charlie Gibson, Sandy Springs; Rick Cotton, City of Clemson; Norb Steeber, Powdersville; Douglas Locke, Broadway; Toddy Hopkins, West Anderson; Frank Turner, Hammond; Tim Hood, Town of Williamston; Duane Rogers, Big Creek; David Davis, Belton-Honea Path; Phillip Mishoe, Town of Central; Ned McGill, Starr-Iva; Jeff Caldwell, City of Anderson; Jerry Richey, Homeland Park, Richard Bork, Town of Pendleton

OTHERS PRESENT: Eddie Makison, ARJWS; John Moore, City of Anderson; Phil Parkins, CDM; Connie Finger, ARJWS; Ann Gates, ARJWS; Scott Willett, ARJWS; David Melton, ARJWS; Tommy Phillips, Broadway; Belton Zeigler, Pope Zeigler Attorneys; Frank Gibbs, Attorney for City of Anderson, City of Clemson; Keith Overstreet, Design South; Chuck Joye, Design South; Jerry Cox, Broadway; Ben Lanz, ARJWS; Benjie McGill, City of Clemson; Dyke Spencer, Powdersville; Margaret J Thompson, Clemson City Council; Steve Wilson, West Anderson; Bud Whelchel, Sandy Springs; Marshall Kawalski, Hammond; Ed Chamblee, Hammond; Chuck Cortez, Big Creek/Hammond

Chairman Jeff Caldwell called the meeting of Anderson Regional Joint Water System to order at 10:03 a.m. on September 19, 2008.

Chairman Caldwell opened the meeting with the Pledge of Allegiance.

Under additions to the agenda, Mr. Willett introduced our new co-op student, Ben Lanz, to the board members. Ben is a junior at Clemson University and will be with us through the fall semester working on the GIS system.

Commissioners' comments included an announcement from Norb Steeber that Charlie Gibson had been honored with the "Friends of Water Award" at the Rural Water State Convention.

Steve Wilson announced the Clay Target Challenge Trophy in the foyer of ARJWS, was won at the WEASC Blue Ridge Water meeting by group effort. Those participating were from West Anderson, ARJWS, Electric City Utilities, Big Creek and Hammond. Mr. Wilson also announced that Authur Hawthorne of Electric City Utilities was named Distribution Operator of the Year.

Chairman Caldwell stated that he had a problem with agenda items 1 & 2. He said that there was not enough time to review the information and make a decision at the meeting. Chairman Caldwell wanted to table the two items until the next meeting and suggested adding as item 1, How to Review the Agenda. He said in the past a gentleman's agreement had been set up to allow the executive committee to review the agenda a week before the mailing and this was not working. Mr. Willett responded that the mailing was on a time schedule and he was waiting on the response letter from the Cities, which he did not receive until the week before the meeting.

Chairman Caldwell said on Item #1 that he understood after the board packet went out that the Joint System no longer wants to monitor two of Anderson's tanks and that has an adverse effect on monitoring of their system. He said there was no correlation between the time the project was kicked off and the time the project was recommended for approval.

On item #2, Chairman Caldwell, recognized that a committee was put together to look at generator improvements and see what was needed to have reliable standby power. He said you could see from the board packet item that the project grew substantially when they looked at the overall electrical system. What the committee decided to do, since it had grown past what they had intended to do, was bring it before the board. That way the board would know the extensive work that was needed and get everybody a report so they could study it and ask questions before voting. Chairman Caldwell said the committee did not recommend a total improvement, but to bring it before the board to decide how they wanted to implement it. He said the notation in the engineering report that the committee had recommended a total improvement was put on there by the Executive Director, not the committee.

Chairman Caldwell wanted items #1 & #2 scratched from the agenda and for the board to lay out a policy on how the agenda is prepared.

Mr. Cotton said he would recommend to table item #2 when it was reached on the agenda and that he had not seen a report of any type. He had not seen any recommendations and then it shows up on the agenda asking him to vote for \$932,000 of expenditures. At this time, Mr. Cotton passed out a spreadsheet to the members with debt service calculations for the Phase 1A and cost comparison on the \$17.6 million project versus \$5.3 million project for ARJWS members. Mr. Cotton discussed the spreadsheet at length. A copy of this report is attached to the file copy these minutes.

Chairman Caldwell suggested having item #1 on the agenda changed to setting up a plan to review the agenda. A motion was made by Phillip Mishoe and seconded by Jerry Richey.

Under Public Comments, Chuck Cortez spoke on the electrical system improvements. Mr. Cortez stated that he was on that committee and numerous hours has been spent working on the electrical project. He agreed with Mr. Cotton that it had turned into quite an expensive ordeal, but he said when the last meeting was over he understood that Mr. Caldwell would make the recommendation to do the entire project and it would be up to the board as to how they wanted to phase it in.

Chairman Caldwell understood that they were to bring it to the board because it had grown beyond what the committee was charged to do.

Mr. Cortez agreed it had changed from a generator committee into an electrical nightmare but that it had safety issues and you could not put a price on safety. The impression Mr. Cortez had from the committee is that the project had to be done but it was up to the board on how to do it, phase it in little by little or all at once.

Dyke Spencer made a comment on receiving reports on time to review before making decisions. He stated the preliminary engineering report, from Design South, was received the day before the board meeting and there was not enough time, for the level of this project, to be discussed at the board meeting. Most of the members had just returned from the Rural Water Convention and probably had not had time to even read the report.

There was no other public comment.

The minutes of the July 16, 2008 meeting was brought up for approval. Duane Rogers made a motion and Charlie Gibson seconded to approve the minutes. Motion carried.

I. Information

1. Financial Report
Report attached.

2. Administration Report

The August Administration Report is attached to the file copy of these minutes. Mr. Willett reported that he had attended the Drought Response Committee Meeting and the immediate area was left in extreme drought level. He brought to the board's attention, again, that there was a need to appoint a committee to make changes to the original drought ordinance. Mr. Cotton stated that there was no need for ARJWS to have a drought ordinance, that each city should have their own. Mr. Spencer, who had provided the template for the State Drought Ordinance, said that the state made it mandatory to have an ordinance in place. Mr. Spencer said that if a city had special needs, as Clemson with the University, it could be addressed.

3. Operations and Maintenance Report

The August report is attached.

4. Engineering Report

In addition to the attached report, Mr. Willett stated the bids for Phase 1A Transmission Upgrades would go out around November 1st. With the economy down, several bids are expected to come in and should be competitive.

II. Discussion and Possible Action

1. Review Agenda

This item was added to set a policy on how to review the agenda. It was decided the Executive Committee would meet and develop a policy to present to the board in October.

At this time (10:50) a ten minute recess was called.

The meeting was called back to order at 11:02.

1. Approve contract for instrumentation and control upgrades

Mr. Willett made a recommendation to the board to perform telemetry upgrades at the water treatment plant, booster stations, and various tanks for an amount not to exceed \$169,900. A copy of this item is attached to the file copy of these minutes.

Chairman Caldwell had a problem with this because the Mauldin tank, Orr tank and Homeland Park Booster Station were not covered in the operating agreement and their upgrade would be the responsibility of the City. This amount would be around \$31,000, if they had it done at the same time. Otherwise it would cost more later on. Chairman Caldwell said he did not have the authority to approve the project and would need to take it to the City Council for approval.

Mr. Cotton made a motion to table the item until the October meeting to give the City time to take it before City Council for approval. Richard Bork seconded. Those opposing were Williamston, Broadway, Hammond and Powdersville. Those in favor were Big Creek, Central, Clemson, Homeland Park, City of Anderson, Belton Honea-Path, Pendleton and Starr-Iva. Motion carried.

2. Adopt electrical system improvements plan and project budget

A draft from CDM on electrical improvements was composed by Paul Cousins and handed out to the members. A copy is attached to the file copy of these minutes.

Mr. Cotton made a motion to table the electrical system improvements plan until Mr. Cousins could attend the next board meeting and provide a walk-thru of the plan. Mr. Mishoe seconded and motion carried.

3. City Transmission Improvements Proposal

Mr. Cotton made a motion that the Board approve alternative 1 contained in the Board Memorandum dated September 8, 2008, that was submitted as part of the September 2008 Board package – specifically, Design South’s Proposal dated October 16, 2007, as revised by Design South’s Preliminary Engineering Summary dated September 16, 2008, as guaranteed by the City of Anderson and the City of Clemson in accord with terms included in a Memorandum dated July 16, 2008.

(Copies of Design South’s Proposal dated October 16, 2007 (Exhibit 1), Design South’s Preliminary Engineering Summary dated September 16, 2008 (Exhibit 2), and the Memorandum dated July 16, 2008 (Exhibit 3) are attached and made part of this motion.)

Mr. Mishoe seconded the motion.

These copies were made available to all Board members and are attached to the file copy of these minutes.

Chuck Joye, of Design South, handed out a Preliminary Engineering Summary and answered any questions.

Belton Zeigler, of Pope Zeigler LLC, reviewed the response to the letter sent to Attorney Frank Gibbs on Design South alternative proposal.

Mr. Willett had several questions for Design South after which a vote was taken.

Those for the motion made by Mr. Cotton were: Big Creek, Central, Clemson, Homeland Park, City of Anderson, Pendleton and Belton Honea-Path.

Those opposing were: Broadway, Hammond, Powdersville, Sandy Springs, Starr-Iva, West Anderson and Williamston.

This is an amendment made at the October 15, 2008 meeting to reflect the outcome of the vote. A motion was made by Mr. Gibson and seconded by Mr. Turner to amend the minutes. Motion carried.

The votes in favor of the motion made by Mr. Cotton were assumed to have been enough to pass. However, once the flow votes were counted, the motion failed, 513-501.

With no further business, a motion was made to adjourn by Mr. Mishoe and seconded by Mr. Davis. Motion carried.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'David Davis', with a long horizontal flourish extending to the right.

David Davis
Belton Honea-Path