

**MINUTES
REGULAR MEETING
FAIRFIELD JOINT WATER SEWER SERVICE
AUGUST 4, 2021**

Present: John McMeekin, Jason Taylor, Tim Roseborough, Brad Caulder, Kyle Crager, Commissioners.

Others Present: C.D. Rhodes, Patti L. Davis, Scott Elliott, Ty Davenport, Chris Clauson, Bill Bingham, John Hoefer, Chad Johnston.

The Fairfield Joint Water Sewer Service met in regular session on August 4, 2021, at 6:00 p.m. at the Fairfield County Government Complex Building. In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80 (e), as amended, the following persons and/or organizations have been notified of the time, date and location of this meeting: The Independent Voice of Blythewood and Fairfield, The Country Chronicle and four hundred ninety-two other individuals.

1. CALL TO ORDER

In the absence of a Chair or Vice-Chair at this time, Mr. Rhodes called the Regular Meeting to order at 6:03 p.m.

2. APPROVAL OF AGENDA

Motion made by Commissioner McMeekin, seconded by Commissioner Crager, to approve the agenda. ***The motion carried unanimously 5-0.***

3. APPROVAL OF MINUTES

Motion made by Commissioner Crager, seconded by Commissioner Taylor, to approve the Regular Meeting minutes of June 18, 2020. ***The motion carried unanimously 5-0.***

4. BACKGROUND AND UPDATE ON FJWSS

Mr. Rhodes stated there are now three new members on the Commission, so he believes it would be helpful to review the background of the Commission, to include why the Joint System was created and where we are today. The Fairfield Joint Water Sewer System was created as a joint system under South Carolina law. It is a very particular type of local government as authorized by statute, and it may only be created when two or more local governments agree to come together to create this new corporate entity. Joint systems are created for a specific purpose. The FJWSS was created to provide water and sewer service and was created under a statute that is specifically crafted to allow local governments to come together to build and finance large water and sewer infrastructure projects. It was created in 2019 by Fairfield County and the Town of Winnsboro with the goal of allowing for the construction of a

wastewater treatment plant. There is a real need for wastewater treatment capacity in the County. The lack of this is inhibiting growth, particularly commercial and industrial growth, but also residential growth. Building a wastewater treatment plant is an incredibly expensive endeavor and is a difficult thing to do from scratch. A joint system is an ideal vehicle, for a number of reasons, for the construction of a large, very expensive project like a wastewater treatment plant. This was the original goal when the FJWSS was created. The conversations toward this end started in 2018, and there were a lot of questions at this time as to how to get to the point where we are today, with the biggest obstacle being funding. Over the years, several different iterations and concepts were discussed as to how this plant could be funded. The insurmountable cost obstacle has now been surmounted through the settlement with Dominion, and we are now ready to hopefully start the process at a pretty quick pace to begin construction on the plant. Over time, the purpose of the Joint System has somewhat shifted. The Department of Commerce initially insisted that the County and the Town take a regional approach to wastewater treatment within the County, and they saw the Joint System as the best way to make sure the regional approach was followed. This is certainly still an incentive; however, today we find what the Town can bring to the table and what the County can bring to the table coming together in a way where both can benefit. The Town has customers that it is willing to transfer to the Joint System to provide the initial seed money and also seed waste. Winnsboro also controls, through the 208 Plan, most of the designated management area in the County in which development is likely to take place. Winnsboro has been willing to donate some of its designated management area to the Joint System so that, over the years, the Joint System will have its own customers and be an independent utility that is not reliant on its members for funding. The Town is, therefore, bringing an essential element to the table, and the Joint System will not work without all the items Winnsboro is offering. The County, for its part, is now able to bring funding to the table. The County needs the Town to be able to use the money to build a wastewater treatment plant to attain a viable system. When these two important parts come together, funding and customers, a new viable utility can then be created. The funding problem has now been solved, and over the next few months, there are a number of regulatory issues to get past before construction can be started on the plant. This will be discussed later, but the first hurdle will be to amend the Central Midlands 208 Plan to allow the plant to be located in the County and to give the Joint System a customer base. This will be essential for it to be a viable, independent, operating utility. We will be discussing the various steps that need to be taken in order to allow the 208 amendments to be presented to the Central Midlands COG. Mr. Rhodes then invited questions. Commissioner McMeekin asked for Mr. Rhodes to elaborate further on the PER.

Per Mr. Rhodes, the PER (Preliminary Engineering Report) is a document to be developed before moving forward with a large infrastructure project such as this. In this case, this is an essential document to all of these procedural steps that will be taken over the next few months. In order to approach the COG for the 208 Plan amendments, the PER is the document they will rely on to explain exactly what is being planned. Mr. Rhodes requested for Mr. Bill Bingham of American Engineering to explain further. Per Mr. Bingham, the PER is the beginning document for the 208. The 208 is a plan that is adopted in each of the Council of Governments for each area of the State, and it basically identifies the areas. The EPA has constructed this so that each management agency will be responsible for what is going on with their wastewater treatment. This was all a part of the Clean Water Act which was established in 1972. The first step for the 208 amendments will be for plans to be submitted to DHEC followed by applications for DHEC permits, and they will then ask the COG if this is in conformance with the current 208 Plan. If the 208 Plan does not address what is being proposed, the answer will be no, and approval must be obtained before moving forward. The COG has an important role in the planning of the overall region. Fairfield County is a member of the Central Midlands COG, and this is comprised of Fairfield, Newberry, Richland and Lexington Counties. An important piece of the PER is looking at all the alternatives that may exist instead of putting in a wastewater plant. In Fairfield County, the only plants that exist are the Winnsboro Plant, which is near capacity, and the Ridgeway Plant, which is not capable of taking anywhere near the amount of flow that is needed. The PER is addressing all possibilities and why they are or are not a possibility. Each objective is being reviewed to decide how each would look and how each may or may not work. The PER also addresses the waste load allocation given by DHEC. There is a waste load for Big Cedar Creek, Wateree, Broad River and Sawney's Creek. This information would include what limits would be on the wastewater. The engineering calculations are needed to see if it is possible, using the best available technologies, to treat the effluent. Then, long term viability is examined with the current waste load allocations being 2M gallons a day and 4M gallons a day. Mr. Bingham stated the 7Q10 flow of the creek is examined, which is the lowest flow in the creek for seven days in the last 10 years. The PER is a very technical document and is tailored specifically to go to the COG because it is an "ask"; therefore, all of this information must be presented. An NPEDS permit is needed, and this is the license to put wastewater into a body of water.

5. ELECTION OF OFFICERS

Mr. Rhodes stated the last time officers were elected was the very first Organizational Meeting of the Joint System. A slate of officers was presented

at that time, and after discussion, this slate was voted on. The structure last time was consistent with the Mayor serving as Chairman, County Council member serving as the Vice Chair, Mr. Taylor was recommended to be the Treasurer and Mrs. Davis served as the Secretary. The Chair, Vice Chair and Treasurer must be members of the Commission, however, the secretary does not. Therefore, based on the last structure, Mr. Rhodes proposed the following slate of officers:

Chairman – John McMeekin
Vice Chairman – Tim Roseborough
Treasurer – Jason Taylor
Secretary – Patti Davis

Motion made by Mr. McMeekin, seconded by Mr. Crager, to approve the above listed slate of officers for the Fairfield Joint Water Sewer System. ***The motion carried unanimously 5-0.***

At this time, Mr. Rhodes suggested that items 6 and 7 be flipped on the agenda. Motion made by Mr. Taylor, seconded by Mr. Crager, to amend the agenda to flip the order of items 6 and 7. ***The motion carried unanimously 5-0.*** Chairman McMeekin then presided over the remainder of the meeting.

6. AMENDMENTS TO CENTRAL MIDLANDS 208 PLAN

Mr. Rhodes referred to Resolution No. 2021-01 – A Resolution of the Fairfield Joint Water and Sewer System Commission Approving an Application to the Central Midlands Council of Governments for Certain Amendments to the 208 Water Quality Management Plan for the Central Midlands Region. Among many things the 208 Plan does is it designates certain local governments to plan for wastewater treatment within specific areas. Within the Central Midlands region, which includes Richland County, Newberry County, Fairfield County and Lexington County, each county is divided among the utility providers within the county, and all the utility providers are charged with planning for wastewater treatment within their respective areas. Mr. Rhodes then referred to a map shown by Mr. Bingham depicting the designated management agency areas for Fairfield County, which includes Town of Winnsboro, Fairfield County, Town of Ridgeway and Mitford. These entities are charged with controlling wastewater service and treatment within their specific areas. Another aspect of the 208 Plan is the approval of wastewater treatment facilities within each county. If a new management agency is added to a county, such as the Fairfield Joint System, which would change the layout of the boundaries of the management areas as shown on the map, or if a new wastewater facility is being located in the county, those would all be amendments to the 208 Plan

which must be approved by the COG, and ultimately by the Governor, DHEC and the EPA. The Council of Governments is the first step in that process. What is being requested of the COG is to approve both the Fairfield Joint System as a management agency within Fairfield County and to approve some new boundaries to the management agency areas that will give the Joint System its own agency area. Request will also be made to approve the location of the new plant within the southern part of the County. Back in 2020 when this process really started, all of Fairfield County, the Town of Winnsboro and the Town of Ridgeway approved Resolutions that supported some amendments to the 208 Plan, and one of those amendments was that Winnsboro, Ridgeway and the County would all give up some portion of their designated management areas so that the Joint System could have its own management area. Mr. Bingham then showed the proposed designated management area for the Fairfield Joint System on the map, to include along I-77 (Megasite), which was critical to the initial discussions. Those Resolutions all contemplated the map as shown and also contemplated that the plant would be located in the southeastern portion of the County somewhere along Cedar Creek and discharging into Cedar Creek. However, that plan has shifted over time, and currently the plan is to discharge into the Broad River. Because of the language used in the original Resolutions, they must now be changed to support the application to the COG to reflect what the various governing bodies have approved. The current document provided to the Commission is a Resolution whereby the Joint System affirmatively informs the COG that it is willing to accept the responsibilities of a management agency. The location of the plant is listed as the southern part of the County with the specific site still undetermined. It further gives the authority to the Chairman, legal counsel and other officers of the Joint System to make the application to the COG for the 208 Plan amendments. That application will have to be supported by one of the existing management agencies in the County, so either Ridgeway, Winnsboro or the County, and this issue will be worked through as the application is finalized. Motion made by Commissioner Crager, seconded by Commissioner Taylor, to approve Resolution No. 2021-01. Commissioner Crager inquired if the revised Resolution would need to go back through the three entities again. Mr. Rhodes agreed that this will need to happen. The location of the plant is the item that is changing with management areas remaining the same. Vice Chair Roseborough inquired concerning the location of the plant. Mr. Rhodes stated the plant does not necessarily have to be in a specific entity's management agency area, but authorization would be needed from the entity that controls the area in which the plant is going to be located. In this case, the plant is most likely going to be located within Winnsboro's management area. An Agreement with Winnsboro will be discussed further with the Commission not being asked to approve anything tonight, but there

is an agreement between the Joint System and Winnsboro that deals with several matters, including the transfer of some customers, some service area that Winnsboro may give to the Joint System within the southern part of the area delineated on the map and would also give the Joint System the authorization of the 208 Plan to site a plant within Winnsboro's agency area. Vice Chair Roseborough further inquired concerning placing the plant in the Town of Winnsboro area. Mr. Rhodes stated it will not be within the Town of Winnsboro itself, such as the corporate limits of the Town, but would be in their territory. A meeting was held today between the engineers and lawyers to talk through some of these issues, and the very slight possibility was discussed that the plant might need to be located within Fairfield County's area. If this is the case, then we would need Fairfield County's authorization to locate the plant there; however, Mr. Rhodes feels this is unlikely to happen. Chairman McMeekin stated effectively the location of the plant is being changed, and also questioned further the map. Per Mr. Rhodes, the map is the same as what Ridgeway has previously approved. They will be asked to re-approve the 208 amendments which includes the map. For the next agenda, an item will be listed to bring Ridgeway into the Joint System. There are no anticipated problems, but it will need to go back before the Ridgeway Council for approval. ***The motion carried unanimously 5-0.***

7. PROPOSAL TO ADMIT THE TOWN OF RIDGEWAY AS A FJWSS MEMBER

Per Mr. Rhodes, included in the agenda packet was a one page proposal for the admittance of the Town of Ridgeway. When Mr. Rhodes last met with the Town of Ridgeway, the request at the time was that they adopt a resolution supporting the amendments to the 208 Plan, which they agreed to do. Their condition was that they be admitted to the Fairfield Joint System. At the time of the request, it was not known what structure the Joint System was going to take. Now that there is a path forward, it is time to make a formal approach back to Ridgeway for membership in the Joint System. Under State rules, if an entity is a member of a joint system, they must also have representation on the board of that joint system. Ridgeway would need to adopt a resolution similar to the resolutions that were originally adopted by the County and the Town where a determination is made that it is beneficial to the citizens for them to become a member of the Joint System. The County and the Town of Winnsboro would also both have to adopt resolutions supporting the addition of Ridgeway as a new member. We are now at the point for the Joint System to approve the proposal to the Town of Ridgeway for the parameters of their admission. The following is the process for admitting a new member to the Joint System:

- The size of the Commission would be increased from five to seven members.
- Ridgeway would have the right to appoint two representatives to the Commission, similar to Winnsboro and the County. From the County, the current structure includes the Chairman of County Council **or** a Council Member **and** the County Administrator from the County. From the Town of Winnsboro, this would include the Mayor **and** the Town Manager. Jointly, the County and Town of Winnsboro appoint a citizen of the County or one of the municipalities of the County. Ridgeway would have similar rights with one member being the Mayor **or** member of the Ridgeway Council **and** Ridgeway's Public Works Director **or** designee serving ex officio.
- Fairfield County and Winnsboro will continue to appoint two representatives each.
- Fairfield County and Winnsboro will retain the ability to jointly appoint the seventh Commissioner. This is done because Fairfield County and Winnsboro are bringing the critical pieces of this puzzle to the table.

The financial commitment would include:

- Ridgeway would have no obligation to contribute financially under current Cost-Sharing Agreement. Currently, the Town of Winnsboro and the County are dividing the day-to-day costs of the System, which currently consist mainly of attorney fees. The engineering costs are being paid by the County, but this is being done through a grant with the Department of Commerce. The proposal is that this agreement remain in place.
- Fairfield County and Winnsboro will continue to split FJWSS costs 75/25 with 75% paid by the County and 25% paid by the Town of Winnsboro.
- These financial commitments are preliminary and will be superseded in the future by a Participation Agreement among the parties.

Ridgeway's capacity in the plant or connection to the plant will be determined by agreement among the parties at a later date.

Motion made by Commissioner Taylor, seconded by Commissioner Crager, to approve the proposal to admit the Town of Ridgeway as a Fairfield Joint Water Sewer Service member. Commissioner Caulder inquired concerning the proposed changes to the By-Laws and when will the 75/25 split of the costs be re-evaluated. Mr. Rhodes states this will fall by the wayside pretty soon, and the Cost Sharing Agreement between the County and the Town of Winnsboro documents this. It states expressly that it is only intended to carry through

the point that there is actually an operating fund. This agreement will be replaced by a very robust Participation Agreement. All of the individual agreements will be contained in the Participation Agreement. It will lay out how the funding of the construction of the plant will work, determine either how the capacity of the plant is allocated initially or how it will be allocated over time as the members need it and, most importantly, it will deal with the funding of the operations of the Joint System. The 75/25 structure currently, in a normal month, entails several hundreds of dollars, and in a busy month, this could be a few thousand dollars. These are not big numbers, and once we get to the operation of a utility, this should be allocated on a fair basis. Mr. Rhodes stated exactly what the basis will be has not yet been determined, and there will be many ways to do this. In some cases, this is divided based on customers, which would not be applicable in this instance, and in other cases, it is based on capacity. This will be worked through over the next few months dealing with legal counsel for the Town and the County, and everyone will have the opportunity to weigh in on this matter. Each party will need to be comfortable and make sure they understand all that the Participation Agreement will entail, because it will entirely replace the original Cost Sharing Agreement. Chairman McMeekin remembers discussions concerning the Joint System beginning in 2017, and he remembers this split was just to get things up and running and is a temporary agreement. Commissioner Crager questioned, as a point of clarification, is the motion on the table for the amendment of the By-Laws dated July 30 as included in the packet. Mr. Rhodes stated the motion is not on the By-Laws as the By-Laws can only be amended at a Special Called Meeting that is called for that purpose. The By-Laws do not need to be amended until all the steps have been taken to actually admit Ridgeway as a member. This draft was given as information, and this document will hopefully be amended in the near future. Vice Chair Roseborough inquired concerning the second member from Ridgeway and if that member will have voting rights. Per Mr. Rhodes, service will be by virtue of a position that is held. For instance, for Mr. Caulder's seat, anyone who is the County Administrator or Interim County Administrator sits in that seat. Likewise for Mr. Taylor's seat, anyone who is the City Manager of Winnsboro sits in that seat. It does not matter who it is, and whoever holds that position is automatically placed in that seat on the Joint System's board. By virtue of the Public Works Director's role in Ridgeway, that person is on the board of the Joint System and will be a voting member. ***The motion carried unanimously 5-0.***

8. FJWSS/WINNSBORO SERVICE AREA AGREEMENT

Mr. Rhodes stated this is not an action item, but a draft is being provided concerning the Intergovernmental Wastewater Service Area Agreement. This

agreement does three things, the first of which being the location of the plant having Winnsboro authorize the Joint System to locate a plant within its management area. The second item is the transfer of customers from the Town of Winnsboro to the Joint System. Before now, this was only a verbal agreement. This is important to allow better opportunities for industrial growth, and it is also important in that the Joint System will have some flow on day one to operate. There are also provisions in the agreement to protect the customers. Finally, the third item pertains to the transmission line, which will, in this case, be long. It will run through the southern part of Winnsboro's management area. One of the benefits of having the plant located on the Broad River is that over time it can connect additional customers to that transmission line. In very general terms, this is what this agreement does. This has been reviewed by regulatory council that represents the Joint System and the Town's attorney. This document is a draft, but it will ultimately require the approval of Town Council and the Joint System. Hopefully, a more accurate draft will be offered at the next meeting. With no questions, Chairman McMeekin stated this will be taken as information.

9. ENGINEERING SCOPE OF WORK

Mr. Rhodes disseminated a document to the Commission members concerning additional scope of work for American Engineering. This firm was originally obtained by the Joint System by Resolution pursuant to the Procurement Policy to provide engineering services in order to get to the point where a plant was ready to be designed. The scope of work to actually design and build the plant will be done pursuant to a Request for Qualifications competitive process. Under the Joint System's Procurement Policy, it can retain professionals to do professional services. It can hire who it thinks is best qualified and best able to provide those services if it so desires. Since that time, there have been a couple of scopes of work that have been approved. Mr. Rhodes asked for Mr. Davenport to further explain what this entails and the next steps. Mr. Davenport stated there were two scopes of work approved to date. The first scope was deciding to use American Engineering to review and analyze the PER that Thomas & Hutton had previously supplied. They will use any information gleaned from this report that can be used in the future. This analysis has been completed, and the next scope of work will be for them to get us to a point where we had not been able to get an allocation in the Broad River. We had a location to discharge along with the PER to present, and they will carry us through the process to the territory realignments that were discussed and move toward hopefully getting a discharge permit. Per Mr. Rhodes, the next scope of work to be approved, which is still under the original authorization but it is being brought back to the Commission for approval, is to get to the point through preliminary design and through application for the

NPEDS permit that will get us to the point where we are ready to send out the RFQ for the actual engineering design work for the plant itself along with overseeing construction of the plant. That said, Mr. Rhodes had hoped to get this pulled together a little earlier. This document should be needed over the next 30 to 60 days, but it is not needed today. Given that no one has had the opportunity to review this information, this is being presented only for informational purposes. This will be brought back before the Joint System at the next meeting, which Mr. Rhodes expects to be next month, for approval. Delaying this by a month will ultimately not hold up the preliminary design work and ultimately make the application for the NPEDS permit. With no further questions, Chairman McMeekin stated this will be taken as information as stated by Mr. Rhodes.

Mr. Rhodes introduced Mr. John Hoefer and Mr. Chad Johnston with the firm of Willoughby & Hoefer. They have been retained as regulatory counsel for the Fairfield Joint System, and they are well versed in the 208 processes and the approvals needed from DHEC and other agencies. They have been involved in this process with the Joint System for around a year. They can provide any needed legal advice, but this should be shared only during an executive session.

10. EXECUTIVE SESSION: (The following statement is provided in compliance with the South Carolina Freedom of Information Act: Subsequent to Executive Session, the Commission may take action on matters discussed in Executive Session.)

Executive session was not needed at this meeting.

11. ADJOURN

At 7:11 p.m., it was moved by Commissioner Taylor, seconded by Commissioner Crager, to adjourn. ***The motion carried unanimously 5-0.***



PATTI L. DAVIS
SECRETARY



JOHN MCMEEKIN
CHAIRMAN