



P.O. BOX 607, LYMAN, SC 29365
307 SPARTANBURG HWY, WELLFORD, SC 29385
TELEPHONE (864) 439-4423

May 10, 2023

Rep. Max Hyde
402B Blatt Bldg.
Columbia 29201

Re: SJWD WTP Capacity Replacement Project – Appropriations Request

Rep. Hyde,

SJWD Water District owns and operates a conventional water treatment plant that was originally constructed in 1923, which SCDHEC records indicate is one of the oldest functioning plants in South Carolina. This facility is reaching its end of life, and SJWD intends to phase out its use over the next 5 to 10 years. Additionally, the District also owns and operates a newer membrane filtration water treatment which was constructed in 2012.

SJWD's service area is growing rapidly. In fact, current population projections predict that over the next 20 years, most of the growth in Spartanburg County will occur within SJWD's service area. As such, reliable, affordable water service is vital for continued growth and reliance on the 100-year-old water treatment plant is not prudent. Consequently, SJWD plans to replace the conventional treatment plant capacity with more reliable membrane filtration capacity. The estimated cost for this project is \$45 million.

SJWD's Capital Improvement Plan (CIP), which is approved annually by our Board of Commissioners, details the cost of each capital project for the next 20 years. This plan is used to structure a financial plan that provides adequate funding of projects while also stabilizing rates. The District has planned for and included the \$45 million capacity replacement project in our capital plan for several years; however, the unplanned \$18 million expenditure of the Lyman Lake Spillway replacement, due to damages which occurred because of historic flooding in February 2020, pushed the capacity replacement project out further than needed to meet growing water demands.

A contribution of \$7 million from the state would allow the District to proceed with this important capital improvement project more closely to the original schedule by helping offset the unplanned \$18 million expense. Additionally, because membrane filtration is capable of meeting more stringent treatment regulations reliably this project helps better position SJWD to meet increasingly more stringent EPA regulations.

If you have any questions or need additional information, please do not hesitate to call me at 864-949-2804.

Sincerely,

A handwritten signature in black ink that reads 'Billy Y. Cothran III' with a stylized flourish at the end.

Billy Y. Cothran III, P.E.
Chief Executive Officer
SJWD Water District