

Consolidation to Address Violations and Funding Needs – City of Florence and Town of Timmonsville, South Carolina:

A Drinking Water and Clean Water State Revolving Fund Success

Timmonsville is a town in Florence County, in northeastern South Carolina. It is about 75 miles east of the state capital in Columbia. The population by race is predominantly black or African American.

Issues Facing the Water System

The Town of Timmonsville received several deficiencies and Consent Orders (CO) for its public water system between 2006-2013. At that time, the Town was also in default on a US Department of Agriculture—Rural Development (USDA-RD) loan of \$6 million that prevented the Town from receiving further grant assistance.

Were there technical, financial, or managerial (TMF) capacity issues at the system?

The town was having both drinking water and wastewater issues with technical, managerial, and financial capacity. Due to a prevalence of leaks and undersized lines, the entire system lacked the ability to maintain adequate system pressure and due to the lack of a backflow prevention program did not have distribution system protection from cross contamination. The wastewater system also needed repairs and upgrades to the treatment plant; rehabilitation of existing sewer lines and installation of new sewer lines; as well as manholes and pump stations.



What approach was ultimately selected to solve the problem(s)?

The City of Florence agreed to assume responsibility for operations and maintenance of the Town of Timmonsville's water and sewer system. This effort included comprehensive infrastructure upgrades and improvements utilizing multiple funding sources to bring the Timmonsville system into compliance with regulatory requirements as well as meet future demands.



The City of Florence agreed to take on the Town's debt and interconnect with Timmonsville based upon a hydraulic model developed for the Timmonsville water system. The major source of water loss was at the downtown Main Street Water Plant which was losing more water to the environment than it was pumping into the system. Therefore, the City of Florence completely disconnected this water production facility from the system. Based upon the

Timmonsville Demographics:

Population: 2,369

African American Race: 86.9%

Median Household Income: \$40,850

SC MHI: \$60,097

Poverty: 35.41%

Employment Rate: 43.3%

Bachelor's Degree or Higher: 6.2%

Homeowner Rate: 46.9%

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water model analysis, improvements were implemented which resulted in stabilization of the water distribution system and restored fire protection system wide.

The designed outcomes for the drinking water system were to achieve completion within the approved five-year time provided for by the CO, obtain regulatory compliance, gain community trust for service provided, and to maintain customer rates.

Benefits of proper management and billing of customers within the former Timmons ville system will result in a rate reduction within the City's next ten-year rate cycle for water service. This reduction will allow water service to equal the rate for current City of Florence customers.

What funding and/or technical assistance was provided?

This project is a great example of regulatory agencies, municipalities, and stakeholders coming together to solve a problem through the implementation of long-term solutions and cooperative finance programs.

- The \$7.2 million drinking water project was funded by seven entities that worked together. The new 300,000 gallon elevated storage tank was funded through a \$500,000 SC Rural Infrastructure Authority (RIA) grant as well as a \$700,000 DWSRF loan in 2016. Funding was also provided from the City's revenues, the US Department of Housing and Urban Development's Community Development Block Grant (CDBG) program, the Economic Development Administration, USDA-RD, the South Carolina Rural Infrastructure Bank, and the State Transportation Infrastructure Bank.
- DWSRF \$2.3M Loans, \$1M Principal Forgiveness
- \$1.2M CDBG, \$1M EDA, \$800K USDA RD, \$600K SCRIA, \$429k State Trans. Infra. Bank.
- The wastewater system improvements were funded through a combination of city system revenues and three CWSRF loans totaling \$8.5 million, with \$1 million in principal forgiveness.

How have things turned out?

This successful consolidation project by the City of Florence was completed in October 2019. With the rehabilitation of the Timmons ville system to meet both federal and state guidelines, this project enhanced the quality of life of the community and positively impacted economic development. This achievement allowed Honda of South Carolina to move forward with a \$45 million-dollar expansion of the Timmons ville facility in August 2016, resulting in 245 new jobs helping to stabilize the economy of the Town of Timmons ville and Florence County. By stabilizing the Timmons ville Community and bringing the system into compliance, the City removed a barrier to development for both Timmons ville and Florence County and positively portrays Florence County as an attractive place to live, play, and provide professional development opportunities that attract industries and individuals. This will continue to promote and advance the region forward.



