

BOARD OF COMMISSIONERS

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Dear Valued Community Member, At Renewable Water Resources (ReWa), our goal is to promote a cleaner environment and protect the public health and water quality of the Upstate waterways, while providing and developing the necessary sewer infrastructure for growth. Our new name — Renewable Water Resources — reflects our promise to protect, clean and renew the valuable environmental resources of our community.

This past year, ReWa released the 2009 Upstate Roundtable Report, a regional strategic plan to guide the organization through 2030. Sustainability is one of the major concepts drawn from the planning collaborative. ReWa continues to evaluate ways to provide service while minimizing unnecessary consumption of resources and promoting stewardship of water, land and energy.

Renewing environmental products that are a result of the wastewater treatment process is another way ReWa is working to sustain our resources. You can learn more about the organization's plans for hydroelectricity, purple pipe effluent systems, and methane gas reuse with the Upstate Roundtable's "in action" examples on pages six and seven.

In this 2009 Annual Report to the Community, you will find information regarding our strong financial position, community partnerships and highlights from our accomplishments over the past year. This report and additional information can be found at www.rewaonline.org. We welcome you to visit our web site, and to contact us with any questions or customer feedback.

Thank you for your continued support.

Sincerely,

Ray T. Orvin, Jr.

EXECUTIVE DIRECTOR

Ray T. Osin Jo

Drinking Water, also known as potable water, is retrieved from local waterways and treated with small amounts of chemicals, such as chlorine, to kill any germs or environmental elements. Fluoride is also added to drinking water to minimize tooth decay. These treatments are performed by drinking water providers, like the Greenville Water System, to achieve optimal water for human consumption.

ReWa is responsible for providing clean, reusable water that is made safe before it is returned to the environment. ReWa's system receives wastewater from homes, businesses and industries. Our extensive treatment process removes waste, then filters and disinfects the water to achieve **Clean Water**.

Renewing Resources – ReWa is focused on developing sustainable alternatives to ensure that our limited resources will be available for future generations. Please refer to our "in action" examples discussed on pages six and seven.

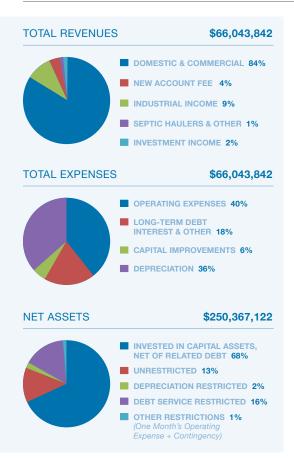
Clean Water Act of 1972

The Federal Water Pollution Control Act Amendment of 1972 was established in response to the growing public concern for controlling water pollution. As amended in 1977, the law became known as the Clean Water Act. The purpose of this law was to establish a standard for regulating what enters the water environments of the United States. This standard established the need for pollution-control programs and set water quality standards for all clean water providers.

NPDES

Authorized by the Clean Water Act, the National Pollutant Discharge Elimination System (NPDES) permit program controls water pollution by regulating sources that discharge into rivers, lakes and streams. The permitting system is managed by the United States Environmental Protection Agency (EPA) in partnership with state environmental agencies. All ten of ReWa's treatment plants were recognized this past year for their compliance with the NPDES requirements.

financials



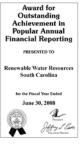
Renewable Water Resources (ReWa) continues to maintain strong financial health. Through long-range planning, like the Upstate Roundtable, ReWa has been able to increase capacity and improve the quality of treatment. The Upstate Roundtable was reconvened in fiscal year 2008 to align the regional wastewater capacity and infrastructure with projected growth, while promoting environmental sustainability. The report was finalized in May 2009 and identified \$809.7 million of capital improvement projects which will be incorporated into ReWa's twenty-year capital plan. ReWa is dedicated to enhancing the quality of life in our service area by providing high quality wastewater treatment services.

ReWa's financial position remains sound. Net assets increased approximately 1.5% or \$3.8 million to \$250.4 million. Although there was a slight increase in domestic and commercial customer revenues in fiscal year 2009, total revenues decreased 4.2% to \$66.0 million due to a reduction in new account fees and investment income. Total expenses increased by 0.8% or \$0.5 million to \$62.2 million due to increases in electricity and depreciation expenses.

During fiscal year 2009, ReWa issued \$30.0 million in revenue bonds and incurred an additional \$6.4 million of debt from the state revolving fund loan. ReWa continues to maintain an excellent debt coverage ratio of 1.8.

FINANCIAL REPORTING AWARDS

ReWa was presented with two prestigious financial awards from the Government Finance Officers Association in 2009. For the eleventh consecutive year, ReWa received the Award for Outstanding Achievement in Popular Financial Reporting for our 2008 Annual Report to the Community (see right). ReWa also received the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. This is the sixteenth consecutive year that ReWa has achieved this impressive award. Receipt of this award represents the highest form of recognition in the area of governmental accounting and financial reporting.



REPORT DISCLOSURE

The Abbreviated Balance Sheet (far right) presented in this report provides an overview of ReWa's financial health as of June 30, 2009. The Revenue and Expense charts present a summary of the results of operations for the period ended June 30, 2009. The Abbreviated Balance Sheet and Revenue and Expense charts summarize data from ReWa's Comprehensive Annual Financial Report (CAFR).

The CAFR is prepared in accordance with Generally Accepted Accounting Principles (GAAP). The complete CAFR is available upon request by contacting our Accounting Department at 561 Mauldin Rd., Greenville, SC 29607, by calling 864-299-4036 or by visiting our web site www.rewaonline.org. Copies of the CAFR are also on file at the County Treasurers' Offices located in our service area.

As you review this report, please feel free to share any questions or comments with us.

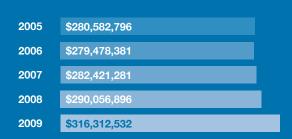
Potricia R Dennis

Patricia R. Dennis, CPA Controller

debt coverage:



long-term debt level:

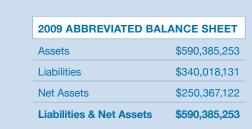


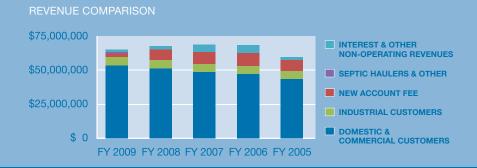
growth in net assets:

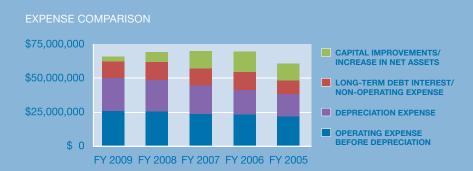
2005	\$208,643,540
2006	\$225,992,472
2007	\$239,368,805
2008	\$246,601,482
2009	\$250,367,122

balance sheet comparison:









UpstateRoundtable

In collaboration with community, business and industry leaders, ReWa reconvened a second Upstate Roundtable in early 2008 to revitalize the original 1994 recommendations. The goal was to align the regional wastewater infrastructure with the Upstate's projected growth, while promoting environmental sustainability.

The Upstate Roundtable outlines ReWa's future strategies in a regional approach within the Saluda, Reedy and Enoree River Basins, serving parts of Anderson, Greenville, Laurens, Pickens and Spartanburg Counties. Major concepts in the plan include capacity, products, funding and sustainability. (see right)



The final plan details more than 70 recommendations as a guide for growth and development through the year 2030. You can access the report online at **www.upstateroundtable.org**, along with more information regarding the history of the Upstate Roundtable. The Executive Committee coordinated efforts with the chairs of the following sub-committees to form the Strategic Planning Committee: Policy & Community Issues, Technical, Regulatory & Legislative Policy, Finance and Communications.

highlights:

Capacity This addresses what, where and when wastewater collection and treatment facilities are needed.

products clean water, in addition to gas, liquids and solids, are produced during the treatment process. These products have a value to the community and can reduce the net cost of producing renewed water.

funding This outlines the **multiple resources** that will be needed to accomplish the recommendations.

SUSTAINABILITY This addresses ways that ReWa can provide exemplary service while minimizing consumption of resources and promoting stewardship of water, land and energy for future generations.



Upstate Roundtable Chairman George Fletcher (right) discusses the report with Greenville County Council Chairman Butch Kirven (center) and Representative Bill Wylie (left)



ReWa Chairman John Boyette, welcomes attendees at the Upstate Roundtable report presentation



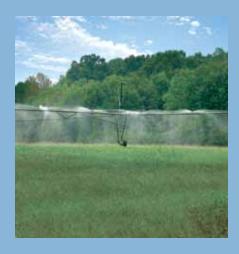
Upstate Roundtable Chairman George Fletcher presents key future plans in an informational presentation for committee members and quests



ReWa's Board of Commissioners (left to right): (front row) Willie Whittaker, J.D. Martin, George Fletcher, (second row) Gary Gilliam, Ralph Hendricks, Mike Bishop, (third row) Butch Merritt, John Boyette, Ray Orvin (Executive Director). Not pictured. Jimmy Martin.

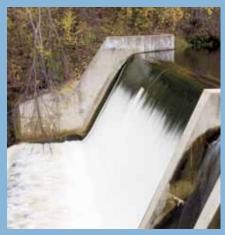
in action:

ReWa is currently incorporating several demonstration projects from the Upstate Roundtable recommendations:









Purple Pipe:

ReWa uses the effluent, or clean water, produced by our plants, for a variety of non-potable uses. This clean water is usually carried through purple-colored pipes to distinguish from drinking water pipes. ReWa's Durbin Creek facility currently irrigates with clean water.

ReWa is partnering with local businesses and governmental entities to identify and implement additional reuse options such as fire protection, manufacturing uses and irrigation.

Biosolids:

wastewater treated each day. These nutrientrich organics are beneficially reused as an environmentally-friendly fertilizer and provided to local farmers at no charge.

ReWa is researching alternatives for creating a marketable fertilizer from our biosolids.

Methane Gas:

ReWa currently uses the methane gas generated by biosolids to heat our digesters. This energy source has the potential for heating buildings, fueling vehicles and more.

ReWa will be evaluating the appropriate allocation and use of this resource in the coming years.

Hydroelectricity:

Hydroelectricity is electricity generated through the force of falling or flowing water.

ReWa is researching the potential for power generation from the flow of our plant effluent into the receiving waters.

awards

ReWa is proud to recognize the following staff and local businesses for their exceptional performance this past year.









VISIT OUR WEB SITE TO VIEW ALL OF OUR ORGANIZATIONAL. **COMMUNITY AND** EMPLOYEE AWARDS.

www.rewaonline.org







ORGANIZATIONAL AWARDS

Seven of ReWa's treatment plants-Pelham, Mauldin, Georges Creek, Lower Reedy, Durbin Creek, Grove Creek and Taylors, as well as the Maintenance Shop-won the South Carolina Chamber of Commerce Safety Awards.

Eight of ReWa's treatment plants-Durbin Creek, Mauldin, Pelham, Georges Creek, Lower Reedy, Gilder Creek, Grove Creek and Marietta—won the South Carolina Department of Health & Environmental Control's (SCDHEC) Outstanding Facility Award.

All ten of ReWa's treatment plants received Peak Performance Awards from the National Association of Clean Water Agencies. Mauldin and Pelham plants received Platinum level awards; Gilder Creek, Lower Reedy, Marietta, Grove Creek, Piedmont, Durbin Creek and Georges Creek plants received Gold level awards; and the Taylors plant received a Silver level award.

ReWa received Second Place in the Process Control Event of the Water Environment Association of South Carolina's Operations Challenge Competition.

INDIVIDUAL AWARDS

Dr. Stephen P. Graef, Acting Technical Services Director, received the 2009 Stanley E. Kappe Award from the American Academy of Environmental Engineers in recognition of outstanding service, innovation and leadership.

Robert "Tony" Walton, Collection System Manager, received the Dennis Pittman Collection System Award in recognition of exemplary operation of a collection system.

Hagan "Festus" Stroud, Line Maintenance Supervisor, was inducted into the Water Environment Federation Quarter Century Operator Club, in recognition of service and dedication for more than 25 years.

COMPLIANCE EXCELLENCY AWARDS

ReWa would like to recognize 34 local industries for demonstrating excellent compliance with environmental standards in ReWa's Sewer Use & Pretreatment Regulation. One industry in particular has demonstrated exceptional longstanding commitment:

16 Consecutive Years -General Electric Gas Turbine, LLC

VISIT OUR WEB SITE TO VIEW THE FULL LIST OF 2009 COMPLIANCE AWARD WINNERS.

community

COMMUNITY GROUPS

ReWa partners with a variety of community groups and events to extend its educational programs to the public and contribute to other environmental efforts. Below are a few examples of our outreach programs:

- Conestee Foundation's Second Annual Lake Conestee Clean-Up
- Greenville Technical College's EarthFest 2009
- Robert E. Cashion Elementary School Health Fair
- Metropolitan Arts Council's Flat Out Under Pressure art competition and recycling project
- Home Builders Association of South Carolina's Greenville Greenbuild 2009
- Upstate Forever's Third Annual Art & Conservation Celebration
- Parker Sewer & Fire District's FOG Awareness Campaign
- Roper Mountain Science Center FOG Awareness Campaign

ORGANIZATIONAL GIVING

Throughout the year, ReWa is a strong supporter of both the March of Dimes and the United Way. In addition to donations, employees support these charities through fundraising events, such as a chili cook-off, fish fry, golf tournament and the March for Babies Walk. ReWa surpassed its annual goal of \$80,000 and raised more than \$82,000 this year.

FDUCATIONAL TOURS

ReWa regularly hosts educational tours through its various facilities for community groups. Some of this vear's attendees included:

- U.S. Green Building Council at ReWa's Sustainable Administration Building
- Soil & Water Commission sponsored tour for Greenville Teachers at the Pelham facility
- University of Florida students for an alternative environmental awareness spring break
- Mauldin Middle School eighth graders tour at the Gilder Creek facility

RIVER SWEEP

In September, ReWa employees participated in its 19th Annual Reedy River Sweep, removing trash and debris from the 1.5 mile section of the Reedy River near the Mauldin Road treatment plant. The event, scheduled in coordination with the state-wide SC Beach Sweep/River Sweep, collected more than 1,500 lbs of refuse from the Reedy River. ReWa would like to thank the local Boy Scout Troop from St. Mary's Catholic School, Friends of the Reedy River and other local community members for joining ReWa's efforts to clean the Reedy River.











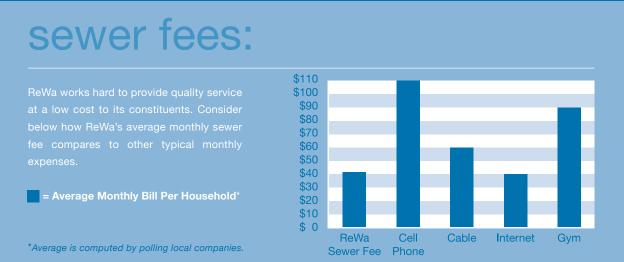


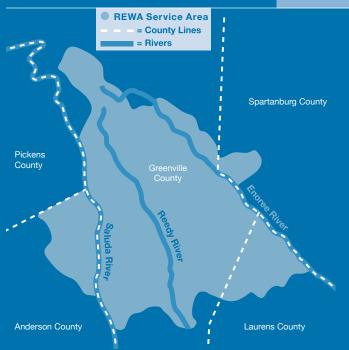




partnerships

ReWa works with 18 public partners to maintain their 1.750 miles of lateral/collector sewer lines that connect to ReWa's 340 miles of trunk lines and 10 treatment facilities. The entire system is required to meet all federal and state regulations. See our list of public partners below.





ReWa Partners:

Anderson County Wastewater Management

Berea Public Service District

City of Fountain Inn

Gantt Fire, Sewer & Police District

City of Greenville

Greer Commission of Public Works

Laurens County Water & Sewer Commission

Marietta Water, Fire, Sanitation & Sewer District

City of Mauldin

5 E. Butler Rd.

Metropolitan Sewer Subdistrict

120 Augusta Arbor Way

Parker Sewer & Fire Subdistrict

Pickens County Public Service Commission

Piedmont Public Service District

City of Simpsonville **Public Works**

Slater Water, Sewer & Light District

Taylors Fire & Sewer District

3335 Wade Hampton Blvd.

City of Travelers Rest

Wade Hampton Fire & Sewer District

capital improvements

















SEWER LINE REHABILITATION

To keep the sewer system in the best possible condition, ReWa conducts ongoing maintenance projects to reverse the damage caused by normal deterioration of underground components. In the current year, ReWa committed \$8 million to rehabilitation work, focusing on portions of the areas served by the Durbin Creek, Lower Reedy, Grove Creek and Georges Creek facilities.

DURBIN CREEK TREATMENT PLANT

Due to projected residential and industrial growth in the Durbin Creek service area, ReWa is upgrading the capacity of this plant to 5.2 MGD. The project also includes the addition of filtration and ultraviolet disinfection to produce tertiary water quality.

MAULDIN ROAD TREATMENT PLANT

Construction has been completed on this project to upgrade the Mauldin Road facility, ReWa's largest, to meet stricter permit limits set by SCDHEC. The project includes new filters, as well as the addition of ultraviolet disinfection, increased aeration capacity and additional biosolids facilities.

ADMINISTRATION BUILDING

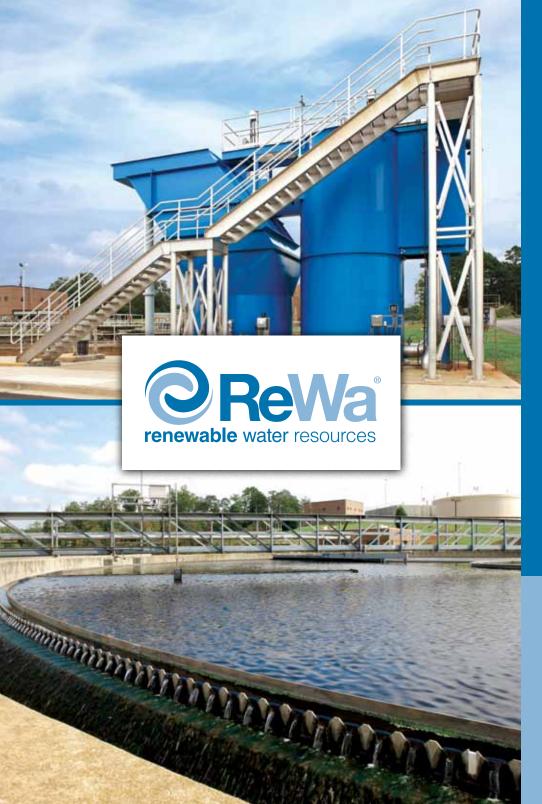
Construction was completed on a new consolidated, energy-efficient building to replace other separate, aging and maintenance-intensive facilities that housed the Engineering, Customer Service, Human Resources, Accounting, Administration, Purchasing and Pretreatment Departments. ReWa is currently awaiting LEED Certification.

TAYLORS PUMP STATION & FORCE MAIN

The Taylors Pump Station has been completed. The Taylors Treatment Plant is being taken out of service, diverting flow to the Pelham Treatment

PIEDMONT REGIONAL TREATMENT PLANT

ReWa is in the design and planning stages of the new Piedmont Regional Treatment Plant. This plant will replace the existing Grove Creek and Piedmont treatment plants. Construction is expected to begin in fiscal year 2010.



departmental directory

Administration 299-4000

Accounting 299-4036

Collection System 299-4033

Customer Service 299-0260

Engineering 299-4020

Human Resources 299-4009

Information Systems 299-4040

Labauatau

Laboratory 299-4040

Maintenance Shop 299-4050 Operations 299-4040

Pretreatment 299-4000

Purchasing 299-4000

Solids Management 299-4040

561 Mauldin Rd. Greenville, SC 29607 www.rewaonline.org



COVER IMAGES (left to right, top to bottom)

Purple Pipe Irrigation: Effluent, or clean water, is used instead of drinking water for irrigation and other processes.

Ultraviolet (UV) Disinfection: The UV disinfection process allows ReWa to disinfect the water without using a chemical treatment process.

Methane Gas Burnoff: ReWa uses methane to heat the digesters and safely burns off the excess methane gas.

Deep Bed Sand Filtration: Similar to drinking water filtration, ReWa uses deep bed sand filtration in one of the final processes of producing clean water.

BACK COVER IMAGES (top to bottom)

Phosphorus Treatment: ReWa's Mauldin Road facility includes an additional phosphorus treatment process to further reduce phosphorus in biosolids. This system was built in anticipation of lowered phosphorus limits.

Secondary Clarifier: Secondary clarifiers allow the separation of solids from liquid, producing effluent suitable for filtration and disinfection.