



GreenvilleWater

MINUTES OF REGULAR MEETING
 COMMISSIONERS OF PUBLIC WORKS
 Greenville Water
 407 W. Broad Street, Level 2,
 Greenville, South Carolina
 December 3, 2024
 8:30 a.m.

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore, Vice-Chairman James W. Bannister, Debra M. Sofield, and John DeWorken. Absent: Mayor Knox H. White. A quorum was present.

Greenville Water Senior Staff in attendance:

Chief Executive Officer Jeff Boss, Chief Administrative Officer Dr. Bob Schmidt, Chief Operations Officer Jeff Phillips, Chief Technology Officer Kenneth Frazier, Director of Operations and Maintenance Mark Hattendorf, Director of I.T. Brad Treas, Director of Operational Technical Services Jane Arrington, Director of Water Resources Elizabeth Pierczynski, Director of Business Services Steve Miller, Director of Human Resources Lisa Bryant, Director of Communications Pam Flasch, Director of Engineering David Niese, Director of Finance Jacob Polson, Director of Procurement & Contracts Will Bettis, Assistant Director of Facilities Maintenance Allen White, and Attorney Adam Bach.

The Regular Meeting of the Commissioners of Public Works of the City of Greenville, SC was called to order at 8:30 a.m. by Chairman Kilgore.

1. WELCOME

2. PUBLIC COMMENT

No comments were presented.

3. CONSENT AGENDA

Chairman Kilgore asked for questions pertaining to the consent agenda items. There being none, he called for approval of the items of the Consent Agenda which were the meeting minutes of the Regular Commission Meeting November 5, 2024, the Water Resources Report, New Development, and New Annexations. Vice-Chairman Bannister moved, seconded by Commissioner DeWorken, to approve the items of the consent agenda. The motion passed unanimously.

4. LEGISLATIVE UPDATE

Chairman Kilgore welcomed Legislative Liaison Bob Knight to provide an update. Mr. Knight reminded Commissioners of the upcoming Legislative Luncheon being held at Greenville Water's Community Room on Tuesday, December 10th. There has been a good response from Legislators.

In the previous October Commission meeting Mr. Knight had mentioned a concern that there would not be any new money after Hurricane Helene. The State announced there is \$530 million in recurring new money coming from the Board of Economic Advisors (BEA). There will also be \$1.1 billion in surplus money yet to be spent. Commissioner DeWorken stated

he had heard there will have to be a lot of money spent from the legislature that goes toward hurricane relief. Commissioner DeWorken asked Mr. Knight if he had heard this. Mr. Knight stated the question is how much will be reimbursed by the Federal government through the Federal Emergency Management Agency (FEMA). There is hope that a lot of the funds will be reimbursed by FEMA, but even if that is not the case there will still be money available.

Prefiling was set to begin this week in the Senate. Prefiling in the House of Representatives was set to begin the following week. Both the House and Senate began organizing on Tuesday.

5. NEW DEVELOPMENT FEES & CHARGES

Chairman Kilgore called on Director of Engineering David Niesse to provide a report on development fee changes. Mr. Niesse reviewed the communication plan presented to Commissioners in the October Commission meeting, adding the communication plan has been implemented. Staff met with about 2 dozen groups. Everyone was very complimentary, complementing the Commission and staff for getting out and communicating with them up front. Staff has also talked to the City of Greenville and Greenville County about the new process. There were no significant impacts on anything there. A flyer and PowerPoint document were added to Greenville Water's website under the New Development area. Staff encouraged everyone to the site. Any response to development related initiatives were referred to the website and contact Development Services with any questions. Information was distributed to the Homebuilders Association which was then distributed to all their members. Lastly, each group was met with to walk through the proposed changes including engineers and their clients.

Staff recommended to move forward with the below New Development Fees and Charges January 1, 2025:

Effective January 1, 2025		
Fee and Charge Type	Current Fee/Charge	2025 Proposed Fee/Charge
5/8" Meter Set Fee	\$ 350.00	\$ 350.00
5/8" Meter Service Installation Fee (includes meter set fee)	\$ 450.00	\$ 1,250.00
5/8" Meter Irrigation Split Service Installation Fee	\$ 500.00	\$ 1,015.00
Service Inspection Fee	\$ 275.00	\$ 275.00
1-inch Hydrant Meter	\$ 100.00	\$ 100.00
3-inch Hydrant Meter	\$ 100.00	\$ 220.00
Tanker - Private Water Use	\$ 100.00	\$ 170.00
Extension Plan Review and Inspection Fee (\$/l ft)	N/A	\$ 2.00
Commercial Plan Review and Inspection Fee	N/A	\$ 800.00
Hydrant Flow Test	N/A	\$ 130.00
Legal Review	N/A	\$ 750.00
Re-Review of Development Plans	N/A	\$ 115.00
Bacteriologic Test	N/A	\$ 135.00
Hydraulic Modeling	N/A	\$ 500.00
Backflow Prevention Device Inspection Charge	N/A	\$ 520.00

Chairman Kilgore stated that he had heard that some of the feedback from the Developers and others that met with Staff was that in comparison to other communities Greenville Water was somewhat behind in fees. The Developers and others were not at all surprised that Greenville Water was heading in this direction. Mr. Niese added several builders stated they knew they were “living the gravy train for a while.” They appreciated what Greenville Water had done in the past, but they understood that fees needed to be up to date. Chairman Kilgore added that these changes were catching Greenville Water up to the status quo for what a lot of other utilities are already doing. Mr. Niese agreed.

Commissioner Sofield moved, seconded by Vice-Chairman Bannister, to approve the New Development Fees and Charges as presented. The motion passed unanimously.

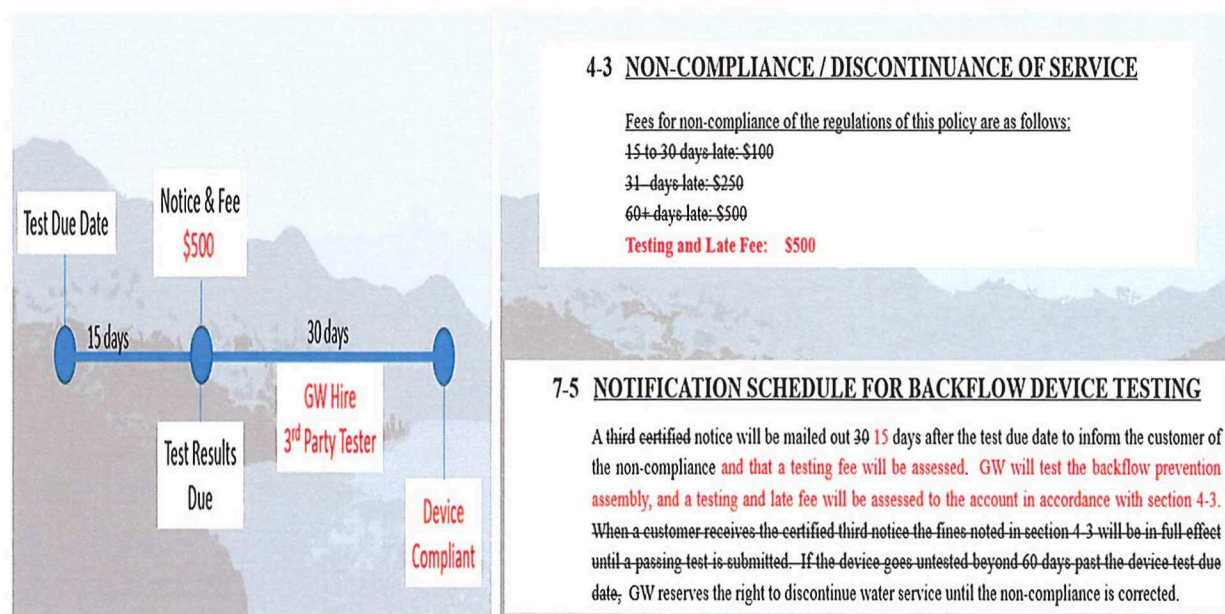
6. CROSS CONNECTION CONTROL POLICY MODIFICATION

Chairman Kilgore invited Mr. Niese to present the proposed modification to the Cross Connection Control Policy. Mr. Niese explained the policy was originally approved in 2022. The policy formalized what would be managed in the cross-connection program. One of the items included were a set of fees for non-compliance. The process was started in 2024.

Mr. Niese shared an update on how this was working and what staff had discovered. Mr. Niese walked Commissioners through Staff’s suggestions for making the process better moving forward.

There are 14,138 devices that need to be tested annually. There are about 600 monthly that are non-compliant. This takes a toll on staff just trying to get them processed, tied-in, and connected. Mr. Niese reviewed the non-compliance process which takes up to 4-6 months before cut-off. This was not the intent of the policy. Staff would like to shorten this process in order to better protect the water system.

Mr. Niese presented the proposed non-compliance process and the recommended policy modification below:



These changes will tighten the non-compliance window down from the 6-month window to about a 30-to-45-day window. Currently Greenville Water sits at about 20% non-compliant. When SC DES completed the Sanitary Survey a couple of months back, Staff asked them what their ideal number was. SC DES would like to see all utilities under 10%. The first goal will be to get under that 10% of non-compliance.

Commissioner Sofield asked why there was not a recommendation for Greenville Water to set up our own testing department instead of hiring 3rd party testers. Mr. Niese responded this would potentially be a goal once the process is firmed up. There also may be a need for new software. Staff would like to get everyone compliant, then look at options such as in house testing.

Commissioner Sofield moved, seconded by Commissioner DeWorken, to approve the recommended Cross Connection Control policy modification as presented. The motion passed unanimously. Commissioner Sofield thanked Mr. Niese and staff for clamping down on this non-compliance.

7. CAPITAL IMPROVEMENT PROGRAM CARRYFORWARD

Chairman Kilgore asked Director of Finance Jacob Polson to present the Capital Improvement Program (CIP) carryforward. Mr. Polson explained this carryforward was similar to the Operations and Maintenance carryforward brought to the Commission at yearend.

The Commission annually approves the CIP budget. These projects are primarily funded from reserves, debt, and grants. The projects have varying timelines, varying scopes, and active only months or multiple years. Currently there were 50+ active projects being managed by the Engineering department. The projected 2024 CIP spend was \$48 million. This is historically high for Greenville Water, but it is made up of the 60-inch Adkins water main project which is running around \$22-25 million by yearend, as well as the galvanized main replacement program. The impact of these projects being carried over to 2025 are limited on the capital planning model as the projects are already included in the model. The importance of this is the cash flow. Chairman Kilgore asked functionally, why is the money being carried forward. Mr. Boss explained there had not been a cash flow model before. The cash flow model needs to be accurate so that Greenville Water can plan for the next 10-15 years for big projects coming on the horizon. Chairman Kilgore clarified the carryforward will assist in the evaluation of future funding options providing accurate representation to accountants, bonding agencies, et cetera. Vice-Chairman Bannister added that this ties back into the analysis done on fees, rate changes, and bonds that was redone to have an accurate picture of what will be needed to cover debt and to keep fees as low as possible. Mr. Boss agreed, adding that this information feeds into the rate model which feeds into the cash flow model which feeds into the CIP model. Vice-Chairman Bannister asked if this had already been baked into the fee equation. Mr. Boss affirmed that it had.

Mr. Polson presented a list of the projects to be carried forward, highlighting the bigger projects. The presentation was provided to the Commission for information only.

8. UPDATED PROCUREMENT POLICY

Chairman Kilgore welcomed Director of Procurement and Contracts Will Bettis to present updates to the Procurement Policy. The policy was last approved by the Commission in 2014. The updated policy was drafted through consultation with outside legal counsel and is part of an overall review of internal policies across the board. The key changes are to align the policy with the South Carolina State Procurement Code and standards for state and federal grant compliance.

The policy changes have redefined the competitive bidding processes as well as requests for proposals (RFPs) and enhanced the sole source procurement language to include required contract language for compliance and reporting. The exempt categories dropped from 32 to 16 under the updated policy. Examples of exempt categories that have gone away are works of art, prescription drugs, advertising and marketing services and engineering services. The new exempt categories are in alignment with the State Procurement Code such as association dues, travel, utility expense, professional service providers like architects, engineers, and consultants.

Other changes include the following:

- Definition of Purchases (How to define Small Purchases)
- Types of Purchase Orders (Blanket POs)
- Added Procurement Cards
- Changed Approval Thresholds
- Technology and Systems

Chairman Kilgore stated he understood the policy updates reduce the number of exemptions, the kinds of things that are exempt from following the normal procurement procedure so that it is more inline with competitive bidding and presumably better for constituents and the public. Mr. Boss agreed and added the updates also improved internal processes for the accounting department.

Commissioner Sofield moved, seconded by Vice-Chairman Bannister, to approve the updates to Greenville Water's Procurement Policy. The motion passed unanimously.

9. CHIEF EXECUTIVE REPORT

Mr. Boss shared that Hurricane Helene repair costs are up to around \$200,000 to date. Staff is looking to FEMA and a provision for forestry within the state recovery plan for reimbursement for the watershed costs. The fire breaks within the watersheds are still dangerous for travel. The estimated repair of these breaks was still two to three months out.

The fish hatchery is back on schedule again. Staff and the Department of Natural Resources (DNR) plan to discuss options for working together repopulating the brook trout. DNR's hatchery is under repair.

The 319 Grant project at North Saluda held up perfectly during Hurricane Helene. The area flooded and then drained exactly as it was supposed to. The State inspected post Hurricane

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Helene and were very pleased with the project. Commissioner Sofield thanked staff for the project public meeting held for the community. It was a great event.

The South Carolina Department of Transportation (SCDOT) has opened portions of Old Highway 25. There are stop signs on the one lane portions. Staff was informed that the SCDOT has waived permits for construction at creek crossings in this area. This is a great concern for the watersheds. Greenville Water would like the proper permits to be issued so that environmentally sound crossings will be constructed to help in protecting the watersheds. Chairman Kilgore stated it goes without saying that the Commission certainly supports staff's efforts to request the contractors to strictly adhere to all environmental standards.

The portion of Old Highway 25 that runs from Chestnut Springs to Tuxedo remains closed. Commissioner Sofield shared that Commissioners had received calls asking about the road closure. Chairman Kilgore shared there was an unfounded rumor that Greenville Water closed Old Highway 25. Greenville Water does not have the authority to close any roads because Greenville Water does not own roads. SCDOT closed Old Highway 25. Any perception that others have that Greenville Water closed the road, somebody misinformed them. The closure was announced on the SCDOT website and SCDOT installed signs announcing the closure at the site.

10. COMMISSION COMMENTS

As a token of their appreciation for the hard work, dedication, and positive impact team members bring to Greenville Water, the Commission requested the Greenville Water holiday policy be amended to include a second floating holiday and the day after Christmas. Effective January 1, 2025, for the second floating holiday and effective December 2024 for the day after Christmas. Commissioner Sofield moved, seconded by Commissioner DeWorken, to approve the recommendation. The motion passed unanimously.

Chairman Kilgore thanked team members for everything they do and wished everyone a Merry Christmas.

11. ADJOURNMENT

There being no further business, the meeting was adjourned 9:35 a.m.



Phillip A. Kilgore, Chairman



Kimberly Haulter, Executive Assistant