



GreenvilleWater

**MINUTES OF THE REGULAR MEETING  
COMMISSIONERS OF PUBLIC WORKS  
407 West Broad Street  
Commission Room, Level Two  
Greenville, South Carolina  
October 1, 2013  
8:00 a.m.**

Commissioners of Public Works:

James W. Bannister, Phillip A. Kilgore, J. David Sudduth, and Knox H. White;

Absent: Chairman Debra M. Sofield

Greenville Water Staff:

Chief Executive Officer David H. Bereskin, Chief Financial Officer Phil Robey, Director of Business Services David Hughey, Director of Engineering Mike Sharpless, Director of Water Resources K.C. Price, Director of Human Resources Susan Rector, Director of Information Technology Joe Beineke, Controller Jondia Berry and Commission Attorney David Ward.

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The Regular Meeting of the Commissioners of Public Works was called to order at 8:00 a.m. by the Vice-Chairman, Commissioner Kilgore.

**1. APPROVAL OF MINUTES**

Commissioner Sudduth moved, seconded by Commissioner Bannister, to approve the regular meeting minutes of September 10, 2013. The motion carried unanimously.

**2. PUBLIC COMMENT**

Mike Sease, with the Roper Mountain Science Center Board, thanked Greenville Water for use of its property for the Troad 5K Trail Run and 8K Road Run. Mr. Sease stated approximately \$15,000 was raised for science education at Roper Mountain Science Center. Mr. Sease presented a framed poster and t-shirts to Greenville Water for their involvement.

Commissioner Kilgore welcomed former Commissioner Bob Howard to the meeting.

**3. WATER RESOURCES UPDATE AND RELICENSING AGREEMENT**

Director of Water Resources K.C. Price presented highlights from the Water Resources Report as provided in the Commissioners' Agenda packet. Mr. Price advised both reservoirs are at full pond with production at 61 million gallons per day. Chief Executive Officer David Bereskin stated the Corps lakes are full as well.

Mr. Price referred to the Relicensing Agreement being drafted and plans to bring a Resolution to the Commission next month allowing Mr. Bereskin to execute the Agreement on behalf of Greenville Water. Mr. Price commented on highlights in the Agreement, recommended specific sections for the Commission to review, and noted November 20 as the signing date.

Mr. Bereskin stated Duke Energy is embarking on modifications to the Oconee Plant involving a reduction in the water level. Mr. Price discussed the reduction levels and stated while the Relicensing Agreement is written to reduce the level by 10 feet, Greenville Water believes the actual number will be closer to 13 feet, accommodating the additional 5 feet built in. Commissioner Kilgore asked if the modification will be to Greenville Water's advantage, and Mr. Price responded yes. Regarding maintenance of the Oconee Plant, Mr. Price advised a draw

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down will occur around the end of October to perform maintenance which is coordinated with regulatory requirements.

#### **4. FINANCIAL UPDATE**

Chief Financial Officer Phil Robey presented highlights from the August Financial Report and recommendations on the CIP carryover encumbrances and modifications to the budget process as provided in the Commissioners' Agenda packet.

Mr. Robey discussed unfulfilled commitments at the end of the fiscal year and requested authority to carryover the budget for those commitments to the current budget. Mr. Robey advised the total is approximately \$1.3 million and the majority of funds are related to the normal system improvement program. Mr. Robey referred to the operating budget policy and requested consideration in amending the policy to allow for the Chief Executive Officer to notify the Commission at the beginning of each fiscal year of the carryover.

Commissioner Kilgore asked if the funds would impact last year's performance. Mr. Robey responded the carryover would supplement the current year budget with the amounts as opposed to charging the current year budget as approved. Mr. Robey advised the projects were budgeted, planned and contracted last year but were not completed. Mr. Robey also advised the carryover would not affect the prior year's final report.

Commissioner Sudduth moved, seconded by Commission Bannister, to approve the carryover. The motion carried unanimously.

Mr. Robey stated the fiscal year annually runs from August 1 to July 31 and recommended adjusting the fiscal year to a calendar year, allowing for a short year from August 1 to December 31 in 2014 and a new fiscal year of January through December beginning 2015. Mr. Robey also recommended preparing and adopting both budget periods simultaneously and proposed creating a bi-annual budget. Mr. Robey suggested discussing both recommendations further with the Finance Committee.

#### **5. APPROVE MEMORANDUM OF UNDERSTANDING WITH RENEWABLE WATER RESOURCES**

Mr. Bereskin announced Renewable Water Resources (ReWa) has approved Greenville Water's Memorandum of Understanding and recommended the Commission approve the MOU. Commissioner Kilgore thanked ReWa for its assistance and urged passage of the MOU.

Commissioner Bannister moved, seconded by Commissioner White, to approve passage of the Memorandum of Understanding. The motion carried unanimously.

#### **6. CHIEF EXECUTIVE REPORT**

Mr. Bereskin stated Greenville Water is continuing to work with Pickens County to transition to the Laurens County water agreement model. Mr. Bereskin advised Six Mile and Pickens County are currently dealing with controlled access and rights to growth in determining their destiny. Mr. Bereskin referred to Laurens County executing the agreement and Greenville Water receiving the \$3.5 million payment. Mr. Bereskin also referred to a meeting with West Pelzer and discussing the same agreement offer.



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Regarding the state of South Carolina, Mr. Bereskin discussed the Department of Natural Resources (DNR) receiving \$1.5 million to proceed with the state water planning. Mr. Bereskin stated it is anticipated DNR will request additional funds. Mr. Bereskin advised Chief Administrative Officer Dennis Porter, who will assist with state water planning, will join Greenville Water on October 14.

Mr. Bereskin also discussed issues with coordinating rights of way work with the South Carolina Department of Transportation (SCDOT). Mr. Bereskin commented on mismanagement of pre-engineering utilities and SCDOT not limiting rights of way work to night time which is raising costs and causing coordination issues with Greenville Water contractors. Mr. Bereskin referred to wasted costs of approximately \$18 million per year for water utilities in the state and recommended drafting language to determine how SCDOT and Greenville Water can coordinate efforts. Mr. Bereskin noted SCDOT's plan is to recommend a tax on water to pay for the work and make up the cost difference.

Director of Engineering Mike Sharpless shared Greenville Water's concern with night work and lane closures. Government Liaison Bob Knight commented on the need for better communication prior to developing engineering plans and on the lack of concern by SCDOT for utilities. Mr. Bereskin referred to a proposed gas tax increase for road and bridges costs and recommended coordination of design projects. Mr. Knight recommended the Water Utility Council meet with SCDOT Chairman Johnny Edwards and SCDOT staff to determine a long term answer.

Mr. Bereskin presented to the Commissioners a copy of the Legislative Score Card and Year in review for their information.

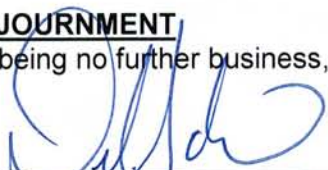
#### **7. COMMISSION COMMENTS**

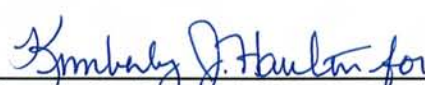
Commissioner Bannister asked for an update on the strategic planning. Mr. Bereskin responded the groups are meeting on the items previously identified and should be coming to the Commission in the next month or two.

Commissioner Kilgore asked for an update on the legislative agenda, and Mr. Bereskin responded staff is working on it. Commissioner Kilgore asked about any pre-filed bills. Mr. Knight responded the bills from last year are carried over and advised there are no pre-filed bills.

#### **8. ADJOURNMENT**

There being no further business, the meeting was adjourned at 8:54 a.m.

  
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 Debra M. Sofield, Chairman  
 Phillip A. Kilgore, Vice-Chairman

  
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 Camilla G. Pitman, MMC, Certified PLS  
 City Clerk

*Kimberly J. Haulter, Executive Assistant*