



GreenvilleWater

**MINUTES OF THE REGULAR MEETING  
COMMISSIONERS OF PUBLIC WORKS  
407 West Broad Street  
Commission Room, Level Two  
Greenville, South Carolina  
June 4, 2013  
8:00 a.m.**

**Commissioners of Public Works:**

Chairman Debra M. Sofield, James W. Bannister, Phillip A. Kilgore, and J. David Sudduth;

Absent: Knox H. White

**Greenville Water Staff:**

Chief Executive Officer David H. Bereskin, Chief Operations Officer Murray Dodd, 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 Chairman, Commissioner Sofield.

Commissioner Sofield welcomed Matthew Phillips from Troop 828 who was in attendance to work on his Eagle Scout badges.

**1. APPROVAL OF MINUTES**

Commissioner Kilgore moved, seconded by Commissioner Bannister, to approve the regular meeting minutes of May 7, 2013. The motion carried unanimously.

**2. PUBLIC COMMENT**

No comments were presented.

Commissioner Sofield asked for an update regarding public comments received last month involving customers on fixed incomes and timely payment of water bills. Chief Executive Officer David Bereskin referred to the 21 day payment window and asked if the Commission would like to increase the number of days or continue to adjust payments on a case by case basis. Mr. Bereskin advised an extension of time could substantially affect the revenue stream.

Director of Business Services David Hughey recommended 21 days as fair in comparison to other utility due dates. Mr. Hughey advised out of 582 calls made inquiring as to late payments, only 28 customers had payment issues involving the due date. Mr. Bereskin stated other utilities have a 21 to 26 day payment window. Commissioner Kilgore asked if Greenville Water can maintain 21 days and regulate on a customer by customer basis. Mr. Bereskin responded the customer by customer basis is manageable now and will be more manageable with the new system.

Commissioner Sofield presented the Initial Surface Water Withdrawal Permit to the Commission and thanked Commissioner Kilgore, as well as Greenville Water staff, for their involvement in the permitting process.



### **3. WATER RESOURCES UPDATE**

Mr. Bereskin referred to the highlights from the Water Resources Report as provided in the Commissioners' Agenda packet. Director of Water Resources K.C. Price advised the ponds are full and the state, the Army Corps of Engineering, and Duke Energy have announced we are out of the drought.

### **4. FINANCIAL UPDATE**

Chief Financial Officer Phil Robey presented highlights from the Financial Statement as provided in the Commissioners' Agenda packet. Mr. Robey advised revenues are off 5 percent and operating expenses are below 75 percent. Mr. Robey referred to the operating budget and advised staff is currently working on end of the year estimates.

Commissioner Sudduth asked if there is any way to determine with the automatic meter readings what sales comes from an initial meter versus a second meter. Chief Operations Officer Murray Dodd offered to obtain the information and review it.

### **5. CONSIDERATION TO ADOPT FY2013-2014 CIP AND FUNDING PLAN**

Mr. Robey presented for adoption the proposed FY2013-2014 CIP and Funding Plan as provided in the Commissioners' Agenda packet. Mr. Robey advised he met last week with the Finance Committee and received feedback regarding financial strategies for the next fiscal year. Mr. Robey provided information regarding funding for the CIP over the next 5 years, financing plan for proposed CIP, proposed debt issue revenue bonds for campus improvements and the Coleman Road to Gayley Project, forecasted days cash on hand, and forecasted debt service coverage. Mr. Robey reviewed the projects for the FY 2013-14 Capital Improvements budget.

Regarding the Comprehensive Master Plan, Commissioner Sudduth asked if the proposed costs are for updating the Master Plan or redoing the plan in its entirety. Mr. Dodd responded it involves updating the current plan as well as projecting out for the next five years. Mr. Bereskin commented on the history of the plan and recommended discussing whether to stay with the same firm or not and determining the objectives of the strategic plan. Commissioner Kilgore requested additional discussion regarding the quality of the firm's work product and whether the intent of the plan was achieved. Mr. Bereskin stated a meeting is scheduled for June 18 to discuss the strategic plan and the Commission's desire for securing water over the next 100 years. After discussions, Mr. Robey recommended approval of the FY 2013-2014 CIP.

Commissioner Sudduth moved, seconded by Commissioner Kilgore to approve the FY 2013-2014 CIP. The motion carried unanimously.

### **6. DESIGN OF GREENVILLE WATER CAMPUS**

Mr. Bereskin shared information with the Commission regarding entering into an agreement for architectural services with MCA Architecture for the design of the Greenville Water campus. Mr. Bereskin advised there were seven proposals received providing different tactics and suggestions for development of the campus. Mr. Bereskin commented on the need to work with MCA Architecture on redesigning a few areas of the proposal to fit the needs of the community and Greenville Water. Mr. Bereskin talked about the flexibility of the plan and the opportunities for phasing in the project. Mr. Bereskin requested the Commission's approval to begin discussions with MCA Architecture.



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Commissioner Kilgore moved, seconded by Commissioner Bannister, to allow the Chief Executive Officer to begin negotiations with MCA Architecture. Commissioner Kilgore advised the instructions from the Committee and management is to instruct the architect to work with the initial design and to modify it by removing unnecessary items.

The Commission discussed in general the proposals and the importance of the project to the Washington Street area. Mr. Bereskin commented on the plan for partial rezoning of the property, the design concept, and ways to reduce the project costs. Mr. Bereskin requested approximately three weeks to negotiate a contract prior to scheduling workshops in July. Commissioner Sudduth requested Greenville Water work closely with the City and the architect to determine the best fit along Washington Street. Commissioner Sudduth referred to the public infrastructure that has occurred over the past few years and the amount of activity at the train station.

After discussions, the motion carried unanimously.

#### **7. WATER MODELING ON KEOWEE-TOXAWAY**

Mr. Bereskin introduced Dr. George McMahon with Arcadis who presented information regarding water modeling on Keowee-Toxaway as provided in the Commissioners' Agenda packet. Dr. McMahon provided background information on the Savannah River HEC-Reservoir Simulation Model (HEC-RecSim). Dr. McMahon commented on the reasons and need for remodeling to correct and refine local inflows. Dr. McMahon provided information regarding the water levels and stated he believes the HEC-RecSim version is more realistic because it shows more triggering of the low inflow protocols.

Regarding lake levels, Dr. McMahon affirmed Greenville Water has minimal to zero impact on Lake Keowee and more water evaporates off of Lake Keowee than water used by Greenville Water on a daily basis in most cases. Commissioner Kilgore asked if Duke Energy consumes more water out of Lake Keowee for its daily operations than Greenville Water does, and Mr. Bereskin responded it does at today's demands. Commissioner Kilgore also asked how much water Greenville Water consumes on an annual basis as to the lake level, referred to his understanding of an annual withdrawal of 24 inches, and asked if two feet is a minimal impact. Dr. McMahon agreed two feet is a minimal impact.

Mr. Bereskin asked if Greenville Water is part of the inflow or last on the list affecting the storage. Dr. McMahon responded all users have equal rights because it is undivided; however, for public perception, it has been made to look like water utilities are the biggest users when in fact, they are not. Dr. McMahon stated the water use reductions do not have much impact on the reservoirs and the escalating water use that Duke Energy assumes underestimates the impact of water demands for all alternatives.

Commissioner Sofield requested Dr. McMahon's information be provided to the Commission in a document. Mr. Bereskin advised the information has already been used to support Greenville Water's position and has been a success with the Agreement in Principle (AIP). Commissioner Kilgore asked if staff is satisfied with the negotiations and information provided by Arcadis, and Mr. Bereskin responded affirmatively.



#### **8. AGREEMENT IN PRINCIPLE (AIP)**

Mr. Price provided an update regarding the Agreement in Principle (AIP) involving Duke Energy's FERC relicensing and information regarding Keowee Toxaway relicensing studies performed as part of the process. Commissioner Kilgore asked if it is understood Greenville Water is representing the interests of GWS retail customers as well as wholesale customers, and Mr. Price responded it is.

Mr. Price commented on the development of the AIP and stated the purpose is to convert it into a relicensing agreement as part of the FERC application Duke Energy will submit next year. Mr. Price referred to and commented on presentation slides in the Commissioner's Agenda packet providing information regarding reservoir elevations and water management, public creation, land protection, shoreline management, species protection and water quality. Mr. Price advised the next steps include non-binding AIP signing in July, relicensing agreement signing in November, filing of a new operating agreement request in the first quarter of 2014, and filing the license application in August 2014. Mr. Bereskin stated staff will provide a recommendation in July on what level Greenville Water should sign the AIP.

Regarding Sassafras Mountain, Mr. Price referred to a proposal to provide recreational public access and his request to be at the table during discussions due to the location of the property adjacent to the Greenville Water Table Rock property.

#### **9. IRRIGATION METER PUBLIC CAMPGAIN**

Mr. Bereskin introduced John Zwolinski to present a proposed irrigation meter public campaign for the Commission's approval. Mr. Zwolinski commented on ramifications in rolling out such a campaign and his work in answering potential questions from customers. Mr. Zwolinski provided possible communication tools for the campaign including website information, social media postings, mailers and bill stuffers.

Commissioner Sudduth asked how much traffic the website receives, and Director of Information Technology Joe Beineke responded there are approximately 23,000 hits per month for general address, office hours, and payment information.

Mr. Bereskin shared his interest in pursuing mandating irrigation meters and sensors and asked for input from the Commission. Commissioner Kilgore responded the campaign was initiated for a limited time period at a reduced price to encourage voluntary participation. Mr. Bereskin stated staff has spoken with homebuilders who are receptive to mandating. Mr. Bereskin asked for an opportunity to discuss the matter further and recommended a committee be established. Commissioner Sofield asked Commissioner Bannister to participate with her on the committee.

#### **10. CHIEF EXECUTIVE REPORT**

Mr. Bereskin asked the Commissioners to complete a strategic planning questionnaire.

#### **11. COMMISSION COMMENTS**

No comments were presented.




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**12. ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:28 a.m.

  
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Debra M. Sofield, Chairman

  
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Camilla G. Pitman, CMC, Certified PLS  
City Clerk