



GreenvilleWater

**MINUTES OF THE REGULAR MEETING
COMMISSIONERS OF PUBLIC WORKS
407 West Broad Street
Commission Room, Level Two
Greenville, South Carolina
July 2, 2013
8:00 a.m.**

Commissioners of Public Works:

Chairman Debra M. Sofield, James W. Bannister, J. David Sudduth, and Knox H. White

Absent: Phillip A. Kilgore

Greenville Water Staff:

Chief Executive Officer David H. Bereskin, Chief Operations Officer Murray Dodd, Chief Financial Officer Phil Robey, 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.

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

1. APPROVAL OF MINUTES

Commissioner Bannister moved, seconded by Commissioner Sudduth, to approve the regular meeting minutes of June 4, 2013, and June 25, 2013. The motion carried unanimously.

2. PUBLIC COMMENT

No comments were presented.

3. 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 a little behind due to the Commission's decision to forego the three percent rate adjustment and the large amount of rain received which has impacted sales. Mr. Robey stated he anticipates having the Laurens County capacity buy-in agreement completed by the end of this fiscal year or early next year. Mr. Robey commented on expenses being under budget and on a decrease in utilities.

4. O&M BUDGET FOR 2013-2014

Mr. Robey referred to a comprehensive overview of the proposed budget previously presented to the Commission and requested approval of the FY 2013-2014 Operations and Maintenance budget. Mr. Robey thanked staff for their hard work in the preparation process and recommended submitting the document to the Government Finance Officers Association for the Distinguished Budget Presentation Award.

Commissioner Bannister moved, seconded by Commissioner Sudduth, to approve the FY 2013-2014 Operations and Management Budget. The motion carried unanimously.

5. WATER RESOURCES UPDATE

Director of Water Resources K.C. Price presented highlights from the Water Resources Report as provided in the Commissioners' Agenda packet. Mr. Price advised the area continues to receive a lot of rain and the lake levels are at full pond.

**6. KEOWEE-TOXAWAY HYDROELECTRIC PROJECT RELICENSING –
AGREEMENT IN PRINCIPLE**

Mr. Price requested approval for Chief Executive Officer David Bereskin to execute the Keowee-Toxaway Hydroelectric Project Relicensing - Agreement in Principle at a consensus Level 3. Mr. Price advised the Agreement in Principle generally meets the requirements of Greenville Water. Mr. Price referred to items Greenville Water would like to continue to work out during the drafting process of the Relicensing Agreement.

Commissioner Sudduth moved, seconded by Commissioner Bannister, to allow Mr. Bereskin to execute the Keowee-Toxaway Hydroelectric Project Relicensing - Agreement in Principle. The motion carried unanimously.

7. CURRENT TRENDS IN HEALTH CARE REFORM PRESENTATION

Mr. Bereskin introduced David Mooney and Craig Baum of Mercer Insurance Group to provide information regarding the health care reform mandate and proposed wellness program for Greenville Water. Mr. Baum referred to the requirements mandated for health care coverage and penalties if not implemented as provided in the Commissioners' Agenda packet.

Commissioner Sudduth asked what trends are in the market place with comparing the potential penalty to the cost of providing health insurance. Mr. Baum responded in most cases it is cheaper to drop coverage and pay the penalty. Mr. Baum referred to the possibility of the \$2,000 penalty minimum increasing if enough people drop coverage. Commissioner Sudduth asked if raising the penalty would require legislative or administrative action, and Mr. Mooney responded it would require administrative action. Mr. Mooney discussed the individual penalty being too low in the individual markets and individuals foregoing coverage until it is actually needed.

Mr. Mooney commented on wellness activities taking place at Greenville Water and ways of controlling health care costs through wellness planning. Mr. Mooney referred to the current employee base demographics and recommended improving wellness over the next several years. Mr. Mooney reviewed the highpoints of the proposed wellness incentive plan including employees attending a health fair and screening, taking a risk assessment, and meeting with a health coach in helping to reduce employee contributions toward insurance.

Mr. Bereskin commented on health care savings realized by the city of Greenville and the decrease in insurance premiums which have occurred. Mr. Bereskin advised the City took an incentive approach reaching approximately 60 percent participation while Greenville Water is working on a punitive approach to obtain 100 percent participation. Mr. Bereskin stated the proposal was presented to employees at the two plants and was received with mixed reactions. Mr. Bereskin requested feedback from the Commission.

Director of Human Resources Susan Rector stated part of the process would be to implement a wellness committee and create wellness teams to assist in motivating employees. Regarding collection of information, Mr. Mooney advised Greenville Water would receive an aggregate report and would not receive specific health information on individual employees. Mr. Mooney also advised the information could be collected through finger pricks or a health risk questionnaire.

Mr. Bereskin asked for comments regarding Greenville Water's workforce wellness and the process of obtaining insurance for Greenville Water. Mr. Mooney stated his company has been at the liberty of the insurance markets the last several years and has not felt as strong in talking with

the insurance markets proactively. Mr. Mooney referred to the need to improve Greenville Water's risk profile as a step in obtaining more interest in the market to keep premiums low allowing for better benefits.

Commissioner Sofield asked what the City is currently doing regarding their wellness program. Commissioner Sudduth responded the program is all incentive and not punitive. Mr. Bereskin advised Greenville Water pursued a punitive process because his personal philosophy is health is its own reward. City Clerk Camilla Pitman commented on the initial steps taken by the City in completing a risk assessment followed by employee family wellness fairs, gym membership incentives, and a health wellness passport process currently in place as a financial incentive. Commissioner Sudduth recommended taking a look at the City's program to obtain additional wellness ideas. Commissioner Sofield also recommended checking with organizations similar in size to determine what they are doing. Commissioner Sudduth stated the demographics of the current staff may require both incentive and punitive encouragement.

Mr. Bereskin advised 43 employees volunteered to go through the last health screening out of approximately 240 employees. Mr. Bereskin stated employees currently pay \$0 for employee only insurance and would pay up to \$480 under the proposal if the employee does not participate in the program. Mr. Mooney referred to costs for the family rate being approximately \$1,000 per month. Mr. Bereskin questioned the cost for employees at the City, and Mr. Robey responded employees pay approximately 25 percent of their costs.

Commissioner Sofield stated the Commission is not disagreeing with the need but is questioning how to roll the program out. Commissioner Bannister agreed with Councilman Sudduth's comments for the program to include both incentive and punitive involvement. Commissioner Sudduth stated he has no problem with the amount suggested. Mr. Bereskin recommended coming back to the Commission with a proposed plan for the program roll out.

8. TUITION REIMBURSEMENT POLICY

Ms. Rector reviewed a proposed tuition reimbursement policy as provided in the Commissioners' Agenda packet. Ms. Rector stated tuition reimbursement would be available for all full time employees with at least one year of service with Greenville Water and requests would be required during the budget review process in order to properly plan for costs. Ms. Rector advised there would be an annual approval required and the employee would have to meet standard level work obligations in order to qualify. Ms. Rector referred to the reimbursement allowances, eligibility requirements, and employee obligations.

Ms. Rector advised Greenville Water is currently providing tuition reimbursement on an "as need" basis as requests are received. Ms. Rector stated there are currently four active and two proposed participants for the coming year. Mr. Bereskin shared his interest in seeing an increase in employees obtaining their GEDs and reminded the Commission of the lack of education verification prior to the creation of a Human Resources Department a year ago.

After discussion, Commissioner Sudduth moved, seconded by Commissioner Bannister to approve the tuition reimbursement policy. The motion carried unanimously.

9. CHIEF EXECUTIVE REPORT

Mr. Bereskin asked Government Liaison Bob Knight to present a legislative update regarding the General Assembly. Mr. Knight advised there was little activity to report, however, the proposed budget was approved which included partial funding of the statewide water plan.

Mr. Knight commented on issues taking place with the Water System in the city of Asheville and proposed legislation and litigation between municipalities in North Carolina and the North Carolina General Assembly. Mr. Knight stated he does not anticipate the state legislation to pass and commented on the issue being a good case study to review.

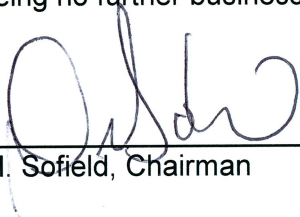
10. COMMISSION COMMENTS

Commissioner Sofield asked how current community relations are with Lake Keowee residents. Mr. Knight responded everyone is happy with the lakes filled and recommended continuing to work on improving relations with the residents. Commissioner Bannister asked if an annual report is received by Greenville Water from Pickens County. Mr. Bereskin responded Greenville Water staff attends the Pickens County Water Authority meetings and recommended working with them in serving as a spokesperson for how water is allocated and utilized.

Regarding equipment, Mr. Bereskin stated staff is continuing to assess the servers with SharePoint and will be reviewing the matter further.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:05 a.m.



Debra M. Sofield, Chairman



Camilla G. Pitman, CMC, Certified PLS
City Clerk