



GreenvilleWater

**MINUTES OF REGULAR MEETING
COMMISSIONERS OF PUBLIC WORKS
407 West Broad Street
Commission Room, Level Two
Greenville, South Carolina
January 7, 2014
8:15 a.m.**

Commissioners of Public Works in attendance:

Chairman Debra M. Sofield, Vice-Chairman Phillip A. Kilgore, James W. Bannister, J. David Sudduth and Knox H. White. A quorum was present.

Greenville Water Staff in attendance:

Chief Executive Officer David H. Bereskin, Chief Operations Officer Murray Dodd, Chief Financial Officer Phil Robey, Chief Administrative Officer Dennis Porter, Director of Engineering Mike Sharpless, Director of Water Resources K.C. Price, Controller Jondia Berry, Information Technology Director Joe Beineke and Commission Attorney David Ward.

The Regular Meeting of the Commissioners of Public Works was called to order at 8:15 a.m. by the Chairman, Commissioner Sofield.

1. APPROVAL OF MINUTES

Commissioner Sudduth moved, seconded by Commissioner Kilgore, to approve the regular meeting minutes of December 3, 2013. The motion carried unanimously.

2. PUBLIC COMMENT

No comments were presented.

3. NONPARTISAN ELECTION DISCUSSION

City of Greenville Attorney, Ron McKinney, was invited by Chief Executive Officer, David Bereskin, to share insight into Greenville City Council's pending consideration to move from a partisan to a non-partisan election system. Mr. McKinney shared that Council is reaching out and is beginning this month the process of public input. There will be a series of public meetings across the City, in every district, and some other meetings with neighborhood Presidents. There is also going to be information on the City's website soliciting comments on the idea.

4. UPDATE ON INTERNATIONAL FIRE CODE DUAL CONNECTION FOR HIGH RISE COMPLEXES

Dan Shirley, Fire Marshal for The City of Greenville, presented a brief update on the 2012 International Fire Code adoption's impact on high-rise building connections in the City of Greenville. The State of South Carolina adopted the 2012 International Code Council codes and the City is mandated by State Law to enforce them. Changes in chapter 4 specifically pertain to high rise buildings. Mr. Shirley shared the definition of a high rise building and explained the code changes as provided in the Commissioner's Agenda packet.

5. UPDATE PROCESS MOVING FORWARD WITH CAMPUS DESIGN

Murray Dodd, Chief Operations Officer, provided an update on Greenville Water's Field Operations Relocation. The City of Greenville has recommended we submit this project as a Planned Development (PD). This will allow development to avoid rezoning for special exception for the Shop Garage. The entire project will be rezoned to PD. Greenville Water will be required to execute a PD Agreement with the City which includes: Design Requirements, Phasing Plan,

Open Space, Landscaping, Parking, Public Facility Improvements, etc. There should be no additional cost for Greenville Water in doing this, it is just that the timeline shifts, changing the sequence.

Mr. Dodd proceeded to discuss the status of the property acquisition involved. Condemnation Paperwork for the four parcels on Oscar Street was filed November 15, 2013. The deadline for filing an action opposing condemnation is January 7, 2014. No opposition has been filed to date. If no claim is filed, Greenville Water is deemed owner upon expiration of the filing deadline. The property that is to be swapped between Greenville Water and The City of Greenville has been appraised by both parties and a recommendation has been made to split the differences to swap the property. Commissioner White suggested one way to split the difference, practically speaking, would be for the City to help with the infrastructure of the new campus in the park area on the corner or the sidewalks. Commissioner Sofield asked City Council Commissioners to shepherd infrastructure assistance through City Council should it be decided that this is the best way to handle the split. Council Commissioners agreed, to the best of their ability.

Mr. Dodd then shared the current design schedule, planned development timeline and proposed dates for Commission Design Review as provided in the Commissioner's Agenda packet.

6. ADOPTION OF POLICY FOR EASEMENT ABANDONMENT

Commissioner White moved, seconded by Commissioner Kilgore to adopt a resolution allowing Management to execute whatever documents necessary to abandon rights-of-way. Commission requested to be notified of property abandonment before documents are signed. After brief discussion, the motion carried unanimously.

Commissioner White left the meeting.

7. RECOMMENDATION OF REVISING GREENVILLE WATER RULES AND REGULATIONS

Mr. Dodd presented a proposal for realignment of Greenville Water Rules and Regulations along with a timeline for revising the rules and regulations over the next year. The realignment will align the articles of the rules and regulations beginning with the water main, water main extensions, fire hydrant policies then go to obtaining service, transitioning through the policies in an orderly fashion from the water main, through the meter, then to the customer premises.

8. WHOLESALE WATER AGREEMENT UPDATE

Dennis Porter, Chief Administrative Officer, began by sharing a news article that appeared in the Greenville News titled "Powdersville Water looks to future, growth" (December 30, 2013). Essentially, Powdersville Water worked with Easley Combined Utilities, after having discussions with Greenville Water and not getting anywhere when this process started. Mr. Porter stated, being the new guy, this shows that Greenville Water is now trying to work differently with wholesale partners than we were five years ago. This is an example of how Greenville Water wants to change our philosophy and reinforce it, which is the reason for this presentation.

Mr. Porter provided a brief background on Surface Water Withdrawal Permits (SWWPs) stating in 2011 Greenville Water was notified that Surface Water Withdrawal Permits would not be grandfathered in, which initiated a two part strategy to move forward. Strategy one was legal action on SWWPs, resulting in new SWWPs being awarded. Strategy two was to Partner with wholesale customers on new agreements. Mr. Porter explained there is protection of SWWPs through power in numbers, longer contractual arrangements, defined ownership of capacity to

meet wholesale partners future needs and simplified and affordable rate structure. Phil Robey, Chief Financial Officer, and his staff worked very hard to come up with a much better financial rate model.

To date, the rate model has been completed, the Laurens County Water and Sewer Commission Agreement was completed last August. We are working with Pickens County Water Authority conceptually on where we would go with them. Their next meeting is January 21, 2014, where Commissioner Kilgore will be accompanying us. Commissioner Kilgore asked about the ambiguity of the scope of their authority. Mr. Bereskin responded there is ambiguity, they have to figure out what their roles, responsibilities and legal authority is. Mr. Porter proceeded with the Town of Pelzer's meeting with staff and providing City Council with a presentation and a proposal. We are waiting to hear back from them, possibly this month. Eventually, depending on which way we go, whether they decide to do a buy-in or a rental agreement, we will come back to the Commission for more discussion. Discussion with Pelzer is very conceptual. Commissioner Kilgore asked if we are presenting the Laurens County Agreement, essentially as a template. Mr. Bereskin and Mr. Porter both responded affirmatively. Greenville Water met with the Town of West Pelzer in December. They did approve a motion to purchase 150,000 gallons per day. A draft agreement is in review. They would like visit with Mr. Robey and staff so they understand the model better. The difference in this agreement, primarily, would be that we would talk to them about financing their buy-in purchase. The terms are essentially the same, the financing is the main difference. We have had very preliminary discussion with Six Mile Water District staff. They have expressed an interest with regards to a non-buy-in or rental agreement, which is still in the very early stages. We want to continue to further our relationship with Powdersville Water, continue to have discussions on how we can work with them as they move forward in making decisions with regards to their future.

Mr. Porter wrapped up by ensuring the Commission will be adequately and timely briefed.

9. FINANCIAL UPDATE

Mr. Robey presented highlights from the November Financial Report. There are no negative trends to report or be alarmed about, numbers are at or on target. One item to mention for feedback, Commissioner Kilgore had expressed some concern about the \$4.3 million onetime non-recurring capacity fee payment from Laurens County Water and Sewer Commission distorting our bottom line picture, overstating our revenue for the year. In order to address that concern, we increased the transfer for CIP projects in the year-to-date actual column by that amount in the financial update done last month. It creates a distortion in our bottom line in terms of our year-to-date expenses and really throws it out of alignment, particularly when you see 168% of budget. Mr. Robey proposed, in light of this distortion, another approach, instead of putting the \$4.3 million in as a year-to-date expense and transfer for CIP projects, to footnote the bottom of the page to reflect the revenue over expenses number does include the amount for the Laurens County non-recurring capacity fee. This will keep at the front of our minds we have an unusual onetime revenue we have received and at the same time it doesn't distort the numbers. Commissioner Kilgore instructed Mr. Robey to elaborate in the footnote to further describe the restrictions so that someone can read the footnote and understand where the money went and that it is in a restrictive fund.

Mr. Robey reviewed the CIP update and the budget review calendar for next fiscal year, as provided in the Commissioner's Agenda packet.

10. WATER RESOURCES UPDATE

Director of Water Resources K.C. Price presented highlights from the Water Resources Report as provided in the Commissioner's Agenda packet. Mr. Price stated Table Rock and North Saluda are at full pond. Records were set with rain in 2013 and production has been down a bit because of so much rain.

Commissioner Bannister asked when the GPS mapping will be done on the watersheds. Mr. Price stated the mapping is done. US Geological Survey (USGS) is finishing their final data check and should be complete this month.

Commissioner Sofield asked how the Nature Conservancy Report is coming. Mr. Bereskin responded that Ms. Austin needed a bit more time to make sure everything we agreed on in the seventy-two changes is covered in the whole report and not just on what was submitted by Greenville Water.

11. LEGISLATIVE UPDATE

Government Liaison, Bob Knight, was unable to attend the Commission Meeting. The Legislative Update is postponed until next month.

12. CHIEF EXECUTIVE REPORT

Mr. Bereskin shared two Ten at the Top meetings and a Greenville Forum meeting coming up in case anyone was available to attend.

Mr. Bereskin asked the Community Giving Committee to remain after the Commission meeting for an update on requests.

Commissioner Sofield and Mr. Price received the AWWA, Partnership for Safe Water President's Award Phase IV Excellence in Treatment. Mr. Bereskin thanked Mr. Price and all of his operators for a job well done. Public announcement of the award will be made in the newspapers and in a national water publication.

Mr. Porter provided a brief Strategic Plan update stating staff has been meeting to pull together the focus areas and strategies. Our main topics of stakeholder strategies are customer relations, development community, corporate social responsibility, wholesale relations, regulatory and legislative issues and environmental stewardship. Short and long term viability goals have strategies of asset management, financial stability, emergency response planning, water resource adequacy, operational integrity and information technology. Under Human Capital Development we have strategies with regards to recruiting, training, retaining, safety and leadership development. Each strategy will have a number of tactics, which are being developed. Mr. Bereskin stated staff will meet with Commissioners at the beginning of February in a special Commission meeting. Commissioner Sofield requested a report be distributed so Commissioners could review the information before meeting.

Evergreen Solutions, LLC., our compensation/classification consultant, agreed to complete an employee survey with Apex Research, out of Tallahassee, FL. They complete about six free employee surveys for public entities a year and have selected Greenville Water to be one of the entities. The draft survey questions will be made available for review in the CEO Memo.

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13. COMMISSION COMMENTS

Commissioner Sofield reminded everyone Greenville Water has a big event coming up on Tuesday, January 14, 2014, the Service Award Banquet.

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:05 a.m.



Debra M. Sofield, Chairman

Kimberly J. Haulter, Executive Assistant

RESOLUTION

Pursuant to motion, duly seconded and unanimously carried, the following resolution was adopted:

PREAMBLE

From time to time requests are received to document the previous abandonment of rights of way and easements granted to Greenville Water and its predecessors in title. That it appearing the acknowledgment of such abandonment is a ministerial act not requiring adoption of a resolution for each such request. And it appearing appropriate to authorize the Chief Executive Officer of the Commission of Greenville Water to execute any and all documents necessary to confirm the abandonment and termination of any such prior rights of way or easements.

NOW THEREFORE, BE IT HEREBY RESOLVED THAT THE CHIEF EXECUTIVE OFFICER OF THE COMMISSION OF PUBLIC WORKS FOR THE CITY OF GREENVILLE, SC IS HEREBY AUTHORIZED NOW AND IN THE FUTURE TO EXECUTE SUCH DOCUMENTS, INCLUDING DOCUMENTS IN RECORDABLE FORM, TO EVIDENCE THE PRIOR ABANDONMENT AND TERMINATION OF RIGHTS OF WAY AND EASEMENTS.

Adopted this 7th day of January, 2014.

Attest:

Commission of Public Works for the City
of Greenville, SC

By: 

Clerk

By: 

Debra M. Sofield, Chairman