



GreenvilleWater

**MINUTES OF REGULAR MEETING  
COMMISSIONERS OF PUBLIC WORKS  
407 West Broad Street  
Commission Room, Level Two  
Greenville, South Carolina  
June 3, 2014  
8:15 a.m.**

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore, Vice-Chairman James W. Bannister, Debra M. Sofield, and J. David Sudduth Absent: Mayor 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 Business Services David Hughey, Controller Jondia Berry, Information Technology Director Joe Beineke, Director of Human Resources Susan Rector and Commission Attorney David Ward.

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The Regular Meeting of the Commissioners of Public Works was called to order at 8:10 a.m. by the Chairman, Commissioner Kilgore.

**1. APPROVAL OF MINUTES**

Commissioner Sudduth moved, seconded by Commissioner Sofield, to approve the regular meeting minutes of May 6, 2014. The motion carried unanimously.

**2. PUBLIC COMMENT**

No comments were presented.

**3. WATER RESOURCES UPDATE**

Chief Executive Officer David Bereskin presented the Water Resources Update as Water Resources Director K.C. Price was attending 2014 ASDSO Dam Safety Training in Cincinnati, Ohio. Table Rock is 0.2 feet below full pond and North Saluda is at full pond. Production at the Stovall Plant was 44.17 MGD and the Adkins Plant was 16.94 MGD. Production is up which will help our revenue. Rainfall has begun to drop from the historic highs of 2013, allowing us to sell water again.

**4. FINANCIAL UPDATE**

Chief Financial Officer Phil Robey presented the Financial Update through April 30, 2014. We are Nine months or seventy-five percent through the year. Water sales presented reflect billings for usage through March. Heavy demand months have not begun yet. Indicators lead us to believe we will have more of an average or normal rainfall pattern that will allow revenues to hit the target established in the budget. Capacity Fee revenue is running a little bit behind. Estimates of 1900 new connections were based on the number of new connections in 2013. At the end of April we have around 900 new connections. Operating Expenses show some variable expenses that are tied into our production are running below budget. Mr. Robey pointed out revenues are ahead of expenses.

Commissioner Sofield inquired about the delinquent charges year to date. Mr. Robey explained the budget assumed some decrease in delinquencies because of the IVR system but the



reduction was over estimated. Mr. Bereskin added going to monthly billing has reduced the turn off charges, which is the major work, by half. Now the IVR has taken turn off charges down even further. On the other side, the delinquent charges have increased with monthly billing. Commissioner Kilgore asked if a study has been done to determine if this is a lifestyle delinquency or lower socioeconomic difficulties. Mr. Bereskin answered a year ago Director of Business Services David Hughey called the top delinquent customers with 9-12 delinquencies in a year. Mr. Hughey found the majority of the delinquent accounts are not low income. The majority are people that have the money but prefer to pay their bill at a certain time. Mr. Bereskin added the 35 or 40 low income customers that have spoken with Customer Service have comments on their accounts to remove the delinquent fees. The accounts have these notes added because our current billing system does not allow for selecting dates. Commissioner Sofield asked if the new version of the billing system will have this capability. Mr. Bereskin stated we hope so. There will be some constraints, but we are trying to build that into this version.

#### **5. CAPITAL IMPROVEMENT PROGRAM UPDATE**

Director of Engineering, Mike Sharpless provided the Capital Improvement Program update as provided in the Commissioner's Agenda packet. Commissioner Sofield asked if the Water Resources Master Plan has gone out to bid. Mr. Bereskin answered it has not but will be out to bid very shortly. Staff met with the Water Planning Committee, received direction, and is now fine tuning the request for proposal.

#### **6. GREENVILLE WATER RULES AND REGULATIONS**

Chief Operations Officer Murray Dodd presented the first of several policy revisions to be seen throughout the year. The first two policies to be reviewed are water main extensions and fire hydrant usage.

There are no proposed changes to the Water Main Extension policy at this time. Several changes have been made over the last couple of years. To include the following: The addition of a sunset period on the reimbursement agreements which says that a reimbursement agreement is only good for ten years. A private water main for single family residential applications was eliminated. The water main extension cost was changed from \$20 per foot to \$30 per foot and there is a uniform application of the policy throughout the system, which simplified the water main extension policy significantly. Commissioner Sofield asked, in regard to the sunset period, how many outstanding reimbursement agreements exist. Mr. Dodd responded there are a significant number of outstanding agreements that have been grandfathered. The sunset period is for agreements going forward. Staff will be bringing ideas to the Commission in the future regarding the grandfathered agreements.

Mr. Dodd moved to the fire hydrant usage policy noting a number of issues with current procedures which have brought about the need for a policy. The proposed revisions to Article 2: Fire Hydrant Usage of Greenville Water Rules and Regulations are a formal application process, increased utilization of hydrant meters, equalization of fees for usage, "fire hydrant" sticker program for tankers, penalties for unauthorized usage and guidelines for Fire Department testing.

Greenville Water Staff recommended Article 1 and 2 of Greenville Water Rules and Regulations be approved as written. Commissioner Sofield moved, seconded by Mayor White, to approve the policy changes as recommended. After discussion the motion carried unanimously.

Commissioner Bannister left the meeting at 8:45 a.m.



#### **7. NEW PROCEDURES FOR GW ECONOMIC DEVELOPMENT PROGRAM**

Commissioner Kilgore informed the Commission Mr. Bereskin had asked that this item be pulled from the Agenda so he could continue discussions with City Manager, John Castile.

#### **8. GREENVILLE WATER PROCUREMENT POLICY**

Mr. Robey reviewed highlights of the proposed revision to Greenville Water's Procurement Policy as provided in the Commissioner's Agenda packet. He informed the Commission the current policy became effective July 1, 1983 and was amended in 2003. With the purchase of new financial information software and hiring a Procurement Administrator, the policy needs to be updated. The policy changes were reviewed and approved by the Finance Committee and Greenville Water's Attorney.

Greenville Water Staff recommended adopting the policy as presented giving staff the authority to make minor procedural adjustments to the policy as it is implemented. Mr. Bereskin added as new software is implemented there may be some tweaks that will be reported to the Commission in the monthly memos.

Commissioner Sofield moved, seconded by Commissioner Sudduth, to approve the amendment and provide operational latitude to the discretion of the CEO to the Procurement Policy. The motion carried unanimously.

#### **9. HUMAN RESOURCES PRESENTATION ON HEALTH INSURANCE AND WELLNESS**

Director of Human Resources Susan Rector shared health insurance trends for 2015 provided by Mercer, Greenville Water's healthcare broker. Health care continues to be a hot topic in the news. Ms. Rector shared snippets from daily news. Health care reform is driving shifts in health care delivery and employer strategies. Currently most employers are using an employer sponsored program which means there is little to no accountability on the employee's part other than a co-pay or deductible. Future opportunities include exchanges – public and private, moving from a defined benefit to a defined contribution, new workforce segmentation strategies, consumer driven plan acceleration, employee engagement in wellness and better access to medical care pricing data.

Ms. Rector shared Greenville Water's current health care options are a basic plan and a buy-up plan. Future options could be a basic plan and a Health Saving Account (HSA). With a HSA, the existing traditional premium would be split into two parts. One part would be the Health Savings premium and the other would be the savings plan. The Health Savings Account consists of two pieces, a high deductible insurance plan and a savings account. The high deductible would protect from high claims, high medical bills. The savings account is multi-purpose. It helps pay deductibles, it is a tax deductible deposit, tax deferred growth, tax free medical care for not only now but in the future. These funds stay with the person even if they change employers. Unused funds carry over from year to year and can be used for paying for health care and long term care. Commissioner Sofield asked if the insurance information shared is still being vetted. Mr. Bereskin said yes. Details provided are for information only to let the Commission know what is being investigated in trying to bring a different insurance option into Greenville Water, which is the HSA and keeping the basic insurance plan. Nothing has been done yet. Mercer is helping walk us through the investigation process. Before decisions are made there will be more discussions with the Commission. Commissioner Sofield stated health insurance has always been something Greenville Water prided itself on and requested the Commission be involved very early in the process before any decisions are made.



Ms. Rector acknowledged on January 1, 2014 Greenville Water contracted with United Healthcare to provide health insurance. Part of United Healthcare's plan is Simply Engaged which is their wellness component. On April 3, 2014 Greenville Water held an onsite health and benefit fair organized by Greenville Water's own Wellness Committee. 172 employees participated in biometric screening. The Wellness Committee is very active and engaged. Events are planned to help keep employees engaged, motivated and cheer on the wellness program. There is more to come as strategies are developed, such as gym memberships and other features.

Ms. Rector provided a brief update on United Way fundraising events that have taken place and are to come. Commissioner Sofield thanked Mr. Robey, Ms. Rector and the teams that work on all these events. This is a big change in organizational engagement.

#### **10. GOVERNMENTAL UPDATE**

Government Liaison Bob Knight provided a brief governmental update. He requested Commissioners keep their eyes on the Ethics Committee. They are in Conference Committee right now which means they can go over into the sine die session even though they finish this week, so it might hang around for another week or two. This is a big ethics bill. The impact on local government officials and/or commission members is not known. If the bill is passed, an update will be provided to the extent that this Commission is affected.

There are number of bills being followed on the legislative agenda. Mr. Knight relayed an update on the budget for Water Planning. The Department of Natural Resources, Clemson and the Department of Health and Environmental Control provided a report before the Senate Agriculture Committee. A request for proposal was promised to be out by July. Stakeholder involvement was requested when the money was originally put in the budget. Senator Verdin assured Stakeholders will be kept involved in the planning process as it moves along. Powdersville Water District Executive Director Dyke Spencer and others have been pushing harder for this involvement. They have gotten Clemson willing to perform some of the Stakeholder work. There is a little bit of money in the budget that might pass in the near future, but a lot more money is needed.

Representative Don Bowen from Anderson has brought up a couple of ceremonial rating solutions and has some local issues with Anderson Joint Water and Anderson City. Most of his influence is limited to Anderson County, but he is someone to watch.

#### **11. CHIEF EXECUTIVE REPORT**

Mr. Bereskin and Chairman Kilgore invited any Commissioners interested to participate in a meeting June 16<sup>th</sup> at 10:00 am with the South Carolina Department of Parks and Recreation to discuss relationships and how everything is working well between the two agencies. The meeting will be held at the Headquarters Building at Paris Mountain.

Mr. Bereskin presented a redesign of a fountain flowing over the Greenville Water sign proposed for the Field Operations relocation project. Commissioner Sofield asked if the surface around the sign is impervious. Mr. Dodd answered it is being debated. The issue is cost. Mr. Bereskin stated impervious surface will be bid as an alternate. Chairman Kilgore asked Commissioner

Sofield to get together with Mr. Bereskin and the designers to make sure it meets with her satisfaction.

Mr. Bereskin shared Greenville Water's application submitted to Association of Metropolitan Water Agencies (AMWA) for their Gold Award for Exceptional Utility Performance recognition program. The AMWA Gold Award recognizes large public drinking water systems that exhibit high levels of performance in the areas of product quality, customer satisfaction, employee and leadership development, operational optimization, financial viability, community sustainability, operational resiliency, infrastructure stability, stakeholder understanding and support and water resource adequacy.

Greenville Water is working with the City of Greenville on an August 1<sup>st</sup> deadline to get the Parks Department relocated to Greenville Water's Mayberry Street site. A joint site will be run on Mayberry Street for about a year to 18 months during construction of Greenville Water's Field Operations facility. Discussions have also been had with the City Parks Department, Public Works and Fire Department to see if any of them want to have some office space in the existing building at 407 W. Broad Street. Mayor White asked for a sign to be placed with the rendering of the new facility, saying "Coming Soon". The park review will be presented to the City of Greenville Planning Commission on Thursday, June 12, 2014.

#### **12. COMMISSION COMMENTS**

No comments were presented.

#### **13. ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:24 a.m.

  
Phillip A. Kilgore, Chairman  
Kimberly J. Haulter, Executive Assistant