

# MINUTES OF REGULAR MEETING COMMISSIONERS OF PUBLIC WORKS 407 West Broad Street Commission Room, Level Two Greenville, South Carolina November 3, 2015

8:15 a.m.

Commissioners of Public Works in attendance:

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

Greenville Water Staff in attendance:

Chief Executive Officer David H. Bereskin, Chief Financial Officer Phil Robey, Chief Operations Officer Dennis Porter, Director of Engineering Mike Sharpless, Director of Water Resources K.C. Price, Director of Business Services David Hughey, Controller Jondia Berry, Director of Information Technology Joe Beineke, Director of Human Resources Richard Posey, Communications Specialist Olivia Vassey, Business Analyst Jane Arrington, Facilities Maintenance Manager Allen White, Watershed Manager Henry Poole and Commission Attorney David Ward.

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

# 1. WELCOME

# 2. PUBLIC COMMENT

No comments were presented.

### 3. CONSENT AGENDA

Chairman Kilgore listed the items of the Consent Agenda which were the meeting minutes of the Special Commission Meeting September 28, 2015, the Regular Commission Meeting October 6, 2015, the Water Resources Report and the Financial Update Report. Commissioner Sofield asked for an update on Reservoir Levels from Director of Water Resources K.C. Price. Mr. Price noted October was a very good month for water resources. Historically October is one of the driest months of the year, receiving only a couple inches. Table Rock received over ten inches of rain, North Saluda received close to seven inches of rain and Adkins received close to ten inches of rain. Table Rock increased by about five feet, North Saluda increased by about a foot. Currently Table Rock is about five feet down and North Saluda is about six feet down. These levels are about average for this time of year.

There being no other questions or comments, the items were deemed approved.

### 4. NATURAL RESOURCES MANAGEMENT PLAN PRESENTATION

Chairman Kilgore welcomed Watershed Manager Henry Poole to present an update on the Natural Resources Management Plan. Mr. Poole began by saying the Natural Resources Management Plan identified the values and goals for watershed properties, describes the current condition of these properties, identifies potential threats to the natural resources and provides recommendations to achieve the goals for each of the watershed properties. The goals and values can be broken down into several items including water quality, stewardship: providing best

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management practices for natural resources and abating threats that can degrade the natural resources and water quality.

Recommendations in the plan were broken down in groups and discussed as follows:

- 1. Timber Management: continue passive timber forestry practices
- Roads: Evaluate existing road network, determine purpose and what is needed moving forward.
- 3. Controlled Burning: consider implementation of controlled burn program with appropriate steps.
- 4. Invasive Species: prioritize and control in high quality natural areas.
- 5. Wildlife and Fisheries: research approval system developed.
- 6. Natural Cultural Resources: manage cemeteries and allow historic structures to exist their existence while insuring the goals of the water system.
- Public Recreation: utilize existing trails Foothills Trail (Table Rock (TR) vicinity), Poinsett Passage and Saluda Mountains Passage of the Palmetto Trail (North Saluda (NS) vicinity)
- 8. Law Enforcement: Department of Natural Resources (DNR) deputized Law Enforcement Officer Program vs. Own Police Force.

Mr. Poole drew attention to upcoming research project information. Clemson Student, Ben Meece, has proposed to do an acoustical bat study in 2016 at North Saluda. DNR is to study Brook Trout genetics at the watershed in the fall of 2015. A more in depth fish study, to update the fish study done in 1992, will yield more information on what is present and how to better manage fisheries. A herpetology study will be done in-house to study the sample types of herps present on the watershed as salamanders are an indicator of forest health. Mr. Price added this study would be to establish a baseline so changes can be monitored as time goes on.

Recommendation M1 of the Natural Resources Management Plan, Monitoring, is currently in progress. The sondes, water quality monitoring instruments, have been placed with data coming in. Stream flow is also being measured in certain areas. Flow estimation methodology will be changed based on United States Geological Survey (USGS) recommendations. Commissioner Bannister asked if Greenville Water has an adequate supply of sondes. Chief Operations Officer Dennis Porter confirmed there are enough sondes, but flow measuring devices are needed. The number needed is being determined in the Water Resources Master Plan development.

Mr. Poole provided a snapshot of the Ecological Zones in the Southern Blue Ridge Escarpment: 4<sup>th</sup> Approximation detailing which species of trees should be found at which elevation on which aspect. This information is going to be shared with watershed ground crews to perform tree sampling to see if in fact the species can be found where the ecological zones show. The results will help determine if change factors such as prescribed fire needs to be introduced.

Road Management is another important management recommendation as road damage or erosion can have a negative impact on water quality. Staff has replaced culverts in disrepair and monitors turbidity at stream crossings to develop baseline data. Vegetation is monitored to reduce encroaching trees.

# 5. GENERAL LEAVE CASH-IN POLICY

Director of Human Resources Rick Posey presented the proposed General Leave Cash-In Policy as provided in the Commissioner's Agenda Package. The concern that brought about the need

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for the policy is currently Greenville Water has a maximum general leave (GL) accrual of 720 hours/90 days. The maximum carry-over for employees per year is 96 hours/12 days. An employee may reach the maximum accrual after just 7 years. Conscientious long term employees forfeit GL if they fail to use enough GL by the end of the year.

The benefit of offering GL Cash-In is it rewards conscientious long term employees, reduces stress on co-workers when long term employees take off 30 days, improves customer service when fully staffed and increases satisfaction when an employee does not forfeit GL.

The proposed policy will be offered once per year only in December. The minimum accrual following GL Cash-In would have to be 600 GL hours. Maximum GL to be cashed in is 80 hours and the minimum would be 8 hours. In addition 80 hours of GL must be used during the year. Commissioner Bannister asked for the reason 80 hours must be used before any GL can be cashed in. Mr. Bereskin explained employees are encouraged to use that time for vacation to reenergize.

Commissioner Bannister motioned, seconded by Commissioner Sofield, to approve the General Leave Cash-in Policy as proposed. The motion carried unanimously.

# 6. ADOPTION OF 2016 AND 2017 OPERATING BUDGETS

Chief Financial Officer Phil Robey presented Greenville Water's first proposed two year budget. The proposal was for two one-year budgets for 2016 and 2017. The Capital Improvement Program (CIP) will remain on a one-year approval process. The two year operating budget will allow an off year with budgeting. If recalibration or adjustments are needed in 2017, staff will come back to the Commission for approval of those requests. Mr. Robey reported the proposed budgets were reviewed by the Finance Committee before being brought to the Commission.

The 2016 budget is less in both the Revenue and Expense side because of \$4.9 million debt service reserve fund that was released in February 2015 to pay the final debt service payment on the 2005 revenue bonds. This was an unusual one year expenditure that is gone. As a result the 2016 budget is down, but then in 2017 the budget is up, largely because on the revenue side a rate adjustment is assumed. The expense side of 2017 budget is up due to the chemicals budget because of the alkalinity improvements project, which is a CIP project.

The guiding principles for the operating budgeting come from the Strategic Plan. This helps to ensure Greenville Water reinvests in normal system improvements. The Facilities Master Plan had an impact on the operating budget as well as the CIP. The condition assessment by Black & Veatch, done as part of the Facilities Master Plan, identified several maintenance items reflected in this budget.

Mr. Robey reviewed the Revenue Highlights, Expense Highlights, Community Giving, Capital Outlay, Normal System Improvements and 2016 Debt Service as provided in the Commissioner's Agenda package.

Commissioner Sofield moved, seconded by Commissioner Bannister, to approve the 2016-2017 Operating Budgets. Commissioner Sofield asked for access to an Excel spreadsheet in the future so details of each item could be reviewed. After discussion, the motion carried unanimously.

### 7. ADOPTION OF 2016-2020 CAPITAL IMPROVEMENT PLAN

Mr. Robey reviewed the proposed 2016-2020 Capital Improvement Program (CIP) budget as provided in the Commissioner's Agenda package. The CIP program includes all projects over \$100,000 which are unique projects that may span more than one fiscal year. There are two truly noteworthy things about this CIP budget. One being the Facilities Master Plan is the basis of the CIP, where the guts of the CIP originates from. Greenville Water took Black & Veatch's recommendations in the plan and smoothed them out for manageability. The other noteworthy item being this CIP budget contains no assumption about the use of debt. The plan is all capacity fee, rate and reserves financed. Staff spoke with Greenville Water's Financial Consultant, Walter Goldsmith, sharing the program with him. He believes the program and financing plan to be very sound and made no recommendations for any modifications to the financing assumptions.

Mr. Robey reviewed the projects presented for 2016-2020 and reminded Commissioners when taking action to approve the CIP budget, the commitment is only for the first year. The CIP budget will remain on a one-year approval process. The other four years are planning years.

Mayor White moved, seconded by Commissioner Sofield, to approve the proposed Capital Improvement Program budget. The motion carried unanimously.

# 8. CHIEF EXECUTIVE REPORT

Mr. Bereskin announced a surplus vehicle and equipment auction to be held on November 21, 2015 at the No. 6 property on Old Buncombe Road.

Bill Sykes with H2L Consulting Engineers, acting as the South Carolina State Guard coordinator sent a letter to Greenville Water saying thank you for being cooperative and volunteering assistance during the flood aftermath in Columbia, SC.

Human Resources Director Rick Posey will be meeting with Retirees on Friday, November 6, 2015 for insurance enrollment for 2016. November 12, 2016 is the tentative open enrollment for all active employees.

November 12, 2015 South Carolina Department of Health and Environmental Control will be inspecting dams at the watersheds.

Mr. Porter provided an update on the North Saluda Study. One of the recommendations of the study was to assess the intake structure and the pipeline all the way to the pump station which is about 2,000 feet of 48" pipe. Greenville Water brought in contractors with equipment to be sent down the pipe. The pipe was assessed and found to be in great condition. There are three different types of pipe: reinforced concrete pipe, pre-stressed concrete pipe and steel pipe. Divers are taking a core sample of the intake structure itself and will assess the condition.

### 9. COMMISSION COMMENTS

Commissioner Sofield thanked Mr. Bereskin for his monthly CEO Memo, sharing she enjoyed reading it.

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Commissioner Bannister requested an update on long range planning and asked that Greenville Water's Strategic Planning Consultant be invited to the meeting for a possible tweak of the strategic plan in light of the master plan information received.

# 10. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:43 a.m.

Phillip A. Kilgore, Chairman

Kimberly J. Haulter, Executive Assistant