



## GreenvilleWater

**MINUTES OF REGULAR MEETING  
COMMISSIONERS OF PUBLIC WORKS  
517 West Washington Street  
Meeting Room  
Greenville, South Carolina  
November 1, 2016  
8:15 a.m.**

Commissioners of Public Works in attendance:

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

Greenville Water Staff in attendance:

Chief Executive Officer David H. Bereskin, Chief Financial Officer Phil Robey, Chief Operations Officer Rebecca West, Director of Engineering Mike Sharpless, Controller Jondia Berry, Director of Information Technology Joe Beineke, Business Analyst Jane Arrington, Communications Manager Olivia Vassey, Facilities Maintenance Manager Allen White, Interim Field Operations Manager Wayne Benson, Water Resources Director Rick Pfleiderer, Human Resources Director Richard Posey, Field Services Supervisor Matt Massey, Hydraulic Modeling Engineer Craig Sollman and Commission Attorney David Ward.

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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 at this time.

### **3. CONSENT AGENDA**

Chairman Kilgore listed the items of the Consent Agenda which were the meeting minutes of the Regular Commission Meeting October 4, 2016, the Water Resources Report and the Financial Update Report. There being no questions or comments regarding the consent agenda, the items were deemed approved.

### **4. LONGTERM DISABILITY INSURANCE**

Director of Human Resources Richard Posey presented information on an important benefit, Long Term Disability Insurance, which currently is a gap in Greenville Water benefits. Greenville Water recently did a compensation and benefit survey of six South Carolina Water Utilities. All six of the utilities offer Long Term Disability insurance.

The South Carolina Retirement System may allow pension payments following a disability if the individual is vested and qualifies for Social Security Administration benefits, which typically takes a year or longer. Mr. Posey shared two examples in the past three years where those employees had very desperate situations. The need is real, it is not just a possibility, as there have been two examples recently.

Mr. Posey reviewed the plan design of the Long Term Disability Insurance and asked the Commission for consideration to approve. Chief Executive Officer David Bereskin added he believed this would round out the employee benefit package and serve the employees very well. Commissioner Sofield moved, seconded by Commissioner Bannister, to approve Long Term Disability Insurance for Greenville Water. The motion carried unanimously.

Mr. Bereskin thanked the Commission on behalf of the Greenville Water employees.

## **5. APPROVAL OF AUDITOR SELECTION**

Chairman Kilgore welcomed Controller Jondia Berry to review the request for proposal process for selection of the auditor. Mrs. Berry noted the Accounting, Auditing and Financial Reporting Policy which documents the fundamental requirements used in establishing and maintaining Greenville Water's basis of accounting, auditing and financial reporting was effective December 2015. The policy includes certain requirements such as auditor rotation every five years. The auditor selection criteria included requirements for experience auditing municipal utility systems and a local office in Greenville, South Carolina.

Mrs. Berry reviewed the schedule of events for the Audit Request for Proposal (RFP) as provided in the Commission agenda package. Greenville Water received 5 responses. The proposals were evaluated and ranked based on SC CPA Certification, Understanding of Greenville Water's needs, audit approach, recommended engagement staff, government commitment, local office and fees. The top 4 firms were interviewed and the ranking was re-evaluated after the interviews. Greene Finney & Horton, LLP scored the highest in staff evaluation of the proposal and the interview based on the following:

- Dedicated Government Audit Practice
- Bring Value-Added service to improve Greenville Water Financial Management
- Committed to a fee of \$22,350 for the 2016 audit
- 3 year agreement with 2 one year renewals
- Start work in December

Chairman Kilgore asked if the fee committed to for 2016 remains at the same level for the subsequent years. Mrs. Berry replied basically yes, with the fee level to increase 2.5% due to inflation.

Commissioner Sofield moved, seconded by Commissioner Bannister, to approve the recommendation of Greene Finney & Horton, LLP for audit services. The motion carried unanimously.

## **6. APPROVAL OF 2017 CIP BUDGET**

Chairman Kilgore invited Chief Financial Officer Phil Robey to present the proposed 2017 Capital Improvement Program (CIP) Budget. Mr. Robey shared a draft of the 2017 CIP budget was presented to and reviewed by the Finance Committee. The foundation for the CIP is the Facilities Master Plan. This plan was renewed in 2015.

Every year there is approximately a \$5.5 million commitment in the Operating Budget for normal system improvements. The larger, multiple year duration projects are included in the CIP. The majority of the CIP budget, 49 percent, goes to water mains, 16 percent goes towards treatment



and 12 percent goes towards reservoirs for storage. Mr. Robey reviewed the projects included in the 2017 Capital Budget and the project lists for years 2018-2021.

Greenville Water uses a rate model and financial forecasting tool to help understand how much can be afforded and what sources of money we have to use to pay for these projects. There are two sources being used, which are rates/reserves and capacity fees. The significant assumptions embedded in the financing strategy is no new issuance of debt and staff is recommending to forego the 2017 rate adjustment. Operating costs and capital commitments can be afforded with rates at the current levels, as well as capacity fees.

Commissioner Bannister moved, seconded by Commissioner Sofield, to approve the 2017 Capital Budget. The motion carried unanimously.

Chairman Kilgore conveyed how pleased he was that staff came up with a capital improvement plan which is conscious of Greenville Water's obligation to the public to be mindful of the value of public dollars. This is a capital improvement plan that not only meets Greenville Water's needs but also allows the foregoing of a previously scheduled rate increase.

Commissioner Bannister moved, seconded by Commissioner Sofield, to approve to forego the previously planned rate increase for 2017. The motion carried unanimously.

## **7. REPORT ON DISCONNECT POLICY CHANGE**

Chairman Kilgore welcomed Field Services Supervisor Matt Massey to provide a brief update on what has happened since the disconnect policy was changed in October 2016. Mr. Massey thanked the Commission for the changes to the policy that were voted on in the previous meeting.

Mr. Massey reviewed the change implemented in October that allows for after-hours non-pay turn on orders to only be assigned from 5 pm to 7 pm, otherwise service is restored the next business day. This allowed for a staffing change of using one Field Service Representative (FSR) instead of three for after-hours non-pay reconnects. After the October meeting Greenville Water's website was updated detailing the notification of this change. The after-hours call center was also notified and began updating customers that called in.

Commissioner Sofield questioned if there is something on Greenville Water's website telling customers what to do if they need help with their bill. Mr. Robey stated Greenville Water will make arrangements for customers who find themselves in a position where they are unable to pay their bill and also direct them toward social service agencies that have programs set up to help with utility payments. Commissioner Sofield wants to emphasize the Commission is concerned about the number of non-pay accounts. Greenville Water does not want to make money through non-payment fees. We want to figure out how we can be a public servant of a utility that treats everyone fairly. Greenville Water is doing its part, but will investigate further the cause of the repeat non-payment incidents. Chairman Kilgore recalled this discussion before where it was determined these are not all delinquencies that are poverty based, but many of them are delinquencies of convenience, people with wherewithal who are choosing not to pay on time. Mr. Bereskin affirmed this.

Mr. Massey provided a chart showing the Interactive Voice Response (IVR) calls, made to customers with impending delinquencies, has reduced the non-payment orders on average by 58



percent. Mr. Bereskin added there is not a month that goes by that the number of non-payment turnoffs is not reduced by 50 percent through these calls. Mr. Massey provided a timeline of customer bill notification for charges due showing a customer has 41 days to pay their bill before their account becomes a non-pay account.

## **8. STRATEGIC PLAN UPDATE**

Mr. Bereskin launched an update on the accomplishments of the 2016 Strategic Plan. The three focus areas were Stakeholder Relations, Operational Excellence and Human Capital. Each department presented progress on their initiatives as provided in the Commission agenda package.

Chairman Kilgore expressed his pleasure with the progress being made and his appreciation for the staff and the hard work they are doing.

## **9. 2017 COMMISSION MEETING AND HOLIDAY SCHEDULE**

Mr. Bereskin presented the proposed Commission Meeting and Holiday schedule for 2017. The dates to make note of are in the months of February and July. The meetings will be the second Tuesday in those two months. The Christmas Holidays will be December 22<sup>nd</sup> and 25<sup>th</sup>.

Commissioner Sofield moved, seconded by Commissioner Bannister, to approve the 2017 Commission Meeting and Holiday schedule as presented. The motion carried unanimously.

## **10. CHIEF EXECUTIVE REPORT**

Field Operations and Engineering staff will be performing night work on the evening of November 2<sup>nd</sup> on the Woodvale Project to complete the project by disconnecting the old connections to the pipes in Byrd Boulevard. Coordination has taken place with the Greenville Country Club. Greenville Water's portion of repaving will begin once the water main is finished, tested, turned on and bids are received for the paving and in accordance with the permit.

Open Enrollment for Healthcare will take place on November 10, 2016. Flu shots for employees and dependents covered by Greenville Water's healthcare plan will be offered that day as well.

Jack Stone of Trusted Farms has presented a hydroponic plan for hydroponic farming for which he will apply to Greenville Water's grant program. Once the application is received staff will brief the Commission.

Mr. Bereskin congratulated Mrs. Berry and her staff for receiving the Government Finance Officers Association Distinguished Budget Presentation Award for the fourth year in a row.

December 7, 2016 will be the Field Operations Facility Building Dedication and Holiday Lunch for Greenville Water employees.

## **11. COMMISSION COMMENTS**

Commissioners thanked staff for all the hard work and moving forward. It is noticed and appreciated.

**12. ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:02 a.m.

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