



GreenvilleWater

**MINUTES OF REGULAR MEETING
COMMISSIONERS OF PUBLIC WORKS
407 West Broad Street
Commission Room, Level Two
Greenville, South Carolina
March 7, 2017
8:15 a.m.**

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore, Vice-Chairman James W. Bannister, J. David Sudduth, and Mayor Knox H. White. Absent: Debra M. Sofield. 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, Human Resources Director Richard Posey, Water Resources Director Rick Pfeleiderer, Business Analyst Jane Arrington, Facilities Maintenance Manager Allen White, Interim Field Operations Manager Wayne Benson, Communications Manager Olivia Vassey, CIP Engineer Mark Hattendorf, 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 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 February 7, 2017, 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. LEGISLATIVE UPDATE

Legislative Liaison Bob Knight joined the meeting via phone call from Washington, D.C. Mr. Knight thanked the Commission for allowing him to call into the meeting. The items that had traction in Columbia that pertain particularly to water utilities are the South Carolina Pension Bill and the Plastic Pipe Bill. This bill has passed both the House of Representatives and the Senate. There were very slight changes made. A consensus has emerged to raise the premium rates of both employers and employees and for the State Government to add some money into the pension system to reduce the premium growth on local governments. The bill will be sent back to the House of Representatives. There is a question of whether a part 2 of the bill will be presented.

The second bill of importance is the Plastic Pipe Bill. This bill requires that any infrastructure project with State Funds would require Requests for Proposals to include specifications for the project such as strength and length of life requirements, so that anyone who can meet the

specifications must be considered in the bid. This allows the plastic pipe industry to be included where previously it would have been excluded. The bill is currently in review by the House of Representatives.

The general interest bill involving the gas tax increase for roads has passed the House of Representatives and has moved to the Senate, where there is a Senate Subcommittee hearing coming up. The bill should be on the full Senate Finance Committee Agenda in the next week. The Senate would then decide whether it is put on the floor just before the budget or risk it holding up the budget. The budget will be on the Senate floor in about three weeks. The gas tax plays into the budget deliberation in a great way.

5. GREENVILLE WATER HISTORY PROJECT UPDATE

Chairman Kilgore invited Upcountry History Museum Project Manager/Writer Meg Hunt to provide an update on Greenville Water's 100 year history project. Ms. Hunt explained this yearlong project is designed to develop a timeline and narrative that preserves the rich history of one of the nation's first municipal water utilities and highlight the progressively visionary leadership that made it possible. Ms. Hunt reviewed the meetings that have taken place and research that has been done since the project began in October 2016 and provided summary of upcoming work which will include:

- Identifying by date the major achievements, developments, etc., to create a visual timeline.
- Determining if any photographs and newspaper/magazine articles correspond with these major milestones to help illustrate the work on the timeline.
- Cultivating the narrative's outline and composing the storyline.
- Following up with Greenville Water's Communication Manager Olivia Vassey to find current employees and retirees who may have played a role in key projects or who may have a unique story to share.
- Making a presentation on March 29th to Greenville Water leaders about the oral history component of the project and to schedule oral history interviews.

Chairman Kilgore asked Ms. Hunt if she had been able to find a picture of the first General Manager for Greenville Water H.W. Perry. Ms. Hunt replied there is a possibility that a negative has been found.

6. AUGMENTATION TO THE CITY CIP BUDGET REQUEST

Chief Operations Officer Rebecca West presented a request to augment the budget for 2017 Normal System Improvements for the City CIP. Ms. West identified the list of projects planned for the 2017 Normal Systems Improvements for the City CIP which include the Mills Avenue, Harvest Lane Area and City road repaving projects.

The City road repaving projects were identified by Greenville Water in late 2016 as staff reviewed the list of City roads scheduled for repaving in 2017. During the past two years, Greenville City has provided the approved list of City roads scheduled for repaving to Greenville Water so that any road on this schedule that has a 2-inch galvanized water main under the road, will have the water main replaced ahead of repaving the road. This is done to minimize the cost of the water main replacement and to ensure that a newly paved road is not "cut".

From this process, several galvanized water main replacement projects were identified for inclusion in the 2017 City CIP projects and it became apparent that additional funding would be needed to complete all of the projects in 2017.

Ms. West presented a request to augment the Normal System Improvements Budget for the City CIP for an additional \$1,196,966.51 to support and accomplish these additional projects. The additional funding would be provided from reserves. The impact on reserves would be Days Cash reduced from 753 days to 739 days.

Chairman Kilgore asked if these projects had previously been projected and are being accelerated or are they just new projects. Chief Executive Officer David Bereskin clarified a portion of these projects have been accelerated due to the paving schedule, and a portion have been accelerated due to break/leak/water quality history.

Commissioner Sudduth questioned if Greenville Water is at the point where it can be determined if the financing for the budget for 2018 CIP will come from reserves. Chief Financial Officer Phil Robey responded in terms of normal system improvements, when at a normal level, the improvements are funded by rate revenue. In this case normal system improvements have been increased which is the cause for augmenting with reserves.

Commissioner Sudduth moved, seconded by Commissioner Bannister, to augment the Normal System Improvement - City CIP Budget from reserves, not to exceed \$1.2 million. The motion carried unanimously.

7. ADKINS PLANT CLEAR WELL PROJECT UPDATE

Chairman Kilgore welcomed Director of Engineering Michael Sharpless to provide an update on the Adkins plant clear well concrete repairs. Mr. Sharpless explained the Contractor had completed the project on Friday and Greenville Water staff were in the process of starting the plant back up. Actual construction work on the project was a month. The anticipated cost is \$430,000. The budget is \$500,000. Pictures detailing the location, the deterioration to be repaired and the repair after it was completed were presented.

Mr. Sharpless reported Burns & McDonnell was the Engineer and The Harper Corporation was the Contractor on the project, adding a good Contractor will make you look good.

Chairman Kilgore asked what was the cause of the deterioration. Mr. Sharpless responded the beam is 35 years old, so age and the location of the chemical feed piping. A part of the project included relocating the chemical feed piping. Also with the clear well beam, this is typical of a wet environment with chemicals present. The clear well area will be inspected in 11 months to see how it is holding up and then on a triennial basis.

8. RESIDUALS MANAGEMENT PROJECT UPDATE

Chairman Kilgore invited CIP Engineer Mark Hattendorf to present an update to the Residuals Handling Study. Mr. Hattendorf explained the purpose of the study is to determine if the way Greenville Water currently processes residuals from the treatment process at both plants is the best long term solution. A picture of the lagoon at the Adkins Plant was provided to orientate the Commission.

Residuals at the Adkins Plant are retained in the lagoons and require periodical dredging and disposal by a contractor. The last dredging took place in 2008 with a cost of \$342,000. Looking at the annualized cost between 2008 and today it would be approximately \$38,000 a year. Greenville Water received a dredging quote in 2016 but held off on the activity due to the residuals handling study taking place. The latest quote is \$1 million. The main driver for the cost increase is this time the lagoons will be fully dredged. Once there is access to the bottom of the lagoon dredging starts to become very inefficient because at that point it pulls more water than solids. This \$1 million quote includes fully dredging the lagoons.

Residuals are handled differently at the Stovall Plant. There is a solids handling facility there. The residuals are dewatered via centrifuge and sent to a landfill in a roll off dumpster. The annual cost for the solids management is approximately \$100,000.

CDM Smith provided several options for each treatment plant. Mr. Hattendorf reviewed the options as provided in the Commission agenda package.

Mayor White conveyed an interest in some type of recycling element stating it would make the most sense rather than an expensive hauling away process. Mr. Hattendorf indicated samples had been run of residuals at both facilities. There is nothing harmful. Alum is the main chemical component, which is used as a coagulant, drawing the dirt particles together so they drop out of the water. Mayor White asked Mr. Hattendorf to describe the proposal recommended that pertains to maintaining the residuals on Greenville Water property a little more. Mr. Hattendorf explained the suggestion would include removing the residuals from the lagoons which would ideally be about a two to three percent solid 95-97 percent water solution and set up an irrigation system. There is no fertilizer benefit, so it would be of no interest to anyone else. CDM Smith looked at properties around the plants to enhance the land disposal option. South Carolina Department of Health and Environmental Control has rules and regulations based on waste water sludge disposal, which residuals would fall under the same category even though the residuals are relatively inert. Mr. Hattendorf reviewed the proposed property locations.

Mr. Bereskin explained the properties proposed were just a result of map reconnaissance and explained this update was to inform the Commission the residuals handling study has concluded and the recommendation from Staff is to keep business as usual as Greenville Water pursues the other issues. A more detailed report will be provided at a later date. Staff will continue to explore the possibility of land application in the future.

Mayor White left the meeting at 9:00 a.m.

9. CHIEF EXECUTIVE REPORT

Mr. Bereskin reminded Commissioners to complete the South Carolina Ethics Commission report by March 31st.

Coming up on March 29th at 4:00 p.m., Ms. Hunt will be meeting with Commissioners, Staff and Retirees to go over the concept of the oral presentations for Greenville Water's 100 year history project.

Management Staff has created strategic planning boards to post throughout the building outlining goals for the year. Focus is being made on a very dynamic goal for the Watershed to include at least one prescribed burn this year.

Mr. Bereskin offered the City of Greenville a place for the statue of Nathanael Greene on Greenville Water property; however, they are currently looking at the Heritage Museum. The actual location will be evaluated and recommended by the Arts in Public Places Commission.

Greenville Water will be a sponsor for the Community Tap Beer Festival on April 29th at Fluor Field. The festival coordinators are expecting 66 breweries and approximately 1200 attendees. The Greenville Water hand wash stations and water buffalo have been made available for use at the event.

South Carolina Water Resources is working on the last river basin, the Savannah River Basin. The latest stakeholder meeting was three weeks ago. The model development should be wrapping up in the near future. The model will then be utilized for making permitting decisions, to monitor the network of basins, water policy development and drought management. Phase II of the model will deal with ground water. It could possibly be six to ten years before a State Water Plan is available. Currently the model is showing the flow of water within a basin, but is not predictive and does not take land use into consideration. It shows the mass balance of the flow of water in a river and how it is allocated.

Renewable Water Resources (ReWa) may be changing the way the summer average is calculated. Currently, six months (October through March) are averaged for a summer maximum amount for waste water charges. ReWa is considering if there is any month with zero usage, the month will be calculated at 7,000 gallons which is the maximum amount.

10. COMMISSION COMMENTS

Chairman Kilgore pointed out Greenville Water had its first neighborhood association meeting in the new Field Operations Facility. There was standing room only. The meeting was a great success. Mr. Bereskin expressed the appreciation he had received from Southernside Neighborhood in Action for opening the facility up to the community.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:20 a.m.


Phillip A. Kilgore, Chairman *Acting Chair*


Kimberly J. Haulter, Executive Assistant