



GreenvilleWater

**MINUTES OF REGULAR MEETING
COMMISSIONERS OF PUBLIC WORKS
407 West Broad Street
Commission Room, Level Two
Greenville, South Carolina
March 5, 2019
8:15 a.m.**

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore, Debra M. Sofield, George Fletcher, Mayor Knox H. White and Vice-Chairman James W. Bannister. A quorum was present.

Greenville Water Staff in attendance:

Chief Executive Officer David H. Bereskin, Chief Financial Officer Phil Robey, Controller Jondia Berry, Director of I.T. Joe Beineke, Water Resources Director Rick Pfeleiderer, Director of Strategic Initiatives Jane Arrington, Human Resources Director Richard Posey, Director of Engineering Mark Hattendorf, Business Services Director Gary VerDouw, Manager of Field Operations Wayne Benson, Facilities Maintenance/Fleet Manager Allen White, Business Process Analyst Heather Nix, Public Relations Specialist Emerald Clark, 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 5, 2019, the Water Resources Report, New Development, and New Annexation Covenants. After a review of the information for the new annexation covenants, the items were unanimously approved.

4. LEGISLATIVE UPDATE

Legislative Liaison Bob Knight was unable to attend the meeting. The Legislative Update was provided via e-mail and shared with the Commission.

5. SEDIMENT CONTROL

Chairman Kilgore invited Director of Strategic Initiatives Jane Arrington to present on sediment control. Dr. Arrington explained that typically field work at Greenville Water falls into three categories: scheduled leaks and main repairs, planned construction projects, and emergency (non-scheduled) main repairs. The preferred method for dewatering with scheduled repairs and construction is to dewater the hole by pumping it into a grassy area. By this method water dissipates into the ground and the remaining sediment residuals are

manually removed. If this option is not available, the second choice is to pump the water into a storm drain utilizing either a bale of straw or an inlet erosion control barrier such as a wattle to prevent and reduce sediment from reaching the storm drain. The remaining sediment residuals are, once again, manually removed.

Greenville County has MS4 permit requirements to reduce the discharge of non-storm water to the MS4 and its receiving waters to the maximum extent practicable using management practices, control techniques and system, design and engineering methods. The exemptions in Greenville County ordinance for non-storm water discharge that might pertain to a water utility include water line flushing, discharges from potable water sources, or other unpolluted water. Specifically there is an exemption for activities undertaken by local governments, special purpose or public service districts related to the repair and maintenance of existing facilities and structures. There are very similar ordinances for the City of Greenville, again identifying exemptions for emergency repairs of existing structures, and facilities that require ground to be broken where sediment may be released, provided that the repairs are performed in a manner consistent with these regulations to the maximum extent feasible.

When Greenville Water has an emergency leak or main break, the top priority is to identify the source of the break and to stop the flow of the water. Erosion control barriers are typically installed after the leak or break is identified and the water is turned off. According to the type of break, if it is in the middle of the roadway, all the spoils are hauled away and replaced with stone. If the break is off to the side of the road, then the spoils are repurposed, if possible. If the spoils are too wet, they are removed and replaced with stone which is then covered with topsoil. In addition to the work performed by Greenville Water, contractors are also working in the community for Greenville Water. Updates are currently being made to the Engineering Construction Specifications to encompass Greenville Water's best management practices for jobsite sediment control. Greenville Water will also be investigating the feasibility of using filter socks and dewatering bags for these purposes.

In 2019 Greenville Water is also undertaking a valve exercising and insertion program to address Customer Satisfaction and Operational Resiliency areas of strategic planning. By inserting more valves throughout the system, the volume of water released when there is a break will be minimized, as well as allowing the water to be turned off more quickly during such an incident.

6. AMWA INSIGHT SURVEY

Chairman Kilgore welcomed Chief Financial Officer Phil Robey and Controller Jondia Berry to present information from the Association of Metropolitan Water Agencies (AMWA) biennial financial survey of the largest public water utilities in the Country. The most recent survey was completed in the Fall of 2018. The AMWA INSIGHT survey provides a wealth of information on the financial practices and operations of comparable utilities throughout the Country.

The statistics and slides provided in the Commission agenda package were derived from a model that AMWA provides participants of the survey. There was a total of 109 respondents to the survey with a concentration of participation in the southern and western states. Not all participants responded to every question in the survey.

Greenville Water's minimum monthly charge by meter size is one of the lowest of the respondents of the survey. Operating costs are below the 25th percent quartile with a total budgeted cost of \$208 per account. Monthly water consumption for a typical Greenville Water residential customer was 5,120 gallons. National average was 6,517 gallons. Development fees by meter size for a 5/8 inch meter averaged \$2,938. Greenville Water's development fees for a 5/8" meter fell in the 25th percent quartile, while the other meter sizes fall between the 25th and median percent quartile. The average annualized percent rate increases for Greenville Water fall into the 0-2 percent range, while the average annualized percent rate increases of respondents was 2-4 percent.

Mr. Bereskin reported Greenville Water took in about 2600 new development fees in the last fiscal year. The new retail customers chart revealed the median was at 721 across the Country indicating Greenville was one of the larger growth areas in the Nation.

Ms. Berry pointed out in recent years the industry changed unaccounted for water to non-revenue water. Greenville Water's measured percent of non-revenue water is 17 percent, but this number includes the flushing program as well as free accounts, therefore real water losses are estimated to be around 10 percent.

Mr. Robey reported Greenville Water's utility debt is very low, the outstanding debt will be coming off in 2024, and there are currently no plans to issue new debt. Relative to other respondents, Greenville Water's per capita debt load is very low at this time. Half of the utilities responded having 41 percent or greater in total annual costs in unrestricted reserves. Greenville Water is at 115 percent, which reflects the strong reserves position relative to the other participants. Greenville Water is one of only a few utilities to receive a AAA rating from all three rating agencies.

7. CHIEF EXECUTIVE REPORT

Chairman Kilgore welcomed Mr. Bereskin to present the Chief Executive Report. Mr. Bereskin began with an update on the 30" main repair. Staff is proceeding with the replacement of the underground pipe. The pipe has already been extended through the river. The connections on the east side of the North Saluda River were recently made and the west side connections should be done in the next few days. After sampling, the pipe will be put back into service. In excavating the pipe, it was found to be in good condition. The joints were also in good condition. Original construction had installed a T in the middle of the river. The cap or plug obviously blew out causing the recent pipe breaks.

State water planning is continuing to progress with the Department of Natural Resources and the Planning Process Advisory Committee (PPAC). Mr. Bereskin attended the South Carolina Chamber Environmental Technical Committee (ETC) meeting. This group had expressed concerns with the State Water Plan and how DNR was conducting itself.

American Water Works Association's ACE 2019 will be June 9th – 12th in Denver, CO. The early bird registration ends April 24th.

Greenville Water will be sending out a news release announcing water rates are stable and will not increase in 2019.

The City of Fountain Inn will hold the ground breaking for a new splash pad on March 21, 2019. Greenville Water is the diamond sponsor.

8. COMMISSION COMMENTS

Chairman Kilgore congratulated the Finance Team on receiving news that Moody's reaffirmed Greenville Water's AAA rating in its Annual Issuer Comment.

Commissioner Fletcher announced he is Chairman of the Renewable Water Resources Long Range Plan in conjunction with Paul Gucker of Greenville County.

Commissioner Sofield thanked Business Process Analyst Heather Nix and Public Relations Specialist Emerald Clark for their assistance in working with the Greenville Garden Club to revive the gardens at the Kilgore Lewis House.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:08 a.m.



Phillip A. Kilgore, Chairman

Kimberly J. Haulter, Executive Assistant