

MINUTES OF REGULAR MEETING COMMISSIONERS OF PUBLIC WORKS 517 West Washington Street Community Room Greenville, South Carolina May 5, 2020

8:15 a.m.

GreenvilleWater

Commissioners of Public Works in attendance:

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

Greenville Water Senior Staff in attendance:

Chief Executive Officer David H. Bereskin, Chief Financial Officer Phil Robey, Chief Operations Officer Jeff Boss, Director of Strategic Initiatives Jane Arrington, Director of Water Resources Jeff Phillips, Director of Engineering Mark Hattendorf, Manager of Field Operations Wayne Benson, and Attorney David Ward.

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

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 Regular Commission Meeting April 7, 2020, the Water Resources Report, the Finance Update, and New Development. The items were deemed approved.

4. LEGISLATIVE UPDATE

Chairman Kilgore welcomed Legislative Liaison Bob Knight to provide a legislative update. Mr. Knight stated there was not much happening in the last sixty days legislatively. The Legislature did try to pass a continuing resolution and a sine die resolution, but they were not successful. The Legislature is scheduled to return on Tuesday May 12th to try again. The Santee Cooper issue that held up the continuing resolution has been resolved. It is expected that a continuing resolution will be passed. There is uncertainty about whether anything else will be accomplished. The session on May 12th is closed to the public.

5. STRATEGIC PLAN UPDATE

Chairman Kilgore welcomed Chief Operations Officer Jeff Boss to kick-off the strategic plan update. Mr. Boss explained the overarching goal is to provide and maintain high quality customer service, resilient infrastructure and efficient operations in the field. Exciting benefits of implementing the strategic plan are the new ideas and methods the organization is developing into achieved successes and efficiencies.

Mr. Boss introduced Director of Water Resources Jeff Phillips to present on Water Resources. Mr. Phillips stated current regulations require fire flow tests on fire hydrants every three years and there are 12,000 hydrants in the system. Greenville Water's distribution water quality group has a goal of around 4000 hydrants a year. There were 547 hydrants tested in the month of April 2020. Also, to maintain water quality in the distribution system a unidirectional flushing program was started about 20 years ago. Greenville Water's Geographic Information System (GIS) has been used to combine these two programs to minimize the number of hours required to complete both tasks.

Greenville Water's Laboratory has begun testing after rain events in areas where vulnerabilities in the stream crossings on Old Highway 25 in the North Saluda Watershed have been recognized. Mr. Phillips reviewed information provided regarding turbidity and total organic carbon (TOC) at the stream crossings. Even during the events, there is not an increase in TOC. Staff will continue to sample after rain events greater than 1-inch and then use the parameters to provide updates.

Manager of Field Operations Wayne Benson reviewed Field Operations strategic goals and the metrics measured monthly. The new leak investigation team is checking all leaks within two hours of receiving notification of a suspected leak. If the leak is minor, the repair is made immediately. When heavy equipment is needed, an 811 locate is called in immediately and the repairs are made after the locate ticket is cleared. The goal is never to exceed a backlog of more than 20 leaks, and Staff strives to have no leaks going into weekends. Currently, Staff is maintaining less than 10 leaks per day.

There is an average of 7,000 utility locates per month and all locates are completed within 72 hours except for on-going construction projects. There has not been a decrease in the number of locates with the onset of COVID-19.

Director of Engineering Mark Hattendorf reviewed the Engineering Departments progress on 2020 goals. The Development Services team is creating standardized scripts for customer interactions to ensure a common message. Tasks have been identified and the team is reviewing the tasks individually to create the scripts.

A preliminary schedule for Capital Improvement Projects (CIP) is created at the beginning of every year. A goal has been established to meet the schedule 90% of the time. Currently there are 33 projects, with 94% on schedule.

In the past there have been opportunities to better communicate with customers regarding water line projects. Metrics have been created to measure how many projects are in progress, how many notifications have been sent out for the projects, and any customer feedback. The year-to-date projects are 10. There have been 398 notifications sent out, and only one customer comment has been received.

The Design and Inspection group has been tasked with designing and contracting replacement of 50,000 linear feet of galvanized main and installing ductile iron. To date 5,000 LF has been installed, 15,000 LF contracted and 20,000 LF out for permits. The Design and Inspection group is well on the way to reaching the 50,000 LF goal.

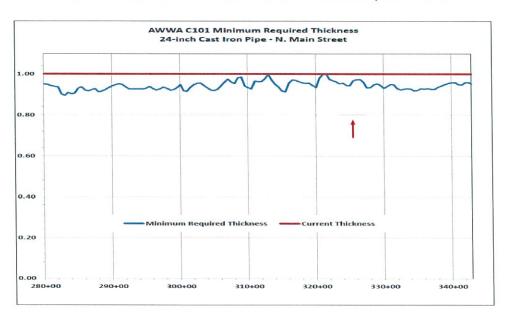
Five permanent District Metered Areas (DMAs) have been determined in the distribution system to help capture water loss. The execution of the additional metering for the DMAs is in the planning phase.

To improve spatial accuracy and data integrity in GIS, the Engineering Department has set a goal of surveying and inspecting 20,000 meters (1667 per month) in 2020. This is a little over 10% of the entire system. To date the GIS group has collected data on over 7500 meters.

6. INSPECTION RESULTS FOR 1924 WATERLINE ON N. MAIN STREET

Chairman Kilgore welcomed Mr. Hattendorf to present on the inspection results provided by Pure Technology. Mr. Hattendorf reviewed the initial presentation from February showing the insertion of the Smartball and Pipe Diver Ultra used by Pure Technologies to perform a leak and pipe wall thickness analysis.

The final report shows the 95-year-old pipe to be in excellent shape. The coupon cut out to install a valve shows the pipe wall is at a thickness of approximately 1-inch, which is thick pipe. Data collection by Pure Technologies shows that the pipe has a nominal thickness of 1-inch. Pure Technologies ran an American Water Works Association structural analysis on the pipe based on 150 psi working pressure, as well as the depth of the pipe and the external loading anticipated to be on the pipe. The chart below shows the results. There are only a couple spots where the minimum and current thickness intersect. This means the pipe can lose some wall thickness and not be detrimental to its performance.



The red arrow indicates the one point on the 4,000 LF of pipe where an anomaly was found to be below the recommended wall thickness. This anomaly is a very small area on one stick of pipe and is about a 5 X 7-inch area with a wall thickness of 0.80. The ultrasonic technology used is so sensitive Pure Technologies was able to count the sticks of pipe by the joints. The data pointed out the pipe number and provided a longitudinal position from the bell.

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Based on the cost of the investigation and the condition of the pipe, Pure Technologies has recommended Greenville Water establish an inhouse acoustic leak investigation program on this main. The pipe has been in the ground for 95-years and there has not been a lot of activity regarding leaks or breaks.

The pipe diver is highly intrusive on smaller mains such as 24-inch but could be useful on larger mains where existing access is available, such as 48-inch and larger mains. In having to turn water on and off while installing and extracting the testing devices, coordination and communication is key to success with various stakeholders.

Commissioner Sofield asked if 1-inch wall thickness is standard thickness. Mr. Hattendorf responded it is not. Cast iron pipe was cast significantly thicker than ductile iron pipe used today. Ductile iron pipe on a 24-inch main is around ½-inch thick or less.

7. FINANCIAL IMPACT OF COVID-19

Chairman Kilgore invited Chief Financial Officer Phil Robey to provide an update on the financial impact of COVID-19. Mr. Robey stated over the last couple months Greenville Water has been monitoring the impact water sales and collections on customer accounts. There were two accounts known to be down in 2020, delinquent charges and turn off/turn on charges. These fees have not been charged for most of 2020, not only because of COVID-19 but also because of the cyberattack that occurred back in January. By virtue of the actions of the Federal Reserve interest rates are down and therefore interest revenue is down. On a positive note, development activity has remained strong resulting development related fees remaining steady. The impact on expenses has been negligible, with nothing notable to report.

Mr. Robey reviewed the trends in revenues as a result of COVID-19 focusing on March and April. Total residential billings for March of 2020 were down six percent compared to March of 2019, however, total residential billings for April 2020 were up eight percent compared to April 2019. Overall for the period January — April of 2020 the actual residential billings are down slightly below two percent of what was projected for the same period. Mr. Robey stated it is very difficult in any given year, COVID-19 or not, to really get a firm handle on revenues particularly ahead of the summer months where extreme weather can drive revenues one way or the other.

March 2020 billings for small commercial accounts were down six percent compared to March 2019. The April 2020 small commercial billings were down three percent compared with April 2019. The large commercial billings showed a downward trend as well. Wholesale billings for March 2020 were up 19 percent compared with March 2019 and April 2020 wholesale billings were up 14 percent compared to the prior April. April 2020 collections compared to April 2019 collections are up two percent. Based on the analysis of Accounts Receivables, for the most part customers are staying current on their bills.

Clearly commercial accounts are down; however, they are more than offset by the increases in residential and wholesale billings. Mr. Robey predicted any adverse impact of COVID-19 on collections will really show itself in the coming weeks and months. As a result, it is very difficult to quantify the potential magnitude of the impact. Staff will continue to monitor data

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daily. If conditions dictate budgetary actions are needed, Chief Executive Officer David Bereskin will advise the Commission and take appropriate action.

8. CHIEF EXECUTIVE REPORT

Chairman Kilgore invited Chief Executive Officer David Bereskin to provide the Chief Executive Report. Mr. Bereskin reviewed Greenville Water's new Team Member of the Quarter program and announced Development Services Technician Ms. Heather Duncan as the first Team Member of the Quarter award winner.

Adding to what Mr. Robey and Mr. Knight shared regarding COVID-19, Mr. Bereskin shared Representative Bruce Bannister had asked if Greenville Water had experienced any COVID-19 related expenses as a Utility. Through contact with fellow utility executives, to the best of Mr. Bereskin's knowledge, utilities in South Carolina have not had any adverse employee health concerns with COVID-19. It has been business as usual, depending on how the utility operated during the last two months or so. Greenville Water has had nominal to little expenses associated with COVID-19. The main expense was due to equipping employees to be able to work remotely. Mr. Bereskin's summation on COVID-19 was to ask Representative Bannister to work on establishing a fund that could be set aside for customers that will not be able to make payments on their utility bills, recommending \$30 million, for the State's water and waste water utilities, be set aside for this fund out of the \$1.9 billion provided by the Federal Government. Advocating guidelines be established by legislative representatives.

Mr. Bereskin shared that leak reports have increased with more people being home during the pandemic. Field Operations is doing a great job getting to the leaks in a timely fashion. Staff is very mindful of Palmetto Utility Protection Service's 811 process where locates are called in before work begins. The severity of the leak and workload determine the locate time required and Greenville Water's response time.

Greenville Water has around 186,000 accounts within the water system. GPS locations have been acquired on around 8,000 of the accounts. The new asset management program has spurred the need to get the meters located since the routes are no longer walked but read remotely. The workforce is changing from the Field Service Technicians who used to walk the routes to new employees coming in that do not know exactly where the meters are. The meter locations are needed for the customer service system and responses to requests. A program has been developed to use the Greenville Water family's college aged students during the summer to rollout GPS devices to get these meter locations. The interns will also be providing feedback as to the condition of the meter, box, etc.

9. COMMISSION COMMENTS

Commissioner Sofield thanked the team responsible for Greenville Water's social media presence. The coloring contests, water leak notifications, etc. really look great. Thank you to Staff for keeping everyone up to date on the social media side. It makes a difference for the public because Greenville Water is a much more friendly organization.

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10. ADJOURNMENT

There being no further business, the meeting was adjourned 9:10 a.m.

Phillip A. Kilgore, Chairman

Kimberly Haulter, Executive Assistan