



GreenvilleWater

**MINUTES OF REGULAR MEETING
COMMISSIONERS OF PUBLIC WORKS
517 West Washington Street
Community Room
Greenville, South Carolina
August 4, 2020
8:15 a.m.**

Commissioners of Public Works in attendance:

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

Greenville Water Senior Staff in attendance:

Chief Executive Officer David H. Bereskin, Chief Operations Officer Jeff Boss, Controller Jondia Berry, Director of Water Resources Jeff Phillips, Director of Strategic Initiatives Dr. Jane Arrington, Director of Engineering Mark Hattendorf, Director of Human Resources Richard Posey, Director of Business Services Gary VerDouw, Director of Information Technology Billy Cooper, Manager of Field Operations Wayne Benson, Manager of Facilities and Fleet Allen White, Watershed Manager Henry Poole, Public Relations Manager Emerald Clark, and Purchasing Manager Will Bettis.

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 Regular Commission Meeting June 2, 2020, the Water Resources Report, the Finance Update, New Development, and New Annexations. Commissioner Brasington moved, seconded by Commissioner Sofield, to approve the consent agenda items. The motion passed unanimously.

4. LEGISLATIVE UPDATE

Chairman Kilgore welcomed Legislative Liaison Bob Knight to provide a legislative update. Mr. Knight stated the only Legislative activity is the General Assembly is expected to meet again in September, for two weeks. A Continuing Resolution was passed in May, which adopted last years budget for this current fiscal year. Legislators intended to come back in September and adopt a full year budget. If a new budget is passed, it will likely be primarily last years budget with a few minor amendments to it.

One major piece of business that remains to be taken care of is the remaining \$668 million of CARES Act funding that has not been allocated to date. South Carolina received right at \$2 billion. The biggest part went to the state government, with a small exception of the \$90 million that came to Greenville County. Money has been allocated to the unemployment

trust fund, education, healthcare, et cetera, leaving the remaining to be allocated by December 31, 2020.

5. STRATEGIC PLAN UPDATE

Chairman Kilgore welcomed Director of Strategic Initiatives Dr. Jane Arrington and fellow Staff members to present the Strategic Plan Update. Dr. Arrington reviewed Greenville Water's Vision/Mission/Values and provided a brief overview of the strategic plan over the past five years.

Controller Jondia Berry reviewed the accounting goals set forth to maintain financial stability by efficiently recovering costs due to operating, maintaining, improving and expanding the water system. There are six goals that include:

- 99% of claims information and repair information submitted within 10 business days. This goal is at 100% through June.
- 99% of early payment discounts taken. This goal is averaging at 94% through June. Challenges arose in May but those were overcome in June.
- 99% of idle funds invested. This goal is averaging 98% through June. The first quarter was 96% but the 99% goal has been achieved through June.
- A completed field audit and draft report of annual audit by March 31st. The field audit was completed on March 20th and the draft delivered on March 27th.
- Bank statements reconciled within 10 business days of month end. This goal is at 100% through June.
- Timely release of financial reports. This goal is at 100% through June.

Purchasing Manager Will Bettis reviewed the 2020 goals for the purchasing department which included:

- Development of supplier agreements, determine which inventory parts were a good fit, select suppliers for these parts and negotiate agreements and discounts. Year-to-date the department has solicited bids and executed four different pricing agreements with local distributors.
- Process 95% of approved purchasing portal requisitions within one business day. Year-to-date the goal is at 100%.
- Release 90% of Capital Improvement Program bids within five business days upon receipt of the approved bid package from Engineering. Year-to-date this goal is 100%.
- Maintain a variance of 2% or less in inventory of the Shop, as well as trucks. Year-to-date the trucks are averaging a 1.4% variance and the Shop is at 0.6% variance.

Director of Business Services Gary VerDouw reviewed the goals for Billing, Customer Service and Field Services teams. The Billing department consists of 9 employees that are responsible for delivering 180,000+ bills to customers in a timely manner every month. The department's two goals are:

- 99.5% of monthly bills in the mail within five days of the meter being read. This goal has been met consistently apart from January due to the cyberattack.
- 99.9% accuracy of billed accounts. This goal has been at 99.99% for each month so far in 2020.

Customer Service has 24 employees delivering stellar service to customers. The department's goals include:

- 100% goal for checking new customer accounts for past bad debt balances. When a new customer signs up for service, Customer Service Representatives (CSRs) check account records to see if there is an outstanding balance left on a previous account. This goal is at 100% for 2020.
- Less than 2.55 minutes as average talk time for a call to ensure the calls are efficient. The first quarter the average was at 2.6 minutes and the second quarter was at 3.0 minutes. The team is aiming to reduce this average. One reason for the overage is some of the call center employees are normally on the front counter and are getting accustomed to being on the phones.
- Call abandonment rate of less than 8%. This result was affected by the cyberattack in January/February due to the phone systems being down and very spotty until the systems were restored 100%. Since April the rate has been at 3%.
- Average wait time of less than 1.8 minutes. This result has been at 0.8 minutes for the first quarter and 0.3 for the second quarter.

Field Services has 25 employees out in the field reading meters, turning meters on and off and handling miscellaneous tasks. There are two positions for Field Services Representatives (FSR): those that read meters, re-reads, non-pay turn-offs/turn-ons, meter changeouts for failed reads, et cetera (non-side guys) and those that work orders such as connects, disconnects, water pressure checks, et cetera (side guys). The goals for this department are:

- 37 worked orders per day per FSR (side guys). 47 worked orders per day per FSR (non-side guys). The first two quarters were under the goal due to foregoing disconnections since the first week of the year. Disconnections would add approximately 8,000 service orders, which would increase the average orders worked.
- 99% of accurate meter readings obtained per month. This goal has been exceeded at 99.99% each month, including the month of January when Greenville Water experienced the cyberattack.
- 99% of service orders completed within 24 hours. The team has been successful with a result of 100% for the first two quarters.

Commissioner Sofield asked when the disconnections would resume. Mr. Bereskin responded disconnects would resume on August 18, 2020.

Director of Information Technology Billy Cooper introduced himself to the Commission as this was his first meeting since starting with Greenville Water in June. Mr. Cooper provided a current state of I.T., then moved into the strategic planning metrics. The goals for this department are:

- 65% efficiency and accuracy of ticket resolution with first contact and less than 30% of reopened tickets within 30 days of initial ticket closing. First contact resolution is currently at 78% and reopened tickets are currently at 2%.
- Average response time goal of less than 2 hours with an overall on-time response and resolution percentage of 90%. The response time average is at 1.9 hours with an overall on-time response and resolution percentage of 97%.

- Average resolution time for medium priority tickets of less than 8 hours and high priority tickets of less than 2 hours. Medium priority ticket resolution time is currently 4.1 hours, with high priority ticket resolution time currently at 3.88 hours.
- 60% of on-time project completion. The average is currently at 66%.

Chairman Kilgore welcomed Mr. Cooper to the team and thanked everyone for their strategic planning reports.

6. WATERSHED UPDATE

Chairman Kilgore invited Watershed Manager Henry Poole to present on forest succession after a disturbance. In April 2019 Table Rock watershed experienced a tornado that knocked down trees in an area of the watershed near Slicking Mountain. Mr. Poole explained a healthy forest needs periodic disturbances and reviewed forest succession after a disturbance.

A drone was used to view the damage area from above. Mr. Poole also walked the area to see what is happening on the ground and provided pictures of regeneration including yellow poplar, pine, and oak. These trees need full sun light and are thriving in the area damaged by the storm. The open canopy is healthy for trees and animals. Mr. Poole and an intern put 0.01-acre plots in the tornado damaged area to collect data. The data showed 9200 trees per acre which is a lot of good regeneration. In a fully mature forest, there may be 150 trees per acre, which is by design. All the trees will not make it through time.

Mr. Poole contrasted a large-scale disturbance, like the tornado, with a much smaller scale disturbance, like the prescribed fire at North Saluda in 2019. The prescribed burn was successful, as Mr. Poole pointed out examples of regeneration taking place. All in all, the watershed is doing great despite the tornado damage and the prescribed fire was also of great benefit to the watershed.

7. INTAKE TO ADKINS PRESENTATION

Chairman Kilgore called upon representatives of Brown and Caldwell, Mr. Wayne Iseman and Mr. Jay Mazzei, to provide a project update on the Adkins Plant Raw Water Conveyance System. Mr. Mazzei reviewed the background of the project, the original goal, findings and presented recommendations provided to Staff.

The current pipe hydraulic analysis indicates that 150 million gallons per day is achievable without upgrading the pipeline. The pump station and causeway piping are a higher priority. The recommendations are:

- Prepare a basis of design report for the pump station and associated piping improvements
- Phased approach with design packages identified in increments based on demand
- Develop plan for existing pipeline condition assessment and risk assessment
- Review options for upsizing, lining (hardening), paralleling the lines across the causeway
- Design of interconnections, to include permitting, bidding, and construction phased services
- Develop contingency and emergency plan

Mr. Bereskin mentioned growth is coming and Greenville Water wants to make sure reliability and redundancy are in place. Chairman Kilgore asked for a site visit to better understand the recommendations. Commissioner Sofield asked what spurred the interest in this project. Mr. Bereskin stated low interest rates, preparation for the future, previous issues with the 72" prestressed concrete cylinder pipe, a dual piping vision and new development of a large housing development near the Adkins Plant.

8. AFFORDABILITY REPORT

Chairman Kilgore invited Mr. VerDouw to present an affordability assessment report. The United States Environmental Protection Agency (USEPA) has set up affordability assessments that have been in place for many years. Water affordability is always a concern for water customers. Rates for water, wastewater, and stormwater continue to rise across the country at a rate much higher than the Consumer Price Index (CPI). Overall an increase of nearly 130% for water/wastewater/stormwater customers over the past 20 years, on average. The CIP saw a 52% increase in the same period. Greenville Water's rates have only increased 34% over the past 15 years, which shows Greenville Water has low, stable rates. Mr. VerDouw provided perspective on this increase by explaining the rate for an in-city customer for 3500 gallons of water has gone from \$7.27 to \$9.67, an increase of \$2.47 a month. A customer outside the city limits of Greenville has seen an increase from \$10.88 to \$14.55, an increase of \$3.60 a month during a 15-year period.

The USEPA has a residential indicator or RI guideline which considers a household water bill to be a high burden if the average household costs for water are greater than 2.0% of the community's Median Household Income (MHI). A household water bill is considered to be a high burden if the average household costs for wastewater are greater than 2.5% of the community's MHI. Combined household water and wastewater bills are considered to be a high burden if the average costs for both are greater than 4.5% of the community's MHI. If the combined water/wastewater bill for a family of four living in Greenville County at the 100% poverty level is more than \$98.25 a month or \$1,179 a year the bill would be considered a hardship. Mr. VerDouw provided the below table to show Greenville Water's rates would not be considered a hardship based on the USEPA guidelines:

Water/Sewer Utility:	Cost for 3,500 Gallons/Month of Usage:				Cost for 5,000 Gallons/Month of Usage:			
	In City Rate:		Outside City Rate:		In City Rate:		Outside City Rate:	
	Dollar Amount	% of Total Income	Dollar Amount	% of Total Income	Dollar Amount	% of Total Income	Dollar Amount	% of Total Income
Greenville Water	\$ 9.67	0.4400%	\$ 14.55	0.6700%	\$ 11.87	0.5400%	\$ 17.88	0.8200%
ReWa	\$ 32.51	1.4900%	\$ 32.51	1.4900%	\$ 41.30	1.8900%	\$ 41.30	1.8900%
MetroConnects	\$ 16.75	0.7700%	\$ 16.75	0.7700%	\$ 19.10	0.8700%	\$ 19.10	0.8700%
Total Sewer Bill:	\$ 49.26	2.2600%	\$ 49.26	2.2600%	\$ 60.40	2.7700%	\$ 60.40	2.7700%
Total Water and Sewer Bill:	\$ 58.93	2.7000%	\$ 63.81	2.9200%	\$ 72.27	3.3100%	\$ 78.28	3.5900%

The American Water Works Association's (AWWA) Journal for June 2020 included an in-depth article recommending changes to the USEPA affordability model. The authors of the article recommend a two-part methodology that provides clearer indications of affordability

challenges for low-income households as well as recognition of stormwater management costs. The two-part methodology includes a Household Burden Indicator (HBI) and a Poverty Prevalence Indicator (PPI). The HBI is defined as basic combined water service as a percent of the 20th percentile household income (i.e. the lowest quintile of income LQI) for the service area. The PPI is defined as community households at or below 200% of the Federal Poverty Level.

Household Burden Indicator (HBI) and Poverty Prevalence Indicator (PPI) Ranges Defining US Water Service Affordability

HBI: Water Costs as a Percent of Income at LQI %	PPI: Households Below 200% of FPL %		
	<20	20-35	>35
>10	Moderate to high burden	High burden	Very high burden
7-10	Moderate to low burden	Moderate to high burden	High burden
<7	Low burden	Moderate to low burden	Moderate to high burden

FPL—federal poverty level, LQI—lowest quintile of income

Based on a family of four using 3,500 gallons of water a month, total water costs for a year equal an HBI of 3.4%. Based on US Census Data for Greenville County for 2018, there are approximately 20.0% (20% PPI) of households in Greenville County that would fall into the households below 200% of the Federal Poverty Level. This ranks water rates for Greenville as Low burden, and very affordable. Greenville Water has not had a rate increase since 2016, has some of the lowest water rates in the Country and cost controls along with management of its budgetary growth helps to ensure stable and affordable rates.

9. CHIEF EXECUTIVE REPORT

Chairman Kilgore invited Mr. Bereskin to provide the Chief Executive Report. Mr. Bereskin welcomed Mr. Michael Dey, Vice President of Government Affairs for the Home Builders Association of Greenville, who joined the meeting after it started. The Commission welcomed Mr. Dey, as Mr. Bereskin reviewed proposed practice changes related to meter box placement.

10. COMMISSION COMMENTS

Commissioner Sofield announced that former Commissioner George Fletcher has been re-appointed to the Renewable Water Resources (Re-Wa) Board. Commissioners wished him great success.

Vice-Chairman Bannister moved, seconded by Commissioner Sofield, to go into Executive Session for the purpose of discussing contractual and legal issues. The motion passed unanimously.

(Executive Session)


Commissioner Sofield moved, seconded by Vice-Chairman Bannister, to go out of Executive Session. The motion carried unanimously. No action was taken.

11. ADJOURNMENT

There being no further business, the meeting was adjourned 10:30 a.m.



Phillip A. Kilgore, Chairman



Kimberly Haulter, Executive Assistant