



GreenvilleWater

**MINUTES OF REGULAR MEETING
COMMISSIONERS OF PUBLIC WORKS
517 West Washington Street
Community Room
Greenville, South Carolina
February 2, 2021
8:15 a.m.**

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore, Vice-Chairman James W. Bannister, Debra M. Sofield, and Wil 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 Water Resources Jeff Phillips, Director of Strategic Initiatives Dr. Jane Arrington, Director of Engineering Mark Hattendorf, Director of Administration, Sustainability and Compliance Dr. Bob Schmidt, Director of Human Resources Richard Posey, Director of Business Services Gary VerDouw, Director of I.T. Billy Cooper, Manager of Field Operations Wayne Benson, Manager of Watersheds Henry Poole, Public Relations Manager Emerald Clark and Attorney Adam Bach.

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 asked if there were any questions and called for approval of the items of the Consent Agenda which were the meeting minutes of the Regular Commission Meeting January 12, 2021, the Water Resources Report, the Finance Update, New Development, and New Annexations. Vice-Chairman Bannister moved, seconded by Commissioner Sofield, to approve the items of the consent agenda. The motion passed unanimously.

4. LEGISLATIVE UPDATE

Chairman Kilgore welcomed Legislative Liaison Bob Knight to provide a legislative update. Mr. Knight announced the South Carolina House of Representatives and Senate started on January 12, 2021. The first week was spent doing organizational work, particularly in the Senate where desks and committees were selected. The House of Representatives voted to continue to receive offers for a sale of the state-owned electric utility Santee Cooper, while also pushing for agency reform. A coronavirus pandemic relief bill was also passed, funded by money carried over from last year's budget. This bill will help hospitals, the South Carolina Department of Health and Environmental Control (SC DHEC), the Medical University of South Carolina (MUSC), et cetera to speed up COVID-19 vaccination efforts. This was a significant piece of legislation for the second week of the session. The Senate took up the

South Carolina fetal heartbeat and protection from abortion bill, and it has already moved to the House of Representatives. The Senate will take up the coronavirus pandemic relief bill and will screen the new Director nominee for DHEC.

Greenville Water is anxiously hoping for House and Senate hearings on the retirement bill. Mr. Knight has stressed to key members how important the bill is. Mr. Knight and Chairman Kilgore met with Representative Haddon regarding sponsorship of legislation dealing with governance structure, as well as other legislation.

Congress put funds into Health and Human Services (HHS) out of Washington for water utility relief, around \$630 million nationwide. It is suspected that South Carolina should get around \$11 million of these funds. The Governor's office was unaware the money was available. Mr. Knight made them aware and the Governor's office is in contact with HHS. The early report is that HHS does not yet have a plan for distributing the money to the states. The money is supposed to be distributed straight to water utilities to aid customers who are struggling to pay their water bills. Currently, the only real restriction for the relief is it is to be prioritized for households at 150% of the HHS poverty guideline.

5. YEAR-END FINANCIAL PRESENTATION

Chairman Kilgore called on Chief Financial Officer Phil Robey to cover preliminary year-end financials. Mr. Robey stated in a year that began with a ransomware attack, then rolled into the COVID-19 pandemic, there were a lot of uncertainties and challenges, but the year ended in good financial shape for Greenville Water. Estimates, targets, benchmarks, and budgets were met, and in some cases, they were exceeded. Mr. Robey reviewed the revenue and expense highlights to paint a picture of what resulted in a very good year despite the challenges of 2020. Water sales remained very strong despite 2020 being the second wettest year on record for Greenville, according to the National Weather Service. Development activity in the service area remained strong as well.

In June 2019 Greenville Water's capacity fee schedule was amended for multi-family development in an effort toward improving housing affordability in the Greenville community. 2020 was the first full year of the change. Developer costs for multi-family construction was changed to:

- 1 BR - \$660
- 2 BR - \$1,000
- 3 BR - \$1,320 (same as single family)

The implementation of this tiered fee schedule resulted in \$735,560 in multi-family construction savings in 2020. This was a significant contribution toward more affordability in housing.

Despite the challenging year, Greenville Water continued strong with budgetary management and the year ended with all Commission financial benchmarks being met and exceeded. Mr. Robey stated these results were unaudited. Greene Finney and Horton, LLP will be presenting the results of the annual audit to the Commission in the coming months.

Chairman Kilgore congratulated the entire team for the outstanding results reported. This represents a lot of hard work by everyone.

6. PURCHASE ORDERS TO CARRY FORWARD

Mr. Robey presented the budgeted amounts from 2020 to be carried over into 2021 budget. The Operating Budget Policy gives the CEO authority to carryover budgeted amounts unspent at year end by advising the Commission of amounts to be carried over. Following are the budget carryover amounts:

- | | |
|--|-----------|
| • Repair & Maintenance | \$285,439 |
| • General & Administrative | \$500,000 |
| • Capital Outlay (vehicles, equipment, IT hardware/software) | \$275,500 |

7. 2021 CAPITAL IMPROVEMENT PROGRAM (CIP) CARRY FORWARD PROJECTS

Mr. Robey presented an update on the 2021 CIP and requested the Commission amend the budget for some new projects that Staff feels need to be given the urgency of being added to the 2021 capital budget. The new additions include:

- Ashmore Bridge River Crossing
- Hwy 86 River Crossing
- Adkins Water Treatment Plant Raw Water Pump Station MCC Replacement
- North Saluda Canal Project

The first two projects are not new projects in the sense of being unexpected but were assumed to be funded as part of the normal system improvement program. Unfortunately, the magnitude of the projects has gotten to the point they are more appropriately included in the CIP. The Adkins Water Treatment Plant Raw Water Pump Station MCC Replacement project is a result of the fire that took place on Friday, November 13, 2020. This project is a large project, not only repairing and replacing, but improving and making enhancements to the intake to prevent similar incidents in the future. The fire occurred after the CIP had been approved. The North Saluda Canal project is a placeholder currently. Staff is working to get a firmer budget estimate but wanted to get it included in the CIP. The amount may change, but this will be a placeholder.

Commissioner Brasington moved, second by Vice-Chairman Bannister, to approve the amendment to the 2021 Capital Improvement Project budget as presented. The motion passed unanimously.

8. UPDATE OF NORTH SALUDA PROJECTS

Chairman Kilgore called upon Director of Administration, Sustainability and Compliance Dr. Bob Schmidt to give an update on the North Saluda projects. Dr. Schmidt introduced Watersheds Manager Henry Poole who assisted with the presentation. The North Saluda Stream Restoration Program is an assembly of several separate projects, some of which have already been developed and some of which are in development. Dr. Schmidt reviewed the program objectives:

- Improved Water Quality for Native & Aquatic Species
 - Reduce sediments/nutrients
 - Reduce Agricultural Pollutants
 - Reduce Invasive Plant Species
- Prevent Streambank Deterioration
- Improve Stream Habitat Responsiveness

There are several stakeholders that want to be involved in this project and similar projects. Contact has been made with the largest stakeholders. The stream improvement challenges include multiple landowners, sediments/agricultural pollutants, invasive species, streambank deterioration, the need for stream responsiveness, self-sustainability, and funding availability. The North Saluda Stream Restoration program will be implemented in a phased approach:

- Phase 1
 - Greenville Water Sediment Removal
 - Greenville Water Stream Restoration Timelines
 - Initial Stakeholder Input
- Phase 2
 - Preliminary Restoration Engineering
 - Jennings Environmental
 - SC DNR and Regulatory Coordination
 - Landowners Coordination
 - Secondary Stakeholder Input
- Phase 3
 - Project Implementation
 - Operational Impacts
 - Post Implementation

Mr. Schmidt explained these phases will overlap one another from a timeline standpoint. Mr. Poole reviewed footage taken by drone to provide a visual of the Phase 1 area involved in the restoration program, which is on Greenville Water property. The overall goal is not only to restore this moving forward but to also be able to continue managing stewardship and prevent encroachment through the assembly of a number of different projects.

9. CHIEF EXECUTIVE REPORT

Chairman Kilgore invited Chief Executive Officer David Bereskin to provide the Chief Executive Report. Mr. Bereskin shared Greenville Water is working with Prisma Health, as well as CVS, to have a vaccination event for employees and Commissioners. Mr. Knight added essential workers seem to be moving back further in the line for vaccinations as Governor McMaster and others across the Country are pushing more for older people to be vaccinated. It is a changing dynamic every day. Mr. Bereskin and Mr. Knight continue to work to make vaccines available for Greenville Water essential employees.

Mr. Bereskin then reported on settlement funds recently received. Greenville Water was part of the Cook v. Santee Cooper lawsuit. The settlement received is due to the water treatment plant power supplied by Blue Ridge Electric Co-op.


Legislators in Columbia, SC will be asked to consider about six bills dealing with inside/outside city rates, make up of a water commission, et cetera. One bill of interest to the water industry deals with a group of representatives that want to mandate the Department of Health and Environmental Control (DHEC) to promulgate minimum contaminate level (MCL) for emergent contaminants if two other states in the nation adopt it. If two other states adopt an MCL, this proposed bill would require DHEC to do the same within 100 days. This would do away with DHEC's scientific process and South Carolina's handling of issues particular to this state. Also, Senator Peeler is supporting a bill to do away with the water enforcement arm of DHEC and move it to agriculture. Mr. Bereskin expressed his opinion of forming a water resources department rather than adding water enforcement to agriculture. Mr. Knight added this will be an important issue for the Chambers of Commerce. The pandemic has brought about a desire to split DHEC. There has been a longstanding argument as to whether DHEC is too big and health should be in one department and environmental in another. The South Carolina Chamber of Commerce, the Greenville Chamber of Commerce, and other Chambers throughout the State have a strong interest in this debate and a strong voice in how this may play out. There are a lot of issues in Columbia at this time, so this may not get resolved this year.

10. COMMISSION COMMENTS

Commissioner Sofield thanked Water Resources Director Jeff Phillips for writing an article about water system employees being essential, and she gave kudos to the social media team for all the information being shared showing Greenville Water is active in the community.

11. ADJOURNMENT

There being no further business, the meeting was adjourned 9:15 a.m.



Phillip A. Kilgore, Chairman
Acting Chair



Kimberly Haulter, Executive Assistant