



GreenvilleWater

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

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore (via Microsoft Teams), Vice-Chairman James W. Bannister, Debra M. Sofield, and Mayor Knox H. White. Absent: Wil Brasington. 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, Public Relations Manager Emerald Clark, Asset Management Program Manager Deirdre Blackard, and Attorney Adam Bach.

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

1. WELCOME

2. PUBLIC COMMENT

No comments were presented.

3. CONSENT AGENDA

Vice-Chairman Bannister asked for questions pertaining to the consent agenda items. There being none, he called for approval of the items of the Consent Agenda which were the meeting minutes of the Regular Commission Meeting February 2, 2021, the Water Resources Report, the Finance Update, New Development, and New Annexations. Commissioner Sofield moved, seconded by Mayor White, to approve the items of the consent agenda. The motion passed unanimously.

4. LEGISLATIVE UPDATE

Vice-Chairman Bannister welcomed Legislative Liaison Bob Knight to provide a legislative update. Mr. Knight announced there has been some good movement on the retirement bill filed by Greenville Water. The bill passed the Ways and Means subcommittee in the House of Representatives the previous week. The bill has been placed in the budget as a proviso. This budget will now go before the Ways and Means full committee. If the bill is passed it will only apply to the current budget year. There is also a Senate vehicle, as well, on the same issue.

There is a Legislative bill up for a subcommittee hearing this week dealing with placing of the water quality report on the monthly water bill. Currently an annual report is distributed for customers and the general public. There are a number of communities around South Carolina that have water quality problems, like all across America. The requirement of this bill to have the water quality report on the monthly water bill would obviously be a significant burden and a duplication of what is already being done. Greenville Water and the Water Quality Association will oppose this legislation. Examples of current water quality reports will be provided to the subcommittee to show measures already in place.

Chief Executive Officer David Bereskin asked for an update on the status of vaccines for essential workers. Mr. Knight stated the procedures for vaccines are improving and Prisma Health is more upbeat than two weeks ago, with a small delivery of the Johnson and Johnson vaccine expected to be arriving soon. The next group to receive the vaccine is 65 years old and older. There is a bill in the General Assembly that passed the Senate to insert Teachers in the next category. The bill stalled in the House of Representatives.

5. RATING UPDATE

Vice-Chairman Bannister called on Chief Financial Officer Phil Robey to present a bond rating update. Mr. Robey announced within the last couple of weeks Fitch and Moody's conducted an annual review of Greenville Water's financial rating. Both agencies returned an affirmation of the AAA rating and assigned a stable outlook. This is the first year Fitch has done an annual review process. Moody's has been completing an annual update since 2018. Standard and Poor's conducts periodic reviews every three to five years.

The highlights of the comments from the reports included:

- Moody's
 - Credit strengths
 - Growing service area supporting steady revenue growth
 - Ample debt service coverage and liquidity
 - Low debt burden
- Fitch
 - Very strong revenue defensibility
 - Very low operating risk profile
 - Very low leverage that is expected to remain stable going forward

After reviewing the highlights, Mr. Robey asked for questions. Mayor White commended the strong reports and asked if there were any threats or problems. Mr. Robey stated the agencies had no reasoning for concerns.

6. INSURANCE POLICY PRESENTATION

Vice-Chairman Bannister welcomed Human Resources Director Richard Posey to present an insurance policy alternative for consideration. Mr. Posey stated Blue Cross Blue Shield charges \$10,300 per year for employees who take self only coverage in the base plan. Some employees may have access to excellent coverage elsewhere. A few have declined insurance because they have insurance through their spouse's insurance, their parents or

the Veterans Administration. Currently self-insurance is free to all employees so most employees sign up even if they do not need it. As a result, primary liability for the insurance claims is on Greenville Water. Management proposes to split the savings when coverage is declined because of coverage elsewhere. Greenville Water will save around \$10,000 per year so the proposal would give the employee a bonus each pay period of \$192.31 bi-weekly, which would add up to \$5,000 per year. The amount would be evaluated every year based on insurance costs. To be eligible, an employee must show proof that health insurance coverage has been maintained and the insurance coverage must not be through the Affordable Care Act marketplace, Medicare or Medicaid. Mercer, Greenville Water's insurance broker, helped to write the policy and has approved this policy.

Mr. Bereskin explained it is an equity issue. Greenville Water has 240 employees. Three employees currently do not have Greenville Water insurance due to other coverage available. Management would like to give this as a separate line item, and not part of their salary. Every year the amount would be determined based on a percentage of the base rate in bi-weekly pay as a separate line item. Mr. Bereskin asked the Commission to consider awarding the proposed amount for 2021 for these employees. Vice-Chairman Bannister asked if there is a sense that other employees might make changes to coverage due to the incentive. Mr. Bereskin stated Greenville Water is not incentivizing employees to change insurance coverage, but this could be an aspect of this new policy. Employees would have the opportunity to review their financials and assess if changes would be personally beneficial. Commissioner Sofield moved, seconded by Mayor White, to approve the proposed alternative health insurance incentive. The motion passed unanimously.

7. ASSET MANAGEMENT UPDATE

Vice-Chairman Bannister welcomed Director of Strategic Initiatives Dr. Jane Arrington and Asset Management Program Manager Deirdre Blackard to present the 2021 Asset Management Strategic Initiatives. Dr. Arrington stated that the strategic initiatives are in support of Greenville Water's vision, mission, pillars, and the ten attributes of an effectively managed water utility. This year's updates will focus on the higher-level leader goals which will be presented every other month. This month the presentation was on Asset Management which is part of Dr. Arrington's Department of Strategic Initiatives.

Strategic Initiatives is a support services department analogous to Information Technology. The department serves everyone throughout Greenville Water. Dr. Arrington introduced the Asset Management Program Manager Deirdre Blackard to provide updates and progress made over the last year in helping to balance money, service levels, and risks at Greenville Water.

Asset Management is centralized within the entire Greenville Water organization. It is so much more than software implementation. The software implementation is an opportunity to:

1. Standardize business practices,
2. Ensure the correct asset information is collected
3. Deploy a condition assessment program to notate change in performance over time, determine the most effective timeframe to intervene for preventive maintenance, and

to determine the best method to extend asset life based off repair, rehabilitation or replacement.

Lead initiatives with other departments include:

- Establishing and automating work order quality control processes
- CIS/Enterprise Asset Management Program (EAM) integration
- Updating risk matrix for pipelines
- Restructuring leak detection program
- Migration of fleet assets into EAM.

Before EAM, work orders were completed in three different ways: pink slips of paper, GIS, and CIS Infinity Mobile. Ms. Blackard presented business processes that have been mapped from the customer to the field representatives. The work order begins with a call to customer service, then moves to Facilities Maintenance or Field Operations Management where the order is then assigned to the crews in the field. The crews complete the work orders, and the information comes back in through the software to the customer service representatives so the customers can be updated. Communications to customers is centralized through some of the efficiencies being improved upon. Ms. Blackard shared an example of the work order process, showing input screens and checklists. Work order checklists provide field verification for meter number, ERT number and meter reading. Investigation work order check lists provide detailed field results.

Total Quality Management (TQM) helps staff collect actionable information to verify. Ms. Blackard reviewed monthly quality control audits for Facilities Maintenance, Field Operations and Development Services pointing out improvements already achieved. The work order quality control automation follows the same business process previously reviewed except that when the crews complete the work order, the order comes into the office, staff reviews the order for accuracy and will change the status of the order to go back to the crew to make any corrections, if necessary. This information is collected in quality control reporting and can be viewed on a daily, monthly, or annual basis.

One of the ways asset management in EAM is being used to improve asset information is through the use of checklists. Install dates, pipe diameter, depth, etc. is pulled from the checklists and the information is then pushed back to GIS to be corrected/updated. Then the information goes into the EAM inventory. This completes the full circle of data exchange. The CIS to EAM integration has many efficiency improvements. Currently the Customer Service and Development Services Representatives are working within two systems, so the work orders have to be entered in CIS and EAM. Once this project is completed in early May, the service representatives will only be in one system because the information will be exchanged and updated between the two. This will increase their efficiency because they are spending one hour a day calling customers back. The notification process will be automated so that an e-mail or a text is sent to the customer when a work order has been completed. This will not only enhance customer communications, but it will also increase efficiency.

Some of the other initiatives being worked on are an expansion of the risk matrix tool and the strategic asset management gap analysis which will allow Greenville Water to establish

lifecycle useful lives for each asset class, ultimately benchmarking where Greenville Water is as a utility.

Successes for 2020 include:

- Pictures for every field work order
- Hydrant and valve inspection formats created
- Asset attribute standardization for hydrants, valves, pumps, water mains and service lines completed
- Assets updated in GIS
- Field Operations:
 - 18 new standard work order types for Field Operations developed along with checklists
 - Field validation for meters and ERTS (Encoder/Receiver/Transmitter) added on checklists
 - Follow up work order process developed to cover from Investigation to Repair to Restoration
 - Creation of Field Operations leak detection program focus areas and work order routing
- Facilities Maintenance:
 - Pump weekly checklists updated to capture generator start/stop, hours run, and total hours
 - Tank inspection methodology developed
 - Concrete deterioration training for Facilities Maintenance crews to benchmark condition on inspections.

An Asset Management Communications Plan has been developed to communicate with employees and promote engagement. The Asset Management Communications plan includes everything from the waterweb portal, to the asset management team champions, Greenville Water's company newsletter The Waterline, and the EAM support line.

Ms. Blackard asked if there were any questions. Commissioner Sofield asked how long information is retained on repairs. Ms. Blackard stated repair information is retained for an unlimited time.

Vice-Chairman Bannister thanked Ms. Blackard for the information and requested to move into the Chief Executive report next and move the US HWY 25 National Register Listing Request to Item 9 of the Agenda.

8. CHIEF EXECUTIVE REPORT

Mr. Bereskin pointed out PFOS and PFAS legislation is occurring in South Carolina, as well as Federally. The Environmental Protection Agency (EPA) under President Trump was moving forward with some rules and regulations on PFOS and PFAS. President Biden's Administration had stopped this movement but has now caught up on the review the EPA had begun and has released it to move forward. There will be Federal legislation developed. South Carolina's opposition is that there are a couple sentences that say if two states actually start regulating any substance, PFOS, PFAS, or any other unregulated substance that South Carolina would have to start regulating the same. South Carolina is very proud of the

Department of Health and Environmental Control (SCDHEC) and feels SCDHEC does a very good job in using scientific approach on regulated chemicals and therefore does not want that sentence forced into the regulation. The legislation is moving forward. The issue is mainly a ground water problem which comes from the use of fire fighting foam around airport bases or in communities where the discharge practices allow the contaminants into the ground water.

Greenville Water has begun working with community partners on the North Saluda restoration project and things are moving forward. A more detailed update will be provided at a later time.

9. US HWY 25 NATIONAL REGISTER LISTING REQUEST

Commissioner Sofield moved, seconded by Mayor White, to enter Executive Session for the purpose of considering a contractual matter. 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.

10. COMMISSION COMMENTS

No comments presented at this time.

11. ADJOURNMENT

There being no further business, the meeting was adjourned 9:57 a.m.


James W. Bannister, Vice-Chairman


Kimberly Haulter, Executive Assistant