



GreenvilleWater

MINUTES OF REGULAR MEETING  
COMMISSIONERS OF PUBLIC WORKS  
Commission Conference Room, Level 2  
407 W. Broad Street,  
Greenville, South Carolina  
May 3, 2022  
8:15 a.m.

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore, Debra M. Sofield, Mayor Knox H. White, and Wil Brasington.

Absent: Vice-Chairman James W. Bannister 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, Chief Administrative Officer Dr. Bob Schmidt, Director of Water Resources Jeff Phillips, Director of Engineering Mark Hattendorf, Director of Strategic Initiatives, Director of Human Resources Richard Posey, Director of I.T. Billy Cooper, Controller Brian Bearfield, Director of Field Operations Gary Baysinger, Facility Maintenance Manager Allen White, Purchasing Manager David Freeman, and Attorney Adam Bach.

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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 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 April 5, 2022, the Water Resources Report, the Finance Update, New Development, and New Annexations. Commissioner Brasington moved, seconded by Commissioner Sofield, to approve the items of the consent agenda. The motion passed unanimously.

**4. STATE REVOLVING FUND LOAN CLOSING**

Chairman Kilgore called on Attorney Brad Love to talk about the State Revolving Fund (SRF) loan closing. Mr. Love pointed to the Resolution before the Commission that would authorize Greenville Water to enter a \$7,567,617 SRF loan for a capital improvement project. As part of the process, the Commission must elect a secretary to sign the documents which is part of the standard corporate governance.

Commissioner Brasington moved, seconded by Mayor White, to nominate Commissioner Deb Sofield as Secretary of the Commission. The motion was approved unanimously.

Chief Executive Officer David Bereskin explained the resolution is necessary to sell bonds for the raw water intake from Lake Keowee to the Adkins Water Treatment Plant. The interest rate was confirmed at 1.5%.

Commissioner Brasington moved, seconded by Commissioner Sofield, to approve the resolution for the bonded funding. The motion passed with three votes in favor and one abstention.

## **5. APPROVAL OF SPONSORSHIP REQUEST**

Chairman Kilgore recognized Mr. Jack Ryan and invited him to address the Commission regarding a sponsorship opportunity. Mr. Ryan thanked the Commission and shared his interest in helping provide a well for villagers in Zambia. In sub-Saharan Africa, only around twenty percent of people have access to clean water. Others are not receiving an education because they must walk long distances during the day to get water, while others die of water born illnesses from unsanitary water sources.

Mr. Ryan explained he had been interested in providing wells since he was in the fifth grade and read *A Long Walk to Water* (Park, 2010). The book inspired Mr. Ryan and friends to raise money for a charity organization called Water for South Sudan. The \$4,000 raised by the group provided for two wells in South Sudan. There is a great need for clean water in Africa, with only two ways to provide it: purification and wells. Africa does not have the technology available to provide purification, even the purification straws, to the villages. A well can last four or five years without going dry.

Mr. Ryan explained he was introduced to Global Samaritans through a gentleman who is a well drilling contractor. Global Samaritans began as an orphanage for children whose parents died in the AIDS epidemic. Through donations received the charity purchased drilling equipment and began drilling wells for the local villages in Zambia. Many wells have been drilled, but more are needed. Mr. Ryan's presentation came from his request for sponsorship of his project to raise \$10,000 to finance materials and installation for the well drilling in Zambia.

Chairman Kilgore applauded Mr. Ryan for taking an initiative for this important cause. Commissioner Sofield added on behalf of the Commission, Greenville Water would be presenting a check for \$1,000 to support Mr. Ryan's efforts to provide clean, safe drinking water through drilling a well in Zambia. Mr. Ryan thanked the Commission for the support.

## **6. LEGISLATIVE UPDATE**

Chairman Kilgore called on Legislative Liaison Mr. Bob Knight to provide a legislative update. Mr. Knight stated the bill currently of most interest involves the American Recovery Plan Act (ARPA) which passed the Senate and House of Representatives separately. The Senate took up the House of Representatives bill and passed it through the Senate with very few changes or differences between the two bills. There is hope the bill will stay with the budget as it goes through the process. The remaining question is when it will get passed. A sticking point to the budget is the tax rebate put onto the Senate version by Senator Peeler.



A request for funding has been submitted to Senator Lindsey Graham's office for the dual pipeline from the Adkins Water Treatment Plant to Cedar Rock. Several letters of support for the project from Columbia officials, as well as local officials, were submitted with the request.

## **7. ANNUAL INDEPENDENT FINANCIAL AUDIT**

Chairman Kilgore invited Chief Financial Officer Phil Robey to introduce Mauldin & Jenkins, LLC Director Grant Davis. Mr. Robey mentioned this was the first year the firm completed a financial audit for Greenville Water. Chairman Kilgore welcomed Mr. Davis to present audit results. Mr. Davis began by saying the audit was a very positive experience from the Mauldin & Jenkins perspective. The firm audits about six hundred governments across the southeast, including about 150 water and sewer utilities. They were very impressed with not only the operations, but the knowledge and ability of the staff, as the audit was conducted.

Mr. Davis provided a brief overview of the firm, gave the audit opinion/result which was a clean/unmodified opinion, presented Greenville Water's net position, reviewed required communications, and highlighted new financial reporting GASB standards. The required communications included the following:

- Clean Opinion
- No Difficulties in Dealing with Management
- No Disagreements with Management
- No Uncorrected Misstatements
- Mauldin & Jenkins is independent of GWS as required by Government Auditing Standards

Mr. Bereskin stated he was very proud of Greenville Water's financial team. This team continues to do well, as verified by the audit. Chairman Kilgore thanked Mr. Davis and his firm for handling the audit and added the Commission looks forward to receiving the final report.

## **8. FINANCIAL INFORMATION SYSTEM IMPLEMENTATION**

Chairman Kilgore welcomed Controller Brian Bearfield to provide information on the upcoming financial information system (FIS) implementation. Mr. Bearfield explained the current FIS in use by Greenville Water, Microsoft Great Plains "GP," is no longer developing functional enhancements and listed other limitations of GP.

Four vendors were interviewed. The candidates were scored, with the facilitation of Cherry Bekaert, using a Gartner Research system selection tool. Sage Intacct was selected based on services, functionality provided, use of technology, and demonstrated proof of concept meeting Greenville Water's requirements. Mr. Bearfield then reviewed the proposed 2022 implementation plan.

## **9. PARKING LOT RENTAL AGREEMENT**

Chairman Kilgore asked Mr. Bereskin to present the parking lot rental agreement up for discussion. Mr. Bereskin explained the City of Travelers Rest approached Greenville Water

regarding a parcel in downtown Travelers Rest across from Chicora Alley restaurant. There is a 48" water line that runs through the property. The property is a gravel lot around one acre in size. The City of Travelers Rest has a beautification project running along Main Street and they have asked if Greenville Water would entertain development of a parking lot with trees and landscape features on the property. Mr. Bereskin worked with the City Administrator Eric Vinson to develop an agreement and the agreement was reviewed by Adam Bach, Greenville Water's general counsel. Chairman Kilgore recommended adding a Greenville Water drinking fountain in the area.

Commissioner Brasington moved, seconded by Mayor White, to approve the agreement presented. The motion passed unanimously.

#### **10. SUPPLY CHAIN ISSUES**

Chairman Kilgore called on Purchasing Manager David Freeman to inform the Commission of supply chain issues. Mr. Freeman stated supply chain issues continue from the pandemic and have now been exacerbated due to the Russia/Ukraine conflict. Also, vendors have seen an increase in demand on supplies due to the influx of funds available to utilities due to ARPA. Fuel costs have increased. Labor shortages continue. The semiconductor shortage continues to delay shipment and production of vehicles and IT equipment. All these factors have contributed to the highest inflation since 1981.

Mr. Freeman reviewed supply chain challenges, pricing challenges, lead times, and possible product shortages. The supply chain and pricing challenges are expected to continue into 2023. Greenville Water is buying certain parts in bulk to prevent outages. Impacts to the 2022 budget will become clearer after the second quarter. Staff will be coming back to the Commission for the mid-year budget review to request approval of additional funding as needed.

Mr. Robey added that these are unprecedented circumstances the Country is in. Greenville Water will be exercising a Financial Policy provision which allows the CEO to instruct staff to enter direct negotiations with suppliers in the near term in lieu of carrying out competitive processes the policy normally calls for. These are circumstances where the negotiations better serve the public interest and provide a better value for procurement dollars. Every instance where this approach is taken will be documented. Chairman Kilgore asked if there is any ability to combine with other water utilities to go in together for larger orders to move farther up in the queue. Mr. Robey said staff will explore cooperative purchasing efforts and come back with findings.

Commissioner Brasington and Mayor White left the meeting at the end of the presentation.

#### **11. GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) AWARD**

Chairman Kilgore presented a certificate of achievement from the Government Finance Officers Association for excellence in financial reporting to Greenville Water's financial team for its annual comprehensive financial report for the fiscal year ended December 31, 2020. Mr. Robey explained this is a huge accomplishment, but also the standard for Greenville Water. The honor/award is much appreciated as the finance team follows its normal course



of business in achieving excellence every year. There is a lot of work that goes in to preparing this high-quality report. The document provides a ton of information, not only the numbers but the narrative behind the numbers. The process is above and beyond what is required but is well worth the effort to communicate the results with the Commission and the Community. Mr. Robey complimented the staff responsible for this achievement. Chairman Kilgore asked Mr. Robey and Mr. Bearfield to share the Commission's deep appreciation to all the members of the accounting team.

## **12. CHIEF EXECUTIVE REPORT**

Mr. Bereskin introduced Mr. Gary Baysinger as Greenville Water's new Director of Operations.

Greenville Water is in discussion with the Town of Pelzer in consideration of taking over their water system. More information will be provided as the discussion continues. The Town of Pelzer is presently a Greenville Water wholesale customer supplying about six hundred single family residences.

Greenville Water's first 319 Grant application is in the process of wrapping up. Chairman Kilgore visited the site and saw the noticeable improvements. Staff has done such a good job and was able to jump on the project faster than most applicants, therefore the State has asked Greenville Water to take an additional \$55,000 to apply to another reach of the river. Application is currently underway on another grant to proceed improving another stretch of the beginnings of the North Saluda River within the watershed purview.

Staff is working with the City of Greenville to update the annexation covenant and rules between the two entities. There should be a presentation regarding the same in June 2022.

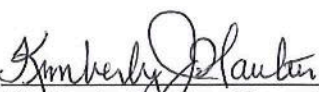
## **13. COMMISSION COMMENTS**

No comments presented at this time.

## **14. ADJOURNMENT**

There being no further business, the meeting was adjourned 9:20 a.m.

  
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Phillip A. Kilgore, Chairman

  
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Kimberly Haulter, Executive Assistant