



**MINUTES OF REGULAR MEETING  
COMMISSIONERS OF PUBLIC WORKS  
407 W. Broad Street, Level 2,  
Greenville, South Carolina  
March 7, 2023  
8:15 a.m.**

## GreenvilleWater

Commissioners of Public Works in attendance:

Chairman Phillip A. Kilgore, Vice-Chairman James W. Bannister, Debra M. Sofield, Wil Brasington (via phone), and Mayor Knox H. White. A quorum was present.

Greenville Water Senior Staff in attendance:

Chief Financial Officer Phil Robey, Chief Operations Officer Jeff Boss, 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. PUBLIC MEETING**

Chairman Kilgore called the public meeting to order as required by statute in conjunction with the Adkins 60" Water Transmission Main Project. Director of Engineering Mark Hattendorf introduced AECOM's Vice President – South Carolina Water Practice Leader Gary Freeman to present information in accordance with the requirements of the State Revolving Fund loan Greenville Water has sought to help finance the project.

Mr. Freeman covered the following topics:

- Overview/Need for the project
  - The first segment of the project consists of 5 miles of new 60" water main. Two phases (1a & 1b) are to be installed in high pressure locations. New interconnects will allow bypass of the existing main, which will provide enhanced resiliency and provide for Greenville Water Adkins water treatment plant's full permitted capacity (150 MGD).
  - The full project phasing would be 12 miles of new pipe to provide the full redundancy. Full design of the 12 miles was completed by AECOM in October 2022. Permitting is substantially complete and the project should bid in the spring.
  - The existing pipe is 40+ years old and prone to catastrophic failures due to factory defects, and there is no redundancy in the current alignment.
  - The new pipe will allow maintenance activities to occur in the existing main without major disruption.
- Alternatives visited
  - 60" parallel pipeline

- Supports resiliency & capacity
    - Most cost-effective solution
  - No Action
    - Risk for major disruption to customers
    - Full system capacity would not be met
  - Transfer Pump Station
    - Could allow for quick service restoration
    - Full system capacity would not be met
  - Additional water source
    - No existing cost-effective 3<sup>rd</sup> source in the vicinity
    - A Transfer Pump Station project would potentially be needed
- Reasoning for the alignment selected
  - The 60" parallel line is a very efficient, cost-effective design that will provide resiliency and redundancy.
- Environmental impacts
  - All environmental permits have been approved with no significant impacts noted
- Financial impacts
  - There will be no rate increase needed to fund the project
  - Funding will be provided as follows:

A. Funding sources and project cost estimate:

Estimated SRF Loan Funds	\$	30,000,000.00
Estimated Non-SRF Funds	\$	33,915,632.50
Requested SRF Principal Forgiveness Funds*	\$	0
<b>Total Project Cost Estimate</b>	<b>\$</b>	<b>63,915,632.50</b>

B. Sources of non-SRF funding:

Source		Amount
Federal Earmark \$5,400,000/SCIIP \$10,000,000	\$	15,400,000.00
Greenville Water	\$	18,515,632.50

Chairman Kilgore asked if Pre-stressed Concrete Cylinder Pipe (PCCP) failures are due to poor design or manufacturing and if this is the pipe Greenville Water has had issues with. Mr. Freeman confirmed the pipe was an issue with manufacturing during a certain era (early to mid-1980s). Historically this had been a problem pipe for Greenville Water. The pipe itself is a robust pipe with a good design around the inner liner and the banding is commonly used in the industry. There is an issue with the wire tinsel strength. Chief Operations Officer Jeff Boss added the manufacturer used a brittle wire for several years that reduced the tinsel strength. Mr. Freeman explained the pipe is very good pipe in certain circumstances, but in high pressure areas where the tinsel strength of the band is compromised there is a potential for issues.

Powersville Water's Executive Director Dyke Spencer asked how Greenville Water will be able to provide properly disinfected water to service areas with the additional storage of water in the 12 miles of new pipe. Chief Operations Officer Jeff Boss explained the interconnects will allow water to run at the desired amount without allowing water in the other pipes to become stagnant. Routine maintenance by Greenville Water will insure proper disinfection.

The public meeting adjourned at 8:40 a.m. No action was taken.

#### **4. 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 February 7, 2023, 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.

#### **5. LEGISLATIVE UPDATE**

Chairman Kilgore asked Legislative Liaison Bob Knight to provide a legislative update. Mr. Knight shared Representative Bill Hixon had introduced two or three bills involving the Rural Infrastructure Authority (RIA). An audit was recently completed that brought to light a couple issues which were addressed in these bills. Mr. Knight will keep an eye on these and other bills of interest.

Mr. Knight spoke with Representative Mike Burns regarding repetitive trespassers in the watersheds. Rep. Burns is willing to help to protect the reservoirs. Mr. Knight is in the process of drafting a bill to raise the level of trespassing from first offense, second offense, third offense, etc. with more substantial penalties with each offense. Chairman Kilgore asked Mr. Boss and Chief Financial Officer Phil Robey, together with Chief Administrative Officer Dr. Bob Schmidt (who was not present at the meeting but who oversees the watersheds), to discuss the sense of the Commission in favor of having staff certified as law enforcement officers to help enforce more substantial penalties and to report back. Mr. Knight will work with Representative Burns in regard to proposed penalty changes.

#### **6. DEVELOPER EXTENSION AGREEMENT REVIEW**

Chairman Kilgore invited Chief Operations Officer Jeff Boss and Director of Engineering Mark Hattendorf to present proposed updates to the reimbursement agreement policy. Mr. Boss noted in 2022 Greenville Water staff had proposed a new concept for reimbursement of fees for developers and Greenville Water. Currently the water system grows in three ways: through large Capital Investments (CIP) made by Greenville Water to address system needs, Normal System Improvements (NSI) which are primarily replacement projects that allow flexibility to address urgent issues or needs, and Extension Agreements where developers pay 100% of the cost of improvements needed to serve their property.

Old existing extension agreements required a long-term commitment from Greenville Water to monitor revenue generated from the extension. When the revenue reached a certain percentage of the initial cost the developer received a refund. There are existing extension agreements 20 years old and older that have not generated enough revenue to be refunded. The proposed policy changes do not assume a long-term financial commitment for Greenville Water. Developers will continue to fund their endeavors 100%, but reimbursement will only

be eligible for 7 years. Commissioner Sofield asked why 7 years. Mr. Boss explained the return on investment for developers should be attained within 7 years.

Mr. Boss reviewed the proposed procedure and provided two examples. The Commission requested a workshop to answer questions and discuss alternatives.

#### **7. ENCUMBRANCE CARRYOVER**

Chairman Kilgore asked Chief Financial Officer Phil Robey for an encumbrance carryover report. Mr. Robey explained the budget carryover is a housekeeping item. The Operating Budget Policy gives staff the authority to carry budgeted but unspent money from one year over to the subsequent year. The unspent money is evidenced by purchase orders and other commitments for those monies that for reasons such as supply chain issues were not executed to receive delivery of the goods. Staff has the authority to carryover the budgeted amounts at yearend. Mr. Robey advised the Commission of the carryover items and amounts. No action was required.

#### **8. COMMISSION COMMENTS**

No comments presented.

#### **9. EXECUTIVE SESSION**

Vice-Chairman Bannister moved, seconded by Commissioner Sofield, to enter executive session to discuss legal matters.

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. ADJOURNMENT**

There being no further business, the meeting was adjourned 9:49 a.m.

  
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Phillip A. Kilgore, Chairman

  
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Kimberly Haufer, Executive Assistant