



GreenvilleWater

**MINUTES OF REGULAR MEETING  
COMMISSIONERS OF PUBLIC WORKS  
Greenville Water  
407 W. Broad Street, Level 2,  
Greenville, South Carolina  
December 5, 2023  
8:15 a.m.**

Commissioners of Public Works in attendance:

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

Greenville Water Senior Staff in attendance:

Chief Executive Officer Jeff Boss, Chief Financial Officer Phil Robey, Chief Administrative Officer Dr. Bob Schmidt, Chief Operations Officer Jeff Phillips, Director of Operational Technical Services Dr. Jane Arrington, Director of Engineering Mark Hattendorf, Director of Business Services Steve Miller, Director of Human Resources Lisa Bryant, Director of Communications Pamela Flasch, Controller Brian Bearfield, Internal Auditor Jacob Polson, and Attorney Adam Bach.

The Regular Meeting of the Commissioners of Public Works of the City of Greenville, SC was called to order at 8:15 a.m. by Chairman Kilgore.

### **1. WELCOME**

Chairman Kilgore noted the fact that Mayor Knox White was re-elected as Mayor of the City of Greenville in the November 2023 election and is one of the longest serving Commissioners in the history of the Commission. The Commissioners honored him in his re-election. Commissioner Sofield recognized Chairman Kilgore in his re-election as Commissioner also.

### **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 Meetings November 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.

### **4. LEGISLATIVE UPDATE**

Chairman Kilgore called on Legislative Liaison Bob Knight to present a legislative update. Mr. Knight shared the Bureau of Economic Analysis group met in October and approved the new State budget estimate. There was \$673 million in recurring money and \$896 million in non-recurring money which will trigger a tax reduction in addition to the new money. The recurring money will be used in Medicaid, et cetera. The non-recurring is a substantial amount.

Mr. Knight and Chief Administrative Officer Dr. Bob Schmidt will be working together to create a request from Greenville Water to assist with an environmental project at the North Saluda watershed. This will be a cooperative effort between the State government, local government, Greenville Water and possibly some private parties. Mr. Knight will run requests by management before they are submitted.

Pre-filed legislation was presented two weeks ago in the House of Representatives and the current week in the Senate. There were only two of note. One was in regards to anxiety about the municipal annexation issues in Lexington County. The bill basically states that a water or sewer line cannot be used to force an annexation and voids any annexations up to the present. The bill was referred to the Ways and Means Committee.

#### **5. APPROVAL OF RESOLUTION AUTHORIZING CHIEF EXECUTIVE OFFICER TO EXECUTE CONTRACT**

Chairman Kilgore welcomed Chief Executive Officer Jeff Boss to present the resolution authorizing the Chief Executive Officer to execute contract documents for the State Revolving Fund (SRF) loan. Mr. Boss explained this was a formality for the loan funding.

Chairman Kilgore stated the resolution presented was to authorize the Chief Executive Officer to execute a notice to proceed for the construction of the Adkins 60-inch Potable Water Transmission Phase 1 project. Vice-Chairman Bannister moved, seconded by Commissioner Sofield, to approve the resolution. The motion passed unanimously.

#### **6. BUSINESS SERVICES BONUS PROGRAM PRESENTATION**

Chairman Kilgore called on Director of Business Services Steve Miller to discuss details of a new account auditing program first presented in the 2022 Strategic Initiatives. Mr. Miller explained this was a follow-up to the budget presentation made by Chief Financial Officer Phil Robey in the November 2023 Commission meeting. The program was developed to ensure accurate billing.

The program development began in 2022 and was based on the complete life cycle of a customer, with a special concentration on the meter to cash cycle. The design was also based on ISO 9001 principles. ISO 9001 is a globally recognized standard for quality management. As the program was developed, Staff ensured they had team member engagement at all levels to secure buy-in and support. Mr. Miller explained one of his favorite things about the program is it includes a revenue-positive bonus program.

In 2023 staff began executing the audit program, which started with multi-family accounts. Multi-family accounts were the first accounts audited because of the newly implemented residential equivalent base fee for multi-family units. Over 5,000 audits have been completed to date with 115 new revenue-generating finds, totaling \$199,000. Staff also completed special audits such as auditing every premise in Pelzer, where they found 43 accounts Pelzer was unaware of. Now those accounts are being properly billed. Examples were provided of revenue generating audit findings.

Mr. Miller explained the account audit employee bonus program was modeled after existing Greenville Water incentive programs and private industry revenue recovery companies programs. The incentive pool is calculated as the totalization of new eligible revenue-generating finds (not including normal daily work such as meter testing that fails due to age, et cetera) with 60% of the total being placed in an eligible pool for employees and the remaining 40% will go to Greenville Water. Eligibility applies to all full-time Business Services employees below the Director level. Team members must be employed for at least 90 days, and anything less than one year will be prorated. All strategic and safety goals must be met or deductions will apply. Each participant must have good performance evaluations, poor performance will not be rewarded. After 4 years the new revenue finds will roll off the books in the eligible pool for employees and 100% of the revenue will go to Greenville Water.

This new program will improve billing accuracy and fairness, revenue assurance, identification of possible issues, processes, procedures, employee reward, recruitment, and retention.

## 7. CAPACITY FEE UPDATE

Chairman Kilgore invited Mr. Robey to present results of a recent capacity fee study. Mr. Robey presented staffs recommendations for an updating adjustment to the current capacity fee. Raftelis Financial Consultants, Inc., Greenville Water's rate consultant, was engaged to look at Greenville Water's capacity fee as well as a host of other fees and charges. Raftelis came back with a recommendation for an adjustment to the capacity fee that is defensible and reasonable.

Capacity Fees ("System Development" or "Impact" fees) are one-time charges assessed to new customers for their use of system capacity. This is an equitable method of recovering up-front system capacity costs from those using the capacity. Greenville Water's capacity fees have not been updated since 2009.

Mr. Robey reviewed the typical fee calculation methodologies. Based on recommendations from Raftelis, Greenville Water used the system buy-in approach given the characteristics of the water system with this update. The calculation methodology could change with future updates, particularly when considering an expansion of the Adkins Water Treatment Plant. Mr. Robey presented a sample of the fee calculation using the system buy-in approach, then walked the Commissioners through the steps of calculating the fee. The proposed capacity fee update was presented in the following chart:

Meter Size	Existing	Calculated	\$ Change
5/8"	\$1,320	\$2,100	\$780
1"	\$3,300	\$5,250	\$1,950
1 1/2"	\$6,600	\$10,500	\$3,900
2"	\$10,560	\$16,800	\$6,240
For meters > 2", fees be calculated based on estimated peak demand X cost per GPD or the minimum amounts shown below.			
3"	\$21,120	\$33,600	\$12,480
4"	\$33,000	\$52,500	\$19,500
6"	\$66,000	\$105,000	\$39,000
8"	\$105,000	\$167,045	\$62,045

Mr. Robey asked the Commission to consider approval of the proposed capacity fees to become effective January 1, 2024. Vice-Chairman Bannister moved, seconded by Commissioner Sofield, to approve the capacity fee update as presented. Chairman Kilgore asked that Staff be proactive and present the information to those impacted, such as the Home Builders Association, in advance. The motion passed unanimously.

## **8. CHIEF EXECUTIVE REPORT**

Chief Executive Officer Jeff Boss introduced Greenville Water's new Director of Communications Pamela Flasch. Ms. Flasch addressed the Commission and shared her appreciation for the opportunity.

Chief Administrative Officer Dr. Bob Schmidt will meet with Clemson University next week to discuss a trout hatchery. The fish census at Table Rock is coming up. Commissioner Sofield asked to participate.

The 319 Grant program project will begin shortly at the JF Turner property through to the confluence where the release is. The project will restore the area to pristine conditions.

Greenville Water and team members donated 5 large boxes to the Toys for Tots program for distribution at Christmas time.

## **9. EXECUTIVE SESSION**

Commissioner Sofield moved, seconded by Vice-Chairman Bannister, to enter executive session to discuss personnel and 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. COMMISSION COMMENTS**

No comments presented.

## **11. ADJOURNMENT**

There being no further business, the meeting was adjourned 9:21 a.m.

  
\_\_\_\_\_  
Phillip A. Kilgore, Chairman

  
\_\_\_\_\_  
Kimberly Haulter, Executive Assistant

**COMMISSION OF PUBLIC WORKS OF  
THE CITY OF GREENVILLE, SOUTH CAROLINA**

**A RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE  
A NOTICE TO PROCEED FOR THE CONSTRUCTION OF THE ADKINS 60"  
POTABLE WATER TRANSMISSION PHASE I PROJECT**

**WHEREAS**, the Commission has approved the acquisition and construction of the Adkins 60" Potable Water Transmission Main Phase I project; and;


**WHEREAS**, in connection with that undertaking, the Commission will enter into a contract with Garney Companies/Garney Construction for the construction of the project; and;

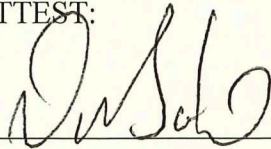
**WHEREAS**, a notice to proceed will be issued to Garney Companies/Garney Construction,

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners, in a meeting duly assembled, that the Commission hereby authorizes the Chief Executive Officer to execute the notice to proceed of behalf of the Commission.

The above Resolution, upon motion duly made, was passed and approved by the Commissioner of Public Works of the City of Greenville, South Carolina, at a regular meeting held on the 5th day of December, 2023.

**COMMISSIONERS OF PUBLIC WORKS FOR  
THE CITY OF GREENVILLE, SC**

  
\_\_\_\_\_  
Chairman

ATTEST:  
  
\_\_\_\_\_  
Secretary

