

COMMISSIONERS OF PUBLIC WORKS
Minutes of July 26, 2007

The regular meeting of the Board of Commissioners of Public Works was held on Thursday, July 26, 2007, at 10:00 a.m., in the Boardroom at 121 West Court Avenue.

In attendance:

Gene P. Hancock	Steve D. Reeves, Jr.	Vickie Gorham	Stacia May
Michael G. Monaghan	Kenneth Barnett	Vicki Knott	Richard Gentry
Henry O. Watts	Denise Ogletree	Carlos Cometto	Bill Patrick
	Jay Thompson	Jeff Chapman	Robert Galloway
	Ron Lemon	Jeff Auman	Robert Walters
	Curtis Burnett	Ken Whittle	Phyllis Zuehlke
	Palsy Higginbotham	Betty Coleman	Anne Drake
	Chris Trainor	Debra Case	David Anderson
	Margie Blalock	Joe Langley	Helen Spiller
	Natalie Parramore	Wayne Reeve	Helen Reeve
	Lois Eustace	Sandra Moser	Billy Nicholson
	Elyse Benson	Bernice Pacheco	Michael Vaughan
	Tara Stoddard	Jon Holloway	Charles Drake, Jr.
	Travis Higginbotham	Sarah Hartung	Willilou Walters
		Laurie Smith	

- I. Chairman Watts called the meeting to order. The invocation was given by Mr. Barnett.
- II. Chairman Watts gave the statement of compliance with the notification provision of the Freedom of Information Act.

Chairman Watts stated the purpose of the meeting and noted that it was a regularly scheduled meeting and not a public hearing. He granted a request made by Ms. Natalie Parramore to make a presentation and asked Ms. Parramore to limit her comments to ten minutes.

Ms. Parramore stated that she would be reading from prepared notes and informed the Commissioners of a request from an audience member to bring forth the information gathered in a recent survey done by the Index Journal. She noted over 1,800 responses with 90.7% of the respondents in favor of turning the Grace Street property into a park and asked the Commissioners to take note of that information. Ms. Parramore shared that she was a Greenwood real estate agent and had called Greenwood home for thirteen years. She explained her participation as chairperson for the West Cambridge

Park project and also as the current president of the Greater Greenwood Parks and Trails Foundation, a volunteer organization responsible for raising non-governmental funds from the public and businesses to pay for and construct the projects that the Parks Commission had slated to build. Ms. Parramore shared concern for the future of Greenwood, the families, and community growth. She continued that before a house or business can be sold, as realtors, they must first sell the community or neighborhood and an agent has to sell the surroundings to secure the sale. She referred to a poll of local real estate agents regarding the parks where 92% of the agents polled included West Cambridge Park in their community tour when introducing people to the Greenwood area. Ms. Parramore remarked about how awesome it would be to have people traveling and passing through Greenwood see a beautiful park on By-Pass72, and have a place to stop to get additional information, and then as a result relocate to Greenwood. She pointed out that a park would reflect how local government understands the importance of quality green space and healthy living. She stated that it is unfortunate that travelers never see the beauty of the downtown area and parks while passing through Greenwood. She continued that the Grace Street park could provide beauty and recreational opportunities, but could also serve as a partner in attracting newcomers to Greenwood. Ms. Parramore commented that more newcomers would mean more ratepayers. She asked if growing the community in a positive manner and increasing tax revenue were not the ultimate goals. She shared facts about West Cambridge Park since it opened over two and a half years earlier, stating that there are reserved parties booked in the pavilion, in addition to other parties around the park on any given day. She noted that reservation-only parties generated \$4,500 per year for the Greater Greenwood Parks and Trails Foundation which allows them to assist with the ongoing maintenance of the park for things such as new sand, broken equipment repair, and sign vandalism repair. She stated that the organization partners with everyone to maintain the high quality of West Cambridge Park, and would do the same at Grace Street. She continued that since West Cambridge Park opened, volunteers had recorded attendance of 957 visitors during special events during what was basically a 24-hour period. She added that many of these visitors during this time did not know about the park but had learned about it through word-of-mouth. She noted that many daycares used the park as part of their weekly curriculum for healthy play and socialization, and six local schools used West Cambridge Park the past year for local field trips and 2006/07 year-end parties. Ms. Parramore stated that property values had increased around West Cambridge Park which means more tax money; and more houses had been built around West Cambridge Park meaning more ratepayers and tax money. Ms. Parramore continued that just having the West Cambridge Park is not enough because of

frequent issues with parking, overcrowding, and an inability to hold concerts and other community events there because of zoning. She added that the site is not large enough to hold a community event or for the families that are currently enjoying concerts and other public functions in other areas. Ms. Parramore noted an incredible boom in the downtown Greenville area primarily from the development of Reedy River Falls Park. She stated her belief that Greenwood could achieve similar results on a smaller scale. Ms. Parramore recalled several years ago when she campaigned for the West Cambridge Park when she heard a prominent group of elders say that parks and trails were not needed and were not something they grew up with and yet they said that they had turned out okay. Ms. Parramore referred to an article in the paper the previous week about the arrest of 33 drug dealers. She stated that perhaps if they had had opportunities to spend more quality time with their families, their lives may have turned out differently. She then referred to a comment from another elder who said that parks and trails are not necessary. Ms. Parramore commented that it was nice to see the upgrading of the sidewalks in the Greenwood area and to see that when a road is constructed now, it has to have sidewalks in place. She remarked on this being a positive change that would shape and influence the lifestyles of people in Greenwood and promote healthier living. Ms. Parramore stated her understanding of the mindsets of some of the elders because if you never had it, never used it, and never felt its impact, then you truly cannot understand what it can do for you. Ms. Parramore assured the Commissioners that people using West Cambridge Park would not do without it and these are people who may live paycheck to paycheck, single parents, and grandparents. She encouraged anyone who had not been to the park to go visit and experience it and concluded that they might be surprised by how their vision would be broadened by how much value parks bring and are an asset to the community. Ms. Parramore stated that it makes sense to refocus on being a community committed to a high-quality way of life, and if that were done, she would guarantee that families would continue to move to Greenwood and eventually entrepreneurs would be a strong source of employment for the area. She referred to employment opportunities for the citizens of Greenwood that were provided by new restaurants. She stated that with the water treatment plant, if Mr. Watts were to go back to each of the people that he had spoken with, she wondered what their answer would be if for a one-time fee of \$72, they could have a beautiful 54-acre park to play at; they would have a place to go and listen to great music for free; they would have a place to feed the ducks and stroll through nature trails; they would have a place to picnic with their grandkids; or have family reunions. Ms. Parramore continued that if you could explain to them that this would be a place for them that would also attract newcomers and offer information about

our community; if you were to tell them all of this and they would have all of this for the rest of their lives, she thought most of the people would be in favor of the park and the green space. She explained how she arrived at \$72 number because there are 55,000 ratepayers and if the property was sold at \$4 million, it would only cost a person \$72 one time in their whole life for the Grace Street Plant. Ms. Parramore expressed doubt with whether CPW would reduce everyone's rate one time by \$72 if the property were sold. She contended that selling the property would not reduce rate nor was selling the property going to change rates. She continued that according to a statement in the newspaper, there is currently a debt created by the need for upgrades and maintenance and was also stated that the debt could have been paid out of the reserves, but the Commissioners collectively decided to save the reserve due to gas prices. Ms. Parramore stated that she respected that decision because in the real estate business, that is called creative financing. She added that is why CPW is a prosperous company and keeps rates down and it was not because they need to sell a piece of land. She contended that she did not think that paying the debt had anything to do with selling the Grace Street property. Ms. Parramore addressed Commissioner Watts and referred to the plan that he had provided at the meeting the other night. She apologized because of the unfortunate comedy it provided in the audience. She stated that she was not sure that Commissioner Watts understood that the drawing was presented seven years ago when all of this started. She continued that there is clearly not enough land to house all of the multi-use some developers think is needed. She stated that the drawing was done by a company who also assisted with West Cambridge Park and they were just doing it as a favor to assist in the negotiations. She stated that if you go back and revisit the drawing and see the two ponds, it has been determined those two ponds cannot survive on the property because there is not enough water. Once you start putting development in that houses employers and humans, there is not enough green space for a park. She stated her belief that someone had failed to bring Commissioner Watts up to speed with some of this information. Ms. Parramore stated that she respected Mr. Watts as a principled man and appealed to him to repoll the support group and ask them if they had even visited West Cambridge Park. She stated that she was also curious about the age group he had polled. She continued that she had tons of friends of all races and ethnic groups who use West Cambridge Park weekly and are proud of its existence; they know there is a need and are supporters of the Grace Street park. She noted discussions about multi-cultural festivals that might take place at this site and that could bring everyone together in a celebration of our heritage. Ms. Parramore then addressed Commissioner Hancock and expressed hope that he would finish out his CPW term on a positive note and be the individual that would step up

and say that parks do make a difference in Greenwood. She expressed hope that Commissioner Hancock would vote so that kids and families can share and create memories for years to come at Grace Street. She expressed faith in Commissioner Hancock as a leader in the community to do the right thing. She stated that he had supported West Cambridge Park even though he had a question or two about it. She stated her understanding of Mr. Hancock's questions with Grace Street. She then expressed hope that he would not abandon parks because they are making a difference in Greenwood and she felt in her heart that he knew that. Ms. Parramore stated that the Grace Street park would benefit the citizens of Greenwood three times over. Ms. Parramore addressed Commissioner Monaghan and stated appreciation for his vision for parks and all that he had done for the volunteer park organizations to make more beautiful places in Greenwood to live and raise families, adding that it sometimes takes people from outside to come in to get things changed. Ms. Parramore stated that Greenwood County is not a county of high taxes, or high in rate paying for utilities, but is a county proud in keeping inflation down. She stated that to keep this county thriving, we must continue to progress and change in a positive way, and the only way this can be done is for everyone to work together. West Cambridge Park is a prime example on a smaller scale of the partnerships between CPW, Greenwood Metro, the City, the County, the Chamber, and all of the citizens in Greenwood who had worked together to make that space happen. She stated that it did not cost the taxpayers any additional taxes, adding that she knew that they could continue to work together to preserve the one last green space left in the heart of the community. She argued that a few trees and landscaping from developers around a retail space would not provide a healthy recreational space for kids and families, nor would this type of development bring new people to Greenwood. She concluded by urging the Commissioners to consider a vote to transfer the land and allow the Grace Street park to flourish and attract people to Greenwood, and thanked the Commissioners for their time and consideration.

- III. A motion was made by Commissioner Monaghan to approve the minutes of the June 14, 2007 regular meeting and the June 28, 2007 regular meeting as submitted; the motion was seconded by Commissioner Hancock, and unanimously approved.

IV. Financial Statement:

The Commissioners were in agreement to move ahead to the audit presentation.

V. New Business:

- A. Laurie Smith with Elliott Davis & Company presented the audit report for 2006. She reported that the audit had been finalized and submitted to the Government Finance Officers Association for review and consideration of the Certificate of Financial Recording Excellence. She reported that as the external audit firm, an unqualified opinion was issued on the financial statements, and that they were fairly presented in accordance with governmental accounting standards and generally accepted principles. Ms. Smith stated that a clean opinion was given as to the numbers presented for year-end revenue and expenditures. She recapped a couple of changes with assets, revenues, and expenditures as compared to the prior year. She noted new data had already been implemented into the report and referred to some new things to be implemented. Ms. Smith stated that total assets for that audit year ended up right at \$103.3 million in total assets, which is a decrease of about 3.5% from last year, for a decrease in total assets of right under \$4 million from the prior year. She explained that 72% of total assets are in capital assets, infrastructure, and buildings which increased 2% for the year due to the continued construction and improvement of lines, systems, and plants. She continued by noting that right at \$75 million of the \$103 million in total assets was in capital assets, and the second major composition of assets was in cash and investments and accounted for about 15% of the remaining total. The cash actually decreased by about \$2.8 million during the year; those funds were used to construct additions to systems in the capital assets. Ms. Smith stated that accounts receivable decreased during the year and was another factor that contributed to an overall decrease in assets. She recalled that gas prices were up at the end of 2005 causing accounts receivable to also be up due to the cyclical nature of when it gets cold and hot. So when gas prices came down to a normal level a decrease was seen in accounts receivable. She noted a decrease of right at 14% in total liabilities. She added that was a good sign because around \$5.6 million in debt was paid off. Ms. Smith noted that \$3.2 million of that was related to bond indebtedness and the other related to accounts payable or projects in process at that time. Commissioner Monaghan asked if accounts receivable was accrued at the end of the audit period. Ms. Smith responded that financial statements are on a full accrual basis of accounting which means anything due as a receivable is recorded as revenue, and anything owed that has not been paid for is recorded as a liability or an expense. Ms. Smith then reported on assets less liabilities noting that they take the difference to get net assets. She stated that total net assets for the end of the audit period were right at \$68.7 million. She noted that net assets increased. She stated that they talked about assets decreased and liabilities decreased, but they ended up with a net increase in equity position or assets

of right at 2.7% for around \$1.7 million. She noted this was a snapshot of the balance sheet with one year compared to another. Capital assets are being replaced faster than they are being depreciated; cash position is good; accounts receivable are fairly represented; and liabilities have been reduced. Ms. Smith referred to revenues as compared to last year and noted a trend with prior year where gas was up then back down to normal. She stated that there was a decrease of about 1% in operating revenues driven by the change in gas rates from one year to another. She then referred to operating expenses and a 1.6% decrease seen in operating expenses, and where gas was being purchased at an inflated price, that went down the same thing as rolling through with gas revenue. She stated that you always look at net and whether you are down on revenue and expenses. She stated there is good news there with operating revenues net of expenses up about \$345,000 or right at 4% ending up in a net positive position. Ms. Smith noted another significant factor in non-operating revenues with the rising interest rate environment which allowed better returns by taking the excess cash and investments so that investment income was up right at \$650,000 as compared to the prior year. She stated that a new accounting standard was implemented during this audit period that was discussed last year. She referred to the back section of the report GASB 44 which is the statistical section and a couple of new tables. She referred to a table that is net assets by yield showing five years that would continue to build to ten years. She stated there were only five years since the implementation of the new reporting model. She referred to page 42 with a schedule about changes in net assets. She noted some years were very positive and some years were actually a negative year. She referred to a table on page 52 showing the number of employees for the last seven fiscal years. She stated that it was very consistent and there was not a lot of change in the total number of employees during that seven-year period. Ms. Smith referred to a table on page 54 showing bonded indebtedness in relation to income for the geographical area and population and bond indebtedness per capita. Commissioner Monaghan suggested that because they had not had a chance to review the book perhaps Ms. Smith could return to the next meeting. Ms. Smith referred to discussion the previous year about post employment benefits in GASB that would need implementation. She noted that it is very complicated but basically in 2008 we would have to accrue health insurance benefits which are the most significant benefit offered to retirees. She stated that right now we fund them after retirement; however, the new standards 43 & 45 would require that we accrue that liability as that person works every year so that we would have accrued an expense at the point they retire. She stated there are a lot of actuarial computations connected with this and Ms. Ogletree had an actuarial firm looking at some projections. She stated the importance of understanding the

policy and what it means financially before the end of 2007 to have an opportunity to know what lies ahead for 2008. Ms. Smith stated that there were other changes to be seen next year when there would be a whole new set of standards that charge the external audit firm with doing more control testing than ever done in the past. She noted a discussion with Ms. Ogletree to be sure they understood what would have to be done for the 2007 audit.

- B. Chairman Watts stated that it would be appropriate to have a motion since the audit had indicated sufficient funds were available for the exchange of checks with the City of Greenwood. A motion was made by Commissioner Monaghan to adopt the attached resolution* authorizing the transfer of total funds in the amount of \$1.2 million with \$624,688.86 going toward services rendered and a cash transfer of \$575,311.14. Commissioner Hancock seconded, and the motion was unanimously approved.

Commissioner Hancock noted that the public in attendance probably was not aware of what just took place. Manager Reeves explained an agreement with the City Council that each year after the annual audit if there is a determination that sufficient funds exist to make a transfer to the General Fund of the City, the CPW Board is authorized to do so. In this case, a resolution was adopted which would provide a total of \$1.2 million to the City of Greenwood. He noted that it is divided into two checks. One check is for the utility services and other in-kind contributions such as construction work they have received in the past year, and that check totaled \$624,688.86; added to that would be a cash transfer of \$575,311.14. Commissioner Hancock pointed out that it included all of the contributions made by CPW toward the beautification and lighting installed down South Main and behind the stores, and also installation of the sprinkler systems downtown.

- C. Manager Reeves informed the Commissioners of several things needing action with regard to the bond issue and noted that Mr. Robert Galloway with Haynsworth, Sinkler, Boyd was in attendance to answer any questions regarding the documents. He stated that a resolution document would need to be adopted, as well as authorizing the Chairman and the Secretary to execute that document. He added that there was also a purchase contract that would need to be authorized; and then finally, an agreement with Countybank to open an account to house the 2007 bond construction funds. Manager Reeves noted that the final resolution had not arrived until that morning and had not been given to the Commissioners because it was still undergoing changes and the final numbers were not actually filled in until that morning. Manager Reeves stated that pricing had been done yesterday and a true interest cost of 4.57% was obtained. He noted outstanding ratings

received from Standard & Poor's and Moody's, and that bond insurance had been purchased. Mr. Galloway referred to the resolution and stated that the bonds were priced on the previous afternoon; the interest rates and terms were set by the underwriter of the bonds, Bank of America, and those numbers had now been filled in on the resolution. He reported that the final principal amount of the bonds was \$9,880,000, noting that they had talked about something just south of \$10 million. He referred to Exhibit A. of the resolution showing how the proceeds of the bonds would be used for various construction and other projects for water, gas, electric, and administrative. Mr. Galloway stated that City Council had approved the issuance of the bonds by ordinance which had already been adopted as part of the procedure under state law whereby City Council had to approve the issuance of bonds. He stated that the final step was the adoption of the resolution by the CPW Board. Mr. Galloway noted a net interest cost of 4.47% with the bonds out there for twenty years, to be amortized over that twenty years in serial and term bonds. He reported that there would be an "interest only" period where interest has been capitalized and borrowed for about a year and a half and included in the proceeds of the bonds so no debt service is actually paid on the bonds for a year and a half. He explained that bond insurance was purchased at a premium through MBIA Insurance Company, a AAA rated bond insurer. This allows CPW to offer AAA rated interest rates, which is what a 4.47% interest rate is, with AAA being the highest rating in the bond market. He stated that there would also be a debt service reserve fund which amounts to basically a maximum year principal and interest on the bonds. He noted that as in years past, it is not actually funded with proceeds of the bonds but they are purchasing a surety bond from MBIA which provides in effect one year's reserve on payment of principal and interest to the bond holders. Mr. Galloway continued that those are the primary uses of the bonds. He noted that they are twenty-year bonds amortized over twenty years with ten-year call protection meaning that they can be called ten years out, they can be redeemed by CPW at par in ten years, and until then they cannot be redeemed. He added that this is standard in the business for a long-term fixed rate bond offering. He informed the Commissioners that a 4.47% net interest cost is extremely good and that the bond market interest rates had been good for several years historically speaking, where probably a year or two ago they reached a thirty or forty year low, they are slightly higher than that. He added that in looking back over time, these are still among the lowest interest rates in twenty to thirty years so it is an excellent time to be borrowing at a fixed rate. Mr. Galloway referred to a bond purchase contract with Bank of America that is an agreement where CPW agrees to sell the bonds to them at these interest rates and they agree to purchase at these interest rates. He explained that they would need to consider taking action

today on the adoption of the resolution authorizing the issuance of the bonds as described, noting that also authorizes entering into the purchase agreement with Bank of America so that a separate action is not needed. Mr. Galloway added that a separate action might be needed for the Countybank. Manager Reeves responded that was correct. Mr. Galloway continued that only one motion was needed for the adoption of the resolution to approve the bond issue and authorize the signing of the purchase agreement with Bank of America for the sale and issuance of the bonds. He stated that they expect to settle the bonds on August 9, 2007 at which time CPW would have their money. Commissioner Monaghan provided an overview of some of the projects for which the bonds would be issued as follows: with the electric division, substation 7 which is where electricity comes in; underground cable projects and replacement; breaker control upgrades; station # 1 uplifter refitting; pole line inspection change-outs; SCADA front-end processors; biotechnology center infrastructure; gas meter replacement; automated meter reading upgrades; automation upgrade of the propane air plant; line pressure upgrades including contract leak surveys; regulator stations for new commercial customers; regular building; biotechnology center infrastructure for gas; looping upgrades of the distribution system; water department meter replacements and change-outs; East Cambridge water line rehab; design and construction for replacement flocculator at the water treatment plant. Commissioner Monaghan noted that CPW was one of four water plants to receive an award last year from AWWA for the being the best water processing plant in the United States, adding that AWWA has been in business since 1890. He continued with the list of projects with design construction for new motor control line-up equipment for pump station # 1; reprogram filler logic SCADA controls (automatic computer controls for all water tanks, systems, gas systems, regular systems); filter valves # 3 & 5 at the water plant; analytical balanced power system replacement of servers, processors and related hardware; outdoor video system (due to unfunded federal mandates at the water plant); card access system; tie flex valves mixing system; sampling for typing for tanks; biotechnology infrastructure for water and sewer; high service pump 4 improvements; miscellaneous water line replacement; chlorine analyzer replacements. Commissioner stated that CPW was concerned about having large chlorine tanks being delivered to our community and in our community and decided to upgrade the water treatment plant and make their own chlorine as needed. He noted that CPW was making a real effort to be a top quality, first rate utility provider. He stated that in the face of all of this, CPW is still the second lowest electrical cost provider of municipal systems in the state of South Carolina. CPW is in the bottom 14% for water prices and number two with gas.

Commissioner Hancock added that the purchase of the Metro portion of the administrative building due to the CPW's need for additional space was also on the bond project list.

A motion was made by Commissioner Monaghan and seconded by Commissioner Hancock to approve the attached bond resolution*; the motion was unanimously approved.

A motion was made by Commissioner Monaghan and seconded by Commissioner Hancock authorizing the General Manager to set up an account with Countybank to house the funds; the motion was unanimously approved.

- D. Chairman Watts presented a recommendation to accept the low bid in the amount of \$33,950 from Climate Control systems, Inc. for the installation of units on top of the main office roof.

A motion was made by Commissioner Monaghan, seconded by Commissioner Hancock, and unanimously approved.

- E. Chairman Watts referred to a memorandum from Ken Barnett regarding the low bidder on gas line installation work. He noted that the bids were opened at the last meeting and that the recommendation of staff was to reject all bids. Mr. Barnett explained that the low bidder is not a licensed contractor in the state of South Carolina. He added that when looking at the difference between the low bid and the other two bids, it is almost double. Mr. Barnett stated that because of the difference in cost and the fact that the low bidder is not qualified, staff recommends rejecting all bids and rebidding later.

A motion was made by Commissioner Hancock to reject all bids; the motion was seconded by Commissioner Monaghan, and unanimously approved.

- F. Chairman Watts presented a recommendation to accept the low bid of \$15,290 from Mohawk Valley Water authority for a two-year period for laboratory services at the water treatment plant.

A motion was made by Commissioner Monaghan, seconded by Commissioner Hancock, and unanimously approved. Commissioner Monaghan explained that bids were opened at the previous meeting and then reviewed in detail by the CPW's technical people to determine if the bidders

are qualified and meet the specifications. He noted that bids are then usually approved at the next meeting.

- G. Chairman Watts presented a recommendation to accept the low bid in the amount of \$7,486 from Dunlap, Inc. for the painting of the metal clad switchgear building and a metal clad generator building at the water treatment plant. Commissioner Monaghan asked if any of the bidders were local. Manager Reeves responded that none were local. Mr. Chapman stated that the low bidder is out of Greenville. Commissioner Hancock added that this is very specialized work.

A motion was made by Commissioner Hancock to approve the bid from Dunlap, Inc. as recommended, seconded by Commissioner Monaghan, and unanimously approved.

- H. Chairman Watts asked Mr. Chapman for an explanation of the skid-steer loader for the water department. Mr. Chapman stated that they received six responses with one being a "no bid". He explained that of the five bids received, the low bidder is a vendor whose past performance with getting the equipment serviced had resulted in problems, such as with the warranty not covering the work being done locally and having to ship it off. He noted this resulted in a lot of down time and time wasted by staff having to carry it to another location. He stated that since this piece of equipment was purchased in 2003, it had been in the shop over ten times. Currently, there is another piece of equipment in the shop that has been there for two months. Mr. Chapman recommended Linder Industry stating that they had proven their service. He noted that they have eleven service trucks with fourteen trained mechanics, and their written policy is to come on site and they do not leave the site until it is fixed unless there is an issue with ordering a part. He added that should not be an issue since the parts are manufactured in Newberry. He noted that the gas, water, and electric department also had equipment with them. In the past when equipment went down, they came on site and when they could not fix it, delivered a loaner, picked up our equipment, and returned it when it was repaired at no charge to us. Mr. Chapman stated that this recommendation was based on service record and less down time with projects. Commissioner Monaghan asked if the low bidder was a local guy proprietorship or a bigger company. Mr. Chapman responded that the low bidder is a local guy who is more geared toward small farm equipment. Mr. Chapman added that he had talked to the owner about the service, and he was not sure if it was a sole proprietorship or a partnership. He stated that

the piece of equipment mentioned earlier had been with them since June and was still there even after the third estimate to fix it, and the reason they give is that their sole mechanic has been out sick. Commissioner Monaghan stated his agreement since this was a \$30,000 machine with a difference of only \$800 and because of the poor service. He noted that we always like to go local whenever possible. Mr. Chapman noted that the difference between the low bid and the one recommended was actually around \$3,500. He referred to his memorandum outlining how that amount had already been spent in repair costs on the piece of equipment purchased before through the low bidder.

Commissioner Monaghan made a motion to approve the bid in the amount of \$32,085 from Linder Industrial Machinery Company as recommended; the motion was seconded by Commissioner Hancock, and unanimously approved.

VI. Other Business:

1. Chairman Watts reminded the Commissioners of a discussion at the last meeting about eliminating some of the reports from their packages. Commissioner Monaghan noted that he only needed the COC Planning Report, and Commissioner Hancock wanted the water plant data showing how much water is pumped, and the Gas Incentive Report. The Commissioners agreed to eliminate the Work in Progress and Outage Reports.
2. Manager Reeves reported on an update to a statewide survey for municipal water and sewer systems rates. He noted that of 238 systems surveyed in South Carolina, Greenwood CPW is in the bottom 14.3% and ranked 35th.
3. Manager Reeves reported that there were no changes with annexation since the last meeting. Mr. Gentry reported that he would attend a funding summit put on by Senator Graham's office the following Monday in Columbia.

VII. Executive Session

A motion was made by Commissioner Monaghan, seconded by Commissioner Hancock, and unanimously approved to go into *Executive Session* to receive legal advice on a contractual matter pertaining to the Grace Street property and a personnel matter.

The meeting returned to open session. Chairman Watts stated that no action was taken during *Executive Session*.

VIII. With no further business, the meeting was adjourned.

Approved: _____, 2007

Secretary

*Please contact CPW at 864-942-8100 to obtain a copy of the resolution.