

COMMISSIONERS OF PUBLIC WORKS
Minutes of September 27, 2007

The regular meeting of the Board of Commissioners of Public Works was held on Thursday, September 27, 2007, at 10:00 a.m., in the Boardroom at 121 West Court Avenue.

In attendance:

Gene P. Hancock	Steve D. Reeves, Jr.	Vicki Knott	Stacia May
Michael G. Monaghan	Jeff Auman	Jeff Chapman	Richard Gentry
Henry O. Watts	Jeff Meredith	Ron Lemon	Bill Patrick
	Denise Ogletree	Vickie Gorham	Charles Schulze
	Curtis Burnett	Ken Whittle	Jay West
	Carlos Cometto	Melinda Bishop	Chris Trainor
		Wayne Bartley	

- I. Chairman Watts called the meeting to order and gave the invocation.
- II. Chairman Watts gave the statement of compliance with the notification provision of the Freedom of Information Act.
- III. A motion was made by Commissioner Monaghan and seconded by Commissioner Hancock to approve the minutes of the joint meeting with the County and the City on July 24, 2007; the regular meeting on August 9, 2007; the joint meeting with City Council on August 9, 2007; and the regular meeting on August 23, 2007; the motion was unanimously approved.

Mr. Jay West with the Partnership Alliance provided an update. Mr. West reported on approval of retail packages for businesses that would be coming to Greenwood. He stated that although he could not tell at this time who they are, they had received confirmation of approval from the developer at their corporate offices. He added that details would be provided as soon as possible. Mr. West reported on continuation of work with the Biotech Park and referred to a meeting with Senator Graham and Congressman Barrett in Washington. He noted a research component could change the way things are done working with the Genetic Center, adding that this would be a new entity coming there in the future and that a site visit was planned in a couple of weeks. Mr. West reported that they were asked to help with the placement of buildings and facilities for the Project Phoenix property on Emerald Road; they are still the lead site and the benchmark for other states. He added that the biggest thing faced with now is product development, and commented on the need to find product to put out there. He stated that with only 25 acres left on Highway 25, they are working to

develop a new industrial park. He added that it would be a public/private thing so that the County would not have to go in and buy the land. He noted a couple of big tracts identified on the southern side of Greenwood. Mr. West continued that they had analyzed the way projects are solicited and found that the process in place needed enhancement; now they are evaluating every trade show or visit. Mr. West concluded by expressing that he hoped to be exactly where they need to be internally and to be moving toward product development within another month to month and a half.

IV. Financial Statement:

Commissioner Monaghan expressed appreciation to Ms. Ogletree for two pages of explanation provided beforehand which addressed most of their questions. He then asked for clarification on customer site work on page 13. Ms. Ogletree responded that there are fees and rates with department 58 that are charged to customers for services provided and those fees were set back in 1999 – 2000. Currently, the same department that does those services had been working on putting in extra meters and had to pull and replace around 750 regulators out of the system, and are working overtime. If they happen to be working just in department 58, all of the overtime is charged to that department. She noted that they are looking into changing how those are charged. Commissioner Monaghan commented that the way it is done now does not reflect the real cost to do the services. Ms. Ogletree stated that now they have to change the way that time is charged. Commissioner Monaghan commented on going back retro-actively once that is decided to help the Commissioners know whether rates need to be raised. Ms. Ogletree noted no direct fees associated with recovering costs with department 68 but those are incorporated into the overall rate. Commissioner Monaghan stated that those should be coded into promotional such as rebates and free piping. Ms. Ogletree responded that gas rebates and piping are shown in department 51 so that the repair service is not skewed. Commissioner Monaghan then referred to page 14 and restrictive cash, bond funds, and asked how quickly those would be put into something to earn interest. Ms. Ogletree responded that this was the new 2007 bond issue and those funds were already in federated funds at County Trust where it is earning the same amount of interest as our other investments. She added that those funds are only pulled out about twice per year, but still need to be kept in a liquid form. Commissioner Monaghan stated agreement as long as the same interest rate is being earned.

V. New Business:

A. Chairman Watts presented a recommendation from staff regarding a proposed change to miscellaneous fees. He inquired as to what the fee would

be to relight a pilot that goes out because of wind or whatever. Ms. Gorham responded that the cost to turn on pilots is \$55. Chairman Watts asked if that would increase under the new proposed fee. Manager Reeves explained that the proposed change is only for the combination of fees where there is a request to disconnect for the summer combined with the pilot light turn-on fee. Commissioner Monaghan inquired about the frequency of pilot lights going out. Commissioner Hancock responded that it happens a lot; wind can blow them out and other things. He added that most of the newer pilot lights have electric ignition. Commissioner Monaghan inquired about justification for charging the \$55. Both Mr. Bartley and Commissioner Hancock responded that it is based on the cost for a two-man crew in the gas department to go out in a truck for one hour. Mr. Bartley noted that the only change requested today was a fee in question for situations when gas was turned off for the summer and then they go back out later to light. He noted that currently there was not just one code for this situation; they are actually charging two separate codes. Mr. Bartley continued that the request is to combine those into one code to make it simpler for the customer to understand. Commissioner Monaghan inquired as to when the customer pays the charge when they want their gas cut off for the summer. Mr. Bartley responded that this is the fee they are charged when they call back in the fall and want their gas back on after it was off all summer. Commissioner Monaghan asked if they are charged at the time they are turned off. Manager Reeves further explained that if a customer cuts their gas off in April, they are not charged in May. For instance, they may call back in October wanting it cut back on for the winter, and then we charge them the \$90 on their next bill. Commissioner Hancock noted that his oven would not come on while baking pecan pies, and he called to have the oven checked and they came out. He stated that he received a bill for \$60 which he paid just for them to come out to talk with him. They could not do anything and did nothing really except to talk with him. He added that he could have said "gas leak" and would not have been charged anything. Chairman Watts inquired about the significance of "more than 60 days" in the information provided to them. Ms. Gorham responded that with situations where it is more than 60 days where a customer has requested gas off for the summer, they are trying to give those people a break in comparison to those off for non-payment for more than 60 days. She continued that in the case of non-payment, more often than not they leave the amount owed when they are cut off for non-payment just sitting there for months on CPW's books; it is usually all summer long until they call to have it turned back on. Mr. Patrick inquired about the significance of the 60 days and provided an example of someone who might call in August asking to be cut off, and then called back at the end of September asking to be cut back on. Chairman Watts asked about periods of less than 60 days. Mr. Patrick asked

why there would be a need for more than 60 days. Mr. Burnett noted that he was not involved in setting up the proposed fees, but suggested that a possible example might be a customer who calls because they are going to do some maintenance to their house and need the gas turned off, possibly to change out units and then go back and turn it on. If they are going to cut it off for the whole summer, it would be more than 60 days. Mr. Patrick asked if they would be charged less in that situation, and Chairman Watts asked about the charge for only 50 days. Ms. Gorham responded that if it is less than 60 days, it would be a lesser amount. Mr. Patrick asked if it was off for only 50 days would you charge a different amount than the \$55 and the \$35. Ms. Gorham responded it would then be one service fee of \$30. Manager Reeves stated that he suspected it is because with those over 60 days the customer has avoided the minimum charge for some extended period of time which hurts the revenue stream; anything less than 60 days would only miss one or two billings. Commissioner Monaghan then asked about the cost for someone who turns off their gas, waits 59 days and then asks to be turned back on. Manager Reeves responded that would be \$30; they would avoid the minimum bills for 59 days, but after that time, they would start back paying. Commissioner Monaghan asked for an explanation of "move in after non-pay". Mr. Bartley responded that for paperwork purposes they have to be "moved back in". For example, once someone is cut off for non-pay, if after a certain number of days that same customer requests their service back on, that person is considered moved out. Once they come back and request service back on, you have to do a move in ticket to activate their account. Commissioner Monaghan inquired about the charge to a new customer moving in from Kentucky who asks for new gas service. Mr. Bartley responded that a new customer is charged \$30 to turn on one service. Commissioner Monaghan asked why a non-pay customer is charged \$45. Mr. Bartley responded that once there is a non-pay, basically we are covering the paperwork required to go out and cut someone off; we are actually carrying that money owed for whatever length of time and there is additional paperwork involved. Commissioner Monaghan noted that customers who have their gas cut off are usually less affluent, they cannot afford to pay their bills, they get back on their feet and then we charge them \$15 more to turn their gas back on than a new customer every time. Mr. Patrick noted that nothing is charged every time we cut them off, so you have had two trips on the guy who was cut off versus one trip with the guy moving from Kentucky. Ms. Gorham added that actually there were three trips because we go out and leave a notice on their door. Mr. Patrick noted that they are probably still not recouping costs for those three trips with \$45. Commissioner Monaghan inquired about deposits, and Ms. Gorham responded that deposits are not required for residential. Commissioner Hancock noted that deposits were

eliminated a long time ago. Mr. Patrick added that there used to be deposits but then they had to start keeping up with interest which made it no longer feasible. Mr. Whittle asked if the minimum charge paid was for maintenance of the system. Commissioner Monaghan stated that it deferred some but not all fixed costs. Mr. Whittle noted that they should be charged that as long as it is on their property; if they keep cutting it off to avoid the minimum bill, we still have to maintain that service and that meter. Commissioner Hancock stated that when it is off and then turned back on, that is when they pay the fee. Manager Reeves added that the reason for the 60 days is to build back in some of that cost that they have avoided. Commissioner Monaghan referred again to the financial section and page 21 dealing with the bad debts. He noted a lack of understanding with the seventh one showing \$5,800. He expressed his belief that something a little more aggressive than leaving a voice message should be done with someone owing \$5,800. Ms. Ogletree responded that they continued to try to contact someone and could not get anyone on the phone. She added that they will continue to call until they eventually get someone on the line to talk with about the bill. Commissioner Monaghan asked if their power was cut off. Ms. Ogletree responded not yet; at that point, they were not that far behind and were only about ten days past due. Chairman Watts asked if this was a monthly bill; Ms. Ogletree responded that it was. Commissioner Monaghan referred to two large amounts of \$5,764 and \$5,766 shown and asked how many months were represented. Ms. Ogletree responded those were actually for two large capacity fees. Ms. Gorham noted that they were called and someone is supposed to come in and pay it today. She added that future services will be denied until payment is received. Manager Reeves pointed out that there needs to be a little better job with the commentary and tell exactly what efforts were made instead of just that a voice message was left. Chairman Watts redirected comments to the proposed change to miscellaneous fees. Manager Reeves recapped that the most important thing to recognize with the proposed change is that it is not really a change in the fee or an increase in cost; the fee will stay basically the same, it is simply a combination of two fees into one.

A motion was made by Commissioner Hancock to approve combining the two miscellaneous fees into one as recommended. Commissioner Monaghan asked for clarification on staff's reason for the proposed change. Mr. Patrick explained that it would make accounting easier and also make it easier for customers to understand. Commissioner Monaghan seconded the motion, and the motion was unanimously approved.

- B. Chairman Watts presented a recommendation to accept the low bid in the amount of \$66,716.64 from Southern Utility Supply for 3,600 feet of 12-in. ductile iron pipe for the Genetic Center project.

A motion to accept the low bid was made by Commissioner Hancock. Commissioner Monaghan inquired about their terms and Mr. Burnett responded that he believed it was net 30 days. Commissioner Monaghan inquired as to whether we ask for terms when we go out for bids. Mr. Burnett responded that most had quit sending the terms and some were giving discounts. He added that the next bid gives a discount for paying early. Commissioner Monaghan asked if terms are requested when we go out for request for a bid. Mr. Burnett responded that there was not a statement to that effect on there. Commissioner Monaghan suggested that it be added. Commissioner Monaghan seconded the motion and the motion was unanimously approved.

- C. Chairman Watts presented a recommendation from staff to accept the low bid for 2-in. yellow gas pipe from Chris George Sales Company in the amount of \$15,466.85. He noted that \$14,455 would be paid to Chris George Sales for the pipe and \$1,011.85 paid to the State of South Carolina for sales tax. A motion was made by Commissioner Hancock, seconded by Commissioner Monaghan, and unanimously approved. Mr. Burnett pointed out that Chris George Sales is in Tennessee and does not collect South Carolina sales tax.

- D. Mr. Auman provided clarification on a discrepancy in the dollar amounts actually shown on the bid for servers for the Main Office, the COC, and the Water Plant. He noted that they only showed 6% tax and we actually pay 7%. Commissioner Monaghan inquired about having to pay the local tax even when it is not purchased locally. Mr. Auman responded that with companies like the one in Tennessee, and for anyone that does not pay it who is outside of Greenwood County, we collect it and pay it directly to the County once per month. He added that this was the tax for the dam and the library. Chairman Watts clarified that the low bid from GOV Connection was for servers for the Main Office in the amount of \$17,095.23; the low bid for the Water Plant server was from Zones in the amount of \$8,527.49. Chairman Watts noted the receipt of an e-mail from Simple PC requesting that they be included in future bids. Mr. Auman acknowledged the request and added that there had been requests from local entities in the past. Typically, they would bid once or twice and found out we get a great deal through government pricing and usually say they cannot compete and drop back out. He stated that we welcome their participation anytime they feel they can bid and come in at a lower price.

A motion was made by Commissioner Hancock, seconded by Commissioner Monaghan, and unanimously approved to accept the low bid as recommend from Gov Connection for servers at the Main Office and COC in the amount of \$17,095.23.

A motion was made by Commissioner Monaghan, seconded by Commissioner Hancock, and unanimously approved to accept the low bid as recommended from Zones in the amount of \$8,527.49 for a server at the Water Treatment Plant.

- E. Chairman Watts presented a recommendation from staff to accept the low bid for Microsoft licenses from Dell in the amount of \$82,843.77. A motion was made by Commissioner Hancock, seconded by Commissioner Monaghan, and unanimously approved.

VI. Other Business:

1. Manager Reeves noted there was nothing new with annexation at this time. Mr. Gentry provided an update on marketing and thanked Venise Bolden, David Tuck, Tim Mullenix, Mark Falls, Vickie Gorham, Ron Lemon, and the Commissioners for their participation at the Wellness Celebration booth the previous week. Chairman Watts commented on the large number of people who attended and expressed hope that they saw the CPW advertisement. Mr. Gentry noted several new projects underway but not quite ready to present at this time. Commissioner Monaghan pointed out the need to continue running ads on incentives in the newspaper. Mr. Gentry responded that an ad would run in a couple of Sundays on the gas incentives.
2. Commissioner Monaghan inquired about the Application Integration Programmer Desktop Technician position. Mr. Auman responded that this is a new position that is part programming to work on some of the things that we are paying consultants to do, and the other half is to help Chuck with day-to-day PC and helpdesk type requests. Commissioner Monaghan inquired as to whether we are still paying consultants. Mr. Auman responded that we still use them for programming things because we do not have the staff yet. This will be a part of this new position and also get us working toward that in the future.
3. Chairman Watts presented a certificate on behalf of the Commissioners to Stacia May in recognition of outstanding performance in the preparation of Board minutes.

4. Manager Reeves asked for guidance with when to cover the report provided by Charles Schulze with Elliott Davis. The Commissioners agreed to discuss the report during *Executive Session*.

VII. Executive Session

A motion was made by Commissioner Monaghan, seconded by Commissioner Hancock, and unanimously approved to go into *Executive Session* to discuss personnel and contractual matters.

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

Approved: _____, 2007

Secretary