

COMMISSIONERS OF PUBLIC WORKS
Minutes of December 10, 2009

A regular meeting of the Board of Commissioners of Public Works was held on Thursday, December 10, 2009, at 10:00 a.m., in the Boardroom at 121 West Court Avenue.

In attendance:

Gene P. Hancock	Steve Reeves	Denise Ogletree	Stacia May
Michael G. Monaghan	Ken Barnett	Carlos Cometto	George Petersen
Henry O. Watts	Vicki Knott	Jeff Chapman	Bill Patrick
	Jeff Auman	Chris Lindley	Mark Warner
	Jeff Elliott	Jeff Meredith	Chris Trainor
	Jerry Smith	Richard Gentry	David Tuck

- I. Chairman Hancock called the meeting to order. The invocation was given by Ken Barnett.
- II. Chairman Hancock gave the statement of compliance with the notification provision of the Freedom of Information Act.
- III. Business:
 - A. Mr. Mark Warner reported on a request submitted to Duke Energy for grant funds to support the Airport Industrial Park infrastructure. He noted that word was received from Steve West that week that \$45,000 had been awarded, there was no timeframe within which to spend the money, other than the money was requested for the waterline extension. Mr. Warner stated that when the money comes in, it would be put in their fund account to hold until such time that Mr. Reeves and staff would need to draw it when they start to look at that particular project. He continued that a similar request was made to Century Link (formerly Embarq). Nothing has been heard from Century Link. Manager Reeves asked if there was an expectation of more to follow since it was not close to the number expected; Mr. Warner responded that it was a few dollars short. This was the money available and then designated for this purpose; they will continue to work with us as we go forward. Commissioner Monaghan asked who would pay for the certification. Mr. Warner responded that an update would be provided at a future Board meeting. He noted a presentation from the Department of Commerce on changes done through the certification process. The overall cost will not change, but the Commissioners should be made aware of the changes coming down the pike that may impact timing a little. The intent is to go back to

Duke to request grant funds. Commissioner Monaghan asked about a timeline for completion of the certification process. Mr. Warner responded that it tends to be around three months, depending on the particular property and what may come up. He noted that the process had not been started; he wanted to give them a heads up on the program before they go down that path. He added that he had gotten some names of engineering firms from Steve for the RFP; it would also go out to local firms as well as some at state level with a good history.

- B. Manager Reeves noted a situation with people who are anxious to use their credit cards for paying large bills. He referred to Mr. Auman's memo that pointed out the high cost in fees to CPW for large bills. He continued that a new program through SC.Gov allows for electronic payments over the internet; this would eliminate the credit card payment and still be a benefit to customers to pay electronically. Manager Reeves presented a recommendation to enter into an agreement for electronic bill payment, as well as to limit the amount of credit card payments to \$1,000. Commissioner Monaghan inquired about the cost per month for credit card payments. Ms. Ogletree responded that it varies, but we pay 1.7%. Mr. Auman stated that on 11/20 there were several large payments costing \$500 for that set for one day. Commissioner Monaghan asked about impact of that program in general, not only with large payments. He added that we did this for convenience, but a lot of people are doing it to get rewards and perks from their credit cards. Manager Reeves noted that about \$78,000 was budgeted for bank fees over the twelve-month period. Commissioner Watts asked about the percentage paid per bill; Mr. Auman responded that it is \$1 per transaction plus 1.7% of the amount. Ms. Ogletree stated that the proposed change would limit credit card payments to only those up to \$1,000. Commissioner Watts asked about fees involved with electronic check payments; Mr. Auman responded that it is basically an electronic check like a debit transaction at \$2.50 per transaction, regardless of the payment amount. Ms. Ogletree noted a couple of \$37,000 payments the past week; we paid 1.7% of those amounts. Commissioner Watts inquired about the percentage of people paying by credit card; Mr. Auman responded that he was not sure of the percentage, but there are a large amount, both over-the-counter and by phone. Commissioner Monaghan stated that he would like to know the cost impact of credit card payments. He noted that this was started as a convenience for customers, not to allow people to get airline tickets. Mr. Auman added that a payment limit of \$1,000 would cover most residential and small businesses.

A motion to accept the recommendation of staff to allow electronic check payments and to limit credit card payments to amounts not to exceed \$1,000 was made by Commissioner Watts; the motion was seconded by Commissioner Monaghan. Commissioner Watts asked how the public would be informed of the changes. Mr. Auman responded that after the programming was tested and in place, they would send notices on the bills and also on the website. Commissioner Monaghan suggested that letters be mailed out to those select customers who would be affected informing them of the \$1,000 limit. With no further discussion, the motion was unanimously approved.

- C. Chairman Hancock presented a recommendation from staff to accept the low bid submitted by Ed Young Sales in the amount of \$12,390 for gas regulators.

A motion to award the bid as recommended was made by Commissioner Monaghan, seconded by Commissioner Watts, and unanimously approved.

Chairman Hancock presented a recommendation from staff to purchase residential and 400-series meters from Equipment Control at a cost of \$78,470 for the residential meters and \$25,283 for the 400-series meters.

A motion to accept the bids as recommended was made by Commissioner Monaghan, seconded by Commissioner Watts, and unanimously approved.

Chairman Hancock presented a recommendation from staff to reject all bids for 600 and 1,000-series gas meters.

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

Commissioner Monaghan asked what was meant by purchasing on a "spot basis". Mr. Petersen explained that with low quantities, as in an instance with one particular meter where there are only 35 per year, they do not know when those may be needed. Those are bought as required, as it comes up. Commissioner Monaghan asked about the mechanics with those types of purchases. Mr. Lindley responded that more than likely, they would minimize the amount ordered to stay under the \$10,000 range so it could be done under normal inventory purchasing procedures, without the need for a formal bid.

- D. Chairman Hancock noted that Mr. Tuck had provided a bid recommendation for annual chemicals at the water treatment plant. He stated that several of those recommendations were not based on low bid. All chemical bids are based on low bid with the following exceptions: **Carbon** – Based on David’s analysis and laboratory testing, the most cost effective selection is from Brenntag Southeast at \$0.94 per pound; **Lime Slurry** – Bid from Burnett Lime Company at \$0.05 per wet pound; and **Polymer** - Bid from Cedarchem, LLC in the amount of \$1.08 per pound.

A motion to accept the recommendations to purchase chemicals was made by Commissioner Monaghan, seconded by Commissioner Watts, and unanimously approved.

- E. Manager Reeves informed the Commissioners of a motion made at the last meeting approving Wesco as the low bidder for lights for the Library and Oakland Elementary School. He stated that it turns out that Line Equipment Sales was the actual low bidder. Based on the motion made, Wesco was included as the low bidder, so it would be proper to have another motion approving the low bidder as Line Equipment to proceed with the purchase order.

Mr. Patrick clarified that the motion at the previous meeting was to accept the low bidder and the low bidder was identified as Wesco, but on further checking, it was determined that the low bidder was in fact Line Equipment.

A motion was made by Commissioner Watts to approve the purchase from the low bidder, Line Equipment; the motion was seconded by Commissioner Monaghan, and unanimously approved.

IV. Other Business:

1. Commissioner Monaghan complimented staff on the monthly departmental reports, noting that it helps them be better informed.
2. Commissioner Watts asked for an update on the storm situation. Mr. Meredith responded that they had completed restoration to everyone they are aware of; there had been a few calls that morning with a couple of other places and those are being checked now. There were a couple of street lights to get back up. He continued that he and Mr. Thompson went

home at around 12:30 the previous night; the other guys followed at about 4:30 a.m. that morning. The Commissioners expressed appreciation to the electric department for their hard work and efforts. Manager Reeves noted that it was basically an around-the-clock event for them; they started at 5:30 a.m. yesterday and finished at 4:30 a.m. this morning. Mr. Meredith noted that most problems were caused by trees that were not anywhere close to our right-of-way.

3. Manager Reeves requested dates from the Commissioners for the Annual Service Award Banquet. The Commissioners agreed that any of the three dates provided by the caterer would work. Those dates are: January 29, February 4, or February 11. Manager Reeves stated that staff would decide which worked best and let them know.
4. Manager Reeves noted that the next regular meeting was scheduled for December 24, which is Christmas Eve which is also a holiday. He asked for guidance with whether to reschedule or cancel. Manager Reeves noted that financial reports would be provided as soon as they were available, and could be considered at the first meeting in January of 2010.

A motion to cancel the meeting on December 24 was made by Commissioner Monaghan and seconded by Commissioner Watts; the motion was unanimously approved.

5. Manager Reeves noted that sprinkler meters and regular meters are now being combined on our billing. He asked for guidance with whether to charge a reconnect fee for those customers who cut water meters on seasonally. He stated that if we go out to a customer that is cutting on utilities and they cut on everything at one time, we are already collecting a fee for water. Typically the sprinkler meter is right next to the water meter; it only takes an extra minute to cut on the sprinkler meter. In that instance, there would be no charge. If we make a trip just for the sprinkler meter, then we would charge the same fee as for a regular water meter. Commissioner Hancock asked if some are cutting off sprinkler meters to avoid paying in the winter months; Manager Reeves responded that it does happen. Commissioner Hancock stated that they should then have to pay for that every month. Manager Reeves continued by suggesting that we would be going back in the spring to cut on only the sprinkler meter, for a \$30 reconnect fee. Commissioner Monaghan noted that otherwise, they would be paying the base fee. If they cut it off in the winter, and then come back in the spring and turn it back on, that would cost \$30 for the reconnect fee rather than paying \$20 per month all winter for the base fee.

Commissioner Hancock stated that if they cut it off for three months, they should have to pay the base for the three months since the facilities are there. Manager Reeves agreed that is similar to what is done with gas. Commissioner Watts asked what is done now; Manager Reeves responded that currently we charge the \$30 reconnect fee for the sprinkler meter if we make a trip out. Manager Reeves clarified that the question is what fee to assess to reconnect sprinkler meters. If we make the trip just for the sprinkler, it is \$30; if it is for a new customer moving in and we are going to turn on gas and water, then the thought was not to charge extra for the sprinkler. If you turn both meters on at the same time, then you would only charge one water fee. The Commissioners agreed.

A motion was made by Commissioner Watts to approve the regular fee for a "sprinkler only" turn-on as recommended, but not to charge extra if the sprinkler meter is turned on at the same time as the regular water meter; the motion was seconded by Commissioner Monaghan. Chairman Hancock commented that there should be some kind of flat fee every month because the facilities are sitting there not being used. With no further discussion, the motion was unanimously approved.

6. Manager Reeves relayed a suggestion from an employee to waive any reconnect fees for military personnel returning from active duty who have had services cut off while on active duty. Mr. Patrick stated that should not be a problem from a legal standpoint.

Commissioner Monaghan made a motion, Commissioner Watts seconded, and the motion was unanimously approved.

7. Manager Reeves informed the Commissioners that the Chamber of Commerce Dinner would be on January 7, 2010 at Lander University, and asked for guidance with reservations. The Commissioners agreed to purchase individual tickets at \$45 each, given the budget situation.

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

8. Manager Reeves noted as information that CPW had never been taxed by Greenwood County in the past; however, a tax bill for \$100 for fire service at the water treatment plant was received this year. They have decided to bill everyone this year. Mr. Patrick clarified that the tax bill came through the County for volunteer fire service. Chairman Hancock asked if they had approved a fee for non-profits; Manager Reeves stated that he was told

that last year they waived it for non-profits, but this year all non-profits and governmental agencies were included. Mr. Patrick stated that it is a fee for service more than a tax. It is being sent through the tax bill, but is probably legally permissible. They will send the bill for the fee to all churches, and the womens' prison, etc. Chairman Hancock stated that the water plant is the City's property. Mr. Patrick asked if for \$100 they would tell the County not to have the volunteer fire department at Coronaca come out. Mr. Patrick expressed that it is probably legal but they could check on it to be sure. Chairman Hancock stated that he would like to tell the County that here we are, a public utility, furnishing them with water to all of the fire hydrants for all of the rural fire departments, don't charge them a dime for fighting fires, and they want to charge us a fee for fire protection at our water plant. He stated that they are full of mud and that could be put into the paper, and he totally agreed with what he just said. He continued that we do that, we put the water out there at a cost of thousands of dollars here and they put a punitive of \$100 on us, adding that he did not believe it was legal to start with. Mr. Patrick asked Chairman Hancock if he wanted the Manager to have some discussion with the County Manager about that water service for the fire departments. Chairman Hancock said that he did, and added that we might want to charge the County for water for fighting fires, but we would not do that.

9. Mr. Gentry reported that a meeting for the Ninety Six Bell Street Connection was postponed until the following week. He continued that Ruth LaForge had called to say that there may be some grant money in CDBG this spring for a collection line; she would relay that to Metro. Mr. Gentry presented trophies for the Greenwood and Ninety Six Christmas Parades noting that CPW had won the commercial division in Ninety Six and the government category in Greenwood.

V. Executive Session:

A motion was made by Commissioner Monaghan and seconded by Commissioner Watts to go into *Executive Session* to discuss a contractual matter; the motion was unanimously approved.

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

Approved: _____, 2010

Secretary

