

COMMISSIONERS OF PUBLIC WORKS
Minutes of February 28, 2008

The regular meeting of the Board of Commissioners of Public Works was held on Thursday, February 28, 2008, 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	Jeff Chapman	Vicki Knott	Richard Gentry
Henry O. Watts	Denise Ogletree	Carlos Cometto	Bill Patrick
	Jeff Meredith	Ken Whittle	Brad Jeffares
	Curtis Burnett	Jeff Auman	Chris Trainor
			Jay West

I. Chairman Watts called the meeting to order. The invocation was given by Chairman Watts.

II. Chairman Watts gave the statement of compliance with the notification provision of the Freedom of Information Act.

III. A motion was made to approve the minutes of the January 10, 2008 regular meeting and the January 24, 2008 regular meeting as submitted by Commissioner Hancock; the motion was seconded by Commissioner Monaghan, and unanimously approved.

IV. Financial Statement:

Ms. Ogletree pointed out that approximately \$1 million was liquidated from investments to cover cash flow needs for February and was not reflected in the January statement. The Commissioners noted that they were informed. Chairman Watts inquired about replacing those funds. Ms. Ogletree responded that as cash increased through collections, money would be transferred back over into investments. She added that January had higher sales and some of those billings would be collected in February, and February would be collected in March. With no further questions, the Financial Statement was accepted as information.

V. New Business:

A. Mr. Brad Jeffares with GST Consulting provided a project review of GIS upgrades since 2005 for Contracts One and Two including: building a foundation for ESRI GIS with hardware/software and data conversion;

allowing access to GIS data for every employee; data improvements to work with ESRI based software; staff training; assisting in GPS location and training; developing data models field location of electric circuit; website customization; started the process of creating utility maintenance databases; and the integration of gas information with modeling software. Mr. Jeffares then presented information on proposed projects for 2008 for Contract Three that would include: continued data collection with GPS meters and field mapping of electric circuits; the purchase and installation of additional mobile devices; developing GIS based mobile maintenance management program; developing a plan for mobile work order system and integration with the AS400; and providing training and support. He then provided demonstrations of electric collection information showing locations of poles, overhead primary lines, underground primary lines, and overhead and underground secondary lines, transformers; and meters. Mr. Jeffares provided a demonstration of what is available now with mobile devices and shared future plans for providing a better utility management system. He provided an overview of gas rectifier testing and explained that data was difficult to access before because it was not centrally located and did not have analyzing capabilities. He noted virtually the same system now for valves, regulators, and cathodic protection readings. Mr. Jeffares presented information on the mobile work order system and miscellaneous support. He concluded by providing the costs of future projects as follows: \$27,500 for continued GPS location of an additional 9,100 utility meters; \$52,000 for field mapping of electric system circuits 51, 52 and 53; \$7,500 for utility management programs including support for additional enhancements, applications for department heads to track maintenance, leak surveys, hydrant flushing, and water valve inspections; and \$15,000 for miscellaneous training and support.

Commissioner Monaghan asked if it would be permissible or prohibited by the state to do home security on our electric line that would go to the police and fire stations once we get to the point and everything is in place to read the meters over the electric lines. Mr. Meredith expressed an understanding that we are prohibited right now. He added that it might go back to our charter that states what can and cannot be provided. Mr. Patrick stated that he was not aware of any statute that says municipalities or municipal electric systems cannot be in the home security business. He noted the same issue had come up a number of times and it might be interpreted as use of our surplus capacity on our lines. He stated that there could perhaps be less opposition from competitors there than in some other areas. Commissioner Monaghan stated that it would be a

wonderful thing and a tremendous service to offer an alarm system that would go right to the fire station for every home in the city. He added that there should not be much additional cost if we were reading the meters anyway. Commissioner Monaghan commented that this should be in the back of their heads while the planning is going on. The Commissioners expressed appreciation to Mr. Jeffares for the presentation. Commissioner Hancock requested the inclusion of information at the next presentation showing efficiency and savings.

- B. Chairman Watts presented a recommendation based on the presentation made by Mr. Jeffares to accept the GST Consulting proposal at a “not to exceed” cost of \$102,000.

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

- C. Chairman Watts acknowledged Mr. Jay West with the Partnership Alliance. Mr. West reported on a meeting that took place in Alabama the previous day with Project Phoenix. They were able to overcome a steam issue and are in the driver’s seat right now with this \$800 million project. He added that it could grow even larger because of the land availability on Emerald Road. Mr. West stated that their printing was mostly outsourced in the past. He noted that much of that was brought in-house after Julie Minor was hired. He then shared a copy of a magazine with information about Greenwood, Lake Greenwood, utilities, and capabilities specific to the particular company. He noted a huge savings by printing them in-house at a cost of \$0.09 per page. He stated that the magazine also lists the providers, sales tax exemptions, land options available, site plans, topographic and aerial photos, geographic location, and other information. Mr. West continued that all PowerPoint presentation information is provided on a pen so that they can go back to their country to make a presentation about this site. They also take back 25 of the magazines with them. Mr. West noted that a state of the art printer was purchased after the lease agreement contract was up and that cost is now split with a partner in Greenwood. Mr. West shared how every mission and opportunity was evaluated for every trade show over the past three years. He stated that they eliminated about \$40,000 of the budget for site leads that could not be verified. He continued that now they are beginning to build that back with a “rifle shot” approach rather than a “shotgun” approach. He explained that rather than showing up in Chicago hoping to see fifteen companies and not knowing what is there, they look at existing industry, suppliers, and customers. He noted that they are back where

they need to be and can rebuild in the way they want. He reported that Project Natural had indicated an interest in Greenwood over North Carolina. Once the state incentives are approved, there is a good chance for an announcement that would be about 100 to 150 jobs initially. He reported that Project Green should be announced soon with the retail boxes where CPW would provide service. He stated that they would work with the retail developers to have everybody check off on it before announcing. Mr. West reported that another company would be announcing an expansion soon. He reported that they were not seeing the hit on the economy as thought; however, they want to manage and sustain growth and do not want growth that is out of control. He noted a comprehensive plan of growth with County and City officials. Mr. West concluded by thanking CPW for their cooperation and help. He stated that there is a monthly meeting with the gas department to keep them informed of what is coming.

- D. Chairman Watts referred to the recommendation from staff for vehicle bids. Commissioner Hancock pointed out that several had only a small amount of difference between the low bid and the local vendor. Commissioner Monaghan stated that those within a couple hundred dollars should go to the local vendor. Commissioner Hancock noted a difference of \$253 from Gary Russ on A-1-2008; one other with a \$200 difference; and another with a \$365 difference. Mr. Burnett clarified that they were referring to Items A. and D. on A-1, and Item A. on A-2. He added that on A-1 for the mail van, Commissioner Hancock was referring to the difference between Herndon Chevrolet and Gary Russ Chevrolet. The \$200 difference was between Burns Automotive and Ballentine Ford. Chairman Watts expressed concern with not wanting to discourage others from bidding. Commissioner Monaghan expressed a preference for staying local given the small amount of difference on a \$40,000 vehicle. Commissioner Monaghan agreed with the point made by Chairman Watts, adding that a difference of less than \$200 was justifiable.

A motion was made by Commissioner Monaghan to award the bid to Gary Russ Chevrolet at a cost of \$18,154 plus tax for a 6/7-passenger mail van; the motion was seconded by Commissioner Hancock. The motion was approved by a vote of two to one with Chairman Watts voting "no".

A motion was made by Commissioner Monaghan and seconded by Commissioner Hancock to award the bids to Ballentine Ford for a compact pick-up at a cost of \$10,994 plus tax, and a ½ ton extended cab

pick-up at a cost of \$17,696 plus tax; and to Burns Automotive for a ¾-ton service truck at \$29,805 plus tax; the motion was unanimously approved.

After noting a \$200 difference between the low bidder and the local vendor, a motion was made by Commissioner Monaghan to award the bid to Ballentine Ford for a 550 service truck at a cost \$44,185 plus tax; the motion was seconded by Commissioner Hancock, and unanimously approved.

A motion was made by Commissioner Monaghan to accept the low bid of \$35,465 plus tax from Benson Ford; the motion was seconded by Commissioner Hancock, and unanimously approved.

Commissioner Monaghan recalled a previous discussion about bids within \$200 to \$300. He stated that a decision was made at that time to stimulate the local economy by giving it to the locals. He pointed out that this was a \$44,000 vehicle with a difference within \$200; Commissioner Hancock added that it is easier to have vehicles serviced locally. Chairman Watts pointed out that Mr. Burnett sometimes had problems getting vendors to bid on some items and we do not want to discourage bidding.

- E. Chairman Watts presented a recommendation to accept the low bid from ATI in the amount of \$13,875 for disinfectant residual analyzers at the water treatment plant.

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

VI. Other Business:

1. Mr. Gentry reported that materials were being prepared for a survey that was a requirement of a block grant, and expressed appreciation to Mr. Commetto for translating those into Spanish. Mr. Commetto added that any help from the news media with getting the word out about the surveys would be appreciated. He noted that the information is necessary to satisfy the grant requirements to install underground pipe. Mr. Gentry reported that work was underway on the 2007 Water Quality Report, and preparations were going on for the Legislative Breakfast the following day.
2. Manager Reeves reminded the Commissioners of the Legislative Breakfast the following morning at the COC. He added that CPW was co-hosting the event along with Embarq.

3. Manager Reeves shared an update just provided by Mr. Whittle on the propane tanks. He reported that 238,357 gallons had been removed which equates to \$324,165.52.
4. Manager Reeves referred to recent articles in the news about bond insurers having their ratings lowered. He stated that Robert Galloway was tracking that very closely. At this point, he does not think we need to do anything but that could potentially change. He added that the Commissioners would be kept informed. Commissioner Monaghan inquired as to whether the rating could be changed *ex post facto*. Mr. Patrick responded that they can change the rating on the bonds that are already issued and they do that periodically. He added that CPW's rating in the last three or four bond issues were all rated AAA based on insurance. If they downgrade the insurer from AAA to AA, then those bonds would go down to AA. He added that does not mean you have to pay anything back, it means that whoever owns the bonds has AA bonds instead of AAA. Mr. Patrick expressed the opinion that the main impact would likely be with the next time there is a need to issue bonds more than on the bond that is outstanding now. He continued that should there be a need to issue bonds anytime in the near future with the way things are now, in all likelihood you would issue them on your own credit without insurance and would not pay the bond insurance premium because the spread on the interest rates would not justify paying the premium.

VII. Executive Session

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

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

Approved: _____, 2008

Secretary

