

COMMISSIONERS OF PUBLIC WORKS
Minutes of March 10, 2016

The regular meeting of the Board of Commissioners of Public Works was held on Thursday, March 10, 2016 at 10:00 a.m., in the Boardroom at 121 West Court Avenue.

In attendance:

Arthur C. Bush	Steve D. Reeves, Jr.	Jeff Chapman	Melinda Miller
Michael G. Monaghan	David Tuck	Alethea Phillips	Bill Patrick
Henry O. Watts	Jeff Auman	Jerry Smith	James Bateman
	Wayne Bartley	Carlos Cometto	
	Chris Lindley	Eduardo Noriega	

- I. Chairman Bush called the meeting to order and Commissioner Watts gave the invocation.

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

Mr. James Bateman gave an update from the Greenwood Partnership Alliance. He stated that a consulting firm will be meeting the week of March 21, 2016 to work on two strategic plans. One plan will be for the Greenwood Genetic Center and one for the Greenwood Research Park. James said that CPW will be one of the groups that the consulting firm will be meeting with. They will also work with the Clemson Center of Human Development. James said the Partnership hosted the Highway 25 Industrial Area Community Forum last Thursday at Little River Multicultural Center to address the odors in the Hodges area. Both stack odors from area industries and sewer odors. The community was informed of what was being done about those. James stated that the number of incoming Request for Information have been down significantly since October. He said because of that, they are spending more time on the project pipeline and taking a hard look at what is out there and what we can do to move some of those projects along. He said he spent some time visiting with existing industries to support them from a local level. With some of the existing industries, he said they've been able to assist Eaton Hydraulics and SPF North America with fires at their plants in recent months. James said that planning has begun for this year's Greenwood County Industry Showcase that will begin in September. He said ninth and tenth graders from the four public high schools, private schools and home schools will attend as well as seniors from the Technology Center.

III. Bid Opening – Laboratory Service for Cryptosporidium and Giardia Analyses

IV. Business:

- A. Manager Reeves stated that there are nine transformers to be considered. All are being recommended based on the lowest cost of ownership. The first is a recommendation of the low bid by Wesco in the amount of \$544.00 each for ten 15 KVA Aerial transformers. The second is the low bid by HD Power Supply for a GE transformer in the amount of \$762.00 each for thirty 25 KVA Aerial transformers. The third item is the low bid submitted by Line Equipment in the amount of \$1,022.79 each for five 37.5 KVA Aerial transformers. The fourth is the low bid submitted by Line Equipment for twelve 50 KVA Aerial transformers at a unit cost of \$1,197.89 each. The fifth is the low bid submitted by Line Equipment for one 333 KVA Aerial transformer in the amount of \$5,449.73. The sixth is the low bid submitted by Line Equipment for five 50 KVA MiniPad transformers in the amount of \$1,522.34 each. The seventh is the low bid submitted by Line Equipment for one 75 KVA Padmount transformer in the amount of \$7,069.92. The eighth is the low bid submitted by HD Power Supply for two 150 KVA Padmount transformers in the amount of \$7,165.00 each. Lastly, it is recommended that all bids for the 750 KVA Padmount transformer be rejected.

A motion was made by Commissioner Monaghan to authorize Management to accept the low bids for transformers and to reject the bids for the 750 KVA Padmount transformer, seconded by Commissioner Watts and unanimously approved.

- B. Jerry Smith gave a presentation on the Natural Gas Market Update. Mr. Smith began his presentation with a review of winter 2015 and 2016. He stated that the winter weather has been warmer than normal which has led to modest withdrawals of gas from storage and as a result, lower prices. He stated that the March 2016 NYMEX futures expiration at \$1.71/Dth was a 17-year low and that our current forecast for 2016 is 2,300 BCF. Mr. Smith also reported on recent purchases stating that we recently added to our hedges for the period April 2016 – March 2017. He said summer hedges now represent 45-60% of hedgeable volumes with average prices of approximately \$3.35; and winter hedges now represent 45-60% of hedgeable volumes at prices around \$3.50. He said for December 2016, January and February 2017, we have 30-40% of hedgeable volumes at prices around \$3.30. Mr. Smith showed what the recent

price trends have been. He said the average price for 2015 was \$2.66 and the past three-year average was \$3.58. Mr. Smith stated that at current prices, we can purchase the next two years at prices well below the recent three-year average. He said 2017 will be at \$2.63 and 2018 will be at \$2.71. Mr. Smith requested approval to add to our December 2016, January and February 2017 position; and purchase approximately 25% of hedgeable volumes for April 2017 – March 2018. These purchases will represent an additional lower-cost layer of coverage for winter 2016 – 2017; an initial layer of coverage for April 2017 – March 2018; and we can add to these positions later, as appropriate.

A motion was made by Commissioner Monaghan to authorize Management to make future purchases beyond twelve months through March 2018, seconded by Commissioner Watts and unanimously approved.


V. Chairman Bush asked if there was any other business. Manager Reeves stated there was no other business.

VI. Executive Session:

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

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

Approved: 4-28, 2016


Secretary