

**COMMISSIONERS OF PUBLIC WORKS**  
**Minutes of August 10, 2017**

The regular meeting of the Board of Commissioners of Public Works was held on Thursday, August 10, 2017 at 10:00 a.m., in the Boardroom at 121 West Court Avenue.

**In attendance:**

Arthur C. Bush	Steve D. Reeves, Jr.	Wayne Bartley	Jay Thompson
Henry O. Watts	Jeff Chapman	Jeff Auman	Bill Patrick
	Jerry Smith	Eduardo Noriega	James Bateman
	Carlos Cometto	Teresa Lake	
	Chris Lindley	Alethea Phillips	

- I. Chairman Watts called the meeting to order and Commissioner Bush gave the invocation.
  
- II. Chairman Watts gave the statement of compliance with the notification provision of the Freedom of Information Act.

Mr. James Bateman with the Greenwood Partnership Alliance gave the Board an update. Mr. Bateman said that the County had voted to reward the contract for construction of the three improvements made possible by the Department of Commerce grants, Duke Energy utility tax credit money and the County also put money in for engineering and construction. He said that vote happened at the special called meeting on Tuesday, August 8, 2017. He said that would give us the monument sign, the partially paved park entrance and sewer extension with a man-hole on the site. That will just leave gas as the only utility that is not at the front of the site on the eastern side of the highway. Mr. Bateman stated that depending on future customer, that could potentially extend at no cost. He said they believe that will eliminate any utility extensions where there will be a cost other than tap and meter fees. Manger Reeves stated that we are looking at a \$55,000.00 cost to move a hydrant and asked Water Department Director Jeff Chapman if the tap would be going into the facility. Mr. Chapman said that it was to relocate the line over the entrance but does not include the tapping inside. He said the County took that out. Manager Reeves stated that the County is reimbursing us for that. Mr. Bateman stated that the Partnership has filed a letter of intent with the Department of Commerce for a second round of funding through that same grant that if approved their proposal would be to clear, landscape and irrigate the highway front portion of that northern piece of property in the park and also to clear, grow grass and rough grade the front 24 acres. Chairman Watts asked what type of water line would be going in. Manager Reeves stated that it would be 12" line. Mr. Bateman stated that on September 14, 2017, they are taking the three Greenwood County School District Superintendents and

Presidents of higher education institutions to visit Middle Tennessee to see a globally ranked mechatronics program, to see the integration between their K-12 school system and higher education at the Tennessee Technology Center where students are working at Nissan Manufacturing Plant and what best practices we can bring back to Greenwood for the workforce readiness component of the Partnership's new five-year strategic plan. Mr. Bateman stated that also, Ascend Performance Materials start event of their new production line ribbon cutting ceremony next Wednesday, August 16, 2017 at 10:00 a.m. He said that is for the start-up of their new staple fiber product line. He said that was from their expansion announcement earlier this year. It was announced at \$3.8 million and you will be able to hear from CEO of Ascend at the event at \$6.2 million investment. Mr. Bateman stated that they had helped connect Ascend with school District 50 and their student mentoring programs to kick off a pilot program this fall where Ascend will adopt Brewer and Woodfield schools for Ascend Cares where employees volunteer with student mentoring and weekend back-pack programs collecting food for students and shoes for students in need. Mr. Bateman stated that they are in the process for the Duke Site Readiness site evaluation for the Hodges Industrial Site. He said they submitted that package on the August 4<sup>th</sup> deadline and are on site with the engineering firm the week prior and it appears that the property will be optimally developed as a park instead of a single site. Duke has approved the addition of 25 acres from Mulberry Creek Farms. He said that will be included in the evaluation by the Site Location Consultants. He said they are expecting a visit the week of October 2<sup>nd</sup> or October 9<sup>th</sup>. They are in the process of scheduling that now. It looks like there will be four buildable sites by the engineer's study of that property with a northern and southern access point. He said they will learn more about that but that is the latest on that site. He said they may combine those two sites into a Hodges Corporate Park. There will be a presentation of their findings most likely in November.

### III. Business:

- A. Manager Reeves stated that at the last meeting, we discussed the issue of Coal Ash and the extra charges coming from Duke Energy related to the clean-up of the Coal Ash. He recommended the Board authorize the Manager to transfer sufficient funds from the Electric Rate Stabilization Fund into the General Operating Fund to cover those extra charges on a quarterly basis.

A **motion** was made by Commissioner Bush to authorize the Manager to transfer sufficient funds from the Electric Rate Stabilization Fund into the General Operating Fund to cover the extra charges, seconded by Chairman Watts and unanimously approved.

- B. Teresa Lake gave a Presentation on our Debt Analysis. She stated that a few weeks ago, she and Manager Reeves met with Edward Boyles from Wells Fargo and he provided us with a debt analysis of all our Bonds that we have outstanding and the total debt that we have. She stated that this will be as of December 31, 2017, so this does not count our payments for the current year. She said that on page one of the handout, it shows our credit entities, the people who assess our credit rating, show that the ratings stayed relatively the same but S&P did give us a negative outlook which we talked about when it happened and that was strictly because of NTE and them not knowing if the construction would take place as needed. She said that when we go back out, hopefully NTE will be up and running and that will change that. Mrs. Lake said that the Interest Rate Mode shows that all of our Bonds are fixed rates which is what we want. She said the Revenue Debt Payout Ratio shows how long, in five-year increments, it will take us and how much of the debt will be paid off. She said it shows that in five years, we will be at 43% that will be paid and then by the seventeenth year, all will be paid off that we currently have in Bonds. Mrs. Lake said that page two shows that we have four Bonds that are outstanding. We have the 2010 A&B, 2014 and 2016. It breaks out what our principal payments are going to be and the interest we are paying on that payment and also, the date we took out the Bond, when it matures and what we got the cash for. Page three shows by year, each individual Bond and what the principal payment will be for every year until we mature which will be in 2034. Page four shows what our principal plus interest payments will be from 2018 – 2034 by Bond. Page five shows each Bond and our debt payments when they start rolling off. For 2018, our total debt payment is a little over \$3.7 million and when we get to 2022, it will drop to \$2.7 million and then by 2028, we are down to \$1.6 million that we will be paying in debt service. Mrs. Lake said take into consideration this is if we do not take out any more debt.
- C. Eduardo Noriega gave a Presentation and a Recommendation on our Annual Residential Inspections for furnaces. He stated that for decades, CPW has offered residential customers a furnace inspection every year at a cost of \$50 billed to the customer. The entire process takes two Service Technicians 45 minutes on average to complete the work. About 10 inspections can be performed per day by the two technicians. The labor cost is \$650 per day and the truck cost is \$250 per day. The revenue is \$500 per day. The number of orders has declined from 4,503 in 1998 to 364 in 2017. Mr. Noriega stated that based on the following observations: we are offering a service most people don't need or want and we are losing money by offering this service, he recommends that we eliminate the Annual Residential Inspection effective September 1, 2017.

A **motion** was made by Commissioner Bush to eliminate the Annual Residential Inspection effective September 1, 2017, seconded by Chairman Watts and unanimously approved.

IV. Other Business:

- A. Manager Reeves stated that we need a date for the Annual Safety BBQ. He said that our regular board meetings in September are the 14<sup>th</sup> and the 28<sup>th</sup> and asked if one of those dates would work for the Safety BBQ. He asked the Commissioners to let him know.
- B. Manager Reeves stated that the Commissioners had probably seen in the paper this week the announcement of the grant money for the water line at Teijin. He said that money included CPW. He said we were hoping to get \$500,000 of that grant, but actually received \$800,000.
- C. Manager Reeves stated that in conjunction with the discussion earlier with James Bateman, the relocation of the waterline at the North Greenwood Industrial Park, the County is going to reimburse us our cost and we are estimating around \$55,000.00. Toby Chappell asked if we could speed up the process so we got bids. Manager Reeves asked the Board to approve the bids for the six hundred feet of 12" water line. The low bid came in at \$15,183.30 from Ferguson. The other bids included HD Supply at \$15,459.36 and Forteline at \$16,184.82. A **motion** was made by Commissioner Bush to accept the bid from Ferguson in the amount of \$15,183.30, seconded by Chairman Watts and unanimously approved.

V. Executive Session:

A **motion** was made by Commissioner Bush to go into *Executive Session* to discuss a Personnel Matter per SC Code 30-4-7-(a), seconded by Chairman Watts and unanimously approved.

Manager Reeves stated that following *Executive Session*, the Commissioners may return to Open Session to take action on matters discussed in *Executive Session*.

The Commissioners went into Executive Session.

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VI. Adjourn

Approved: 9/28, 2017



Secretary