

REGULAR MEETING OF THE COMMISSIONERS OF THE BAMBERG BOARD OF PUBLIC WORKS ON MONDAY, OCTOBER 31, 2005 AT 5:15 P.M. AT CITY HALL. MEMBERS PRESENT: Chairman Bob Clary, Commissioner Carl Kilgus, and Commissioner Dr. Marion Dwight. MANAGER: Bruce Ellis. CLERK: Bruce Watson. VISITORS: Will Martin, Gene Searson, Warren Hammett, Al Palmer, Randy Maxwell, Bill Rhoad and Bobby Collins.

Chairman Clary called the meeting to order and Clerk Watson gave the invocation.

During the discussion of the September 26, 2005 minutes, Commissioner Kilgus informed the Commissioners that there was no publicity done by the local newspapers informing the public of the fuel surcharge that had been placed on their utility bills.

Manager Ellis informed the Commissioners that he was working to educate the public about the fuel surcharges. He said gas prices would be up 35 to 40 percent this winter.

Commissioner Dwight made the motion to approve the minutes of the September 26, 2005 meeting to include the addition to inform the public concerning the fuel surcharges. Commissioner Kilgus made the second. All approved. The motion carried.

During the review of the Income and Expense Statements, Commissioner Dwight asked Manager Ellis if the BPW was managing to stay in the black this year.

Manager Ellis said they were staying in the black.

Chairman Clary informed the Commissioners that profits were not good and that they were losing money at the end of each year. Chairman Clary said a \$200,000.00 profit was not good enough considering the amount of money the BPW handled in a year. He said each year the auditors added \$800,000.00 worth of depreciation to the BPW expenses which meant the BPW was really losing \$600,000.00 a year. Chairman Clary said the BPW's equipment was wearing out but could not be replaced with its current profit level. He said the BPW could either raise rates or cut expenses to save money. He went on to say the BPW was presently five men short at this time and that he could not see how expenses could be cut.

Commissioner Dwight asked if anyone else was raising their rates?

Manager Ellis informed the Commissioners that everyone was raising their rates.

The Commissioners accepted the Income and Expense Statements as received.

Manager Ellis presented the Commissioners with a chart showing the BPW's profits and losses back to 1995. He explained that the BPW spent a lot of its own capital to upgrade the BPW system. Manager Ellis said in the years 95, 96, and 97 the BPW had 6 million dollars in cash and investments which were now holding at only 4 million dollars. He

said the BPW needed 20 to 30 percent of the BPW's system value on hand which meant the BPW need 7.25 million dollars in reserve.

Manager Ellis explained that the BPW was planning to increase their reserves. He told the Commissioners that he would have a plan of action at the next meeting for them to review.

Commissioner Kilgus asked if the BPW's expenses for Rockland Industries were being recooped?

Mr. Martin told the Commissioners that \$25,000.00 was being received from Rockland each month just for its wastewater expenses.

Manager Ellis informed the Commissioners that he had signed a confidentiality agreement with SC Pipeline only for the transportation of natural gas to the BPW. He explained that the BPW would now be buying its natural gas through brookers as a joint partnership with towns of Orangeburg and Winnesboro.

Manager Ellis informed the Commissioners that Pike Electric was presently upgrading the electric lines to the hospital and down North Street. He said one million dollars of reserves would be spent to upgrade the electric system.

Under Manager's Report.

Manager Ellis informed the Commissioners that the BPW had won the Region Four Consumer Confidence Report Award for the second year running.

Chairman Clary asked if the policy pertaining to cut offs had been drawn up yet?

Manager Ellis informed the Commissioners that the MASC was presently working on a statewide policy for everyone.

Commissioner Kilgus made the motion to go into executive session to discuss negotiations incident to a contractual arrangement and to discuss a personnel issue. Commissioner Dwight made the second. All approved. The motion carried.

Commissioner Dwight made the motion to come out of the executive session. Commissioner Kilgus made the second. All approved. The motion carried.

With no further business, the meeting was adjourned at 6:39 p.m.

ATTEST:

Clerk

Chairman-BPW

Commissioner-BPW

Commissioner-BPW