

REGULAR MEETING OF THE COMMISSIONERS OF THE BAMBERG BOARD OF PUBLIC WORKS ON MONDAY, SEPTEMBER 26, 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.

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

Commissioner Dwight made the motion to approve the minutes of the July 25, 2005 meeting as received. Commissioner Kilgus made the second. All approved. The motion carried.

During the review of the Income and Expense Statements, Commissioner Dwight asked why the revenues were down in the Water Department.

Manager Ellis informed the Commissioners that he knew of no reason for the reduction in revenues but he said there was always a lag time before revenues came around to offset a previous month's expenses.

Commissioner Kilgus asked if there was any growth in housing development in the City of Bamberg?

Manager Ellis informed the Commissioners that there were not many houses being built in Bamberg at this time.

Under Manager's Report.

Manager Ellis informed the Commissioners that he would like to go into executive session later to discuss negotiations incident to a contractual arrangement.

Manager Ellis informed the Commissioners that Pike Electric had to stop work for the BPW and head to Florida when Hurricane Katrina swept across the southern tip of Florida. He explained that they had now stopped work to head to Mississippi to help with hurricane damage there. Manager Ellis explained that he gave them a leave of three weeks to help with the hurricane damaged areas.

Manager Ellis presented the Commissioners with a pamphlet detailing the SC Rural Water Meeting this year. He asked the Commissioners to let him know if they plan to attend.

Manager Ellis informed the Commissioners that he had received a tentative 2003-2004 Audit Report and that the auditor would be present next month to give the final audit report.

Manager Ellis informed the Commissioners that the BPW had received a report that contained no findings by the state concerning the BPW's handling of one ton chlorine

cylinders at the BPW water treatment plants. He explained that everyone was concerned with chlorine safety after the Graniteville accident.

Manager Ellis informed the Commissioners that he had received two letters from Santee Cooper stating that due to rising fuel costs that fuel adjustments were needed. He told them the second letter stated that since the Cross Generating Station had gone down due to a mechanical problem that a fuel adjustment was needed. Manager Ellis explained that he wrote Santee Cooper to say they should absorb the costs of the down time for the Cross Station since it was their responsibility to maintain that station. Manager Ellis voiced that every month the BPW was being billed for fuel adjustments that have to be passed along to BPW customers.

Manager Ellis informed the Commissioner that the BPW had no policy procedures in place to decide when customers would be terminated for non pay especially during cold weather. He said they had not been turning customers off during extreme cold weather but he felt a policy needed to be in place to protect the BPW. Manager Ellis said he was looking at policies from other utility companies and would present them to the Commissioners at a later date.

Manager Ellis informed the Commissioners that the SC Pipeline changes as to how natural gas would be marketed was dead in the water at this time. He said business was still going on as usual. He told the Commissioner that he would be meeting with Black and Veatch Officials to see where everyone stood.

Manager Ellis presented the Commissioners with information concerning contamination problems associated with water parks.

Manager Ellis informed the Commissioners that all federal monies had been allocated to hurricane devastated areas and that no grants were available for the upgrade of the BPW's electrical system to a high voltage system. He said Santee Cooper was urging the BPW to upgrade to a high voltage system. Manager Ellis said Lonnie Carter of Santee Cooper would help the BPW secure some of the funding. Manager Ellis went on to say the upgrade would cost millions of dollars and that the BPW may need to borrow money through the use of revenue bonds. Manager Ellis explained that Black and Veatch would be looking at the upgrade process.

Commissioner Dwight asked how long it would take to upgrade the system to a high voltage system?

Manager Ellis informed the Commissioners that it would take two to three years to phase in the new system.

Manager Ellis cautioned the Commissioners that the BPW doesn't presently have enough money in reserves to handle a devastating event that might occur to the BPW's electrical system. He said the BPW needed twice the reserves in order to respond to a devastating event.

Manager Ellis informed the Commissioners that the BPW spent \$75,000.00 to \$100,000.00 alone on lightning damage this year.

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

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

With no further business, the meeting was adjourned at 6:05 p.m.

ATTEST:

Clerk

Chairman-BPW

Commissioner-BPW

Commissioner-BPW