

REGULAR MEETING OF THE COMMISSIONERS OF THE BOARD OF PUBLIC WORKS AT 5:15 P.M. ON MONDAY, JULY 26, 2004 AT CITY HALL. MEMBERS PRESENT: Chairman Bob Clary, Commissioner Carl Kilgus, and Commissioner Dr. Marion Dwight. CLERK: Bruce Watson. VISITORS: Will Martin, Larry Nipper, Joe Evans, Gene Searson, Chuck Hughes, Theo Johnson, and Devy Traylor.

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

Commissioner Dwight made the motion to approve the minutes of the May 24, 2004 meeting as received. Commissioner Kilgus made the second. All approved.

The Commissioners received the Income and Expense Statements as presented.

Commissioner Kilgus informed the Commissioners that he had noticed that a lot of money had been spent on pumps for the wells.

Manager Ellis explained that two wells had gone out at the same time due to pump problems.

Commissioner Kilgus asked Manager Ellis if the two old wells had been shut down yet.

Manager Ellis informed the Commissioners that they would be waiting until the Fall to close the two wells.

Commissioner Kilgus asked if Rockland was still running strong.

Manager Ellis said Rockland was indeed operating and said they were costing the BPW a lot of money.

Commissioner Kilgus welcomed all of the BPW employees to the meeting.

Clerk Watson explained to the Commissioners that the SC Insurance Reserve Fund had notified the City and BPW that their insurance coverages would be increasing by 45% for the new year. He informed the Commissioners that he and Mr. Martin had gone out to seek insurance proposals on all coverages and that the SC Municipal Insurance and Risk Fund had presented coverages for property, automobiles and tort at a \$35,000.00 to \$40,000.00 savings to the City and BPW. He explained that the coverages were the same and in some instances were even better than the previous carrier.

Commissioner Dwight made the motion to approve the resolution to join the SCMIF. Commissioner Kilgus made the second. All approved. The motion carried.

Mr. Devy Traylor from SCANA informed the Commissioners that new VERC guidelines would change how natural gas would be marketed. He told the Commissioners that the two major gas companies in SC were merging and that now SCANA would be known as a gas carrier. He explained that the BPW would now purchase gas from the Gulf and hopefully pay SCANA to use their system to transport the gas. Mr. Traylor explained that gas would now be wheeled across country. Mr. Traylor said the main change would be that the BPW would now manage directly the purchasing of their own gas supply and then pay SCANA for the transportation of that gas through their system.

Commissioner Kilgus asked Mr. Traylor how the new process would affect the pricing of gas to BPW customers.

Mr. Traylor said he could not answer that question since the cost of transporting could be cheaper but the cost to purchase could be higher depending on who the BPW could join collectively with in order to purchase gas in larger quantities.

Commissioner Dwight asked if this was definitely how gas would be purchased from this point on.

Mr. Traylor informed the Commissioners that it was a done deal.

Commissioner Kilgus asked how the BPW could be assured of having natural gas in times of an emergency.

Manager Ellis explained that the BPW would have to buy some FIRM gas for emergencies. He said they would have to pay for the gas whether it was used or not. He said SCANA was a stock company and assured the Commissioners that they would be making profits in the gas transporting industry.

Mr. Traylor informed the Commissioners that SCANA would be entering into seven year agreements with companies to transport gas. He said the BPW would be receiving a seven year proceeding agreement in the near future.

Manager Ellis informed the Commissioners that he had already talked to Orangeburg DPU Officials and others about purchasing gas together.

Will Martin and Manager Ellis presented a power point presentation detailing the various grant projects which utilized EDA, CDBG and Tobacco Grant Funds. Manager Ellis explained that the projects cost in excess of \$6,140,000.00 of which the BPW only had \$812,000.00 invested.

The power point presentation also explained the BPW's involvement in the SCAT Park located in Barnwell County. It showed how the BPW was involved in giving mutual aid to other areas, told of the Consumer Confidence Report Award and also listed the various agencies which regulated the BPW. The presentation also showed graphs depicting the BPW reserve funds and various grant funding that have been acquired over the years.

Commissioner Dwight said he was very pleased with the presentation and summary and said he felt the public needed to receive the information.

Chairman Clary said the information needed to be placed in the paper.

Commissioner Dwight said he would also like to see a comparison of rates published in the paper.

Manager Ellis explained the 2004-2005 BPW Budget in great detail as it was presented to the Commissioners. He explained that the budget called for a 3% cost of living increase for the employees, a sewer rate increase as called for in the Black & Veatch Report as well as new service charges and rates for utilities.

Commissioner Dwight made the motion to approve the 2004-2005 Budget of \$9,696,013.00 as presented. Commissioner Kilgus made the necessary second. All approved. The motion carried.

Commissioner Kilgus informed the Commissioners that he wanted to see the BPW get involved in building a water park like the City of Orangeburg had just done.

Manager Ellis told the Commissioners that he would be talking to Fred Boatwright of Orangeburg DPU about their project.

During the Manager's Report, Manager Ellis informed the Commissioners that the BPW had received a \$10,000.00 grant to install fluoride treatment equipment which he said had already been installed by the BPW employees.

Commissioner Dwight informed the Commissioners that Mrs. Jean Roberts had passed away this afternoon.

The Commissioners voted themselves into executive session to discuss the salaries of employees.

The Commissioners came out of the executive session.

With no further business, the meeting was adjourned at 6:54 p.m.

ATTEST:

Chairman-BPW

Clerk

Commissioner-BPW

Commissioner-BPW