



McCORMICK

COMMISSION OF PUBLIC WORKS

Minutes

Regular Meeting

5:00 pm, August 8, 2019

Chairman Charles Hegler called the meeting to order with Commissioner Leonard Bowick, Commissioner George Long, General Manager Adam Hedden, Superintendent James Robinson and Office Manager Cheryl Daniels present.

On a Motion by Commissioner George Long, seconded by Leonard Bowick, the Commissioners approved the July 2019 Regular Meeting Minutes, July 2019 Accounts Payable and the June 2019 Financial Statement.

Safety Committee Update:

Safety Training for the month of August will be Blood Borne Pathogens.

Cheryl Daniels ~ Office Manager:

Cheryl stated that she will be attending two meetings in Columbia this month – one on August 8 for the set off debt program and one on August 28 for health care. Overall, operations are running smoothly in the office.

James Robinson ~ Superintendent:

JR stated that safety training for the month of August will be Blood Borne Pathogens. Overall, operations are running smoothly.

Glenn Hill ~ Chief Waste Water Operator:

Mr. Hegler presented Glenn's report:

The new vertiline pump and motor has been delivered and they are trying to set up a date for installation. They have sent all of the information for the lab recertification to DHEC. Overall, operations are running smoothly.

Edward Deason ~ Chief Water Treatment Operator:

Mr. Hegler presented Edward's report:

The lake level as of Monday, August 5, 2019 was 329.05 feet. McCormick County has bladed our lake road. The sludge ponds were almost dry, so they were able to clean them out before the rain started. Debbie started her month's retirement break in service on August 5. She will return to work after 30 days. Overall, operations are running smoothly.

Adam Hedden ~ General Manager:

❖ Water Plant

Permanent Financing – USDA requested an updated project cost estimate. Estimate was provided and showed an increase in cost of \$2,000,000. USDA suggested we proceed with applying for an increase in funds to cover the cost overrun. The initial application was promptly submitted. The USDA granted the additional money as a \$1,500,000 loan and \$500,000 grant. The loan has the same repayment period, but the interest rate will be slightly different at the lower of 2.125% or the current market rate. The town will need to pass a resolution to approve the funding before the USDA can award it. We are scheduled to be on the agenda at the next town meeting on Tuesday.

Letting – The permanent financing did not interfere with the letting moving forward. However, the USDA is near the end of their fiscal year and are reviewing several requests for funding. They hope to be back to reviewing our information at the end of the week or over the weekend. We are still hopeful that upon completion of the review, we will get a quick letting date. Turnipseed is preparing documents in case this comes to fruition.

Interim Financing – In anticipation of the letting date coming soon, I've contacted Lyman Wray regarding the interim financing. He wanted to get started on some of the initial information required for the RFP and that information has been provided. We will continue to move forward in this process as much as we can without a firm letting date.

- ❖ Wastewater Plant – Ordinance needs DHEC approval. Still waiting on approval.

- ❖ Wastewater Plant Grant – Received notice to proceed from RIA. Turnipseed should have plans submitted to DHEC by the end of August. Pending DHEC approval and permission from the RIA, we anticipate letting the project in November.
- ❖ Burger King – Payment has been received for permanent power. Once Burger King places a disconnect switch on the side of the building, we will connect power permanently and the project will be complete.
- ❖ Wholesale Power – The draft of the contract for pre-paying for gas was received yesterday. We will need to consult legal counsel before moving forward on the deal. There is language in the contract that needs to be addressed.
- ❖ NTE – NTE proposing that they assign the Power Supply Contract for the service of McCormick CPW from NTE Southeast Electric Company to NTE Carolinas, LLC. This would result in the Kings Mountain Energy Center (KMEC) being the capacity resource for McCormick, rather than the NTE facility in Reidsville. They have more than adequate capacity at KMEC and have been selling the excess to other energy providers. They believe it makes sense to serve their customers first. This will not change our transmission costs per Dominion. It will not change our contract pricing from NTE. I have asked them to look at the coincidental peak to see if there are any changes in it that could affect cost. I've also asked them to address how this will affect our being a member of an operating committee at the plant.
- ❖ Employee Personnel Handbook – Due Wednesday August 7.
- ❖ Excess Equipment – Deborah Peeler has been working diligently on selling our excess equipment on gov deals. So far, she has sold the old jetting machine for \$12,775 and the old dump truck for \$3,401.
- ❖ Cell Phones – Current cell phones used in the field have consistently had poor battery life and poor service. Lisa Willis worked with Verizon to get a solution to the issue. Several options were explored and ultimately Verizon provided free iPhone 8's. These will be changed out in place of the old phones except in cases where an individual did not want an iPhone.

- ❖ Drawings, ROW, SCDOT Permits – ROW is complete. Drawings are 99% complete with the exception of 1 or 2 that were just found. Permits provided by the SCDOT are 100% complete. However, the SCDOT still has permits that they need to provide. We will work on getting those permits and getting them into the system.
- ❖ Equipment – Line Truck – Altec approached us with a good deal on a line truck. It was \$164,000 for a new truck versus the \$132,000 we were looking at for a used one that was several years old. The decision was made at a prior meeting to purchase a vehicle, so we have moved forward with the purchase. To keep liquidity in the capital account for upcoming projects, I am recommending a lease purchase. Per the legal opinion of our bond counsel, this lease purchase will not require approval from Town Counsel. Several lending institutions provided quotes and I am recommending the one with the lowest rate and no prepayment fees. This will require a resolution.
- ❖ Adam presented the line truck lease purchase resolution. The terms are for \$164,000 at 2.92% interest for 6 years. This is tax-exempt with no fees and no penalties. George Long made motion to accept resolution, seconded by Leonard Bowick. Motion carried.
- ❖ Adam stated that we need to contact Frontier and obtain current contract.

There being no further business, Mr. Hegler made motion to adjourn.

Respectfully Submitted,



Cheryl Daniels
Office Manager