

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, APRIL 2, 2014
9:30 A.M.

Present: Michael G. Lallier, Chairman
Wick Smith, Vice Chairman
Lynne B. Greene, Secretary
Darsweil L. Rogers, Treasurer

Others Present: Steve Blanchard, CEO/General Manager
Billy King, County Liaison
Mike Bailey, Hope Mills Liaison
Karen McDonald, City Attorney
Ted Voorhees, City Manager
Kristoff Bauer, Deputy City Manager
Jay Reinstein, Assistant City Manager
Robert Hines, President/CEO, United Way of Cumberland County
PWC Staff

Absent: James Arp, Council Liaison
John Ellis, Hope Mills Liaison

Chairman Lallier called the meeting of April 2, 2014 to order.

Presentation of the Spirit of North Carolina Award

Robert Hines, President & CEO of United Way of Cumberland County presented the Spirit of North Carolina Award to the Public Works Commission. PWC received this award for outstanding commitment and support to our community through our local United Way. PWC has received this award eight times. Steve Blanchard, CEO/General Manager accepted the award on behalf of the PWC employees.

Approval of Agenda.

Upon motion by Commissioner Greene, seconded by Commissioner Rogers, the agenda was unanimously approved.

Consent Items

Upon motion by Commissioner Smith, seconded by Commissioner Rogers, the following Consent Items were unanimously approved:

- A. Minutes of meeting of March 19, 2014.
- B. N.C.G.S. 143-129(e)(6) allows an exception to the bidding requirements for the purchase of apparatus, supplies, materials or equipment when (i) performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration.

The intent of the Cross Creek Primary Clarifier Rehabilitation Project is to rehabilitate the existing clarifier equipment instead of demolishing and replacing with new equipment. Evoqua Water Technologies is the original equipment manufacturer/fabricator of the existing clarifier equipment and as such they retain all the drawings and proprietary rights to the design of the equipment. They are the sole source provider of replacement and repair parts for our existing clarifier equipment. The rehabilitation project will be less costly and can be accomplished in less time since Evoqua has the original detailed plans and drawings, design conditions, and other specifications needed from the original installation. Rehabilitating the existing clarifier will also allow us to have the equipment back in service by late summer/early fall, prior to prime tropical storm season.

Commission approved to award the issuance of a purchase order in the amount of \$218,590 to Evoqua Water Technologies, Waukesha, WI, for materials, equipment and field service expertise necessary to rehabilitate the primary clarifier at the Cross Creek Water Reclamation Facility in accordance with N.C.G.S. 143-129(e)(6) "sole source exception".

A total of \$245,000 has been transferred from FY2014 CIP WS49-Langston Street Widening Sewer Improvements to fund this expenditure. The City has informed PWC that the Langston Street project will not begin this year.

Steve Blanchard, CEO/General Manager reviewed the proposed Capital Improvement Program (CIP) budget for Fiscal Year 2015. Mr. Blanchard explained the CIP document outline for project requests which includes various components such as division, project title, project description and justification, priority and budget information to include expenses, funding source and impact on Operating Budget. He also reviewed the CIP budget process which starts each November. He stated he, along with the Division Officers and budget staff reviews in depth each CIP request. It was also noted that PWC's final budget document is made up of three parts, Capital Improvement Projects, Operating Budget and Fleet Maintenance Budget. The Commission was reminded that the FY 2015 PWC Operating budget will be presented to the Commission for their consideration during the April 9, 2014 Commission meeting. The Commission will be asked to approve the FY 2015 budget during their April 23, 2014 Commission meeting and the budget will then be forwarded to the City Council for approval.

Mr. Blanchard provided an overview of the Capital Improvement Program (CIP) Budget for FY 2015-2020. He explained the CIP is a multi-year funding budget since some capital projects take multiple years to complete. Capital projects have a useful life of 10 years or greater and a cost of \$100,000 or more. The non CIP capital budget items feed into the annual operating budget as single line items under the different departments.

Mr. Blanchard highlighted some of the major capital projects included in the FY 2015 CIP Budget. The total CIP Budget for FY 2015 as presented is \$120,705,900. The breakdown by Divisions for the CIP Budget include \$33,017,000 for Water Resources, \$26,095,000 for Electric Systems, \$4,498,000 Corporate Services, \$355,500 Fleet Maintenance Internal Service Fund, \$764,000 Customer Programs and CIP projects within the various PWC Divisions funded by other sources in the amount of \$55,976,400. Total CIP for each of the three funds are Electric \$36,910,500; Water & Sewer \$83,439,900 and Fleet Maintenance Internal Service Fund \$355,500. Mr. Blanchard commented staff is still reviewing the CIP budget, therefore, the total CIP Budget is subject to change. Any revisions to the Capital Improvement Program will be provided to the Commission at the April 9th meeting. Staff responded to questions from the Commission regarding specific capital projects. Discussion ensued. Chairman Lallier requested staff provide a copy of the Water Resources Division Annual Rehabilitation Update Report to the Commission for their reference. He also requested a summary report of the LED lighting project be provided to City Council for their reference.

In summary, Mr. Blanchard stated details for all items in the budget are available for review by the Commission. The Commission commended staff for their dedication and hard work in preparing this budget.

Reports and Information: The Commission acknowledges receipt of the following reports and information:

A. Position Vacancies

B. Approved N.C. Department of Transportation Encroachment Agreement(s):

⇒ Encr. #17679 – water main installation – US 401 (Ramsey Street)

C. Approved Utility Extension Agreement(s):

⇒ Hairr Family, LLC – water and sewer utilities to serve Rainbow Child Care

Comments:

⇒ Commissioner Smith: Appreciates all the hard work staff put in preparing the budget.

⇒ Chairman Lallier: Reminded the Commission of the PWC Employee Picnic scheduled for Saturday, April 26th at Paradise Acres.

There being no further business, upon motion by Commissioner Rogers, seconded by Commissioner Smith and unanimously approved, the meeting was adjourned at 11:58 a.m.