

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, JULY 22, 2015
8:30 A.M.

Present: Michael G. Lallier, Chairman
Lynne B. Greene, Vice Chairman
Wade R. Fowler, Jr., Secretary
Darsweil L. Rogers, Treasurer

Others Present: David Trego, CEO/General Manager
Steve Blanchard, Interim CEO/General Manager
Karen McDonald, City Attorney
Kristoff Bauer, Deputy City Manager
James Arp, City Council Liaison (VIA Teleconference)
Glenn Adams, County Liaison
PWC Staff

Absent: Mike Bailey, Hope Mills Liaison
John Ellis, Hope Mills Liaison
Media

Chairman Lallier, with consent of Commissioners Greene, Rogers and Fowler, appointed Interim CEO/General Manager Steve Blanchard as Honorary Chairman for the day.

Honorary Chairman Blanchard called the meeting of July 22, 2015, to order.

APPROVAL OF AGENDA

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

CONSENT ITEMS

- A. Approve Minutes of Meeting of July 8, 2015
- B. Approve bid recommendation to award bid for purchase of three (3) 54,000 lb. GVWR Cab and Chassis with 12 Cubic Yard Dump Body to Smith International Truck Center, Fayetteville NC, pursuant to the “additional buy clause” contained in PWC’s Invitation to Bid dated August 7, 2014, (bid opened August 21, 2014; original bid award date September 10, 2014) in the total amount of \$324,000 and forward to City Council for approval.

This is a budgeted item; \$108,000 was budgeted per unit (budgeted amount of \$324,000) in the FY 2016 budget to replace Units 391 and 3304 and for the purchase of one (1) additional unit.

Bids were received August 21, 2014 as follows:

<u>Bidders</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Smith International Truck Center, Fayetteville, NC	\$102,700.00	\$308,100.00
Tri-Point Truck Center, Raleigh, NC	\$104,144.00	\$312,432.00
MHC Cooper Kenworth, Raleigh, NC	\$114,222.95	\$342,668.85

COMMENTS: Invitations to Bid were sent to seventeen (17) vendors with three (3) vendors responding. The original bid documents contained an “additional buy clause” for the purchase of additional units up to a period of three (3) years from the bid award date, upon the agreement of both parties. Smith International has agreed to hold the original bid price for the purchase of these three (3) units.

DEMONSTRATION OF NEW SECURITY CAMERAS AT POINTS OF DELIVERY (POD) AND SUBSTATIONS

*Presented by: David W. Trego, CEO/General Manager
Joel Valley, Manager - Substations and Electric Support Services*

Mr. Trego, CEO/General Manager stated PWC has incurred thefts of copper within our facilities. Nationwide, physical security in the electric industry has received a heightened since of awareness. For PWC, there is an added sensitivity because of our proximity to Fort Bragg.

Mr. Trego went on to say state of the art security surveillance cameras are a best practice. They give us an early warning that someone is in one of our facilities that should not be there; as well as provide the means of identifying those persons.

Mr. Trego stated, our current cameras provide warning but are very difficult to use for identification purposes. The technology has advanced because of the sensitivity for security at Substations and PODs, cameras that are specifically designed for these environments.

Last year, PWC upgraded some of our security systems and have plans to upgrade the remaining sites within the next couple of years.

Mr. Trego then presented Joel Valley to provide a summary of our efforts and plans for future upgrades.

Joel Valley, Manager of Substations and Electric Support Services gave an overview of our current system. It is an AT&T Cellular band G2, which will be phased out. This system provides poor picture/video quality and provides only one-way communications.

He stated the new system utilizes PWC’s existing fiber network; provides two-way communications; increases visibility/monitoring of our electric system for both security & reliability; has faster and more accurate knowledge of intrusions; improves safety for workers and the public. The new system helps meet NERC Critical Infrastructure Protection (CIP) Standard 014-01 - Physical security.

The new system also enhances video & analytics capability. It has built in analytics that can determine intrusion and turns the camera to the violated zone. It can trigger extra lights, flash a strobe light and announce a message about the known intrusion. The system is Substation environment hardened and can handle nearby lightning strikes and fault current

voltage spikes. It has a direct interface into the existing SCADA system, which is monitored by the emergency dispatcher and also monitors access into the Substations and PODs.

Mr. Trego and Mr. Valley responded to questions and concerns from Councilman Arp and Commissioners.

Cyber security was discussed. Susan Fritzen, Chief Corporate Services Officer stated she will meet with the Information Systems Department today to discuss recommendations for a three year action plan and will discuss the recommendations with Mr. Trego. Funds have been placed in the budget for 2016.

Commissioner Rogers asked if the Water Resources Department has similar equipment within their sites. Mr. Noland, Chief Officer of Water Resources stated there are cameras with motion detectors around the tanks and pump facilities. The resolution is not very clear, yet there are personnel at the facilities around the clock. He stated our current equipment meets the industry standard for water/waste water systems.

Mr. Valley continued to demonstrate the capabilities of the new surveillance system.

Commissioners suggested the timeline for installation of the new security camera system in Substations and PODs should be shortened from projected timeline of three years. Mr. Trego and Mr. Valley will evaluate the budget to determine a new timeline for installation of the new surveillance system in remaining substations and PODs.

Commissioner Rogers suggested the creation of a Risks Group/Team to review cyber security and other security risks throughout the Commission.

GENERAL MANAGER'S REPORT

Mr. Trego reviewed the Open Commission Requests, dates and timeline for addressing their requests.

He informed the Commission Bill Graphs will return to the customer bills in August. Ms. Hinson stated the scaling of the graphs is improved as well as the print quality.

Commissioner Lallier inquired about the status of the redesign of the bill. Susan Fritzen stated there has been an initial meeting and a schedule is being implemented. An RFP will be developed to assist in designing and printing the new bill. Commissioner Lallier requested for Gloria Wrench, Purchasing Manager to inform Commissioners when the RFP is ready to be advertised with the vendor list, as there are local vendors interested in bidding for the project.

Ms. Fritzen stated as we are considering the redesign of our current bills, we will consider our future design needs (tier rates, prepay, etc.). The Customer Focus Group and Community Advisory Group will be consulted, as well as reaching out to other utilities to determine what they have accomplished.

Mr. Trego stated PWC and the City have converted over to the new radio system. Kristoff Bauer, Deputy City Manager stated all three towers are up and most radios have been

transitioned. Mr. Trego stated the reception is much better and has directed staff to report if they enter an area where they cannot receive a signal.

Mr. Trego and Mr. Brown updated the Commission on the antennas for the police cameras.

REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Investment Report for June 2015
- B. Purchase Orders
 - January 2015
 - February 2015
 - March 2015
- C. Personnel Report for June 2015
- D. Position Vacancies
- E. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. #17988 – water main installation & two fire hydrants – NC Hwy 24/87 & US401
 - Encr. #17989 – 8 in. & 2 in. water mains at SR 3950 & SR2311 (HC HWY 24/210)
 - Encr. #17990 – water main and sewer lateral – US401 and SR3569
 - Encr. #18223 – water service on SR1007 (Owen Dr.) – 1677 Owen Drive
- F. Approved Utility Extension Agreement(s):
 - Wal-Mart Real Estate Business Trust – Water and Sewer Service to Serve Wal-Mart Neighborhood Market at Hope Loop and Cliffdale Roads
 - Santa Fe Properties, LLC – Electric, Water & Sewer to Serve Addison Ridge Apts, Phase II
 - Castle Hayne Homes, LLC – Water and Sewer to Serve Carson Cove Subdivision, located at Paul Peel Place off Sandhill Road
 - River Glenn at the Cape Fear, LLC – Electric, Water and Sewer to Serve River Glenn – Phase Two
- G. Approved NC DOT Relocation Agreement(s):
 - PWC Utility Agreement #17479 – electric distribution facilities relocation project – Owen Drive (SR1007); Walter Reed Road to US301/I-95 Business; NCDOT Project No. 44102.2.FSI; TIP I.D. No. W-5514

There being no further business, upon motion by Commissioner Fowler, seconded by Commissioner Greene and unanimously approved, the meeting was adjourned at 9:32 a.m.