

PUBLIC WORKS COMMISSION  
MEETING OF WEDNESDAY, MARCH 9, 2016  
8:30 A.M.

Present: Darsweil L. Rogers, Chairman  
Wade R. Fowler, Jr., Vice Chairman  
Michael G. Lallier, Secretary  
Evelyn O. Shaw, Treasurer

Others Present: David Trego, CEO/General Manager  
Karen McDonald, City Attorney  
Kristoff Bauer, Deputy City Manager  
Kenneth Edge, County Liaison  
John Ellis, Hope Mills Liaison  
PWC Staff

Absent: Jim Arp, Council Liaison  
Media

CALL TO ORDER

Chairman Rogers called the meeting of Wednesday, March 9, 2016 to order.

APPROVAL OF AGENDA

Upon motion by Commissioner Shaw and seconded by Commissioner Fowler the agenda was unanimously approved.

CONSENT ITEMS

Upon motion by Commissioner Fowler and seconded by Commissioner Shaw Consent Items were unanimously approved.

A. Approve Minutes of Meeting of February 24-25, 2016

*Note: Strategic Planning Retreat held on February 24<sup>th</sup> and February 25<sup>th</sup>  
immediately following Regular Commission Meeting*

B. Approve bid recommendation to award bid for purchase of 30,000 feet of 750 Underground Primary Distribution Cable, PWC Stock No. 1-065-522 (with the option to purchase additional quantities within a one-year period upon the agreement of both parties) to Irby Utilities, Rocky Mount, NC, the lowest bidder, in the total amount of \$161,070.00 and forward to City Council for approval.

This cable is a regularly stocked electric inventory item last purchased in April of 2015 at a cost of \$6.074 per foot. The current bid price per foot is \$5.369. The cost of this cable fluctuates due to metals pricing.

Bids were received on January 26, 2016 as follows:

<u>Bidders</u>	<u>Total Cost</u>
Irby Utilities, Rocky Mount, NC	\$161,070.00
WESCO Distribution Inc., Raleigh, NC	\$161,100.00
Anixter, Inc., Wake Forest, NC	\$162,240.00

Comments: Bids were solicited from six (6) vendors with three (3) vendors responding.

- C. Approve bid recommendation to award bid for a one (1) year contract for chemicals, labor, materials and equipment necessary to provide Hydrogen Sulfide Control at PWC Lift Stations (with the option to extend the contract for additional one (1) year periods, up to a maximum of three (3) years upon the agreement of both parties) to Cape Fear Water Solutions, Dublin, NC, the lowest responsive, responsible bidder in the total amount of \$324,274.62 and forward to City Council for approval.

Funds to cover this contract are budgeted in the Wastewater Construction and Maintenance Operating Budget under Maintenance Contracts.

Bids were received on February 11, 2016 as follows:

#### NITRATE SOLUTION APPLICATION

<u>Bidders</u>	<u>Total Cost</u>
Cape Fear Water Solutions, Inc., Dublin, NC	\$122,879.81
Evoqua Water Technologies, Sarasota, FL	\$177,625.26
Evoqua Water Technologies, Sarasota, FL (alternate bid)	\$148,579.62

#### IRON SALT SOLUTION APPLICATION

<u>Bidders</u>	<u>Total Cost</u>
Cape Fear Water Solutions, Inc., Dublin, NC	\$201,394.81
Evoqua Water Technologies, Sarasota, FL	\$292,752.00
Evoqua Water Technologies, Sarasota, FL (alternate bid)	\$207,152.00

*Total Contract Award (Nitrate Solution + Iron Salt Solution) - \$324,274.62*

Comments: Bids were solicited from four (4) vendors with two (2) vendors responding. The lowest responsive, responsible bidder meeting specifications is recommended.

The previous contract price for the Nitrate Solution was \$2.53 per gallon, the current bid price per gallon is \$2.1999; the previous contract price for the Iron Salt Solution was \$1.08 per gallon; the current bid price per gallon is \$1.1999.

- D. Amend Agreement with Hoke County to Add Additional Water Service

Staff recommends the Commission approve an amendment to our existing Interlocal Agreement to increase the maximum amount of water Hoke County will purchase from the Commission by six (6) million gallons per month. This brings their total purchases

to eighteen (18) million gallons per month. Hoke County will pay a Facility Investment Fee of \$353,096 for this increased capability. See page \_\_\_\_\_ of Minutes.

#### DISCUSSION ON STAFF'S EVALUATION OF GATEWAYS

*Presented by: Mick Noland, Chief Operations Officer – Water Resources*

Mick Noland, Water Resources Chief Operations Officer discussed costs for FIF and Tap Fees for the various gateway and median projects. For some, they do not have the costs associated with the project. Mr. Noland stated the identified projects are those that will need irrigation for the plantings. Commissioner Rogers noted that some of the invoices for the FIF and Tap Fees have already been paid by the City.

Commissioner Lallier suggested for the City to prepare a formal request to waive FIF fees on Gateway Projects going forward. Commissioner Rogers agreed this approach would be best. Commissioner Fowler stated he believes it is important for the Commission to move forward with waiving the fees for several reasons. It is incumbent upon the Commission to assist with the economic development and this type of project improves the appearance of the City. Assistant City Manager Kristoff Bauer stated they know in advance when the meters will need to be installed and they are looking to change the paradigms so they can have a partner working with them in designing these and installing the water. He will state the need in their written request.

#### SERIES 2016 REVENUE AND REFUNDING BONDS FINDINGS RESOLUTION

*Presented by: Dwight Miller, Chief Finance Officer*

Mr. Miller noted that the date in the last line of the recommendation needs to be changed from March 28<sup>th</sup> to March 29<sup>th</sup>. He also read the following statement for the record.

Resolution No. PWC2016-06; Resolution making certain findings and determinations, authorizing the filing of an application with the Local Government Commission, requesting the Local Government Commission to sell bonds at a competitive sale and approving the financing team all in connection with the issuance of revenue bonds by The City Of Fayetteville, North Carolina.

Mr. Miller stated staff is requesting for the Commission to approve the above resolution.

Mr. Miller stated the SRF is a State Revolving Loan Fund. The 2000 is still outstanding and the 2002 GO Bonds are part of the bonds the City transferred over to PWC some years back. They are all PWC. Mr. Miller stated there is another GO debt out there but we cannot refund it because it has already been refunded. The City is participating and paying part of the debt service on the other group of GO bonds.

Mr. Miller stated staff is requesting to defease the series 2002 GO Bonds. They are at 4.4% and staff will increase projects they are bond funding on the water side to make up for it. Commissioner Rogers asked why staff is requesting to defease the series 2002 Bonds. Mr. Miller responded that PWC is paying 4.4% and is receiving barely 1% on investments. He also stated he expects the average coupon rate on the new bonds to be 2.2%.

The 2008 Bonds have a negative arbitrage (they cannot be called at this time, but must be placed in escrow). Negative arbitrage occurs when the yield in the escrow is below the yield on the refunding issue.

We are borrowing the money to pay off the old debt (which is a higher interest rate) at a lower rate. We will have to put in \$1.4 million into the escrow account so we will have enough to pay off the bonds when they are called.

Commissioner Rogers asked for the rationale or why is it advantageous to do this now. Mr. Miller stated the reduction in the interest rate is great enough that the rate payers will save over \$5 million dollars.

The net present value savings is 6.8% overall. The LGC looks at anything over 5% as being good. Staff responded to questions by Commissioners.

Mr. Miller explained the Sources and Uses of Funds. He stated there is a total of \$127,291,970 in the source of funds which includes \$74 million in new money and the state revolving loan funds.

The uses of funds includes water & sewer projects, annexation projects, electric system projects, refunding escrow, capitalized interest, cost of interest, underwriter's discount and additional proceeds which equals \$127,291,970.

Commissioner Lallier confirmed that all the projects and the dollars associated with them are scheduled to be spent within 2 years. He also asked for Mr. Miller to explain the criteria used in selecting the projects. Mr. Miller responded 'yes' they will be completed within two years and per LGC guidelines the projects should be already 75 – 80% bid. The bid needs to be in place; permits, regulatory approvals should already be in place on any bond issue. We are at 90%.

Discussion ensued on Annexation issues, phases 15, 16, 17, 18 and 19.

Mr. Miller also explained the 'Proposed New Money Net Debt Service' of \$397,846,646. He pointed out the Revenue Bonds are superior in hierarchy in debt service. The GO Bonds and State Revolving Loans are subordinate to the Revenue Bonds. So by refunding the state loans, it elevates that debt to senior debt. Currently our senior debt service is 2.9 and we when roll in the state loans, our senior debt service coverage will be 2.7. Per our policy, we want to keep it above 2.5. Discussion ensued.

Mr. Miller stated he will complete a presentation to the City Council during their work session on March 16<sup>th</sup> and on March 29<sup>th</sup> the full resolution will come before City Council. The co-bond counsel will be selected by Council at their 29<sup>th</sup> meeting. Discussion ensued.

He stated we plan to submit the application to LGC on 4/6. Adoption of the bond order by PWC on April 13<sup>th</sup> and adoption of the bond order by the City Council on April 25<sup>th</sup>. Per the Resolution, we are looking at a competitive sale. The POS will go out on the end of April. The LGC approval on May 3<sup>rd</sup> and the pricing on May 10<sup>th</sup> and closing on May 26. He stated the date can be pushed into June, but he would like for it to be completed by end of the fiscal year. Staff responded to questions by Commissioners.

Commissioner Lallier motioned to approve Resolution No. PWC2016-06; Resolution making certain findings and determinations, authorizing the filing of an application with the Local Government Commission, requesting the Local Government Commission to sell

bonds at a competitive sale and approving the financing team all in connection with the issuance of revenue bonds by The City Of Fayetteville, North Carolina and forward to City Council for approval at their March 29, 2016 meeting. Motion was seconded by Commission Shaw and unanimously approved. See Resolution on page \_\_\_\_\_ of minutes.

Chairman Rogers thanked Dwight Miller for the presentation.

**CONSIDER CHANGES TO THE ELECTRIC RATE SCHEDULES (PWC Strategic Goal #1)**

*Presented by: David W. Trego, CEO/General Manager  
PWC Staff*

David Trego, CEO/General Manager provided a summary of staff's requests:

1. 0% revenue increase in electric rates as of May 1, 2016.
2. Make rate structural changes to match how we are purchasing our power from Duke Energy Progress
3. 3% revenue increase from rates effective May 1, 2017; (\$6.339 million)
4. Eliminate Community Street Light charge and RECS charge on our Buy All Solar Meters. Currently if someone puts solar on their roof, we place a second meter on their house for our benefit to measure the power we are receiving from the solar panels. Our current procedure is every meter that is put in by PWC gets the street light and the RECS charge. So basically if someone puts solar on their roof, we are charging the resident twice for the particular charges (there are only a few customers). We are requesting to eliminate the community street light and RECS charges from the buy all meters.

Commissioner Shaw asked if solar customers have an agreement to sign for the second meter even though it is for PWC's benefit. Mr. Trego replied for residential level solar there is a tariff sheet that identifies that level of service. The customer has to let us know they are putting it in. We have interconnection requirements and it has to meet our standards. When we know that it is being installed and it meets our standards we will install the second meter. But since it is below 10kW it is a tariff rate with standard terms and conditions. He stated it is typical across North Carolina.

Commissioner Shaw also confirmed that the customer cannot challenge retroactively any expenses that have been charged to them duplicated. Mr. Trego responded 'no'. The tariff sheet states the charges apply to the meter. We will simply eliminate the charges on the tariff sheet going forward.

Mark Brown responded. He stated we have 10 customers and we will explain that we are changing our policy for their benefit. Mr. Trego stated this is a positive message to our customer that we recognize we want to make solar more affordable for our customer to put in and by taking these charges off it may assist them.

Mr. Trego stated there were a lot of factors considered in looking at the rates going forward. There is a slight reduction in our estimated wholesale power costs from Duke. That is because the price for natural gas and oil and all of their fuels are down. There is a slight decrease in what our projected wholesale costs are going forward to Duke.

We also looked at maintaining the Commission approved target of 120 days operating reserve and maintaining our debt coverage above the 2.5 to make sure we keep our bond rating.

Mr. Trego stated staff looked at matching up how we are charged from Duke Progress and how we charge our customers. As well as which factors impact rates going forward.

Significant drivers in future rates are the impact of Duke Energy Coal Ash clean up. This is driven by State and Federal Coal Ash requirements. The current Duke estimate is \$2 Billion for DEP customers. PWC's portion of Coal Ash expenses is based on our percentage of load on their system. So our exposure is roughly \$70 Million based on our contract. Recovery period is likely 10+ years. They are still finalizing their plans. They have to be approved by the Coal Ash Commission.

DEP (Duke Energy Progress) is currently spending money today for Coal Ash. They expect to apply to recovery costs from their retail customers as well as wholesale customers.

Mr. Trego stated PWC will intervene at FERC to make sure what DEP files is fair and reasonable for our customers; to protect our customer interests and to reduce our exposure. Discussion ensued.

Mr. Trego stated Coal Ash costs hit the demand side of PWC's power bill. Our bill has two pieces. It has energy, which is primarily the variable costs and the fuel costs. The fixed costs of maintaining the plants, infrastructure and everything else are related to demand side. He stated it is roughly a 50/50 split (50% for energy and 50% for demand). But this expense will hit the demand side of the equation which is important as we discuss the disparity of the rates we charge our customers for demand versus what we are currently charging them and when coal ash hits will make that difference all the greater.

The recommendations assume proactive use of the Rate Stabilization Fund to mitigate future Coal Ash impacts.

Rate structure concerns:

Primarily with Commercial/Industrial Demand Rates: The smallest residential rates do not charge demand. Currently, PWC is under recovering demand portion of customer rates. Demand costs from DEP are \$17.94 per KW (without coal ash). Current PWC demand charges: \$11.50 Medium Power customers & \$14.00 Large Power customers. PWC is currently recovering disparity through energy usage (kWh) charges. With Coal Ash impacting demand charges PWC needs to be proactive.

Recommend revenue neutral structural changes in May 2016. We would increase demand/fixed costs and lower energy (kWh) costs.

Recommend that May 2017 increase focus on demand/fixed charges rather than energy (kWh) charges.

Mr. Trego delineated the recommendations below. Staff also responded to Commissioners' questions.

## Recommendations

### Residential

	<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
Facilities Charge	\$13.50	\$13.50	\$15.00
Energy Charge	\$0.0990	\$0.0990	\$0.1004

### Small Power & Church Service (closed)

	<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
Facilities Charge	\$18.00	\$21.00	\$23.00
Energy Charge	\$0.1013	\$0.0990	\$0.0990

### Medium Power Service

	<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
Facilities Charge	\$24.00	\$27.00	\$30.00
Demand Charge	\$11.50	\$12.50	\$13.50
Energy Charge	\$0.0555	\$0.0520	\$0.0520

### Large Power Service

	<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
Facilities Charge	\$265.00	\$275.00	\$290.00
Demand Charge	\$14.00	\$15.25	\$17.00
Energy Charge	\$0.0542	\$0.0515	\$0.0515

### Non – Residential Time of Use (closed)

	<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
Facilities Charge	\$265.00	\$275.00	\$290.00
Demand – On Peak	\$14.00	\$16.70	\$17.50
Demand – Off Peak	\$ 2.50	\$ 2.50	\$ 2.50
Energy – On Peak	\$0.0580	\$0.0580	\$0.0670
Energy – Off Peak	\$0.0425	\$0.0355	\$0.0355

### Large Industrial Time of Use

	<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
Facilities Charge	\$650.00	\$675.00	\$700.00
Demand – On Peak	\$15.00	\$16.70	\$17.50
Demand – Off Peak	\$ 2.00	\$ 2.00	\$ 2.00
Trans. Discount	\$ 2.00	\$ 1.00	\$ 0.50
Energy – On Peak	\$0.0388	\$0.0350	\$0.0350

Energy – Off Peak	\$0.0347	\$0.0300	\$0.0300
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### Typical Customer Impacts

#### Residential Using 1,000 kWh

<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
\$112.50	\$112.50	\$115.40

#### Residential Using 2,500 kWh

<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
\$261.00	\$261.00	\$266.00

#### Non Residential – Small Power Using 1,250 kWh

<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
\$144.50	\$145.00	\$147.00

#### Commercial - Medium Power Using 28,800 kWh & 160 KW Demand Low Load Factor 25%

<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
\$3,462	\$3,525	\$3,688

#### Commercial – Medium Power Using 28,800 kWh & 80 KW Demand Medium Load Factor 50%

<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
\$2,542	\$2,525	\$2,608

#### Large Power Using 3,500,000 kWh & 9,700 KW Demand Medium Load Factor 50%

<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
\$325,700	\$328,400	\$345,400

#### Large Power Using 3,500,000 kWh & 6,500 KW Demand High Load Factor 75%

<u>Current</u>	<u>May 2016</u>	<u>May 2017</u>
\$281,000	\$279,600	\$291,000

## PWC COMPARISON WITH OTHER UTILITIES

Residential	1,000 kWh
Rocky Mount	\$ 141.54
Lexington	\$ 141.41
South River EMC	\$ 128.45
Greenville	\$ 123.86
Lumbee River EMC	\$ 119.65
PWC eff 5/1/16	\$ 112.50
Duke Energy Progress	\$ 108.87
Duke Energy Carolinas	\$ 106.57

Commercial - 30KW Demand	8,000 kWh
Rocky Mount	\$ 1,048.43
Lexington	\$ 988.65
Greenville	\$ 895.47
South River EMC	\$ 820.15
PWC eff 5/1/16	\$ 818.00
Duke Energy Progress	\$ 722.95
Lumbee River EMC	\$ 722.58
Duke Energy Carolinas	\$ 713.73

### *Staff Recommendations:*

- (1) Residential rates will not change, effective May 1, 2016
- (2) Adjust non-residential rate classes, revenue neutral, effective May 1, 2016
- (3) Increase revenues by \$6.339 million effective May 1, 2017

Commissioner Shaw motioned to accept staff's recommendations as presented during the discussion and by hardcopy. Motion seconded by Commissioner Fowler and unanimously approved.

Commissioner Lallier requested for staff to provide a timeline on the intervention process at FERC relevant to Coal Ash.

Chairman Rogers thanked staff for their efforts in compiling and presenting the Electric Rate Schedules.

## GENERAL MANAGER REPORT

Mr. Trego stated PWC will complete the Annual Customer Survey in early April. Per the recommendation that was presented in Strategic Planning, we will complete a phone survey as well as an email survey of our customers.

PWC won the American Heart Association's Platinum Fit Friendly Company Award for the second straight year. We have highlighted our workout area.

Mr. Trego also stated he was invited to attend the Fayetteville Outfront Meeting at Northwood Temple by the Mayor and Kristoff Bauer. It was a great event and he plans to attend them in the future. Most of the conversation surrounded the traffic light switch (NCDOT issue). There was also some conversation about trash pick-up.

Mr. Trego stated he received one direct question concerning the investment PWC is making in the area regarding the low water pressure. His response was received very well.

## *COMMENTS BY COMMISSIONERS:*

### ***Commissioner Lallier***

*Commissioner Lallier asked if there has been any direct communication with Fort Bragg Leadership. They are now considering extending the runway on Pope and in order to do so they will have to go to both ends. Mr. Noland replied yes. PWC received clearance from them once they received all the details of what we were planning to do. Consequently a new officer arrived and although approval was granted staff is discussing it with him also. He asked staff to clarify if the extension of runways at Pope will affect the work we are doing at Simmons.*

*Commissioner Lallier also thanked Mr. Miller and the Finance team for identifying over \$5 Million in savings on \$52 Million in remaining bonds. It is a significant savings for the rate payers.*

*He asked staff to elaborate on the \$148,000 personal injury in the reports and information. Staff will return with detail on the personal injury/amount.*

*He also thanked Chairman Rogers and Staff for reacting quickly on the issue with Hope Mills. He stated the reaction time was very short. It is not typical of government or a governmental entity to be that nimble and it averted a very ugly issue by the way it was handled.*

### ***Commissioner Rogers***

*Commissioner Rogers welcomed Commissioner Edge to the PWC Commission Meeting and encouraged him to offer perspective.*

### ***Commissioner Fowler***

*Thanked Mark Brown for attending his church's pot-luck lunch and making a presentation on CONNECT. Mark identified a water leak the church had experienced.*

## **REPORTS AND INFORMATION**

The Commission acknowledges receipt of the following reports and information.

- A. Monthly Incident Summary for February 2016
- B. Personnel Report for February 2016
- C. Position Vacancies
- D. Approved N.C. Department of Transportation Encroachment Agreement(s):
  - Encr# 18245 – Future 16” Water Main Extension – SR1600 and I-295 (Fayetteville Outer Loop)
- E. Approved Utility Extension Agreement(s):
  - GHM Group, LLC – water, sewer to serve Woodspring Drive (West Hampton Phase Two)

CLOSED SESSION AS ALLOWED UNDER N.C. GENERAL STATUTES 143-318.11(a)(3) TO DISCUSS LEGAL MATTERS

Commissioner Fowler motioned to go into closed session as allowed under N.C. General Statutes 143-318.11(a)(3) to discuss legal matters. Motion was seconded by Commissioner Shaw and following discussion was unanimously approved.

Upon returning to open session at 11:26 a.m., Commissioner Fowler motioned the following and it was seconded by Commissioner Lallier and unanimously approved.

PWC Staff, our legal counsel, and the PWC Commissioners have done a review of background information and the language contained in the 1998 Agreement between PWC and the Town of Hope Mills for the sale of the then-Hope Mills sewer and water assets to PWC. The language in that Agreement can be interpreted in different ways and does not unambiguously and clearly address the application of inside vs. outside City rates to Hope Mills residents after and in the years since the Agreement was executed. Thus, to avoid confusion and to apply rates in a fair and consistent manner, I make the following motion.

Motion:

I move that we instruct PWC staff under the direction of the General Manager to work with the elected officials and designated staff of Hope Mills to facilitate the following.

1. Based on the records of the Town of Hope Mills, accurately determine those properties that are within the current legal boundaries of the Town Limits of Hope Mills.
2. For those properties added to the legal boundaries of the Town the Hope Mills after the transfer of the water and sewer assets to PWC due to subdivision, annexation, rezoning or other means, accurately determine, based on records from the Town of Hope Mills, the date those properties first became part of the legal boundaries of the Town of Hope Mills.
3. To apply to all current PWC customers within the current legal boundaries of the Town of Hope Mills rates that are consistent with those paid by residents of the City of Fayetteville ("Inside City Rates").
4. To apply to all current PWC customers that are outside the current legal boundaries of the Town of Hope Mills rates that are consistent with those paid by non-residents of the City of Fayetteville ("Outside City Rates").
5. For any current or former PWC Customer who was charged Outside City Rates but who is now determined to be within the current legal boundaries of the Town of Hope Mills, to reimburse that customer for the difference between what they paid on Outside City Rates and what they would have paid on Inside City Rates since the property was part of the legal boundaries of the Town of Hope Mills.
6. For such reimbursements, the Commission waives the three year limit policy for billing adjustments and will allow staff to reimburse as far back as October 1, 2007 which, according to PWC records, is when PWC first interpreted the Agreement to apply Outside City Rates to customers that could have been within the legal boundaries of the Town Limits of Hope Mills.
7. If it is found that a PWC customer was charged Inside City Rates but was/is not within the legal boundaries of Hope Mills, PWC will contact such customer and adjust their rate on a

going forward basis only and will not rebill the customer for the period of time that they were incorrectly charged Inside City Rates.

8. Senior Staff is also directed to work with officials of the Town of Hope Mills, and develop mutually agreed to terms to amend the current Agreement as needed to add clarity were needed as to the application of Rates and other services going forward. These amendments are to be consistent with the current Policies of PWC and the City of Fayetteville.

Discussion:

Commissioner Lallier clarified that the intent of staff is for a working committee to come up with, as quickly as possible, the addresses for the City of Fayetteville so we can

1. Change the Rates
2. Calculate and complete the refunds (the checks will have release language on it when endorsed).

Commissioner Fowler stated that it is pertinent for the residents to understand that the reason we are going for the rate change first is to mitigate the amount of money coming out of their pockets.

Hope Mills Liaison John Ellis thanked the Commission and Staff on behalf of the Town of Hope Mills for taking this stance and action. He stated that it was classy and agreed with Commissioner Lallier that it was handled in such a way that kept it from becoming an issue.

Ms. Justice-Hinson outlined actions taking place, including updates to the website; press release; updating the Customer Accounts Department; preparation of an automated call to Hope Mills customers; preparation of a mailing. Further discussion ensued.

Karen McDonald announced the Council will hold a special meeting on Friday to discuss the Parks and Recreations Bonds. Mr. Miller also announced PWC has a meeting with the Asst. City Manager to discuss Purchasing on tomorrow.

ADJOURNMENT

There being no further business and upon motion by Commissioner Fowler, seconded by Commissioner Lallier and unanimously approved the Commission was adjourned at 11:49 a.m.