



DARSWEIL L. ROGERS, COMMISSIONER
 WADE R. FOWLER, JR., COMMISSIONER
 EVELYN O. SHAW, COMMISSIONER
 D. RALPH HUFF, III, COMMISSIONER
 DAVID W. TREGO, CEO/GENERAL MANAGER

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PUBLIC WORKS COMMISSION
 MEETING OF WEDNESDAY, DECEMBER 13, 2017
 8:30 A.M.

AGENDA

I. REGULAR BUSINESS

- A. Call to order.
- B. Approval of Agenda.

II. CONSENT ITEMS

(See Tab 1)

- A. Approve Minutes of meeting of November 8, 2017
- B. Approve bid recommendation to award bid for purchase of 40,000 feet of 750 MCM Underground Primary Distribution Cable, PWC Stock No. 1-065-522 (with option to purchase additional quantities within a one-year period upon agreement of both parties) to Anixter, Inc., Apex, NC, the lowest responsive, responsible bidder in the total amount of \$241,920.00, and forward to City Council for approval.

The 750 MCM Underground Primary Distribution Cable is an Electric Inventory Item.

Bids were received on November 7, 2017 as follows:

<u>Bidders</u>	<u>Total Cost</u>
Anixter, Inc., Apex, NC	\$241,920.00
Wesco Distribution, Inc., Clayton, NC	\$243,040.00
Stuart C Irby, Fredericksburg, VA	\$257,175.00
Shealy Electrical Wholesalers, Greenville, SC	\$286,740.00 *

*Shealy Electrical Wholesalers quoted 40,500'

Comments: Plans and specifications were requested by seven (7) suppliers with four (4) responding. This cable is a regularly stocked electric inventory item last purchased in February of 2017 at a cost of \$5.369 per foot. The current bid price is \$6.048. The cost of this cable fluctuates due to metals pricing.

Local/SDBE Participation: Anixter, Inc. is not classified as a SDBE, minority or woman-owned business. There are no known local vendors who can supply this equipment.

- C. Approve bid recommendation to award bid for the purchase and delivery of all materials, equipment and incidentals for two (2) sets of 69 to 15 or 25 kV Transformer No. 1 Relay Control Switchboards and two (2) SCADA HMI and Communications Switchboards to Keystone Electrical Mfg. Co., Des Moines, IA, the lowest responsive, responsible bidder in the total amount of \$173,936.80, and forward to City Council for approval.

The Relay Control Switchboards and SCADA HMI Switchboards for a 69 to 15 or 25 kV Substation are budgeted in EL31-T/D Differential and Back-up Overcurrent Relay Replacement

Bids were received on November 2, 2017 as follows:

<u>Bidders</u>	<u>Total Cost</u>
Keystone Electrical Mfg. Co., Des Moines, IA	\$173,936.80
Electrical Power Products, Inc., Des Moines, IA	\$177,540.00
SEL Engineering Services, Inc., Charlotte, NC	\$183,532.00
AZZ Enclosure Systems, LLC, Millington, MD	\$184,940.31
KVA, Inc., Greer, SC	\$207,044.00
KEMCO Industries, LLC, Sanford, FL	\$227,174.00

Comments: Plans and specifications were requested from twelve (12) suppliers with six (6) suppliers responding. The lowest responsive, responsible bidder is recommended.

Local/SDBE Participation: Keystone Electrical Mfg. Co. is not classified as a SDBE, minority or woman-owned business. There are no known local vendors who can supply this equipment.

- D. Approve bid recommendation to award bid for purchase and delivery of two (2) ABB 72.5 kV Disconnecting Circuit Breakers for the replacement of the two breakers at PO Hoffer Substation and Murray Fork Substations to ABB, Inc., Mt. Pleasant, PA, the lowest responsive, responsible bidder in the total amount of \$92,800.00, and forward to City Council for approval.

The two (2) ABB 72.5 kV Disconnecting Circuit Breakers are budgeted in EL33 – T/D Sub 66 kV Power Transformer Protection Equipment Upgrade (CPR1000218).

Bids were received on November 9, 2017 as follows:

<u>Bidders</u>	<u>Total Cost</u>
ABB, Inc., Mt. Pleasant, PA	\$ 92,800.00
Wesco Distribution, Raleigh, NC	\$104,500.00

Comments: Plans and specifications were requested by two (2) suppliers with two (2) suppliers. The lowest responsive, responsible bidder is recommended. .

Local/SDBE Participation: ABB, Inc. is not classified as a SDBE, minority or woman-owned business. There are no known local vendors who can supply this equipment.

E. PWCORD2017-26 – Electric and Water/Wastewater (W/WW) Budget Amendment #2

PWCORD2017-26 is an Electric and Water/Wastewater FY 2018 amendment increasing the Electric Fund \$255,100 to \$253.9 million. The W/WW Fund budget is increasing \$1,076,500 to \$110.8 million.

Electric Fund

- Increase in revenue of \$255,100. Included in this amount, is an increase in Federal Grant revenue of \$213,100 and an increase in State Grant revenue of \$42,000. The increase is due to FEMA and NC Department of Public Safety reimbursement proceeds relating to claims resulting from Hurricane Matthew.
- A transfer to the new Substation Rebuild CPF of \$500,000 to cover the additional cost of property, associated surveys, appraisals and negotiation work for the acquisition of the Sallie Hill Farm property. Funds have been made available by deferring an existing project (CPR1000065 POD V 230-66kV Substation ROW Acquisition).
- A transfer within the Rates Department of \$25,500 from the Electric Fund to the Water Fund for consulting expenses to update PWC's facility investment fees.

W/WW Fund

- Increase in Federal Grant revenue of \$439,600 and an increase in State Grant revenue of \$136,900 due to FEMA and NC Department of Public Safety Hurricane Matthew claim reimbursements.
- Increase in Contribution Revenue and Capital Expenditures relating to the NCDOT Utility Relocation Agreement to relocate a section of sewer main that is along Buckhead Creek. The total expected cost for FY 2018 is \$500,000. NCDOT will reimburse PWC for the cost.
- A transfer within the Rates Department of \$25,500 from the Electric Fund to the Water Fund for consulting expenses to update PWC's facility investment fees.

Staff recommends that the Commission adopt the budget ordinance amendment.

F. Capital Project Fund (CPF) Budget Ordinances

Below are the CPF budget ordinances for Commission action and a summary explaining the purpose for each. The majority of the changes are reallocating bond proceeds to provide funds for the design of Annexation Areas 32 – 34. NCDOT has recently accelerated the I-295 project impacting these areas and caused an acceleration to complete the proposed design by April 2018.

The following ordinances will be effective upon adoption:

- PWCORD2017-27 - Annexation Areas 16-17 CPF is almost complete and is adjusted to its estimated final cost. This releases \$3,372,700 of allocated bond proceeds that will be used in Annexation Areas 18-19.
- PWCORD2017-28 - Annexation Areas 18-19 CPF is amended to add bond proceeds as a partial funding source. This will release \$4,555,000 in committed funds from the Annexation Reserve Fund that will be used towards the new accelerated Annexation Areas 32-34. These proceeds were made available from the amendments to Areas 16-17 and the 2016 W/S Revenue Bond CPF.
- PWCORD2017-29 - 2016 W/S Revenue Bond CPF is also amended to reallocate bond proceeds to Annexation Areas 18-19. This was made possible by delaying projects that were not in the construction phase. These projects will more than likely be funded by the next bond issuance planned in the Fall of 2018.
- PWCORD2017-30 - Annexation Reserve Fund is amended to decrease its funding to Annexation Areas 18-19 by \$4,555,000 and allocates the remaining funds of \$8 million to Annexation Areas 32-34. This is the current estimate to complete the design of these areas.
- PWCORD2017-31 - Annexation Areas 32-34 CPF establishes the Fund and budget for these areas. Design costs estimated at \$8 million will be performed this fiscal year and construction at a later date.

Staff recommends the Commission adopt the above budget CPF ordinance and ordinance amendments.

END OF CONSENT

III. 4 MONTH (JULY THRU OCTOBER 2017) FINANCIAL RECAP – (Goal #1)
Presented by: J. Dwight Miller, Chief Financial Officer
Brenda Brown, Controller

- IV. INFORMATION SYSTEMS DISASTER RECOVERY UPDATE (See Tab 2)
Presented by: Susan Fritzen, Chief Corporate Services Officer

This update will include a presentation of multiple options with a request of the Commission to provide direction.

- V. PRESENTATION OF OPTIONS FOR BUY ALL SELL ALL RATE RIDER FOR SOLAR CUSTOMERS
Presented by: Jon Rynne, Chief Operations Officer, Electrical

- VI. GENERAL MANAGER REPORT (See Tab 3)
A. Open Commission Requests

- VII. PRESENTATION BY GDS ASSOCIATES

GDS Associates will present to the Commission an information presentation on the evaluation of power supply options and generation portfolios to serve PWC customers beyond the 2024 early termination period for PWC's existing Power Supply & Coordination Agreement with Duke Energy Progress.

A portion of this item will be held in closed session pursuant to North Carolina General Statute 143-318.11(1) to prevent the disclosure of information that is privileged or confidential pursuant to the laws of North Carolina or the United States. This closed session is being called under the rules set by the Commission under Resolution PWC2017-13 consistent with North Carolina General Statute 133-33 which allows for cost estimates and bidders lists associated with the letting of Public Contracts to be kept confidential.

- VIII. REPORTS AND INFORMATION (See Tab 4)
- A. Personnel Report for November 2017
 - B. Position Vacancies
 - C. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. #18620 – 8” RJDI line and 16” steel casing @ US HWY 401 nr. Ramsey St.
 - D. Actions by City Council during meeting of November 13, 2017, related to PWC:
 - Approved Bid Recommendation to Award Contract for North Fayetteville Water Systems Improvement Contract 2: Water Transmission Main Project
 - Approved Bid Recommendation to Award Contract for the Legion Hills Outfall and New Pinewood Drive Lift Station

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- Approved Bid Recommendation to Award Contract for Sewer Main Rehabilitation Work for Fiscal Year 2018
- E. Financial Statement Recaps as of October 31, 2017
 - Electric
 - Water/Wastewater
 - Fleet Maintenance Internal Service Fund

IX. ADJOURN

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, NOVEMBER 8, 2017
8:30 A.M.

Present: Wade R. Fowler, Jr., Chairman
D. Ralph Huff, III, Vice-Chairman
Darsweil L. Rogers, Secretary
Evelyn O. Shaw, Treasurer

Others Present: David W. Trego, CEO/General Manager
Jay Reinstein, Assistant City Manager
Jim Arp, City Council Liaison (VIA TELECONFERENCE)
Melissa Adams, Hope Mills Town Manager
Jerry Newton, Development Services Director (City)
PWC Staff

Absent: Michael Boose, Cumberland County Liaison
Media

REGULAR BUSINESS

Chairman Fowler called the meeting of Wednesday, November 8, 2017, to order.

APPROVAL OF AGENDA

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

CONSENT ITEMS

Upon motion by Commissioner Shaw and seconded by Commissioner Rogers, the Consent Items were unanimously approved.

- A. Approve Minutes of meeting of October 25, 2017
- B. Approve Resolution No. PWC2017.12 authorizing use of the design-build contracting method for the Bramblegate Road and Clifton Drive Bank Stabilization project.

COMMENTS: In 2013, the General Assembly enacted legislation authorizing the use of new contracting methods for public construction projects, one of which is design-build. Design-build is an integrated approach to a construction project that delivers both design (architectural or engineering) and construction services under one contract with a single point of responsibility. Selection of the design-build team is made via the “qualifications-based” selection method outlined in G.S. 143-64.31.

- C. Approve Resolution No. PWC2017.13 allowing the CEO and General Manager To Make Certain Information Confidential Consistent with North Carolina General Statutes Section 133-33

END OF CONSENT

Mr. Jay Reinstein, Assistant City Manager, introduced Mr. Jerry Newton. He is the new Director of Development Services for the City of Fayetteville, reporting to Mr. Reinstein. Mr. Newton will oversee Building Inspection, Planning and Zoning. He comes to the City with over 30 years of experience.

FISCAL YEAR 2017 SPEND ANALYSIS

Presented by: Mark Cannady, Procurement Supervisor

Mr. Trego, CEO/GM stated the Commission has requested a detailed analysis of PWC’s spending. He stated when we set goals we need the macro and micro data behind it to make smart decisions. He asked Mark Cannady to pull together data based on the fiscal 2017 results. Mark has done this and has done an excellent job. Mr. Trego stated Mark can also create more detailed reports if needed.

Mark Cannady, PWC Procurement Supervisor stated one of our strategic items for the last fiscal year was to improve vendor capacity. He stated we wanted to quantify what we are currently spending locally to determine deficiencies in local spend expectations.

Mr. Cannady, also stated PWC wanted to relay the information that is in the spend analysis to the community to show insight into our contracting and segment within the contracting community. If they wanted to enhance, expand or build capacity in those areas, we would have the data for them.

Mr. Cannady stated he extracted the raw data from the Oracle Business Intelligence Module and the Procurement Card provider. He also validated the data to ensure it was correct. He stated he went through a cleansing process (scrubbing) where filters were applied to the data. He also enhanced the data, to make it better to interpret. He stated he is now at the last stage which is reporting and then determining the direction the Commission wants to take.

Mr. Cannady reported the following Overall Spend.

D-R-A-F-T

FUND	FUND NAME	SPEND	SPEND %
001	ELECTRIC UTILITY FUND	\$ 189,479,058	72%
002	WATER RESOURCES UTILITY FUND	\$ 29,952,747	11%
045	SERIES 2014 WATER/WASTEWATER CPF	\$ 9,538,347	4%
054	SERIES 2016 WATER AND WASTEWATER CPF	\$ 8,774,177	3%
049	ANNEXATION PHASE V - AREAS 16 & 17 CPF	\$ 7,793,836	3%
055	FLEET MAINT INTERNAL SVC FND	\$ 5,328,661	2%
044	SERIES 2014 WATER CONNECT CPF	\$ 2,704,410	1%
003	METER FUND	\$ 2,391,655	1%
052	ANNEXATION PHASE V - AREAS 18 & 19 CPF	\$ 1,590,093	1%
043	SERIES 2014 ELECTRIC CONNECT CPF	\$ 1,441,907	1%
048	2013 PO HOFFER PHASE 1 STATE REVOLVING LOAN CPF	\$ 1,043,201	<1%
053	NCDOT CAPITAL PROJECT FUND	\$ 531,832	<1%
046	SERIES 2014 LED LIGHTING CPR	\$ 546,581	<1%
056	ANNEXATION PHASE V, AREA 20 AND 21 CPF	\$ 522,003	<1%
037	ANNEXATION PHASE V AREAS 8-13	\$ 215,000	<1%
000	NO SPECIFIED FUND	\$ 6.00	<1%
TOTAL		\$ 261,853,514	100%

He stated staff analyzed over 40,000 invoices. He noted the majority of spending is through the Electric Utility Fund which pays Duke Energy Progress for our electric usage. He stated the first filter was to deduct non procurement related expenditures. Below reflects the deductions:

Activity Name	Spend
PROGRESS ENERGY	\$ 134,992,809
CITY OF FAYETTEVILLE	\$ 12,653,972
HOPE MILLS REFUNDS	\$ 5,511,283
MISC. EXPENSES*	\$ 4,828,347
PROCUREMENT CARD	\$ 2,264,164
ELECTRIC TO WATER TRANSFER	\$ 1,816,924
INSURANCE EXPENSE	\$ 1,769,966
TAXES	\$ 1,710,552
PRINCIPAL PAYMENTS	\$ 1,566,733
CUMBERLAND COUNTY	\$ 1,260,992
GARNISHMENTS PAID	\$ 945,107
FT BRAGG WATER CONTRACT	\$ 939,409

D-R-A-F-T

OTHER ACCTS PAYABLE-CURRENT	\$ 624,394
DEPOSIT REFUNDS PAYABLE	\$ 552,104
PAID INTEREST	\$ 526,604
DEPT. OF ENERGY	\$ 516,014
CLAIMS	\$ 401,659
FINAL BILL CR BALANCE PAYABLE	\$ 362,720
BILL CREDITS	\$ 357,547
RECS	\$ 262,380
NCDOT PROJECTS	\$ 259,428
TOTAL	\$ 174,483,108

Mr. Cannady stated once the \$174,483,108 was deducted from the gross, the balance was about \$88M which reflects the potential contracting spending for FY2017. He stated the majority was coded as Contractual Services (projects such as PO Hoffer expansion, water main rehab). He also noted soft services are categorized in Facilities & Grounds Maintenance. He stated the entire list entails over 150 categories. The chart below details where the dollars were spent:

COST TYPE	SPEND
CONTRACTUAL SERVICES	\$ 47,119,669
PURCHASES / ADDITIONS	\$ 8,831,301
INVENTORY	\$ 7,861,078
EQUIPMENT & REPAIR PARTS	\$ 4,480,724
MATERIALS & SUPPLIES	\$ 2,742,698
CHEMICALS (NON INVENTORY ISSUED)	\$ 2,311,245
FACILITIES & GROUNDS MAINTENANCE	\$ 2,022,758
COMPUTER SYSTEM CONTRACTS	\$ 1,816,885
MANAGEMENT CONSULTING	\$ 1,361,189
METERS - WATER - DIRECT PURCHASE	\$ 1,084,210
FUEL GAS & DIESEL	\$ 986,134
METERS - ELECTRIC	\$ 769,927
SLUDGE REMOVAL	\$ 752,019
TEMPORARY PERSONNEL FEES	\$ 725,623
POSTAGE/PRINT/STATIONERY	\$ 714,961
TELEPHONE EXPENSE	\$ 616,934
COMMUNITY RELATIONS	\$ 559,708
MAIN AGREEMENTS/NON-COMPUTER	\$ 532,455

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CONTRACT LABOR	\$	366,433
SECURITY SERVICES	\$	315,484

Mr. Cannady stated last year we utilized approximately 820 vendors. Over 200 were local vendors. He detailed the top 25 vendors below. He noted State Utility Contractors worked on two annexation projects last year. The first Fayetteville (local) vendor on the list is Billy Bill Grading. He anticipates they will move up into the top 5 because they have recently won a contract. He stated we will use this analysis as a baseline for next year. Discussion ensued.

VENDOR NAME	CITY	SPEND
STATE UTILITY CONTRACTORS INC.	Monroe	\$ 5,509,465
INSITUFORM TECHNOLOGIES, INC.	Atlanta	\$ 4,673,754
M.B. KAHN CONSTRUCTION CO. INC	Columbia	\$ 4,278,444
HEITKAMP, INC.	Watertown	\$ 4,198,892
SENSUS USA	Pittsburgh	\$ 3,773,849
T.A. LOVING CO. INC.	Goldsboro	\$ 3,505,717
BILLY BILL GRADING	Fayetteville	\$ 2,914,752
SANDY'S HAULING & BACKHOE SVC	Roseboro	\$ 2,736,204
PIKE ELECTRIC, LLC	Memphis	\$ 2,374,094
MYTHICS, INC.	Virginia Beach	\$ 1,666,527
ANIXTER INTERNATIONAL INC.	Dallas	\$ 1,616,204
WESCO DISTRIBUTION, INC.	Fayetteville	\$ 1,430,282
COASTAL POWER AND ELECTRIC CO.	Currie	\$ 1,297,847
MECHANICAL JOBBERS MARKETING	Lithonia	\$ 1,227,598
STUART C IRBY CO	Rocky Mount	\$ 1,144,604
PRISM CONTRACTORS, INC.	Williamsburg	\$ 1,039,613
LEE ELECTRICAL CONSTRUCTION	Aberdeen	\$ 969,959
WK DICKSON & CO., INC.	Charlotte	\$ 967,793
HD SUPPLY WATERWORKS, LTD.	Fayetteville	\$ 841,281
LOOKS GREAT SERVICES OF MS, INC.	Columbia	\$ 836,866
BTS TIRE & WHEEL DISTRIBUTORS	Fayetteville	\$ 816,888
EMTEC CONSULTING SERVICES, LLC	Chicago	\$ 805,411
SYNAGRO CENTRAL, LLC	Chicago	\$ 775,793
ERMCO	Dyersburg	\$ 731,340
MOORMAN, KIZER & REITZEL, INC.	Fayetteville	\$ 702,136

Commissioner Fowler stated a number of those on the list which are outside the city hire locally though it is not reflected on the list. Mr. Cannady affirmed stating staff researched and added back to our local spend figures when we determined a contractor hired locally or spent locally. He stated he will show this information on a subsequent slide. Mr. Cannady

stated staff will place an affidavit within our bid packets (similar to SDBE participation) to assist us in tracking what is local.

Commissioner Rogers noted five of the twenty five vendors are local. Mr. Cannady stated there is a lot of participation. He noted there are only 2 water and sewer contractors which actively bid on our jobs, though there are 17 certified as general contractors within Cumberland County. He stated we will see if we can increase the participation. Commissioner Rogers asked to what extent we have been able to identify who is local that might be a competitor. Mr. Cannady responded we went through the General Contracting Board to identify who is local and qualified. We called these companies to find out why they are not participating. He gave examples. He stated for some it is a business case decision.

Commissioner Huff asked if there are local firms that do what Lee Electrical Construction does. Mr. Cannady stated there are several; we are doing work with one now, but some have chosen thus far not to bid on projects. Discussion ensued.

Council Member Arp asked about the small company contract opportunities. He asked about the period of performance. What time period do we consider? Mr. Cannady responded it is an ongoing annual contract, with option to renew. If it is project based it may expand over several years. Discussion ensued.

Mr. Cannady stated the second component of the analysis was the Procurement Card expenditures. He stated staff pulled all the transactions for the year, which totaled over 16,000 transactions. We had over \$2.6M in these transactions. \$1.9M was spent locally. He stated we utilize procurement cards a lot in our Fleet Department.

Commissioner Shaw asked if the decision to use a P-Card at any particular location is subjective. Mr. Cannady responded yes. There is a limit of \$1,000 per transaction on a procurement card. We also have ways to pay the financial institution thru our procurement card. He stated only the Procurement Department can purchase tools. Mr. Miller stated a lot of the vendors give a rebate if we pay through a procurement card. Additional discussion ensued.

Commissioner Shaw asked “where is the red flag” for the Procurement Department if the same vendor is always used. Mr. Cannady stated using analysis such as this will reveal trends. When we see those trends, we check with the card holder. Additional discussion ensued.

VENDOR NAME	P-CARD LOCAL SPEND	DEPARTMENT
OTHER LOCAL SPEND* (<\$20,000)	\$815,208	Misc.
NAPA	\$227,376	Fleet
LAFAYETTE FORD	\$164,147	Fleet
GILL SECURITY SYSTEMS, INC.	\$89,202	Facilities

D-R-A-F-T

MECHANICAL AND MAINTENANCE	\$54,565	Electrical Construction
FAST SIGNS	\$54,068	Facilities
WATER WORKS SUPPLY	\$52,328	W/R Construction
UP & COMING MAGAZINE	\$44,570	CCR
POWER SWAIN	\$41,013	Fleet
301 ENVIRONMENTAL CLEAN UP	\$35,390	Environmental
QUALITY CONCRETE	\$34,490	Misc.
BILL'S MOBILE CRANE SERVICE	\$34,409	Misc.
APPLIED INDUSTRIAL TECHNOLOGIES	\$34,018	Misc.
TRANSOURCE	\$33,882	Fleet
HOPE MILLS SAW & MOWER	\$33,226	Misc.
D&J MOTOR COMPANY	\$33,226	Misc.
CONSOLIDATED ELECTRICAL DISTRIBUTION	\$32,631	Electrical Construction
H&H FREIGHTLINER	\$31,047	Fleet
HUBBARD KITCHEN AND BATH	\$27,915	W/R Construction
WILLIAMS OFFICE SUPPLY	\$27,756	Misc.
NATIONWIDE TRANSMISSION	\$26,277	Fleet
O'REILLY AUTO PARTS	\$24,163	Fleet
GREGORY POOLE EQUIPMENT	\$20,809	Fleet
TOTAL	\$1,971,716	

Ms. Gloria Wrench, Procurement Manager stated staff has communicated to the departments what our expectations are, as far as getting multiple quotes and not going to the same vendor all the time. We are also instituting a requisition checklist. We have communicated these new requirements to the Chief Officer level and their direct reports. We will also conduct training for others. She stated this was the last fiscal year, but hopefully next year you will see a change. Discussion ensued.

Mr. Cannady then summarized the spending analysis. He noted the available local spend it \$45,442,802. This is the amount that we should be able to spend in the region. He stated we actually spent \$20,495,447.00.

OVERALL INVOICED SPEND	\$ 261,853,513.00
NON-PROCUREMENT DEDUCTIONS	\$ (174,483,108.00)
TOTAL NON-AVAILABLE LOCAL SUPPLIERS/CONTRACTORS	\$ (44,551,767.00)
PROCUREMENT CARD ADJUSTMENT	\$ 2,624,164.00
TOTAL LOCAL AVAILABLE SPEND	\$ 45,442,802.00

D-R-A-F-T

TOTAL LOCAL SPEND	\$ 20,495,447.00
TOTAL NON-LOCAL SPEND	\$ 24,947,356.00
TOTAL LOCAL AVAILABLE SPEND	\$ 45,442,802.00
LOCAL SPEND	\$ 15,864,569.00
TOTAL NON-LOCAL PAID TO LOCAL SUBCONTRACTORS/SUPPLIERS	\$ 2,659,161.00
TOTAL LOCAL PROCUREMENT CARD SPEND	\$ 1,971,717.00
TOTAL LOCAL SPEND	\$ 20,495,447.00

NON-LOCAL SPEND	\$ 26,954,069.00
TOTAL NON-LOCAL PAID TO LOCAL SUBCONTRACTORS/SUPPLIERS	\$ (2,659,161.00)
PROCUREMENT CARD SPEND – NON-LOCAL	\$ 652,448.00
TOTAL NON-LOCAL SPEND	\$ 24,947,356.00

Mr. Cannady stated he is confident our local utilization is approximately 45%. He stated it is our baseline for next year and we hope to exceed that number.

Mr. Trego stated what is very obvious in this number is we are doing a decent job where there is local competition. But for almost half of the dollars we spend, there is no local competition. He stated that is a telling number. Some of the businesses have left and for some of the businesses we will not have a local competitor. There are a lot of manufacturer reps that have territories. They may have an office in Charlotte that includes the Fayetteville area and they will never have a local office in Fayetteville.

He stated we need to further parse out the \$45M and take a look at the non-local and determine how much of that figure will never be local. Further discussion ensued.

Commission and staff discussed the Raeford Road project and possible local participation in the project.

Mr. Cannady stated when suppliers come in and stay in our hotels it also boosts our economy but we are only tracking contract spend.

Mr. Trego stated we are concentrating on the MSA which is a two county area. But if you look at the list regionally with the surrounding counties the percentage goes up to 60%. From the list of leading non-local contractors some of them are regional. Discussion ensued regarding the definition of local and non-local.

Mr. Cannady then focused on the following slide. He stated these are the segments of work if vendors wanted to expand their businesses they could consider. He noted PWC has contracted to purchase transformers from a firm in Hoke County and the Connect project has ended.

Non-Local Supplier/Contractor Spend Categories

Supplier/Contractor Type	Spend
WATER/SEWER/SLUDGE CONTRACTORS	\$ 17,965,000
ELECTRICAL SERVICES CONTRACTORS/SUPPLIERS	\$ 9,316,886
INFORMATION SYSTEMS RENEWALS/CONSULTANTS	\$ 6,165,517
CONNECT PROJECT	\$ 4,308,097
WATER/SEWER CHEMICAL SUPPLIERS	\$ 4,201,503
FLEET REPAIR/SUPPLIERS	\$ 1,666,661

Commissioner Shaw asked if there has been any consideration of talking to the staff at Fayetteville Tech in an effort to add to their curriculum some of these service expertise classes whereby these companies can develop employees to become experts in these fields. She mentioned the work Mr. Russell has done in going to Nash County Community College to recruit linemen because there were none here. He then went to Fayetteville Tech to request they offer lineman classes.

Commissioner Rogers responded. He stated the committee which has been formed (Building Small/Local Business Capacity) which includes Hope Mills, Spring Lake, The School Board, Cape Fear Valley, City of Fayetteville, Cumberland County and PWC, and attending those meetings is Teddy Warner from the EDC. He stated the effective interaction with FTCC is when the EDC (Economic Development Corporation) identifies the need with existing or new industry for training, they approach FTCC and say, here is a need we have identified. FTCC cannot offer to just one person, but if there is a group who has the need and an ongoing need, they will put it in place. FTCC simply needs to see the volume. Commissioner Rogers stated it is through the collective conversation where these needs and the remedies are identified.

He stated David Trego presented the spend analysis to his committee. He hopes that all the other parties will do a similar analysis and then parse it back to see where the opportunity is. Additional discussion ensued.

Commissioner Rogers thanked Mr. Cannady and the Procurement team for a great presentation. He also thanked Commissioner Shaw for her insight and knowledge of procurement. She was influential in steering the conversation in the right direction.

Commissioner Rogers stated the committee is proceeding, though it has had some growing pains. He stated they originally wanted to look at all the surrounding counties but there were some voices who were not interested in the expanded view of local; so they have backed it down to Cumberland and Hoke Counties. They are going to move forward and look for ways to create a one-stop opportunity for people to go to one of our websites and click at procurement for all. Additional discussion ensued.

Mr. Trego asked the Commissioners to take a look at the more detailed report. If there is additional information they are looking for, Mark Cannady can research and create the detail they are in need of and they can make informed decisions going forward.

Commissioner Shaw also thanked Mr. Cannady and the Procurement Department. She stated she recognized it was a lot of work. Also a compliment is due to those who put the information in the system. He would not have been able to access if it was not there. She thanked Mr. Miller (Finance) and the IT Department.

Commissioner Fowler stated it was very good news considering what we were shooting for. Mr. Trego stated the City has a goal of 40% (where available) and we were at 45%, so it is comparable to where the City Council set. He felt good about where we were. Commissioner Shaw stated this needs to be communicated to the greater community. Mr. Trego replied we are now including this information in our standard speech when we go out into the community.

UPDATE ON PWC'S CYBER SECURITY PROGRAM

Presented by: Paul Rao, Director of Information Systems

Mr. Paul Rao, Director of Information Systems stated 156 million is the latest number of people affected by the Equifax breach or hack. He stated it is a growing trend and one of The Information Systems Department's strategic goals is to have a cyber-security and a physical security plan to protect sensitive data within PWC.

Power and Utility attacks alone make up for 28% of all cyber-security attacks against industries. (He stated this data may have gone down since the Equifax breach). Within the power and utility, power and water combined account for 47% of all attacks.

Mr. Rao noted there have not been any significant attacks here in the US. But right before Christmas last year, in one area of Ukraine, hackers hacked into the control system, substation data and the call centers. They disabled power to 285,000 consumers. He stated there was no ransom or threat offered, though some forensic evidence points it could have

been done by some Russian influencers prior to the Crimea succession that Russia took over. It appeared to be just a threat of what they could do.

Mr. Rao stated though this happened a long way from here, we should not think that it cannot happen here in the U.S. Our systems are protected a little better than theirs but are still vulnerable to these types of threats.

Mr. Rao stated if you look back over the last five to six years, the trend of cyber security incidents reported by federal agencies is growing at almost an exponential scale. He stated since 2005 ransomware attacks have grown.

Mr. Rao stated there has been an increase in the number of threats in the last several years. Hackers will try to infest your system with some type of virus, malware or ransomware, where they hold your data for ransom and unless you pay them you will not be able to retrieve your data. He stated we have had only one ransomware incident in the past 1 ½ years. We were able to retrieve the data without paying the ransom.

Mr. Rao stated hackers use the following tactics to breach your computer:

- 62% of breaches featured hacking
- Over half of breaches included malware (51%)
- 81% of hacking-related breaches leveraged either stolen and/or weak passwords
- 43% were social attacks
- Errors were causal events in 14% of breaches. The same proportion involved privilege misuse
- Physical actions were present in 8% of breaches

Paul Rao stated a good password entails the following: upper case letters; lower case letters; numbers; and symbols. He stated passwords should be nine digits long.

Mr. Rao stated PWC has taken the following measures. We are in a constant repetitive mode of access, defend and prevent. The IS Department has two full-time security analysts. They ran a report which analyzed the last 30 days of emails received at PWC. He stated we received almost 3 million emails and almost 68% were either spam or malicious. We have to block or quarantine them, yet some still are able to get through. They can come through valid websites.

Commissioner Fowler stated he has noticed increased fishing, spam or malicious emails in his personal email account. Commissioner Shaw asked why is it some emails are not received when they come from a known email address. She stated she has had issues with sending and/or receiving emails from the CEO or Clerk. Discussion ensued.

Mr. Rao stated we are in the process of implementing Security Incident & Event Management software. The implementation will be completed by next year. It is an operational dashboard control center purely focused on security incidents. We are able to

graphically see various components of our network and where the threats are. It is one place where our security team and network team can go to for security type threats.

Mr. Rao stated as part of the Access Phase, we have contracted with an independent company in North Carolina that focuses on SCADA Security Audits. It accesses the vulnerability of the SCADA systems (both electric and water). He stated the report that came back exposed vulnerabilities and revealed some corrective actions staff can take. He stated staff has completed some tasks and are in the process of completing others, including the firewall between our corporate network and SCADA network. They found a few of the physical servers where the SCADA equipment was located needed enhanced physical security. They are looking at improved access control methods and finally they will evaluate if they can actively monitor the SCADA with the SIEM system as they do with their corporate networks. Mr. Trego stated it was the SCADA system in Ukraine that was hacked.

Mr. Rao stated one of the leading vulnerabilities in any organization is the lack of awareness of its employees of what constitutes suspicious emails; what should they send to IS. The department has instituted a mandatory Online Security Awareness Training. It takes about 1 ½ to 2 hours of an employee's time. It helps to mitigate some threats. IS understands that many times people are not aware of threats, so they are utilizing PWC's most valuable assets (employees) to help protect other assets. Mr. Rao stated training is customized to each department. He stated we will have 100% completion by November 30. As of now, 95% of employees have completed training. Information Systems is trying to implement the thought process of 'Think before You Click'.

Commissioner Rogers asked how often employees will have to take the training. Mr. Rao stated it is annual. It will begin again in January. Commissioner Rogers also asked if it is part of the Onboarding Process. Mr. Rao stated staff is still evaluating to see if it is viable to make it part of the Onboarding Process. Ms. Fritzen stated we do have a process in place to catch or train the new employees. We did not forget about them.

Mr. Rao stated we found that our Web Portal was vulnerable so we implemented an additional security technique to prevent non-humans from attempting to access the website. We use CAPTCHA. The customer has to type the text as seen on the screen. Computers cannot duplicate it.

He stated we have a lot of contractors that need to dial into our systems in order to support them. They have passwords, but we wanted to enhance the security. We implemented Two Factor Authentication. Once the user enters the password, the system sends a text to the mobile number on file and the user will have to enter that information before access is granted. Discussion ensued.

Mr. Rao stated in summary we have a cyber-security plan and we are in year two of the three year plan. We are constantly in the cycle of accessing threats, defending against them and then taking preventative measures. He stated staff will provide another cyber security update when the Commission requests.

Commissioner Rogers asked where we stand in terms of what Mr. Rao considers best in class in this environment (cyber security). Mr. Rao responded for our size organization and the amount of data and systems we have, he would give us a 7 out of 10. He stated the reasoning for it is many of the items we want to implement require software and technology. We have budgeted for it so it is not a money issue; it tends to be a tech problem in terms of being able to implement the variety of different measures for the threats that are out there.

Mr. Trego stated he believes it is also a time issue. The previous IS Directors were more reactionary when it relates to security. When Paul Rao came to PWC he brought a proactive-ness. We did not begin the assessment until he arrived. Mr. Trego stated we were more in reaction mode. During that time we were implementing our Oracle systems and doing a lot of different things, so he is not criticizing the previous directors. Mr. Rao stated we needed to take a proactive approach. We began later than other firms of our size, so it is an element of time.

Ms. Fritzen stated when she stepped in and began to oversee Information Systems, we were simply checking emails. Seeing what was out there in the industry and having the assessment completed was huge. We were able to then layout a plan. She stated we physically could not do this in a year. We realized we didn't need another staff member but it is how you roll it out. Mr. Trego stated a lot of it is sequential.

Mr. Rao stated we do not have a process in place in the event of a major recovery. He stated when we identify a major threat, we need to identify the process we go through to recover from the threat; quarantine what has affected us; and get us back up and running. He stated this will be implemented in 2018. Discussion ensued.

Commissioner Rogers stated he is interested in what we will do if something happens to Duke and also how will we handle onboarding new employees.

Council Member Arp stated this is a good discussion and relevant. He stated on the cyber security side most people think passwords are a hassle, but it is critical. He stated the weakest link, other than legacy technology, is your people and their access. In the cyber world that is how people rapidly gain the easiest access (fishing, malware). He asked if we are using a multilayer strategy. Mr. Rao answered yes we are. He stated there are several levels of protection. We are implementing two factor authentications for certain types of access. We have password change policies and enforcement. It is a multilevel approach to cyber security.

Council Member Arp stated having good cyber security, especially for critical infrastructure like PWC is hard to do in-house. Technology is evolving at such a rapid rate. There is a new generation of technology every 18 months or sooner now. He stated having the ability to reach out to someone who has that as their focus and intent is not a bad thing to look at as you develop your long term security and improvement strategy. He also asked about our critical incident response plan. He asked if we have a way to isolate, insulate and deny without disruption of services. Mr. Rao stated no, that is on our plate. We know we are

lacking in incidence response plan and it is on target for 2018. Mr. Trego stated at some point when we have more information we will have a closed session.

Commissioner Fowler stated it was an excellent presentation and thanked Mr. Rao.

GENERAL MANAGER REPORT

United Way Campaign for 2018

Mr. Trego stated we have begun our campaign. We have had the first meeting with the management team and are shooting for 100% participation. He reminded commissioners on last year we had 99.5% participation.

Atlantic Coast Pipeline

Mr. Trego stated the last time he updated the Commission, Governor Cooper required additional level of information on how the pipeline will affect rivers, land and the environment. Since then, the FERC (Federal Energy Regulatory Commission) has issued to them a Certificate of Need. It means FERC has authorized them to build the line. The ACP will still have to go through the states to work out any remaining issues. The biggest hurdle was getting FERC approval. He stated FERC has determined there is a need and what they have planned is a balance between all the different constituencies (the environment, need to get the natural there, how they are constructing and where they are placing it). Therefore they have authorized them to build the line.

Missing Man Table

PWC is part of The Heroes Homecoming in Fayetteville. We are hosting the Missing Man Table. We are one of the 150 businesses in the country who have it and we are very happy to participate in this project.

REPORTS AND INFORMATION

- A. Personnel Report – October 2017
- B. Position Vacancies
- C. Approved Utility Extension Agreement(s):
 - Aldi, (N.C.), LLC – water and/or sewer utility extension and water/sewer service to serve Aldi #104 @ Gillis Hill Road

ADJOURNMENT

There being no further business, upon motion by Commissioner Rogers, seconded by Commissioner Shaw and unanimously approved, the meeting was adjourned at 9:55 a.m.

**FAYETTEVILLE PUBLIC WORKS COMMISSION
ACTION REQUEST FORM**

TO: David W. Trego, CEO/General Manager

DATE: December 4, 2017

FROM: Mark Cannady, Procurement Supervisor

.....
ACTION REQUESTED: Award bid for the purchase of 40,000 ft. of 750 MCM Underground Primary Distribution Cable, PWC Stock No. 1-065-522 (with the option to purchase additional quantities within a one-year period upon agreement of both parties).
.....

BID/PROJECT NAME: 750 MCM Underground Primary Distribution Cable

BID DATE: November 7, 2017

DEPARTMENT: Electric Inventory

.....

BIDDERS	TOTAL COST
Anixter, Inc.; Apex, NC	\$241,920.00
Wesco Distribution, Inc.; Clayton, NC	\$243,040.00
Stuart C Irby; Fredericksburg, VA	\$257,175.00
Shealy Electrical Wholesalers; Greenville, SC	\$286,740.00*

*Shealy Electrical Wholesalers quoted 40,500'

.....
AWARD RECOMMENDED TO: Anixter, Inc.; Apex, NC

BASIS OF AWARD: Lowest responsive, responsible bidder

.....
COMMENTS: Plans and specifications were requested by seven (7) suppliers with four (4) responding. This cable is a regularly stocked electric inventory item last purchased in February of 2017 at a cost of \$5.369 per foot. The current bid price is \$6.048. The cost of this cable fluctuates due to metals pricing.
.....

ACTION BY COMMISSION
APPROVED _____ **REJECTED** _____
DATE _____

ACTION BY COUNCIL
APPROVED _____ **REJECTED** _____
DATE _____

BID HISTORY

750 MCM UNDERGROUND PRIMARY DISTRIBUTION CABLE BID DATE: NOVEMBER 7, 2017

Advertisement

- | | | |
|----|--|----------------------|
| 1. | PWC Website | 10/25/17 to 11/07/17 |
| 2. | Fayetteville Regional Chamber | Web Posting |
| 3. | The Fayetteville Press, Fayetteville, NC | General Ad Monthly |

List of Organizations Notified of Bids

1. NAACP Fayetteville Branch, Fayetteville, NC
2. NAWIC, Fayetteville, NC
3. N.C. Institute of Minority Economic Development, Durham, NC
4. Fayetteville Business & Professional League, Fayetteville, NC
5. SBTDC, Fayetteville, NC
6. FTCC Small Business Center, Fayetteville, NC
7. CEED, Fayetteville, NC

List of Contractors Requesting Plans and Specifications

1. Anixter, Inc., Wake Forest, NC
2. Wesco Distribution, Inc.; Raleigh, NC
3. Shealy Electric; Florence, SC
4. Gregory Electric Company, Inc.; Garner, NC
5. City Electric Supply Company, Inc.; Fayetteville, NC
6. Utility Agency and Import; Mansfield, TX
7. Stuart C Irby; Fredericksburg, VA

Local/SDBE Participation

Anixter, Inc. is not classified as a SDBE, minority or woman-owned business. There are no known local vendors who can supply this equipment.

**PUBLIC WORKS COMMISSION
ACTION REQUEST FORM**

TO: David W. Trego, CEO/General Manager

DATE: December 4, 2017

FROM: Mark Cannady, Procurement Supervisor

.....
ACTION REQUESTED: Award bid for the purchase and delivery of all materials, equipment and incidentals for two (2) sets of 69 to 15 or 25 kV Transformer No. 1 Relay Control Switchboards and two (2) SCADA HMI and Communications Switchboards.

.....
BID/PROJECT NAME: Relay Control Switchboards and SCADA HMI Switchboards for a 69 to 15 or 25 kV Substation

BID DATE: November 2, 2017 **DEPARTMENT:** Substations & Electrical Support Services

BUDGET: EL 31 – T/D Differential and Back-up Overcurrent Relay Replacement

.....

BIDDERS	TOTAL COST
Keystone Electrical Mfg. Co.; Des Moines, IA	\$173,936.80
Electrical Power Products, Inc.; Des Moines, IA	\$177,540.00
SEL Engineering Services, Inc.; Charlotte, NC	\$183,532.00
AZZ Enclosure Systems, LLC; Millington, MD	\$184,940.31
KVA, Inc.; Greer, SC	\$207,044.00
KEMCO Industries, LLC; Sanford, FL	\$227,174.00

.....

AWARD RECOMMENDED TO: Keystone Electrical Mfg. Co.

BASIS OF AWARD: Lowest responsive, responsible bidder

AWARD RECOMMENDED BY: Joel Valley, Manager Substations & Electrical Support Services
Mark Cannady, Procurement Supervisor

.....
COMMENTS: Bids were solicited from (12) suppliers with (6) suppliers responding.
The low bid is recommended.

.....
ACTION BY COMMISSION
APPROVED _____ **REJECTED** _____
DATE _____

ACTION BY COUNCIL
APPROVED _____ **REJECTED** _____
DATE _____

BID HISTORY

RELAY CONTROL SWITCHBOARDS AND SCADA HMI RELAY SWITCH BOARDS FOR A 69 TO 15 OR 25 KV SUBSTATION

BID DATE: NOVEMBER 2, 2017

Advertisement

- | | | |
|----|--|--------------------------|
| 1. | PWC Website | 10/03/2017 to 11/02/2017 |
| 2. | The Fayetteville Press, Fayetteville, NC | General Ad Monthly |

List of Organizations Notified of Bids

1. NAACP Fayetteville Branch, Fayetteville, NC
2. NAWIC, Fayetteville, NC
3. N.C. Institute of Minority Economic Development, Durham, NC
4. Fayetteville Business & Professional League, Fayetteville, NC
5. SBTDC, Fayetteville, NC
6. FTCC Small Business Center, Fayetteville, NC
7. CEED, Fayetteville, NC

List of Contractors Requesting Plans and Specifications

1. Keystone Electrical Mfg. Co.; Des Moines, IA
2. Electrical Power Products, Inc.; Des Moines, IA
3. SEL Engineering Services, Inc.; Charlotte, NC
4. AZZ Enclosure Systems, LLC; Millington, MD
5. KVA, Inc.; Greer, SC
6. KEMCO Industries, LLC; Sanford, FL
7. Jake Rudisill Associates, Inc.; Charlotte, NC
8. Affinity Energy, LLC; Charlotte, NC
9. Lekson Associates, Inc.; Raleigh, NC
10. Myers Power Products, Inc.; Ontario, CA
11. GE Energy Infrastructure; Atlanta, GA
12. Lake Shore Electric Corporation; Cleveland, OH

Local/SDBE Participation

Keystone Electrical Mfg. Co. is not classified as a SDBE, minority or woman-owned business. There are no known local vendors who can supply this equipment.

**PUBLIC WORKS COMMISSION
ACTION REQUEST FORM**

TO: David W. Trego, CEO/General Manager

DATE: December 4, 2017

FROM: Mark Cannady, Procurement Supervisor

.....
ACTION REQUESTED: Award bid for the purchase and delivery of two (2) ABB 72.5 kV Disconnecting Circuit Breakers for the replacement of the two breakers at P.O. Hoffer Substation and Murray Fork Substation.

.....
BID/PROJECT NAME: 72.5 kV Disconnecting Circuit Breakers

BID DATE: November 9, 2017

DEPARTMENT: Substations & Electrical Support Services

BUDGET: EL 33 – T/D Sub 66 kV Power Transformer Protection Equipment Upgrade (CPR1000218)

.....
BIDDERS

TOTAL COST

ABB, Inc.; Mt. Pleasant, PA

\$92,800.00

Wesco Distribution; Raleigh, NC

\$104,500.00

.....
AWARD RECOMMENDED TO: ABB, Inc.

BASIS OF AWARD: Lowest responsive, responsible bidder

AWARD RECOMMENDED BY: Joel Valley, Manager Substations & Electrical Support Services
Mark Cannady, Procurement Supervisor

.....
COMMENTS: Bids were solicited from (2) suppliers with (2) suppliers responding. The low bid is recommended.

.....
ACTION BY COMMISSION

APPROVED _____ **REJECTED** _____
DATE _____

ACTION BY COUNCIL

APPROVED _____ **REJECTED** _____
DATE _____

BID HISTORY

72.5 KV DISCONNECTING CIRCUIT BREAKERS

BID DATE: NOVEMBER 9, 2017

Advertisement

- | | | |
|----|--|--------------------------|
| 1. | PWC Website | 10/30/2017 to 11/09/2017 |
| 2. | The Fayetteville Press, Fayetteville, NC | General Ad Monthly |

List of Organizations Notified of Bids

1. NAACP Fayetteville Branch, Fayetteville, NC
2. NAWIC, Fayetteville, NC
3. N.C. Institute of Minority Economic Development, Durham, NC
4. Fayetteville Business & Professional League, Fayetteville, NC
5. SBTDC, Fayetteville, NC
6. FTCC Small Business Center, Fayetteville, NC
7. CEED, Fayetteville, NC

List of Contractors Requesting Plans and Specifications

1. Wesco Distribution, Inc.; Raleigh, NC
2. ABB, Inc.; Mt. Pleasant, PA

Local/SDBE Participation

ABB, Inc. is not classified as a SDBE, minority or woman-owned business. There are no known local vendors who can supply this equipment.

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER



FAYETTEVILLE PUBLIC WORKS COMMISSION
955 OLD WILMINGTON RD
P.O. BOX 1089
FAYETTEVILLE, NORTH CAROLINA 28302-1089
TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

December 6, 2017

MEMO TO: David Trego, CEO/General Manager

MEMO FROM: 
J. Dwight Miller, Chief Financial Officer

SUBJECT: Electric and Water/Wastewater (W/WW) Budget Amendment #2
PWCORD2017-26

Attached is an Electric and W/WW budget ordinance amendment #2 for Commission action at the December 13th meeting.

PWCORD2017-26 is an Electric and Water/Wastewater FY 2018 amendment increasing the Electric Fund \$255,100 to \$253.9 million. The W/WW Fund budget is increasing \$1,076,500 to \$110.8 million.

Electric Fund

- Increase in revenue of \$255,100. Included in this amount, is an increase in Federal Grant revenue of \$213,100 and an increase in State Grant revenue of \$42,000. The increase is due to FEMA and NC Department of Public Safety reimbursement proceeds relating to claims resulting from Hurricane Matthew.
- A transfer to the new Substation Rebuild CPF of \$500,000 to cover the additional cost of property, associated surveys, appraisals and negotiation work for the acquisition of the Sallie Hill Farm property. Funds have been made available by deferring an existing project (CPR1000065 POD V 230-66kV Substation ROW Acquisition).
- A transfer within the Rates Department of \$25,500 from the Electric Fund to the Water Fund for consulting expenses to update PWC's facility investment fees.

W/WW Fund

- Increase in Federal Grant revenue of \$439,600 and an increase in State Grant revenue of \$136,900 due to FEMA and NC Department of Public Safety Hurricane Matthew claim reimbursements.
- Increase in Contribution Revenue and Capital Expenditures relating to the NCDOT Utility Relocation Agreement to relocate a section of sewer main that is along Buckhead Creek. The total expected cost for FY 2018 is \$500,000. NCDOT will reimburse PWC for the cost.
- A transfer within the Rates Department of \$25,500 from the Electric Fund to the Water Fund for consulting expenses to update PWC's facility investment fees.

Staff recommends that the Commission adopt the attached budget ordinance amendment.

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER

FY 2018 AMENDMENT #2 BUDGET ORDINANCE (PWCORD2017-26)

BE IT ORDAINED BY THE COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION (PWC):

That the Fayetteville Public Works Commission Budget Ordinance adopted May 24, 2017 is hereby amended as follows:

Section 1. It is estimated that the following revenues and other financing sources will be available during the fiscal year beginning July 1, 2017, and ending June 30, 2018, to meet the appropriations listed in Section 2.

	Listed As	Revision	Revised Amount
<u>Schedule A: Electric Fund</u>			
Electric Revenues	\$ 205,758,400	\$ -	\$ 205,758,400
Operating and Other Revenues	11,691,700	-	11,691,700
BWGP Lease Payment	12,748,400	-	12,748,400
Customer Contributions	4,690,000	255,100	4,945,100
Budgetary Appropriations	18,725,400	-	18,725,400
Total Estimated Electric Fund Revenues	\$ 253,613,900	\$ 255,100	\$ 253,869,000
<u>Schedule B: Water and Wastewater Fund</u>			
Water Revenues	\$ 42,228,900	\$ -	\$ 42,228,900
Wastewater Revenues	46,674,400	-	46,674,400
Operating and Other Revenues	4,204,100	-	4,204,100
Customer Contributions	1,659,200	1,076,500	2,735,700
Intergovernmental Revenue - Assessments	2,930,000	-	2,930,000
Budgetary Appropriations	12,001,950	-	12,001,950
Total Est Water and Wastewater Fund Revenues	\$ 109,698,550	\$ 1,076,500	\$ 110,775,050
Grand Total	\$ 363,312,450	\$ 1,331,600	\$ 364,644,050

Section 2. The following amounts are hereby appropriated for the operations of the Fayetteville Public Works Commission and its activities for the fiscal year beginning July 1, 2017, and ending June 30, 2018, according to the following schedules:

	Listed As	Revision	Revised Amount
<u>Schedule A: Electric Fund</u>			
Operating Expenditures	\$ 197,190,650	\$ (25,500)	\$ 197,165,150
Debt Service	4,014,900	-	4,014,900
Capital	27,204,200	(500,000)	26,704,200
Payment in Lieu of Taxes - City	10,428,200	-	10,428,200
Intergovernmental Expenditure - Economic Development	1,200,000	-	1,200,000
Budgetary Appropriations	13,575,950	780,600	14,356,550
Total Estimated Electric Fund Expenditures	\$ 253,613,900	\$ 255,100	\$ 253,869,000
<u>Schedule B: Water and Wastewater Fund</u>			
Operating Expenditures	\$ 55,833,450	\$ 25,500	\$ 55,858,950
Debt Service	25,823,200	-	25,823,200
Capital	20,376,700	500,000	20,876,700
Budgetary Appropriations	7,665,200	551,000	8,216,200
Total Est Water and Wastewater Fund Expenditures	\$ 109,698,550	\$ 1,076,500	\$ 110,775,050
Grand Total	\$ 363,312,450	\$ 1,331,600	\$ 364,644,050

Adopted this 13th day of December, 2017.

FY 2018 ELECTRIC, W/WW & FMF AMENDMENT #2 ITEMS

<u>PUBLIC WORKS COMMISSION - REVENUES</u>	AMENDMENT AMOUNT
Electric Fund	
FEDERAL GRANTS	\$213,100
STATE GRANTS	\$42,000
APPROPRIATION FROM ELECTRIC NET POSITION	
Total Amendment Electric Fund Revenues	255,100
 <u>PUBLIC WORKS COMMISSION - EXPENDITURES</u>	
Electric Fund	
CONTRACTUAL SERVICES - RATES COST CENTER	(25,500)
TRANSFER TO ELECTRIC SUBSTATION REBUILD CPF	500,000
SUBSTATION - CAPITAL EXPENDITURES	(500,000)
APPR TO ELECTRIC NET POSITION	280,600
Total Amendment Electric Fund Expenditures	255,100
 <u>PUBLIC WORKS COMMISSION - REVENUES</u>	
Water/Wastewater Fund	
CONTRIBUTION - CIP - NCDOT	500,000
FEDERAL GRANTS	439,600
STATE GRANTS	136,900
APPROPRIATION FROM W/WW NET POSITION	
Total Amendment Water/Wastewater Fund Revenues	1,076,500
 <u>PUBLIC WORKS COMMISSION - EXPENDITURES</u>	
Water/Wastewater Fund	
CONTRACTUAL SERVICES - RATES COST CENTER	25,500
CAPITAL EXPENDITURES - WATER FUND	500,000
APPR. TO W/WW NET POSITION	551,000
Total Amendment Water/Wastewater Fund Expenditures	1,076,500
 <u>PUBLIC WORKS COMMISSION - REVENUES</u>	
FMF	
Total Amendment FMF Revenues	0
 <u>PUBLIC WORKS COMMISSION - EXPENDITURES</u>	
FMF	
Total Amendment FMF Expenditures	0
 Grand Total	 1,331,600

ELECTRIC, W/WW & FLEET MAINTENANCE FUNDS SUMMARY

DESCRIPTION	ADOPTED ORIGINAL BUDGET FY 2018	BUDGET AMD #1 FY 2018	BUDGET AMD #2 FY 2018	PROPOSED AMENDED BUDGET FY 2018
ELECTRIC UTILITY OPERATING FUND	\$224,447,800	\$1,961,900	\$755,100	\$227,164,800
ELECTRIC CAPITAL OUTLAY	\$29,166,100	(\$1,961,900)	(\$500,000)	\$26,704,200
TOTAL ELECTRIC FUND	\$253,613,900	\$0	\$255,100	\$253,869,000
WATER & WASTEWATER UTILITIES OPERATING FUNDS	\$89,038,150	\$283,700	\$576,500	\$89,898,350
WATER & WASTEWATER CAPITAL OUTLAY	\$19,916,500	\$460,200	\$500,000	\$20,876,700
TOTAL WATER & WASTEWATER FUND	\$108,954,650	\$743,900	\$1,076,500	\$110,775,050
TOTAL ELECTRIC & W/WW FUNDS	\$362,568,550	\$743,900	\$1,331,600	\$364,644,050
FLEET MAINTENANCE FUND	\$9,176,300	\$0	\$0	\$9,176,300
FLEET MAINTENANCE CAPITAL OUTLAY	\$430,000	\$0	\$0	\$430,000
TOTAL FLEET MAINTENANCE FUND	\$9,606,300	\$0	\$0	\$9,606,300
TOTAL BUDGET	\$372,174,850	\$743,900	\$1,331,600	\$374,250,350

ELECTRIC, W/WW & FLEET MAINTENANCE FUNDS SUMMARY

DESCRIPTION	ADOPTED ORIGINAL BUDGET FY 2018	BUDGET AMD #1 FY 2018	BUDGET AMD #2 FY 2018	PROPOSED AMENDED BUDGET FY 2018
ELECTRIC FUND:				
REVENUES	\$230,198,500	\$0	\$0	\$230,198,500
CONTRIBUTIONS AND/OR GRANTS	4,690,000	0	255,100	4,945,100
REMITTANCES FROM CITY	0	0	0	0
APPR. FROM RATE STABILIZATION FUND	0	0	0	0
TRANSFER FROM ELECTRIC CAPITAL PROJ.	4,719,800	0	0	4,719,800
TRANSFER FROM REPS	3,945,600	0	0	3,945,600
TRANSFER FROM COAL ASH RESERVE	10,060,000	0	0	10,060,000
APPR. FROM ELECTRIC NET POSITION	0	0	0	0
TOTAL REVENUES ELECTRIC	\$253,613,900	\$0	\$255,100	\$253,869,000
EXPENDITURES				
EXPENDITURES	\$43,103,350	\$283,700	(\$25,500)	\$43,361,550
PURCHASED POWER & GENERATION	154,022,800	0	0	154,022,800
BOND INTEREST EXPENSE	1,513,800	0	0	1,513,800
BOND INTEREST AMORTIZATION	(235,300)	0	0	(235,300)
OTHER FINANCE COST	16,100	0	0	16,100
TRANSFER TO CITY	0	0	0	0
TRANSFER TO CITY - ECONOMIC DEVELOPMENT	0	0	0	0
PAYMENT IN LIEU OF TAXES - CITY	10,428,200	0	0	10,428,200
INTERGOVERNMENTAL EXPENDITURE - ECONOMIC DEVELOPME	1,200,000	0	0	1,200,000
CAPITAL EXPENDITURES	29,166,100	(1,961,900)	(500,000)	26,704,200
TOTAL DEBT RELATED PAYMENTS	2,501,100	0	0	2,501,100
APPR. TO RATE STABILIZATION FUND	250,000	0	0	250,000
APPR. TO ELECTRIC CAPITAL RESERVE	0	0	0	0
TRANSFER TO REPS RESERVE	2,207,400	0	0	2,207,400
BWGP START COST RESERVE	84,000	0	0	84,000
TRANSFER TO ANNEXATION PH V RESERVE - CITY FUND PORTIC	2,500,000	0	0	2,500,000
TRANSFER TO COAL ASH RESERVE	0	0	0	0
TRANSFER TO ELECTRIC SUBSTATION REBUILD	0	3,550,000	500,000	4,050,000
TRANSFER TO FLEET MAINTENANCE FUND	215,000	0	0	215,000
LOAN TO WATER/WASTEWATER FUND	4,719,800	0	0	4,719,800
APPR. TO ELECTRIC NET POSITION	1,921,550	(1,871,800)	280,600	330,350
TOTAL EXPENDITURES ELECTRIC	\$253,613,900	\$0	\$255,100	\$253,869,000
WATER & WASTEWATER FUND:				
REVENUES	\$93,107,400	\$0	\$0	\$93,107,400
CONTRIBUTIONS AND GRANTS	1,659,200	0	1,076,500	2,735,700
REMITTANCES FROM CITY	2,930,000	0	0	2,930,000
TRANSFER FROM W/WW CAPITAL PROJ.	450,000	0	0	450,000
APPR. FROM ANNEX PH V RES. FUND	2,845,100	0	0	2,845,100

ELECTRIC, W/WW & FLEET MAINTENANCE FUNDS SUMMARY

DESCRIPTION	ADOPTED ORIGINAL BUDGET FY 2018	BUDGET AMD #1 FY 2018	BUDGET AMD #2 FY 2018	PROPOSED AMENDED BUDGET FY 2018
TRANSFER FROM CAPITALIZED INTEREST FUND	1,912,200	0	0	1,912,200
APPR. FROM RATE STABILIZATION FUND	0	0	0	0
LOAN FROM ELECTRIC FUND	4,719,800	0	0	4,719,800
APPR. FROM W/WW NET POSITION	1,330,950	743,900	0	2,074,850
TOTAL REVENUES WATER & WASTEWATER	\$108,954,650	\$743,900	\$1,076,500	\$110,775,050
EXPENDITURES	\$56,597,950	\$283,700	\$25,500	\$56,907,150
BOND INTEREST EXPENSE	8,865,800	0	0	8,865,800
BOND INTEREST EXPENSE - CITY ANNEX.	25,400	0	0	25,400
BOND INTEREST - AMORTIZATION	(1,070,000)	0	0	(1,070,000)
LOAN INTEREST EXPENSE	111,800	0	0	111,800
OTHER FINANCE COST	21,800	0	0	21,800
CAPITAL EXPENDITURES	19,916,500	460,200	500,000	20,876,700
DEBT RELATED PAYMENTS	15,264,000	0	0	15,264,000
BOND PRINCIPAL PAYMENTS - CITY ANNEX.	175,600	0	0	175,600
LOAN PRINCIPAL PAYMENTS	1,380,600	0	0	1,380,600
TOTAL CONTRACTS PAYABLE PAYMENT	0	0	0	0
APPR. TO RATE STABILIZATION FUND	250,000	0	0	250,000
APPR. TO W/WW CAPITAL RESERVE	0	0	0	0
APPR. TO ANNEXATION PHASE V RESERVE	1,900,200	0	0	1,900,200
TRANSFER TO ANNEXATION PHASE V RESERVE	2,600,000	0	0	2,600,000
TRANSFER TO NCDOT RESERVE	1,000,000	0	0	1,000,000
TRANSFER TO FLEET MAINTENANCE FUND	215,000	0	0	215,000
SPECIAL ITEM - HOPE MILLS REFUND	1,700,000	0	0	1,700,000
APPR. TO W/WW NET POSITION	0	0	551,000	551,000
TOTAL EXPEND. WATER & WASTEWATER	\$108,954,650	\$743,900	\$1,076,500	\$110,775,050
TOTAL ELECTRIC & W/WW	\$362,568,550	\$743,900	\$1,331,600	\$364,644,050
FLEET MAINTENANCE FUND:				
REVENUES	\$9,176,300	\$0	\$0	\$9,176,300
TRANSFER FROM GENERAL FUND	430,000	0	0	430,000
APPROPRIATION FROM NET POSITION	0	0	0	0
TOTAL REVENUES FLEET MAINTENANCE FUND	\$9,606,300	\$0	\$0	\$9,606,300
EXPENDITURES	\$8,996,700	\$0	\$0	\$8,996,700
CAPITAL EXPENDITURES	430,000	0	0	430,000
APPROPRIATION TO NET POSITION	179,600	0	0	179,600
TOTAL EXPENDITURES FLEET MAINTENANCE FUND	\$9,606,300	\$0	\$0	\$9,606,300
TOTAL ELECTRIC, W/WW & FLEET MAINTENANCE FUNDS	\$372,174,850	\$743,900	\$1,331,600	\$374,250,350

ELECTRIC FUND SUMMARY

DESCRIPTION	ADOPTED	BUDGET	BUDGET	PROPOSED
	ORIGINAL BUDGET FY 2018	AMD #1 FY 2018	AMD #2 FY 2018	AMENDED BUDGET FY 2018
ELECTRIC OPERATING REVENUE	\$227,352,200	\$0	\$0	\$227,352,200
OTHER ELECTRIC REVENUE	2,846,300	0	0	2,846,300
TOTAL OPERATING & OTHER REVENUE	\$230,198,500	\$0	\$0	\$230,198,500
CONTRIBUTIONS AND GRANTS	\$4,690,000	\$0	\$255,100	\$4,945,100
REMITTANCES FROM CITY	0	0	0	0
APPR. FROM RATE STABILIZATION FUND	0	0	0	0
TRANSFER FROM ELECTRIC CAPITAL PROJ.	4,719,800	0	0	4,719,800
TRANSFER FROM REPS	3,945,600	0	0	3,945,600
TRANSFER FROM COAL ASH RESERVE	10,060,000	0	0	10,060,000
APPR. FROM ELECTRIC NET POSITION	0	0	0	0
TOTAL ELECTRIC REVENUE	\$253,613,900	\$0	\$255,100	\$253,869,000
ELECTRIC DIVISION - DISTRIBUTION	\$16,852,800	\$0	\$0	\$16,852,800
ELECT. DIV. - PURCHASED POWER & GEN.	154,022,800	0	0	154,022,800
MANAGEMENT DIVISION	3,388,650	0	0	3,388,650
COMM. & COMMUNITY RELATIONS DIVISION	712,600	0	0	712,600
HUMAN RESOURCES DIVISION	734,150	0	0	734,150
CUSTOMER PROGRAMS DIVISION	2,161,600	0	0	2,161,600
CORPORATE SERVICES DIVISION	8,682,800	0	0	8,682,800
FINANCIAL DIVISION	6,816,200	283,700	(25,500)	7,074,400
GENERAL & ADMINISTRATION	8,271,050	0	0	8,271,050
DEPRECIATION EXPENSE	16,691,500	0	0	16,691,500
OVERHEAD CLEARING	(5,178,800)	0	0	(5,178,800)
BOND INTEREST EXPENSE	1,513,800	0	0	1,513,800
BOND INTEREST - AMORTIZATION	(235,300)	0	0	(235,300)
OTHER FINANCE COST	16,100	0	0	16,100
TRANSFER TO CITY	0	0	0	0
TRANSFER TO CITY - ECONOMIC DEVELOPMENT	0	0	0	0
PAYMENT IN LIEU OF TAXES - CITY	10,428,200	0	0	10,428,200
INTERGOVERNMENTAL EXPENDITURE - ECONOMIC DEVELOPME	1,200,000	0	0	1,200,000
TOTAL OPERATING & OTHER EXPENSES	\$226,078,150	\$283,700	(\$25,500)	\$226,336,350
NET OPERATING RESULTS	\$4,120,350	(\$283,700)	\$25,500	\$4,120,350
OTHER DEDUCTIONS	\$427,000	\$0	\$0	\$427,000
CAPITAL EXPENDITURES	29,166,100	(1,961,900)	(500,000)	26,704,200
TOTAL DEBT RELATED PAYMENT	2,501,100	0	0	2,501,100
DEPRECIATION/AMORTIZATION ADJUSTMENT	(16,456,200)	0	0	(16,456,200)
TOTAL SUPPLEMENTAL EXPENDITURES	\$15,638,000	(\$1,961,900)	(\$500,000)	\$13,176,100
TOTAL EXPENSES & SUPPLEMENTAL EXP.	\$241,716,150	(\$1,678,200)	(\$525,500)	\$239,512,450
APPR. TO RATE STABILIZATION FUND	\$250,000	\$0	\$0	\$250,000
APPR. TO ELECTRIC CAPITAL RESERVE	0	0	0	0
TRANSFER TO REPS RESERVE	2,207,400	0	0	2,207,400
BWGP START COST RESERVE	84,000	0	0	84,000
TRANSFER TO ANNEXATION PHASE V RES - CITY FD PORTION	2,500,000	0	0	2,500,000
TRANSFER TO COAL ASH RESERVE	0	0	0	0
TRANSFER TO ELECTRIC SUBSTATION REBUILD	0	3,550,000	500,000	4,050,000
TRANSFER TO FLEET MAINTENANCE FUND	215,000	0	0	215,000
LOAN TO WATER/WASTEWATER FUND	4,719,800	0	0	4,719,800

ELECTRIC FUND SUMMARY

DESCRIPTION	ADOPTED ORIGINAL BUDGET FY 2018	BUDGET AMD #1 FY 2018	BUDGET AMD #2 FY 2018	PROPOSED AMENDED BUDGET FY 2018
APPR. TO ELECTRIC NET POSITION	1,921,550	(1,871,800)	280,600	330,350
TOTAL BUDGETARY APPROPRIATIONS	\$11,897,750	\$1,678,200	\$780,600	\$14,356,550
TOTAL ELECTRIC EXPENDITURES	\$253,613,900	\$0	\$255,100	\$253,869,000

WATER & WASTEWATER FUND SUMMARY

DESCRIPTION	ADOPTED	BUDGET	BUDGET	PROPOSED
	ORIGINAL BUDGET FY 2018	AMD #1 FY 2018	AMD #2 FY 2018	AMENDED BUDGET FY 2018
WATER OPERATING REVENUE	\$42,228,900	\$0	\$0	\$42,228,900
SANITARY SEWER OPERATING REVENUE	46,674,400	0	0	46,674,400
OTHER OPERATING REVENUE	3,371,900	0	0	3,371,900
OTHER WATER & SAN. SEWER REVENUE	832,200	0	0	832,200
TOTAL OPERATING & OTHER REVENUE	\$93,107,400	\$0	\$0	\$93,107,400
CONTRIBUTIONS AND GRANTS	\$1,659,200	\$0	\$1,076,500	\$2,735,700
REMITTANCES FROM CITY	2,930,000	0	0	2,930,000
TRANSFER FROM W/WW CAPITAL PROJ.	450,000	0	0	450,000
APPR. FROM ANNEX PH V RES. FUND	2,845,100	0	0	2,845,100
TRANSFER FROM CAPITALIZED INTEREST FUND	1,912,200	0	0	1,912,200
APPR. FROM RATE STABILIZATION FUND	0	0	0	0
LOAN FROM ELECTRIC FUND	4,719,800	0	0	4,719,800
APPR. FROM W/WW NET POSITION	1,330,950	743,900	0	2,074,850
TOTAL WATER & WASTEWATER REVENUE	\$108,954,650	\$743,900	\$1,076,500	\$110,775,050
WATER RESOURCES DIVISION	\$32,492,600	\$0	\$0	\$32,492,600
MANAGEMENT DIVISION	1,883,950	0	0	1,883,950
COMM. & COMMUNITY RELATIONS DIVISION	712,600	0	0	712,600
HUMAN RESOURCES DIVISION	734,150	0	0	734,150
CUSTOMER PROGRAMS DIVISION	1,943,700	0	0	1,943,700
CORPORATE SERVICES DIVISION	8,682,800	0	0	8,682,800
FINANCIAL DIVISION	5,566,200	283,700	25,500	5,875,400
GENERAL & ADMINISTRATION	8,452,450	0	0	8,452,450
DEPRECIATION EXPENSE - WATER	10,870,900	0	0	10,870,900
DEPRECIATION EXPENSE - SEWER	12,581,000	0	0	12,581,000
AMORTIZATION OF BOND ISSUE COSTS	0	0	0	0
AMORTIZATION - UNDISTRIBUTED	0	0	0	0
OVERHEAD CLEARING	(4,940,500)	0	0	(4,940,500)
BOND INTEREST EXPENSE	8,865,800	0	0	8,865,800
BOND INTEREST EXPENSE - CITY ANNEX.	25,400	0	0	25,400
BOND INTEREST - AMORTIZATION	(1,070,000)	0	0	(1,070,000)
LOAN INTEREST EXPENSE	111,800	0	0	111,800
OTHER FINANCE COST	21,800	0	0	21,800
TOTAL OPERATING & OTHER EXPENSES	\$86,934,650	\$283,700	\$25,500	\$87,243,850
NET OPERATING RESULTS	\$6,172,750	(\$283,700)	(\$25,500)	\$5,863,550
OTHER DEDUCTIONS	\$0	\$0	\$0	\$0
CAPITAL EXPENDITURES	19,916,500	460,200	500,000	20,876,700
DEBT RELATED PAYMENTS	15,264,000	0	0	15,264,000
BOND PRINCIPAL PAYMENT - CITY ANNEX.	175,600	0	0	175,600
LOAN PRINCIPAL PAYMENTS	1,380,600	0	0	1,380,600
TOTAL CONTRACTS PAYABLE PAYMENT	0	0	0	0
DEPRECIATION/AMORTIZATION ADJUSTMENT	(22,381,900)	0	0	(22,381,900)
TOTAL SUPPLEMENTAL EXPENDITURES	\$14,354,800	\$460,200	\$500,000	\$15,315,000
TOTAL EXPENSES & SUPPLEMENTAL EXP.	\$101,289,450	\$743,900	\$525,500	\$102,558,850
APPR. TO RATE STABILIZATION FUND	\$250,000	\$0	\$0	\$250,000
APPR. TO W/WW CAPITAL RESERVE	0	0	0	0
APPR. TO ANNEXATION PHASE V RESERVE	1,900,200	0	0	1,900,200

WATER & WASTEWATER FUND SUMMARY

DESCRIPTION	ADOPTED ORIGINAL BUDGET FY 2018	BUDGET AMD #1 FY 2018	BUDGET AMD #2 FY 2018	PROPOSED AMENDED BUDGET FY 2018
TRANSFER TO ANNEXATION PHASE V RESERVE	2,600,000	0	0	2,600,000
TRANSFER TO NCDOT RESERVE	1,000,000	0	0	1,000,000
TRANSFER TO FLEET MAINTENANCE FUND	215,000	0	0	215,000
SPECIAL ITEM - HOPE MILLS REFUND	1,700,000	0	0	1,700,000
APPR. TO W/WW NET POSITION	0	0	0	0
TOTAL BUDGETARY APPROPRIATIONS	\$7,665,200	\$0	\$0	\$7,665,200
TOTAL WATER & W/W EXPENDITURES	\$108,954,650	\$743,900	\$525,500	\$110,224,050

ELECTRIC FUND REVENUES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
001		ORIGINAL BUDGET	AMD #1	AMD #2	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2018	FY 2018	FY 2018	FY 2018
4400	RESIDENTIAL SALES	\$103,452,400	\$0	\$0	\$103,452,400
4410	NON RESIDENTIAL	62,801,200	0	0	62,801,200
4420	LARGE USER	30,290,800	0	0	30,290,800
4430	AREA LIGHTING	3,090,600	0	0	3,090,600
4441	OUTSIDE STREET LIGHTING	303,000	0	0	303,000
4443	COMMUNITY STREET LIGHTING	3,950,100	0	0	3,950,100
4444	PRIVATE THOROUGHFARE LIGHTING	1,044,000	0	0	1,044,000
4480	INTERDEPARTMENTAL SALES	3,313,100	0	0	3,313,100
4450	CITY ELECTRIC SALES	1,414,200	0	0	1,414,200
4453	WHOLESALE POWER COST ADJUSTMENT	(3,900,000)	0	0	(3,900,000)
1090	CUSTOMER ADJUSTMENTS	(1,000)	0	0	(1,000)
4490	ECONOMIC DEVELOPMENT DISCOUNTS	0	0	0	0
4495	RENEWABLE ENERGY CREDIT	0	0	0	0
	TOTAL SALES OF ELECTRICITY	\$205,758,400	\$0	\$0	\$205,758,400
4498	NC RENEWABLE ENERGY RID	\$2,207,400	\$0	\$0	\$2,207,400
1002	LATE PAYMENT FEE	2,800,000	0	0	2,800,000
1003	DISCONNECT ATTEMPT FEE	0	0	0	0
1004	RECONNECT FEE	650,000	0	0	650,000
1005	SET SERVICE CHARGES	630,000	0	0	630,000
1006	MISCELLANEOUS SERVICE REVENUES	300,000	0	0	300,000
1007	METER TAMPERING CHARGES	10,000	0	0	10,000
1009	RENT FROM ELECTRIC PROPERTY	185,600	0	0	185,600
2003	JOINT USE UTILITY POLES	609,200	0	0	609,200
2004	RENT FROM RCW BUSINESS CENTER	493,900	0	0	493,900
2005	MISCELLANEOUS ELECTRIC REVENUES	5,000	0	0	5,000
2006	DISASTER RELIEF REIMBURSEMENT	0	0	0	0
2007	LEASE OF FIBER REVENUE	755,300	0	0	755,300
2008	BWGP LEASE PAYMENT	12,748,400	0	0	12,748,400
2009	BWGP REIMBURSABLE COSTS	199,000	0	0	199,000
	TOTAL OTHER OPERATING REVENUE	\$21,593,800	\$0	\$0	\$21,593,800
	TOTAL ELECTRIC OPERATING REVENUE	\$227,352,200	\$0	\$0	\$227,352,200
2021	MERCHANDISING AND CONTRACT WORK	\$30,000	\$0	\$0	\$30,000
2022	INTEREST INCOME	1,200,000	0	0	1,200,000
2023	ADJUSTMENT TO MARKET INTEREST	0	0	0	0
2024	7% SALES TAX DISCOUNT	1,466,300	0	0	1,466,300
2025	MISC. NON-OPERATING INCOME	150,000	0	0	150,000
2026	PURCHASE DISCOUNT	0	0	0	0
2027	GAIN OR LOSS ON SALE OF PROPERTY	0	0	0	0
2028	INSURANCE RECOVERY	0	0	0	0
	TOTAL OTHER ELECTRIC REVENUE	\$2,846,300	\$0	\$0	\$2,846,300
	TOTAL ELECTRIC OPERATING & OTHER REVENUE	\$230,198,500	\$0	\$0	\$230,198,500
2031	CUSTOMER CONTR - FIBER OPTIC	\$0	\$0	\$0	\$0
2032	FEDERAL CONTRIBUTIONS	0	0	0	0
2033	STATE CONTRIBUTIONS	4,650,000	0	0	4,650,000
2034	LOCAL GOVERNMENT CONTRIBUTIONS	0	0	0	0
2035	LOCAL GOV CONTR - FIBER OPTIC	40,000	0	0	40,000
2036	FEDERAL GRANTS	0	0	213,100	213,100
2037	OTHER GRANTS	0	0	42,000	42,000
	TOTAL CONTRIBUTIONS AND GRANTS	\$4,690,000	\$0	\$255,100	\$4,945,100

ELECTRIC FUND REVENUES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
001		ORIGINAL BUDGET	AMD #1	AMD #2	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2018	FY 2018	FY 2018	FY 2018
2041	TRANSFER FROM CITY - BLACK & DECKER	\$0	\$0	\$0	\$0
	TOTAL REMITTANCES FROM THE CITY	\$0	\$0	\$0	\$0
	TOTAL REVENUES	\$234,888,500	\$0	\$255,100	\$235,143,600
2042	APPR. FROM RATE STABILIZATION FUND	\$0	\$0	\$0	\$0
2045	TRANSFER FROM ELECTRIC CAPITAL PROJECTS	4,719,800	0	0	4,719,800
2047	TRANSFER FROM REPS	3,945,600	0	0	3,945,600
2097	TRANSFER FROM COAL ASH RESERVE	10,060,000	0	0	10,060,000
2048	APPR. FROM ELECTRIC NET POSITION	0	0	0	0
	TOTAL BUDGETARY APPROPRIATIONS	\$18,725,400	\$0	\$0	\$18,725,400
	TOTAL ELECTRIC FUND REVENUES	\$253,613,900	\$0	\$255,100	\$253,869,000

ELECTRIC FUND EXPENDITURES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
001		ORIGINAL BUDGET	AMD #1	AMD #2	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2018	FY 2018	FY 2018	FY 2018
	ELECTRIC DIVISION - DISTRIBUTION	\$16,852,800	\$0	\$0	\$16,852,800
	ELECT. DIV. - PUR. POWER & GEN.	154,022,800	0	0	154,022,800
	MANAGEMENT DIVISION	3,388,650	0	0	3,388,650
	COMM. & COMMUNITY RELATIONS DIV.	712,600	0	0	712,600
	HUMAN RESOURCES DIVISION	734,150	0	0	734,150
	CUSTOMER PROGRAMS DIVISION	2,161,600	0	0	2,161,600
	CORPORATE SERVICES DIVISION	8,682,800	0	0	8,682,800
	FINANCIAL DIVISION	6,816,200	283,700	(25,500)	7,074,400
	GENERAL & ADMINISTRATION	8,271,050	0	0	8,271,050
	TOTAL DEPT. OPERATING EXPENSES	\$201,642,650	\$283,700	(\$25,500)	\$201,900,850
0520	TOTAL DEPRECIATION EXPENSE	\$16,691,500	\$0	\$0	\$16,691,500
0824	AMORTIZATION OF BOND ISSUE COSTS	0	0	0	0
0859	AMORTIZATION - UNDISTRIBUTED	0	0	0	0
	TOTAL DEPRECIATION & AMORT.	\$16,691,500	\$0	\$0	\$16,691,500
0855	LABOR OVERHEAD	(\$2,000,000)	\$0	\$0	(\$2,000,000)
0855	ALLOCATED BENEFITS - JOB COST	0	0	0	0
	INTRADEPARTMENTAL UTILITY CLEAR.	(669,600)	0	0	(669,600)
0812	MINOR MATERIALS - STORE	500,000	0	0	500,000
0853	STORES EXPENSE CLEARING	(1,055,700)	0	0	(1,055,700)
0851	VEHICLE/EQUIPMENT CLEARING	(1,953,500)	0	0	(1,953,500)
	TOTAL OVERHEAD CLEARING	(\$5,178,800)	\$0	\$0	(\$5,178,800)
0824	BOND INTEREST EXPENSE	\$1,513,800	\$0	\$0	\$1,513,800
0824	BOND INTEREST - AMORTIZATION	(235,300)	0	0	(235,300)
0824	OTHER FINANCE COST	16,100	0	0	16,100
0824	CAPITALIZED INTEREST EXPENSE	0	0	0	0
	TOTAL DEBT INTEREST EXPENSE	\$1,294,600	\$0	\$0	\$1,294,600
0489	TRANSFER TO CITY	\$0	\$0	\$0	\$0
4930	TRANSFER TO CITY -ECONOMIC DEVELOPMENT	0	0	0	0
0489	PAYMENT IN LIEU OF TAXES - CITY	10,428,200	0	0	10,428,200
4930	INTERGOVERNMENTAL EXPENDITURE - ECONOMIC DEVEL	1,200,000	0	0	1,200,000
	TOTAL REMITTANCES TO CITY	\$11,628,200	\$0	\$0	\$11,628,200
	TOTAL EXPENSES	\$226,078,150	\$283,700	(\$25,500)	\$226,336,350
	NET OPERATING RESULTS	\$4,120,350	(\$283,700)	\$25,500	\$3,862,150
0108	INCR/DECR-GAS AND DIESEL INVEN.	\$0	\$0	\$0	\$0
0110	INCR/DECR-GENERATION FUEL INVEN.	0	0	0	0
0104	INCR/DECR-GENERATION INVENTORY	0	0	0	0
0104	INCR/DECR-MATERIALS INVENTORY	0	0	0	0
0104	INCR/DECR-STORES EXP.-UNDIST.	0	0	0	0
0104	INCR/DECR-EMISSIONS ALLOWANCE	0	0	0	0
0104	INCR/DECR-EMISSIONS CREDIT INV.	0	0	0	0
0104	INCR/DECR-INVENTORY - RECS.	427,000	0	0	427,000
	TOTAL OTHER DEDUCTIONS	\$427,000	\$0	\$0	\$427,000
	GENERATION - PLANT ADDITIONS	\$2,935,000	\$818,100	\$0	\$3,753,100
	TRANSMISSION - PLANT ADDITIONS	4,150,000	28,100	(500,000)	3,678,100
	DISTRIBUTION - PLANT ADDITIONS	16,860,900	(2,819,200)	0	14,041,700
	LAND AND LAND RIGHTS	100,000	0	0	100,000
	STRUCTURES AND IMPROVEMENTS	1,490,000	0	0	1,490,000
	OFFICE FURNITURE AND EQUIPMENT	0	0	0	0

ELECTRIC FUND EXPENDITURES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
001		ORIGINAL BUDGET	AMD #1	AMD #2	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2018	FY 2018	FY 2018	FY 2018
	COMMUNICATION EQUIPMENT	415,000	0	0	415,000
	TRANSPORTATION EQUIPMENT	1,555,500	0	0	1,555,500
	POWER OPERATED CONST. EQUIP.	58,000	0	0	58,000
	TELECOM - CABLE INFRASTRUCTURE	400,000	0	0	400,000
	TELECOM - ELEC. INFRASTRUCTURE	0	0	0	0
	MISCELLANEOUS EQUIPMENT	27,200	0	0	27,200
	COMP. SOFTWARE AND HARDWARE	1,174,500	11,100	0	1,185,600
	TOTAL CAPITAL EXPENDITURES	\$29,166,100	(\$1,961,900)	(\$500,000)	\$26,704,200
0822	BOND PRINCIPAL PAYMENTS	\$2,501,100	\$0	\$0	\$2,501,100
	TOTAL DEBT RELATED PAYMENTS	\$2,501,100	\$0	\$0	\$2,501,100
0531	DEPRECIATION ADJUSTMENT	(\$16,691,500)	\$0	\$0	(\$16,691,500)
0532	AMORTIZATION - BOND ISSUE COST	235,300	0	0	235,300
0532	AMORTIZATION - UNDISTRIBUTED	0	0	0	0
	TOTAL ADJUSTMENTS	(\$16,456,200)	\$0	\$0	(\$16,456,200)
	TOTAL SUPPLEMENTAL EXPENDITURES	\$15,638,000	(\$1,961,900)	(\$500,000)	\$13,176,100
	TOTAL EXPENDITURES	\$241,716,150	(\$1,678,200)	(\$525,500)	\$239,512,450
0834	APPR. TO RATE STABILIZATION FUND	\$250,000	\$0	\$0	\$250,000
0834	APPR. TO ELECTRIC CAPITAL RESERVE	0	0	0	0
0834	TRANSFER TO REPS RESERVE	2,207,400	0	0	2,207,400
0834	BWGP START COST RESERVE	84,000	0	0	84,000
0834	TRANSFER TO ANNEXATION PHASE V RESERVE - CITY FUN	2,500,000	0	0	2,500,000
0834	TRANSFER TO COAL ASH RESERVE	0	0	0	0
0834	TRANSFER TO ELECTRIC SUBSTATION REBUILD	0	3,550,000	500,000	4,050,000
0834	TRANSFER TO FLEET MAINTENANCE FUND	215,000	0	0	215,000
0834	LOAN TO WATER/WASTEWATER FUND	4,719,800	0	0	4,719,800
0834	APPR. TO ELECTRIC NET POSITION	1,921,550	(1,871,800)	280,600	330,350
	TOTAL BUDGETARY APPROPRIATIONS	\$11,897,750	\$1,678,200	\$780,600	\$14,356,550
	TOTAL ELECTRIC UTILITY	\$253,613,900	\$0	\$255,100	\$253,869,000

WATER & WASTEWATER FUND REVENUES

FUND	DIVISION/DEPARTMENT	ADOPTED ORIGINAL BUDGET	BUDGET AMD #1	BUDGET AMD #2	PROPOSED AMENDED BUDGET
002		FY 2018	FY 2018	FY 2018	FY 2018
ACCOUNT/DESCRIPTION					
4609	RESIDENTIAL SALES	\$28,630,100	\$0	\$0	\$28,630,100
4610	NON RESIDENTIAL	7,943,700	0	0	7,943,700
4613	LARGE USER	2,262,300	0	0	2,262,300
4615	CITY WATER SERVICES	305,400	0	0	305,400
4616	INTERDEPARTMENTAL SALES	40,500	0	0	40,500
4620	WHOLESALE	3,206,900	0	0	3,206,900
4650	CUSTOMER ADJUSTMENTS	(160,000)	0	0	(160,000)
	TOTAL WATER REVENUES	\$42,228,900	\$0	\$0	\$42,228,900
4711	RESIDENTIAL SALES	\$33,302,700	\$0	\$0	\$33,302,700
4712	NON RESIDENTIAL	9,951,400	0	0	9,951,400
4713	LARGE USER	2,772,700	0	0	2,772,700
4715	CITY SEWER SERVICES	124,700	0	0	124,700
4717	INTERDEPARTMENTAL SALES	52,700	0	0	52,700
4720	WHOLESALE	565,200	0	0	565,200
4716	SANITARY SEWER CHARGES	175,000	0	0	175,000
4750	CUSTOMER ADJUSTMENTS	(270,000)	0	0	(270,000)
	GRINDER PUMP REIMBURSEMENT	0	0	0	0
	TOTAL SEWER REVENUES	\$46,674,400	\$0	\$0	\$46,674,400
1002	LATE PAYMENT FEE	\$1,500,000	\$0	\$0	\$1,500,000
1003	DISCONNECT ATTEMPT FEE	0	0	0	0
1004	RECONNECT FEE	80,000	0	0	80,000
2051	TAPPING FEES - WATER	60,000	0	0	60,000
2052	MISCELLANEOUS WATER REVENUES	0	0	0	0
2053	TAPPING FEES - SEWER	30,000	0	0	30,000
2054	SERVICE LATERAL CHARGES - SEWER	36,000	0	0	36,000
2055	MISCELLANEOUS SEWER REVENUES	20,000	0	0	20,000
1005	SET SERVICE CHARGES	225,000	0	0	225,000
2056	MISC. W/WW SERVICE REVENUES	85,000	0	0	85,000
1008	METER TESTING CHARGES - WATER	0	0	0	0
2057	REVENUE FROM W/S SYS. PERMIT	10,000	0	0	10,000
2058	SEPTAGE RECEIVING FEES	188,000	0	0	188,000
4901	PUMP & HAUL SEWER CHARGES	5,000	0	0	5,000
	OTHER WATER & SEWER REVENUE	0	0	0	0
2060	REVENUE FROM FARM OPERATIONS	70,000	0	0	70,000
2061	SERVICE LATERAL CHARGES - WATER	130,000	0	0	130,000
2062	REVENUE FROM OPER & MAINT. AGRM.	131,300	0	0	131,300
2063	RENTS FROM W/WW PROPERTY	801,600	0	0	801,600
	TOTAL OTHER OPERATING REVENUE	\$3,371,900	\$0	\$0	3,371,900
	TOTAL W/WW OPERATING REVENUE	\$92,275,200	\$0	\$0	\$92,275,200
2021	MERCHANDISING & CONTRACT WORK	\$15,000	\$0	\$0	\$15,000
2022	INTEREST INCOME	812,200	0	0	812,200
2022	PREMIUM AMORTIZATION - INVESTMENT	0	0	0	0
	ADJUSTMENT TO MARKET INTEREST	0	0	0	0
2025	MISC. NON-OPERATING INCOME	5,000	0	0	5,000
2026	PURCHASE DISCOUNT	0	0	0	0
2027	GAIN (LOSS) ON SALE OF PROPERTY	0	0	0	0
2028	INSURANCE RECOVERY	0	0	0	0
	TOTAL OTHER W/WW REVENUE	\$832,200	\$0	\$0	832,200
	TOTAL OPERATING & OTHER REVENUE	\$93,107,400	\$0	\$0	\$93,107,400
2064	CUSTOMER CONTRIBUTIONS-WATER	\$0	\$0	\$0	\$0
2065	CUSTOMER CONTRIBUTIONS-SEWER	0	0	0	0

WATER & WASTEWATER FUND REVENUES

FUND	DIVISION/DEPARTMENT	ADOPTED ORIGINAL BUDGET	BUDGET AMD #1	BUDGET AMD #2	PROPOSED AMENDED BUDGET
002		FY 2018	FY 2018	FY 2018	FY 2018
ACCOUNT/DESCRIPTION					
2066	FEDERAL CONTRIBUTIONS - WATER	0	0	0	0
2067	FEDERAL CONTRIBUTIONS - SEWER	0	0	0	0
2068	LOCAL GOV'T CONT.-WATER	0	0	0	0
2069	LOCAL GOV'T CONT.-SEWER	0	0	0	0
2070	STATE CONTRIBUTIONS - WATER	0	0	0	0
2071	STATE CONTRIBUTIONS - SEWER	0	0	0	0
2072	FIF CONTRIBUTION-WATER	480,000	0	0	480,000
2073	FIF CONTRIBUTION-SEWER	610,000	0	0	610,000
2074	FEDERAL GRANTS - WATER	0	0	439,600	439,600
2075	FEDERAL GRANTS - SEWER	0	0	0	0
2076	STATE GRANTS - WATER	0	0	136,900	136,900
2077	NON CASH CUSTOMER CONTR. & FIF	0	0	0	0
2078	CONTRIBUTION - CIP	569,200	0	500,000	1,069,200
	TOTAL CONTRIBUTIONS AND GRANTS	\$1,659,200	\$0	\$1,076,500	2,735,700
2079	TRANSFER FROM CITY - ANNEXATION GO DEBT	\$0	\$0	\$0	\$0
2080	TRANSFER FROM CITY - ANNEX. WTR. ASSESS.	0	0	0	0
	TRANSFER FROM CITY - INTEREST DIFFERENTIAL	0	0	0	0
	INTERGOV REV - ASSESSMENTS	2,568,000	0	0	2,568,000
	INTERGOV REV - ASSESSMENTS INT	362,000	0	0	362,000
	TOTAL REMITTANCES FROM CITY	\$2,930,000	\$0	\$0	\$2,930,000
	TOTAL REVENUES	\$97,696,600	\$0	\$1,076,500	\$98,773,100
2088	TRANSFER FROM W/WW CAPITAL PROJ.	\$450,000	\$0	\$0	\$450,000
2090	APPR. FROM ANNEX PH V RES. FUND	2,845,100	0	0	2,845,100
	TRANSFER FROM CAPITALIZED INTEREST FUND	1,912,200	0	0	1,912,200
2091	APPR. FROM RATE STABILIZATION FUND	0	0	0	0
	LOAN FROM ELECTRIC FUND	4,719,800	0	0	4,719,800
2092	APPR. FROM W/WW NET POSITION	1,330,950	743,900	0	2,074,850
	TOTAL BUDGETARY APPROPRIATIONS	\$11,258,050	\$743,900	\$0	12,001,950
	TOTAL WATER AND WASTEWATER REVENUES	\$108,954,650	\$743,900	\$1,076,500	\$110,775,050

WATER & WASTEWATER FUND EXPENDITURES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
002		ORIGINAL BUDGET	AMD #1	AMD #2	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2018	FY 2018	FY 2018	FY 2018
	WATER RESOURCES DIVISION	\$32,492,600	\$0	\$0	\$32,492,600
	MANAGEMENT DIVISION	1,883,950	0	0	1,883,950
	COMM. & COMMUNITY RELATIONS DIVISION	712,600	0	0	712,600
	HUMAN RESOURCES DIVISION	734,150	0	0	734,150
	CUSTOMER PROGRAMS DIVISION	1,943,700	0	0	1,943,700
	CORPORATE SERVICES DIVISION	8,682,800	0	0	8,682,800
	FINANCIAL DIVISION	5,566,200	283,700	25,500	5,875,400
	GENERAL & ADMINISTRATION	8,452,450	0	0	8,452,450
	TOTAL DEPT. OPERATING EXPENSES	\$60,468,450	\$283,700	\$25,500	\$60,777,650
0520	DEPRECIATION EXPENSE-WATER	\$10,870,900	\$0	\$0	\$10,870,900
0520	DEPRECIATION EXPENSE-SEWER	12,581,000	0	0	12,581,000
0824	AMORTIZATION OF BOND ISSUE COSTS	0	0	0	0
0824	AMORTIZATION - UNDISTRIBUTED	0	0	0	0
	TOTAL DEPRECIATION EXPENSE	\$23,451,900	\$0	\$0	\$23,451,900
0855	LABOR OVERHEAD	(\$2,000,000)	\$0	\$0	(\$2,000,000)
0855	ALLOCATED BENEFITS - JOB COST	0	0	0	0
0812	MINOR MATERIALS - STORE	250,000	0	0	250,000
	INTRADEPARTMENTAL UTILITY CLEARING	(277,700)	0	0	(277,700)
0853	STORES EXPENSE CLEARING	(805,000)	0	0	(805,000)
0851	VEHICLE/EQUIPMENT CLEARING	(2,107,800)	0	0	(2,107,800)
	TOTAL OVERHEAD CLEARING	(\$4,940,500)	\$0	\$0	(\$4,940,500)
0824	BOND INTEREST EXPENSE	\$8,865,800	\$0	\$0	\$8,865,800
0824	BOND INTEREST EXPENSE - CITY ANNEX.	25,400	0	0	25,400
0824	BOND INTEREST - AMORTIZATION	(1,070,000)	0	0	(1,070,000)
0824	LOAN INTEREST EXPENSE	111,800	0	0	111,800
0824	OTHER FINANCE COST	21,800	0	0	21,800
0824	CAPITALIZED INTEREST EXPENSE	0	0	0	0
	TOTAL DEBT INTEREST EXPENSE	\$7,954,800	\$0	\$0	\$7,954,800
	TOTAL EXPENSES	\$86,934,650	\$283,700	\$25,500	\$87,243,850
	NET OPERATING RESULTS	\$6,172,750	(\$283,700)	(\$25,500)	\$5,863,550
108	INCR/(DECR)-GAS AND DIESEL INVEN.	\$0	\$0	\$0	\$0
104	INCR/(DECR)-MATERIALS INVENTORY	0	0	0	0
	TOTAL OTHER DEDUCTIONS	\$0	\$0	\$0	\$0
	GLENVILLE LAKE PLANT	\$975,000	\$0	\$0	\$975,000
	P.O. HOFFER PLANT	200,000	0	0	200,000
	WATER DISTRIBUTION SYSTEM	7,787,700	398,000	0	8,185,700
	SANITARY SEWER COLLECTION SYS.	6,773,600	62,200	500,000	7,335,800
	CROSS CREEK TREATMENT PLANT	1,519,200	0	0	1,519,200
	ROCKFISH TREATMENT PLANT	189,500	0	0	189,500
	LAND AND LAND RIGHTS	43,000	0	0	43,000
	STRUCTURES AND IMPROVEMENTS	115,000	0	0	115,000
	OFFICE FURNITURE AND EQUIPMENT	0	0	0	0
	COMMUNICATION EQUIPMENT	100,000	0	0	100,000
	TRANSPORTATION EQUIPMENT	592,000	0	0	592,000
	POWER OPERATED CONST. EQUIP.	158,000	0	0	158,000
	LABORATORY & TEST EQUIPMENT	0	0	0	0
	TOOLS, SHOP & GARAGE EQUIPMENT	0	0	0	0
	TELECOM - ELEC. INFRASTRUCTURE	0	0	0	0

WATER & WASTEWATER FUND EXPENDITURES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
002		ORIGINAL BUDGET	AMD #1	AMD #2	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2018	FY 2018	FY 2018	FY 2018
MISCELLANEOUS EQUIPMENT		319,000	0	0	319,000
COMP. SOFTWARE AND HARDWARE		1,144,500	0	0	1,144,500
TOTAL CAPITAL EXPENDITURES		\$19,916,500	\$460,200	\$500,000	\$20,876,700
0822 BOND PRINCIPAL PAYMENTS		\$15,264,000	\$0	\$0	\$15,264,000
0822 BOND PRINCIPAL PYMT. - CITY ANNEX.		175,600	0	0	175,600
0822 LOAN PRINCIPAL PAYMENTS		1,380,600	0	0	1,380,600
TOTAL DEBT RELATED PAYMENTS		\$16,820,200	\$0	\$0	\$16,820,200
0828 NC DOT PROJECT PAYMENT		\$0	\$0	\$0	\$0
TOTAL CONTRACTS PAYABLE PYMT		\$0	\$0	\$0	\$0
0531 DEPRECIATION ADJUSTMENT		(\$23,451,900)	\$0	\$0	(\$23,451,900)
0532 AMORTIZATION - BOND ISSUE COST		1,070,000	0	0	1,070,000
0532 AMORTIZATION - UNDISTRIBUTED		0	0	0	0
TOTAL ADJUSTMENTS		(\$22,381,900)	\$0	\$0	(\$22,381,900)
TOTAL SUPPLEMENTAL EXPENDITURES		\$14,354,800	\$460,200	\$500,000	\$15,315,000
TOTAL EXPENDITURES		\$101,289,450	\$743,900	\$525,500	\$102,558,850
0834 APPR. TO RATE STABILIZATION FUND		\$250,000	\$0	\$0	\$250,000
0834 APPR. TO W/WW CAPITAL RESERVE		0	0	0	0
0834 APPR. TO ANNEXATION PHASE V RESERVE		1,900,200	0	0	1,900,200
0834 TRANSFER TO ANNEXATION PHASE V RESERVE		2,600,000	0	0	2,600,000
0834 TRANSFER TO NCDOT RESERVE		1,000,000	0	0	1,000,000
0834 TRANSFER TO FLEET MAINTENANCE FUND		215,000	0	0	215,000
0834 SPECIAL ITEM - HOPE MILLS REFUND		1,700,000	0	0	1,700,000
0834 APPR. TO W/WW NET POSITION		0	0	551,000	551,000
TOTAL BUDGETARY APPROPRIATIONS		\$7,665,200	\$0	\$551,000	\$8,216,200
TOTAL WATER & WASTEWATER UTILITY		\$108,954,650	\$743,900	\$1,076,500	\$110,775,050


DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER



FAYETTEVILLE PUBLIC WORKS COMMISSION
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December 1, 2017

MEMO TO: David Trego, CEO/General Manager

MEMO FROM:  J. Dwight Miller, Chief Financial Officer

SUBJECT: Capital Project Fund (CPF) Budget Ordinances

Attached are the CPF budget ordinances for Commission action at the December 13th meeting and below is a summary explaining the purpose for each. The majority of the changes are reallocating bond proceeds to provide funds for the design of Annexation Areas 32 – 34. NCDOT has recently accelerated the I-295 project impacting these areas and caused an acceleration to complete the proposed design by April 2018.

The following ordinances will be effective upon adoption:

- PWCORD2017-27 Annexation Areas 16-17 CPF is almost complete and is adjusted to its estimated final cost. This releases \$3,372,700 of allocated bond proceeds that will be used in Annexation Areas 18-19.
- PWCORD2017-28 Annexation Areas 18-19 CPF is amended to add bond proceeds as a partial funding source. This will release \$4,555,000 in committed funds from the Annexation Reserve Fund that will be used towards the new accelerated Annexation Areas 32-34. These proceeds were made available from the amendments to Areas 16-17 and the 2016 W/S Revenue Bond CPF.
- PWCORD2017-29 2016 W/S Revenue Bond CPF is also amended to reallocate bond proceeds to Annexation Areas 18-19. This was made possible by delaying projects that were not in the construction phase. These projects will more than likely be funded by the next bond issuance planned in the Fall of 2018.
- PWCORD2017-30 Annexation Reserve Fund is amended to decrease its funding to Annexation Areas 18-19 by \$4,555,000 and allocates the remaining funds of \$8 million to Annexation Areas 32-34. This is the current estimate to complete the design of these areas.
- PWCORD2017-31 Annexation Areas 32-34 CPF establishes the Fund and budget for these areas. Design costs estimated at \$8 million will be performed this fiscal year and construction at a later date.

Staff recommends that the Commission adopt the attached budget CPF ordinance and ordinance amendments.

CAPITAL PROJECT ORDINANCE AMENDMENT
 ANNEXATION PHASE V - AREAS 16 - 17 CAPITAL PROJECT FUND AMENDMENT #5
 PWCORD2017-27

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment authorized is to the Annexation Phase V - Areas 16 through 17 Capital Project Fund, adopted September 25, 2013 and October 28, 2013 by PWC and the City of Fayetteville, NC (CITY), respectively, as amended, for the design and construction of water and sewer installations in Phase V annexation areas 16 through 17.

Section 2. The officers of this unit are hereby directed to proceed with the project within the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfer from Annexation Phase V Reserve	\$ 613,000	\$ 602,000	\$ 1,215,000
2016 Bond Proceeds	19,887,000	(3,372,700)	16,514,300
	\$ 20,500,000	\$ (2,770,700)	\$ 17,729,300

Section 4. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project Expenditures	\$ 20,500,000	\$ (2,770,700)	\$ 17,729,300

Section 5: The PWC Chief Financial Officer will maintain sufficient accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 13th day of December 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
ANNEXATION PHASE V - AREAS 18 - 19 CAPITAL PROJECT FUND AMENDMENT #3
PWCORD2017-28

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment authorized is to the Annexation Phase V - Areas 18 through 19 Capital Project Fund, adopted February 25, 2015 and March 23, 2015 by PWC and the City of Fayetteville, NC (CITY), respectively, as amended, for the funding of design and construction of water and sewer installations in Phase V annexation areas 18 through 19 with a combination of funds from the Annexation Reserve Fund and revenue bonds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the Bond Order including reimbursement declarations and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfer from Annexation Reserve Fund	\$ 17,500,000	\$ (4,555,000)	\$ 12,945,000
2016 Bond Proceeds	-	4,555,000	4,555,000
	\$ 17,500,000	\$ -	\$ 17,500,000

Section 4. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project Expenditures	\$ 17,500,000	\$ -	\$ 17,500,000

Section 5. The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6. Funds may be advanced from the PWC General Fund and/or Annexation Reserve Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 13th day of December 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
 SERIES 2016 WATER AND WASTEWATER CAPITAL PROJECT FUND AMENDMENT #3
 PWCORD2017-29

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The amendment authorized is to the Series 2016 Water and Wastewater Capital Project Fund, adopted November 11, 2015 and November 23, 2015 by PWC and the City of Fayetteville, NC (CITY), respectively, for the funding of various water and wastewater infrastructure projects financed by the revenue bonds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the Bond Order including reimbursement declarations and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Proceeds from revenue bonds	\$ 33,727,832	\$ (1,182,300)	\$ 32,545,532

Section 4. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project expenditures	\$ 33,727,832	\$ (1,182,300)	\$ 32,545,532

Section 5: The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund and/or Electric Rate Stabilization Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 13th day of December 2017.

CAPITAL RESERVE FUND ORDINANCE AMENDMENT
ANNEXATION PHASE V RESERVE FUND AMENDMENT #25
PWCORD2017-30

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 18 to 22 of Chapter 159 of the General Statutes of North Carolina, the following capital reserve fund ordinance is hereby amended:

Section 1. The amendment authorized is to the Annexation Phase V Capital Reserve Fund, adopted May 27, 2009 and June 8, 2009 by PWC and the City of Fayetteville (CITY), respectively, as amended, for the accumulation of funds to complete water and sewer extensions in the Phase V Annexation Area.

Section 2. This fund will remain operational until all expenditures of the planned water and sewer extensions in the Phase V Annexation Area, including debt service payments, have been paid.

Section 3. The following revenues and other financing sources are anticipated to be available and authorized to be accumulated by PWC for the reserve fund:

	Listed As	Amendment	Revised
Transfer from PWC Water/Sewer Fund	\$ 14,510,756	-	\$ 14,510,756
Transfer from PWC Electric Fund - City Portion	8,267,300	-	8,267,300
Transfer from PWC Annexation Ph V Project 1	727,903	-	727,903
Transfer from City of Fayetteville	11,447,443	-	11,447,443
Transfer - Assessment Revenue including interest	14,635,000	-	14,635,000
Interest Income	275,000	-	275,000
	<u>\$ 49,863,402</u>	<u>\$ -</u>	<u>\$ 49,863,402</u>

Section 4. The following uses of accumulated funds are authorized:

	Listed As	Amendment	Revised
Project Withdrawal Authorizations			
Transfer to PWC W/S Fund - Debt Service	\$ 10,692,372	\$ -	\$ 10,692,372
Transfer to Annexation Ph V, Areas 8-13 CPF	729,548	-	729,548
Transfer to Annexation Ph V, Areas 14-15 CPF	199,668	(1,156)	198,512
Transfer to Annexation Ph V, Areas 16-17 CPF	613,000	602,000	1,215,000
Transfer to Annexation Ph V, Areas 18-19 CPF	17,500,000	(4,555,000)	12,945,000
Transfer to Annexation Ph V, Areas 20-21 CPF	16,000,000	-	16,000,000
Transfer to Annexation Ph V, Areas 32-34 CPF	-	8,000,000	8,000,000
Interest Expense - Advance from ERSF	80,000	(644)	79,356
Future Project Funding Accumulations	4,048,814	(4,045,200)	3,614
	<u>\$ 49,863,402</u>	<u>\$ -</u>	<u>\$ 49,863,402</u>

Section 5. Copies of the capital reserve fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 13th day of December 2017.

CAPITAL PROJECT ORDINANCE
ANNEXATION PHASE V - AREAS 32 - 34 CAPITAL PROJECT FUND
PWCORD2017-31

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for funding the water and sewer installations in the Phase V annexation areas 32 through 34 with a combination of accumulated funds in the Annexation Reserve Fund and bond proceeds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the Bond Order including reimbursement declarations and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

Transfer from Annexation Reserve Fund	\$ 8,000,000
Bonds Proceeds	<u>71,200,000</u>
	<u>\$ 79,200,000</u>

Section 4. The following amounts are appropriated for the project:

Project Expenditures	<u>\$ 79,200,000</u>
----------------------	----------------------

Section 5: The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund and/or Annexation Reserve Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance shall be made available to the PWC budget officer and finance officer.

Adopted this 13th day of December 2017.



DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER

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955 OLD WILMINGTON RD
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TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

November 21, 2017

MEMO TO: David W. Trego, CEO/General Manager

A handwritten signature in black ink that reads 'Susan Fritzen'.

FROM: Susan Fritzen, Chief Corporate Services Officer

SUBJECT: Agenda Item for December 13, 2017 Commission Meeting

I would like to request an item be placed on the agenda for the above referenced meeting, to update the Commission on IS Disaster Recovery.

This will include a presentation of multiple options with a request of the Commission to provide direction.

Open Commission Requests

As of 12/13/17

<u>Commission Meeting Date</u>	<u>Presentation/Discussion Item</u>	<u>Presenter (Staff)</u>
To be Determined	Discuss Employees' Compensation Policy outside the Max Payscale Requested by: Commissioner Rogers/Lallier – 7/27/16	D. Trego B. Russell
To be Determined	Presentation on Customer Segmentation Relative to Smart Grid. Requested by: Commissioner Rogers – 2/24/16	M. Brown
On Hold Pending City Action	Review of Fleet Management Services Agreement Updated: 1/20/17	S. Fritzen
To be Completed 12/13/17	Discuss strategy for PWC's approach to solar. Requested by: Commissioner Rogers - 10-25-17	D. Trego
To be Determined	Develop criteria for determining successful design-build projects, including evaluating the completed projects against expectations. Requested by: Commissioner Rogers 11-3-17 (via email)	???????
COMPLETED 10/25/17	Update Commission on PWC's exposure, if any, regarding water mains going through lakes and dams. Requested by: Commissioner Shaw – 9/27/17	M. Noland/J. West
COMPLETED 7/26/17	Update Commission on details of lead in water pipes. Requested by: Commissioner Lallier - 1/27/16	M. Noland/C. Smith
COMPLETED 6/16/17 (VIA E-Mail)	Can Commission set a minimum price for an unsolicited offer to purchase the RC Williams Building to be brought to their attention? Requested by: Commissioner Shaw – 6/14/17	D. Trego

PREVIOUSLY CLOSED COMMISSION REQUESTS HAVE BEEN ARCHIVED

November 1-30, 2017

Personnel Report

<i>DIVISION</i>	<i>AUTHORIZED POSITIONS</i>	<i>ACTUAL EMPLOYEES</i>	<i>Part -time Employees</i>	<i>CONTRACT POSITIONS</i>	<i>VACANT POSITIONS</i>	<i>Staff by Temp Agency</i>
MANAGEMENT						
Executive	5	5				
Customer Programs Admin	1	1				
Human Resources Admin	1	1				
Communications/Comm Rel	1	1				
Corporate Services	1	1				
Financial Administration	1	1				
Water Administration	1	1				
Electric Administration	1	1				
Total	12	12	0	0	0	0
COMM/COMM REL						
Communications/Comm Relations	4	3			1	
Total	4	3	0	0	1	0
HUMAN RESOURCES						
Human Resources	6	6				
Medical	1	0		1		
OD/Safety & Training	2	1			1	
Total	9	7	0	1	1	0
CUSTOMER PROGRAMS						
Programs Call Center	12	10			2	
Development & Marketing	6	5			1	
Water Meter Shop	2	2				
Electric Meter Shop	3	3				
Utility Field Services	21	19			2	
Total	44	39	0	0	5	0
CORPORATE SERVICES						
Project Management	15	15				
Warehouse	13	12			1	
Fleet Maintenance	42	38			4	3
Facilities Maintenance	7	6			1	
Information Systems	3	3				3
Telecommunications	8	7			1	
Database Support	2	2				
IS Security	2	2				
Applications Support	9	6			3	
End User Computing	7	6			1	
Total	108	97	0	0	11	6

<i>DIVISION</i>	<i>AUTHORIZED POSITIONS</i>	<i>ACTUAL EMPLOYEES</i>	<i>Part -time Employees</i>	<i>CONTRACT POSITIONS</i>	<i>VACANT POSITIONS</i>	<i>Staff by Temp Agency</i>
FINANCIAL						<i>or Part-time</i>
Accounting	11	11				1
Payroll	1	1				
Accounts Receivable	10	8			2	
Customer Accts Call Center	44	*44			*2	2
Customer Service Center	12	11			1	
Risk Management	2	2				1
Environmental Compl	1	1				
Claims	1	1				
Property & ROW Mgmt	6	6				
Collections	0	0				
Internal Auditing	1	1				
Financial Planning	9	7			2	2
Budget	2	2				
Rates & Planning	2	2				
Purchasing	7	5			2	1
Total	109	102	0	0	7	7
WATER RESOURCES						
W/R Engineering	35	35				1
W/R Construction	102	98			4	
P.O. Hoffer Plant	9	9				1
Glenville Lake Plant	6	6				
W/WW Facilities Maint.	22	20			2	2
Cross Creek Plant	10	9			1	
Rockfish Plant	7	7				
Residuals Management	2	2				1
Environmental Services	1	1				
Laboratory	6	6				
W/R Environ. Sys. Prot.	4	4				
Watersheds	1	1				
Total	205	198	0	0	7	5
<i>DIVISION</i>	<i>AUTHORIZED POSITIONS</i>	<i>ACTUAL EMPLOYEES</i>	<i>Part -time Employees</i>	<i>CONTRACT POSITIONS</i>	<i>VACANT POSITIONS</i>	<i>Staff by Temp Agency</i>
ELECTRIC						
Electrical Engineering	23	22			1	5
Fiber	2	2				
Electric Construction	77	73			4	
Substation	14	13			1	
Apparatus Repair Shop	5	5				
CT Metering Crews	4	4				
Compliance	3	3				
Power Supply SEPA	0	0				
Power Supply Progress Energy	0	0				
Generation	26	26				
Total	154	148		0	6	5
TOTAL	645	606	0	1	38	23

*2 temporary overstaff in Customer Service



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TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

November 8, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **CONTRACTS, WARRANTY, & RECOVERY TECHNICIAN**

DEPARTMENT: **0475- Procurement**

HOURS: **MONDAY-FRIDAY 8:00AM-5:00PM**
Overtime as required

GRADE LEVEL: **404- \$17.02-\$21.28/Hour**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, **November 22, 2017.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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November 8, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **POWERLINE CREWLEADER**

DEPARTMENT: **0820- Electric Construction**

HOURS: **MONDAY-FRIDAY 7:00AM-3:30PM**
Overtime and on call as required

GRADE LEVEL: **407X- \$25.72-\$32.16/Hour**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, **November 22, 2017.**

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OF THE CITY OF FAYETTEVILLE

ELECTRIC & WATER UTILITIES

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November 15, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Rhonda Fokes
Rhonda.fokes@faypwc.com

SUBJECT: Job Vacancy

POSITION: Warehouse Operations Analyst

DEPARTMENT: 0370 – Warehouse

HOURS: MONDAY – FRIDAY, 8AM – 5PM
Extended hours, as necessary

GRADE LEVEL: 412 \$60,151.66 - \$75,189.58/Annually

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, December 1, 2017.

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November 15, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Rhonda Fokes
Rhonda.fokes@faypwc.com

SUBJECT: Job Vacancy

POSITION: Senior Facilities Electrician Maintenance Mechanic

DEPARTMENT: 0378 – Facilities Maintenance

HOURS: MONDAY – FRIDAY, 8AM – 5PM
Extended hours, as necessary

GRADE LEVEL: 405 \$19.01 - \$23.76/hourly

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, December 1, 2017.

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November 15, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Rhonda Fokes
Rhonda.fokes@faypwc.com

SUBJECT: Job Vacancy

POSITION: End User Device Analyst

DEPARTMENT: 0385 – Information Systems
End User Computing

HOURS: MONDAY – FRIDAY, 8AM – 5PM
Extended hours, as necessary

GRADE LEVEL: 411 \$54,761.20 - \$68,451.50/Annually

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, December 1, 2017.

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November 15, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Rhonda Fokes
Rhonda.fokes@faypwc.com

SUBJECT: Job Vacancy

POSITION: Administrative Assistant II

DEPARTMENT: 0210 – Communications & Community Relations

HOURS: MONDAY – FRIDAY, 8AM – 5PM
Extended hours, as necessary

GRADE LEVEL: 403 \$15.34 - \$19.17/hourly

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, December 1, 2017.

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November 16, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **CUSTOMER SERVICE REPRESENTATIVE**

DEPARTMENT: **0420- Customer Accounts Call Center**

HOURS: **MONDAY-FRIDAY 11:00AM-8:00PM**
Overtime as required-hours may vary

GRADE LEVEL: **403- \$15.34-\$19.17/HOUR**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, **December 4, 2017.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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November 16, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **LOCAL VENDOR PROCUREMENT ANALYST**

DEPARTMENT: **0475- Procurement**

HOURS: **MONDAY-FRIDAY 8:00AM-5:00PM**
Extended hours as required

GRADE LEVEL: **413- \$66,545-\$83,184/EX**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, **December 4, 2017.**

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November 27, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **FINANCIAL RATES ANALYST**

DEPARTMENT: **0472- Rates**

HOURS: **MONDAY-FRIDAY 8:00AM-5:00PM**
Extended hours as required

GRADE LEVEL: **414X- \$80,330-\$100,413/EXEMPT**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, **December 11, 2017.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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December 1, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **P/P CHIEF OPERATOR**

DEPARTMENT: **0831- Generation**

HOURS: **12 HOUR ROTATING SHIFT**

GRADE LEVEL: **408- \$26.86-\$33.57/HOUR**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, **December 15, 2017.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

BUILDING COMMUNITY CONNECTIONS SINCE 1905

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December 1, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Corrie Attaway
Corrie.attaway@faypwc.com

SUBJECT: Job Vacancy

POSITION: W/R SCADA SYSTEMS SPECIALIST
(Functional Employment Testing Required)

DEPARTMENT: 0632- W/R FACILITIES MAINTENANCE

HOURS: MONDAY-FRIDAY, 7:00 AM- 3:30 PM

GRADE LEVEL: 408 \$26.86- \$33.57 / Hourly

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, IRecruitment, Employee Candidate no later than 5pm, December 13, 2017

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

**PUBLIC WORKS COMMISSION
RECAP OF REVENUES AND EXPENDITURES
ELECTRIC**

FOR THE PERIOD ENDING OCTOBER 31, 2017

UNAUDITED - SUBJECT TO CHANGE

ROUNDED TO NEAREST HUNDRED		Current Month Budget	Current Month Actual	Current Month Actual Last Year	Budget To Actual Variance Current	Current Actual Difference	Year To Date Budget	Year To Date Current Year	Year To Date Last Year	Year To Date Budget To Actual Variance	Year To Date Difference	% Change Current Year Prior Year	Annual Budget
Description													
Operating Revenues	Residential, Commercial, and Industrial Sales	14,691,500	15,524,200	14,195,300	832,700	1,328,900	69,696,300	70,177,400	70,165,600	481,100	11,800	0.02%	196,544,400
	Other Sales of Electricity	950,800	945,400	908,500	(5,400)	36,900	3,867,200	3,805,500	3,716,100	(61,700)	89,400	2.41%	11,699,800
	Butler Warner Generation Plant Lease	302,200	449,100	302,200	146,900	146,900	7,366,400	7,400,200	7,391,500	33,800	8,700	0.12%	12,947,400
	Other Operating Revenues	607,600	898,300	1,023,300	290,700	(125,000)	2,164,400	2,682,200	4,432,200	517,800	(1,750,000)	-39.48%	7,806,900
	Other Revenues	100,000	69,100	23,700	(30,900)	45,400	400,000	262,200	35,300	(137,800)	226,900	642.78%	1,200,000
Operating Revenues Total		16,652,100	17,886,100	16,453,000	1,234,000	1,433,100	83,494,300	84,327,500	85,740,700	833,200	(1,413,200)	-1.65%	230,198,500
Power Supply and Maintenance	Power Supply	9,594,900	11,102,800	9,672,300	(1,507,900)	1,430,500	48,759,400	49,860,500	49,947,200	(1,101,100)	(86,700)	-0.17%	149,404,000
	Maintenance of Generation Plant	478,900	461,400	296,500	17,500	164,900	1,685,500	1,333,600	1,234,300	351,900	99,300	8.05%	4,619,400
Power Supply and Maintenance Total		10,073,800	11,564,200	9,968,800	(1,490,400)	1,595,400	50,444,900	51,194,100	51,181,500	(749,200)	12,600	0.02%	154,023,400
Operating Revenues Available For Operating Expenses Total		6,578,300	6,321,900	6,484,200	(256,400)	(162,300)	33,049,400	33,133,400	34,559,200	84,000	(1,425,800)	-4.13%	76,175,100
Operating Expenses	Trans. and Distr. Expenses	1,212,000	1,069,000	1,442,900	143,000	(373,900)	5,311,700	4,302,500	4,796,200	1,009,200	(493,700)	-10.29%	18,854,100
	G & A Expenses	1,705,700	1,485,500	1,373,000	220,200	112,500	7,665,000	6,041,900	5,136,800	1,623,100	905,100	17.62%	23,870,100
	Debt Interest Expense	102,100	102,000	120,100	100	(18,100)	382,000	381,800	487,500	200	(105,700)	-21.68%	1,294,600
	Depreciation Expenses	1,391,000	1,372,000	1,324,100	19,000	47,900	5,563,800	5,421,500	5,261,400	142,300	160,100	3.04%	16,691,500
Operating Expenses Total		4,410,800	4,028,500	4,260,100	382,300	(231,600)	18,922,500	16,147,700	15,681,900	2,774,800	465,800	2.97%	60,710,300
Operating Results Total		2,167,500	2,293,400	2,224,100	125,900	69,300	14,126,900	16,985,700	18,877,300	2,858,800	(1,891,600)	-10.02%	15,464,800
	Aid to Construction and Grants	390,800	83,200	500	(307,600)	82,700	1,563,300	263,700	178,600	(1,299,600)	85,100	47.65%	4,690,000
	Payment In Lieu of Taxes (PILOT)	(869,100)	(869,000)	(930,600)	100	61,600	(3,476,400)	(3,476,000)	(3,422,300)	400	(53,700)	1.57%	(10,428,200)
	Intergovernmental Revenues (Expenses)	(100,000)	(100,000)	(100,000)	-	-	(400,000)	(400,000)	(400,000)	-	-	0.00%	(1,200,000)
Change in Net Assets before Appropriations Total		1,589,200	1,407,600	1,194,000	(181,600)	213,600	11,813,800	13,373,400	15,233,600	1,559,600	(1,860,200)	-12.21%	8,526,600
	Appropriations from/(to) Other Funds	(17,900)	-	-	(17,900)	-	(71,700)	-	-	(71,700)	-	100.00%	(215,000)
Change in Net Assets after Appropriations Total		1,571,300	1,407,600	1,194,000	(199,500)	213,600	11,742,100	13,373,400	15,233,600	1,487,900	(1,860,200)	-12.21%	8,311,600
Revenues and Budgetary Appr.	Total Revenues	17,042,900	17,969,300	16,453,500	926,400	1,515,800	85,057,600	84,591,200	85,919,300	(466,400)	(1,328,100)	-1.55%	234,888,500
	Budgetary Appropriations	905,600	-	-	(905,600)	-	3,717,800	192,000	-	(3,525,800)	192,000	100.00%	18,725,400
Revenues and Budgetary Appr. Total		17,948,500	17,969,300	16,453,500	164,500	1,700,100	88,775,400	84,783,200	85,919,300	(3,756,100)	(1,505,200)	-1.75%	253,613,900
Expenditures	Total Operating Expenses	15,453,700	16,561,700	15,259,500	(1,108,000)	1,302,200	73,243,800	71,217,800	70,685,700	2,026,000	532,100	0.75%	226,361,900
	Depreciation/Amortization Adjustment	(1,372,100)	(1,353,100)	(1,295,600)	(19,000)	(57,500)	(5,488,300)	(5,345,300)	(5,052,900)	(143,000)	(292,400)	5.79%	(16,456,200)
	Other Deductions	21,140	20,965	54,900	1,750	(33,900)	142,040	816,100	316,100	(780,590)	500,000	158.18%	427,000
	Capital Expenditures	1,990,600	667,600	1,714,900	1,323,000	(1,047,300)	8,889,752	4,194,300	5,431,300	4,695,452	(1,237,000)	-22.78%	27,204,200
	Debt Principal Payments	-	-	-	-	-	-	-	-	-	-	100.00%	2,501,000
	Appropriations to Other Funds	984,000	348,000	405,300	636,000	(57,300)	3,783,400	1,630,600	7,328,000	2,152,800	(5,697,400)	-77.75%	13,576,000
Expenditures Total		17,077,340	16,245,165	16,139,000	833,750	106,200	80,570,692	72,513,500	78,708,200	7,950,662	(6,194,700)	-7.87%	253,613,900

* Budget Variance Favorable (Unfavorable)

**PUBLIC WORKS COMMISSION
RECAP OF REVENUES AND EXPENDITURES
WATER/WASTEWATER**

FOR THE PERIOD ENDING OCTOBER 31, 2017

UNAUDITED - SUBJECT TO CHANGE

ROUNDED TO NEAREST HUNDRED		Current Month Budget	Current Month Actual	Current Month Actual Last Year	Budget To Actual Variance Current	Current Actual Difference	Year To Date Budget	Year To Date Current Year	Year To Date Last Year	Year To Date Budget To Actual Variance	Year To Date Difference	% Change Current Year Prior Year	Annual Budget
Description													
Operating Revenues	Residential, Commercial, and Industrial-Water	3,173,400	3,261,400	2,892,600	88,000	368,800	13,581,400	13,493,700	12,634,200	(87,700)	859,500	6.80%	38,836,100
	Other Sales of Water	241,000	254,600	226,100	13,600	28,500	1,187,100	1,157,200	1,122,600	(29,900)	34,600	3.08%	3,087,400
	Residential, Commercial, and Industrial- Wastewater	3,783,100	3,821,700	3,493,200	38,600	328,500	15,560,300	15,470,500	14,427,800	(89,800)	1,042,700	7.23%	46,026,800
	Other Sales of Wastewater	34,900	36,300	45,500	1,400	(9,200)	188,300	160,000	198,400	(28,300)	(38,400)	-19.35%	522,900
	Other Operating Revenues	320,400	355,600	361,500	35,200	(5,900)	1,329,600	1,509,600	1,324,100	180,000	185,500	14.01%	3,822,000
	Other Revenues	67,900	74,000	63,000	6,100	11,000	271,800	319,600	263,900	47,800	55,700	21.11%	812,200
Operating Revenues Total		7,620,700	7,803,600	7,081,900	182,900	721,700	32,118,500	32,110,600	29,971,000	(7,900)	2,139,600	7.14%	93,107,400
Operating Expenses	Water Treatment Facilities	1,003,600	836,700	935,200	166,900	(98,500)	4,330,400	3,544,500	3,699,400	785,900	(154,900)	-4.19%	13,927,200
	Water Distribution System	352,200	273,200	255,300	79,000	17,900	1,524,600	1,212,400	1,214,300	312,200	(1,900)	-0.16%	5,363,900
	Wastewater Collection System	623,800	534,400	720,500	89,400	(186,100)	2,655,200	2,026,000	2,148,700	629,200	(122,700)	-5.71%	7,883,300
	Water Reclamation Facilities	487,300	462,000	459,800	25,300	2,200	1,892,200	1,723,800	1,726,700	168,400	(2,900)	-0.17%	6,017,600
	Residuals Management	19,900	14,300	12,900	5,600	1,400	77,900	67,600	85,500	10,300	(17,900)	-20.94%	269,300
	G & A Expenses	1,695,600	1,241,000	1,083,800	454,600	157,200	7,513,800	5,020,000	4,570,300	2,493,800	449,700	9.84%	22,350,400
	Debt Interest Expense	693,900	694,100	743,000	(200)	(48,900)	2,814,400	2,816,500	2,985,800	(2,100)	(169,300)	-5.67%	7,954,800
	Depreciation Expense	1,954,300	1,910,100	1,757,400	44,200	152,700	7,817,300	7,334,100	6,902,500	483,200	431,600	6.25%	23,451,900
Operating Expenses Total		6,830,600	5,965,800	5,967,900	864,800	(2,100)	28,625,800	23,744,900	23,333,200	4,880,900	411,700	1.76%	87,218,400
Operating Results Total		790,100	1,837,800	1,114,000	1,047,700	723,800	3,492,700	8,365,700	6,637,800	4,873,000	1,727,900	26.03%	5,889,000
	Aid to Construction, Grants, and FIF	138,200	849,300	33,300	711,100	816,000	552,900	1,874,700	1,657,400	1,321,800	217,300	13.11%	1,659,200
	Operating Transfers In (Out)	300,000	-	0	(300,000)	-	1,000,000	-	(60,000)	(1,000,000)	60,000	-100.00%	2,930,000
Change in Net Assets before Appropriations Total		1,228,300	2,687,100	1,147,300	1,458,800	1,539,800	5,045,600	10,240,400	8,235,200	5,194,800	2,005,200	24.35%	10,478,200
	Appropriations from/(to) Other Funds	(17,900)	-	-	(17,900)	-	(71,700)	-	-	(71,700)	-	100.00%	(215,000)
Change in Net Assets after Appropriations Total		1,210,400	2,687,100	1,147,300	1,440,900	1,539,800	4,973,900	10,240,400	8,235,200	5,123,100	2,005,200	24.35%	10,263,200
Revenues and Budgetary	Total Revenues	8,058,900	8,652,900	7,115,200	594,000	1,537,700	33,671,400	33,985,300	31,568,400	313,900	2,416,900	7.66%	97,696,600
Appr.	Budgetary Appropriations	609,300	-	0	(609,300)	-	4,173,800	1,492,100	5,511,400	(2,681,700)	(4,019,300)	-72.93%	12,002,000
Revenues and Budgetary Appr. Total		8,668,200	8,652,900	7,115,200	(15,300)	1,537,700	37,845,200	35,477,400	37,079,800	(2,367,800)	(1,602,400)	-4.32%	109,698,600
Expenditures	Total Operating Expenses	6,830,600	5,965,800	5,967,900	864,800	(2,100)	28,625,800	23,744,900	23,333,200	4,880,900	411,700	1.76%	87,218,400
	Depreciation/Amortization Adjustment	(1,864,200)	(1,820,000)	(1,666,900)	(44,200)	(153,100)	(7,456,900)	(6,973,400)	(6,492,800)	(483,500)	(480,600)	7.40%	(22,381,900)
	Other Deductions	(98,900)	57,600	(16,800)	(169,700)	74,400	-	202,400	(7,200)	(202,400)	209,600	-2911.11%	-
	Capital Expenditures	1,565,500	548,400	1,687,600	891,600	(1,013,700)	6,640,500	2,277,400	5,999,100	4,239,200	(3,596,200)	-59.95%	20,376,700
	Debt Related Payments	-	-	-	-	-	-	-	-	-	-	100.00%	16,820,200
	Special Item	141,000	-	-	141,000	-	564,000	0	564,000	-	564,000	100.00%	1,700,000
	Appropriations to Other Funds	550,400	341,000	245,000	209,400	96,000	2,001,700	1,420,900	1,075,600	580,800	345,300	32.10%	5,965,200
Expenditures Total		7,124,400	5,092,800	6,216,800	1,892,900	(998,500)	30,375,100	20,672,200	23,907,900	9,579,000	(3,110,200)	-13.01%	109,698,600

* Budget Variance Favorable (Unfavorable)

**RECAP OF REVENUES AND EXPENDITURES
FLEET MAINTENANCE INTERNAL SERVICE FUND**

FOR THE PERIOD ENDING OCTOBER 31, 2017

UNAUDITED - SUBJECT TO CHANGE

ROUNDED TO NEAREST HUNDRED		Current Month Budget	Current Month Actual	Current Month Actual Last Year	Budget to Actual Difference Current	Current Actual Difference	Year To Date Budget	Year To Date Current Year	Year To Date Last Year	Year to Date Budget to Actual Difference	Year to Date Difference	Change % Current Year Prior Last Year	Annual Budget
Operating Revenues	City Services	538,600	177,900	509,400	(360,700)	(331,500)	2,154,400	1,841,700	2,032,300	(312,700)	(190,600)	-9.38%	6,463,700
	City Fuel Purchases	46,500	34,600	56,800	(11,900)	(22,200)	186,000	133,200	157,700	(52,800)	(24,500)	-15.54%	558,000
	PWC Services	179,600	177,900	151,100	(1,700)	26,800	718,200	775,800	759,000	57,600	16,800	2.21%	2,154,600
	Other Revenue	-	-	-	-	-	-	-	-	-	-	100.00%	-
Operating Revenues Total		764,700	390,400	717,300	(374,300)	(326,900)	3,058,600	2,750,700	2,949,000	(307,900)	(198,300)	-6.72%	9,176,300
Operating Expenses	Salaries	141,200	139,600	137,200	1,600	2,400	562,400	523,100	565,100	39,300	(42,000)	-7.43%	1,768,300
	Benefits	44,600	29,800	37,700	14,800	(7,900)	176,600	144,300	168,400	32,300	(24,100)	-14.31%	536,600
	FICA and Medicare	12,800	11,900	12,500	900	(600)	51,100	46,600	52,300	4,500	(5,700)	-10.90%	154,300
	Insurance	60,900	31,100	57,700	29,800	(26,600)	243,800	203,600	260,100	40,200	(56,500)	-21.72%	731,500
	Material and Supplies	425,700	321,700	239,800	104,000	81,900	1,568,000	1,592,600	1,196,800	(24,600)	395,800	33.07%	4,084,200
	City Fuel Purchases	42,800	34,600	58,300	8,200	(23,700)	212,900	133,400	159,400	79,500	(26,000)	-16.31%	558,000
	Utilities	5,300	5,000	4,200	300	800	19,200	19,900	19,500	(700)	400	2.05%	70,400
	Contractual Services	5,500	0	1,100	5,500	(1,100)	46,600	12,700	11,600	33,900	1,100	9.48%	107,900
	Uniform	3,800	3,600	2,000	200	1,600	16,500	10,600	7,500	5,900	3,100	41.33%	49,100
	Fleet Services	2,600	1,500	2,400	1,100	(900)	14,200	19,000	16,700	(4,800)	2,300	13.77%	53,400
	General and Administrative	38,300	25,800	5,000	12,500	20,800	149,600	72,900	36,800	76,700	36,100	98.10%	321,000
	Admin. Fleet Overhead	20,800	46,700	0	(25,900)	46,700	113,400	186,900	139,600	(73,500)	47,300	33.88%	561,700
	Depreciation	15,000	15,300	15,700	(300)	(400)	59,900	61,600	63,000	(1,700)	(1,400)	-2.22%	179,600
Operating Expenses Total		819,300	666,600	573,600	152,700	93,000	3,234,200	3,027,200	2,696,800	207,000	330,400	12.25%	9,176,000
Operating Results Total		(54,600)	(276,200)	143,700	(221,600)	(419,900)	(175,600)	(276,500)	252,200	(100,900)	(528,700)	-209.64%	300
	Appropriations from Electric	-	-	-	-	-	-	-	-	-	-	100.00%	215,000
	Appropriations from Wtr Resources	-	-	-	-	-	-	-	-	-	-	100.00%	215,000
Change In Net Position Total		(54,600)	(276,200)	143,700	(221,600)	(419,900)	(175,600)	(276,500)	252,200	(100,900)	(528,700)	-209.64%	430,300
Revenues and Budgetary Appr.	Total Revenues	764,700	390,400	717,300	(374,300)	(326,900)	3,058,600	2,750,700	2,949,000	(307,900)	(198,300)	-6.72%	9,176,300
	Budgetary Appropriations	-	-	-	-	-	-	-	-	-	-	100.00%	430,000
Revenues and Budgetary Appr. Total		764,700	390,400	717,300	(374,300)	(326,900)	3,058,600	2,750,700	2,949,000	(307,900)	(198,300)	-6.72%	9,606,300
Expenditures	Total Operating Expenses	819,300	666,600	573,600	152,700	93,000	3,234,200	3,027,200	2,696,800	207,000	330,400	12.25%	9,176,000
	Depreciation Adjustment	(15,000)	(15,300)	(15,700)	300	400	(59,900)	(61,600)	(63,000)	1,700	1,400	-2.22%	(179,600)
	Other Deductions	-	-	-	-	-	-	-	-	-	-	100.00%	300
	Capital Expenditures	300,000	-	-	300,000	-	430,000	-	-	430,000	-	100.00%	430,000
	Appropriations to Other Funds	-	-	-	-	-	-	-	-	-	-	100.00%	179,600
Expenditures Total		1,104,300	651,300	557,900	453,000	93,400	3,604,300	2,965,600	2,633,800	638,700	331,800	12.60%	9,606,300

* Budget Variance Favorable (Unfavorable)