

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, JUNE 13, 2018
8:30 A.M.

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

Others Present: David W. Trego, CEO/General Manager
Jay Reinstein, Assistant City Manager
Johnny Dawkins, City Council Liaison
Melissa Adams, Hope Mills Town Manager/Liaison
PWC Staff

Absent: D. Ralph Huff, III, Vice-Chairman
Michael Boose, Cumberland County Liaison
Media

REGULAR BUSINESS

Chairman Wade R. Fowler, Jr., called the meeting of Wednesday, June 13, 2018, 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 Rogers and seconded by Commissioner Shaw, the consent items were unanimously approved.

- A. Approve Minutes of meeting of May 23, 2018
- B. Approve Cancellation of June 27, 2018, Commission Meeting
- C. Approve bid recommendation to award contract for the construction of the North Fayetteville Outfall 18" Sanitary Sewer Main Extension to ES&J Enterprises, Autryville, NC, the lowest responsive, responsible bidder, in the total amount of \$3,821,596.00, and forward to City Council for approval.

The North Fayetteville Outfall 18” Sanitary Sewer Main Extension (CPR1000129) is proposed in the FY2019 Budget. Approval of this recommendation is contingent upon approval of the FY2019 Budget by the Commission.

Bids were received on April 26, 2018 as follows:

<u>Bidders</u>	<u>Total Cost</u>
ES&J Enterprises, Autryville, NC	\$3,821,596.00
TA Loving, Goldsboro, NC	\$3,826,010.00
Sanford Contracting, Sanford, NC	\$5,130,876.34
Billy Bill Grading Co., Inc., Fayetteville, NC	\$9,300,942.27

COMMENTS: This project consists of the construction of approximately 13,800 linear feet of 18” sanitary sewer main from the existing Carver’s Creek outfall near Goodyear Tire & Rubber to a point south of Elliot Bridge Road and will provide sanitary sewer service to a high growth area of the Urban Services District. The lowest responsive, responsible bidder is recommended. Approval of this bid award is contingent upon approval of the FY2019 Budget. **SDBE:** ES&J is a certified women-owned business. In addition, ES&&J will be utilizing Carolina Environmental Contracting, Inc., a certified woman-owned business for silt fence installation and Paul D. Williams Hauling, a certified minority business for hauling services. **LOCAL:** While not located in Cumberland County, ES&J Enterprises is located in Autryville, NC (Sampson County).

- D. Approve bid recommendation to award contract for Sewer Lateral Rehabilitation work for FY2019 with the option to extend the contract for additional one-year periods, up to a maximum of four (4) years to Prism Contractors, Inc., Williamsburg, VA, the lowest responsive, responsible bidder in the total amount of \$497,550.00 and forward to City Council for approval.

The FY19 Sewer Lateral Rehabilitation - CPR1000128 – has sufficient funds in the FY2019 budget for the project contract amount of \$497,550.00. Approval of this recommendation is contingent upon approval of the FY2019 Budget by the Commission.

Bids were received on May 3, 2018 as follows:

<u>Bidders</u>	<u>Total Cost</u>
Prism Contractors, Inc., Williamsburg, VA	\$497,550.00
United Pipe Renewal, Inc., Johnston, IA	\$810,200.00
Performance Pipelining, Ottawa, IL	\$897,850.00

COMMENTS: This project consists of rehabilitating existing clay, cast iron and other various sewer laterals, utilizing a cured-in-place liner in accordance with PWC Technical Specification 02771. Work shall include cleaning and pre-inspection of the laterals to be lined, installation of the liner, post-inspection of the liner, and other items necessary to provide a complete project. The contract time shall run for a period of one year from the execution of the contract, or until the end of the fiscal year in which this contract is awarded, whichever comes first. This contract may be renewed with the same contractor for a maximum of four (4) contract periods. This lowest responsive, responsible bidder is recommended. Approval of this bid award is contingent upon approval of the FY2019 Budget. **SDBE:** The bidder intends to perform 100% of the work with their own workforce. **Local:** The bidder is located in Williamsburg, VA. No local vendors bid on this project.

E. Approval of Electric, Water/Wastewater and Fleet Budget Amendment #5

PWCORD2018-13 – is an Electric and Water/Wastewater Fund FY2018 amendment decreasing the Electric Fund \$3,413,200 to \$250.5 million and increasing the W/WW Fund \$629,500 to \$111.0 million

(Staff recommends the Commission adopt the above Budget Ordinance Amendment)

F. Approval of Capital Project Fund Budget Ordinance 2018 Amendments

PWCORD2018-14 – Amends the Annexation Reserve Fund to increase the funding from the Electric Fund by \$643,116.00 to match the amount the City would have paid under the previous agreement. Other adjustments are housekeeping items.

PWCORD2018-15 – Amends the Electric Rate Stabilization Fund to increase the FY2018 transfer from Electric \$4.5M to prepare for an expected true-up payment due to Duke Energy for the increase in energy costs during the extended cold weather in January 2018.

(Staff recommends the Commission adopt the above Capital Project Fund Ordinance Amendments)

END OF CONSENT

PUBLIC HEARING ON PROPOSED FACILITY INVESTMENT FEES (FIF)

The public hearing was opened by Chairman Wade Fowler. The Clerk announced there were no speakers and no written comments.

The Public Hearing was closed by Chairman Fowler

PUBLIC HEARING ON FISCAL YEAR 2019 PROPOSED BUDGET

The Public Hearing was opened by Chairman Wade Fowler. The Clerk announced there was one speaker. There were no written comments:

Mr. Jerry Reinoehl, 516 Deerpath Drive, Fayetteville, NC – spoke in opposition

There being no more speakers, the public hearing was closed by Chairman Fowler.

COMMISSION CONSIDERATION OF THE FOLLOWING REGARDING ADOPTION OF FAYETTEVILLE PUBLIC WORKS COMMISSION FIF FEES (SYSTEM DEVELOPMENT FEES) IN ACCORDANCE WITH NORTH CAROLINA GENERAL STATUTES

- A. RESOLUTION NO. PWC2018.07 - Resolution of the Fayetteville Public Works Commission to Adopt System Development Fees in Accordance With North Carolina General Statutes
- B. ORDINANCE NO. PWCORD2018-22 – Capital Reserve Fund Ordinance, Facility Investment Fee Capital Reserve Fund

Upon motion by Commissioner Rogers and seconded by Commissioner Shaw, the above Resolution # PWC2018.07 and Ordinance # PWCORD2018-22 were unanimously approved.

Chairman Fowler announced though Commissioner Huff is not present and cannot vote, he wanted to go on the record that he reviewed the Budget and FIF Fees and was in favor of both.

COMMISSION CONSIDERATION OF FY2019 BUDGET ORDINANCE PWCORD2018-16 - (FY2018-2019 ANNUAL BUDGET)

Upon motion by Commissioner Shaw and seconded by Commissioner Rogers, the FY2019 Budget Ordinance PWCORD2018-2019 was unanimously approved.

APPROVAL OF CAPITAL PROJECT FUND (CPF) BUDGET ORDINANCE AMENDMENTS FOR FY2019

Upon approval, the following ordinances will be effective July 1, 2018, and will reflect the FY2019 activity from the FY2019 Annual Electric and Water/Wastewater Operating and CIP Budgets

- A. PWCORD2018-17 amends the Water and Wastewater Rate Stabilization Fund for the FY 2019 \$250,000 transfer from the W/S Fund. No adjustment to interest income is needed at this time.
- B. PWCORD2018-18 amends the Electric Rate Stabilization Fund for the FY 2019 \$250,000 transfer from the Electric Fund and the expected interest earnings for the year of approximately \$1 million.
- C. PWCORD2018-19 amends the Substation Rebuild CPF to adjust for projects identified in the 2019 – 2024 CIP.
- D. PWCORD2018-20 amends the Hurricane Matthew CPF to adjust for projects identified in the 2019 – 2024 CIP.
- E. PWCORD2018-21 amends the Annexation Reserve Fund for the FY 2019 activity with the W/S Fund and expected interest earnings for the year.

Upon motion by Commissioner Rogers, seconded by Commissioner Shaw PWCORD2018-17 thru PWCORD2018-21 were unanimously approved.

GENERAL MANAGER REPORT

NEW CHIEF FINANCIAL OFFICER

Mr. Trego announced Rhonda Haskins has been named Chief Financial Officer of the Fayetteville Public Works Commission.

UPDATE ON 1,4 DIOXANE

Mr. Trego stated in response to Commissioner Rogers' questions regarding 1,4 Dioxane, Mick Noland has prepared a summary.

Mr. Noland stated when PWC completed Unregulated Contaminant Monitoring as required by the EPA, we discovered 1,4 Dioxane in the Cape Fear Basin at significant higher levels than it was in any other area of the nation which alarmed us.

He stated when the EPA or the State finds something like this they do not do anything because they do not have standards for it. PWC did not feel it was acceptable so we worked through the Urban Water Consortium.

PWC and 10-12 other large municipalities pool funds together to do research. We set up a research project and included the State in the monitoring program. It was determined it was coming from Greensboro, Asheboro and Reidsville. Mr. Noland stated then we began to have conference calls with the State and asked what is next. Mr. Noland stated there is an accepted standard for testing Dioxane in drinking water; there is an accepted methodology for testing for Dioxane in creek water; but there was no accepted method for testing for Dioxane in wastewater.

He stated a method had to be developed for testing for Dioxane in wastewater. Once the method was approved, the State purchased the equipment so they could complete the monitoring. Now the State has issued a letter to the three municipalities requiring them to begin testing for the compound. On the basis of that the State has issued a draft permit to Asheboro which limits the amount of Dioxane. But we do not feel it protects the downstream water supply. We have submitted our comments taking exception to the limits they have set (last week) and also asked for a public hearing because there needs to be a public discussion. Also, we believe the time given to Asheboro to clean up the water is too long. Additional discussion ensued.

Mr. Trego went on to state that the main point in the stance we have taken from the very beginning is that it is cheaper and easier to have it eliminated at the source than it is for us and everyone downstream to deal with it in our plants. Mr. Noland agreed and stated there is an expectation in the general statutes that dischargers not be allowed to release something into the stream that causes an undue problem for those downstream.

Mr. Noland stated we have been steadily making progress on this issue and are having conference calls with all those involved (State, dischargers, municipalities) and checking on the progress of this issue to make sure it moves forward.

Mr. Trego stated Mick Noland's experience has really assisted us with the IBT issue as well as 1, 4 Dioxane. His experience in working with the State and knowing a lot of the standards and how the process works has been valuable to PWC.

Chairman Fowler thanked Mr. Noland for being proactive in trying to remedy a problem we did not create.

RELOCATION OF TRANSFORMER

Mr. Trego stated we completed the work we needed to do around the baseball park in relocating the transformer for the CSX terminal. We had many delays due to the railroad. A 45 day permit process took almost 80 days. Once we received the permit, we requested to work around the clock in an effort to get it done as soon as possible, the railroad said no. Even with rain, which delayed us, we were able to get it done in time.

Mr. Trego stated we have given to Barton Malow our standards for the pad size they need and the space they need for the transformer and controls. On the wastewater size we are going to upsize the line downstream of the baseball stadium. He went on to state this is the best time to upgrade that line and will accommodate future development.

CERTIFICATE OF APPRECIATION FROM APPA

Mr. Trego stated we received a resolution from APPA, thanking us for our efforts in assisting with the APPA Rodeo which was held in Wake Forest.

He stated next year in May, the NCAMES Conference/Rodeo will be held in Fayetteville.

APPA NATIONAL CONFERENCE IN NEW ORLEANS, LA

Mr. Trego, Commissioner Fowler, Jon Rynne and Carolyn Justice-Hinson are planning to attend the APPA National Conference in New Orleans, LA, beginning June 15th thru June 20th.

Mr. Trego also commented on the APPA Day of Caring. PWC will participate in it at the local level. We will do an event with the Vision Resource Center and Meals on Wheels. We are also delivering fans to WFNC as part of their Fan Club (with Urban Ministries).

PWC'S STORMWATER GUIDE

Mr. Trego asked Carolyn Justice Hinson to elaborate on PWC's Storm Preparation Guide. She stated we worked with Cumberland County and the City and received information on Cumberland Alerts and the City's app. The guide was inserted in the paper on June 9th and will be available at the recreation centers and the libraries as well.

COMMISSIONER COMMENTS:

Commissioner Rogers stated we will have a meeting with all the purchasing managers regarding the BBR.

He also asked about the security of our batteries for the Community Solar farm.

Commissioner Shaw thanked PWC and staff for the Storm Preparation Guide. She stated she has referred several churches to PWC who are conducting wellness fairs.

Commissioner Shaw also asked if PWC is doing any advertising with Up and Coming Weekly and if we are how much. Mr. Trego stated he will provide the information to Commissioner Shaw as well as to the other Commissioners.

REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Personnel Report – May 2018
- B. Position Vacancies
- C. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr #18611 – install. of water main at US401 (Ramsey Street), SR1607 (Elliot Bridge Road and SR1606 (Elliot Farm Road)
 - Encr #18613 – abandonment of 2” water service & 6” sewer service on SR1600 (McArthur Road)
 - Encr # 18638 – install. of 1” PE water lateral on NC59 (Hope Mills Road).
- D. Approved Utility Extension Agreement(s):
 - Manis Ramsey, LLC – water/sewer utilities to serve 4251 Ramsey St. (The Ramsey Shops)
 - VFD Real Estate Partners, LLC – elec./water/sewer to serve One Village Plaza
 - Habitat for Humanity – elec./water/sewer to serve Oakridge Estates located at Old Bunce Road & Bunce Road
 - Southwood Investments, LLC – water/sewer to serve Southwood Apartments located at Applecross Ave and Southwood Dr.
- E. Approved NCDOT Relocation Agreement(s):
 - Relocation Agreement Number 18284 – relocation of electric trans./ electric distr. facilities and fiber optic facilities to accommodate NCDOT Project: U-4405/WBS Element:39049.2.1
 - Relocation Agreement Number 18285 – relocation of overhead facilities to accommodate NCDOT Project: U-2519CA&B-516/WBS Element:34817.3.13
- F. Actions by City Council during meeting of May 29, 2018, related to PWC:
 - Approved Bid Recommendation – Waterworks Substation Bank Restoration
 - Approved Bid Recommendation – 833 KVA Single-Phase Regulators

ADJOURNMENT

There being no further discussion, upon motion by Commissioner Rogers, seconded by Commissioner Shaw and unanimously approved, the meeting was adjourned at 8:59 am.