



MICHAEL G. LALLIER, COMMISSIONER
LYNNE B. GREENE, COMMISSIONER
DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER

PUBLIC WORKS COMMISSION
OF THE CITY OF FAYETTEVILLE

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

ELECTRIC & WATER UTILITIES

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

AGENDA

I. REGULAR BUSINESS

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

II. CONSENT ITEMS (See Tab I)

- A. Approve Minutes of meeting of April 8, 2015
- B. Approve bid recommendation to award bid for purchase of Tubular Galvanized Steel Poles for Country Club Drive and Langdon Street, with option to purchase additional quantities, within a one-year period upon the agreement of both parties to Valmont Newmark, Tulsa, OK, the lowest bidder, in the total amount of \$279,186.00 and forward to City Council for approval.

Please see spreadsheet below, indicating the inventory number, pole size and class, last purchase price and current bid price. With the exception of the custom pole listed, these poles are regularly stocked inventory items that will be charged to the projects as the work is performed. This is part of the annual sub-transmission pole replacement project listed in the 2015 CIP as EL33.

<u>Bidders</u>	<u>Total Cost</u>
Valmont Newmark, Tulsa, OK	\$279,186.00
Transamerican Power Products, Houston, TX	\$279,552.00
WESCO Distribution, Raleigh, NC	\$288,943.00
Trinity Meyer, Memphis, TN	\$313,850.00
ROHN Products, Peoria, IL	\$384,300.00

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

INVENTORY NO.	POLE SIZE/CLASS	QUANTITY	LAST PURCHASE PRICE	CURRENT BID PRICE
1-220-660	75', CLASS 4.2	38	\$3,806.50	\$3,721.00
1-220-670	80', CLASS 4.2	26	\$4,080.00	\$3,918.00
1-220-680	85', CLASS 4.9	1	\$4,556.00	\$4,570.00
1-220-667	75', CLASS 5.7	5	\$4,471.00	\$4,383.00
1-220-685	85', CLASS 5.7	1	\$5,918.00	\$4,854.00
CUSTOM POLE - NOT INVENTORY	75', CLASS 6.5	1	N/A	\$4,581.00

- C. Approve recommendation to award the contract for the purchase of approximately 65,000 gallons of Magnesium Hydroxide over a one-year period (with the option to extend contract for additional one-year period upon the agreement of both parties) to Premier Magnesia, West Conshohocken, PA, and forward to City Council for approval.

Bidders

Total Cost

Premier Magnesia, West Conshohocken, PA

\$136,500.00

Garrison Minerals, Denver, CO

\$108,062.50

Comments: Bids were solicited from six (6) bidders with two (2) bidders responding. FPWC is currently paying \$2.10 per gallon and the recommended bid price is the same at \$2.10. Please see additional comments below supporting selection of the recommended bidder.

Justification for Recommendation of Premier Magnesia

A key to the Magnesium Hydroxide's effectiveness is the amount of pounds of alkalinity available per gallon of chemical. After comparing the costs/gallon vs. pounds of alkalinity/gallon of the two bidders it has been determined the Garrison Minerals product is approximately 21% cheaper per gallon yet it provides 24% less alkalinity per gallon. This means we will need to feed the Garrison Minerals product at a higher dosage rate in order to equal the available alkalinity in Premier Magnesia's product. As a result, the per gallon savings will be negated by having to use more product.

- D. Approve Amendment to Eastover/NORCRESS Interlocal Sanitary Sewer Agreement that allocates existing gravity sewer capacity to NORCRESS for economic development purposes to support the operation of Kansas City Sausage in Sampson County.

- III. Request from the Fayetteville Housing Authority for Financial and In Kind Services Support for the Grove View Terrace Project (See Tab 2)

Presented by: Mark Brown, Senior Customer Programs Officer

Recommendation: Staff recommends the Commission authorize a cash contribution up to \$344,000.00 for the installation of the underground electricity and street light utilities at no cost to the project and waiver of Facility Investment Fees for the project.

IV. General Manager Report

V. REPORTS AND INFORMATION (*See Tab 3*)

A. Monthly Cash Flow Report

- February 2015
- March 2015

B. Recap of Uncollectible Accounts

- December 2014
- January 2015

C. Investment Report for March 2015

D. Position Vacancies

E. Actions by City Council during meeting of April 7, 2015, related to PWC:

- Consensus of Council was to direct staff to stand up the capability for purchasing in-house.

F. Actions by City Council during the meeting of April 13, 2015, related to PWC:

- Approved Reserve Fund Amendment 2015-2 and Capital Project Ordinance 2015-20 to fund Phase V Annexation Areas 18-19 Water and Sewer Installations
- Approved Butler-Warner Generation Plant Heater Recovery Steam Generator (HRSG) Life Extension Project
- Approved Outfall Rehabilitation – US301 to Research Drive Project
- Approved PWC-Phase 5 Annexation Areas 14 and 15 Resolution Declaring Cost

VI. ADJOURN