

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

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, NOVEMBER 8, 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 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

III. FISCAL YEAR 2017 SPEND ANALYSIS

Presented by: Mark Cannady, Procurement Supervisor

IV. UPDATE ON PWC’S CYBER SECURITY PROGRAM *(See Tab 2)*

Presented by: Paul Rao, Director of Information Systems

V. GENERAL MANAGER REPORT *(See Tab 3)*

A. Open Commission Requests

VI. REPORTS AND INFORMATION *(See Tab 4)*

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

VII. ADJOURN

D-R-A-F-T

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, OCTOBER 25, 2017
8:30 A.M.

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

Others Present: David W. Trego, CEO/General Manager
Jim Arp, City Council Liaison
Melissa Adams, Hope Mills Town Manager
PWC Staff

Absent: Jay Reinstein, Assistant City Manager
Michael Boose, Cumberland County Liaison
Media

REGULAR BUSINESS

Chairman Fowler called the meeting of Wednesday, October 25, 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 11, 2017
- B. Accept Annual Audit Report for Fiscal Year 2017 as Prepared and Presented by RSM Auditors
- C. Approve cancelling the November 22nd and December 27th Commission Meetings

D-R-A-F-T

- D. Approve bid recommendation to award contract for the North Fayetteville Water Systems Improvement Contract 2: Water Transmission Main Project to Wells Brothers Construction, Turkey, NC, the lowest responsive, responsible bidder, in the total amount of \$1,400,305.00 and forward to City Council for approval. The North Fayetteville Water Systems Improvement Contract 2: Water Transmission Main Project is a budgeted item. Funds are budgeted in FY2018 CPR1000092 - \$2,310,357.00 is available for this contract.

Bids were received on September 19, 2017 as follows:

<u>Bidders</u>	<u>Total Cost</u>
Wells Brothers Construction, Turkey, NC	\$1,400,305.00
State Utility Contractors, Monroe, NC	\$1,472,432.00
T. A. Loving Company, Goldsboro, NC	\$1,628,027.00
Sandy's Hauling & Backhoe Service, Roseboro, NC	\$1,875,575.00

COMMENTS:

Invitations to bid were sent to 22 contractors with 4 contractors responding. The lowest responsive, responsible bidder is recommended. **SDBE** - The SDBE utilization on this project is 2.6%. Wells Brothers has submitted documentation showing they made a good faith effort to solicit SDBE participation in the areas they intend to subcontract. **Local** - The total local participation is 41%. Wells Brothers will be utilizing local subcontractors and suppliers as follows: Crowder Trucking-hauling; Barnhill Contracting-paving, and Ferguson Enterprises-water/sewer materials and supplies.

- E. Approve bid recommendation to award contract for the Legion Hills Outfall and New Pinewood Drive Lift Station to Sandy's Hauling & Backhoe Service, Inc., Roseboro, NC, the lowest responsive, responsible bidder, in the total amount of \$5,097,940.00 and forward to City Council for approval. The Legion Hills Outfall and New Pinewood Drive Lift Station Project is a budgeted item. Funds are budgeted in FY2018 CPR1000138 – 2016 Series Bond CPF - \$5,400,000.00 for this project.

Bids were received October 5, 2017 as follows:

<u>Bidders</u>	<u>Total Cost</u>
Sandy's Hauling & Backhoe Service, Inc., Roseboro, NC	\$5,097,940.00

COMMENTS:

Plans and specifications were requested by three (3) contractors with one (1) contractor responding. This project was advertised for bids twice due to the fact that an insufficient number of bids were received on the first advertisement. Only one bid was received after each advertisement. **SDBE** – The SDBE utilization on this project is 1.2%. Sandy's Hauling & Backhoe Service has submitted documentation showing they made a good faith effort to solicit SDBE participation in the areas they intend to subcontract. **Local** – The total local participation is 24.5%. Sandy's Hauling & Backhoe Service will be utilizing local subcontractors and suppliers as follows: King Electric – lift station electrical work, and Fortiline Waterworks water/sewer materials and supplies.

D-R-A-F-T

- F. Approve bid recommendation to award contract for the Sewer Main Rehabilitation work for FY2018 (with the option to extend contract for additional one-year period(s) upon the agreement of both parties) to Insituform Technologies, Chesterfield, MO, the lowest responsive, responsible bidder, in the total amount of \$1,984,742.90 and forward to City Council for approval. The Sewer Main Rehabilitation (Annual Contract) is a budgeted item. Funds are budgeted in FY2018 – CPR1000128 – Series 2016 Bond CPF – \$4,500,000 is available for this work.

Bidders

Total Cost

Insituform Technologies, Chesterfield, MO
IPR Southeast, Stone Mountain, GA

\$1,984,742.90
\$2,977,063.50

COMMENTS:

Plans and specifications were requested by six (6) contractors with two (2) contractors responding. This project was advertised for bids twice due to the fact that an insufficient number of bids were received on the first advertisement. The lowest responsive, responsible bidder is recommended. **SDBE** – The SDBE utilization on this project is 0%. Insituform Technologies has submitted documentation showing they made a good faith effort to solicit SDBE participation in the areas they intend to subcontract. **Local** – The total local participation is 6.8%. Insituform Technologies will be utilizing local subcontractors and suppliers as follows: Sunbelt Rentals – bypass pumping and Taylor’s Grading & Utilities, Inc. - access clearing.

END OF CONSENT

UPDATE ON THE CONNECT PROGRAM

Presented by: Susan Fritzen, Chief Corporate Services Officer

Ms. Fritzen, Chief Corporate Services Officer, gave a background of the Connect Program. She stated the program began in 2012 when staff came before the Commission with a business case and received the Commission’s approval to move forward. Staff created a cross-functional team who drafted an RFP and released it in 2012/2013 to secure a vendor to deploy the meters.

In August 2013, staff came before the Commission with the recommended choice for the vendor. She stated we received approval from the Commission in August 2013 and approval from the Council in November 2013. The contract was signed in December 2013.

Ms. Fritzen stated the project is broken into two phases. In Phase 1, the timeline was set to January 2014 - June 2017. There were two major components which included building the advanced infrastructure that was needed. This infrastructure included 20 towers, fiber and communications. The second major component was the installation of 183,445 AMI (water and electric) meters.

Ms. Fritzen stated the planning for the program began in January 2014 and installation on the infrastructure began in March 2014 with deployment of the meters soon afterward. We completed deployment in August 2017. Our vendor completed in April this year, however

D-R-A-F-T

some of our meters were installed by our water and electric staff and because of Hurricane Matthew and other issues we were a little longer on the PWC side. We completed installation of all meters in August. She stated essentially we are on schedule.

Ms. Fritzen stated while our intention was for the vendor to install 100% of the meters, we were concerned about some of the larger locations so we chose to do some installs ourselves and PWC installed 16% of the meters. The largest group of meters PWC installed was in the downtown area where the meters are indoors and difficult to install. We wanted to keep the disruption to the businesses as minimal as possible.

AMI Installs	Electric	Water	TOTAL
Contractor (84%)	68,968	84,735	153,703
PWC (16%)	14,975	14,767	29,742
TOTAL INSTALLED	83,943	99,502	183,445

Commissioner Rogers commented he was somewhat surprised we do not have significantly more water meters than electric meters. Mr. Trego responded there are pockets of the city that Aqua serves. Discussion ensued.

Ms. Fritzen stated the budget estimate for Phase 1 was \$46.7M. The budget estimate for Phase 2 was \$8.0M in FY2013. She stated in 2012/2013 we were considering water remote functionality. Though it was not developed we knew it was coming. We have looked at the return on investment (ROI) for it and determined it is not viable for us to go forward with the functionality. She stated the benefits are low compared to the cost. The Electric Department will be responsible for Phase 2.

The Commission as well as City Council authorized the General Manager to proceed with contract negotiations and execute a contract that was not to exceed \$46.7M. She noted including contingency, the total amount staff focused on was \$50.8M for Phase 1.

Breakdown Phase 1	Cost
Phase 1 - Infrastructure & Meters	\$ 46.7 Million
Phase 1 - Contingency (7.5 % of total program budget)	<u>\$ 4.1 Million</u>
PROJECT BUDGET- PHASE 1	\$ 50.8 Million

D-R-A-F-T

Ms. Fritzen stated Sensus, our prime vendor was responsible for the communications and the deployment of the meters. Landis & Gyr is a meter manufacturer whose residential electric meters we purchased. Once we began negotiations we negotiated down \$3.7M. Throughout the project we had 12 change requests for various reasons. After the 12 change requests, we have shaved an additional \$3.2M off the negotiated amount. She noted the final costs are not audited numbers. The project will be audited by our internal auditor.

Vendor	Original Proposal	12 Change Requests	FINAL Contract Amounts
Sensus USA*	\$ 35,822,255	(\$3,168,295)	\$ 32, 653,960
Landis & Gyr*	\$ 7,428,418	0	\$ 7,428,418
TOTALS	\$ 43,290,673		\$ 40,082,378**
	(\$3.7 M) negotiated amount		(\$6.6 M) final cost **these are not audited costs

Ms. Fritzen stated we also had other capital expenditures which were incurred during the project (some were engineering costs; other costs were associated with our base stations, etc.). Ms. Fritzen stated the costs do not include PWC labor estimated costs. She stated we typically do not include labor costs in our projects, though they are tracked. The project manager's time is capitalized and some others. She stated the estimated labor time (below) is provided by Financial Planning, who does a good job at tracking our costs. The labor costs are from the Utility Field Service employees and some of the Substations employees.

Components	FINAL Contract Amounts
Infrastructure & Metering	\$ 40,082,378
Other Capital Expenses - (misc. vendors & materials)	\$ 1,227,536
TOTAL*	\$ 41,309,914

*PWC Labor estimated: \$ 278,790 (not included)

*Total Phase 1 Program Costs are 11.5% under budget

*Factoring in \$4.1 Contingency – Project is 18.7% under budget

Ms. Fritzen stated the benefits realized from the project are:

- ❖ Remote Disconnects since 2015 are 57,969
- ❖ Remote Connects since 2015 are 60,388
- ❖ On Demand Reads since 2015 are 80,235. Some of the meter reads are hourly and others are every fifteen minutes. It depends on the type of meter and where it is located
- ❖ Truck rolls eliminated since 2015 are 198,259
- ❖ Techs performing reads have been reduced from 4.5FTE to 0

She noted though technicians performing meter reads have been reduced to zero, the employees were placed in other positions.

City Council Member Arp asked why some meters are read every 15 minutes and others every hour. Mr. Trego responded some of the demand rates are based on a 15 minute demand. Our large demand customers, because of the rate are read every 15 minutes and our residential customers are read every hour.

- ❖ Non Pay disconnects (by UFS) has reduced from 713 per month to 410.
- ❖ NP disconnects pending 5 days has gone down from 1,300 per month to 600. Due to the large volume of disconnects it used to be pending 60 days.
- ❖ Electric restarts (by UFS) are down from 440 per month to 10. This is when the Utility Field Service staff has to go out to manually to restart the service.
- ❖ Leaks Detected since Feb 2017 are 19,800

Soft Benefits to staff & customers:

- CSR's have more information and access to meter read data
- One call resolutions at call center
- Faster ability to connect/disconnect
- Breaking down PWC silos. This kind of project pulls together cross-functional teams and improves our operations.

Ms. Fritzen stated once the project completed, PWC held a celebration on September 21st. All 600+ employees were invited as well as Mr. Blanchard our former CEO/GM. The last water meter was set on the campus. We also installed a marker which states:

Connect Meter Replacement Project
Completed August 2017
In Honor of All the Employees
Leading Our Evolution to Automation

She stated we are currently looking at an Outage Management System (OMS). Proposals are due next Wednesday. We will also have options regarding our Interactive Voice Response (IVR). We are not sure if we want to replace it, but we want to see what is on the market. There will also be the option of a Distribution Management System (DMS).

Ms. Fritzen stated we are currently working on a renovation in our Dispatch area. We have received proposals and are negotiating contracts with a vendor. We are looking at a more functional video wall where our employees will be able to pull up data quickly and help to restore power faster.

Ms. Fritzen stated PHASE 2 will be handled by Electric (2017 - September 2023). It will entail:

- ❖ Distribution Automation - which consists of self-healing networks; and smart devices on feeders
- ❖ Conservation Voltage Reduction (CVR) - Bellwether AMI meters which will be installed at various customer sites. It will give us the voltage readings so we can maximize reductions during peak periods.
- ❖ Outdoor lighting controls

Ms. Fritzen stated AMI deployment PWC was getting 2.2M reads per year. Now we are receiving 1.9B reads per year. She stated every department uses their data to run their operations. She stated senior staff will be looking at how to use the data to make companywide strategic decisions. She stated we are at this stage now.

Mr. Trego stated there are several other benefits of the AMI meters. One is the ability to detect theft. There is also a safety feature. He stated if a meter becomes warm, we will receive a warning so we can go out and perform maintenance or replace the meter.

Council Member Arp asked if there are money savings with the new meters. Mr. Trego stated the reduction in 'truck rolls' (198,000) is the biggest savings. We do not have to roll a truck to physically cut a customer off, either for non-payment or a change of customer. He stated we are finding out for the vast majority of customers if the electric service is cut off due to non-payment, the customer will come in within 5 days to pay the bill. This prevents us from having to go out and cut the water off.

Ms. Fritzen stated though we have not placed a dollar value to our savings, we certainly can do it. We began this process in 2015. Going forward the respective departments will be tracking the savings per year.

Ms. Phillips, Customer Service Supervisor, stated we did an analysis on the leak alerts we are receiving. Prior to installation of the AMI meters, we had a smaller volume of leaks reported, but we gave back more money as courtesy adjustments for the repairs. Now, we have more leaks reported (largely because we notify the customers of increased water usage before they receive a bill), but the dollar paid out is much lower for PWC and for the customer. Mr. Trego stated this has been a win/win, for PWC and for the customer. Additional discussion ensued.

DISCUSSION OF PWC SOLAR ENERGY RATES

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

Chairman Fowler stated he received an email and a phone call from Representative Szoka regarding possible inquiries concerning our solar rates. We are doing Buy all/Sell all, versus Net Metering. He stated there may be more interest in it because of the passage of recent legislation. Duke will be able to take advantage of it, but we will not be able to do it. He stated it would be a good idea to review our solar energy rates. He also stated Commissioner Huff was not on the Commission when it was originally discussed and we will have rate discussions soon.

Mr. Trego stated the basic billing metering option is Net Metering. Basically the electricity generating is allowed to effectively displace utility service. It is favored by most solar providers. They like it because it maximizes the savings you can receive from solar. He stated some utilities do not favor it because the fixed costs of providing backup service may not be fully recovered. He stated in some cases, some utilities allow you to install solar panels larger than your demand. So some customers have a net sale to the utility. The utility's investment in transformers, etc. is not being recovered.

Mr. Trego stated this can create a de-facto solar subsidy within and across customer classes. Some utilities have instituted additional stand-by charges or customer charges to minimize subsidies or a backup rate which can be 5 to 10 cents more per kilowatt hour to reflect the difference in costs.

Mr. Trego stated some investor owned utilities have adapted Net Metering because it does not impact their rate of return. They receive a rate of return based on their investment and not on the kilowatt hours they sell. Commissioner Rogers stated the other rate payers are paying for it and the shareholders are not. Mr. Trego confirmed. He also stated Duke is doing Net Metering. Mr. West stated Duke is doing Net Metering with a cap on how you can sell and there is a subsidy below a certain level. Additional discussion ensued.

Mr. West stated the legislation passed by the General Assembly does not directly impact us. It affects the investor owned utilities.

Mr. Trego went on to state the other basic option is Buy all/Sell all which is what PWC does. The Solar output is bought by the utility and customer buys all electric used from utility. It is based on the cost of generation or the cost of purchasing the power. Some utilities have placed in other add-ons; they may include items such as a "societal benefit". Mr. Trego stated PWC and most North Carolina Municipal providers have adapted the Buy all/Sell all method.

PWC based the "Buy all" rate on Duke Energy charges for electricity displaced (approx. \$0.04/kWh). PWC charges its standard monthly charge for a second meter (\$15.00). With

D-R-A-F-T

Buy all/Sell all you have to have two meters. He stated a few NC municipals have used “average” Duke Energy rates as their basis for the Buy all/Sell all rate (approx. \$0.06/kWh).

Commissioner Rogers asked what type of push back we have received from others within our area. Mr. Trego stated they do not like it. He stated they want Net Metering. Discussion ensued.

Council Member Arp stated there are residents who are interested in investing in this energy. They want to know if it will pay for itself to the point they will have a zero utility bill from an electric standpoint. He stated the answer is no. Mr. Trego stated the economics of our Community Solar will be much better. The cost per kilowatt installed will be much less because you are receiving economies of scale. There are a lot of advantages if someone wanted to invest and the economics will give a payback on our Community Solar. He stated Commissioner Fowler mentioned this to Representative Szoka and he was encouraged by it. Mr. Trego stated the Community Solar concept was contained in the bill Representative Szoka presented, allowing utilities to essentially lease and to build large solar farms.

Commissioner Rogers asked when the storage becomes more viable, is that conceptually when the payback will make sense. Mr. Trego affirmed. He stated our Community Solar model will have some battery storage in it. It will increase the economics for customers and will allow us to credit back customers greater than the four cents per kilowatt hour because we will use net storage to reduce our peak. Discussion ensued.

Mr. Trego stated of the 51 Power Agency Members of Electricities, 29 have adapted a Buy all/Sell all methodology; 5 have adapted a net metering methodology; 2 require TOU rates for solar customers; 1 requires TOU rates with a demand charge for residential; 1 allows net metering with no additional monthly charges; 1 determined on case by case basis.

He stated of the fifty one power agency members, twenty one do not have solar interconnection standards because they have no active solar installations or applications. Typically these are the smallest NC Municipals with between 252 and 6,040 customers.

Mr. Trego stated PWC is considering several options and formal consideration can be done during electric rate discussions. He stated the philosophy adapted could also flow through the Community Solar offering.

- ▶ Option 1- Keep current Buy all/ Sell all rate philosophy based on actual cost of electricity displaced from Duke Energy
 - Could consider waiving of second meter charge
- ▶ Option 2 – Modify Buy all/Sell all philosophy to include societal benefit or average Duke pricing
- ▶ Option 3 – Adapt Net Metering
 - Consider TOU based charges and credits if Commission adapts TOU
 - Consider Stand By rate structure

Council Member Arp asked 'what is PWC's goal with solar'? Mr. Trego stated he will answer, based on the discussions the Commission had when the Buy all/Sell all was originally set up. He stated if we are receiving electrons from a customer to give to the customer the full value of the electrons we are displacing from Duke. He stated this is the philosophy the earlier Commissioners had so there was not an unreasonable subsidy across customers. He stated a lot of customers live in rentals and do not have the option to place solar on their rentals. You have customers who do not have the option to place solar on their residences and the Commissioners did not want them to subsidize customers who have the option.

Council Member Arp asked, strategically is it to drive down dependency on Duke or is it to offer a green alternative? Mr. Trego responded PWC is looking at putting in the battery storage to lower our peak demand with Duke. It has a significant impact. He stated half of our Duke bill is in demand and half is in kilowatt hours. If we can lower our peak demand it will lower our load factor which basically lowers the rates for all our customers. So, even with the Community Solar if we give the customer credit for having the battery storage it benefits us as a utility, because it improves our load factor and helps with our overall rates with Duke. Discussion ensued.

Commissioner Fowler stated we are also looking at solar usage because there is an increase coming. We are looking for the most efficient way to make it effective for the citizens of Fayetteville. We have a transitory population because of the military (moving in and out). We know there are some who may want to participate in solar but cannot install it because they are renting. If we have a community solar program, they will be able to participate; they can gain the benefit of what we are trying to do; they can be green if that is their concern. Commissioner Fowler also stated a lot of people are not taking into account as it relates to solar is, 'what happens when the panels are dead'. If it is invested in a community solar program, you have an entity that is staying on the leading edge of what has to be done and has capacity because of size and can handle it in a way that the local customer cannot when they have to dispose of it because it has hazardous materials in it.

He also stated he sees no reason for citizens of the City of Fayetteville to subsidize a corporation because they want to place solar panels on their roofs and to do net metering when the local customer is already paying to shop in their store. He stated that is why he believes net-metering does not work because he does not hold to local citizens subsidizing corporations.

Council Member Arp stated it believes it will be very informative to place information on the PWC website that shows what we understand to be the customer's goals and how we are trying to make it available in an effective way that eliminates a lot of their risks in placing solar panels on their property. Discussion ensued.

Commissioner Rogers reiterated when the original decision regarding solar was made we had a different general manager and a different board. He stated he believes the current Commission needs to have a strategic review because none of the original parties are still here. Mr. Trego stated from a philosophical perspective if this Commission wants to change

D-R-A-F-T

how we approach solar, as least as far as a credit and billing perspective, it is good to know now before we put the package together for the customers. He then gave examples.

Commissioner Rogers requested for staff to put together strategic conversation that will immerse them more. Staff is requested to be prepared for discussion at the first meeting in December. Council Member Arp stated he would also like to have simultaneously have discussions on the City side. Commissioner Rogers also stated we may want to invite an organization that has a strong sense of advocacy around these issues to our December meeting.

Discussion also centered on companies who install solar that place our employees at risk. Staff and Commission discussed the advantages of placing relevant information on PWC's website.

GENERAL MANAGER REPORT

Hope Mills Refunds

Mr. Trego stated at fiscal year-end (June 30, 2017), we ended the formal Hope Mills refund process. We are required to issue another letter to those customers who have a refund due once we close the program but before we send the money to the state. We are required to inform them that they have a refund and after a particular date they will have to go to the state to request it. Mr. Trego stated at this point they will only receive up to three years back. He stated we sent approximately 4,000 letters to customers. Over 400 calls came in and we received 200 claims in one day. Mr. Trego stated we are now processing these claims. There is a cut-off date and customers will have to go through the state to receive refunds after the cut-off.

IBT

The IBT Hearing is moved to January. Settlement discussions continue. Mr. Trego stated they are moving along. He stated, hopefully the hearing in January will be to accept a settlement that is good for all parties.

Ratings Agencies

Mr. Trego stated Dwight Miller is away meeting with the ratings agencies regarding bonds. We are looking maintain or improve our bond rating.

REPORTS AND INFORMATION

Commission acknowledges receipt of the following reports and information.

A. Monthly Cash Flow Report – September 2017

D-R-A-F-T

- B. Recap of Uncollectible Accounts – September 2017
- C. Investment Report – September 2017
- D. Purchase Orders – September 2017
- E. Position Vacancies
- F. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. 18272 – installation of 1-1/4” Galvanized Steel Overhead Messenger, 1-6 Count ADSS Fiber Optic Cable and 1-35/5 Wood Pole @ US401 (Ramsey St) and SR 1713 (Carvers Fall Rd)
 - Encr. 18269 – Install. of 2-4” HDPE Conduits; 3- #1/O MCM Alum 25 kV Primary Cables @ SR1404 (Morganton Road) and SR1408 (Bonanza Dr.)
 - Encr. #18614 – abandonment of 1” PE water lateral within the saved road on SR 2251 (Owen Dr.)
 - Encr. #18256 – Install. of 2” SDR-21 water lateral for a bank of 9-1” PE water laterals and a 4” RJDI fire line @ SR1403 (N. Reilly Rd) & SR 2665 (Telfair Dr.)
 - Encr. #18506 – 2-1” PE water laterals and 6” RJDI water lateral for fire hydrant @ NC 162 (Bunce Rd.) and US 401 (Raeford Rd.)
- G. Approved Utility Extension Agreement(s):
 - Aldi (N.C.), LLC, water & sewer utility extension service to serve Aldi #104 – Gillis Hill Road
- H. Actions by City Council during meeting of October 9, 2017, related to PWC:
 - Approved Bid Recommendation – Award Bid for Purchase of Nine (9) 600A, 15kV Reclosers
 - Approved Bid Recommendation – Award Bid for Purchase of Seven (7) Outdoor Distribution Switching Cabinets
 - Approved Bid Recommendation – Purchase of Two Power Transformers
 - Approved Recommendation - Approve RC Williams Building Lease Terms for the Fayetteville Cumberland Economic Development Corporation (FCEDC)

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

Upon motion by Commissioner Rogers, seconded by Commissioner Shaw and unanimously approved, the Commission approved to go into closed session as allowed under N.C. General Statutes 143-318.11 (A)(3) to discuss legal matters at 9:35 a.m.

Following discussion, upon motion by Commissioner Rogers, seconded by Commissioner Shaw and unanimously approved, the Commission voted to return to open session at 10:17 a.m.

ADJOURNMENT

There being no further business, upon motion by Commissioner Rogers, seconded by Commissioner Shaw and unanimously approved, the meet was adjourned at 10:18 a.m.

**RESOLUTION APPROVING THE USE OF THE DESIGN-BUILD CONSTRUCTION METHOD
FOR THE BRAMBLEGATE ROAD AND CLIFTON DRIVE BANK STABILIZATION
PROJECT**

WHEREAS, the Fayetteville Public Works Commission, hereinafter referred to as Commission, has determined that the use of the design-build construction method authorized in G.S. 143-128.1A is preferred over other delivery methods provided for under G.S. 143-128, for construction of the Bramblegate Road and Clifton Drive Bank Stabilization project; and

WHEREAS, the project site is susceptible to unknown below grade conditions and increased risk associated with construction activities near existing residential homes surrounding the project site, and;

WHEREAS, the design-build construction method will provide increased flexibility by the design-build team to mitigate risks and negotiate potential cost drivers upfront;

NOW THEREFORE BE IT RESOLVED BY THE COMMISSION THAT:

1. The Commission hereby approves the use of the design-build method of construction for the Bramblegate Road and Clifton Drive Bank Stabilization project.

Adopted this _____ day of _____, 2017, at Fayetteville, North Carolina.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Wade R. Fowler, Jr., Chairman

ATTEST:

Darsweil L. Rogers, Secretary

**RESOLUTION TO ALLOW THE CEO AND GENERAL MANAGER TO MAKE
CERTAIN INFORMATION CONFIDENTIAL CONSISTENT WITH NORTH
CAROLINA GENERAL STATUTES SECTION 133-33**

WHEREAS, The Fayetteville Public Works Commission (PWC) as a Public Authority is responsible for the letting of Public Contracts and

WHEREAS, cost estimates may be developed for budgetary and planning purposes by PWC staff and/or consultants of PWC prior to letting of such contracts and

WHEREAS, making such cost estimates public information may not be in the public interest by influencing potential bidders actions and thus impacting the competitive bidding process and

WHEREAS, North Carolina General Statutes Section 133-33 allows for the keeping of cost estimates and the names of contractors who have obtained proposals for bid purposes on public contracts confidential.

THEREFORE, LET IT BE RESOLVED THAT COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION delegate authority to the CEO and General Manager to designate certain cost estimates and lists of contractors who have received proposals for bid purposes on public contracts confidential if it is deemed that the divulging of such information could influence the competitive bid process and thus would not be in the public interest. Let it be further resolved that the CEO and General Manager may only keep any such information deemed confidential so classified until the award and execution of the contract associated with the confidential information or as required by State Law whichever occurs first.

ADOPTED this 8th day of November, 2017.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Wade R. Fowler, Jr., Chairman

ATTEST:

Darsweil L. Rogers, Secretary

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

November 1, 2017

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

A handwritten signature in black ink, appearing to read 'Susan Fritzen', is written below the 'MEMO TO' line.

FROM: Susan Fritzen, Chief Corporate Services Officer

SUBJECT: Agenda Item for November 8, 2017 Commission Meeting

I would like to request an item be placed on the agenda for the November 8, 2017 Commission meeting to update the Board on PWC's Cyber Security Program.

The presentation will be given by Mr. Paul Rao, Director of Information Systems.

Open Commission Requests

As of 11/8/17

<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
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

October 1-31, 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	4				
Total	4	4	0	0	0	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	11			1	
Development & Marketing	6	5			1	
Water Meter Shop	2	2				
Electric Meter Shop	3	3				
Utility Field Services	21	18			3	
Total	44	39	0	0	5	0
CORPORATE SERVICES						
Project Management	15	15				
Warehouse	13	12			1	
Fleet Maintenance	42	40			2	3
Facilities Maintenance	7	6			1	
Information Systems	3	2			1	3
Telecommunications	8	8				
Database Support	2	2				
IS Security	2	2				
Applications Support	9	6			3	
End User Computing	7	7				
Total	108	100	0	0	8	6

October 1-31, 2017

Page 2

<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>
<i>FINANCIAL</i>						<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	8			1	2
Budget	2	2				
Rates & Planning	2	2				
Purchasing	7	7				1
Total	109	105	0	0	4	7
<i>WATER RESOURCES</i>						
W/R Engineering	35	35				
W/R Construction	102	95			7	
P.O. Hoffer Plant	9	9				1
Glenville Lake Plant	6	6				
W/WW Facilities Maint.	22	21			1	1
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	196	0	0	9	3
<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>
<i>ELECTRIC</i>						
Electrical Engineering	23	22			1	4
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	25			1	
Total	154	147		0	7	4
<i>TOTAL</i>	645	610	0	1	34	20

*2 temporary overstaff in Customer Service

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October 19, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Rhonda Fokes
rhonda.fokes@FAYPWC.COM

SUBJECT: Job Vacancy

POSITION: FLEET MAINTENANCE SUPERVISOR

DEPARTMENT: 0375- Fleet Maintenance

HOURS: MONDAY-FRIDAY 9:00AM-6:00PM
Extended Hours As Required

GRADE LEVEL: 413- \$66,545.18-\$83,184.48/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, November 2 2017.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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October 20, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Corrie Attaway
Corrie.attaway@faypwc.com

SUBJECT: Job Vacancy

POSITION: UTILITY LOCATOR (REV)

DEPARTMENT: 0620- W/R Construction and Maintenance

HOURS: MONDAY-FRIDAY, 7:30 AM– 4:00 PM
(On call as required)

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

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, IRecruitment, Employee Candidate to no later than by 5pm, November 2, 2017.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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October 20, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Corrie Attaway
Corrie.attaway@faypwc.com

SUBJECT: Job Vacancy

POSITION: W/R FACILITY IE&C TECHNICIAN
(Functional Employment Testing Required)

DEPARTMENT: 0632- W/R FACILITIES MAINTENANCE

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

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

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, IRecruitment, Employee Candidate to no later than by 5pm, November 2, 2017.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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October 24, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **CUSTOMER SERVICE SUPERVISOR**

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

HOURS: **MONDAY-FRIDAY 8:30AM-5:30PM**
Extended hours as required
Hours may vary

GRADE LEVEL: **412- \$60,151-\$75,189/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, **November 6, 2017.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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October 24, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **SENIOR CUSTOMER SERVICE REPRESENTATIVE**

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

HOURS: **MONDAY-FRIDAY 9:00AM-6:00PM**
Overtime and on call as required
Hours may vary

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 6, 2017.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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