

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, APRIL 25, 2018 8:30 A.M.

AGENDA

I. REGULAR BUSINESS

DARSWEIL L. ROGERS, COMMISSIONER

WADE R. FOWLER, JR., COMMISSIONER

DAVID W. TREGO, CEO/GENERAL MANAGER

EVELYN O. SHAW, COMMISSIONER

D. RALPH HUFF, III, COMMISSIONER

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

II. PRESENTATION

- A. PWC Team Going To 2018 Public Power (APPA) Line Worker's Rodeo
- III.CONSENT ITEMS(See Tab 1)
 - A. Approve Minutes of meeting of April 11, 2018
 - B. Approve Resolution No. PWC2018.03 authorizing the use of the design-build contracting method for the Clifton Drive Sanitary Sewer Main Relocation 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 "qualification-based" selection method outlined in G.S. 143-64.31.

C. N.C.G.S. 143-129(e)(6) allows an exception to the bidding requirements when (i) performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration.

Staff requests approval for the issuance of a contract in the amount of \$195,000.00 to Milestone Utility Services for all software, software licenses,

BUILDING COMMUNITY CONNECTIONS SINCE 1905

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technical support, and update services to provide a ePortal software to integrate to the existing billing system (Oracle CC&B 2.3), Oracle MDM, integrated payment processor, and pdf billing in accordance with N.C.G.S. 143-129(e)(6) "sole source exception". Information System's staff has researched multiple sources for this equipment and has found that Milestone Utility services is the sole source provider to meet the unique requirements necessary to work within the Commission's Oracle environment and provide necessary interfaces to existing PWC equipment and software.

The "sole source" request is supported by the following:

- A. Milestone's Web Portal integrates with the Commission's current Oracle Customer Information and Billing System (CC&B).
- B. Milestone's Web Portal integrates with the Commission's Oracle Smart Meter Data Management System (MDM).
- C. Milestone's ePortal enhances functionality to support customer self-service when conducting business with the Commission.

The total initial cost of the implementing the ePortal system with all services, hardware and software licenses is \$195,000. After implementation, a three (3) year annual support commitment of \$15,000 is required 30 days following Go-live.

This project will be funded through the Information System Department's Annual Computer Systems Contract Budget.

D. Approve staff recommendation to transfer to Fayetteville Technical Community College ("FTCC") certain equipment titled in the name of the Fayetteville Public Works Commission and supplies and other tangible personal property over which the Fayetteville Public Works Commission exercise control and custody in its utility operations but is titled in the name of the City of Fayetteville in accordance with the Fayetteville Public Works Commission's Charter in exchange for FTCC initiating and operating a training program for electric line workers.

The recommendation, as approved by the Fayetteville Public Works Commission, shall be referred to City Council in accordance with Section 6A.9 of the Charter to request that the City of Fayetteville adopt a resolution authorizing the Fayetteville Public Works Commission to transfer to FTCC certain supplies and other tangible personal property titled in the name of the City of Fayetteville in accordance with G.S. 160A-274.

- Comments: PWC has determined that the development of an electric line worker training program would be beneficial to PWC and the greater community, and PWC wishes to facilitate this endeavor by FTCC.
- E. Approve staff recommendation to sell in exchange for two hundred twenty-five dollars (\$225.00) a right of way to the North Carolina Department of transportation ("DOT") consisting of 0.079 acres from a tract that contains

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approximately 723.860 acres over which the Fayetteville Public Works Commission exercises control and custody in its utility operations but is titled in the name of the City of Fayetteville in accordance with Fayetteville Public Works Commission's Charter in order to facilitate DOT's construction activities on Bridge No. 250045 over the South River on SR 2030 (Hollow Bridge Road).

The recommendation, as approved by the Fayetteville Public Works Commission, shall be referred to City Council in accordance with Section 6A.9 of the Charter to request that the City of Fayetteville adopt a resolution authorizing the Fayetteville Public Works Commission to transfer the right of way to DOT in accordance with G.S. 160A-274.

- Comments: PWC has determined that the sale of the right of way to DOT will not adversely affect PWC's utility operations, the amount offered by DOT is reasonable under the circumstances, and this resolution will eliminate a potential legal dispute between PWC and DOT.
- F. Approve Additional Changes to Service Regulations the Commission Approved on April 11, 2018, Regarding Rates and Fee.

Approve staff recommendation to amend the Fayetteville Public Works Commission's Service and Rate Regulations to clarify the applicability of electric meter totalization for billing purposes and electric meter coincident demand aggregation for rate schedule qualification.

In the Service and Rate Regulations, Section VI(4), page 25 of 29, the following sentence:

"Only those points of delivery located external to the Customer's plant structure may be included in a totalized metering system arrangement."

shall be deleted and replaced with:

"Both meter totalization for billing purposes and meter aggregation in order to qualify to take service on a particular rate schedule by combining the maximum 15 minute demands of multiple meters during a billing month shall be permitted only by written agreement between the Customer and PWC based upon the Customer's electric service configuration and other relevant service arrangements."

Comments: PWC has determined that its Service and Rate Regulations should be amended to address the manner in which customers may be charged for the delivery of electricity under various meter configurations.

END OF CONSENT

IV. FACILITY INVESTMENT FEE (FIF) PRESENTATION BY RAFTELIS Presented by: Melissa Levin, Raftelis Senior Manager

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V. COMMISSION ACTION

A. Set Public Hearing Date For FIF Fees For June 13, 2018

VI. GENERAL MANAGER REPORT (See Tab 2)

A. Open Commission Requests

VII. REPORTS AND INFORMATION (See Tab 3)

- A. Monthly Incident Summary March 2018
- B. Position Vacancies
- C. Actions by City Council during meeting of April 9, 2018, related to PWC:
 - Approved Bid Recommendation Filter Equipment and Components for Rockfish Creek WRF
 - Approved Bid Recommendation In-Line Process Pumps

VIII. ADJOURN

PUBLIC WORKS COMMISSION MEETING OF WEDNESDAY, APRIL 11, 2018 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 Johnny Dawkins, City Council Liaison Michael Boose, Cumberland County Liaison PWC Staff Media

Melissa Adams, Hope Mills Town Manager/Liaison

REGULAR BUSINESS

Absent:

Chairman Wade R. Fowler, Jr., called the meeting of Wednesday, April 11, 2018, to order.

APPROVAL OF AGENDA

Upon motion by Commissioner Huff 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 March 28, 2018
- B. Approve bid recommendation to award bid for purchase of Tubular Steel Poles for the US 401 (Raeford Road) Widening Project – NCDOT Project U-4405 to Summit Utilities Structures, LLC, Allentown, PA, the lowest responsive, responsible bidder in the total amount of \$957,975.00 and forward to City Council for approval. The Tubular Steel Poles for the US 401 (Raeford Road) Widening Project – NCDOT Project U-4405 is budgeted in FY2018 CIP EL 54 - CPR100244 - NCDOT U4405 Raeford Road Widening. Sufficient funds are available for this purchase.

Bids were received on March 20, 2018, as follows:

Bidders	<u>Total Cost</u>
Summit Utility Structures, LLC, Allentown, PA Sabre Industries, Fort Worth, TX	\$ 957,975.00 \$1,117,674.00
Trinity Steel Structures of America, Memphis, TN	\$1,165,357.00

Comments: Bids were requested from six (6) bidders with four (4) bidders responding. Valmont Industries, Valley, NE, submitted an alternate bid for concrete poles; however, their bid did not meet the bid specifications and was deemed non-responsive by staff. The purchase is necessary to support the relocation of transmission and distribution facilities along Raeford Road to accommodate the widening of Raeford Road from Hampton Oaks Drive to Fairway Drive. The lowest responsive, responsible bidder is recommended. **SDBE/Local Participation**: Summit Utilities Structures, LLC is not classified as a SDBE or minority owned business. There are no known local suppliers for these poles.

C. Capital Project Fund (CPF) Budget Ordinances

Staff requests approval of the following CPF budget ordinance amendments. Below is a summary explaining the purpose for each.

The following ordinances will be effective upon adoption:

- PWCORD2018-06 & 2018-07 amends the NCDOT Capital Project Fund to close out a completed project and to add additional projects expected to be under agreement with NCDOT over the near term.
- PWCORD2018-08 amends the Series 2016 Revenue Bond CPF to adjust bond proceeds within that fund to the actual value allocated to that fund.
- PWCORD2018-09 & 2018-10 amends the Annexation Areas 16 & 17 CPF to the final actual value and to close out this fund.
- PWCORD2018-11 amends the Annexation Reserve Fund for the actual value transferred to the Annexation Areas 16 & 17 CPF.

END OF CONSENT

FACILITY INVESTMENT FEE (FIF) UPDATE

Presented by: Rhonda Haskins, Interim Chief Financial Officer

Rhonda Haskins, Interim Chief Financial Officer provided an update on Facility Investment Fees. She gave a definition of FIF. It is a system development fee. It encompasses one-time charges accessed to new water and/or wastewater customers, or developers or builders, to recover a proportional share of capital costs incurred to provide service availability and capacity for new customers.

Ms. Haskins stated PWC began collecting FIFs in 1998 and uses FIFs for capital costs of capacity related water and wastewater projects. She stated in the past five years, the annual average collected is \$1.3 million.

NCGS 162A Article 8 was recently passed and signed into law July 20, 2017. It provides uniform authority to implement FIFs for public water and wastewater systems. The law states FIFs must be adopted in accordance with the conditions and limitations of Article 8, and those fees in effect as of October 1, 2017, must conform to the requirements set forth in the Article no later than July 1, 2018. They must be prepared by a financial professional or licensed professional engineer, qualified by experience and training or education.

Ms. Haskins stated Raftelis Financial Consultants, Inc. has been our consultant for FIFs since their conception. They are very experienced and have performed FIF calculations for utilities in NC and across the US since 1993. Up to this point we have followed what they refer to as the 'rational nexus test', which is supported by court cases. Because we have followed this model we don't have to change a lot of what we are doing. We are not impacted as much as some utilities are.

Ms. Haskins stated the requirements of the preparer are:

- Document in reasonable detail the facts and data used in the analysis and their sufficiency and reliability
- Employ generally accepted accounting, engineering, and planning methodologies, including the buy-in, incremental cost or marginal cost, and combined cost approaches for each service
- Document and demonstrate the reliable application of the methodologies to the facts and data
- Identify all assumptions and limiting conditions affecting the analysis and demonstrate that they do not materially undermine the reliability of conclusions reached
- Calculate a final fee per service unit and include an equivalency or conversion table for use in determining the fees applicable for various categories of demand.
 A service unit may be a meter; a home based on number of bedrooms; or a restaurant based on number of seats, etc. Our service unit has been the meter size since our inception. The fee is calculated on our smallest meter size, and then it is escalated up
- to the largest meter size based on some sort of equivalency or conversion table.
- Consider a planning horizon of not less than 10 and no more than 20 years.

Key Factors in Calculation:

- Adjusted water/sewer assets
 - Some assets excluded including contributions and assessments
 - Debt outstanding excluded

The biggest part of the calculation is the adjusted water/sewer assets. We take our records, the net book value of our assets and then they are adjusted to a current day replacement value. She stated that was the bulk of the time involved in the calculation because we exclude items we do not pay for, such as anything built or donated by the developer; any contribution or participation in a project, we back that out. In the case of annexation projects, we back out any participation we receive from the City. We also back-out all our debts outstanding because we have not paid for the assets yet.

She stated after you determine the adjusted water/sewer assets to be recovered. It is divided by our capacity in our plants. That gives you a dollar per gallon that is applied. Then you calculate the Gallons per Day.

Gallons per Day (GPD) per Equivalent Dwelling Unit (EDU)

- Uses standard residential customers for base FIF calculation for PWC. This is a ³/₄" water meter
- Includes factors for peak usage/losses (water) and infiltration (wastewater)
- Remaining meter sizes based on the relative meter capacity compared to ³/₄" meter
 - For example a 1" meter has a capacity that is 157% greater than ³/₄" so FIF fee will be 157% greater

Ms. Haskins stated there are options. We have decided to scale our meters rather than using the AWWA guideline on typical meters.

Mr. Trego stated these last two areas are perhaps the two areas where there is discretion within the utility and obviously within the decision of the Commission of what method to use. We have chosen the philosophy of taking a look at our system and what we actually use. If you use the state average for consumption and the AWWA standards for meters, our calculated FIF fees would have been higher than we are actually calculating. He stated we feel we should not use some empirical data in a book that says what a ³/₄" meter uses, which encompasses an average of all meters. We considered the capacity of our meter. There was a lot of discussion with Raftelis. They are working with a lot of other utilities and having discussions using the same method. Mr. Trego went on to state that Raftelis calculated the fees all different ways. We have determined that the approach we are recommending is that we use our actual data to determine what the FIF fees are. Additional discussion ensued.

Commissioner Shaw asked how will the requirement to have all existing fees conform to the Article by July 1, 2018, impact PWC. Ms. Haskins replied as far as the way we administer and collect the fee, she does not see anything changing. She went on to state PWC does not require advanced payment of the fee. It is due at the point connection is made of the property. She stated the Commission has adopted the fee in the past. The legislation now says it must be adopted by resolution or by ordinance. We may also need to adopt a capital reserve ordinance to account for the fee but it is not conclusive at this time. Additional discussion ensued on the assets we include in the calculation of the fee.

Ms. Haskins stated we need to expand our table, which will now show $\frac{3}{4}$ inch all the way to a 12 inch meter. Commissioner Huff asked if our FIF fees are paid by the developer or by the builder when the builder buys his permit. Ms. Haskins responded it can be either, but it is not required until we get to the point of the structure being connected to the system. Additional discussion ensued.

Status and Next Steps:

- Contracted Raftelis in November 2017 to perform FIF update last update was January 2016
- Calculation is complete and draft report is in final stages

Upcoming Commission Actions:

- April 25, 2018 Set the Public Hearing date
 - Raftelis will present the results of the analysis and answer questions
 - The legislation requires at least 45 day notice period
 - The full report and analysis will be published during this 45 day period
- June 13, 2018 Public Hearing
 - Adopt fees by resolution
 - Establish capital reserve fund to account for administration of the fees
- Perform update no less than every 5 years

Raftelis is located in Charlotte, North Carolina. Mr. Trego stated they are the leading consultant in the State. They also are in contact with the NC School of Government as we are, and they deal with a lot of municipalities. Staff responded to additional questions by Commissioners.

GENERAL MANAGER REPORT

Wholesale Power Cost Adjustment

We have completed our Wholesale Power Cost Adjustment refund to customers. The Commission previously authorized us to give \$5M back to customers and we completed the process in March. This was due to refunds we received from Duke.

New Rates

We have arranged for a lunch meeting with our Key Accounts Customers on Monday (April 16th) to give them a presentation on our new rates.

ElectriCities Public Power Award of Excellence

This award is similar to the APPA RP3 Award. ElectriCities looks at four things. They look at promoting the value of public power in the community; investment in grid modernization; continuous improvement; and workforce development.

Mr. Trego stated we were very happy win this award. One of the things we promoted when applying for the award was the outreach we have done, at the request of Commissioners. He and other members of the senior team have gone out to a number of speaking engagements this year and believe the education has been very beneficial.

Comments by Liaisons:

Regarding outreach, **Commissioner Michael Boose** stated he also saw PWC staff at the Hope Mills Chamber. He stated it was a nice and perfectly timed cadence. The presentation was great. He also mentioned the PWC Expo. The staff was very congenial at nearly closing time.

He also asked about rebates and the solar farm. Mr. Trego stated the solar rates reflect it. He stated Mark Brown can answer questions regarding it. There was additional discussion regarding the NCUC rebate program.

Council Member Dawkins announced the Annual Citywide Clean-up on May 1 1st (see fayettevillebeautiful.com).

Council Member Dawkins also stated he met with a narcotics detective and was informed that Fayetteville is 15th in the nation in cities over 100,000 citizens. He wanted to know if PWC have plans for opioids disposal. Mr. Noland responded that our guidance to customers is that you do not flush anything down the toilet other than human waste. He stated nothing else should go down into the system. He stated there are guidelines on how opioids how to be disposed of. He suggested citizens speak to law enforcement, health department or solid waste on how to properly deal with medications. Mr. Trego stated that Cape Fear Hospital will take old/no longer needed medication. Carolyn Justice Hinson stated sometimes the police department will sponsor community drop-offs, and whenever we find out about them, we promote them as well. Additional discussion ensued.

Commissioner Comments:

Commissioner Shaw congratulated Mr. Trego and his team for the ElectriCities award. She stated when she came on the board, one of the things she asked Mr. Trego to address more energetically was getting out into the community and being the face of PWC; and have staff be more involved in the community on a broad spectrum. She stated she has seen it and evidently others have seen it by virtue of the award.

Mr. Trego stated we will continue the outreach and will begin to go back to a lot of the same groups he and staff went to last year so we can communicate the rate changes and promoting the value of public power.

Commissioner Rogers announced the Building Business Rally at FTCC on May 22nd. He thanked Mark Cannady, Lexi Hasapis, and Carolyn Justice-Hinson. We are expecting a broad range of attendees (FSU, FTCC, City of Fayetteville, School Board, Cumberland County, Hope Mills, Spring Lake, NCDOT, PWC and others will be there.

Baseball Stadium

Mr. Trego gave an update on PWC's involvement related to the development around the baseball stadium. He stated we are currently continuing design working with the developers in that area. Mr. Noland's group came back after we received more information about the new hotel and the parking garage. He stated we were right on the border line as far as capacity on some of our sewer lines in the area. We will upsize some lines in the area, in case there is further development in the area. It will not delay the project at all. Our work will have minimal impact on the streets in the area.

Mr. Noland stated there were some areas where an eight inch main was tied into a twelve inch main and the mains were old. Mr. Trego stated we are deeming this a system improvement because it will benefit all customers. It is something we will do through our capital budget and will not involve any contribution from the City or developers. Additional discussion ensued.

Council Member Dawkins stated we may need to have a discussion at some point regarding the lights at the Baseball Stadium. Council has approved the high resolution LED lighting and the scoreboard. He stated they will need a lot of electricity. Mr. Trego stated they are well aware of it. He mentioned the letter from the developer regarding the transformer on the CSX property. We need to move a transformer and have been reaching out to CSX for over six months. Additional discussion ensued.

REPORTS AND INFORMATION

Commissioner acknowledges receipt of the following reports and information.

- A. Personnel Report for March 2018
- B. Position Vacancies
- C. Approved N.C. Department of Transportation Encroachment Agreement(s):
 ➢ Encr. #18507 8" SDR-26 sewer main installation @ SR-1112 (Rockfish Rd).
- D. Approved Railroad Encroachment Agreement(s):
 - Encr. 18635A Installation of 2900 ft. parallel occupancy of a 24-inch ductile iron sewer pipeline and two (2) Underground crossings of a 24-inch pipeline
 - > Installation of an underground crossing of a 24-inch ductile iron sewer pipeline
- E. Actions by City Council during meeting of March 26, 2018, related to PWC:
 - Approved Bid Recommendation Annexation Phase V, Area 20 Hackney Hills, Lake Point, Robin Hill Estates
 - Approved Bid Recommendation Annexation Phase V, Area 21 Arran Lakes West Subdivision

CLOSED SESSION AS ALLOWED UNDER N.C. GENERAL STATUTES 143-318 (A)(3) TO DISCUSS LEGAL MATTERS

Upon motion by Commissioner Rogers, seconded by Commissioner Huff and unanimously approved, the Commission went into closed session to discuss legal matters according to NCGS 143-318(A)(3) at 9:14 a.m.

Upon motion by Commissioner Rogers, seconded by Commissioner Huff and unanimously approved, the Commission returned to open session at 9:34 a.m.

ADJOURNMENT

There being no further business and upon motion by Commissioner Rogers, seconded by Commission Shaw and unanimously approved, the meeting was adjourned at 9:35 a.m.

PUBLIC WORKS COMMISSION ACTION REQUEST FORM

TO: David W. Trego, CEO/General Manager

DATE: April 18, 2018

FROM: Mark Cannady, Procurement Supervisor

.....

ACTION REQUESTED: Approve Resolution No. PWC2018.03 authorizing the use of the design-build contracting method for the Clifton Drive Sanitary Sewer Main Relocation 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 "qualification-based" selection method outlined in G.S. 143-64.31.

The existing creek running parallel to Clifton Drive in the Worthington Subdivision has shifted closer to the existing 15-inch sewer main, causing bank stability issues and placing the sewer main in danger of failure. In addition, the location of the existing sewer main provides limited access for maintenance activities. Relocation of this existing sewer main into Clifton Drive will eliminate the existing dangers and facilitate maintenance activities.

The scope of the project is to install a new 16-inch ductile iron sewer main in Clifton Drive and abandon the existing 15-inch sewer main along the creek. The project will include re-routing of the existing property owners' sewer laterals from the rear of their properties to connect to the new sewer main in Clifton Drive. The project will also include renewal of the existing water laterals in Clifton Drive since resurfacing of the street will be required by NCDOT.

PWC staff believes that design-build will be the most advantageous method of contracting for this sewer main replacement project due to the fact that after advertising the project for bids on two occasions, using traditional bidding methods, only one bid was received, with the bid being significantly higher than anticipated. The budget for construction of this project was estimated at \$1,373,000. The sole bid received was \$5,282,266. The reason given by the Contractor for the higher price was the uncertainty of how NCDOT's active shoring requirements would affect their daily production rate. Use of the design-build method should allow for identification of the means and methods of installation of the sewer main early in the design process based on the Contactor's abilities, which will allow for specifications of the active shoring system to meet NCDOT requirements. This will, in turn, allow the Contractor to more accurately provide a price for construction of the project.

PWC staff will ensure a high quality project is delivered by assigning experienced project management staff to the project to include monitoring by the Water Resources Engineering Manager. Senior operations staff will also be routinely involved during the preliminary and construction phase of the project to ensure that operational concerns are addressed.

The RFQ to select the design-build team will contain requirements related to the use and solicitation of SDBE's for any subcontracting opportunities that may be required throughout the design and construction phase of the project.

Approval of the attached Resolution No. PWC2018.03 will authorize staff to use the design-build method for the Clifton Drive Sanitary Sewer Main Replacement project.

.....

ACTION BY COMMISSION

APPROVED_____REJECTED_____

DATE

PWC RESOLUTION NO. PWC2018.03

RESOLUTION APPROVING THE USE OF THE DESIGN-BUILD CONSTRUCTION METHOD FOR THE CLIFTON DRIVE SANITARY SEWER MAIN RELOCATION 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 Clifton Drive Sanitary Sewer Main Relocation project; and

WHEREAS, the project is subject to additional active shoring requirements due to the depth of the installation, and;

WHEREAS, the traditional bid process yielded limited interest and a bid price that exceeded the budgeted amount, and;

WHEREAS, the design-build construction method will provide increased coordination by the design-build team to identify means and methods of installation and negotiate potential cost drivers up front;

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 Clifton Drive Sanitary Sewer Main Relocation project.

Adopted this ______ day of ______, 2018, at Fayetteville, North Carolina.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Wade R. Fowler, Jr., Chairman

ATTEST:

Darsweil L. Rogers, Secretary

PUBLIC WORKS COMMISSION ACTION REQUEST FORM

TO: David Trego, CEO/General Manager

DATE: April 18, 2018

FROM: Mark Cannady, Procurement Supervisor

ACTION REQUESTED: Approve the issuance of a contract in the amount of \$195,000.00 to Milestone Utility Services for all software, software licenses, technical support, and update services to provide a ePortal software to integrate to the existing billing system (Oracle CC&B 2.3), Oracle MDM, integrated payment processor, and pdf billing in accordance with N.C.G.S. 143-129(e)(6) "sole source exception". Information System's staff has researched multiple sources for this equipment and has found that Milestone Utility services is the sole source provider to meet the unique requirements necessary to work within the Commission's Oracle environment and provide necessary interfaces to existing PWC equipment and software.

The "sole source" request is supported by the following:

- A. Milestone's Web Portal integrates with the Commission's current Oracle Customer Information and Billing System (CC&B).
- B. Milestone's Web Portal integrates with the Commission's Oracle Smart Meter Data Management System (MDM).
- C. Milestone's ePortal enhances functionality to support customer self-service when conducting business with the Commission.

The total initial cost of the implementing the ePortal system with all services, hardware and software licenses is \$195,000. After implementation, a three (3) year annual support commitment of \$15,000 is required 30 days following Go-live.

COMMENTS: N.C.G.S. 143-129(e)(6) allows an exception to the bidding requirements when (i) performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration.

BUDGET INFORMATION: The project will be funded through the Information System Department's annual Computer Systems Contract budget.

ACTION BY COMMISSION APPROVED _____ REJECTED _____ DATE



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April 18, 2018

MEMO TO: David W. Trego, CEO/General Manager FROM: Jamie West, PWO General Counsel

SUBJECT: Request to Transfer to FTCC Certain Equipment, Supplies and other Tangible Personal Property

Approve staff recommendation to transfer to Fayetteville Technical Community College ("FTCC") certain equipment titled in the name of the Fayetteville Public Works Commission and supplies and other tangible personal property over which the Fayetteville Public Works Commission exercise control and custody in its utility operations but is titled in the name of the City of Fayetteville in accordance with the Fayetteville Public Works Commission's Charter in exchange for FTCC initiating and operating a training program for electric line workers.

The recommendation, as approved by the Fayetteville Public Works Commission, shall be referred to City Council in accordance with Section 6A.9 of the Charter to request that the City of Fayetteville adopt a resolution authorizing the Fayetteville Public Works Commission to transfer to FTCC certain supplies and other tangible personal property titled in the name of the City of Fayetteville in accordance with G.S. 160A-274.

From time to time staff will make additional recommendations for transfer of equipment, supplies and other tangible personal property.

Comments: PWC has determined that the development of an electric line worker training program would be beneficial to PWC and the greater community, and PWC wishes to facilitate this endeavor by FTCC.

QTY REQ	FTCC Description	PWC Stock #	PWC Description	Unit Cost	Qty to be Picked from Inventory	Cost
2	Fiberglass URD Transformer Pad	1300410	PAD, TRANSFORMER COMPARTMENTAL, 38"X42"X32"	218.01	2	436.02
2	200 Amp Meter Base	1185570	SOCKET, METER, 100 A , 1 PH.	26.35	2	52.70
6	100 Amp Rated Cutout	1280260	SWITCH, FUSED CUTOUT, 100 A, LOAD BREAK, 25 KV	127.15	6	762.90
6	Lightning Arrester	1170010	ARRESTER, 10 KV, HEAVY-DUTY	25.99	6	155.93
5	30/7 Poles	1220410	POLE, WOOD, 30' CLASS 5	98.09	3	294.27
5	35/5 Poles	1220420	POLE, WOOD, 35' CLASS 5	132.20	4	528.80
5	40/5 Poles	1220360	POLE, WOOD, 40' CLASS 4	188.48	5	942.41
1	Roll Guy Wire	1010518	GUYSTRAND, 3/8: HIGH STRENGTH STEEL, COIL	0.27	500	137.44
5	Screw Pin	1100562	PIN, CROSSARM, 1" X 6"	4.42	5	22.10
5	Pole Top Pin	1100568	PIN, POLE TOP, 20" X 1"	6.67	5	33.36
6	Arrester and/or Cutout Bracket	1170002	BRACKET, CUTOUT/ARRESTER, 1 PH	7.53	6	45.17
1	Coil #2 Standed Aluminum Primary Wire	1065140	CONDUCTOR, #2 AAAC 6201	0.14	2769	400.65
1	Reel #4 Bare Copper Solid	1065040	CONDUCTOR, # 4 AWG CU SOFT	0.48	200	95.64
1	Reel #6 Bare Copper Solid	1065060	CONDUCTOR, #6 AWG CU SOFT	0.42	313	132.84
12	Lineman tool bag	3905315	BAG, LINEMAN TOOL, CANVAS W/POCKETS	54.4871	12	653.8452
15	Large Flat Tip Screwdriver	3905110	SCREWDRIVER, 6"	4.2333	15	63.4995
15	Large Phillips Head Screwdriver	3905115	SCREWDRIVER, PHILLIPS, #2 X 8"	6.9525	15	104.2875
15	Ball Peen Hammer	3905070	HAMMER, BALL-PEEN, 2 LB.	15.42836	15	231.4254
15	10" Lineman Side Cutters	3905224	PLIERS, SIDE-CUTTING, LINEMANS, 9"	28.40594	15	426.0891
15	12" Adjustable Wrench	3905200	WRENCH, ADJUSTABLE, 12"	37.34202	15	560.1303
15	8" Adjustable Wrench	3905180	WRENCH, ADJUSTABLE, 8"	20.7019	15	310.5285
15	Hawk Bill Knife	3905210	KNIFE, SKINNING	20.22	15	303.3
15	Wood Folding 6' Ruler	3905100	RULE, 6' FOLDING	13.36461	15	200.4692
4	12" Bolt Cutter	3905223	CUTTER, BOLT, 24"	89.09	4	356.37
3	Guy wire cage	1010580	GUYSTRAND, SAFETY DISPENSER	6.08	3	18.23
2	Cant Hook	1330264	HOOK, CANT, POLE TOOL	258.91	2	517.83
2	Sledge hammer	3905065	HAMMER, SLEDGE, 6 LB.	17.83	2	35.65
3	5' Round Shovel	3905130	SHOVEL, 5', ROUND POINT, FIBERGLASS	21.48	3	64.43
2	Post hole digger	3905135	DIGGER, POST HOLE, 9'	107.31	2	214.62
2	Long shovel (spade)	3905141	SPADE, DRAIN, STRAIGHT HANDLE	33.52	2	67.05
6	Cutout Standoff Bracket	1025160	BRACKET, EQUIPMENT MOUNTING, 18" (MIF)	48.06	6	288.34
					Total Cost	8456.32

					Qty to be Picked from	
OTY REO	FTCC Description	PWC Stock #	PWC Description	Unit Cost		Cost
<u> </u>					Minor	
					Material Qty	
QTY REQ	FTCC Description	PWC Stock #	PWC Description	Unit Cost	Picked	Cost
	URD Elbow		ELBOW, 25 KV 200 A LB, 1/0 AL	29.79	16	476.64
8	Guy Attachment	1010887	GUY, ATTACHMENT, COMBINATION, 5/8"	3.52	8	28.13
2	Fiberglass Guy Insulator Rods	1160117	INSULATOR, DISTRIBUTION GUY STRAIN, 60"	18.90	2	37.80
2	Guy Attachment for Fiberglass Rods	1270360	SPLICE, FULL TENSION AUTOMATIC, 3/8" HSS	49.82	2	99.64
2	Boxes Assorted 5/8" Bolts (8"-14")	1325170	BOLT, MACHINE, 5/8" X 8"	0.86	12	10.32
		1325175	BOLT, MACHINE, 5/8" X 10"	0.94	12	11.28
		1325180	BOLT, MACHINE, 5/8" X 12"	1.09	12	13.07
		1325185	BOLT, MACHINE, 5/8" X 14"	1.24	12	14.86
1	Box Assorted Double Arm Bolts (16"-24")	1325020	BOLT, DOUBLE ARMING, 5/8" X 18"	2.26	12	27.08
		1325025	BOLT, DOUBLE ARMING, 5/8" X 20"	2.36	12	28.29
		1325030	BOLT, DOUBLE ARMING, 5/8" X 22"	2.60	12	31.25
		1325035	BOLT, DOUBLE ARMING, 5/8" X 24"	2.85	12	34.20
36	Square Washers	1325765	WASHER, SQUARE FLAT, 3"	0.85	36	30.60
36	Spring Washers	1325740	WASHER, SPRING LOCK, 5/8" (100 PER PACK)	0.08	36	2.88
6	Sets Crossarm Braces (Wood or Steel)	1100530	BRACE, CROSSARM, WOOD 38 X 18	7.00	6	42.01
24	1/2" x 3" Lag Bolt	1325910	SCREW, LAG, 3/8" X 3"	0.40	24	9.60
24	1/2" Washers	1325715	WASHER, FLAT ROUND, 1/2"	0.10	24	2.40
24	1/2" Spring Washers	1325733	WASHER, DOUBLE COIL, SPRING LOCK, 5/8"	0.21	24	5.04
12	Primary Deadend Insulator	1160025	INSULATOR, ONE-PIECE DEAD-END, 25 KV	10.49	12	125.87
12	Pin Type Insulator	1160065	INSULATOR, PIN-TYPE, ANSI 55-6	7.41	12	88.97
12	3" Spool Insulator	1160130	INSULATOR, SPOOL 53-2	0.70	12	8.38
12	Clevis	1230010	CLEVIS, INSULATED SECONDARY/DEADEND	2.59	12	31.08
12	Dead End Clamps/Shoes Copper Conductor	1105020	DEADEND, #4, AUTOMATIC	6.77	12	81.27
12	Dead End Clamps/Shoes Aluminum Conduct	1050149	CLAMP, AL. STRAIGHT AUTOMATIC D.E., #4-2/0	15.10	12	181.20
12	Hot Line Clamps	1050090	CLAMP,HOT LINE,#8-2/0 CU	7.25	12	86.96
2	Boxes of Various Squeeze on Connectors	1075245	CONNECTOR, PRL. GRVE. COMP., #1/7	0.37	25	9.25
		1075250	CONNECTOR, PRL. GRVE. COMP, #2/7	0.38	25	9.44
		1075255	CONNECTOR, PRL. GRVE. COMP., #4/7	0.60	25	15.00
		1075260	CONNECTOR, PRL. GRVE. COMP., #5/7	0.67	25	16.75
		1075265	CONNECTOR, PRL. GRVE. COMP., #6/7	0.63	25	15.75
		1075270	CONNECTOR, PRL. GRVE. COMP., #7/7	0.67	25	16.75
		1075313	CONNECTOR,PRL.GRVE.COMP.,#4-#4 CU	0.67	25	16.75
		1075314	CONNECTOR,PRL. GRVE. COMP.,#2-#2 CU	0.75	25	18.70
		1075316	CONNECTOR, PRL. GRVE. COMP, #1/0-#2 CU	1.59	25	39.75

					Qty to be Picked from	
QTY REQ	FTCC Description		PWC Description	Unit Cost	Inventory	Cost
5	Ground Rods	1255070	ROD, GROUND, 5/8" X 10' CU-CLAD SECTIONAL	13.98	5	69.89
4	Strain Insulators for Down Guy	1115160	INSULATOR, FIBERGLASS GUY STRAIN, 24"	12.96	4	51.85
5	Ground Rod Clamps	1050050	CLAMP, GROUND ROD, #2 X 5/8 BRONZE	1.17	5	5.84
2	Boxes Ground Wire Clamps	1340490	STAPLE, GROUND WIRE, SMALL	6.36	70	445.20
1	Reel 1/2" Poly Rope	1330295	1/2" WHITE ROPE, 12-STRAND TWISTED, (600FT)	0.38	600	228.00
					Total Cost	2467.72
				Price per KVA/AM	Scrap Qty	
	FTCC Description		PWC Description	Μ	Picked	Cost
3	10 KVA Pole Mount Transformer	1295330	TRANSFORMER, CSP, 10 KVA 12.47GRD/7.2-120/240	1.85	30	55.50
2	15 KVA Pole Mount Transformer	1295350	TRANSFORMER, CSP, 15 KVA 14.4X7.2-120/240	1.85	30	55.50
1	Light Fixtures Square Flood	1165113	FLOODLIGHT, 400 W HPS	3.50	1	3.50
1	Light Fixtures Street Light w/Mast	1165070	LUMINAIRE, 100 W HPS 120 V TYPE II	3.50	1	3.50
1	Light Fixtures Farm type Light 1/Mast	1165065	LUMINAIRE, 100 W HPS TYPE V PACKAGE	3.50	1	3.50
		1025100	BRACKET,LUMINAIRE,WOOD POLE,6' X 2' X 2"	0.13	18	2.34
		1025150	BRACKET,LUMINAIRE,WOOD POLE,30" X 1.25"	0.63	1	0.63
		1025165	BRACKET, FLOODLIGHT, WOOD POLE	0.13	10	1.30
2	25 KVA Pad Mount Transformer	1295610	TSFMR,PDMT,1-PH,25 KVA 24.94GRDY/14.4 X 12.47GRDY	0.65	2	1.30
1	3 Phase Pad Mount Transformer	1295725	PADMOUNT, 500 KVA, 7.2/480/277 V, 3 PH	0.65	1	0.65
5	30/7 Poles	1220410	POLE, WOOD, 30' CLASS 5	0.00	2	0.00
5	35/5 Poles	1220420	POLE, WOOD, 35' CLASS 5	0.00	1	0.00
6	8 Foot Crossarm	1100010	CROSSARM, 8 FOOT, WOOD	0.00	6	0.00
						127.72



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

April 18, 2018

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

FROM: Jamie West, General Counsel

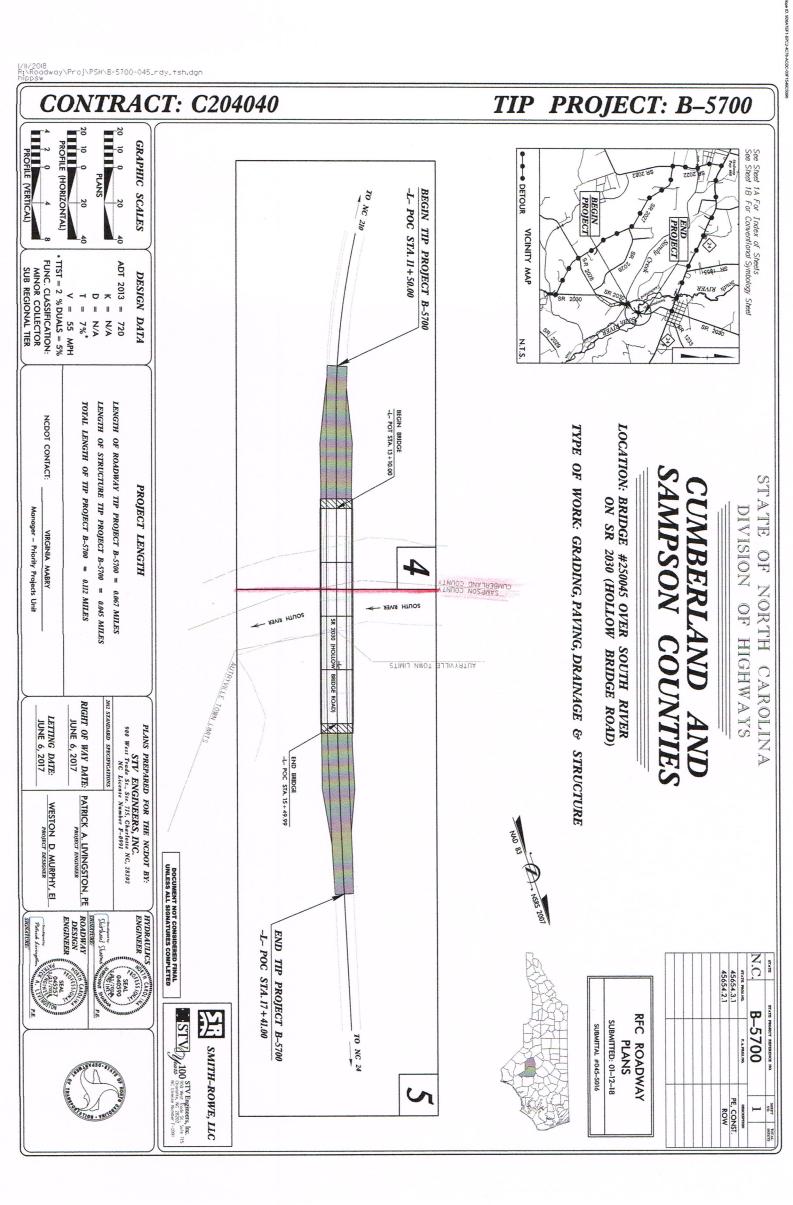
SUBJECT: Request Approval to Sell 0.079 Acres of PWC Property to NCDOT

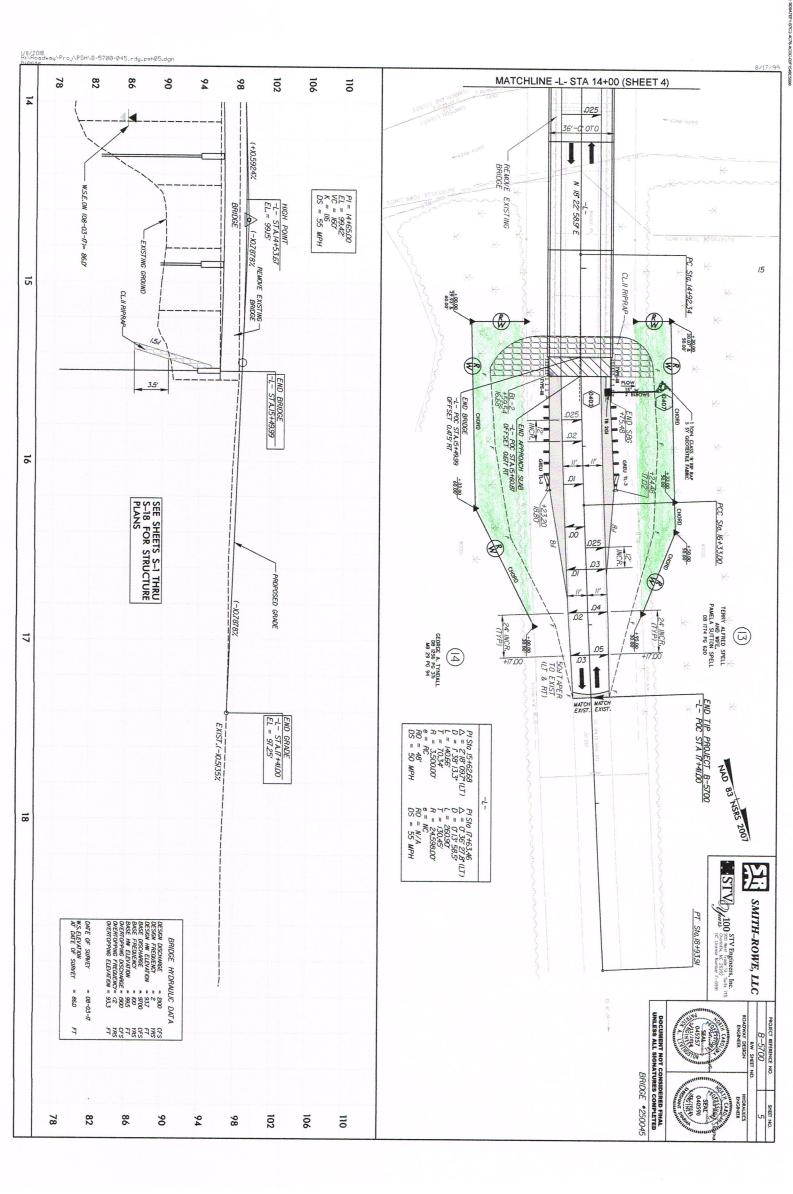
Staff recommends to sell in exchange for two hundred twenty-five dollars (\$225.00) a right of way to the North Carolina Department of Transportation ("NCDOT") consisting of 0.079 acres from a tract that contains approximately 723.860 acres over which the Fayetteville Public Works Commission exercises control and custody in its utility operations but is titled in the name of the City of Fayetteville in accordance with Fayetteville Public Works Commission's Charter in order to facilitate DOT's construction activities on Bridge No. 250045 over the South River on SR 2030 (Hollow Bridge Road).

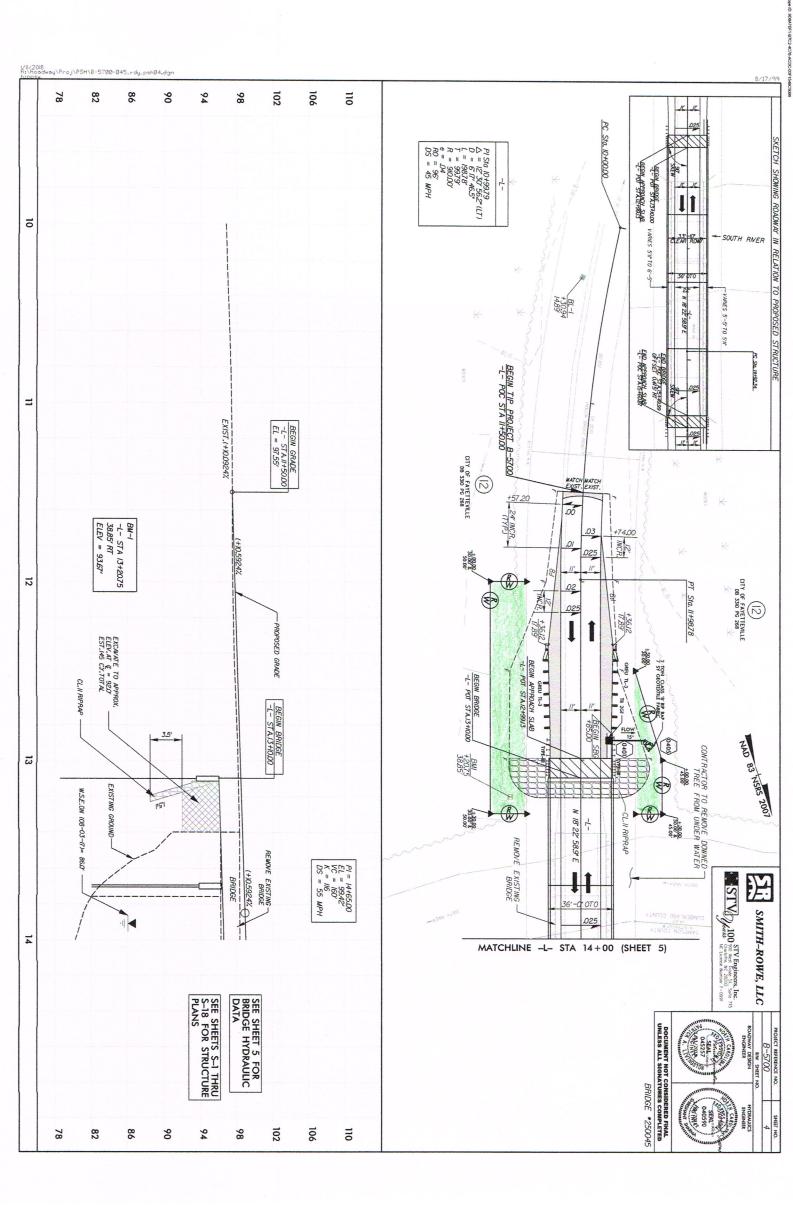
The recommendation, as approved by the Fayetteville Public Works Commission, shall be referred to City Council in accordance with Section 6A.9 of the Charter to request that the City of Fayetteville adopt a resolution authorizing the Fayetteville Public Works Commission to transfer the right of way to DOT in accordance with G.S. 160A-274.

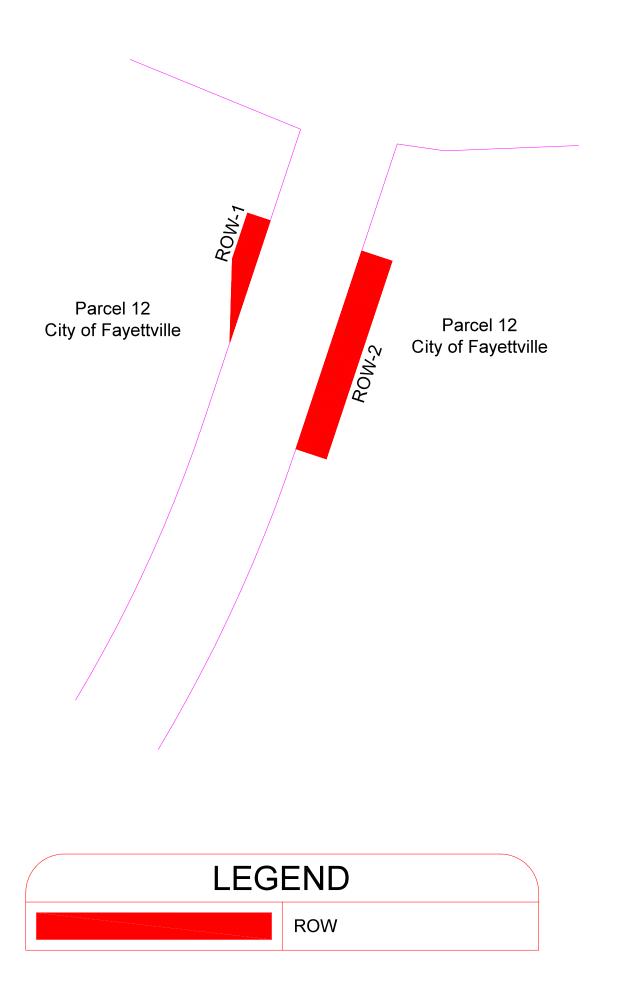
Comments: PWC has determined that the sale of the right of way to DOT will not adversely affect PWC's utility operations, the amount offered by DOT is reasonable under the circumstances, and this resolution will eliminate a potential legal dispute between PWC and DOT.

BUILDING COMMUNITY CONNECTIONS SINCE 1905 AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER











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April 18, 2018

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

FROM: Jamie West, PWO General Counsel

SUBJECT: Recommendation to Amend Service and Rate Regulations

Staff recommends approval to amend the Fayetteville Public Works Commission's Service and Rate Regulations to clarify the applicability of electric meter totalization for billing purposes and electric meter coincident demand aggregation for rate schedule qualification.

In the Service and Rate Regulations, Section VI(4), page 25 of 29, the following sentence:

"Only those points of delivery located external to the Customer's plant structure may be included in a totalized metering system arrangement."

shall be deleted and replaced with:

"Both meter totalization for billing purposes and meter aggregation in order to qualify to take service on a particular rate schedule by combining the maximum 15 minute demands of multiple meters during a billing month shall be permitted only by written agreement between the Customer and PWC based upon the Customer's electric service configuration and other relevant service arrangements."

Comments: PWC has determined that its Service and Rate Regulations should be amended to address the manner in which customers may be charged for the delivery of electricity under various meter configurations.

Open Commission Requests As of 4/25/18

Commission	Presentation/Discussion Item	Presenter (Staff)
Meeting Date		
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 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 12/13/17	Discuss strategy for PWC's approach to solar. Requested by: Commissioner Rogers - 10-25-17	D. Trego

PREVIOUSLY CLOSED COMMISSION REQUESTS HAVE BEEN ARCHIVED

PWC Injuries, Equipment & Vehicle Incidents March 2018 Update

	FY 201	7-2018 Personal	injanes		
Division	Chief Officer	Numb	ers	Expe	enses
DIVISION		This Month	YTD	This Month	YTD
Management	Trego				
C & CR	Hinson				
Human Resources	Russell				
Customer Programs	Brown				
Corporate Services	Fritzen	1	4	\$0.00	Pending
Financial	Haskins				
Water Resources	Noland	1	7	\$0.00	\$7,403.95
Electric Systems	Rynne	2	4	\$0.00	Pending
	Totals	4	15	\$0.00	
	FY 2017-201	8 Vehicle/equip	ment damag	ge	
Division	Chief Officer	Numb			enses
Division	Chief Officer	This Month	YTD	This Month	YTD
Management	Trego	0	0	\$0.00	\$0.00
			U	•	
C & CR	Hinson	0	0	\$0.00	\$0.00
C & CR Human Resources	Hinson Russell				\$0.00 \$0.00
		0	0	\$0.00	\$0.00
Human Resources Customer Programs Corporate Services	Russell	0	0	\$0.00 \$0.00	\$0.00 \$9,046.72
Human Resources Customer Programs	Russell Brown	0	0 0 8	\$0.00 \$0.00 \$0.00	\$0.00 \$9,046.72 \$114.89
Human Resources Customer Programs Corporate Services 2 Pending ECOD Financial Water Resources	Russell Brown Fritzen		0	\$0.00 \$0.00 \$0.00 \$0.00	\$0.00 \$9,046.72 \$114.89 \$210.95
Human Resources Customer Programs Corporate Services 2 Pending ECOD Financial	Russell Brown Fritzen Haskins		0 0 8 4 1	\$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$0.00 \$9,046.72 \$114.89 \$210.95 \$14,762.90



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April 5, 2018

PWC has the following Summer Internship opportunities for full time college students. Interested candidates can submit a PWC employment application, resume, and an official college transcript to the Human Resources Department by May 1, 2018.

The following intern positions are available:

Procurement/Internal Audit Legal Risk-Environmental Compliance Specialist W/R Watershed-Environmental Technicians W/R Environmental Systems Protection W/R Laboratory Technician E/S Engineering-Engineering Technicians E/S Construction Engineering Technician Substation-SCADA Technician Customer Programs-Project Analyst Customer Programs/Marketing-Engineer Key Accounts-Engineer Safety

Eligibility Requirements:

Applicant must be currently enrolled as a full-time college student Applicant is required to submit a transcript indicating his/her field of study. Applicant must have three (3) years driving experience (if required to drive PWC vehicles). Applicant is eligible to be hired in a job related to his/her field of study. (i.e., the student should not be hired as clerical person for the summer unless that is his/her field of study).

Pay Scale:

1st Year of College completed \$11.00 2nd Year of College completed \$12.00 3rd Year of College completed \$13.00

Length of Employment:

90 days from date of hire



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April 18, 2018

- **MEMO TO:** ALL PWC EMPLOYEES
- FROM: Kim Long Kim.Long@FAYPWC.COM
- SUBJECT: Job Vacancy
- **POSITION:** JOURNEYMAN LINEWOKER
- DEPARTMENT: 0820- Electrical Construction
- HOURS:MONDAY-FRIDAY 7:00AM-3:30PMOn-call and extended hours as required
- GRADE LEVEL: 406X- \$22.84-\$28.55/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, **May 2, 2018.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD