

PUBLIC WORKS COMMISSION  
MEETING OF WEDNESDAY, JANUARY 23, 2019  
8:30 A.M.

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

Others Present: David W. Trego, CEO/General Manager  
Telly Whitfield, Assistant City Manager  
Michael Boose, Cumberland County Liaison  
Melissa Adams, Hope Mills Town Manager/Liaison  
PWC Staff  
Media

Absent: Kathy Jensen, City Council Liaison

REGULAR BUSINESS

Chairman Rogers called the meeting of Wednesday, January 23, 2019, to order.

APPROVAL OF AGENDA

Upon motion by Commissioner Fowler and seconded by Commissioner Huff, the Agenda was unanimously approved.

CONSENT ITEMS

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

- A. Approve Minutes of meeting of January 9, 2019
- B. Set Public Hearing for February 27, 2019, on Proposed Water Rates and Fees
- C. Approve Resolution # PWC2019.01 – Resolution to Adopt Revisions to Buy All Sell All Rider

Staff recommends approval of the amendment to the Fayetteville Public Works Commission’s Buy All Sell All Rider to expand the applicability of the rider to include qualifying facilities in addition to new renewable energy facilities and to adopt other clarifications.

*Comments: PWC has determined that its Buy All Sell All Rider should be amended to address qualifying facilities and to adopt various clarifications.*

D. Approve Ordinance # PWCORD2019-01 – Electric, Water/Wastewater (W/WW) and Fleet Maintenance Fund Budget Amendment #5

PWCORD2019-01 is an Electric, Water/Wastewater and Fleet Maintenance Fund FY2019 Amendment increasing the Electric Fund \$74,600 to \$281.8 million, increasing the W/WW Fund \$1,230,700 to \$119.5 million and increasing the Fleet Maintenance Fund \$172,000 to \$12.0 million.

*Comments: Staff requests the Commission adopt the attached budget ordinance amendment PWCORD2019-01.*

E. Approve Capital Project Fund Budget Ordinances – PWCORD2019-02 and PWCORD2019-03

- PWCORD2019-02 establishes a \$9.8 million Replacement of the 20” North Fayetteville Force Main Capital Project Fund for a project anticipated to be funded with Revenue Bonds. This fund is needed now to establish budgets in support of awarding contracts. The timing of the funding plan and review of these projects is ongoing and will be brought forward to the Commission once the chosen path is determined.
- PWCORD2019-03 Hurricane Matthew CPF amendment #3 amends funding sources and project costs.
  - The recent construction bid for Bramblegate Road (Hurricane Matthew Improvement of Sewer Facilities), exceeds the available FEMA reimbursement balance by \$930,000.
  - Hurricane Matthew Improvement of Sewer Facilities updated project estimates are as follows: Ann Street \$350,000; Bingham Drive \$150,000; and Sweet Bay Circle \$350,000. These projects are all FEMA funded and are due to be bid next month.
  - The construction bid for the Hoffer Raw Water Intake Screen Replacement and Mitigation project increased the total project costs by \$237,450. The funding sources are insurance proceeds and FEMA reimbursement.

F. Approve Loan from the Electric Rate Stabilization Fund to the Water/Wastewater Fund

Staff recommends the Commission approve a loan from the Electric Rate Stabilization Fund (ERSF) to the Water/Wastewater (W/WW) Fund to assist in meeting its current obligations related to the portion of the replacement of the 20” North Fayetteville Force Main not funded from the Series 2018 Proceeds.

END OF CONSENT

GENERAL MANAGER REPORT

*Community Solar*

Mr. Trego stated we have cleared the land and the contractors will begin to install the supports for the solar panels. We are installing the solar panels first and will install the batteries afterward (due to the long lead time).

Commissioner Rogers asked if area students will be invited to view the installation of the panels. Mr. Trego stated we will have a ribbon cutting and Ms. Justice-Hinson stated we are still planning and that is a potential.

### ***TEXFI Site***

Mr. Trego stated this site is next to our water plant. The TEXFI site is contaminated and there is contamination up to our clearwell, though it has not penetrated it because we have taken some remediation action. Mr. Trego stated over the years, we have been attempting to find a long term solution for this site. TEXFI went bankrupt and the site is now owned by the City. Mr. Trego went on to state all the bankrupt money was spent on the immediate remediation solution. After that, the State would contribute \$25,000 per year to help monitor the issue, but that money is no longer coming in.

PWC and the City have taken several actions to try to see if there is a long term solution. He and Mick Noland have had several conversations with Rep. Szoka to see if there is a long term remedy. Though this site is classified as a super fund site, the State and Federal government do not have a lot of money for super fund sites and TEXFI is not high on the list because we do not actually have contamination in our water. PWC Staff is pushing to have a pilot completed to see if we can find something that will be a long term remediation for the site. The City has also approved a resolution in favor of the State assisting us in a pilot study to find a long term solution. We estimate the pilot study to cost approximately \$500,000. Commissioner Rogers asked about the cost of the long term solution. Mr. Trego estimates it could cost in the millions of dollars. He stated we tried a method a year and a half ago; it did not go deep enough into the ground. We are looking at methods to remediate the site; which would protect the water supply for the plant and protect the Cape Fear River from any contamination. It can also make the land marketable for the City. There is a win-win in trying to find a solution. Mr. Trego stated we will continue our conversations with Representative Szoka to see if we can get assistance. He also stated Commissioners may see something in the budget operations budget for PWC's portion of the funding in case the legislature comes through.

Commissioner Fowler asked when will the plume stop or no longer be a contamination threat. Mr. Noland stated the plume continues to migrate. It dissolves in ground water readily. It is somewhat like a river but just moves much more slowly. He stated at some point it may become diluted beyond the point that it is no longer above the health standard.

Commissioner Shaw asked "What is the contaminate?" Mr. Noland responded they are trichloroethylene and perchloroethylene; they are chlorinated solvents. TEXFI was a textile manufacturer. Commissioner Shaw stated this problem is over 20 years old. She asked "how does PWC and/or the City measure the migration of this contaminate"? Mr. Noland responded there is one monitoring well that we measure how it is trending. We also do sampling upstream and downstream in the river to ensure it has not migrated into the Cape Fear River. We also do monthly monitoring of the water in the clearwell of those

contaminates. We send sampling to a commercial lab. Additional discussion ensued regarding responsibility for cleaning-up the contaminate.

### ***Disposition Study on Lock and Dams on the Cape Fear River***

Mr. Trego stated the Army Corps of Engineers are doing a disposition study on the Lock and Dams on the Cape Fear River. Mr. Noland stated Congress authorized the locks and dams in the 1920s and 1930s when the first one was built. The other three were built to support commercial traffic. The Army Corps of Engineers have looked at it and have stated if the locks and dams are not supporting what they were authorized for then they need to stop supporting them. He stated this requires a disposition study to look at all the issues. He stated not unsurprisingly, they will find that it does not support commercial traffic anymore. There has not been any in a long time. Mr. Noland stated the question will become what happens to them. The study is not to determine what happens to them, but if they need to dispose of them. Should they take them out entirely, or transfer them to an entity that has need for them. Mr. Noland stated Lock and Dam #3 is important to Fayetteville area. Lock and Dam #1 is important to the South East region of the state. He went on to discuss the viability of the dams in more detail. He stated there was a stakeholders meeting and PWC expressed our concerns. There will be another meeting on tomorrow and PWC, along with our consultant will attend. Additional discussion ensued.

### ***Government Shutdown***

Mr. Trego stated we all know we are in the midst of a partial government shutdown. He stated because the Department of Defense is not part of the shutdown, it has not had a large impact in our area, yet we do have employees of the government who are affected who live and work in our community. Mr. Trego stated he has spoken to Bevan Grice (Director of Customer Service) and Rhonda Haskins (Chief Financial Officer) to work within the parameters of our policy and to be proactive when customers call who identify themselves as being part of the government shutdown. Mr. Trego stated we have been contacted by roughly 56 customers and have been proactive in assisting them; placing them on arrangements so they will not have to worry about their utility bill.

## COMMISSIONER/LIAISON COMMENTS

### ***Commissioner Michael Boose***

Commissioner Boose wanted to dismiss any notion that the County and the City do not 'get along'.

### ***Commissioner Wade Fowler***

Commissioner Fowler stated regarding TEXFI, he would prefer to act earlier as opposed to later.

He also commended the Carolyn Justice-Hinson and her staff for PWC's posts on Facebook. He stated a lot of good information has been posted to the site regarding heat pumps and different ways to conserve energy.

### ***Commissioner Darsweil Rogers***

We are beginning to have conversations regarding a Strategic Plan for PWC. He will come to the Commission to discuss a Strategic Planning Session. He also stated in keeping with his discourse around the community, we need a 10 year vision to develop a Strategic Plan. More will come.

We are now a Tier One County. We are listed as the 20<sup>th</sup> most distressed county within the State. Mayor Colvin had a meeting. He invited Commissioner Rogers, who represented PWC, the County, FTCC, FSU, Methodist University, the Garrison, the School System, Cape Fear Valley Medical Center, Hope Mills Mayor Warner, and the NC Department of Commerce. The conversation surrounded the benefits that come to us for being a Tier 1 County. He stated we need a broader, systematic vision to become Tier Two County. The group made a commitment to meet again next month.

### **PRESENTATION BY GDS ASSOCIATES**

Chris Dawson and Gary Brunault, GDS Associates gave a brief background/history of the Post 2023 Power Supply issues. He outlined the following timeline.

Sep 2017 - Resource option identification  
Dec 2017 - Resource option evaluation  
Aug 2018 - Preliminary power supply analysis  
Jan 2019 - Update to analysis of alternatives

Commissioner Shaw motioned to go into closed session at 9:29 a.m., pursuant North Carolina General Statute 143-318.11(1). Motion was seconded by Commission Fowler and unanimously approved.

Following discussion, Commissioner Fowler motioned to return to open session at 10:07 a.m. The motion was seconded by Commission Huff and unanimously approved.

### **REPORTS AND INFORMATION**

- A. Incident Summary Report
- B. Position Vacancies
- C. Approved Utility Extension Agreement(s):
  - Encr. #18792 – install. of 2” water lateral @ US401 (Skibo Rd) & US401 Bus (Raeford Rd)
- D. Actions by City Council during the meeting of January 14, 2019 related to PWC:
  - Approved Bid Recommendation – Rockfish Creek WRF Filter Rehabilitation

### **ADJOURNMENT**

There being no further business, upon motion by Commissioner Fowler, seconded by Commissioner Shaw and unanimously approved, the meeting adjourned at 10:08 a.m.