



PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MAY 22, 2019
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 May 8, 2019
- B. Approve bid recommendation to award contract for the Fayetteville Annexation Phase V Project X - Area 22 – Emerald Gardens & Arran Lakes West Subdivisions to TA Loving Company, Goldsboro, NC, the lowest responsible, responsive bidder in the total amount of \$3,035,750.00, and forward to City Council for approval.

This project will provide for construction of the proposed sanitary sewer improvements to consist of approximately 37 manholes, 71 sanitary sewer laterals, and 6,460 linear feet of 8-inch sanitary sewer improvements with associated appurtenances.

The Fayetteville Annexation Phase V Project X – Area 22 – Emerald Gardens & Arran Lakes West Subdivisions Project is a budgeted item and will be funded from WS-63 Phase V Annexation (CPR10000130)

Bids were received on May 8, 2019, as follows:

<u>Bidders</u>	<u>Total Cost</u>
T.A. Loving Company, Goldsboro, NC	\$3,035,750.00
Billy Bill Grading Co., Inc., Fayetteville, NC	\$3,217,662.40
T2 Contracting, Inc., Fuquay Varina, NC	\$3,995,652.00

COMMENTS: Notice of the bid was advertised through our normal channels on April 8, 2019 with a bid opening date of May 8, 2019. Addendum No. 1 was issued on May 3, 2019, the addendum was issued to make revisions to contract document and provide answers to questions. **SDBE** - The Bidder intends to subcontract with Fill Er Up TruckN, Riegelwood, NC for hauling needs for an estimated amount of \$50,000.00. **Local**: The bidder intends to subcontract with Forrest Landscaping, Fayetteville, NC for sod for an estimated amount of \$78,000.

- C. Approve Resolution PWC2019.04 – Resolution Directing Periodic Review of Sealed Minutes and General Accounts by the General Counsel

END OF CONSENT

III. FY2020 RECOMMENDED BUDGET SUMMARY

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

Brief summary of the recommended FY2020 PWC Operating Budget and Capital Improvement Plan (CIP) as presented to the Commission on May 8, 2019, and made available for public inspection in compliance with North Carolina General Statute 159-12.

IV. PUBLIC HEARING ON THE PWC FY2020 OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN (CIP)

V. 3rd QUARTER FINANCIAL RECAP (THRU MARCH 2019) – (Goal #1)

Presented by: Rhonda Haskins, Chief Financial Officer &
Brenda Brown, Controller

VI. GENERAL MANAGER REPORT *(See Tab 2)*

- A. Open Commission Requests

VII. COMMISSIONER/LIAISON COMMENTS

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

- A. Monthly Cash Flow Report - April 2019
- B. Recap of Uncollectible Accounts – April 2019
- C. Investment Report – April 2019
- D. Monthly Incident Summary – April 2019
- E. Position Vacancies
- F. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. #18788 – install of 16” RJDI water main, & 6” RJDI water lateral for fire hydrant @ SR2252 (Chicken Foot Rd. & SR2334 (Corporation Dr.)
- G. Letter from RSM Regarding FPWC Audit for the Year Ending June 30, 2019
- H. Actions by City Council during the meeting of May 13, 2019, related to PWC:

- Approved Phase 5 Annexation Areas 18 and 19 – Resolution Confirming Assessment Roll and Levying Assessments

IX. ADJOURN

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

Present: Darsweil L. Rogers, Chairman
Evelyn O. Shaw, Vice-Chairwoman
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

Absent: Kathy Jensen, City Council Liaison
Media

REGULAR BUSINESS

Chairman Rogers called the meeting of Wednesday, May 8, 2019, to order.

APPROVAL OF AGENDA

Upon motion by Commissioner Fowler, seconded by Commissioner Shaw, the agenda was unanimously approved.

CONSENT ITEMS

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

A. Approve Minutes of meeting of April 24, 2019

END OF CONSENT

REVIEW PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET FOR
THE FISCAL YEAR 2020-2025

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

Mr. Trego thanked the budget staff for their hard work in putting the budget together. They did an excellent job.

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Mr. Trego also stated he will provide a review of the Capital Improvement Plan (CIP) Budget. This is a review of Capital items that are over \$100,000 and has over a ten year life. If it does not meet these criteria, it goes into the Operational Budget, which will be reviewed separately.

He stated he will begin to review the CIP Expenditures by Division and then CIP Expenditures by Category. He will review the revenues that will fund the capital and the risk factors of the CIP Budget as well as the significant projects, especially those projects the Commissioners have shown a strategic interest in, both in the current year and the plan years.

Mr. Trego provided a history of the CIP Budget. He noted there are changes in the budget every year based on the priorities and projects. He stated overall we went from \$102.9M in FY17; up to \$105.2M in FY18; up to \$118.2M in FY19; and we are requesting \$142.1M for FY20.

He stated for FY20, the CIP Budget request is 20% (\$23.9M) more than what was approved in FY19. He stated there a lot of projects we planned to complete in FY19 we were not able to do, and we will have to complete in FY20, so there is basically a shift.

FY2019 CIP Budget Drivers

The \$23.9 million increased in the proposed FY20 CIP Budget includes the following factors.

Mr. Trego stated we initially planned a \$3.9M increase as presented in the FY19 CIP budget. The biggest impact on the FY19 and FY20 Budget is the NCDOT Raeford Road project. Originally we thought we would spend \$6.5M in FY19, now we expect to spend \$4.5M because of the delay in the start of the project. He also stated the final design changes significantly expanded the electric infrastructure relocations and increased the planned FY20 spend by \$10.9M. Mr. Trego noted PWC will receive a 90% reimbursement from NCDOT for all electric relocations associated with the Raeford Rd. project.

He stated we were unable to complete all water/wastewater repairs caused by Hurricane Matthew. Some of the delays were caused by other's delays; and some by the impacts of Hurricane Florence. \$3.4 million of Hurricane Florence repairs will be completed in FY2020. Staff anticipates reimbursement of these costs through insurance or from FEMA

Relating to the Phase V Annexation, increased unit costs, paving overlays and the extending of water service to roughly 50 properties in next areas resulted in a \$4.1 million increase in FY2020.

FY2020 Overview

Mr. Trego provided a summary by category, with the projects grouped by 'type'. He commented on the drivers affecting their decrease/increase.

Water Improvements/Expansion	\$22,419,000
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Rehabilitation – Water/Wastewater	\$28,850,000
Substations/BWGP/Elect. Improvements	\$19,255,000
Phase V Annexation	\$24,032,000
NCDOT – Relocation Projects	\$23,091,000
Hurricane Matthew	\$ 3,390,000
LED Lighting	\$ 1,800,000
New Svc/Meters-Electric/Water/Sewer	\$ 5,508,000
City of Fayetteville-Utility projects	\$ 2,992,000
Building & Improvements	\$10,360,000
Computer Systems	\$ 400,000

FY 2020 Funding Source Summary

Mr. Trego stated the following describes where we will get the funding for the FY2020 Budget.

Electric Fund	\$24.9 Million
Water Fund	\$22.9 Million
Fleet Maintenance Fund	\$ 8.4 Million
Bonds/State Loans/Reserves*	\$85.9 Million

He also noted we expect to receive \$16.2M back through reimbursements.

Mr. Trego stated of the total spend in FY 2020, approximately \$16.2M of CIP expenditures are expected to be offset by revenues from NCDOT reimbursements and recoveries associated with Hurricane Matthew.

\$67.8 million of Bond/Loans/Reserve funding is for water/wastewater and \$18.1 million is for electric. Mr. Trego stated Reserves typically are contained in Capital Project Funds approved by the Commission.

Risk Factors to CIP Budget

- Unplanned major equipment/system failure
 - Event like a Hurricane changes priorities and ability to keep with plan
- Third party impacts
 - As we saw this year, a change in schedule and scope with the Raeford Rd. project by NCDOT had a major impact (\$10.9 million) in the CIP for FY 2020. Have Ramsey St. and Camden Rd. projects in the future.
 - Changes in others' schedules impacted some of the planned Hurricane Matthew repair work.

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- Increase in interest rates could impact future years' projects' overall costs due to Bond financing

Annexation

- \$24.0 million budgeted in FY20
- The neighborhoods include:
 - Areas 20 & 21 near completion - Hackney Hills, Lake Point, Robinhill Estates and 2nd phase of Arran Lakes West
 - Areas 22 & 23 start fall 2019 - 3rd phase Arran Lakes, Emerald Garden, Rayconda, Wells Place
 - Design of Areas 24 & 25 has started and continue in FY 2020 - Cliffdale Estates, Village Hills, Kings Mill/ Lake Rim Estates
 - Design continues on Areas 32 & 34 - accelerated because of I-295 Outer Loop project.
 - Because of the extent of the road work a small portion of Area 32 will start construction in late FY 2020 making sewer available to 138 properties and water to 56.
 - Wendover Place, Hickory Run, Pine Crest Park, Pine Ridge Acres

Ongoing Electric Reliability Improvements

- Substation Rebuilds - \$6.3 million in FY2020 -\$1.4 million increase over FY2019. Includes rebuild of Bordeaux substation, upgrading POD III relays and purchasing a 66kV Power Transformer
- BWGP Replacements & Upgrades - \$2.0 million budgeted and includes upgrading a heat exchanger, replacing a major circuit breaker and updating plant operation software.
- Replace aging underground cable - To ensure reliability, increased budget from \$1.2 million in FY 2019 to \$2.5 million in FY 2020
- Steel sub-transmission poles - Last year, deferred all but \$250,000 for replacement of poles because of price spike in steel poles following 2018 Hurricanes, going back to our planned annual spend of \$1.5 million

Ongoing W/WW Reliability Improvements

- Continuing to increase water/wastewater rehabilitation
 - Includes a planned increase of \$6.2 million to \$28.9 million, encompassing major sewer outfall lines, water & sewer mains, water laterals, lift stations and manholes.
- North Fayetteville - Plan to complete the \$15.6 million design/build project to replace the 20" sewer force main \$4.0 million budgeted in FY 2020
- Aging Water Mains - \$3.9 million budgeted to replace 14,000 ft. of aging water mains in Cottonade and Scottsdale areas
- Water Line Replacement - Ongoing project, \$880,000 budgeted to replace lines under railroad tracks that are not encased

Other Notable FY 2020 Projects

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- Renovate and upgrade the Fleet Maintenance facility - \$8.4 million budgeted; includes adding several “high bays” to safely accommodate our larger heavy duty vehicles.
- Backup Emergency Operations Center - \$660,000 budget to repurpose a building at BWGP.
- Complete North Fayetteville line - \$1.1 million budgeted and will serve Broadwell development.
- Install automated electric distribution controls - \$750,000 budgeted in FY2020. Will react to outages and automatically do switching to isolate. Part of an overall 5+ year, \$8.0 million reliability project.

Plan Years Notable Projects

- NCDOT Ramsey Street widening - Could have similar overall scope and impact on PWC as Raeford Rd. Early estimate of over \$13 million to relocate electric, water and wastewater facilities
- Expansions at PO Hoffer and Rockfish Creek plants still on horizon
 - \$11 million multi-year water pressure project - Improve water pressure in areas in West Fayetteville by installing new tank and pumping station. Engineering planned to start in FY 2021
- \$2.3 million for Phase II of the Bragg Blvd. Gateway Project - Will convert additional overhead facilities to underground and improve lighting in area from Stamper Rd. to Carol St.

Mr. Trego and staff responded to questions from Commissioners regarding the proposed Capital Improvement Plan (CIP); the TEXFI site contamination and remediation; and monitoring for contaminants.

REVIEW FISCAL YEAR 2020 OPERATING BUDGET

Presented by: David W. Trego, CEO/General Manager
Rhonda Haskins, Chief Financial Officer &
PWC Staff

Mr. Trego provided a history of the actual budgets for FY18 and FY19 as well as highlights of the FY20 Proposed Budget. He noted a decrease of 4.0% in the Electric Fund (\$270.6M); 9.3% increase in the Water Fund (\$130.6M); 16.6% increase in the Fleet Fund (\$13.9M). The total budget requested is \$415.2M which reflects a decrease of .5%. Mr. Trego stated the Fleet Fund will continue through the FY2020. It will not be continued into FY2021.

Notes on Fund History

Mr. Trego noted the FY 2019 Total Fund amendments approved by the Commission are currently \$23.7 million or 6.1% more than the original budget. Historically, the variance from original budget caused by amendments has not been as great. Amended budgets in FY 2018 were 0.1% less. In FY2017, they were 2.6% more compared to the original approved budget.

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Contributing to FY 2019 amendments:

- \$3.2+ million increased Power Supply expenses due to paying anticipated true-up expenses in FY 2019 to avoid interest charges
- \$3.8 million increase in Electric appropriations to cover credits from Duke Energy for FERC Order on Material & Supplies. Amounts to be held in reserve due to Duke appeal of FERC Order
- \$2.0 million from Electric Fund for Community Solar project originally scheduled to start in FY 2018 but was delayed into FY 2019
- \$3.7 million for LED conversions from revenues rather than Bond proceeds.
- Over \$4.6 million in amendments for increased expenses because of Hurricane Florence. \$2.0 million Electric and \$2.6 million in W/WW.

FY2020 Fund Drivers

Electric Fund

- Net Revenues from retail electric sale decreasing \$7.2 million (3.4%) reflecting anticipated conservation due to TOU rate structure.
 - Wholesale Power costs \$6.7 million less in FY 2020 due to lower purchases because of conservation, lower Coal Ash expenses and State ADIT credit settlement.
- Anticipate \$2.8 million in Insurance and FEMA reimbursements, included as revenue, in FY 2020 for storm related damage.
- Capital expenditures funded through the Electric Fund in FY 2020 total \$27.2 million, 4.6% increase over FY 2019.
 - Above does not include \$4.4 million transfer to the Fleet Fund for Capital Projects including the fleet bay expansion CIP project.
- Payment in Lieu of Taxes (PILOT) to the City of Fayetteville increased by \$159,800 or 1.5%.
 - One time restatement of Other Post-Employment Benefits (OPEB) required by GASB 75 impacted payment to the City by \$196,700. Without increase in the PILOT would have been 3.3%.

Water/Wastewater Fund

- Total W/WW Revenues from retail sales increased \$11.6 million (12.9%) from FY 2019.
 - Majority of increase from water and wastewater rate increases including \$3.4 million generated in FY 2020 from the Relocation Rider.
 - Anticipate \$5.2 million in Insurance and FEMA reimbursements, included as revenue, in FY 2020 for storm related damage.
- Capital expenditures funded from the W/WW fund increasing \$3.3 million or 13.6%.
 - Above does not include a \$4.4 million transfer to the Fleet Fund for Capital Projects including the fleet bay expansion CIP project.
- \$16.3 million in Debt related payments included in FY 2020 budget a 3% decrease over FY 2019.

Fleet Fund

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- Effective July 1, 2019, City of Fayetteville fleet service will no longer be performed by PWC.
 - PWC now responsible for all overhead and fixed costs of Fleet operations. Costs were split approx. 75% City and 25% FPWC in FY 2019.
- Operating Budget @ \$5.1 million is 51% less than FY 2019 reflecting reduction from no longer doing the City fleet.
- Total Fleet Fund Budget includes \$8.4 million for the fleet bay expansion project.
 - Funding for Fleet capital comes from equal transfers from the Electric and Water/Wastewater Funds.

City of Fayetteville FIF Waiver Request

Mr. Trego stated the FY 2020 budget does not include additional FIF Waiver requests from the City of Fayetteville. Previously, Commission has agreed to waive up to \$323,340 for City projects. Over \$77,000 of this has already been waived

Mr. Trego provided a summary of the Operating Expenses for each division.

The Management proposed budget is \$6.34M (25.0%); the Communications proposed budget is \$1.48M (-.3%); the Human Resources proposed budget is \$1.76M (-1%); Customer Programs proposed budget is \$4.23M (-5.3%); the Corporate Services proposed budget is \$12.63M (+92.7%); the Finance proposed budget is \$11.30M (+1.1); the Water/Wastewater proposed budget is \$39.56M (+1.9%); the Electric-non Power Supply proposed budget is \$25.15M (+2.2%). The Total FPWC w/o Power Supply \$115.50M (+8.0%); Electric Power Supply is \$157.82M (-4.1%); PWC proposed budget is \$273.32 million, which reflects an increase of (+.7%).

* Unless noted all FY2019 budget values include all approved amendments and transfers

Main Operating Expense Drivers

- Wholesale Power Supply costs decreasing \$6.7 million in FY 2020
 - Reflects slight increase in Duke Wholesale Power unit costs offset by conservation due to TOU rates, ADIT credit and lower Coal Ash expenses
- Information Technology group now at Management Division level
- 70% (\$6.1 million) of the FY 2020 increase in non-power supply expenses is in Corporate Services Division
 - All fixed costs and overheads now included in Fleet Maintenance rather than being split with City of Fayetteville. This was main driver in the \$2.7 million increase in FPWC fleet expenses
 - \$2.04 million (non-CIP capital and expenses) for major upgrades to various system software
- 3.0% targeted salary increase in FY2020. 2.0% structural and 1.0% merit
 - No major changes to PWC benefits planned
 - Total Medical expense in G&A budgeted to be \$658,200 less in FY 2020 compared to FY 2019 budget

Each Chief (Senior) Officer provided a summary of their division's budget, detailing major drivers, trends and assumptions. Each Officer also explained major budget variances (FY19-FY20) and the risks to the budget, also with plans to mitigate. Discussion ensued with each

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Officer regarding their budget, major drivers, trends and assumptions as well as risks to their budget and plans to mitigate.

FY 2020 Budget Summary

Ms. Haskins provided a summary of the G&A Expenses Budget. Healthcare is captured in this cost center as well as OPEB. She noted the following:

- OPEB decreasing \$853k or 43%
- Healthcare fairly consistent (provider under evaluation)
- Contingency increasing \$173k or 7%
 - FY20 Electric Contingency \$1.2 million
 - FY20 W/WW Contingency \$1.6 million

Ms. Haskins provided a summary for the Electric Rate Stabilization Fund for the last three fiscal years. They include FYE 2017- \$43.6 million; FYE 2018 - \$48.8 million; FYE 2019 estimate - \$48.2 million (Part A based on Power Costs \$14.2 million & Part B \$34.0 million).

She provided a summary of the Coal Ash Reserve Balance; they include FYE 2017 - \$27.3 million; FYE 2018 - \$18.8 million & FYE 2019 Estimate - \$2.6 million.

She also provided a summary of the Water/Wastewater Rate Stabilization Fund Balance for the last three fiscal years. They include FYE 2017 - \$0.3 million; FYE 2018 - \$0.6 million; FYE 2019 estimate - \$0.8 million.

Ms. Haskins stated the Recommended Budget Ordinance reflects the amounts staff is requesting for the Commission to approve.

The Budget Public Hearing is May 22, 2019, with the Proposed Adoption on June 5, 2019.

Commission thanked staff for the comprehensive budget presentation.

GENERAL MANAGER REPORT

NCAMES Rodeo

Mr. Trego reminded the Commission the NCAMES Rodeo will be next Thursday, May 16th.

COMMISSIONER/LIAISON COMMENTS

No Comments

REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

D-R-A-F-T

- A. Monthly Cash Flow Report - March 2019
- B. Recap of Uncollectible Accounts – March 2019
- C. Investment Report – March 2019
- D. Purchase Orders
 - February 2019
 - March 2019
 - April 2019
- E. Personnel Report – April 2019
- F. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. # 18806 – install. of fire line @ McArthur Road and Ramsey Street
- G. Approved Utility Extension Agreement(s):
 - Water & sewer to serve Georgetown Estates Phase II, located at McKinnon Farm Rd & Fisher Rd
 - Water & sewer to serve Dirtbag Brewery, located at 5435 Corporation Dr.
 - Water & sewer to serve Cypress Lakes Phase 10, located at Man-O-War Drive and Cypress Lakes Rd
 - Electric, water and sewer to serve City of Fayetteville Fire Station #12, located at 911 Hope Mills Rd
- H. Actions by City Council during the meeting of April 23, 2019, related to PWC:
 - Approved Bid Recommendation – Prefabricated Relay Control Houses for College Lakes and Hogan Street Substations

CLOSED SESSION PURSUANT TO G.S. 143-318.10(E), 143-318.11(C), 143-318.11(A)(1), 143-318.11(A)(3), AND 133-33 IN ORDER TO REVIEW AND APPROVE CLOSED SESSION MINUTES FROM COMMISSION MEETINGS ON THE FOLLOWING DATES: AUGUST 8, 2018, JANUARY 23, 2019, AND APRIL 24, 2019

Commissioner Fowler motioned to go into Closed Session pursuant to G.S. 143-318.10(e), 143-318.11(c), 143-318.11(a)(1), 143-318.11(a)(3), and 133-33 in order to review and approve closed session minutes from Commission meetings on the following dates: August 8, 2018, January 23, 2019, and April 24, 2019. Motion was seconded by Commissioner Huff and unanimously approved at 1:06 pm.

Commissioner Fowler motioned to return to open session. Motion was seconded by Commissioner Huff and unanimously approved at 1:09 p.m.

ADJOURNMENT

There being no further business, upon motion by Commissioner Fowler, seconded by Commissioner Huff, and unanimously approved, the meeting was adjourned at 1:10 p.m.

ACTION BY COMMISSION
APPROVED _____ **REJECTED** _____
DATE _____

ACTION BY COUNCIL

APPROVED _____ **REJECTED** _____
DATE _____

BID HISTORY
Fayetteville Annexation Phase V Project X-Area 22-
Emerald Gardens & Arran Lakes West Subdivisions
BID DATE: MAY 8, 2019

Consulting Engineer

WK Dickson & Co., Inc., Raleigh, NC 27607

Advertisement

- | | | |
|----|------------------------|-----------------------------|
| 1. | PWC Website | 4/8/2019 through 05/08/2019 |
| 2. | The Fayetteville Press | General Monthly Ad |

List of Prospective Bidders

1. Sanford Contractors, Sanford, NC 27332
2. BridgePointe Civil, Goldsboro, NC 27530
3. T.A. Loving Co., Goldsboro, NC 27530
4. T2 Contracting, Fuquay Varina, NC 27526
5. Billy Bill Grading, Fayetteville, NC 28311

List of Organizations Notified of Bid

Small Business Administration Programs:

Small Business Administration Regional Office (SBA)
NC Procurement & Technical Assistance Center (NCPTAC)
Veterans Business Outreach Center (VBOC)
Small Business Technology Center (SBTDC)
Women's Business Center of Fayetteville (WBC)

Local Business and Community Programs

FSU Construction Resource Office (FSUCRO)
FSU Economic Development Administration Program (FSUEDA)

NAACP, Fayetteville Branch
FTCC Small Business Center (SBC)
Greater Fayetteville Chamber, RFP Posting submitted
Hope Mills Chamber
Spring Lake Chamber
Fayetteville Business & Professional League (FBPL)

State Business and Community Programs

NC Institute of Minority Economic Development (The Institute) Durham, NC
NAACP, State Branch Raleigh, NC
National Utility Contracting Association- NC Chapter (NUCA)
Durham Chapter of the National Association of Women in Construction ([NAWIC](#))
South Atlantic Region of National Association of Women in Construction (NAWIC)

The Hispanic Contractors Association of the Carolinas (HCAC)

United Minority Contractors of North Carolina

Media

Fayetteville Observer
WIDU, AM1600
IBronco Radio at FSU
Fayetteville Press News
Up & Coming Weekly
Bladen Journal

SDBE/Local Participation

SDBE

The Bidder intends to subcontract with Fill Er Up TruckN, Riegelwood, NC for hauling needs for an estimated amount of \$50,000.00.

Local: The bidder intends to subcontract with Forrest Landscaping, Fayetteville, NC for sod for an estimated amount of \$78,000.

Efforts to engage potential local subcontractors on this project, included the PWC local procurement analyst conducting outreach efforts at the Fayetteville State Economic Entrepreneur Expo, posting information about the bid and potential subcontracting opportunities on social media (Twitter, PWC Facebook and Make Money Monday campaign), identification of potential subcontractors in Salesgenie (commercial database of vendors in the MSA), and approximately 170 outreach emails.

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

May 15, 2019

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

FROM: Jamie West, PWC Chief Legal Officer and General Counsel

SUBJECT: Recommendation to Adopt Resolution Permitting Unsealing of Minutes and General Accounts

Staff recommends authorizing the Fayetteville Public Works Commission's General Counsel to unseal closed session minutes and general accounts to comply with public records disclosure legal obligations.

Comments: This resolution will document the process by which PWC will comply with its public records disclosure obligations for sealed minutes and general accounts.

**RESOLUTION DIRECTING PERIODIC REVIEW OF SEALED
MINUTES AND GENERAL ACCOUNTS BY GENERAL COUNSEL**

WHEREAS, the Fayetteville Public Works Commission (PWC), a public authority established pursuant to Session Law 2016-47 (HB 392), is a local government unit subject to Chapters 132 and 143 of the North Carolina General Statutes;

WHEREAS, pursuant to G.S. 143-318.10(e), 143-318.11(c), 143-318.11(a)(1), 143-318.11(a)(3), and 133-33, among other legal authority, the Commission has from time to time gone into closed session and has approved sealed closed session minutes and general accounts; and

WHEREAS, certain sealed closed session minutes and general accounts may in the future not required to be withheld from public inspection because public inspection at such future time would not frustrate the purpose of a closed session.

THEREFORE, LET IT BE RESOLVED THAT COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION hereby declare that all closed session minutes and general accounts shall remain sealed until such time as the Commission's General Counsel determines that such minutes and general accounts are no longer needed to be withheld from public inspection because public inspection would not frustrate the purpose of the closed session. The Commission further resolves that its General Counsel is directed to review all such sealed minutes and general accounts at least annually, and the Commission hereby delegates and grants to the General Counsel discretion to unseal such minutes and general accounts.

ADOPTED this 22nd day of May, 2019.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Darsweil L. Rogers, Chairman

ATTEST:

D. Ralph Huff, III, Secretary

Open Commission Requests

As of 5/22/19

<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
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)	
To be Determined	Action Items as a result of the budget discussions: Provide update on the age of the system: where we are/what has changed. Provide cost analysis of the Wellness Program Ridership of the Faster Bus versus cost Requested by: Commissioner Rogers 5-8-19	
COMPLETED (VIA EMAIL) February 27, 2019	Research how PWC compares to Greensboro and Winston Salem regarding water/wastewater rates and fees. Requested by: Commission – 2-27-19	D. Trego
COMPLETED City Selected New Vendor	Review of Fleet Management Services Agreement Updated: 1/20/17	S. Fritzen
COMPLETED November 14, 2018	Update on the Community Solar Project Requested by: Commissioner Rogers 10-24-18	J. Rynne M. Brown
COMPLETED (VIA EMAIL) 11/7/18	Provide sub-report to the Analysis of Local Procurement Spending in FY2018 Requested by: Commissioner Shaw – 10-24-18	D. Trego

PREVIOUSLY CLOSED COMMISSION REQUESTS HAVE BEEN ARCHIVED

**PUBLIC WORKS COMMISSION
CASH FLOW STATEMENT FOR APRIL 2019
GENERAL FUND BANK ACCOUNT**

BEGINNING BALANCE: 04/01/2019

\$ 32,012,075.38

UTILITY RECEIPTS

of TRANSACTIONS

CUSTOMER SVC BUSINESS CTR:	14,449	\$ 3,845,247.18
DEPOSITS FROM MAIL:	20,178	\$ 5,180,497.71
DRAFTS:	18,329	\$ 3,029,180.89
SPEEDPAY/BILL 2 PAY:	44,050	\$ 8,017,397.37
WESTERN UNION	4,641	\$ 763,214.63
E-BOX:	10,535	\$ 2,009,671.99
RECEIVABLES VIA ACH WIRES:	129	\$ 3,692,462.09
MISCELLANEOUS RECEIPTS:	82	\$ 283,274.37

TOTAL UTILITY AND MISCELLANEOUS RECEIPTS

\$ 26,820,946.23

INVESTMENTS MATURED-GF FOR NCDOT:	\$ -
INVESTMENTS MATURED-GF:	\$ 13,040,437.50
INVESTMENTS MATURED:RATE STABILIZATION-ELEC	\$ 8,845,386.67
INVESTMENTS MATURED:ANNEX RSV.	\$ -
INVESTMENT INTEREST RECEIPTS: GF	\$ 124,125.00
INVESTMENT INTEREST RECEIPTS: GENR FUEL RSV:	\$ -
INVESTMENT INTEREST RECEIPTS-ERSF	\$ -
INVESTMENT INTEREST RECEIPTS-ANNEX RSV.	\$ -
INVESTMENT INTEREST RECEIPTS-NC DOT	\$ -
INVESTMENTS: PWC #2016, PWC#2018	\$ 2,948,810.29
TRANSFERS FROM NCCMT TERM PORT:	\$ -

GRAND TOTAL OF RECEIPTS:

\$ 51,779,705.69

VENDOR ACH PAYMENTS ISSUED:	364	\$ (20,731,251.62)
EMPLOYEE REIMBURSEMENTS:	116	\$ (9,031.43)
ACCOUNTS PAYABLE CHECKS ISSUED:	572	\$ (4,738,297.96)
INVESTMENT(S) PURCHASED: ERSF	3	\$ (5,960,496.11)
INVESTMENT(S) PURCHASED: GF	1	\$ (2,000,000.00)
INVESTMENTS: GF FOR TERM PORTFOLIO	0	\$ -
INVESTMENTS: GF FOR NC DOT	0	\$ -
INVESTMENTS: ANNEX. RESERVE	0	\$ -
VENDOR SERVICES WIRED PAYMENTS:	21	\$ (4,566,623.13)
COMMERCIAL CREDIT CARD PAYMENTS:	76	\$ (155,887.10)
TRANSFER TO BANK OF NEW YORK (BONY)	0	\$ -
TRANSFER TO NCCMT TERM PORTFOLIO:	0	\$ -
TRANSFERS TO HOPE MILLS:	0	\$ -
RETURNED CHECKS:	26	\$ (6,830.95)
RETURNED DRAFTS:	92	\$ (15,062.31)
RETURNED SPEED / PAYBILL 2 PAY:	634	\$ (140,149.03)
RETURNED EBOX:	8	\$ (1,231.54)
RETURN WESTERN UNION:	1	\$ (200.00)
PAYROLL:	1,257	\$ (2,119,731.31)

(40,444,792.49)

TOTAL DISBURSEMENTS:

ENDING BALANCE: 03/31/2019

\$ 43,346,988.58

**PUBLIC WORKS COMMISSION
CASH FLOW STATEMENT FOR APRIL 2019
GENERAL FUND BANK ACCOUNT**

Checks Over \$25,000.00 :

CAPE FEAR WATER SOLUTIONS, INC.	CHECK	\$	(42,942.26)
CAROLINA MANAGEMENT, LLC.	CHECK	\$	(235,287.08)
CITY OF FAYETTEVILLE	CHECK	\$	(40,382.26)
CORPORATE INTERIORS & SALES	CHECK	\$	(43,454.87)
CURTIS CONSTRUCTION CO., INC.	CHECK	\$	(258,238.50)
DEWBERRY ENGINEERS, INC.	CHECK	\$	(725,415.00)
DOBLE ENGINEERING CO.	CHECK	\$	(54,359.85)
ERMCO	CHECK	\$	(38,409.00)
HITACHI T&D SOLUTIONS, INC.	CHECK	\$	(211,950.00)
IBI GROUP OF NORTH CAROLINA, PC.	CHECK	\$	(37,950.00)
LOOKS GREAT SERVICES OF MS, INC.	CHECK	\$	(54,208.50)
LOOKS GREAT SERVICES OF MS, INC.	CHECK	\$	(80,885.10)
MCCARTER ELECTRICAL COMPANY	CHECK	\$	(27,000.00)
MCCLAM & ASSOCIATES, INC.	CHECK	\$	(40,593.50)
NC DEQ	CHECK	\$	(379,569.95)
NC DENR-DIVISION OF WATER	CHECK	\$	(265,217.81)
NC DENR-DIVISION OF WATER	CHECK	\$	(903,395.35)
OLDE FAYETTEVILLE INSURANCE	CHECK	\$	(44,434.83)
PRESTAGE AGENERGY OPERATIONS	CHECK	\$	(25,836.60)
USI INSURANCE SERVICES NATIONAL	CHECK	\$	(38,152.00)
VIVID LEARNING SYSTEMS	CHECK	\$	(51,550.00)
WELLS FROTHERS CONST. CO. INC.	CHECK	\$	(81,900.45)

Wire Payments over \$25,000.00 :

HOMETOWN SERVICE CLAIMS	Wire	\$	(147,055.98)
HOMETOWN SERVICE CLAIMS	Wire	\$	(151,979.02)
HOMETOWN SERVICE CLAIMS	Wire	\$	(204,353.39)
HOMETOWN SERVICE CLAIMS	Wire	\$	(436,933.74)
HOMETOWN SERVICE PREMIUMS	Wire	\$	(47,075.34)
PAYROLL TAX : NC DOR	Wire	\$	(65,497.00)
PAYROLL TAX : NC DOR	Wire	\$	(67,955.00)
PAYROLL TAX : NC DOR	Wire	\$	(68,509.00)
PAYROLL TAX: IRS	Wire	\$	(378,885.16)
PAYROLL TAX: IRS	Wire	\$	(396,103.29)
PAYROLL TAX: IRS	Wire	\$	(393,367.24)
PAYROLL: LEGERS	Wire	\$	(863,441.30)
PROCUREMENT CARD	Wire	\$	(58,975.00)
PROCUREMENT CARD	Wire	\$	(46,190.64)
PROCUREMENT CARD	Wire	\$	(53,181.09)
PROCUREMENT CARD	Wire	\$	(54,926.90)
PRUDENTIAL	Wire	\$	(34,524.97)
RICHARD A. GALT	Wire	\$	(127,484.54)
SALES TAX: NC DOR	Wire	\$	(350,000.00)
SALES TAX: NC DOR	Wire	\$	(270,184.53)
SALES TAX: NC DOR	Wire	\$	(350,000.00)

TOTAL CHECKS:

\$ (3,681,132.91)

Total Wires:

\$ (4,566,623.13)

ACH PAYMENTS:

ANIXTER INTERNATIONAL INC.	ACH	\$	(71,395.31)	KAZEN AND SAWYER, P.C.	ACH	\$	(203,856.50)
ANIXTER INTERNATIONAL INC.	ACH	\$	(34,576.96)	LEE ELECTRICAL CONSTRUCTION	ACH	\$	(77,496.21)
ANIXTER INTERNATIONAL INC.	ACH	\$	(88,897.29)	MCDONALD MATERIALS, INC.	ACH	\$	(52,177.36)
BASLER ELECTRIC	ACH	\$	(27,333.92)	MCKIM & CREED, P.A.	ACH	\$	(33,642.08)
BASLER ELECTRIC	ACH	\$	(27,333.92)	MECHANICAL JOBBERS	ACH	\$	(109,709.00)
BTS TIRE & WHEEL DISTRIBUTORS	ACH	\$	(36,815.88)	MECHANICAL JOBBERS	ACH	\$	(161,174.96)
CARDINAL LANDSCAPING INC.	ACH	\$	(34,869.45)	MICHEL'S PIPE SERVICES	ACH	\$	(244,331.87)
CDM SMITH	ACH	\$	(130,944.00)	MOORMAN, KIZER & REITZEL, INC.	ACH	\$	(56,010.52)
CDM SMITH	ACH	\$	(26,451.65)	NWN CORPORATION	ACH	\$	(333,933.85)
CDM SMITH	ACH	\$	(103,422.52)	ORTHUS HEALTH LLC.	ACH	\$	(64,893.66)
CDM SMITH	ACH	\$	(27,571.34)	PENCCO, INC.	ACH	\$	(29,115.98)
CORE AND MAIN	ACH	\$	(54,779.04)	POWER SERVICES INC.	ACH	\$	(28,470.72)
CROWDER CONSTRUCUTION COMPANY	ACH	\$	(204,726.90)	POWER SERVICES INC.	ACH	\$	(34,401.04)
CROWDER CONSTRUCUTION COMPANY	ACH	\$	(423,572.98)	PRISM CONTRACTORS, INC.	ACH	\$	(26,618.53)
CROWDER CONSTRUCTION COMPANY	ACH	\$	(60,610.00)	RELIASTAR LIFE INSURANCE COMPA	ACH	\$	(34,947.02)
CSG SYSTEMS INC.	ACH	\$	(54,678.00)	SANFORD CONTRACTORS, INC.	ACH	\$	(613,762.40)
DISTRIBUTION, INC.	ACH	\$	(25,085.03)	SANFORD CONTRACTORS, INC.	ACH	\$	(355,333.78)
DUKE ENERGY	ACH	\$	(11,945,285.25)	STATE UTILITY	ACH	\$	(49,466.00)
ES&J ERNTERPRISES, INC.	ACH	\$	(619,306.36)	SYNAGRO CENTRAL, LLC.	ACH	\$	(120,965.64)
FAYETTEVILLE LANDSCAPING	ACH	\$	(29,000.00)	T.A. LOVING CO. INC.	ACH	\$	(171,422.74)
FCEDC	ACH	\$	(78,000.00)	T.A. LOVING CO. INC.	ACH	\$	(165,011.20)
GDS ASSOCIATES	ACH	\$	(65,984.86)	T2 CONTRACTING, IN.C	ACH	\$	(435,405.05)
GE INTERNATIONAL, INC.	ACH	\$	(150,766.32)	U.S. DEPT OF ENERGY	ACH	\$	(31,772.34)
GILBERT HORNER PAVING	ACH	\$	(32,161.80)	WATER WORKS SUPPLY OF NC, INC.	ACH	\$	(26,953.30)
HAZEN AND SAWYER, P.C.	ACH	\$	(230,364.04)	WESCO DISTRIBUTION, IN.C	ACH	\$	(42,985.12)
HYDROSTRUCTURES, P.A.	ACH	\$	(41,002.97)	WK DICKSON & CO., INC.	ACH	\$	(234,062.77)
HYDROSTRUCTURES, P.A.	ACH	\$	(88,814.34)				
INNOVYZE INC.	ACH	\$	(49,113.02)				
INSITUFORM TECHNOLOGIES, INC.	ACH	\$	(644,334.72)				
INSITUFORM TECHNOLOGIES, INC.	ACH	\$	(191,880.61)				

Total ACH:

\$ (19,336,998.12)

**Public Works Commission
Bad Debt Report**

Reporting Period: APRIL 2019

Dates Covered: January 01 thru January 31, 2019

Beginning Net YTD Bad Debt Writeoffs	\$1,201,007.34
Amount to Bad Debt this Period	\$116,932.61
Recovered this Period	(\$79,115.59)
Ending Net YTD Bad Debt Writeoffs	\$1,238,824.36
Total Accounts Written off this Period	449

ANALYSIS OF UNCOLLECTIBLE ACCOUNTS:

RESIDENTIAL ACCOUNTS:

263	Accounts \$250.00 OR LESS	\$30,657.32
97	Accounts \$250.01 thru \$500.00	\$34,745.02
57	Accounts OVER \$500.01	\$45,435.22
417	TOTAL RESIDENTIAL:	\$110,837.56

NON RESIDENTIAL ACCOUNTS:

30	Accounts \$500.00 OR LESS	\$3,273.76
2	Accounts OVER \$500.01	\$2,821.29
32	TOTAL NON RESIDENTIAL:	\$6,095.05

APPROVED TO BE PLACED IN THE UNCOLLECTIBLES:

 3-15-19

RHONDA HASKINS, CFO

Reporting Period: APRIL 2019
Dates Covered: January 01 thru January 31, 2019

Addendum 1 OF 1

List of Residential Accounts Over \$500.01

			\$	45,435.22
WHITING, MICHAEL L	\$	500.02	JACOBS, ASHLEY	\$ 612.42
GILMORE, ROGENA	\$	501.52	THOMPSON, TOMIRRA	\$ 638.55
MCNAIR, SARAH N	\$	505.06	JONES, BRIELLE	\$ 644.43
MASUDI, ZAID	\$	505.37	FISHER, DANTE D	\$ 653.79
MCKINNON, LETISIA	\$	506.17	MCKOY, LORRETTA K	\$ 664.73
MERCER, ANGELA L	\$	507.78	SMITH, DAVID E	\$ 668.91
CARMICHAEL, IANAYSHA	\$	522.78	HARGROVE, JASMINE	\$ 673.68
ROGERS, TA'MYA	\$	530.63	RICHARDSON, JOY	\$ 675.40
SMITH, BRANDON	\$	533.31	MYERS, SHEMIKA	\$ 692.67
BUTLER, ALVIN	\$	539.81	GARRISON, DEVLYN	\$ 726.96
LOGAN, LOLA L	\$	541.95	FITZGERALD, AMBER	\$ 753.98
ELLIOTT, SABRON	\$	547.71	GEIGERMAN, HENRY D	\$ 764.13
HUGHES, KAYLA	\$	552.49	PEREZ - BARROSO, WILFREDO	\$ 797.05
OWENS, JESSICA M	\$	554.23	LEFTDWRIGE, DAVID A	\$ 810.80
HAASE, SIMON	\$	555.81	DIOSO NIEVES, ARELIS	\$ 840.55
STILLWELL, LATOYA	\$	556.27	GIBSON, EARNESTINE	\$ 851.95
SCHUH, MEGAN	\$	566.83	MARSHALL, JOYCE B	\$ 853.91
CAHALL, ANDREW	\$	571.07	OXENDINE, CALEB	\$ 854.15
COLON, ANGEL	\$	575.03	ONDISHKO, CHRISTIAN	\$ 894.34
RHONE, LATOYA	\$	580.32	MCCURDY, SHAQUITA	\$ 923.71
BROWN, SHAWNDALE	\$	581.49	MCINTOSH, ASHLEY	\$ 1,014.67
MCDONALD, VANESSA E	\$	583.70	WENTZ, ABIGAIL	\$ 1,023.25
BRITT, BRIAN	\$	583.95	NEALY, PATRICIA	\$ 1,144.17
MASON, DOMONIC	\$	590.75	BOYKIN, MARSELL	\$ 1,217.80
OBIE, SHAUNE	\$	593.21	MCKINNEY, JASMINE	\$ 1,292.41
BLAND, GIAVONNA B	\$	594.17	PENNY, DAPHNE	\$ 1,354.87
PINESETT, ALISHA	\$	599.77	HALL, CHARLOTTE	\$ 1,486.73
			MCDONALD, ANGELINA	\$ 2,106.11
			WEST, QUINETTA A	\$ 2,334.41
			BUTCHER, EVELYN	\$ 2,583.49

List of Residential Accounts Over \$500.01

		\$	2,821.29
SANDERS, DAVID	\$	653.94	
BRING IT FITNESS GROUP INC	\$	2,167.35	

FAYETTEVILLE PUBLIC WORKS COMMISSION

INVESTMENTS AND BANK BALANCES

MONTH ENDING APRIL 30, 2019

INVESTMENTS-GENERAL FUND

PURCHASE DATE	FUTURE CALL DATE	ACCT/CUSIP NUMBER	INVESTMENT	SAFEKEEPING BANK	PAR AMOUNT	AMOUNT INVESTED	ACCR.	INTEREST TO MATURITY	MATURITY AMOUNT	MATURITY DATE	% YIELD	% PORTF.	STEP-UP DATE	STEP-UP RATE
10/10/01	N/A	47161799	NCCMT-GENERAL FUND	NCCMT	N/A	\$ 9,623,644.44	\$ 1,844.53	-	\$ 9,625,488.97	04/30/19	2.300%	6.289%	N/A	N/A
05/31/12	N/A	62073937	NCCMT-TERM PORTFOLIO	NCCMT	N/A	\$ 6,372,291.06	\$ -	-	\$ 6,372,291.06	04/30/19	2.300%	4.164%	N/A	N/A
08/01/12	N/A	62074265	NCCMT-GENERATION FUEL TERM PORTF.	NCCMT	N/A	\$ 650,141.36	\$ -	-	\$ 650,141.36	04/30/19	2.300%	0.425%	N/A	N/A
05/04/18	N/A	3130AEAG5	FHLB	BB&T/WF	\$ 3,000,000.00	\$ 2,999,400.00		\$ 33,750.00	\$ 3,033,150.00	05/03/19	2.250%	1.960%	N/A	N/A
08/31/18	N/A	4497WISL1	INGFDG CP	BB&T/WF	\$ 3,436,843.47	\$ 3,436,843.47		\$ 63,156.53	\$ 3,500,000.00	05/20/19	2.515%	2.246%	N/A	N/A
10/11/18	N/A	4497WITT3	INGFDG CP	BB&T/WF	\$ 5,885,608.33	\$ 5,885,608.33		\$ 114,391.67	\$ 6,000,000.00	06/27/19	2.702%	3.846%	N/A	N/A
01/23/19	N/A	0597ISUN0	BANSDA CP	BB&T/WF	\$ 2,957,850.00	\$ 2,957,850.00		\$ 42,150.00	\$ 3,000,000.00	07/22/19	2.850%	1.933%	N/A	N/A
02/12/19	N/A	0597ISUV2	BANSDA CP	BB&T/WF	\$ 1,975,692.22	\$ 1,975,692.22		\$ 24,307.78	\$ 2,000,000.00	07/29/19	2.652%	1.291%	N/A	N/A
12/17/18	N/A	2254EBVP3	CSFBNY CP	BB&T/WF	\$ 1,961,128.33	\$ 1,961,128.33		\$ 38,871.67	\$ 2,000,000.00	08/23/19	2.866%	1.281%	N/A	N/A
09/07/17	N/A	101490599	FIRST NATIONAL BANK-CD	1ST NAT'L	\$ 5,188,115.65	\$ 5,188,115.65		\$ 177,163.49	\$ 5,365,279.14	09/07/19	1.640%	3.390%	N/A	N/A
03/04/19	N/A	46640QYV7	JPMSCC CP	MS/WF	\$ 4,902,125.00	\$ 4,902,125.00		\$ 97,875.00	\$ 5,000,000.00	11/29/19	2.662%	3.203%	N/A	N/A
03/19/19	N/A	63873KZ67	NATXNY CP FOR NCDOT	BB&T/WF	\$ 981,005.00	\$ 981,005.00		\$ 18,995.00	\$ 1,000,000.00	12/06/19	2.661%	0.641%	N/A	N/A
03/15/19	N/A	22533UZA4	CACPNY CP	BB&T/WF	\$ 2,451,250.00	\$ 2,451,250.00		\$ 48,750.00	\$ 2,500,000.00	12/10/19	2.652%	1.602%	N/A	N/A
12/19/18	06/30/19	3134GAB60	FHLMC (FOR NC DOT)***	MS/WF	\$ 2,000,000.00	\$ 1,193,850.00		\$ 20,625.00	\$ 1,214,475.00	12/30/19	2.125%	0.780%	06/30/19	2.250%
05/11/17	05/11/19	3134GBKM3	FHLMC	MS/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 75,000.00	\$ 2,075,000.00	05/11/20	2.000%	1.307%	05/11/19	2.500%
06/23/17	05/17/19	3134GBQY1	FHLMC	BB&T/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 91,562.50	\$ 2,091,562.50	08/17/20	2.000%	1.307%	05/17/19	2.125%
09/28/17	06/28/19	3134GBG97	FHLMC	BB&T/WF	\$ 3,000,000.00	\$ 2,994,000.00		\$ 93,750.00	\$ 3,087,750.00	09/28/20	1.750%	1.956%	09/28/19	2.000%
09/30/16	06/30/19	3134GAHE7	FHLMC	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 120,000.00	\$ 3,120,000.00	09/30/20	1.500%	1.960%	09/30/19	2.500%
02/28/19	ANY DAY W/NOTICE	3130ACTP9	FHLB	BB&T/WF	\$ 2,000,000.00	\$ 1,978,140.00		\$ 78,400.00	\$ 2,056,540.00	11/30/20	1.960%	1.293%	N/A	N/A
06/29/17	06/29/19	3130ABLC8	FHLB**	MS/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 97,500.00	\$ 2,097,500.00	12/29/20	2.000%	1.307%	06/29/19	2.250%
01/15/19	07/15/19	3133E15E5	FEDERAL FARM BANK	BB&T/WF	\$ 2,000,000.00	\$ 1,999,500.00		\$ 107,200.00	\$ 2,106,700.00	01/15/21	2.680%	1.307%	N/A	N/A
03/26/18	06/26/19	3134GSFX8	FHLMC	BB&T/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 162,000.00	\$ 3,162,000.00	03/26/21	2.700%	1.960%	N/A	N/A
04/09/19	04/09/20	3133EKGL4	FFCB	BB&T/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 97,600.00	\$ 2,097,600.00	04/09/21	2.440%	1.307%	N/A	N/A
05/04/18	07/25/19	3130ADGM8	FHLB	BB&T/WF	\$ 3,000,000.00	\$ 2,983,406.25		\$ 201,562.50	\$ 3,184,968.75	04/20/21	2.375%	1.949%	07/24/19	2.500%
08/15/18	05/25/19	3130A7Z73	FHLB	BB&T/WF	\$ 1,000,000.00	\$ 981,000.00		\$ 75,000.00	\$ 1,056,000.00	05/25/21	1.500%	0.641%	11/25/19	2.000%
02/01/19	05/25/19	3134G9JZ1	FHLMC	BB&T/WF	\$ 3,500,000.00	\$ 3,457,650.00		\$ 258,125.00	\$ 3,715,775.00	05/25/21	1.250%	2.259%	05/25/19	1.500%
02/11/19	05/25/19	3134G9JZ1	FHLMC	BB&T/WF	\$ 1,400,000.00	\$ 1,384,180.00		\$ 103,250.00	\$ 1,487,430.00	05/25/21	1.250%	0.904%	05/25/19	1.500%
06/30/16	06/30/19	3134G9WL7	FHLMC	BB&T/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 195,000.00	\$ 3,195,000.00	06/30/21	2.000%	1.960%	06/30/19	2.500%
07/09/18	06/30/19	3134G9RR0	FHLMC	BB&T/WF	\$ 1,300,000.00	\$ 1,276,762.50		\$ 100,750.00	\$ 1,377,512.50	06/30/21	1.500%	0.834%	06/30/19	2.000%
07/19/18	N/A	8340001942608	BB&T-CD	BB&T/WF	\$ 5,200,000.00	\$ 5,200,000.00		\$ 425,880.00	\$ 5,625,880.00	07/19/21	2.730%	3.398%	N/A	N/A
08/10/16	05/10/19	3136G3G33	FNMA	BB&T/WF	\$ 3,050,000.00	\$ 3,046,950.00		\$ 213,500.00	\$ 3,260,450.00	08/10/21	2.000%	1.991%	08/10/19	2.500%
08/10/16	05/10/19	3136G3G33	FNMA**	BB&T/WF	\$ 3,000,000.00	\$ 2,997,000.00		\$ 210,000.00	\$ 3,207,000.00	08/10/21	2.000%	1.958%	08/10/19	2.500%
08/17/16	05/17/19	3134G9Y68	FHLMC	BB&T/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 312,500.00	\$ 5,312,500.00	08/17/21	1.500%	3.267%	08/17/19	2.000%
08/24/16	05/24/19	3134G92Q9	FHLMC	MS/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 437,500.00	\$ 5,437,500.00	08/24/21	2.000%	3.267%	08/24/19	2.500%
10/28/16	07/28/19	3134GASK1	FHLMC	BB&T/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 400,000.00	\$ 5,400,000.00	10/28/21	2.000%	3.267%	10/28/19	3.000%
03/05/19	02/25/20	3133EKA W6	FFCB	BB&T/WF	\$ 2,000,000.00	\$ 1,999,048.00		\$ 159,600.00	\$ 2,158,648.00	02/25/22	2.660%	1.306%	N/A	N/A
07/26/17	07/26/19	3134GBYT3	FHLMC	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 318,750.00	\$ 3,318,750.00	07/26/22	2.250%	1.960%	07/26/19	2.500%
07/27/17	07/27/19	3134GBZM7	FHLMC	MS/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 650,000.00	\$ 5,650,000.00	07/27/22	2.000%	3.267%	01/27/20	2.500%
03/26/19	03/26/20	3130AFYW1	FHLB FOR NC DOT***	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 288,750.00	\$ 3,288,750.00	09/26/22	2.750%	1.960%	N/A	N/A
09/27/17	06/27/19	3130ACF41	FHLB*	MS/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 450,000.00	\$ 5,450,000.00	09/27/22	2.000%	3.267%	09/27/20	3.000%
10/27/17	07/27/19	3134GBR79	FHLMC	MS/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 198,750.00	\$ 2,198,750.00	10/27/22	2.250%	1.307%	07/27/19	2.375%
03/06/19	06/06/19	3133EKCJ3	FFCB	BB&T/WF	\$ 3,000,000.00	\$ 2,995,494.00		\$ 340,800.00	\$ 3,336,294.00	03/06/23	2.840%	1.957%	N/A	N/A
06/30/16	06/30/19	3136G3SV8	FNMA	MS/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 232,500.00	\$ 2,232,500.00	06/30/23	1.750%	1.307%	06/30/19	2.000%
07/27/16	04/27/19	3136G3YM1	FNMA	MS/WF	\$ 5,000,000.00	\$ 4,995,000.00		\$ 700,000.00	\$ 5,695,000.00	07/27/23	1.500%	3.264%	07/27/19	2.000%
08/23/16	05/23/19	3134G93X3	FHLMC	MS/WF	\$ 4,000,000.00	\$ 4,000,000.00		\$ 595,000.00	\$ 4,595,000.00	08/23/23	1.750%	2.614%	08/23/19	2.000%
03/06/19	06/06/19	3133EKM6	FFCB	BB&T/WF	\$ 2,000,000.00	\$ 1,994,588.00		\$ 384,000.00	\$ 2,378,588.00	03/06/25	3.200%	1.303%	N/A	N/A
09/28/16	06/28/19	3130A9CN9	FHLB	MS/WF	\$ 2,185,000.00	\$ 2,178,445.00		\$ 458,850.00	\$ 2,637,295.00	03/28/25	1.500%	1.423%	09/28/19	1.750%
06/30/16	06/30/19	3130A8G56	FHLB	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 753,750.00	\$ 3,753,750.00	06/30/26	1.750%	1.960%	06/30/19	2.000%
09/30/16	06/30/19	3134GAKM5	FHLMC	MS/WF	\$ 1,000,000.00	\$ 995,250.00		\$ 256,250.00	\$ 1,251,500.00	09/30/26	1.750%	0.650%	09/30/20	2.000%

+ Investment called/early maturity

* Investment purch for Fuel Reserve Acct.

** Investment purch for Meter Fund Acct.

*** Investment purch for NCDOT Fund Acct.

**** Investment purch for Debt Svc. Acct.

TOTALS - GENERAL FUND

BANK - WELLS FARGO - General Fund

BANK - WELLS FARGO - Meter Deposit Fund

TOTAL CASH & INVESTMENTS

\$ 137,374,618.00

\$ 153,035,358.61

\$ 1,844.53

\$ 10,323,116.14

\$ 163,360,319.28

\$ 43,346,988.58

\$ 10,724,192.72

\$ 207,106,539.91

CASH & INVESTMENT ALLOCATION

GENERAL FUND	\$	36,101,528.74
OPERATING RESERVE-120 DAYS	\$	106,318,966.67
INSURANCE DEDUCTIBLE RESERVE	\$	3,500,000.00
HEALTH INSURANCE RESERVE	\$	3,000,000.00
BWGP START COST RESERVE	\$	1,498,925.00
BUDGET CARRYOVERS	\$	1,060,000.00
GENERATION FUEL RESERVE	\$	5,601,724.64
INTEREST/CASH PORTION-FUEL RESERVE	\$	116,065.18
OPEB RESERVE	\$	6,138,084.96
NC RENEWABLE ENERGY RIDER	\$	10,058,051.82
COAL ASH RESERVE	\$	5,566,245.85
CAPITAL RESERVES	\$	5,335,509.78
GENERAL FUND DEBT SERVICE SUB	\$	7,232,284.00
METER DEPOSIT INVESTMENT	\$	5,000,000.00
METER DEPOSIT BANK ACCOUNT	\$	10,724,192.72
PETTY CASH	\$	4,550.00
AMORTIZED PREMIUM/DISC ON INVEST	\$	(149,589.45)
TOTAL	\$	207,106,539.91

PWC Injuries, Equipment & Vehicle Incidents
Apr 2019 Update

2019 Personal Injuries					
Division	Chief Officer	Numbers		Expenses	
		This Month	YTD	This Month	YTD
Management	Trego	0	0	\$0.00	\$0.00
C & CR	Hinson	0	0	\$0.00	\$0.00
Human Resources	Russell	0	0	\$0.00	\$0.00
Customer Programs	Brown	0	0	\$0.00	\$0.00
Corporate Services	Fritzen	0	0	\$0.00	\$0.00
Financial	Haskins	0	1	\$0.00	\$0.00
Water Resources	Noland	0	2	\$0.00	\$0.00
Electric Systems	Rynne	0	1	\$0.00	\$0.00
	Totals	0	4	\$0.00	\$0.00

FY 2018-2019 Vehicle/Equipment Damage					
Division	Chief Officer	Numbers		Expenses	
		This Month	YTD	This Month	YTD
Management	Trego	0	0	\$0.00	\$0.00
C & CR	Hinson	0	0	\$0.00	\$0.00
Human Resources	Russell	0	0	\$0.00	\$0.00
Customer Programs	Brown	0	5	\$0.00	\$861.51
Corporate Services	Fritzen	0	4	\$0.00	\$0.00
Financial	Haskins	0	1	\$0.00	\$624.96
Water Resources	Noland	2	32	\$3,032.45	\$20,804.67
Electric Systems	Rynne	1	15	\$360.75	\$11,333.21
	Totals	3	57	\$3,393.20	\$33,624.35

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

May 13, 2019

MEMO TO: ALL PWC EMPLOYEES

FROM: Rhonda Fokes
rhonda.fokes@faypwc.com

SUBJECT: Job Vacancy

POSITION: Utility Field Service Technician

DEPARTMENT: 0322 –Utility Field Services

HOURS: Monday – Friday 8am – 5pm
Extended hours and on-call as required

GRADE LEVEL: 403 \$15.64 - \$19.55/Hourly

Qualifications & Duties: Any “regular” employee may apply to the Human Resources Department by logging into EBS/I-Recruitment/Employee Candidate to apply for this position by 5pm May 24,2019.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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RSM US LLP

May 6, 2019

Board of Commissioners
Fayetteville Public Works Commission
Fayetteville, NC

Attention: Darsweil L. Rogers, Chairman

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of the Fayetteville Public Works Commission's (the "Commission") financial statements and compliance as of and for the year ending June 30, 2019.

Communication

Effective two-way communication between our Firm and the Board of Commissioners is important to understanding matters related to the audit and developing a constructive working relationship.

Your insights may assist us in understanding the Commission and its environment, identifying appropriate sources of audit evidence and providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate to us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing and extent of audit procedures, your suspicion or detection of fraud or abuse, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other fraud that causes a material misstatement of the financial statements, illegal acts, instances of noncompliance, or abuse that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you [and to management] any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing after the audit.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, without our permission no partner or professional employee of RSM US LLP is permitted to have any direct financial interest or a material indirect financial interest in a client or any affiliate of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with firm policy. In addition, our policies restrict certain non-audit services that may be provided by RSM US LLP and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

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The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your entity functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your operations. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of business objectives, strategies, risks and performance.

As part of obtaining an understanding of your organization and its environment, we will obtain an understanding of internal control. We will use this understanding to identify risks of material misstatement and noncompliance, which will provide us with a basis for designing and implementing responses to the assessed risks of material misstatement and noncompliance. We will also obtain an understanding of the users of the financial statements in order to establish an overall materiality level for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance, including abuse.

The Concept of Materiality in Planning and Executing the Audit

We apply the concept of materiality in both planning and performing the audit, evaluating the effect of identified misstatements or noncompliance on the audit and the effect of uncorrected misstatements, if any, on the financial statements, forming the opinion in our report on the financial statements, and determining or reporting in accordance with *Government Auditing Standards* and other compliance reporting requirements. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial information needs of users of the financial statements. We establish performance materiality at an amount less than materiality for the financial statements as a whole to allow for the risk of misstatements that may not be detected by the audit. We use performance materiality for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. We will accumulate misstatements identified during the audit, other than those that are clearly trivial. At the end of the audit, we will inform you of all individual uncorrected misstatements aggregated by us in connection with our evaluation of our audit test results.

Our Approach to Internal Control and Compliance Relevant to the Audit

Our audit of the financial statements, including compliance, will include obtaining an understanding of internal control sufficient to plan the audit and determine the nature, timing and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or identify significant deficiencies or material weaknesses. Our review and understanding of the entity's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

We will issue a separate report on internal control related to the financial statements. This report describes the scope of testing of internal control and the results of our tests of internal control. Our report on internal control will include any significant deficiencies and material weaknesses in the system of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States.

We will issue reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance that could have a material effect on the financial statements and any noncompliance that could have a direct and material effect on each major program. Our reports on compliance will address material errors, fraud, abuse, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and

assumed contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with the requirements of the standards identified above.

Using the Work of Internal Auditors

As part of our understanding of internal control, we will obtain and document an understanding of your internal audit function. We will read relevant internal audit reports issued during the year to determine whether such reports indicate a source of potential error or fraud that would require a response when designing our audit procedures. Because internal auditors are employees, they are not independent and their work can never be substituted for the work of the external auditor. We may, however, alter the nature, timing and extent of our audit procedures based upon the results of the internal auditor's work or use the reports to provide direct assistance to us during the performance of our audit.

Timing of the Audit

We have scheduled preliminary audit field work for the week of May 6, with final field work commencing the week of September 3. Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to the Commission.

This communication is intended solely for the information and use of the Board of Commissioners and management, and is not intended to be, and should not be, used by anyone other than this specified party.

RSM VS LLP

Morehead City, NC