

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MARCH 25, 2020
8:30 AM

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

Others Present: David W. Trego, CEO/General Manager
Telly Whitfield, Assistant City Manager
PWC Staff

Absent: Christopher Davis, City Council Liaison
Melissa Adams, Hope Mills Town Manager/Liaison
Media

REGULAR BUSINESS

Chairwoman Evelyn Shaw called the meeting of Wednesday, March 25, 2020, to order. Considering this is a remote, teleconference meeting, Commissioner Shaw requested a roll-call of Commissioners on the call. The following Commissioners confirmed their attendance: Evelyn O. Shaw, D. Ralph Huff, Darsweil L. Rogers. Commissioner Wade R. Fowler, Jr. also called in at approximately 8:40 a.m.

APPROVAL OF AGENDA

Upon motion by Commissioner Huff, seconded by Commissioner Rogers, the agenda was unanimously approved.

CONSENT ITEMS

Upon motion by Commissioner Rogers, seconded by Commissioner Huff, Consent Items were unanimously approved.

CONSENT ITEMS

- A. Approve Minutes of meeting of March 11, 2020
- B. Approve bid recommendation to award contract for the Bingham Drive Aerial Water and Sewer Main Creek Crossing Replacement Project to Sandy's Hauling & Backhoe Service, Inc., Roseboro, NC, the lowest, responsive, responsible bidder in the total amount of \$824,425.00, and forward to City Council for approval.

The funding for the Bingham Drive Aerial Water and Sewer Main Creek Crossing Replacements Project is budgeted in CIP WS28 and CIP WS89; Hurricane Matthew Improvement of Water Mains (CPR1000331) and Sewer Mains (CPR1000332).

Bids were received March 6, 2020; as follows:

<u>Bidders</u>	<u>Total Cost</u>
Sandy's Hauling & Backhoe Service, Inc., Roseboro, NC	\$824,425.00
* Burnette Enterprises of Wilmington, Inc., Wilmington, NC	\$724,690.00

* Bid withdrawn due to unit pricing error

COMMENTS: Notice of bid was advertised through our normal channels, including the NC Association of Utility Contractors on January 31, 2020, with a bid opening date of February 27, 2020. Addendum No. 1 was issued February 19, 2020; the addendum provided minutes from the Pre-Bid meeting on February 11, 2020, and answers to bidders' questions. Addendum No. 2 was issued on February 27, 2020, to re-advertise the project with a new bid opening date of March 6, 2020, as the originally scheduled bid opening failed to produce three (3) bids.

The bid opening on March 6, 2020, resulted in PWC receiving two bids. A review of Burnette's bid showed a discrepancy in a line item's extension pricing that substantially lowered their total price. The bid documents established the standard for contract award to be based upon line item unit pricing. Burnette stated that had priced the bid as a total fixed amount of \$724,690.00 and confirmed they could not perform at their unit prices as submitted. Procurement staff stated the contract bid documents contained language that the measure of payment would be calculated based on the actual work executed at their unit prices in the proposal. Burnette requested to make an adjustment to their unit prices, but such changes are not permitted after the bid opening. Accordingly, Burnette Enterprises submitted a request to withdraw their bid.

Mr. David Trego, PWC CEO/General Manager approved the bid withdrawal. The bid received from Sandy's Hauling & Backhoe Service, Inc., was reviewed and evaluated by the Procurement and WR Engineering staff and the bid award is recommended to be awarded to Sandy's Hauling & Backhoe Services, Inc, Roseboro, NC. **SDBE/Local:** The bidder is not classified as a SDBE, minority or woman-owned business. Their bid has 0% DBE participation but meets the DBE good faith efforts.

END OF CONSENT

CONSIDERATION OF EXTENDING THE SIX MONTH FIF WAIVER PERIOD FOR PHASE V AREAS 20 AND 21

Presented by: David Trego, CEO/General Manager
Mark Brown, Senior Customer Programs Officer

David Trego, PWC CEO/General Manager stated after an area is available for property owners to hook-up, PWC offers a 6-month period during which if they hook-up and start taking service from PWC, we will waive the applicable Facility Investment Fees (FIF). We offer this as an incentive for property owners to connect and start taking service from PWC as soon as service is made available. He noted we do not have a mandatory connection in North Carolina, and therefore only 52% of those eligible for service have connected in Phase V.

Mr. Trego went on to state because of the economic uncertainty caused by the Coronavirus outbreak many property owners may defer a decision to connect during the waiver period.

Currently, Area 21 is open and is within the six month period. It began on January 10th. Area 20 is scheduled to be available for hook-up starting in April. To allow our customers more time to make a decision because of the economic situation and also have a benefit to PWC by potentially having more customers hook-up initially, he is requesting we extend the six-month waiver period for Area 21 until September 10, 2020. Once Area 21 is available, he is requesting we initially make that area an eight (8) month waiver period rather than a six (6) month waiver period. Mr. Trego stated he believes this is a reasonable action because of the current economic situation.

After a brief discussion, Commissioner Fowler motioned for the Commission to accept staff's recommendation to extend the waiver period for Area 21 until September 10, 2020; and to offer an eight (8) month waiver period for Area 20 once it is available for hook-up. The motion was seconded by Commissioner Rogers and unanimously approved.

GENERAL MANAGER REPORT

COVID-19 UPDATE

Mr. Trego provide an update regarding PWC's response to the COVID-19. He stated PWC has taken actions in two phases.

The basic actions taken prior to March 20 OR Phase I were:

- Suspended all customer shut-offs for non-payment; and provided more liberal terms for customers who were previously shut-off to be turned back on. Realizing providing of electric and water is a consumer need during this health crisis.
 - Over 50% of ElectriCities agencies are doing the same; 32% are not doing disconnections but have not waived the late fee as of now. Duke has sent a similar announcement that they will not disconnect.
 - PWC is not applying late payment charges, and is extending the due date on bills.
- Closed the CSC to walk-in traffic. The drive-thru is open and is expected to experience heavy traffic. Ms. Haskins and Mr. Grice are coordinating with the Sheriff to receive additional traffic controls
 - The City has temporarily discontinued bus service to PWC
- We have discontinued all employee discretionary travel. That has basically put a stop to all travel outside the area for meetings, trainings, conferences and the such.
- We have restricted visitors to PWC's offices and plants, except for those who are critical.
- We have instituted an initial Work from Home and Report from Home practice. Mr. Trego stated we initially instituted this before March 20th, especially as it relates to the call center. The cubes in that area are rather close and it is difficult to maintain six foot distance between them. We have over ½ of the CSRs taking calls from home.
- Also have tried to accommodate employees who requested to work from home because children who are out of school or the need to care for parents.
- Increased the availability of hand sanitizer and sanitizer wipes. They are strategically placed throughout the building and in offices and conference rooms. We have acquired a contractor who can follow CDC guidelines and can disinfect office space if needed.

- Anticipating we may go to the next phase; he asked the Management Team to identify in each department the positions and employees who could work from home if we needed to expand it.
- For the field crews, we began to stagger their start times to minimize the number of people who were congregating in our building at any one time.
- The Commission agreed to have a virtual public meeting.
- Contacted our contractors to find out how they were addressing the Coronavirus to protect their workforce as well as our workforce.
- We upgraded a number of computers and installed software, so if employees needed to work from home in the future, they would be ready.
 - Mark Lawler also identified potential paths to acquire additional laptops with the capability to work from home if needed. Those laptops are on order.
- Our nurse opened communications with the State Health Department and the CDC, so if we have questions, we have a direct line to get questions answered. This has helped our employees and have worked out well for us.

Once the first case was diagnosed in Cumberland County, we began to institute Phase II.

- As it relates to Customers, the Commissioners voted today to extend the FIF waivers for Areas 21 and 20.
- Mark Brown has reached out to our key accounts to see how they are faring and discuss their plans regarding production. Currently, Goodyear, a major key account, is suspending production in Fayetteville and all their plants.
- Regarding employees, we began the next phase and instructed them Work from Home or Report from Home.
 - We have some employees who can pretty much work 100% from home. They have the type of job that as long as they have computer access, they can do all their job functions at home.
 - We have other employees who have field responsibilities. Some may need to go to a job site, then return to home. Some are dispatched as needed.
 - We have some departments who are rotating staff. Staff are working from home and others reporting from home.
 - We have expanded the staggering of shifts for field personnel.
 - We have some field crews in electric and water, working alternate shifts, who are working from home and are responding to emergencies.
 - Some employees are working two shifts, and he gave Fleet as an example.
 - We have alternative work arrangements at our plants.
 - The first bill that was passed by Congress provided for up to 80 hours of leave related to Coronavirus for employees who may not be able to work from home and are quarantined or for employees who may have the virus and may or may not have sick time. This was instituted for employers below 500 employees and did not apply to PWC. However, we have instituted a policy that would give employees up to 80 hours off if they are sick because of the virus. He gave some details of this policy.
 - We are restricting some types of maintenance work in the field. He provided details of this directive as well.

Mr. Trego stated he wanted to give the Commissioners a flavor of the actions we are taking. Mr. Rynne is in contact with ElectriCities and Mr. Noland is in contact with AWWA.

The Commissioners commended Mr. Trego for the comprehensive report. Mr. Trego thanked for Commissioners for their support of the staff's efforts.

COMMISSIONER/LIAISON COMMENTS

Commissioner Shaw

Commissioner Shaw stated many of the churches have suspended their worship services and other activities because of the COVID-19. Is there any idea of the impact from a revenue standpoint? Mr. Brown responded we have been working with some of them on thermostat programs. He stated we can work on it. Mr. Trego stated we are encouraging customers through our communications if customers, including churches, if there are issues related to their bill and how curtailing their business may impact them going forward. We are not disconnecting customers if they have difficulty, but we are asking for them to call in regarding their bill. Mr. Trego stated our process is working, and calls are coming in. He noted over 2300 meters would have been impacted.

Commissioner Shaw clarified that she was inquiring related to the revenue impact to PWC because of the church activities are suspended for a relatively long period of time. Mr. Trego stated Mr. Rynne and Ms. Haskins are looking at the revenue impact overall, and by rate class.

Commissioner Shaw inquired about the laptops which are being ordered for employees. It was clarified that the laptops were already on order and replaced computers are repurposed for other employees,

Commissioner Shaw asked if PWC issued a bill due in the beginning of March as well as the end of March. He asked our CFO (Rhonda Haskins) to investigate it and provide an answer. He stated it is more than likely because of the course of the cycles, especially with February being a short month.

Commissioner Fowler

Stated because individuals are at home more and they are using their power more, they are going to see bigger bills. We need to be prepared for inquiries from ratepayers regarding this. Mr. Trego stated we are fortunate because the weather is milder, and if this extends into May and June, the rate decrease that the Commissioners approved will be as of May 1st. It is very important that customers call in if they have questions.

REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Monthly Cash Flow Report – February 2020
- B. Recap of Uncollectible Accounts – February 2020
- C. Investment Report – February 2020
- D. Purchase Order Report – February 2020

- E. Position Vacancies
- F. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. #18824 – install. of sewer lateral for Ft. Bragg Federal Credit Union @ SR 1415 (Yadkin Road).
 - Encr. #18828 – sanitary sewer repl. @ SR1834 (Downing Rd.)
 - Encr. #18840 –geotechnical borings @ SR2299 (Russell Street)
 - Encr. #18848 – install. of 1” & 2” water lateral for Starbucks @ 1855 Cedar Creek Road
- G. Approved Utility Extension Agreement(s):
 - E/W/S service to serve Cross Creek Pointe, located at Cross Point Tr. & Grove St.
 - E/W/S service to serve McArthur Park, located on McArthur Road.
- H. Actions by City Council during the meeting of March 16, 2020, related to PWC:
 - Approved Bid Recommendation – Feeder Vacuum Circuit Breaker
 - Approved Bid Recommendation – Labor for Installation of Bordeaux Substation
 - Approved Resolution Directing Construction of Area 25 of the Phase 5 Annexation Utility Improvement Project be Undertaken
 - Postponed Public Hearing on Preliminary Assessment Resolution – Phase 5 Annexation Area 24 Section A
 - Postponed Public Hearing on Preliminary Assessment Resolution – Phase 5 Annexation Area 24, Section BC

ADJOURNMENT

There being no further business, upon motion by Commissioner Fowler, seconded by Commissioner Rogers, and unanimously approved, the meeting was adjourned at 9:07 a.m.