

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MAY 13, 2020
VIA VIDEOCONFERENCE
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
Christopher Davis, City Council Liaison
PWC Staff

Absent: Melissa Adams, Hope Mills Town Manager/Liaison
Media

REGULAR BUSINESS

Chairwoman Evelyn Shaw called the meeting of Wednesday, May 13, 2020, to order. Considering this is a remote, video-conference meeting, a roll-call of Commissioners on the call was taken. The following Commissioners confirmed their attendance: Evelyn O. Shaw, Wade R. Fowler, Jr., D. Ralph Huff, and Darsweil L. Rogers.

APPROVAL OF AGENDA

Upon motion by Commissioner Fowler, seconded by Commissioner Huff, the agenda was unanimously approved by a vote of 4-For, 0-Against.

CONSENT ITEMS

Upon motion by Commissioner Fowler, seconded by Commissioner Huff, Consent Items were unanimously approved, by a vote of 4-For; 0-Against.

A. Approve Minutes of meeting of April 22, 2020

B. Approve to Set the Public Hearing for the FY2021 Budget for May 27, 2020

END OF CONSENT

CLOSED SESSION PURSUANT TO N.C. GENERAL STATUTES 143-318.11(A)(3) FOR
LEGAL MATTERS, ATTORNEY CLIENT PRIVILEGE

Commissioner Fowler motioned to enter Closed Session Pursuant to N.C. General Statutes 143-318.11(A)(3) For Legal Matters, Attorney Client Privilege. Motion was seconded by Commissioner Huff and unanimously approved by a vote of 4-For; 0-Against, at 8:34 a.m.

Following discussion, upon motion by Commissioner Fowler, seconded by Commissioner Rogers, and unanimously approved by a vote of 4-For; 0-Against, the meeting returned to open session at 9:24 a.m.

REVIEW PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET AND OPERATING BUDGET FOR FISCAL YEAR 2020-2021

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

Mr. Trego stated he will review the CIP recommended budget, as well as a brief introduction of the O&M Operating Budget. The Officers will highlight their divisions. Ms. Haskins will review fund balances as well as G&A.

Mr. Trego stated the Capital Improvement Program (CIP) proposed budget is for capital outlays over \$100,000 and have at least 10 year useful life. The Operating Budget includes revenue and operating expenses projections as well as operating capital (value of \$5,000 or over and an expected useful life or more than 1 year)

He stated COVID-19 has already significantly impacted PWC operations and as a result, our revenues and expenses.

The approach in the budget is presented with regards to COVID-19:

- Only includes items known or have a very high likelihood of occurring
- Do not include items that depend upon assumptions or projections associated with the virus or its impact on PWC or our customers
- Other than known impacts, budget will be based on normal operations and continuation of ongoing projects and initiatives
- Staff developing contingency plans to address items as they become known
- Will keep Commission informed and will likely require budget amendments to address changes

CIP BUDGET OVERVIEW

Mr. Trego noted the decrease of 10.5% in the CIP Budget which was anticipated and planned for. He stated overall, we went from \$105.2M in FY18, up to \$118.2M in FY19, up to \$142.1M in FY20, and we are requesting \$127.2M for FY21

FY 2021 CIP Budget Drivers

Mr. Trego stated we projected last year we would have a decrease in our CIP Budget

FY2020 budget approved with projected CIP decrease in FY2021
 FY2020 Projected Decrease: \$26.9 million
 FY2021 Projected Decrease: \$14.9 million

FY2021 decrease driven by two large one time projects started in FY20
 \$21.9 million Raeford Rd DOT electric relocation project
 \$13.7 million budgeted in FY2020
 \$2.0 million remaining in FY2021
 Fleet Bay Expansion project
 \$8.4 million budgeted in FY2020
 \$0.4 million in FY2021

Difference from FY21 projection to FY21 request driven by three primary additions
 \$5.8 million: Repairs at Butler Warner Generation Plant
 \$2.5 million: Replace emergency generator at the Rockfish Plant
 \$2.9 million: Reliability improvements at the Glenville Lake Plant

FY 2021 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	\$27,183,000
Rehabilitation – Water/Wastewater	\$18,965,000
Substations/BWGP/Elect. Improvements	\$26,105,000
Phase V Annexation	\$33,787,000
NCDOT – Relocation Projects	\$10,712,000
Hurricane Matthew	\$ 1,266,000
LED Lighting	\$ 800,000
New Svc/Meters-Electric/Water/Sewer	\$ 5,228,000
City of Fayetteville-Utility projects	\$ 1,300,000
Building & Improvements	\$ 1,070,000
Computer Systems	\$ 750,000

FY 2021 Funding Source Summary

Mr. Trego stated the following describes where we will get the funding for the FY2021 Budget.

Electric Fund	\$30.6 Million
Water Fund	\$34.0 Million

Bonds/State Loans/Reserves* \$62.6 Million

He stated of the total spend in FY 2021, approx. **\$5.8 million** of CIP expenditures expected to be offset from revenues from NCDOT reimbursements, REPS and recoveries associated with Hurricane Matthew.

\$55.6M of Bond/Loans/Reserve funding is for water/wastewater, and \$7.0M is for electric. In FY2021, 38% of CIP is funded from Water Fund revenues compared to 24% in FY2020. 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
- COVID-19
Lower revenues cause deferral of some projects
Supply Chain impacts pricing and/or availability of key components
Recovery of outside contractors used by PWC
Others delayed projects (NCDOT)

Annexation - Budget History

<u>Approved</u> <u>FY 2018</u>	<u>Approved</u> <u>FY 2019</u>	<u>Approved</u> <u>FY 2020</u>	<u>Proposed</u> <u>FY 2021</u>
\$15.4 million	\$19.9 million	\$24.0 million	\$33.8 million

Original estimate of total Phase V costs (incl. financing)
2008 estimate: \$244 million; Current estimate: \$380 million

Annexation cost grown:

22% of the Water Resources CIP request in FY 2018

38% of the Water Resources CIP request in FY 2021

84% of all the Phase V properties are completed, in construction or under design

65% of all Phase V project properties completed and have services available

Annexation FY 2021 Projects

- Project 23: Completing Construction in Wells Place
- Projects 24 & 25: Starting construction in Cliffdale Estates and Lake Rim Estates
- Projects 24 & 32: Bid and start construction in Kings Mill, Village Hills, Wendover, Hickory Run, Pinecrest Park, Stoney Run, King Rd. and Pine Ridge Acres
- Projects 26 & 27: Completing design for Cliffdale West, Woodmark, Cliffdale Forest and Dundle Road
- Projects 32, 33 & 34: Design ongoing for Westhaven, Springfield Crossing, Porter Place, Winbury, Kingswood, Fairfield and Barefoot Rd.

Ongoing Electric Reliability Improvements

- BWGP Repairs - \$5.8 million requested for repairs including replacing boiler tubes that are at the end of useful life; \$5.0 million planned for FY 2022
- Substations Rebuilds & Upgrades - \$9.2 million requested (\$2.9 million increase over FY20), which includes rebuild of Bordeaux substation, rebuilding Black & Decker substation, upgrade of Hoffer Plant substation, continued planned purchases of 66kV power transformers to replace units at end of useful life
- Underground Infrastructure Reliability - \$3.9 million requested to replace aging underground cable and associated equipment in residential and non-residential areas.
- Continue replacement/upgrade of wood 66kV poles to steel @ \$1.5 million annually

Ongoing W/WW Reliability Improvements

- Water/Wastewater Rehabilitation Request - FY2021 - \$19.0 million, planned decrease from \$28.9 million in FY2020. Funding for rehabilitation of water/wastewater distribution lines, laterals and manholes same as FY 2020. FY2020 included one-time project (\$6.0 million Cross Creek Pump Station)
- Big Rockfish Outfall - \$8.4 million request for a new sewer outfall along the Big Rockfish Creek. Will add needed capacity to serve western areas (Phase V annexation) and will eliminate 6 existing lift stations. Will be funded through the State Revolving Loan Fund
- Rockfish Peak Flow Facility - \$5.6 million requested to provide the ability to equalize up to 3.5 MG of flows during peak times at the junction of existing 36" and 42" lines. Will be funded through the State Revolving Loan Fund

Other Notable FY2021 Projects

- \$1.0 million to improve the reliability of the downtown underground electric system part of a multiyear \$1.8 million investment in downtown
- \$0.7 million to install a booster pump as part of the continued investment to extend service into the North Fayetteville area another \$2.1 million is planned for FY2022 to install a new water tank
 - Due to success of the existing battery storage tied to the community solar facility, will begin engineering work to expand the storage capability to lower peak demand costs to customers

OPERATING BUDGET REVIEW

Mr. Trego provided a history of the actual budgets for FY19 and FY20 as well as highlights of the FY21 Proposed Budget. He noted a decrease of 7.4% in the Electric Fund (\$260.0M); 7.9% increase in the Water Fund (\$141.9M); Fleet Fund has a \$0 balance. The total budget requested is \$401.9M which reflects a decrease of 3.7%. Mr. Trego noted the Fleet Fund will not be continued into FY2021.

Notes on FY2020 Budget

- Numbers shown for FY2020 budget reflect current budget including all adjustments & Commission approved amendments to-date

- Do not reflect current year-end estimates which are driven in part by the revenue, expense & modified/deferred work impacts of COVID-19
- While Commission typically approves year end budget amendments to closeout and balance budget, this year staff anticipates more significant impact
 - While some unbudgeted COVID-19 expenses will impact budget, overall estimates are trending lower in 4th fiscal quarter
 - Revenues also down due to lost non-residential load and impacts of Governor Cooper's Executive Order 124 on residential payments

Fleet Fund

- Starting in FY2020, City of Fayetteville entered into a contract with Vector Services to perform all Fleet related services previously performed by PWC
- In FY2020, Fleet Enterprise Fund remained in place to ensure a smooth transition and facilitate a final fund Audited true-up and closure
- Amount shown in FY2020 represents just the Electric and Water Fleet related expenses that ran through that fund
- The fund will close at FYE2020 and will not be used in FY2021

FY 2021 Fund Drivers

Electric Fund – Overall \$20.8 million decrease

- Power Supply expenses budgeted to decrease \$14.1 million
 - Includes reductions from revised Duke contract, lower estimated fuel costs (energy) and coal ash charges
- \$3.0 million in lower capital expenditures funded by revenues
- Lower appropriations to reserves / other funds
 - \$3.3 million less to Coal Ash Reserve
 - \$1.2 million less to NCDOT Reserve (Raeford Rd.)
 - \$1.0 million less to Transportation Equipment Capital Project Fund (CPF)
- Offset by \$2.3 million increase in non-Power Supply operating expenses charged to Electric Fund
 - Primarily Information Systems and G&A expense
- Payment in Lieu of Taxes (PILOT) to City of Fayetteville increased by \$352,800 or 3.2% to \$11,450,900
 - Since Charter revision in 2016 has increased 21%

Water/Wastewater Fund - Overall \$10.4 million increase

- \$4.4 million increase in Operating Expenses charged to W/WW Fund
 - \$1.2 million from Water Resources Division
 - \$0.5 million from Corporate Services
 - \$0.8 million from Information Systems
 - \$1.7 million in G&A expense
- \$8.1 million increase in Capital Funded from W/WW revenues
 - Consistent with Commission goal to fund more capital from W/WW revenues
 - Offset by \$2.2 million in lower Debt Payments

City of Fayetteville FIF Waiver Request

- The FY 2021 budget includes a FIF Waiver request from the City of Fayetteville in the amount of \$7,240 for the providing of irrigation on the Cliffdale Road median project
- Since the Commission first considered and approved waivers for City Gateway and related projects PWC has waived approximately \$80,000 in FIF fees since 2016

Division Operating Expense Summary

The Management proposed budget is \$6.38M (-.7%); the Communications proposed budget is \$1.50M (+1.7%); the Human Resources proposed budget is \$1.96M (+5.7%); Customer Programs proposed budget is \$4.11M (-2.1%); the Corporate Services proposed budget is \$15.95M (+24.1%); Information Technology proposed budget is \$13.51M ((+7.6%); the Finance proposed budget is \$11.91M (+.5); the Water/Wastewater proposed budget is \$42.48M (+3.4%); the Electric-non Power Supply proposed budget is \$29.13M (+12.6%). The Total FPWC w/o Power Supply \$126.93M (+7.4%); Electric Power Supply is \$141.93M (-9.0%); PWC proposed budget is \$268.86 million, which reflects a decrease (-1.9%).

* Unless noted all FY2020 budget values include all approved amendments and transfers

Main Operating Expense Drivers

- Power Supply costs decreasing **\$14.1 million** in FY2020
 - Reflects impact of \$2.50 demand credit starting in January 2021, lower projected energy costs and lower Coal Ash expenses.
- Corporate Services increase driven by **\$4.1 million** in Operating Capital to upgrade CC&B software that will no longer be supported by Oracle
- Increase in Non-Power Supply Related Electric expenses being driven by **\$2.4 million** overhaul of Gas Turbine at BWGP
- 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 flat compared to FY2020
 - FY2021 budget includes 10 new positions partially offset by one retirement in Generation that will not be replaced

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 (FY20-FY21) and the risks to the budget, also with plans to mitigate. Discussion ensued with each Officer regarding their budget, major drivers, trends and assumptions as well as risks to their budget and plans to mitigate.

Ms. Haskins provided a summary of the following:

G&A Expenses Budget Summary

\$ in Millions	FY 17	FY 18	FY 19	FY20	FY21
Electric	\$9.5	\$9.7	\$8.7	\$7.7	\$8.6

Change		1.6%	-10.2%	-11.7%	12.8%
Water/WW	\$8.7	\$8.8	\$9.5	\$9.3	\$10.0
Change		1.5%	7.5%	-2.6%	7.6%

- Fleet Maintenance Fund Personnel Services - \$534K
- Insurance Programs \$226K
- Admin Fleet Overhead \$336K
- Customer Charge offs Increasing \$250K
- Contingency Increasing \$169K or 6%
 - FY21 Electric Contingency \$1.3 million
 - FY21 W/WW Contingency \$1.7 million
- Electric G&A shown on pages 25 & 26 (Electric Fund Tab)
- W/WW G&A shown on pages 39 & 40 (Water/Wastewater Tab)

*Original Budget used for FY17 – FY21.

G&A Personnel Services Budget

\$ in Millions	FY 17	FY 18	FY 19	FY20	FY21
Disability	\$0.13	\$0.13	\$0.12	\$0.12	\$0.26
Medical Insurance	\$9.60	\$9.68	\$9.70	\$8.68	\$8.45
Life Insurance	\$0.15	\$0.17	\$0.14	\$0.16	\$0.16
Dental Insurance	\$0.29	\$0.23	\$0.41	\$0.03	\$0.03
Workers' Comp	\$0.25	\$0.25	\$0.45	\$0.31	\$0.25
Opeb Expense	\$1.43	\$1.38	\$2.08	\$1.19	\$1.49
Other Expense	\$0.20	\$0.19	\$0.19	\$0.15	\$0.17
Total Personnel Services	\$12.06	\$12.03	\$13.09	\$10.64	\$10.81
Change		-0.3%	8.8%	-18.7%	1.6%

- Includes Electric, Water/Wastewater and Fleet Funds

*Original Budget used for FY17 – FY21.

Rate Stabilization Funds

- Electric Rate Stabilization Fund Balance
 - FYE 2018 - \$48.8 million
 - FYE 2019 - \$51.2 million
 - FYE 2020 Estimate - \$46.3 million
 - Part A based on Power Costs \$13.2 million
 - Part B \$33.1 million
- Coal Ash Reserve Balance
 - FYE 2018 - \$18.8 million
 - FYE 2019 - \$2.6 million
 - FYE 2020 Estimate - \$0
- Water/Wastewater Rate Stabilization Fund Balance
 - FYE 2018 - \$0.6 million
 - FYE 2019 - \$0.8 million
 - FYE 2020 Estimate - \$1.1 million

Budget Ordinance

- FY 2021 Recommended Budget Ordinance

- Budget Summaries Tab - Page 4
- Budget Public Hearing - May 27, 2020
- Proposed Adoption - June 17, 2020

DISCUSSION OF CITY OF FAYETTEVILLE REQUEST FOR ADDITIONAL PWC TRANSFER DUE TO COVID-19 STATE OF EMERGENCY

Chairwoman Shaw stated the request for additional PWC Transfer due to COVID-19 State of Emergency was made by our Mayor, on behalf of the Council. The request was made in writing. The initial request was made based on the declaration of emergency which is allowable by the new Charter. It was made for \$11M and the Commission has the opportunity to determine after reviewing information sent over by the City, that it is something the Commission can accommodate and if the Commission can accommodate, in what way it can accommodate.

Commissioner Shaw stated the Commission has requested much information from our internal finance department to provide them with fiscal information to allow them to make an informed response to the City's request. The information has been provided. She is sure if there are any questions at all, they have been laid to rest, as the Commission has reviewed the budget. Ms. Haskins and her team has responded to their questions regarding Days Cash. The Commission has also posed certain queries to the City. A letter was addressed to our CEO from the City Manager which detailed the City's proposed need and use of these additional funds. That information was shared with each Commissioner. She went on to state all our questions have been answered regarding the request. So now we can begin discussion regarding it.

Commissioner Fowler asked Commissioner Shaw if she would discuss the intent of the letter from Representative Szoka? She responded once the discussion was complete, she intended to discuss the letter, but since the question was posed she is happy to do so now.

Commissioner Shaw stated we received a letter from Representative Szoka which will become a part of the public record, as she shared with each Commissioner. The letter from Rep. Szoka responds with his opinion of the City's request. He was, as he shared, one of the writers of the City's charter. He has expressed that it was the intent of the charter not to have funds requested by the City, absent anything other than major flooding or hurricanes. It was their intent not to have a State of Emergency declared for example, COVID-19, and then the City make a request of PWC for an additional transfer. Given Rep. Szoka's history and experience with the new charter, we can only accept his explanation of the spirit and intent of this article that allows a request for an additional transfer. She went on to state, however, our legal counsel will tell us that intent and spirit weighs very heavily, but what is in writing must also be acknowledged.

The statute as it reads does allow the City to make the request. She stated she did not anticipate having the letter read because all the Commissioners have it and it will become part of the public record.

Council Member Davis asked if he can have a copy of the letter. Chairwoman Shaw stated he can request a copy of the minutes or he can request a copy of the letter be emailed to him and the Clerk will do so. She affirmed that this letter did not become a public document until we

acknowledged it as part of the public record. She then requested for the Clerk to make a note of Council Member Davis' request.

Commissioner Fowler stated it appears that the Council is asking for a replacement of lost tax revenue or anticipated lost tax revenue as opposed to a payment in lieu of taxes which is predicated on the assets of the utility. The question he has is, based on his understanding, this request would make the utility a taxing authority, because we are replacing lost taxing revenue and not an emergency situation such as PPE requirements or that type of thing that tax revenue would not cover. He stated he believes the request is for him to become a taxing authority, which based on the charter, he does not have the authority to become. This question needs to be answered before he can decide one way or another.

Chairwoman Shaw invited Council Member Davis to respond. He stated he was slightly apprehensive because he did not have legal representation or Assistant City Manager Whitfield present. He stated it appears the request in terms of what they want to use the money for, i.e., specifically the replacement of monies or funds to be used based on the COVID response, would be just to replace the funds. In terms of taxation, he did not believe that PWC would become a taxing authority. He went on to state PWC asked for an itemized list of what the funds would be replacing. It sounds like the what is being said is because it is being used to replace an income that generally would come from ad valorem (property) taxes it makes PWC a taxing entity, but he does not believe this is the case. Additional discussion ensued.

Chairwoman Shaw asked PWC General Counsel West in his legal opinion is the fact of loss of sales tax revenue and the fact that the City has stated some of the transfer if received, would make PWC a taxing authority.

Attorney West prefaced his response with the statement, he has not evaluated this issue. He is hearing of this issue for the first time this morning. He stated he believes this goes to Rep. Szoka's concern regarding what the purpose of the emergency exemption was to the transfer limitation. He has expressed as a senior legislator, and the chair of the finance committee that it was his expectation that the emergency exemption to the transfer limit would be used for additional expenses imposed by some natural catastrophe as opposed by revenue replacement. He also believes from a de facto prospective (prospective of reality) that if PWC is serving to replace lost tax revenues that we could functionally be characterized as an entity that is serving as a tax collection agency. But from a legal prospective it is not clear.

From a legal prospective if you look at the words of the charter strictly, once an emergency is declared we are allowed to make additional transfers to the City. The protection the Commission has, when you look at this from a legal prospective, is any transfer has to be something the Commission agrees. So if the Commission's feeling was functionally we do not want to serve as a tax collector, with regard to replacing lost tax revenue, it is a role we are not comfortable, whether it is legal or not, the Commission can certainly exercise its discretion to decline to make a transfer or to condition the transfer on use of additional expenses only. He went on to state even without a definitive legal answer, the Commission has some level of protection to protect the sanctity of the Commission, in the sense that their role is to act in the benefit of the City as well as the benefit of its customers.

Chairwoman Shaw thanked Attorney West for his comments and asked Commissioner Fowler if his concern has been addressed. He stated he wanted the issue brought out for us to consider.

Commissioner Huff stated he was somewhat confused because the Mayor says the staff proposes they need \$3.8M to support FAST. The newspaper says there is \$9M from the Cares Act to support FAST. He asked if the ridership is down with FAST, and if so, have they changed their schedule. He went on to express his concerns in detail. He stated he does not know if it is legal and if it is really needed. He believes the prudent thing for them to do is to table this for the next meeting and try to get more specifics.

Commissioner Shaw asked if the Commissioners would be comfortable with Attorney West taking down the concerns so he will know exactly what will need to be addressed between the CEO, City Manager and himself, so if we table this. When we come back to our next meeting, he will have a clearer understanding of what needs to be addressed with the Commission. She asked if Commissioners Huff and Fowler will note their concerns with Attorney West today before they leave.

Commissioner Fowler had additional questions. He stated there was additional \$3.3M requested regarding Community Recovery. In the explanation (in the letter) it stated if they received federal funding on a dollar by dollar basis for unrestricted funds from the federal government, those would not be drawn out on the time plan, but if there was a direct reimbursement made for direct COVID-19 related expenditures it would not reduce the amount of money they would draw down. Commissioner Fowler's understanding is this was an emergency and if the City is receiving these emergency related expenses from the government, the money does not need to come from the utility also. Council Member Davis responded with his understanding of the process. Discussion ensued.

Chairwoman Shaw stated the consensus is we will need more in-depth discussion. She stated we want everyone to be comfortable with whatever we do. She requested for the Commissioners to put their questions in writing that are related to legal interpretation and pass them to our CEO and General Counsel. If our General Counsel deems necessary, he will have the appropriate conversations with the appropriate persons and bring the responses back to the Commission. If he receives answers back in writing before the next meeting, great. If not, the Commission will have him present the answers at the next meeting.

Commissioner Shaw stated as a next step, Commission will invite the Mayor to come to our next meeting to have a discussion with us. If there is a question the Commissioners have that is not related to legal and is related to the transfer, please forward them to our CEO who will forward them to the City Manager, who can discuss with the Mayor and provide the follow-up information you need.

Commissioner Shaw asked Mr. Trego as he receives the questions and concerns from the Commissioners and forward them to the City Manager to please request his reply before our next meeting,

Commissioner Huff asked if it is appropriate for the City Manager to come also? Commissioner Shaw asked if both the City Manager and CFO should be invited? Commissioner Fowler suggested to leave it up to the City Manager to decide who should come.

It is noted Commissioner Rogers was excused from the meeting at 12pm. He will provide questions to be addressed by the representatives of the City, and Council.

GENERAL MANAGER REPORT

Mr. Trego stated we will soon transition out of Governor Cooper's Order 124 unless he extends it. We have begun communications to customers how it impacts them so they are aware of it, and they will not be surprised. We have begun a communication campaign by placing information on the website; calling customers; placing messages on our IVR to educate customers as to the next steps. Mr. Trego stated once we placed the messages, we began to receive payments and payment arrangements.

COMMISSIONER/LIAISON COMMENTS

Council Member Davis

Asked who he would request a copy of the meeting's Minutes? Mr. Trego responded we will get a copy of Representative Szoka's letter to him. The Minutes are not official until they are voted on at the next meeting. He stated if there are any questions that are specific to Council Member Davis, he will have Ms. Durant forward to him if that is acceptable. Council Member Davis is fine with that.

Council Member Davis also stated based on Chairwoman Shaw's comments, will they receive a list of specific questions that will be given to the Mayor, City Manager, Staff, and Council to address? Or will they wait to have a verbal conversation?

Chairwoman Shaw stated it is her intent that the Commission will get their questions to the Mayor and City Manager in writing. Those will come to them within a matter of a day or so. And it is her hope that we will get the responses back prior to our next meeting. We are still planning to invite the City Manager, and Mayor, and of course Council Member Davis will be a part of our next meeting, so if there is any discussion required, it will be made clear at our next meeting.

REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Monthly Incident Summary - April 2020
- B. Personnel Report – April 2020
- C. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. #18857 – install. of water main & ball valve @ SR 1411 (Bunce Rd) & US HWY 401
 - Encr. #18858 – install. of water lateral @ SR1400 & All American Freeway

ADJOURNMENT

There being no further business, upon motion by Commissioner Huff, seconded by Commissioner Fowler, and unanimously approved, the meeting was adjourned at 12:29 p.m.