

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, AUGUST 26, 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

Absent: Melissa Adams, Hope Mills Town Manager/Liaison
Telly Whitfield, Assistant City Manager
Media

I. REGULAR BUSINESS

Chairwoman Evelyn Shaw called the meeting of Wednesday, August 26, 2020, to order. Considering this is a remote, video-conference meeting, a roll-call of Commissioners 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

Commissioner Fowler motioned to approve the agenda. Commissioner Huff seconded and it was unanimously approved. (Commissioners Rogers, Fowler, Huff and Shaw-4 Aye, 0 Nay).

II. CONSENT ITEMS

Upon motion by Commissioner Huff, seconded by Commissioner Fowler, Consent Items were unanimously approved. (Commissioners Rogers, Fowler, Huff and Shaw-4 Aye, 0 Nay).

A. Approve Minutes of meeting of August 12, 2020.

B. Approve PWCORD2020-25 – FY21 Electric & W/WW Amendment #3

PWCORD2020-25 is an Electric and Water/Wastewater Fund amendment changing the fund balances. The Electric Fund is increasing by \$6,743,800 to \$270.0 million and the Water/Wastewater Fund is increasing \$533,400 to \$143.1 million.

C. Approve PWCORD2020-26 – P.O. Hoffer-Glenville Lake WTP's Reliability Improvements State Revolving Loan CPF

PWCORD2020-26 establishes a \$10.7 million P.O. Hoffer-Glenville Lake WTP's Reliability Improvements State Revolving Loan Capital Project Fund for a project to be funded with State Loan

proceeds. This loan was applied for in Spring 2020 and PWC received a letter of intent to fund dated August 3, 2020.

END OF CONSENT

III. LEADERSHIP SUCCESSION DEVELOPMENT PLAN

Presented by: Bobby Russell, Human Resource Officer
Linda Van Noy Stamp, Consultant - Professional Outlook

Mr. David Trego, CEO/General Manager stated this is a timely discussion considering we are moving into a new phase and we are working on Strategic Planning. Mr. Trego reminded the Commission, employee development and succession has been previously discussed, and this is an update.

Mr. Russell stated we have with us today an HR Consultant with Professional Outlook, Ms. Linda Van Noy Stamp. She has been working with the PWC Officers and Managers in putting together the Succession Planning program. She will give the highlights of where we are and where we are going.

Ms. Van Noy Stamp stated she has been working with PWC since 2006. She stated between 2006 and 2009 she spent a lot of time waving at every PWC truck she encountered because she trained every PWC employee working in this building at some point (Workplace Violence, Sexual Harassment, or Hostile Work Environment). Ms. Van Noy Stamp also facilitated American Management Association (AMA) classes for the supervisors and leadership at PWC for approximately three years. She stated though she trained employees she learned a lot about the mission of PWC.

Phase I

Ms. Van Noy Stamp She noted the last time she met with the Commission was July 24, 2019. At that time Officers were working on the individual development plans and selected the individuals who would be potentially a successor for their position should they decide to move on, move up or find other avenues.

Because the potential successors had various levels of experience and came from different backgrounds some would be ready sooner than others. Some would be able to take the reigns after a year and others two to five years.

Fourteen (14) potential successors were identified and selected by Direct Reports. She was able to speak to each of the first 14 people selected to see where their passion and motivation was. Each of the potential successors were perfect for the selection. She stated this did not infer that outside candidates were not considered, sometimes when you find a gap you have to consider external candidates, but you must also consider individuals already employed because they know our culture.

Mr. Trego stated while we have 14 potential successors for the Officer level position, he does not consider this a significant deep bench. In many of the positions people listed going to the outside as a potential second choice or third choice. He thinks for him and the officers it identified where we have holes from a succession standpoint. When we are hiring people into the manager's position, this is one question he asks 'is this someone who can potentially be an officer level successor.

Each candidate was evaluated by the officer and they were very honest where the development needed to come from. They were very specific in how they would address developing those qualities. There has been a lot of cross-training and special projects.

Phase II

Meetings were held with potential successors of Direct Reports to familiarize them with the Leadership Succession Development Plan (LSDP) and their role in developing and completing their plan

Development and execution of Individual Development Plans (IDPs) for potential successors is anticipated by September 1, 2020

Phase III

Meetings will be conducted with the supervisors at the remaining levels and individuals in critical positions beginning in September 2020

Development and execution of IDPs for their potential successors is anticipated by December 2020

Ms. Van Noy Stamp stated by the end of the year, everyone should have in their hand what their individual development needs are and how their manager is going to address them, so they will be strong year after year. Every single person (executive, manager, director, department head, supervisor, and anyone who is occupying a critical position) will have a plan for their people to develop them in the next one to five years.

Ms. Van Noy Stamp stated she broke the process down into phases to show the process. Though they started a few years ago, they picked it back up and restructured it to make it easier for our leaders to go through the program. It will not be a burden, but easy to navigate through year after year. Because it has a digital base, it is easy to make changes. The LSDP is a living document. Throughout the process, managers and supervisors will be updating and modifying activities and employee participation based on workplace changes.

Ms. Van Noy Stamp noted potential successors represent a diverse and multi-generational group of motivated seeds of higher-level leadership.

Commissioner Shaw asked Ms. Van Noy Stamp if she sees multigenerational disparity. She responded she is still seeing baby boomers; she is seeing lots of millennials that are part of our potential successors; and some Gen Xers. Commissioner Shaw also asked if staff has found if the Gen Xers have a different desire for a work culture at PWC. Ms. Van Noy Stamp stated in some of her conversations it has occurred, but it has not been prevalent. Mr. Trego stated we have revamped our compensation and advancement throughout the Commission to more of a skills-based progression. When employees receive certifications that benefit PWC, we provide an increase to them. Mr. Russell also stated because of the pandemic we have been able to do a lot of work scheduling with millennials. Employees can work at home as well as work here. We have been able to observe them to see how well they manage WFH as well as in the office.

Additional discussion began regarding individuals with institutional knowledge who retire or leave employment. Ms. Van Noy Stamp stated those she has spoken with at PWC want to pass on the knowledge they have, and they have demonstrated it through their IDPs (individual development plans).

Mr. Russell added, when we have someone who is planning to retire and they give us a long lead time, we can promote someone into that position so they can cross-train. He gave examples of taking advantage of institutional knowledge.

Commissioner Shaw asked Ms. Van Noy Stamp if she has found that though a department runs well, and the employees within that department are performing at an exceptional level, if for some reason an employee leaves or is out of their position for any particular amount of time, does it become apparent there is a need for additional personnel to carry the workload. Ms. Van Noy Stamp stated if she came across such a department, she would inform the HR Officer, but she has not witnessed such at PWC. She stated she does not believe she has spent enough time in the departments to make such an assessment.

Commissioner Rogers stated he did not hear anything specifically regarding enhancing individuals' ability to communicate more effectively, and teamwork. He asked if there was anything involving these areas in the work they have done. Ms. Van Noy Stamp responded in the IDPs, almost all the managers listed communications, managing conflict, and unbiased consciousness. She and Mr. Russell gave an updated regarding the courses that are scheduled which focus on those specific skillsets, including a series of courses from Franklin Covey and CAI. Mr. Russell expanded on additional institutions we are exploring to provide coursework.

Staff responded to additional questions from Commission.

IV. GENERAL MANAGER REPORT

COVID-19 Update

Mr. Trego stated Governor Cooper announced yesterday that he is allocating \$175M to assist citizens in NC to help with rental payments and utility payments. We are attempting to get details so we can refer our customers to the organizations that will assist.

We are now out of EO 124 and 142 which said we could not disconnect customers for non-payment. We are in the first month (of six months) of customers paying off their arrears.

Ms. Haskins stated we have billed 14 cycles and we have 4 more to go for this month. As of yesterday we have about 23,700 payment arrangements. They total \$7.4M. For the remaining cycles, there are approximately 6,300 customers. If their balances are not paid, our payment arrangements will total about 30,000. Ms. Haskins described how our process is working.

Mr. Trego updated the Commission on the status of our non-residential customers and our outreach to them.

Update on Disposition Study

Mr. Noland stated we are maintaining contacts with congressional staffers. There has been no indication Congress will take any action anytime soon. It has not made it out of the core office in Wilmington yet. And it will not make it to Congress until the Corps finish their study. He stated with the inquiries and back checking we are doing with the legislature and through Congress, Fort Bragg and other Corps staff, they are taking seriously some of the issues we have raised. Mr. Trego stated we have taken the lead on

this issue and we have made a positive impact, with Mr. Noland's leadership and the Commission's support.

Annexation

Ms. Justice Hinson stated last night we had our largest virtual meeting so far. We had over 50 participants. This was regarding Annexation, Project Area 23, Section 2 (Rayconda); and Project Area 24, Section 2 (Cliffdale Estates). We have these meetings for the beginning of the construction projects, so the residents can see what will happen in their neighborhoods. Commissioner Shaw asked if there is a tie with the age of the neighborhoods and the age of the residents. Ms. Justice-Hinson stated some of these neighborhoods are older and the virtual meetings were a concern for us. We offered to call them or meet with them in small groups.

Commissioner Fowler asked if staff has found there is less concern about the work now that there are overlays and not just a patch in the road. Ms. Justice-Hinson stated in years past paving was always an issue but now we don't hear very much about it.

V. COMMISSIONER/LIAISON COMMENTS

Council Member Davis

Action Pathways has received grants for the COVID response (Cares Act). They are specific to paying PWC bills for constituents who qualify. He stated the process to do it has proven to be hard. The money is in place, and he is attempting to find a way to streamline the process.

Mr. Trego stated as far as we know, no one has reached out to us regarding the process. Typically, if they qualify, the money would flow to us as it is administered by third parties. Council Member Davis will forward the relevant contact information to Mr. Trego.

VI. REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Cashflow Report – July 2020
- B. Uncollectible Accounts – July 2020
- C. Investment Report – July 2020
- D. PO Report – July 2020
- E. Position Vacancies
- F. Actions by City Council during the meeting of August 10, 2020, related to PWC:
 - Removed - Resolution to Grant Easement Authority to PWC CEO/General Manager

VII. ADJOURNMENT

There being no further business, upon motion by Commissioner Fowler, seconded by Commissioner Huff, and unanimously approved (Commissioners Rogers, Fowler, Huff and Shaw-4 Aye, 0 Nay), the meeting was adjourned at 9:33 a.m.