

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, SEPTEMBER 9, 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
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, September 9, 2020, to order.

APPROVAL OF AGENDA

Commissioner Rogers motioned to amend the agenda, by adding a Closed Session, Pursuant to NC General Statutes 143-318.11(a)(6) to Discuss Personnel Matters. He requested for this addition to be Item VIII, and Item VIII moved to Item IX. Motion was seconded by Commissioner Fowler, and unanimously approved.

Commissioner Rogers motioned to approve the amended agenda. The motion was seconded by Commissioner Huff and unanimously approved.

II. CONSENT ITEMS

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

A. Approve Resolution # PWC2020.11 – Resolution Approving the Public Works Commission’s 2019 Local Water Supply Plan

B. Approve bid recommendation to award bid for the purchase of two (2) 67kV Delta Primary Voltage Power Transformers to Niagara Transformer Corp., Buffalo, NY, the lowest responsive, responsible bidder in the total amount of \$1,767,652.00 and forward to City Council for approval.

One transformer is for the Black & Decker Substation Rebuild project and one is for the PO Hoffer 66-12 kV Substation Rebuild project.

The Black and Decker & PO Hoffer Substations 67kV Delta to 13.09Y – 7.46kV LTC Power Transformers project is a budgeted item. Funding is provided through EL30 Black and Decker

Substation Rebuild (CPR1000321) for \$883,826.00 and EL32 PO Hoffer 66-12kV Substation Rebuild (CPR1000421) for \$883,826.00.

Bids were received on August 27, 2020_as follows:

<u>Bidders</u>	<u>Total Cost</u>
*Virginia Transformer Corp., Roanoke, VA	\$ 718,979.00
*ABB Inc., Crystal Springs, MS	\$1,000,330.00
**Anixter, Apex, NC	\$1,753,730.00
Niagara Transformer Corp., Buffalo, NY	\$1,767,652.00
SPX Transformer Solutions, Inc., Waukesha, WI	\$1,855,858.00
WEG Transformers USA, Washington, MO	\$1,993,263.00
Delta Star, Inc., Lynchburg, VA	\$2,042,084.00

*Bidders only provided bids for the Black and Decker Substation Power Transformers.

**Bidder did not meet the bids specifications

COMMENTS: Notice of the bid was advertised through our normal channels on July 31, 2020 with a bid date of August 27, 2020. The bid as originally published was only for the Black and Decker substation. Addendum No. 1 was issued on August 17, 2020. The addendum was requested by Electric to include the PO Hoffer Substation, increasing the bid quantities and bid requirements. The bid specified the award would be based on the purchase of both substation power transformers to the lowest, responsive, responsible bidder. Seven bids (7) bids were received during the bid process. Bidders, Virginia Transformer Corp and ABB Inc., provided a bid with only the Black and Decker Substation power transformer, resulting in non-responsive bids. Electric conducted a thorough review of Anixter's - GE bid proposal and determined the proposal had several deficiencies and did not meet the bids specifications. GE had proposed shipping to be in the third quarter of 2021, bid documents specified a delivery requirement for June 2021 (Second Qtr.) for delivery. Anixter excluded a required Dry-Keep RT-9 oil dry device on the bid proposal form's base bid price but included the valued price of \$19,900 (each) within the GE bid literature. GE also stated they do not use AK Steel - USA, or ThyssenKrupp Steel per our specification. In addition, their transformer failure rate, per their bid, is 10 failures from 304 units. The Niagara failure rate of their last 100 transformers is 0.0%. An industry published report of an investigated transformer population that covered more than 23,800 unit-years revealed a failure rate of 0.3% for 110kV for major failures. Due to the deficiencies of the Anixter bid, the award is recommended to the lowest responsive, responsible bidder Niagara Transformer Corp., Buffalo, NY 14225. **SDBE/Local Participation:** Niagara Transformer Corp., Buffalo, NY is not classified as a SDBE, minority or woman-owned business.

- C. Approve bid recommendation to award bid for the purchase of two (2) 67kV Delta Primary Voltage Power Transformers for the Distribution Station 66-12kV Power Transformer project to Virginia Transformer Corp., Roanoke, VA, the lowest responsive, responsible bidder in the total amount of \$1,437,958.00 and forward to City Council for approval.

The two (2) 67kV Delta to 13.09Y-7.46kV Wye LTC Power Transformers project is a budgeted item. Funding is provided through EL35 Distribution Station 66-12kV Power Transformer (CPR1000384) for \$1,750,000.00.

Bids were received on August 27, 2020_as follows:

<u>Bidders</u>	<u>Total Cost</u>
Virginia Transformer Corp., Roanoke, VA	\$1,437,958.00
Anixter, Apex, NC	\$1,753,730.00
SPX Transformer Solutions, Inc., Waukesha, WI	\$1,855,858.00
ABB Inc., Crystal Springs, MS	\$1,945,540.00
WEG Transformers USA, Washington, MO	\$1,993,263.00

COMMENTS: Notice of the bid was advertised through our normal channels on July 31, 2020, with a bid date of August 27, 2020. Six (6) bids were received during the bid process. **SDBE/Local Participation.** Virginia Transformer Corp., Roanoke, VA is not classified as a SDBE, minority or woman-owned business.

END OF CONSENT

III. GENERAL MANAGER REPORT

Phase 2.5

Mr. Trego stated the Governor moved the State to Phase 2.5, which is essentially a slight modification to Phase 2. For PWC, other than having a larger meeting capacity, up to 25 people while maintaining social distancing, it will not have any effect. We will not open walk-in traffic in the CSC, although the drive-thru has remained open. He stated Ms. Fritzen has modified the main meeting room to 25 seat capacity, while maintaining social distancing. Mr. Trego stated approximately 1/3 to 1/4 of the employees are still reporting from home or working from home. We continue to prioritize employees who have a higher risk or have an underlying condition. We continue to be as flexible as we can while maintaining our operations.

Post EO 124/142

Mr. Trego stated we are now into Post EO124/142 phase, where customers are needing to pay into bills issued in August, 1/6 of their protected Executive Order balances. Those customers who fail to make their payments will go through our normal severance process beginning now. Some of those bills are becoming past due. We have a waiting period before we begin the actual severance process, but customers will soon begin to enter into it. So, we stress again, as we have in all our communications, if customers will have difficulty in paying the bill as presented in August to please call us. We will work with them, giving them as much flexibility as possible. We want them to call in before they receive the disconnection notice or after their services are disconnected. We prefer they call in as early as possible and work with us. We have been working with customers giving them as much flexibility as possible.

Non-residential customers were not covered in the EO. Mark Brown's group has been proactive, working with them for more than a month, making outbound calls to all of them. Very few of these customers have been terminated. Mr. Trego stated several have indicated they will not reopen and will close their doors.

Mr. Trego responded to Council Member Davis' questions regarding residential/non-residential customers' bills. Council Member Davis requested a paragraph describing our approach to residential and non-residential customers.

IV. COMMISSIONER/LIAISON COMMENTS

Commissioner Rogers

Commented on the 'History of PWC'. He stated the document was very informative and interesting.

V. REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Personnel Report – August 2020
- B. Position Vacancies

VI. CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTES 143-318.10(E), 143-318.11(C), 143-318.11(A)(1), 143-318.11(A)(3), AND 143-318.11(A)(6), IN ORDER TO REVIEW AND APPROVE CLOSED SESSION MINUTES FROM COMMISSION MEETINGS ON THE FOLLOWING DATES: OCTOBER 9, 2019; NOVEMBER 13, 2019; JANUARY 8, 2020; MAY 13, 2020; AUGUST 12, 2020.

Commissioner Darsweil Rogers motioned to go into Closed Session Pursuant To North Carolina General Statutes 143-318.10(E), 143-318.11(C), 143-318.11(A)(1), 143-318.11(A)(3), And 143-318.11(A)(6), In Order To Review And Approve Closed Session Minutes From Commission Meetings On The Following Dates: October 9, 2019; November 13, 2019; January 8, 2020; May 13, 2020; August 12, 2020. Motion was seconded by Commissioner Fowler and unanimously approved @ 8:42 a.m.

Following the discussion, Commissioner Fowler motioned to return to open session. Motion was seconded by Commissioner Rogers, and was unanimously approved at 8:49 a.m.

VII. CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTES 143-318.11(A)(3) TO DISCUSS LEGAL MATTERS.

Commissioner Fowler motioned to go into Closed Session Pursuant to North Carolina General Statutes 143-318.11(a)(3) to Discuss Legal Matters, motion was seconded by Commissioner Huff and unanimously approved at 8:50 a.m.

Following the discussion, Commissioner Fowler motioned to return to open session. Motion was seconded by Commissioner Huff, and was unanimously approved at 10:30 a.m.

Added Item:

VIII. CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTES 143-318.11(A)(6) TO DISCUSS PERSONNEL MATTERS.

Commissioner Roger motioned to go into Closed Session Pursuant to North Carolina General Statutes 143-318.11(a)(6) to Discuss Personnel Matters. Motion was seconded by Commissioner Huff and unanimously approved at 10:32 a.m.

Following discussion, Commissioner Rogers motioned to return to open session. Motion was seconded by Commissioner Huff, and unanimously approved at 10:40 a.m.

IX. ADJOURNMENT

There being no further discussion, upon motion by Commissioner Rogers, seconded by Commissioner Huff, and unanimously approved, the meeting was adjourned at 10:41 a.m.