

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
RONNA ROWE GARRETT, COMMISSIONER
ELAINA L. BALL, CEO/GENERAL MANAGER



FAYETTEVILLE PUBLIC WORKS COMMISSION
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TELEPHONE (910) 483-1401
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PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MAY 12, 2021
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 April 28, 2021
- B. Approve to Set the Public Hearing for the FY2022 Budget for May 26, 2021
- C. Approve Cancellation of June 23, 2021 Commission Meeting due to National APPA Conference in Orlando, FL
- D. Approve PBMAres Audit Contract and Supporting Arrangement Letter

The Finance Division Fiscal Management Section of the NC Department of State Treasurer and Local Government requires the Governing Board of each Local Government Unit approve the audit contract as defined in NCGS 159-34 prior to approval by the LGC. The auditor may not engage in audit services before approval by the LGC.

- E. Approve PWC Resolution – PWC2021.16 – Resolution Rescinding Policies

Staff recommends the Commissioners adopt a resolution rescinding additional policies from the PWC Policy and Procedure Manual. PWC is currently undertaking a comprehensive review of the entire Policy and Procedure Manual, engaging many employees from across all divisions. Additional resolutions and information will be shared as the effort progresses.

- F. Approve PWC Resolution – PWC2021.17 – Resolution Approving Coverage

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER

Staff believes the adoption of the Resolution Approving Coverage is reasonably necessary and appropriate and consistent with applicable law and recommends adoption of the Resolution Approving Coverage for the additional reasons set forth in the Resolution enclosed herewith.

G. Approve CPF Ordinances - PWCORD2021-08 thru PWCORD2021-15

Below is an explanation of each.

- PWCORD2021-08 creates the Annexation Phase V, Asphalt Overlay CPF to fund the asphalt overlay in Annexation Phase V areas.
- PWCORD2021-09 amends the Annexation Phase V Reserve to cover increased costs for the Annexation Phase V, Areas 22-23 CPF and to fund the establishment of the Asphalt Overlay CPF as well as Annexation Phase V, Areas 28 & 29 CPF.
- PWCORD2021-10 amends the Annexation Phase V, Areas 22 & 23 CPF to account for increased construction costs for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD2021-11 amends the Annexation Phase V, Areas 24 & 25 CPF to account for revised construction estimates for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD2021-12 amends the Annexation Phase V, Areas 26 & 27 CPF to account for revised construction estimates for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD2021-13 creates the Annexation Phase V, Areas 28 & 29 CPF to fund the water and sewer installations in these areas. This fund needs to be established now because engineering will be starting soon.
- PWCORD2021-14 amends the Annexation Phase V, Areas 32-34 CPF to account for revised construction estimates for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD2021-15 amends the Big Rockfish Sanitary Sewer Outfall CPF to revise the construction costs which will be financed with additional state loan proceeds. PWC previously applied for additional funding and received notification of the approval of the additional loan proceeds on March 1, 2021.

The above ordinances will be effective upon adoption.

END OF CONSENT

III. REVIEW PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET AND OPERATING BUDGET FOR FISCAL YEAR 2021-2022

Presented by: Elaina L. Ball, CEO/General Manager
Rhonda Haskins, Chief Financial Officer
Chief Operating Officers &
PWC Staff

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

A. Open Commission Requests

V. COMMISSIONER/LIAISON COMMENTS

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

A. Payment Analysis – April 2021

B. Personnel Report – April 2021

C. Position Vacancies

D. Actions by City Council during the meeting of April 26, 2021, related to PWC:

- Approved Resolution Authorizing Phase 5 Annexation Area 26 & Area 27 Preliminary Assessment and Setting the Public Hearing
- Approved Bid Recommendation – Rockfish Creek Water Reclamation Facility Screening Improvements
- Approved Recommendation for Contract Award Disparity Study for the City of Fayetteville and the PWC for the Contracting and Procurement Procedures

VII. ADJOURN

DRAFT

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY APRIL 28, 2021
8:30 AM

Present: Wade R. Fowler, Jr., Chairman
Evelyn O. Shaw, Vice Chairwoman
Darsweil L. Rogers, Secretary
Ronna Rowe Garrett, Treasurer

Others Present: Elaina L. Ball, CEO/General Manager
Mitch Colvin, Mayor, City of Fayetteville
Kathy Jensen, Mayor Pro-Tem, City of Fayetteville
Telly Whitfield, Assistant City Manager
Bill Zell, Interim Hope Mills Town Manager/Liaison
Media

Absent: Chris Davis, City Council Liaison
Michael Boose, Cumberland County Commissioner, Liaison

ADMINISTER OATH OF OFFICE:

- ❖ Mayor Mitch Colvin Administered the Oath of Office to Ronna Rowe Garrett as Commissioner of the Fayetteville Public Works Commission. Commissioner Garrett was appointed Commissioner of the Public Works Commission by the Fayetteville City Council on Monday, April 12, 2021.

REGULAR BUSINESS

Chairman Wade Fowler called the meeting of Wednesday, April 28, 2021, to order.

APPROVAL OF AGENDA

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

Election of Officers for Fiscal Year 2020-2021

Commissioner Darsweil Rogers submitted the following slate of Officers for FY2020-2021

- ❖ Vice Chairwoman – Evelyn O. Shaw
- ❖ Treasurer – Ronna Rowe Garrett

The motion was seconded by Commissioner Shaw and unanimously approved.

CONSENT ITEMS

A. Approve Minutes of meeting of April 14, 2021

- B. Approve bid recommendation to award contract for Buckhead Creek Sewer Relocation NCDOT Project U-4405C to T.A. Loving Company, Goldsboro, NC, the lowest responsive, responsible bidder in the total amount of \$1,139,215.00 and forward to City Council for approval.

This project will construct approximately 300 feet of 16-inch diameter, 360 feet of 8-inch diameter, and 200 feet of 12-inch diameter sewer relocation/replacement, and 165 linear feet of 30-inch steel encasement by guided bore and jack, and bypass pumping with associated appurtenances.

The Buckhead Creek Sewer Relocation NCDOT Project U-4405C Project is funded from WS-103 (CPR1000268) in the amount of \$330,000.00 in FY21 and \$1,450,000.00 is budgeted in FY22.

Bids were received April 9, 2021, as follows:

<u>Bidders</u>	<u>Total Cost</u>
T. A. Loving Company, Goldsboro, NC	\$1,139,215.00
State Utility Contractors, Inc., Monroe, NC	\$2,215,530.00

COMMENTS: Notice of the bid was advertised through our normal channels on March 2, 2021, with an original bid opening date of March 30, 2021. Addendum No. 1 was issued on March 5, 2021, to provide an extension for the Mandatory Pre-Bid Meeting from March 9, 2021, to March 11, 2021. Addendum No. 2 was issued on March 16, 2021, to provide Contract Document Revisions and a list of attendees of the Mandatory Pre-Bid Meeting. Addendum No. 3 was issued on March 22, 2021 to provide Contract Document Revisions. Addendum No. 4 was issued on March 26, 2021, to provide responses and clarifications for questions received from prospective bidders and Contract Document Revisions. Addendum No. 5 was issued on March 31, 2021 to Re-Advertised the project with a new bid opening date of April 9, 2021, as the originally scheduled bid opening failed to produce three (3) bids. The bids were evaluated by Water Resources Engineering. **SDBE/Local Participation:** T. A. Loving Company is a firm based in Goldsboro, NC, that also has a local office in Fayetteville, NC. The firm pays Cumberland County taxes. T.A. Loving Company is not a SDDBE, minority or woman-owned business. They anticipate \$4,000.00 in SDDBE spend with Crowder Trucking, Fayetteville, NC, for hauling needs.

C. Adopt PWC Resolution – PWC2021.15 – Resolution Rescinding Policies

Staff recommends the Commissioners adopt the above resolution rescinding additional policies from the PWC Policy and Procedure Manual. PWC is currently undertaking a comprehensive review of the entire Policy and Procedure Manual, engaging many employees from across all divisions. Additional resolutions and information will be shared as the effort progresses.

D. Adopt PWC Resolution – PWC2021.14 – Resolution Approving Service Area Agreement and Load Banking Agreement

Staff recommends approval of the Service Area Agreement and Load Banking Agreement and referral of this matter to City Council for concurrence in accordance with Section 502 of the Bond Order for the reasons set forth in the Resolution enclosed herewith.

Comments: PWC has determined that the Service Area Agreement and Load Banking Agreement are in PWC's economic interest.

END OF CONSENT

COMMUNITY BRANDING INITIATIVE UPDATE

Presented by: Carolyn Justice-Hinson, Communications-Community Relations Officer

Ms. Justice Hinson provided a background of the current PWC brand. She also updated the Commission on the community-wide branding initiative, which has the following common wording, a common color palette, as well as common elements.



Ms. Justice-Hinson provided the Commission with the Partner Logos, highlighting their variations, and common elements.

She stated the next steps are:

- Review options for the PWC Logo using brand elements
- Review options for using Can Do pillars in PWC messaging
- Identify PWC examples that tell the community Can Do story, such as:
 - ❖ Emergency/Storm Response
 - ❖ Community Support
 - ❖ RP3- Highest Reliability Designation
 - ❖ Partnership for Safe Drinking Water/Director's Award

Additional discussion ensued.

GENERAL MANAGER REPORT

Solar Sunday

Elaina Ball, PWC General Manager stated we had a successful Solar Sunday. We are appreciative of all our subscribers/customers to our solar project for turning out. We are fully subscribed now. As we work through our strategic plan, an area we will discuss is the future expansion of community solar. She stated we will do a lot of groundwork to ensure we have a market appetite out there. We were excited to showcase the community solar project. She thanked Carolyn Justice-Hinson's team, Communications/Community Relations for all their hard work to make this project a success.

W/WW Cost of Service

Ms. Ball stated continue to work on our water and waste water cost of service. We have completed our cost of service and we are in rate design now. We are looking at allocations and benchmarking of rates. She went on to state we are also looking at fee options to support economic development. The changes are likely to be effective later in the year.

Budget

We continue to work on our Capital and O&M Budget for the upcoming year. With water, cost continues to outpace our revenues. Our revenues grow very modestly, typically less than ½ percent a year. So, we have some work to do. We intend to begin our bond issuance soon, with the goal of going to market in October.

Ms. Ball stated one of our recent bid activities, one of our more significant W/WW projects came in significantly above planned budget. It came in 43% over the plan. It is likely we may reject the bid. We have found there is a global supply shortage for manufactured pipe, and in particular PVC pipe. The global constraint is essentially tied to a lack of resin needed to manufacture the material that is ultimately extruded into the pipe. It is not just impacting North Carolina and the United States, it is a global issue. We are finding longer lead times, and project unavailability. We are learning that pipe diameter larger than 12" is not being produced. The pipe producers are focused on commercial and residential development to ensure they can help with the much needed expansion in those areas. It is likely it will cause issues with pipe availability, not only expansions, but also repairs. We expect the issue will readjust. Ms. Ball stated it always does. It does not look like manufacturing will be resolved until the resin and production issues associated with raw materials are addressed. We don't know when this will occur, but we will continue to monitor it.

She stated this could potentially result in adjustments to our plan. Not only for budget purposes, but also for projects that are part of our bond package. Ms. Ball went on to state when we issue bonds, we have to go with projects bid are hand, 70% of our planned spend with price certain bids. We are in the tough position where we are going through the bidding activity to obtain those certain bids, however they are coming in higher than planned, and we may have to slow down some projects.

Mr. Noland stated this is a supply and demand problem. He stated it is related to the unprecedented polar vortex they had in Texas, as well as somewhat related to the unprecedented active hurricane season they had in the Gulf Coast. The petroleum industry that is in that area has been impacted. He went on to state it is thought things may come back around by this fall. But in the meantime, we are not really in the position to pay premium prices to get these projects completed if we could wait and hope the bidding environment improves.

Mr. Noland also stated, one of the other concerns we had is with the Big Rockfish Creek Outfall that we have a state loan to complete. It appears we will be okay with the pipe to complete the project. We are hearing that suppliers are declaring force majeure. They are not honoring prices on materials they gave people when they were putting their bids together, and they are not putting a price on the materials until they ship, because the prices are varying so wildly from day to day, and certainly from week to week. He stated we are also keeping an eye on our supplies and coordinating with the Warehouse.

Ms. Ball stated we believe all the utilities in North Carolina that provide water and wastewater services are going to be in this situation, and the notion you want bid certainty on 70% of the projects, she believes the spirit of that for the LGC is to ensure you are helping to manage costs for customers. We in this tough spot that we can get bid certainty, but we do not believe the bids are in the best interest of our customers. We will hold a call with the LGC later today. We are probably one of the first utilities with this supply chain issue that are going to market. What it may mean is an adjustment to plan and even with the prepared budget we have, adjusting throughout the year. Additional discussion ensued.

Commissioner Rogers asked about our expectations when we speak to the LGC regarding our bond offering. Ms. Ball explained we are seeking to let the LGC know we are making good faith estimates. Discussion ensued.

Commission and staff also discussed the issue of force majeure regarding the suppliers.

Recent Media Coverage

Ms. Ball stated the N&O published stories about a company, Bernhard Capital, and a proposed concession deal with PWC, and several other utilities in NC. There have been discussions that have begun publicly. Ms. Ball learned Friday that Bernhard representatives were guests on a radio show in the morning. And they were sharing their overview of how such a deal would benefit Fayetteville.

PWC is currently under an NDA with Bernhard. It has afforded both parties the ability to provide each other with information to fully evaluate such a major decision. But unfortunately, it does not allow PWC to openly discuss with our community and stakeholders the details of the potential offer.

Ms. Ball stated she was happy to hear from Bernhard in their radio interview they were committed to having open and transparent communications around the proposed offer. We have been getting a lot of questions, about what is private equity. She stated private equity is an alternative asset class in the financing world. In the utility space private equity has been active in buying distressed utility assets as an alternative to allow for investment in systems that can't raise capital for investment on their own, due to deteriorating financials.

She reminded the Commission of our water system and how our water system revenues are growing modestly. In a smaller system or distressed system, that can result in insolvency. In those types of situations private equity is a great alternative to help those organizations.

Ms. Ball stated she has been reading several publications, and there have been several publications by consumer advocacy groups that have been monitoring bills and rates between public and private water systems. They have found differences as much as 44-59% in rates. The financial health of those systems is being helped by private equity underpin the differences, but also the expected rate of return for private equity are also in play. Investors accept higher risk in exchange for a higher rate of return.

She stated she also wanted to state it is noteworthy, both PWC and the City of Fayetteville have strong bond ratings and we have great access to credit. PWC remains open to all ideas and alternatives, but we ask the fundamental financial principles and expected costs be involved in driving decisions including the one that is being discussed in the media. The financial implications for the community and customers of PWC, both within the City and outside the City can last for decades. PWC is very open to any and all alternatives on how we can best service our customers in this region.

After Bernhard recently began discussing publicly commercial matters that Bernhard had previously prohibited PWC from disclosing, PWC formally noticed the company to be relieved of our restrictions under the NDA, and to be able to share fully the information in the proposed transaction. The basis of our request is very simple, disclosing only part of the proposal by only one party results in an incomplete picture of long term costs, benefits, and risks of such a substantial transaction.

We are heartened that on the air the representative of Bernhard indicated their support of full transparency. We look for the full release of the information that underpins the concession offer. This release is the only way to have a full transparent conversation with our community about the full concept of the concession offer and the impact it will have on essential electric and water services of the customers of PWC.

Strategic Priorities

Ms. Ball stated in one of our last commission meetings we worked through an exercise to help prioritize our seven strategic categories. Ms. Ball explained the chart below. She stated in the last column are the Proposed

Weights we have for the Commission's consideration. Ms. Ball stated we have attempted to merge the input of the executive team and the Commission. And for ease of communicating to employees we have rounded to '5'. Discussion ensued.

PWC Priorities	Exec Team Relative Weights	Commission Relative Weights	Proposed Weights
Community Engagement	6%	6%	5%
Economic Development	5%	5%	5%
Customer Satisfaction	14%	13%	15%
Operational Excellence	30%	22%	25%
Conservation	3%	8%	5%
Financial Health	23%	28%	25%
Engaged Employees	19%	18%	20%
	1.00	1.00	1.00

Commissioner Garrett discussed the values that have been assigned to the Proposed Weights. She noted the values were higher on Customer Satisfaction and Engaged Employees in the Proposed Weights than either team gave. Discussion ensued.

Commissioner Rogers discussed the need for the leadership to be in the community, to be customer focused and to think differently than in the past. He stated the priorities somewhat communicate the desire of the Commission, but the fact that he is articulating it is a further emphasis they are changing the direction the organization is going. Additional discussion ensued.

Commissioner Fowler stated he is satisfied with the Proposed Weights. He stated this is a good balance. The idea is there, we know we must operate with excellence, and it is part of driving our financial health. The other goals are important too.

Ms. Ball stated we are continuing to build out the strategic plan and the succession plan. All our high potential employees who have been identified in the succession plan with this group a couple years ago, have all completed the TTI measurement tool and received their results. Also, each of the high potential employees who have been identified in the succession plan are being mentored by an Officer. Ms. Ball thanked the Officers for mentoring one or more of the high potential employees.

Upcoming Topics and Actions

May 12 th	Present FY22 Budget
	Request Commission to Set the Public Hearing for the FY22 Budget
May 26 th	Conduct Public Hearing for FY22 Budget

	Present the Budget Ordinance
	Set Public Hearing for W/WW Rates
June 9 th	Present FY22 Budget for Adoption
	W/WW Public Hearing
	W/WW Rates Presentation
June 16 th	Approve W/WW Rates/Fees (effective August 1 st or as the Commission desires)
June 23 rd	Plan to Cancel due to APPA

COMMISSIONER/LIAISON COMMENTS

None

REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Monthly Cash Flow Report – March 2021
- B. Payment Analysis – March 2021
- C. Recap of Uncollectible Accounts – March 2021
- D. Investment Report – March 2021
- E. Purchase Orders – March 2021
- F. Position Vacancies
- G. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. # 19168 – install PVC and RJDIP water man on SR3569 (Old Raeford Rd.)
- H. Financial Statement Recaps
 - Electric – March 2021
 - Water/Wastewater – March 2021
- I. Actions by City Council during the meeting of April 12, 2021 related to PWC:
 - Approved Bid Recommendation – BWGP Battery Energy Storage System (BESS)
 - Approved Bid Recommendation – Freedom Town Center Sewer Main Repl.
 - Approved Assessment Appeal for 2002 Strickland Bridge Rd (PIN 9496-70-5769)

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

Commissioner Rogers motioned to go into Closed Session pursuant to North Carolina General Statutes 143-318.11(a)(3) for Legal Matters. Motion was seconded by Commissioner Shaw and unanimously approved at 9:11 am.

There being no further discussion, the Commission returned to open session at 10:11 am.

ADJOURNMENT

There being no further business, upon motion by Commissioner Rogers, seconded by Commissioner Shaw, and unanimously approved, the meeting was adjourned at 10:11 a.m.

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May 12, 2021

MEMO TO: Elaina L. Ball, CEO/General Manager

MEMO FROM: Rhonda Haskins, CPA, Chief Financial Officer

SUBJECT: Audit Contract Approval

Attached is the audit contract and supporting arrangement letter for Commission approval at the May 12th meeting. The Finance Division Fiscal Management Section of the NC Department of State Treasurer and Local Government requires the Governing Board of each Local Government Unit to approve the audit contract as defined in NCGS 159-34 prior to approval by the LGC. The auditor may not engage in audit services before approval by the LGC.

Staff recommends that the Commission approve the attached audit contract and supporting arrangement letter.

The	Governing Board
of	Board of Commissioners
	Primary Government Unit (or charter holder)
	Fayetteville Public Works Commission
and	Discretely Presented Component Unit (DPCU) (if applicable)

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name
	PBMares, LLP
	Auditor Address
	3621 John Platt Drive, Morehead City, NC 28557

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Audit Report Due Date
	06/30/21	10/31/21

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.
- If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.)(G.S. 159-34 and 115C-447) All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 28 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to charter schools or hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern.

30. Applicable to charter school contracts only: No indebtedness of any kind incurred or created by the charter school shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the charter school shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

31. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 16 for clarification).

32. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

33. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

34. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by: ☐ Auditor ☒ Governmental Unit ☐ Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:

Title and Unit / Company:

Email Address:

Rhonda Graham

Controller

rhonda.graham@faypwc.com

OR Not Applicable ☐ (Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the billings for the last annual audit of the unit submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

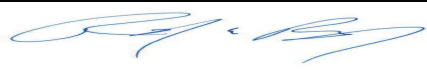
PRIMARY GOVERNMENT FEES

Primary Government Unit	Fayetteville Public Works Commission
Audit Fee	\$ 41,800.00
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$ 31,350.00

DPCU FEES (if applicable)

Discretely Presented Component Unit	
Audit Fee	\$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$

SIGNATURE PAGE**AUDIT FIRM**

Audit Firm* PBMares, LLP	
Authorized Firm Representative (typed or printed)* Robert E. Bittner III	Signature* 
Date* 05/04/21	Email Address* rebittner@pbmares.com

GOVERNMENTAL UNIT

Governmental Unit* Fayetteville Public Works Commission	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)* Wade R. Fowler Jr., Chairman	Signature*
Date	Email Address

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* (typed or printed) Rhonda Haskins, CFO	Signature*
Date of Pre-Audit Certificate*	Email Address* rhonda.haskins@faypwc.com

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
 Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all
 required signatures prior to submission.

PRINT



May 4, 2021

Board of Commissioners
Fayetteville Public Works Commission
Fayetteville, North Carolina

Attention: Wade R. Fowler Jr., Chair, Elaina Ball, Chief Executive Officer, and Rhonda Haskins, CPA, Chief Financial Officer

The Objective and Scope of the Audit of the Financial Statements

You have requested that we audit Fayetteville Public Works Commission's (the Commission) business-type activities, each major fund, and the aggregate remaining fund information as of and for the year ending June 30, 2021, which collectively comprise the basic financial statements. In addition, the combining and individual fund financial statements and schedules of budgetary comparison information, and other financial data listed as supplementary information presented in relation to the financial statements taken as a whole will be subjected to the auditing procedures applied in our audit of the basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States (GAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of waste or abuse is subjective; therefore, GAS does not expect us to provide reasonable assurance of detecting waste or abuse.

In making our risk assessments, we consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the Board of Commissioners (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

The funds that you have told us are maintained by the Commission and that are to be included as part of our audit are listed here:

- Enterprise Funds
- Capital Project Funds

You have informed us that the Commission is a component unit of the City of Fayetteville.

Our report on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards identified above. Our report on compliance matters will address material errors, fraud, waste or abuse, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards identified above.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledges and understands that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

4. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
5. For report distribution; and
6. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the Commission from whom we determine it necessary to obtain audit evidence.
 - d. When applicable, a summary schedule of prior audit findings; and
 - e. If applicable, responses to any findings reported on the schedule of findings and responses.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit including, among other items, that:

1. Management has fulfilled its responsibilities as set out in the terms of this letter; and
2. It believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for identifying and ensuring that the Commission complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud, waste or abuse, and for informing us about all known or suspected fraud, waste or abuse affecting the Commission involving management, employees who have significant roles in internal control, and others where the fraud, waste or abuse could have a material effect on the financial statements or compliance. Management is also responsible for informing us of its knowledge of any allegations of fraud, waste or abuse, or suspected fraud, waste or abuse, affecting the Commission received in communications from employees, former employees, analysts, regulators or others.

Management is responsible for the preparation of the supplementary information in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditor's report on the supplementary information in any document that contains the supplementary information and indicates that the auditor has reported on such supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

The Board of Commissioners is responsible for informing us of its views about the risks of fraud, waste or abuse within the Commission, and its knowledge of any fraud, waste or abuse or suspected fraud, waste or abuse affecting the Commission.

The Commission agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the Commission agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering. Our association with an official statement is a matter for which separate arrangements may be necessary. The Commission agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when the Commission seeks such consent, we will be under no obligation to grant such consent or approval.

Records and Assistance

If circumstances arise relating to the condition of the Commission's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in the Commission's books and records. The Commission will determine that all such data, if necessary, will be so reflected. Accordingly, the Commission will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by Commission personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Rhonda Graham, Controller. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Nonaudit Services

GAS independence standards require that the auditor maintain independence so that opinions, findings, conclusions, judgments and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a non-audit service to the Commission, we determine whether providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other non-audit services provided. A critical component of our determination is consideration of management's ability to effectively oversee the non-audit services to be performed. The Commission has agreed that Rhonda Graham, Controller, possesses suitable skill, knowledge or experience and that the individual understands the non-audit services to be performed sufficiently to oversee them. Accordingly, the management of the Commission agrees to the following:

1. The Commission has designated Rhonda Graham, Controller, as a senior member of management who possesses suitable skill, knowledge and experience to oversee the services;
2. Rhonda Graham, Controller, will assume all management responsibilities for subject matter and scope of the non-audit services;

3. The Commission will evaluate the adequacy and results of the services performed; and
4. The Commission accepts responsibility for the results and ultimate use of the services.

GAS further requires that we establish an understanding with the Commission's management and those charged with governance of the objectives of the non-audit services, the services to be performed, the Commission's acceptance of its responsibilities, the auditor's responsibilities and any limitations of the non-audit services. We believe this letter documents that understanding.

Other Relevant Information

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

In accordance with GAS, a copy of our most recent peer review report is attached.

If any term or provision of this arrangement letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

Parties' Understandings Concerning Situation Around COVID-19

PBMares, LLP and the Commission acknowledge that, at the time of the execution of this arrangement letter, federal, state and local governments, both domestic and foreign, have restricted travel and/or the movement of their citizens due to the ongoing and evolving situation around COVID-19. In addition, like many organizations and companies in the United States and around the globe, PBMares, LLP may restrict its employees from travel and onsite work, whether at a client facility or PBMares, LLP facility, to protect the health of both PBMares, LLP's and its clients' employees. Accordingly, to the extent that any of the services described in this arrangement letter requires or relies on PBMares, LLP or Commission personnel to travel and/or perform work onsite, either at the Commission's or PBMares, LLP's facilities, including, but not limited to, maintaining business operations and/or IT infrastructure, PBMares, LLP and the Commission acknowledge and agree that the performance of such work may be delayed, significantly or indefinitely, and thus certain services described herein may need to be rescheduled and/or suspended at either PBMares, LLP's or the Commission's sole discretion. PBMares, LLP and the Commission agree to provide the other with prompt written notice (email will be sufficient) in the event any of the services described herein will need to be rescheduled and/or suspended. PBMares, LLP and the Commission also acknowledge and agree that any delays or workarounds due to the situation surrounding COVID-19 may increase the cost of the services described herein. PBMares, LLP will obtain the Commission's prior written approval (email will be sufficient) for any increase in the cost of PBMares, LLP services that may result from the situation surrounding COVID-19.

Fees, Costs, and Access to Workpapers

Our fees for the audit services described above are not expected to exceed \$41,800. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from Commission personnel;
2. Timely responses to our inquiries;
3. Timely completion and delivery of client assistance requests and standard PBC (prepared by client work papers);
4. Timely communication of all significant accounting and financial reporting matters; and
5. The assumption that unexpected circumstances will not be encountered during the engagement.

If any of the aforementioned criteria are not met, then fees may increase. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission. Amounts not paid within thirty days from the invoice date(s) will be subject to a late payment charge of 1.5% per month (18% per year).

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, the Commission agrees it will compensate PBMares, LLP for any additional costs incurred as a result of the Commission's employment of a partner or professional employee of PBMares, LLP.

The audit documentation for this engagement is the property of PBMares, LLP and constitutes confidential information.

Review of audit documentation by a successor auditor or as part of due diligence will be agreed to, accounted for and billed separately.

In the event we are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Commission, we will give written notice to the Commission prior to doing so and as expeditiously as possible. If the costs of such production or service as witnesses are excessive or unreasonable, we reserve the right to apply to the Commission for reimbursement after giving the Commission prior written notice of such activities and costs, and the Commission agrees to evaluate any such reimbursement applications in good faith; provided, however, PBMares, LLP acknowledges that the Commission is a public authority subject to Chapter 159 of the North Carolina General Statutes, and therefore any reimbursement shall be dependent upon the Commission appropriating funds therefore at its discretion. In the event we are requested by the Commission to produce our documents or our personnel as expert witnesses with respect to our engagements for the Commission, the Commission will negotiate in good faith the terms of our reimbursement arrangements.

The documentation for this engagement is the property of PBMares, LLP. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit documentation upon their request and that we shall maintain the audit documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested documentation will be provided under the supervision of PBMares, LLP audit personnel and at a location designated by our firm.

You have informed us you intend to prepare a comprehensive annual financial report and submit it for evaluation by the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting. Our association with the comprehensive annual financial report is to consist of assisting with replying to the GFOA comments and ensuring the comments have been addressed with the current year comprehensive annual financial report.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this arrangement letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you or PBMares, LLP terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this arrangement letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this arrangement letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at our sole discretion, terminate this arrangement letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will require additional procedures not contemplated in this arrangement letter. Accordingly, the scope, timing and fee arrangement discussed in this arrangement letter will no longer apply. In order for us to recommence work, the execution of a new arrangement letter will be required.

We may terminate this arrangement letter upon written notice if we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards.

Other Terms

While there is an attorney-client privilege, there is no accountant-client privilege. Accordingly, any information that you provide to us is subject to discovery. Unless prohibited by law, we will notify you if we receive any subpoena, or other third-party request for our information and/or records concerning you. If you direct us to disclose the requested information, we will comply with the subpoena and, in the case of a third-party request, we will need you to sign a form authorizing the disclosure. If you do not direct us to disclose the requested information, we will engage counsel to protect your interest in non-disclosure. In either event, we will bill you for all of our costs associated with complying with your directions. Our bill will include, in addition to our then standard fees and charges and, by way of illustration only, our attorney's fees, court costs, outside advisor's costs, penalties, and fines imposed because of our non-disclosure.

We reserve the right to withdraw from this engagement without completing our services for any reason, including, but not limited to, your failure to comply with the terms of this arrangement letter, or as we determine professional standards require.

If any portion of this arrangement letter is deemed invalid or unenforceable, such a finding shall not invalidate the remainder of the terms set forth in this arrangement letter.

Dispute Resolution

If any dispute other than fees arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties. You and we consent to personal jurisdiction, both for mediation and/or litigation, of the Federal District Court, Eastern District of North Carolina, sitting in New Bern, North Carolina, or the Carteret County Superior Court. Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute. The mediation shall be confidential in all respects, as allowed or required by law, except our final settlement positions at mediation shall be admissible in litigation solely to determine the prevailing party's identity for purposes of the award of attorneys' fees.

The parties hereto both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. The arbitration shall take place in Morehead City, North Carolina. Any award rendered by the Arbitrator pursuant to this Agreement may be filed and entered and shall be enforceable in the Superior Court of the County in which the arbitration proceeds. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by the accountant, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury, and instead we are accepting the use of arbitration for resolution.

Information Security – Miscellaneous Terms

PBMares, LLP is committed to the safe and confidential treatment of the Commission's proprietary information. PBMares, LLP is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein. The Commission agrees that it will not provide PBMares, LLP with any unencrypted electronic confidential or proprietary information, and the parties agree to utilize commercially reasonable measures to maintain the confidentiality of Commission information, including the use of collaborate sites to ensure the safe transfer of data between the parties.

Reporting

We will issue a written report upon completion of our audit of the Commission's financial statements. Our report will be addressed to the Board of Commissioners of the Fayetteville Public Works Commission. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In addition to our report on the Commission's financial statements, we will also issue the following types of reports:

1. Report on internal control related to the financial statements. This report will describe the scope of testing of internal control and the results of our tests of internal control;
2. Report 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
3. An accompanying schedule of findings and responses.

Management acknowledges its responsibility for the timely and accurate completion of the Data Collection Form with the Federal Audit Clearinghouse.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this agreement or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities, or (iv) a digital signature.

This agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

This letter constitutes the complete and exclusive statement of agreement between PBMares, LLP and the Commission, superseding all proposals, oral or written, and all other communications with respect to the terms of the engagement between the parties.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Sincerely,

PBMares, LLP

A handwritten signature in blue ink, appearing to read "Rob. Bittner III".

Robert E. Bittner III, CPA, MBA
Partner

Confirmed on behalf of the Fayetteville Public Works Commission:

Wade R. Fowler Jr., Chair

Date

Elaina Ball, Chief Executive Officer

Date

Rhonda Haskins, CPA, Chief Financial Officer

Date

Report on the Firm's System of Quality Control

To the Shareholders of
PBMares, LLP
And the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of PBMares, LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended February 29, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality and complying with it to provide the firm reasonable assurance of performing and reporting in conformity with applicable professional standards in all material aspects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards when appropriate, and for remediating weakness in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act; audits of employee benefit plans, an audit of a broker-dealer, and an examination of service organizations [SOC 1 engagement].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of PBMares, LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended February 29, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. PBMares, LLP has received a peer review rating of *pass*.


KraftCPAs PLLC
January 15, 2021

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
ELAINA L. BALL, 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 5, 2021

MEMO TO: Elaina L. Ball, CEO/General Manager

FROM: Paula Shambach, Corporate Development Manager

SUBJECT: Recommendation to Adopt Resolution Rescinding Policies

Staff recommends that the Commissioners adopt a resolution rescinding additional policies from the PWC Policy and Procedure Manual. PWC is currently undertaking a comprehensive review of the entire Policy and Procedure Manual, engaging many employees from across all divisions. Additional resolutions and information will be shared as the effort progresses.

Thank you.

ps

RESOLUTION RESCINDING POLICIES

WHEREAS, the Fayetteville Public Works Commission (PWC) has encouraged its staff to streamline and update the existing Policy and Procedure Manual and related documents in order to ensure that employees have access to information that is appropriately structured, up-to-date, and easy to read and understand; and

WHEREAS, the Commissioners support the comprehensive review process that is currently underway and accept staff's recommendations for changes to PWC's policies; and

WHEREAS, the Commissioners acknowledge receipt for informational purposes of staff determinations, as part of their comprehensive review process, to rescind certain published procedures specified in Exhibit A attached hereto that were not developed on the basis of Commission policy statements.

THEREFORE, LET IT BE RESOLVED BY THE COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION THAT:

1. The following Policies, as more completely set forth in Exhibit A attached hereto, are hereby rescinded effective July 1, 2021:

- a) Internal Auditing Operating Procedure
- b) Execution of Standard Agreements/Encroachments by the CEO/General Manager
- c) Communications
- d) Communication Protocols with the City of Fayetteville
- e) Weapons
- f) Disciplinary Action
- g) Holidays
- h) Incident Review
- i) Light Duty (Return to Work) Program
- j) Longevity
- k) Protective Footwear
- l) Grants Management
- m) Vendor Visitation/Release of Bid Information
- n) Construction Contracts (Formal)
- o) Purchase Contracts (Formal)
- p) Facilities Investment Fee Procedure
- q) NC Renewable Energy Programs
- r) Economic Development Incentive Plan
- s) SafeWatch
- t) General & Administrative Facilities Security
- u) Flags Flown At Half-Staff
- v) Fleet Maintenance and Operations

- w) Monitoring PWC Vehicle Assets
- x) PWC Vehicle & Equipment Idle Reduction
- y) Inventory Stock Item Verification
- z) Adding, Modifying and/or Deleting Inventory Items
- aa) Smoke-Free Environment
- bb) Telecommuting
- cc) Inclement Weather
- dd) Severance Pay
- ee) Policy/Procedure Name
- ff) Respirator Program
- gg) Rubber Insulating Gloves & Sleeves
- hh) Powered Industrial Trucks (Forklifts)
- ii) Overhead Crane and Hoist
- jj) Identifying and Handling Suspicious Mail and Packages
- kk) Hazardous Materials Spill/Release Reporting
- ll) Legal Services Procedure
- mm) Hazard Communications and the Globally Harmonized System
- nn) Safety Incentive Awards Program
- oo) Driver's License Qualification
- pp) Office Furniture/Large Electronic Equipment/Appliances
- qq) Purchase Order
- rr) Purchases on a Trial Basis
- ss) Purchase Requisitions
- tt) Blanket Purchase Orders
- uu) Unauthorized Purchases
- vv) Chemical Purchases
- ww) Contracting for Professional Services

ADOPTED this 12th day of May, 2021.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Wade R. Fowler, Jr., Chairman

ATTEST:

Darsweil Rogers, Secretary

**Policy and Procedure Manual (PPM) Recommendations
for Commission Review/Approval
May 12, 2021**

Purple Shading indicates Policy Statement previously approved by Commission.

Policy/Procedure Name	ID#	Recommendation	Notes/Major Changes
Internal Auditing Operating Procedure	3.A.4	Remove	Content will be added to Finance Manual ¹
Execution of Standard Agreements/Encroachments by the CEO/General Manager	1.A.4	Remove	Authority delegated to CEO/GM through resolution # 2016.08; no procedure needed
Communications	1.B.1	Remove	Content will be added to Employee Handbook
Communication Protocols with the City of Fayetteville	1.B.2	Remove	Content will be added to Employee Handbook and CCR SOP
Weapons	2.C.10	Remove	Content will be added to HR Manual ² and Employee Handbook
Disciplinary Action	2.C.18	Remove	Content will be added to HR Manual and Employee Handbook
Holidays	2.E.1	Remove	Content will be added to Employee Handbook. Personal Holiday will be allowed at any time during fiscal year.
Incident Review	2.G.4	Remove	Content will be added to Safety documentation
Light Duty (Return to Work) Program	2.G.5	Remove	Content will be added to Safety documentation
Longevity	2.E.8	Remove	Content will be added to HR Manual
Protective Footwear	2.G.2	Remove	Content will be added to Safety documentation
Grants Management	3.A.12	Remove	Content will be added to Corporate Development SOP

Policy/Procedure Name	ID#	Recommendation	Notes/Major Changes
Vendor Visitation/Release of Bid Information	3.D.2	Remove	Content will be added to Finance Manual
Construction Contracts (Formal)	3.D.3	Remove	Content will be added to Finance Manual
Purchase Contracts (Formal)	3.D.5	Remove	Content will be added to Finance Manual
Facilities Investment Fee Procedure	5.A.1	Remove	Content will be added to Rates Manual
NC Renewable Energy Programs	5.A.11	Remove	Content will be added to Rates Manual
Economic Development Incentive Plan	5.A.2	Remove	Content will be added to Rates Manual
SafeWatch	1.B.4	Remove	Content will be added to Employee Handbook
General & Administrative Facilities Security	4.A.1	Remove	Content will be added to Facilities documentation
Flags Flown At Half-Staff	4.A.3	Remove	Content will be added to Facilities documentation
Fleet Maintenance and Operations	4.B.1	Remove	Content will be added to Fleet documentation
Monitoring PWC Vehicle Assets	4.B.2	Remove	Content will be added to Fleet documentation
PWC Vehicle & Equipment Idle Reduction	4.B.4	Remove	Content will be added to Fleet documentation
Inventory Stock Item Verification	4.C.2	Remove	Content will be added to Finance Manual
Adding, Modifying and/or Deleting Inventory Items	4.C.3	Remove	This function is managed through the Materials Review Committee; Reference in Finance Manual
Smoke-Free Environment	2.C.11	Remove	Content will be added to Employee Handbook
Telecommuting	2.C.20	Remove	Content will be added to Employee Handbook/ HR Manual
Inclement Weather	2.C.7	Remove	Content will be added to Employee Handbook/ HR Manual
Severance Pay	2.F.2	Remove	Content will be added to HR Manual

Policy/Procedure Name	ID#	Recommendation	Notes/Major Changes
Respirator Program	2.G.6	Remove	Content will be added to Safety documentation
Rubber Insulating Gloves & Sleeves	2.G.7	Remove	Content will be added to Safety documentation
Powered Industrial Trucks (Forklifts)	2.G.8	Remove	Content will be added to Safety documentation
Overhead Crane and Hoist	2.G.9	Remove	Content will be added to Safety documentation
Identifying and Handling Suspicious Mail and Packages	2.H.1	Remove	Content will be added to Safety documentation
Hazardous Materials Spill/Release Reporting	2.H.2	Remove	Content will be added to Safety documentation
Legal Services Procedure	2.H.3	Remove	This is a function of General Counsel; no procedure needed
Hazard Communications and the Globally Harmonized System	2.H.4	Remove	Content will be added to Safety documentation
Safety Incentive Awards Program	2.G.1	Remove	Content will be added to Safety documentation
Driver's License Qualification	2.G.3	Remove	Content will be added to Safety documentation
Office Furniture /Large Electronic Equipment/Appliances	3.C.8	Remove	Content will be added to Finance Manual
Purchase Order	3.C.1	Remove	Content will be added to Finance Manual
Purchases on a Trial Basis	3.C.10	Remove	Content will be added to Finance Manual
Purchase Requisitions	3.C.2	Remove	Content will be added to Finance Manual
Blanket Purchase Orders	3.C.3	Remove	Content will be added to Finance Manual
Unauthorized Purchases	3.C.7	Remove	Content will be added to Employee Handbook and Finance Manual.
Chemical Purchases	3.C.9	Remove	Content will be added to Employee Handbook and Finance Manual.
Contracting for Professional Services	3.D.1	Remove	Content will be added to Finance Manual.

¹Finance Manual will be a new document to capture guidelines and procedures

²HR Manual will be a new document to capture guidelines and procedures

PROCEDURE:

INTERNAL AUDITING OPERATING PROCEDURE

SECTION NUMBER:

3.A.4

P3.A.4

INTERNAL AUDITING OPERATING POLICY

The Fayetteville Public Works Commission (PWC) shall maintain an internal auditing (IA) function that is an independent, objective assurance and consulting activity designed to add value and improve the organization's operations.

I. PURPOSE

The purpose of the procedure is to inform management of the IA function and its operations. Management, external auditors, government/regulatory agencies, and utility customers all rely on performance consistent with the reasonable assurance guidelines. The IA function accomplishes its objectives by bringing a disciplined approach to evaluating and improving the effectiveness of risk, control, and governance processes.

II. APPLICABILITY

This procedure applies to all PWC personnel. IA is a staff advisory function and, therefore, does not exercise authority over other persons in the organization or establish and implement policies and procedures.

III. RESPONSIBILITY**A. Responsibility of IA**

1. Prior to the start of each planned audit, the Division Officer(s) or appropriate department head(s) will be advised by memo concerning the tentative time schedule and general scope of the audit.
2. IA staff will conduct pre-audit meetings with affected staff to inform them of audit plans and to obtain feedback when applicable. Refer to Section V, Item C for details. Other meetings will be held as needed.
3. IA staff will perform audit activities in a manner that provides reasonable assurance that audit work complies with effectiveness and efficiency procedures designed to control audit work.

☐ ORIGINAL ☒ REVISION No. 2APPROVED: JUNE 2, 2017APPROVED BY: D. W. Trip GENERAL MANAGER

PROCEDURE: INTERNAL AUDITING OPERATING PROCEDURE	SECTION NUMBER: 3.A.4
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4. IA staff will conduct an exit meeting, or correspond through e-mail with appropriate management and staff to inform them of findings and recommendations. The objective is to obtain consensus on all findings and recommendations. Any unresolved items will be reported to the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in the final report.

B. Responsibility of the Auditee

1. The department manager(s) is/are to inform all affected personnel of the audit and the tentative audit schedule, as well as, inform IA of the affected personnel schedules
2. All personnel involved are to cooperate fully with IA staff by providing requested information as agreed to during pre-audit communications.
3. Managers are responsible for providing their responses to the findings and recommendations, in writing, during or shortly after the exit meeting, or the agreed upon deadline.
4. The Division Officer is responsible for reviewing the final audit report and distributing the report to those involved in the audit to ensure they are aware of the outcome.
5. The Division Officer is responsible for the timely implementation of recommendations reported.
6. The Division Officer is responsible for ensuring the appropriate internal controls are established, implemented, and maintained.

IV. DEFINITIONS

- A. **Standard** – “The criteria by which the operations of an internal audit department are evaluated and measured.” (Defined by the Institute of Internal Auditors [IIA])
- B. **Proficiency** – “Internal auditor should possess the knowledge, skills, and competencies needed to perform their individual responsibilities. The internal audit activity collectively should possess or obtain the knowledge, skills, and competencies needed to perform its responsibilities” (Standard

PROCEDURE: INTERNAL AUDITING OPERATING PROCEDURE	SECTION NUMBER: 3.A.4
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1210 of the International Standards for the Professional Practice of Internal Auditing [ISPPIA]).

1. “The internal auditor should have sufficient knowledge to identify the indicators of fraud but is not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud” (Standard 1210.A2 of the ISPPIA).

C. Due Professional Care – “Internal auditor should apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility” (Standard 1220 of the ISPPIA).

1. “The internal auditor should exercise due professional care by considering the:
 - a. Extent of work needed to achieve the engagement objectives.
 - b. Relative complexity, materiality, or significance of matters to which assurance procedures are applied.
 - c. Adequacy and effectiveness of risk management, control, and governance processes.
 - d. Probability of significant errors, irregularities, or noncompliance.
 - e. Cost of assurance in relation to potential benefits” (Standard 1220.A1 of the ISPPIA).
2. “The internal auditor should be alert to the significant risks that might affect objectives, operations, or resources; however, assurance procedures alone, even when performed with due professional care, do not guarantee that all significant risks will be identified” (Standard 1220.A3 of the ISPPIA).

D. Continuing Professional Development – “Internal auditors should enhance their knowledge, skills, and other competencies through continuing professional development.” (Standard 1230 of the ISPPIA)

V. SOUND IA PRACTICES

PROCEDURE:

INTERNAL AUDITING OPERATING PROCEDURE

SECTION NUMBER:

3.A.4

The activity of IA is primarily one of information gathering, review, analysis, evaluation, appraisal, and testing for the degree of compliance with and the adequacy of managerial systems and controls put in place to mitigate risks that exist in achieving organizational objectives. The IA activity is free to review and appraise policies, plans, procedures, and other internal controls in any area of the organization, and to report audit observations and recommendations for improvement to the appropriate managerial staff. This review and appraisal in no way relieves other persons in the organization of responsibilities assigned to them.

A. Audit Objective

The objective of IA is to assist management in the effective discharge of their responsibilities by furnishing them with reports setting forth independent and objective analyses, appraisals, recommendations, and pertinent comments concerning the activities audited. IA shall, therefore, be concerned with any phase of business activity in which it can be of service to management.

In the course of audit examinations, IA shall:

1. Review and appraise the adequacy, soundness, and application of accounting, financial, management reporting, and other operating controls and make recommendations for improved practices and techniques where appropriate.
2. Evaluate policies and procedures for accuracy, completeness, effectiveness, and make recommendations for revision where changes in operating conditions have made them cumbersome, redundant, obsolete, or inadequate.
3. Determine the reliability, effectiveness, and efficiency of procedures designed to ensure the organization is compliant with applicable laws and regulations.
4. Determine whether appropriate procedures exist within operations for self-assessment and continuous improvements.

In carrying out these objectives, the IA's work should be performed with proficiency and due professional care as defined by the IIA. All activities of the department shall be carefully planned by the internal auditor to ensure consistency with the procedures and with the goals of the PWC.

B. Organization

PROCEDURE: INTERNAL AUDITING OPERATING PROCEDURE	SECTION NUMBER: 3.A.4
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The internal auditor reports functionally and administratively to the CFO.

C. Relations with Management

It is the responsibility of IA to conduct internal audits in a constructive manner. Whenever possible, the assistance of division personnel will be solicited in the planning and performance of the assignment and the development of recommendations. A spirit of collaborative teamwork between the auditor and those audited will be adhered to. This attitude shall not alter the fact that IA personnel have access to records, reports, properties, and any other sources of information needed in the performance of an audit with approval of the CFO or CEO. When necessary, special arrangements will be made for the examination of confidential or classified information.

D. Surprise (Unplanned) Audits

Occasionally, IA will perform surprise (unplanned) audits. IA is not required to give the auditee notice prior to the audit.

E. Special Assignments

From time to time, members of the IA staff may, upon request, be assigned to work directly for other organizational divisions and departments on special projects that are in no way connected with IA's program. This may be done to provide needed expertise to the other area or to gain experience for the internal auditor. During such assignments, the auditor will report to the requesting Division Officer concerning work assignment; however, in other administrative matters, the auditor will look to the CFO for direction.

After completion of the special assignment, the internal auditor will be ineligible to take part in any audit in the area of the assignment for a period of two years in order to prevent any actual or perceived impedance of objectivity.

F. Review, Acknowledgement and Response to IA Reports

It is the objective of IA to reach agreement with affected personnel concerning the correctness of the facts surrounding the audit findings prior to distribution of the final report. Where appropriate, action items should be ascertained and included in the report. The individual responsible for the improvement action and the key milestone dates for completion should

PROCEDURE: INTERNAL AUDITING OPERATING PROCEDURE	SECTION NUMBER: 3.A.4
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also be included. Wherever possible, IA staff should work with the auditee(s) to seek the best improvement solution.

To assure that agreement is reached as to statements of facts, the audit results to be included in the report are reviewed with the division head or their designee who is later furnished a draft copy of the audit report for review prior to distribution. If the audit includes a department under the CFO, the draft copy will also be shared with the CEO.

After the CFO's review and approval, final distribution of the report is made. Copies of the final report are issued to the CEO and appropriate Division Officers.

The internal auditor will work with division management and officers as appropriate to resolve any inadequate response.

G. Follow-Up on Matters Reported by IA

A follow-up audit may be conducted by IA staff approximately six (6) months after the final audit report has been issued.

When deemed appropriate the CFO will approve the internal auditor's recommendations for closure.

VI. PROCEDURES

A. Prepare an Annual Audit Schedule

Once a year, the internal auditor will meet with Division Officers to discuss areas of concern and potential audits. This information will be prioritized and used to establish an annual audit schedule for the IA department.

B. Submission of Audit Requests

Audit requests may be submitted to the internal auditor in writing at any time. The requests will be presented to the CFO for consideration. If the audit request is accepted, it will be added to the audit schedule and prioritized appropriately.

C. Perform Audit

IA staff will:

PROCEDURE: INTERNAL AUDITING OPERATING PROCEDURE	SECTION NUMBER: 3.A.4
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1. Notify affected division and department heads of pending audit, tentative audit schedule and general scope of audit.
2. Conduct a pre-audit meeting, when necessary, with affected staff that will be involved in the IA assignment and discuss the following items:
 - a. Scope and Objectives – Review the basic scope and objectives planned for the audit. Outline the general audit work plan. Emphasize the purpose of the audit.
 - b. IA Findings – Explain how audit findings will be handled. An exit meeting/discussion at the completion of the fieldwork will be held to reconfirm all findings and recommendations.
 - c. Audit Progress – Establish a clear understanding with respective management about keeping their personnel advised of the audit progress and findings. A timeline will be provided to the auditee that includes estimated dates of fieldwork, interim meetings, exit meeting, and audit report issuance.
 - d. Cooperative Administration – Inquire about working hours, access to records, auditee's various work deadline requirements, and any other information that will help schedule the audit activities to fit into the office routine with minimal disruption to the auditee's personnel.
3. Prepare an audit program (an outline of the steps or process to be conducted during the performance of the audit) for each audit.
4. Perform audit fieldwork as indicated in the audit program.
5. Conduct an exit meeting/discussions with all parties involved in the audit. This meeting will provide the opportunity to discuss findings, conclusions, and recommendations with IA. Managers are responsible for providing their responses to the findings and recommendations, in writing, during or shortly after the exit meeting/discussion.
6. Prepare final draft report and submit to the CFO for review.
7. Upon approval from the CFO, issue the final report to the respective Division Officer, CEO, and CFO.

PROCEDURE: INTERNAL AUDITING OPERATING PROCEDURE	SECTION NUMBER: 3.A.4
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D. Unresolved Items

A report listing unresolved or open items will be sent to the CEO and CFO on a semi-annual basis.

PROCEDURE:

**EXECUTION OF STANDARD AGREEMENTS/
ENCROACHMENTS BY THE CEO/GENERAL MANAGER**

SECTION NUMBER:

1.A.4**I. PURPOSE**

To establish a standard procedure for the execution of routine agreements and encroachments which the CEO/General Manager has been authorized to execute on behalf of the Public Works Commission (PWC).

II. APPLICABILITY

In order to expedite construction projects, the PWC has authorized the CEO/General Manager to execute routine agreements and encroachments as the authorized representative of PWC without the necessity of further approval by the PWC. This procedure applies to all routine agreements and encroachments as referenced in the attached PWC Resolution No. 2016.08.

III. RESPONSIBILITIES

It is the responsibility of the CEO/General Manager to review and execute routine agreements and encroachments and to report these actions at the next regularly scheduled meeting of the PWC following such execution.

IV. GUIDELINES

- A. All agreements and encroachments shall be submitted, along with the supporting documentation, to the CEO/General Manager's office for review and execution.
- B. The signature block on all agreements and encroachments shall include the name/title of the CEO/General Manager and the Senior Executive Assistant as the "Witness" to the CEO/General Manager's signature.
- C. Agreements and encroachments requiring the City Seal will be forwarded to the City Clerk following execution by the CEO/General Manager.

V. EFFECTIVE DATE

This procedure becomes effective upon approval by the CEO/General Manager.

☐ ORIGINAL ☒ REVISION NO. 2

APPROVED: JULY 1, 2016

APPROVED BY: D. W. Tapp GENERAL MANAGER

RESOLUTION NO. PWC2016.08**RESOLUTION OF THE PUBLIC WORKS COMMISSION, A COMMISSION OF THE CITY OF FAYETTEVILLE NORTH CAROLINA (THE PUBLIC WORKS COMMISSION), AUTHORIZING THE DELEGATION OF CERTAIN DUTIES OF THE PUBLIC WORKS COMMISSION TO THE GENERAL MANAGER, CHIEF FINANCIAL OFFICER AND OTHER SENIOR STAFF.**

WHEREAS, on June 29, 2016 the North Carolina State Legislature enacted House Bill 392 which revised Chapter VI of the Charter of The City of Fayetteville and is titled "An Act Amending the Charter of the City of Fayetteville to make changes related to the membership and operation of the Public Works Commission", and

WHEREAS, the changes made in HB392 clarify and modify the responsibilities of the Commission, and

WHEREAS, the Public Works Commission has in the past via resolution, policy and practice delegated certain authorities to staff of the Public Works Commission, and

WHEREAS, the Public Works Commission desires to maintain continuity of operations, comply with the revised Chapter VI of the Charter of The City of Fayetteville and the laws and statutes of the State of North Carolina, and

WHEREAS, the Public Works Commission under Section 6A.8 of Chapter VI of the Charter of the City of Fayetteville and under the General Statutes of the State of North Carolina has the ability to delegate certain duties and responsibilities, and

WHEREAS, the Public Works Commission seeks to operate in an efficient manner consistent with the laws, statutes and regulations of the United States and the State of North Carolina as well as the best practices of municipality utilities, and

WHEREAS, the Public Works Commission has deemed that it is consistent with its authority and fiduciary responsibilities to delegate certain duties and responsibilities takes the following action.

NOW, THEREFORE, BE IT RESOLVED BY THE PUBLIC WORKS COMMISSION THAT:

1. The duties allowed to be delegated to the CEO/General Manager under sections 6A.8.b 1-7 of Chapter VI of the Charter of the City of Fayetteville are so delegated to the CEO/General Manager.
2. Pursuant to North Carolina General Statute 143-129 and Sections 6A.8 and 6A.20 of Chapter VI of the Charter of the City of Fayetteville, concerning the approval contracts, The Public Works Commission delegates authority for the CEO/General Manager to award and execute contracts, reject bids, or re-advertise to receive bids for the purchase of apparatus, supplies, materials and equipment for the Public Works Commission, subject to the following limitations;
 - a. Delegation is granted for all contracts under the statutory limits identified in Section 6A.20 of Chapter VI of the Charter of the City of Fayetteville and contained in North

Carolina General Statute 143-129. This delegation is subject to the requirements and limitations of North Carolina General Statutes as well as those requirements and limitations contained within Commission approved policies. This delegation is subject to the further limitation stated in 2.b.

- b. Delegation is not granted for those contracts that either must be sent to City Council for approval or are associated with the purchase of real property to be put into the name of the City of Fayetteville as described in Section 6A.9 of Chapter VI of the Charter of the City of Fayetteville.
3. Pursuant to Section 6A.8 of Chapter VI of the Charter of the City of Fayetteville the Public Works Commission delegates that the General Manager may execute other agreements, contracts and documents not included within item #2 of this resolution. These documents include but are not limited to Utility Relocation Agreements, Federal, State and Local regulatory agency documents, service agreements with third parties, service agreements with customers, service level agreements and Interlocal agreements with other governmental entities, right of way and encroachment agreements, general service agreements (GSA's) and Task Authorizations. This delegation is subject to the requirements and limitations contained within the Public Works Commission approved policies. In cases where the signatory to such documents is required to be a Professional Engineer, Certified Public Accountant or other professional or authority designation the General Manager has the ability to delegate such duties as required.
4. Pursuant to Section 6A.8 of Chapter VI of the Charter of the City of Fayetteville and North Carolina General Statute 159 Article 3, otherwise known as The Local Government Budget and Fiscal Control Act the Public Works Commission designates the General Manager as the Budget Officer as described in Section 159-9. The Commission further designates the Chief Financial Officer of the Public Works Commission as the Finance Officer as described in 159 Article 3. The Finance Officer shall give a true accounting and faithful performance bond with sufficient sureties in the amount of one hundred thousand dollars (\$100,000). The premium on the bond shall be paid by the Fayetteville Public Works Commission.
5. Pursuant to Section 6A.8 of Chapter VI of the Charter of The City of Fayetteville the Public Works Commission designate the General Manager and the Chief Financial Officer as designated authorized signers of checks, drafts and other electronic transfers of funds. In cases where additional signatures are required the Chief Financial Officer has the authority to designate a senior staff member as the secondary signer.
6. Pursuant to Section 6A.8 of Chapter VI of the Charter of the City of Fayetteville the Commission delegates to the Chief Financial Officer the ability to act on behalf of the Treasurer of the Commission with regards to receipts and disbursements. The delegation of making disbursements is limited to those disbursements that are part of a properly approved and executed contract or agreement. For disbursements made that do not require a contract or agreement, said disbursements are subject to limits and encumbrances within the approved Commission Budget as may be amended from time to time by the Commission and are subject to the pre-audit requirements of the Local Government Budget and Fiscal Control Act. In the absence of the Chief Financial Officer these duties may be assumed by the General Manager or delegated to other senior staff as needed to maintain continuity of operation.

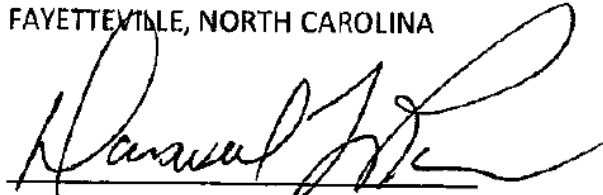
7. Pursuant to Section 6A.8 of Chapter VI of the Charter of The City of Fayetteville the Public Works Commission delegates authority to the Chief Financial Officer the ability to enter into agreements and other instruments in connection with financial service products related to the issuance, compliance and function of Bonds and related documents.
8. Wells Fargo Bank, N.A. and First Citizens Bank, for farm product sales only, shall be the official depository banks of the Fayetteville Public Works Commission (NCGS 159-31). The Chief Financial Officer shall sign all disbursements and counter signed by the Chief Executive Officer in accordance with NCGS 159-25.

In order to maintain proper transparency and to ensure the Commission meets their fiduciary oversight responsibilities of these delegated actions, the General Manager, Chief Financial Officer and other PWC Senior Staff shall prepare periodic reports and presentations as directed by the Commission. These reports and presentations will be presented publically during a regularly scheduled Commission Meeting and unless allowed to be presented in closed session under North Carolina General Statute 143-318.11.

The authority under this resolution becomes effective July 1, 2016.

Considered and adapted this 13 Day of July, 2016 at Fayetteville North Carolina.

PUBLIC WORKS COMMISSION OF THE CITY OF
FAYETTEVILLE, NORTH CAROLINA


Darsweil L. Rogers, Chairman

ATTEST:



Michael G. Lallier, Secretary

I. **PURPOSE**

The purpose of this procedure is to establish uniform procedures for effectively communicating with internal and external audiences.

II. **APPLICABILITY**

This procedure applies to all PWC employees.

III. **RESPONSIBILITY**

- A. **Officers, Directors, Managers and Supervisors:** Ensure enforcement of procedures, share information with employees, and coordinate activities with the Communications/Community Relations (CCR) Division as appropriate.
- B. **Communications/Community Relations (CCR) Division:** Provide oversight and coordination of internal and external communications, assist employees in the creation and distribution of information across multiple channels, and monitor communications to ensure proper use of PWC name and authority.
- C. **Employees:** Adhere to all aspects of this procedure, aid in efforts to promote and protect the positive image of PWC at all times and share information as needed.

IV. **DEFINITIONS**

- A. **Audience** – People who will receive information about PWC services and/or activities.
- B. **CCR** – Communications/Community Relations Division.
- C. **Communications Manual** – A document created by CCR that provides text and visual examples of the various communications methods used at the PWC.
- D. **Community Request Form** – An online form a person completes to ask for PWC's participation in or support of an event.

- E. **Customer** – A resident, business, or industry that receives a utility service from the PWC.
- F. **Decal** – A picture, design, or label made to be transferred (as to glass, for example) from specially prepared paper, such as stickers and window clings.
- G. **Donation** – A contribution to an event or organization, such as pens, notepads, conservation tools, etc. (see Sponsorship definition)
- H. **Digital File** – An electronic version of an item, usually a document, logo, or image.
- I. **External** – Reference to a resident, business, industry, or group to which PWC and/or its employees provide service and/or conduct business.
- J. **Flier** – A printed document used to advertise items or an event.
- K. **Internal** – Reference to employees of PWC.
- L. **Intranet** – Internal website, www.myfaypwc.com/ available only to PWC employees.
- M. **IT** – Information Technology Department.
- N. **Media** – Publication or broadcast, such as newspaper, television, radio, web, etc., that is used as a system of communication, information sharing, or entertainment; it could also refer to reporters, writers, or other representatives of newspaper, TV, magazine, and/or radio outlets who may contact PWC about services, operations, or community involvement.
- O. **Partnership Logo** – The official mark of an external organization with which PWC has a relationship.
- P. **Presentation** – A document, usually created in PowerPoint, used to demonstrate, describe, or deliver a message about PWC to an audience.
- Q. **Promotional Giveaways** – Items, usually bearing the PWC logo, produced for distribution to audiences, such as pens, notepads, thermostat cards, etc.
- R. **Proof** – Copy (as of typeset text) made for examination or correction prior to production; usually refers to any document or material imprinted with the PWC logo or name.

- S. Representing/Representation** – To serve as a representative, sign or symbol on behalf of PWC; also includes but is not limited to giveaways, bottled water, speakers, mascots, tours, and sponsorship.
- T. Signage** – Any material created for the purpose of displaying PWC information to an audience.
- U. Sponsorship** – A contribution, typically monetary or bottled water, to an event or organization. (see Donation definition)
- V. Social Media** – Forms of online to share information, ideas, personal messages, and other content (such as videos).
- W. Tour** – An opportunity for a person(s) to visit a PWC facility to learn more about services and/or operations.
- X. Vehicle** – Any PWC owned and operated means of transportation that is driven or operated by an employee.

V. GUIDELINES

- A. All correspondence to and from PWC may be subject to the N.C. Public Records Law and may be disclosed to third parties.
 - 1. Public records requests include submissions to the Fayetteville Observer's Public Record Database that is available for the public to view on their website.
- B. All employees are responsible for demonstrating and supporting efforts to promote and maintain positive communications that reflect positively on the individual and PWC.
- C. All employees are responsible for proper use of the PWC name.
 - 1. "Fayetteville Public Works Commission" should be used in formal and legal documents (RFPs, signage, contracts) on first reference and "FPWC" thereafter.

2. "Fayetteville PWC" is acceptable/standard for internal and external correspondence, applications, presentations, and signage on first reference and "PWC" thereafter.
- D. Responding directly to media inquiries should be managed only by those employees whose authorized duties include this responsibility. For more information, refer to the PWC Code of Conduct Procedure.
- E. Use of the PWC logo by external organizations without permission of CCR is prohibited.
- F. Variances to the PWC logo must receive approval from CCR before production.
- G. All promotional documents (brochures, fliers, advertising), presentations, (PowerPoint, handouts), mass (multiple) mailings, and other documents that may lead to public discussion (rate increase, media response) and are meant for external audiences must be approved by CCR prior to production or distribution.
- H. Requests for PWC representation, including but not limited to bottled water, giveaways, sponsorship, mascots, tours, speakers, and displays, are coordinated by CCR and are evaluated in accordance with PWC's Sponsorship Procedure. Sponsorship requests should be submitted at least two (2) weeks in advance.

VI. PROCEDURES

A. Media Interest/Public Discussion

1. Unless responding to media inquiries is among an employee's authorized duties, media representatives should be politely referred to CCR Officer.
2. If an incident occurs that involves an interruption of service to a PWC customer and/or damage to property of customers or others, employees should refrain from commenting on the cause of the incident or the responsibility.
 - a. Questions from customers should be referred to the PWC Legal/Risk Management Department (Claims).

- b. Employees should focus their comments on the actions underway to return the customer's service or minimize the extent of damage.
 - c. Any photos or video of incidents should not be shared publicly or on an employee's personal social media channel.
- 3. If an incident occurs that may likely spark media interest and/or public discussion relating to a customer, employee, or any situation that may impact the quality of life of any PWC customer.
 - a. Employees will report in a timely fashion to their immediate supervisor, manager, or director any information which may depict PWC or the City of Fayetteville in a positive or negative way, especially if the information is likely to be made public through any media channel.
 - b. All supervisors, managers, and directors will report information in a timely fashion to the appropriate Officer and CCR Officer.
 - c. The Chief Executive Officer and the CCR Officer will determine if/how the information needs to be forwarded to the the PWC Board of Commissioners and City of Fayetteville
 - d. Please refer to PWC's Communication Protocols with the City of Fayetteville procedure for more information.

B. Logo Usage

- 1. The authorized PWC logo is shown below.



- 2. The PWC logo is an important aspect of maintaining our brand and a positive identity with customers, locally and globally. At all times, the integrity of the logo must be maintained.
 - a. Employees planning to use the logo for any reason should obtain approval and the authorized version of the logo from

CCR each and every time it is used, even if it's a reproduction of an existing item.

- b. The PWC logo or name cannot be imprinted or embroidered on any personal, non-PWC issued items (shirts, hats, stickers, clings, etc.)
 - c. Only digital files of the logo obtained from a CCR Associate should be used when professional printing or distribution of materials to external audiences is involved.
 - d. If variances to the logo are required due to special materials, colors, or size limitations, prior approval must be obtained from a CCR Associate.
- 3. The use of the PWC logo implies endorsement; therefore, use of logo by external organizations requires prior approval from CCR.
 - a. Any external organization using the PWC logo will be required to provide a proof of the document for review and approval by a CCR Associate.
 - b. Please refer to PWC's Sponsorships Procedure for more information.
- 4. Additional logos may be created in support of internal programs or events (safety, lineworkers rodeo).
 - a. Employees planning to create logos for these programs or events should obtain prior approval from a CCR Associate.
 - b. Only digital files of these logos obtained from a CCR Associate should be used when professional printing or distribution of materials is involved.
 - c. A proof of the document should be provided to a CCR Associate for review and approval five (5) business days before distribution.
- 5. Use of partnership logos (RP₃, SafeWatch, All-America City) must be approved by a CCR Associate prior to use and/or publication.

B. Letters/Correspondence

1. CCR is responsible for producing and/or reviewing all customer communications and materials representing the PWC.
2. If an employee is preparing documents (letters, brochures, newsletters, doorhangers) or promotional items (shirts, stickers, signs, fliers) that will be distributed to external audiences, prior approval must be provided by CCR if any of the following criteria are met:
 - a. Documents/items display the PWC logo and will be distributed to multiple customers.
 - b. Documents to be shared with media representatives.
 - c. Presentation handouts for external conferences, seminars, etc.
 - d. Promotional items to be distributed at sponsored events.
 - e. Correspondence that may lead to public discussion/controversy (rate increase letters, media responses).
3. Send correspondence to the CCR Division distribution list in the Global Address List of Microsoft Outlook. Please allow five (5) business days for review/approval before distribution.
4. All correspondence should be clearly written in a professional writing style.
 - a. All correspondence should be proofread by the originating author and at least one additional person.
 - b. Refer to the Writing Resource List on the PWC Intranet (www.myfaypwc.com/communications-community-relations/) for helpful hints and guidance related to preparing professional correspondence.
 - c. Examples and templates (letters, memos, fax coversheets, and more) can be found in the Communications Manual on

the PWC Intranet (www.myfaypwc.com/communications-community-relations/).

5. Letterhead

- a. All external correspondence should be printed on official PWC letterhead.
 - (1) Official letterhead is in color and available from the Warehouse.
 - (2) Black and white copies of letterhead should only be used internally for copies of original correspondence.
- b. Electronic Letterhead
 - (1) Electronic letterhead is available on the PWC intranet (www.myfaypwc.com/communications-community-relations/).
 - (2) Electronic letterhead should be used for electronic correspondence only.

D. E-mail Correspondence

- 1. Electronic correspondence should be crafted with the same care and attention to detail as a printed letter.
- 2. To maintain the image of the PWC professional brand, e-mails from all employees should:
 - a. Include a signature that lists the employee's name, department/division, official title, phone number, fax number (if applicable), and e-mail address.
 - b. Include standard PWC name, mailing address, and website:
Fayetteville Public Works Commission
P. O. Box 1089
955 Old Wilmington Road (28301)
Fayetteville, NC 28302-1089
www.faypwc.com
 - c. Do not use backgrounds, images, and quotations in e-mail correspondence. Avoid use of logos unless it is the authorized by CCR.

- d. Use non-cursive size 10 or size 12 font type. Recommended fonts are Arial, Calibri, and Franklin Gothic Book.
- 3. Company-wide e-mails are limited to those employees and/or departments that have been approved to use them through CCR.
- 4. All employees with e-mail addresses should set up an 'out of office' message through Microsoft Outlook for internal and external customers when they do not plan to check e-mail during standard operating hours within a 24-hour period. The message should include:
 - a. Date(s) absent and alternate contact information

For example:
I will be out of the office on [Day], [Date]. If you need immediate assistance, please contact [alternate contact's name, phone number, and e-mail].
 - b. Signature (standard format as described in this procedure)

E. Signage/Printed Materials

- 1. CCR is responsible for reviewing all customer communications and all materials representing PWC or bearing the PWC name and/or logo that are distributed to the community.
- 2. Prior approval must be provided by CCR if any of the following materials are being produced:
 - a. All signage, including but not limited to signs, stickers, decals, fliers, postcards, and doorhangers, created for display at PWC facilities and on PWC vehicles and/or equipment.
 - b. All non-warehouse issued uniforms and other clothing provided to PWC employees, including but not limited to special recognition (individual or departmental), representing PWC, or event-specific clothing.
 - c. Non-PWC signage, including but not limited to stickers, decals, and window clings, on PWC vehicles and/or equipment.

3. Send materials to the CCR Division distribution list in the Global Address List of Microsoft Outlook. Please allow five (5) business days for review/approval before production.
4. Printed materials (fliers) to be shared with PWC employees should be attached to bulletin boards. Printed materials should not be attached to walls, doors, or windows in common areas without approval from CCR and the employee's supervisor.

F. Voice Mail Greetings

1. All employees with desktop phones should set up a courteous, professional, and clear voice mail greeting for internal and external audiences. The different types of greetings include:
 - a. Standard voice mail greetings should include the employee's name and a request for a detailed message
 - (1) Example for external callers:
You have reached the desk of [Name] at Fayetteville PWC. I am unable to take your call at this time. Please leave a detailed a message and I will return your call as soon as possible. Thank you and have a nice day.
 - (2) Example for internal callers:
You have reached [Name] in the [Department] Department. Please leave a detailed a message and I will return your call as soon as possible. Thank you and have a nice day.
 - b. Alternate voice mail greetings, when the employee is scheduled to be out of office, should include date(s) absent and alternate contact information.

For example:

You have reached the desk of [Name] at Fayetteville PWC. I will be out of the office [Date]. Please leave a detailed a message or dial zero pound if you need immediate assistance. You may also hang up and dial [Number] to speak with someone in the [Department] Department. Thank you and have a nice day.

- c. Temporary voice mail greetings, when the employee is not planning to check voice mail within a 24-hour period, should include date(s) absent and alternate contact information
 - (1) Set the expiry (expiration) date for the time you will be out of the office.
 - (2) For example:
You have reached the desk of [Name] at Fayetteville PWC. I will be out of the office [Date]. Please leave a detailed a message or dial zero pound if you need immediate assistance. You may also hang up and dial [Number] to speak with someone in the [Department] Department. Thank you and have a nice day.
- 2. All employees with PWC-issued cell phones should set up a courteous, professional, and clear voice mail greeting. The message should include:
 - a. Employee name
 - b. Date(s) absent and alternate contact information

For example:
You have reached [Name] at Fayetteville PWC. Please leave a detailed a message or hang up and dial [Number] if you need immediate assistance. Thank you and have a nice day.

G. Websites

- 1. The PWC external website (www.faypwc.com) is maintained by CCR.
 - a. Content management, daily monitoring, and general oversight of the external website is coordinated by CCR.
 - b. Proposed edits to the external website should be provided to the CCR Division distribution list in the Global Address List of Microsoft Outlook.
- 2. Content on the PWC internal website (<https://myfaypwc.com/>), or intranet, is maintained by CCR.

- a. Content management, daily monitoring, and general oversight of the internal website is coordinated by CCR.
 - b. Proposed edits to the internal website should be provided to the CCR Division Distribution List in the Global Address List of Microsoft Outlook.
3. Content on www.faybids.com is maintained by CCR, unless otherwise noted.
 - a. Content management, daily monitoring, and general oversight of the www.faybids.com website is coordinated by CCR.
 - b. Proposed edits to the www.faybids.com website should be provided to the CCR Division Distribution List in the Global Address List of Microsoft Outlook.

H. Social Media

1. CCR manages all PWC social media channels.
2. Social media will be used to share information with PWC customers including but not limited to public service announcements, utility emergency information, traffic/utility work advisories, conservation and safety tips, community activities/events PWC is associated with, and PWC recognition/awards.
3. Employees cannot access social media through PWC's network; however, during non-work hours, employees are welcome to visit and interact with the PWC social media channels and share content with others.
4. Employees should not respond to questions or criticism or commit PWC to a course of action through any social media channel. CCR will post information and respond to inquiries on behalf of the PWC.
5. Any photos or video of job/work areas or incidents that involve an interruption of services or damage to property should not be shared on an employee's personal social media.
6. As a public entity, PWC respects employees' First Amendment right to free speech, including social media. Employees should act responsibly and appropriately, and with respect for others. As an employee of PWC, use caution when making private statements or

taking positions that can be attributed to PWC which may negatively impact PWC operations and ability to serve our customers.

I. Business Cards

1. The PWC Procurement Department coordinates the design and ordering of business cards for all PWC employees.
2. All business cards will follow the same format, as designated by the General Manager, and use the employee's official title.
3. Please refer to the PWC Communications Manual for more information.

J. Presentations

1. All presentations that are prepared for internal and external audiences must be reviewed by CCR prior to the scheduled presentation date. Send presentation to the CCR Division distribution list in the Global Address List of Microsoft Outlook. Please allow as much time as possible for review/approval, minimum of three days before submitted. This includes presentations made to the PWC Board of Commissioners.
2. All employees should properly identify the target audience so the CCR can help ensure the presentation is effective (tone, readability).
3. All employees should confirm available audio/visual capabilities at the location of a scheduled presentation prior to preparing the presentation.
4. All employees should use the PowerPoint Template provided by CCR when preparing presentations for internal and external audiences. To request this template, please email the CCR Division distribution list in the Global Address List of Microsoft Outlook.
5. When possible, all employees should preview the presentation at the location prior to the scheduled date to determine if equipment, lighting, and format of presentation are suitable.
6. Employees should have a printed copy of the presentation in case technical issues prevent use of A/V equipment.

K. Representing PWC

1. All requests for PWC participation, including those submitted by PWC employees, are evaluated in accordance with the PWC's Sponsorship Procedure.
2. All employees should obtain approval from CCR before committing to any opportunity to represent PWC. Representing PWC includes but is not limited to: giveaways (brochures, fliers, promotional items), mascots, tours, speakers (civic organizations, schools career fairs, community career fairs, homeowner associations), bottled water, and sponsorship.
3. All requests for PWC participation should be submitted in writing to the CCR at least two (2) weeks in advance to help ensure participation is available and to facilitate CCR's ability to provide the type of support and materials requested. If a presentation (PowerPoint) is being used, please follow review guidelines for Presentations (See section J: Presentations for more information).
4. All requests can be submitted to CCR using one of the following options:
 - a. Online Community Request Form:
www.faypwc.com/requests/
 - b. E-mail: info@faypwc.com
 - c. Mail:
PWC Communications/Community Relations
P. O. Box 1089
Fayetteville, NC 28302-1089
5. Once received, requests will be reviewed, and all approvals will be provided written confirmation.
6. Please refer to the PWC Dress Code Procedure for more information.
7. CCR coordinates and maintains official PWC photos and professional headshots. These may be used in documents,

presentations, Microsoft Outlook/MS Teams profiles, and for other official purposes. To request these photos, please email the CCR Division distribution list in Outlook.

L. Information Monitors/LED Sign

1. The customer information monitors at the PWC Customer Service Center are maintained by the CCR and IT Departments.
 - a. The purpose of these monitors is to share information about PWC services and operations with customers.
 - b. Content management, daily monitoring, and general oversight of the monitors is coordinated through CCR.
 - c. Maintenance and technical oversight of the monitors is coordinated through IT.
 - d. Edits to the information on these monitors should be provided to the CCR Division Distribution List in the Global Address List of Microsoft Outlook.
2. The employee information monitors are maintained by the CCR and IT Departments. The monitors are located in the PWC Operations Construction Breakrooms, Fleet Management, and the Warehouse.
 - a. The purpose of these monitors is to share PWC information with employees including but not limited to news, benefits, trainings, safety tips, and community information.
 - b. Content management, daily monitoring, and general oversight of the monitors is coordinated through CCR.
 - c. Maintenance and technical oversight of the monitors is coordinated through IT.
 - e. Edits to the information on these monitors should be provided to the CCR Division Distribution List in the Global Address List of Microsoft Outlook.
3. The outdoor LED sign is used to share PWC related information.

- a. Messaging is limited to PWC customer education, sponsored events, programs and related PWC items.
- b. Other items, with the approval of the General Manager, may be allowed on a limited basis, to include items in support of the City of Fayetteville and other public service announcements.
- c. No commercial announcements or messaging shall be allowed unless approved by the PWC Commissioners.

VII. EFFECTIVE DATE

This procedure will become effective upon approval.

PROCEDURE: COMMUNICATION PROTOCOLS WITH THE CITY OF FAYETTEVILLE	SECTION NUMBER: 1.B.2
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I. PURPOSE

The purpose of this procedure is to establish a standard methodology to provide pertinent information to the City of Fayetteville in a consistent manner.

II. RESPONSIBILITIES

- A. **Officers, Directors, Managers, and Supervisors:** Responsible for directing pertinent information to the Communications and Community Relations Division for distribution to the appropriate agency.
- B. **Communications and Community Relations Division:** Responsible for distributing pertinent information to the appropriately defined office at the City of Fayetteville in a timely manner. The City Department may redistribute the information as directed by their procedure for receiving such information.

III. PROCEDURES

- A. All Directors, Managers, and Supervisors will report in a timely fashion to their immediate supervisor any information which impacts the quality of life of any resident of the City of Fayetteville or PWC Customer and/or any information which may depict PWC or the City of Fayetteville in a positive or negative way, especially if the information is likely to be made public through any media channel.
- B. All Officers will report in a timely fashion to the Chief Executive Officer and the Communications and Community Relations Officer any information which impacts the quality of life of any resident of the City of Fayetteville and/or any information which may depict PWC or the City of Fayetteville in a positive or negative way, especially if the information is likely to be made public through any media channel.
- C. The Chief Executive Officer and the Communications and Community Relations Officer will discuss and determine if the information needs to be forwarded to the City of Fayetteville. The determination will include deciding who should be informed; such as, which is the appropriate City Department and/or should the Mayor and City Council be informed immediately or should the City Manager's Office be allowed to distribute the information at their discretion.

IV. EFFECTIVE DATE

This procedure will be effective upon approval.

☐ ORIGINAL ☒ REVISION NO. 1

APPROVED: OCTOBER 1, 2012

APPROVED BY:  GENERAL MANAGER

PROCEDURE:

WEAPONS

SECTION NUMBER:

2.C.10

P2.C.10

WEAPONS POLICY

It shall be the policy of the Public Works Commission (PWC) that all employees are prohibited from carrying weapons on or about their person while on duty at PWC on and off the premises. All federal, state and/or local laws shall be observed and adhered to with regard to weapons while an employee is on duty.

I. PURPOSE

The purpose of this procedure is to establish formal guidelines to protect the safety of PWC employees and the general public.

II. APPLICABILITY

This procedure applies to all PWC employees.

III. RESPONSIBILITY

- A. Division Officers, Department Managers, Supervisors:** Responsible for enforcing the provision of this procedure.
- B. Employees:** Report any conduct in violation of this procedure to the appropriate Officer, Director, Manager, Supervisor, or to the Human Resource Officer.

IV. GUIDELINES

- A.** No employee of the PWC is authorized to carry on or about his or her person, whether open or concealed, any type of weapon during work hours or otherwise on PWC business. Possession of any weapon, whether open or concealed, during work hours or otherwise on PWC business is prohibited, except in strict accordance with Section IV.F.
- B.** Possession includes, but is not limited to, the following:
 - 1. On or about an employee's person
 - 2. In a locker
 - 3. In a room, office or cubicle

☐ ORIGINAL ☒ REVISION No. 2

APPROVED: MARCH 26, 2019APPROVED BY: D. W. Trip GENERAL MANAGER

PROCEDURE: WEAPONS	SECTION NUMBER: 2.C.10
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4. In PWC owned or leased vehicles or equipment at any time
 5. In any vehicle, including but not limited to personal vehicles and other vehicles, when the vehicle is used while performing PWC business (see Section IV.F for more information)
 6. In buildings, other structures, land, and other property owned or leased by PWC
 7. In a handbag, gym bag, backpack, or any personal carry item brought onto PWC premises, property, vehicles, trucks, or equipment owned or leased by PWC
- C.** In the interest of maintaining a safe workplace for employees and the public, PWC retains the right to conduct a search at any time of all bags, lockers, offices, rooms, desks, credenzas, cabinets, other furnishings, and PWC equipment and vehicles on property owned or leased by PWC to ensure that this Weapons Policy is not violated.
- D.** The General Manager, the General Manager's designee, or the Human Resource Officer may authorize the search of an employee's purse, gym bag, backpack, or other personal items where there is reasonable cause to believe the employee is carrying a weapon in violation of this policy.
- E.** A weapon includes, but is not limited to the following: gun, rifle, pistol, or other firearm of any kind; BB gun; air rifle; air pistol; missile; ammunition; dynamite cartridge; bomb; grenade; explosive; incendiary device; radioactive material or device; knife; dirk; dagger; slungshot; loaded (or leaded) cane; metallic knuckles; razor; shuriken; stun gun; blackjack; any instrument or device for use in attack or defense in combat, fighting, or war; or any instrument or substance that is designed to be capable of being used to inflict serious bodily injury. Any material component of a weapon shall be deemed to be a weapon. An ordinary pocket knife, utility knife, multi-tool, and other tools used for work purposes shall not be considered a weapon.
- F.** In compliance with G.S. 14-409.40, an employee shall be permitted to store a firearm within a motor vehicle that is not owned or leased by PWC while the vehicle is parked on PWC grounds; provided, however, all employees are prohibited while on PWC business from transporting, carrying, or possessing any weapon, including but not limited to firearms, whether the employee is in a PWC vehicle or driving the employee's own motor vehicle or some other motor vehicle that is not owned or leased by PWC. Employees are reminded that unless PWC designates an employee as a Non-Driver in accordance with the Driver's License Qualification policy, either through the employee's job description or in a

PROCEDURE: WEAPONS	SECTION NUMBER: 2.C.10
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separate communication from a PWC manager, each PWC employee shall be considered an Authorized Driver, and each Authorized Driver may be requested from time to time to drive the employee's own vehicle on PWC business at the discretion of the employee's manager(s). For workplace and public safety, each employee who stores a firearm in a vehicle is expected to notify the Human Resources Officer promptly that the employee is storing a firearm in a vehicle, and the employee is expected to keep the vehicle in which the firearm is stored locked at all times while on PWC property except when entering and exiting the vehicle.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

DISCIPLINARY ACTION

2.C.18

P2.C.18

DISCIPLINARY ACTION POLICY

It shall be the policy of the Public Works Commission to take appropriate action to correct any misconduct of an employee.

I. PURPOSE

The purpose of this procedure is to define possible disciplinary actions and guidelines.

II. DEFINITIONS

- A. **Informal Counseling** – Informal counseling is a discussion notifying the employee of performance-related or conduct-related deficiencies and instructions or recommendations for improvement.
- B. **Written Verbal Counseling** – A written verbal counseling is a discussion notifying the employee of performance-related or conduct-related deficiencies and instructions or recommendations for improvement. Written verbal counseling is documented in the personnel records.
- C. **Written Reprimand** – A written reprimand may be issued for continuing or recurring performance-related or conduct-related deficiencies or as the first disciplinary action. Employees should sign the written reprimand to attest that it was discussed with them. Their signature does not indicate agreement or disagreement with the reprimand and they are free to write an objection to it.
- D. **Termination** – Although termination is the most serious form of disciplinary action, it may be rendered for continuing or recurring performance-related or conduct-related problems or at any time without prior notice or intermediate steps. Before recommending termination of an employee, the supervisor should consult Human Resources.
- E. **Suspension Pending Investigation** – Employees may be suspended from work pending the results of an investigation, hearing, or trial of an employee against whom an allegation of wrong doing has been made. The suspension may be with or without pay based on the circumstances and recommendations by the appropriate Division Officer and Human Resource Officer. If an allegation proves false, the employee may be reinstated.

☐ ORIGINAL ☒ REVISION No. 2APPROVED: OCTOBER 1, 2012

APPROVED BY:



GENERAL MANAGER

DISCIPLINARY ACTION**2.C.18**

- F. **Suspension Without Pay** – Employees may be suspended from work without pay based on serious infractions and/or continued non-compliance with established policies, procedures, and job requirements. The length of the suspension will be determined by the Human Resource Officer based on recommendations from the appropriate Officer and the seriousness of the offense.

III. RESPONSIBILITY

- A. **Officers, Directors, Managers, Supervisors:** Take appropriate action when an employee fails to meet the requirements of the Code of Conduct Procedure or other policies and procedures of the PWC.
- B. **Human Resources Department:** Provide advice and support to ensure consistency in the application of disciplinary action to all employees.

IV. GUIDELINES

- A. PWC may undertake progressive disciplinary action to provide employees with notice of deficiencies and the opportunity to improve or use further measures of discipline up to and including termination, without warning or other intermediate measures, even for first time matters.
- B. PWC is not bound to use any progressive disciplinary measures; rather, it retains its right to terminate or otherwise discipline any employee at any time, with or without warning or intermediate measures, for any reason.
- C. Supervisors who desire to take disciplinary action should contact Human Resources to discuss and formulate a disciplinary plan.

V. EFFECTIVE DATE

This procedure replaces all previous procedures and becomes effective upon approval.

PROCEDURE:

HOLIDAYS

SECTION NUMBER:

2.E.1**HOLIDAYS POLICY**

P2.E.1

It shall be the policy of the Public Works Commission to recognize the following holidays in which PWC will close its offices:

New Year's Day
Martin Luther King, Jr. Birthday
Good Friday
Memorial Day
The Fourth of July
Labor Day
Thanksgiving and the day after
Christmas (2 days)

PWC will also recognize one (1) floating holiday in which PWC offices will not be closed. Full-time employees will be allowed off one (1) day as a holiday during the workweek (Saturday through Friday) of their anniversary hire date.

- A. Regular full-time employees are eligible for holiday pay for these holidays. Holiday pay is at the employee's base salary or hourly rate. To receive holiday pay, the employee must have worked their scheduled hours on the last regularly scheduled workday before the holiday and the first regularly scheduled workday after the holiday, unless these days were approved vacation or paid time off days.
- B. If a holiday falls within an employee's previously approved vacation, the holiday will be treated as a holiday, not a vacation day.
- C. Employees on unpaid leave are not eligible for holiday pay.
- D. For pay purposes, a holiday will be considered eight (8) hours worked.
- E. Holidays must be taken or paid in the workweek in which they fall or they will be forfeited without pay. If an employee is required to work on a holiday, he or she will be paid 2½ times their regular pay for up to eight (8) hours worked on the holiday unless they are granted an alternate day off during that workweek.

I. PURPOSE

The purpose of this document is to establish specific holidays in which the PWC offices will be closed and to identify holidays when employees will typically not be required to work. However, 24-hour operations and emergency responses by employees are expected.

☒ ORIGINAL ☐ REVISION No. 1APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE: HOLIDAYS	SECTION NUMBER: 2.E.1
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II. RESPONSIBILITIES

- A. **General Manager/Chief Executive Officer:** Establish the day of the week that each holiday will be observed and make the employees and public aware when the offices will be closed for normal business.
- B. **Officers, Directors, Managers, and Supervisors:** Review the 24-hour operations and establish the work schedule during holiday periods; identify on-call employees for emergency response.

III. EFFECTIVE DATE

This procedure replaces all previous procedures and will become effective upon approval.

PROCEDURE: INCIDENT REVIEW	SECTION NUMBER: 2.G.4
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INCIDENT REVIEW POLICY

P2.G.4

It is the policy of PWC to determine preventability of personal injury and vehicle/equipment damage incidents that occur to PWC employees, vehicles and property and to make determinations of responsibility including disciplinary action.

I. PURPOSE

The purpose of this procedure is to identify the cause(s) that resulted in the incident, possible preventative measures, and implementation of a process to reduce operating costs by having fewer personal injuries and vehicle/equipment damage incidents.

II. APPLICABILITY

This procedure applies to all PWC employees who have a vehicle accident or damage PWC or others' equipment or property. This does not apply to public liability claims. This procedure also applies to any PWC employee who has a personal injury that results in a Worker's Compensation claim.

III. PROCEDURES**A. Department Review**

1. The review will be completed within 30 days of the occurrence of the incident.
2. All incidents that result in any cost will be reviewed for the purpose of determining preventability, establishing preventative measures, and determining what disciplinary actions will be taken. Incidents will include personal injury, vehicle damage, equipment damage, and property damage.
3. The Department Manager/Director will conduct the review.
4. The review will include as a minimum the Department Manager/Director, affected employee, and affected employee's supervisor. The Safety Specialist and/or the Legal Services Manager are optional.
5. The Safety Specialist will provide photos, other evidence, employee's accident/injury record, etc. if available to the Department Manager/Director prior to the review.

☐ ORIGINAL ☒ REVISION NO. 2

APPROVED: OCTOBER 1, 2012

APPROVED BY:  GENERAL MANAGER

PROCEDURE: INCIDENT REVIEW	SECTION NUMBER: 2.G.4
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6. The results of the review will be reported on the "PWC Incident Review Results" form (available through the Safety Office's intranet site) and forwarded to the Safety Office through the appropriate Division Officer.
7. The PWC "Record of Counseling, Commendation, or Reprimand" (available through Human Resources' intranet site) will be completed by the Manager and forwarded to the Human Resources Department whenever any disciplinary action is taken. A copy of the completed form will be forwarded to the Safety Office.
8. The following may be used to assist with the review process:
 - a. PWC Safety Manual
 - b. PWC Discipline Procedures
 - c. PWC Driver's License Procedure
 - d. Employee's Motor Vehicle Record (MVR)
 - e. Employee's Accident Record
 - f. North Carolina Motor Vehicle Laws
 - g. Police, Highway Patrol Accident Reports
 - h. Witnesses to the Incident

B. Division Review

After the Departmental Review, the affected employee, Safety Specialist, Legal Services Manager, or Officer may appeal (within 15 days) in writing the decisions of the Departmental Review. If there is an appeal, the following will occur:

1. The incident will be reviewed by the Appeals Group that will consist of:
 - a. Safety Committee Chair,
 - b. Employee Safety Committee Representative,
 - c. Safety Specialist or Legal Services Manager, and

PROCEDURE: INCIDENT REVIEW	SECTION NUMBER: 2.G.4
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- d. PWC Nurse if a personal injury, or
 - e. Representative from Fleet Maintenance, if vehicle accident or equipment damage
2. No action will be taken as a result of the Departmental Review during the appeals process.
 3. The Appeal Group will hear the case and render a decision within 15 working days of the appeal being requested.

IV. DISCIPLINE

- A. Depending upon the severity of the incident and the extent of negligence by the employee, one or more disciplinary actions may be administered, including termination of employment. If the review determines that the affected employee could have prevented the occurrence, one or more of the following actions may be taken. These actions shall be consistent with PWC's disciplinary procedures.
 1. Written warning stating that any preventable occurrences within three (3) years shall result in further disciplinary actions
 2. Up to 24 hours without pay
 3. Employment terminated
- B. Minimum discipline shall include the following for preventable incidents:
 1. Written warning for the first preventable incident.
 2. Time off without pay for the second preventable incident within three (3) years of the first preventable incident.
 3. 24 hours off work for the third preventable incident within three (3) years of the first preventable incident.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE: LIGHT DUTY (RETURN TO WORK) PROGRAM	SECTION NUMBER: 2.G.5
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P2.G.5

LIGHT DUTY (RETURN TO WORK) PROGRAM POLICY

It is the policy of the Public Works Commission (PWC) of the City of Fayetteville to minimize the amount of lost-time from work as a result of on-the-job injuries and illnesses that qualify for Worker's Compensation (W/C) coverage. It is also the policy of PWC to find suitable tasks to accommodate employees who are restricted from performing their normal duties due to injury or illness, when it is in the best interest of the employee and PWC.

I. PURPOSE

The purpose of this document is to describe the guidelines and explain the procedures to be followed by PWC when an injured employee is released by a medical doctor to return to work in a limited duty capacity following an on-the-job injury or illness.

II. APPLICABILITY

- A. This procedure applies to all PWC employees who have a medical doctor's permission to return to work, in some capacity, following an on-the-job injury or illness.
- B. This procedure does not apply to any employee who has an off-the-job injury or illness. Those employees will not be allowed to return to work until they can perform all the functions of their regular job duties.

III. RESPONSIBILITIES

- A. **Officer/Department Director/Manager:** Ensure that the provisions of this procedure are complied with within their respective Division, Departments, and Sections.
- B. **Human Resource Officer/Worker's Compensation Coordinator:** To implement these procedures whenever an injured employee is medically released to light-duty work.
- C. For both on-the-job and off-the-job injuries and illnesses:
 - 1. It shall be the responsibility of PWC's health care provider or designee to interpret, clarify, and validate medical notes and records and assure compliance with them.

☐ ORIGINAL ☒ REVISION No. 1APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE:

LIGHT DUTY (RETURN TO WORK) PROGRAM

SECTION NUMBER:

2.G.5

2. If required, it will be the responsibility of the PWC health care provider or designee to perform, or have performed by a medically qualified person, a “fit-for-duty” medical examination prior to returning to work in any capacity.
- D. For off-the-job injuries and illnesses, an unrestricted Doctor’s Note must be provided prior to the employee’s return to work. If needed by the doctor, a Job Analysis will be provided to evaluate the job requirements.
- E. The PWC Human Resource Officer will monitor the provisions and implementation of these procedures to assure compliance with the Family Medical Leave Act (FMLA) and the Americans with Disabilities Act (ADA).

IV. PROCEDURES

- A. “Light duty” as addressed in this document is defined as work performed by an employee who is limited, due to injury or illness, to tasks outside of their normal duties. Generally, light duty restricts an employee from performing strenuous work or accessing certain areas of the work area where they are normally required to work.
- B. An employee will not be allowed to work in excess of 40 hours per week while in a light-duty capacity.
- C. These procedures do not address any permanent job restrictions. They are to be implemented only for temporary restrictions with the goal of the injured returning to their pre-injury job duties.
- D. Consideration for light duty will be evaluated when a treating physician provides written notes that the employee is able to perform certain tasks or is unable to perform certain tasks.
- E. The light-duty assignment must be appropriate for the skills, knowledge, and capabilities of the recovering employee so that the work can be accomplished safely and within Doctor’s restrictions.
- F. PWC will approve light duty assignments if such work is available and if it contributes to the work effort of PWC.
- G. The injured employee, the supervisor, and the Human Resources Department must all regularly communicate to assure the suitability of each placement and to continue to monitor the employee’s ability to adequately perform the work.

PROCEDURE: LIGHT DUTY (RETURN TO WORK) PROGRAM	SECTION NUMBER: 2.G.5
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- H. Efforts will be made to first place the employee in their "home" Department. If no Department assignments are available, the appropriate Officer will attempt to find them a position within their Division. If still not successful, the Human Resource Officer will attempt to find suitable work within PWC. Employees who are not granted light duty assignments and will miss work will be placed on Workers' Compensation (if qualified), sick leave, vacation, or lost-time, as the situation dictates.
- I. The injured will remain on the employee roster and all payroll costs will be paid from their "home" Department Budget.
- J. Tasks that could be considered are: filing, power line patrol, cleaning tools, picking up and delivering parts, delivering supplies to field crews, cleaning meters, inventory, updating manuals, collecting recyclables, safety inspections, cleaning vehicles, painting, etc.
- K. It is the employees' responsibility to abide by the limitations set by the treating physician. No supervisor, manager, etc. should ever ask the injured employee to perform any tasks that are in violation of the doctor's restrictions.
- L. All light duty assignments will be reviewed at least every thirty (30) days and may be terminated by PWC and/or the treating physician at any time.
- M. Short term, light duty assignments will not result in any adjustments in salary for the employee. However, if an employee remains on light duty for a period in excess of ninety (90) days, PWC may reclassify or transfer the employee to a position with duties more appropriate to those the employee can perform, with necessary salary adjustments, or rescind the light duty assignment.
- N. All light duty assignments must be approved by the appropriate Division Officer(s), Department Manager(s) and the PWC Human Resource Officer.
- O. A copy of these procedures will be provided to all W/C Health Care Providers that may recommend light-duty assignments for injured PWC employees.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

LONGEVITY PAY

SECTION NUMBER:

2.E.8**LONGEVITY PAY POLICY**

P2.E.8

It shall be the policy of the Public Works Commission (PWC) to recognize and rewards its experienced regular full-time employees with annual lump sum payments for those who have five or more years of active service with PWC.

I. PURPOSE

The purpose of this procedure is to recognize the long-term PWC service of full-time regular employees.

II. RESPONSIBILITIES

Human Resources Department: Maintains employee records in coordination with the Finance Division regarding eligibility for longevity payments.

III. ELIGIBILITY

- A. Must have at least five (5) uninterrupted years of full-time employment with PWC on June 30th of the year longevity pay is paid.
- B. Must be classified as a regular full-time employee three (3) days prior to the longevity being paid.
- C. Must be working, on paid leave (sick or vacation), or on paid or non-paid family medical leave (FMLA).
- D. Must not be on Worker's Compensation status.

IV. GUIDELINES**A. Time and Method of Payment**

- 1. Longevity pay is automatic; payment shall be made when all eligibility requirements are met.
- 2. Longevity pay shall be paid in lump sum in November of each year.

☐ ORIGINAL ☒ REVISION No. 4APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE:

LONGEVITY PAY

SECTION NUMBER:

2.E.8

3. Base Pay will be defined as the greater amount of one (1) regular pay including overtime paid during the 12 months beginning with July of the previous year and ending in June of the current year or the employee's annual salary or hourly rate times 2,080 hours as of the last pay period in October of the current year.
4. Appropriate taxes and retirement deductions shall be made from all longevity payments.

B. Annual Longevity Allowance Schedule

<u>Years of Service</u>	<u>Annual Longevity Allowance</u>
5 to 9 years	2.5%
10 to 14 years	4.5%
15 to 19 years	6.0%
20 or more years	7.5%

C. Amount of Longevity Pay

Annual longevity pay amounts are based on the Annual Longevity Allowance multiplied by the employee's Base Pay.

V. EFFECTIVE DATE

This procedure replaces all previous procedures and is effective with the current fiscal year.

P2.G.2

PROTECTIVE FOOTWEAR POLICY

In compliance with PWC Safety Policy, OSHA §1910.132 and §1910.136, and ASTM F2413-18 Standards, it shall be the policy of the Public Works Commission (PWC) of Fayetteville, North Carolina, to require all PWC employees whose job functions expose them to foot hazards to wear protective footwear.

I. PURPOSE

The purpose of this document is to describe the procedures to be followed by PWC employees who are required to wear protective footwear.

II. APPLICABILITY

These procedures apply to all PWC employees whose normal job duties routinely expose them to foot injury hazards.

III. RESPONSIBILITIES

- A. Officer/Manager/Supervisor:** Ensure that the provisions of this program are carried out within their respective Division/Department/Section; and initiate disciplinary action for any violations.
- B. Safety Department:** Modify, change, and/or revise these procedures as necessary; and monitor compliance as described in these procedures.

IV. GUIDELINES

- A.** Employees who are unable to wear protective footwear for temporary medical reasons are required to submit a doctor's note requesting exemption from this requirement. This note shall be submitted to the PWC Medical Office for consideration for exemption.
- B.** Protective footwear will be maintained and repaired by the employee.
- C.** Any lost, stolen or abused footwear will be replaced at the employee's expense.

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APPROVED: OCTOBER 7, 2020

APPROVED BY: _____

D. W. Tray

GENERAL MANAGER

- D. Protective footwear worn by employees shall meet the standards set by the American Society for Testing and Materials (ASTM F2413-18 or later) Standard.
- E. All footwear shall have the ASTM F2413-18 or later approval identification permanently attached.
- F. The two (2) types of protective shoes that are approved by PWC are:
 - 1. 6" Safety Toe Shoe
 - a. Full grain leather that is water repellent
 - b. Full cushion, non-collapsible insole
 - c. Oil, chemical, and slip resistant sole
 - 2. Oxford Safety Toe Shoe (Same Specifications as 6" Shoe)

V. **PROCEDURES**

A. **Boot Voucher**

- 1. Employees whose normal job duties routinely expose them to foot injury hazards are eligible to receive a shoe voucher from their Supervisor.
- 2. Eligibility will be determined by the Manager responsible for overseeing the position based on the frequency of exposure to foot injury hazards.
- 3. The Safety Footwear Database will be maintained by the Safety Department. This database will track eligible employees and purchases made through the PWC approved vendors.
- 4. Employees will be eligible for a boot voucher in July of each fiscal year. New hire employees will receive voucher at time of hire.
- 5. Employees will be allowed to select safety boots in July of each fiscal year. Emergency replacement or unusual situations may be approved by the employee's Supervisor and Manager within each fiscal year.

6. The maximum voucher credit will be \$180.
7. This voucher may be used only at a PWC approved vendor or PWC approved walk-in store location. Store locations will require an approved voucher from Supervisor or Manager.
8. Boot(s) with a cost over \$180 and additional boots may —be purchased, any balance above \$180 being paid in cash or personal credit card at the time of purchase by employee.
9. Employee will return the boot voucher and receipt to Supervisor.
10. Supervisor will submit boot voucher and receipt to the Safety Department for tracking upon receipt.

B. Enforcement

1. Violation of this Policy/Procedure shall be disciplined in accordance with (IAW),
2. PWC Code of Conduct (2.C.8), and
3. PWC Disciplinary Action Policy/Procedure (2.C.18).

VI. EFFECTIVE DATE

This procedure will become effective upon approval.

PROCEDURE:

GRANTS MANAGEMENT

SECTION NUMBER:

3.A.12**I. PURPOSE**

To establish a uniform method for preparing, submitting, implementing, and evaluating grant proposals for the Public Works Commission (PWC).

II. RESPONSIBILITIES

- A. Chief Executive Officer/General Manager (CEO/GM):** Provide final approval for all grant proposal concepts and documents.
- B. Corporate Services Division:** Administer grant projects, to include providing oversight and support in the preparation, submission, implementation, and evaluation of grant activities.
- C. Officers:** Approve proposed grant proposals, letters of support, applications and other documents, provide support in establishing a planning team, and assist in monitoring and evaluation processes.
- D. Chief Financial Officer:** Provide oversight for budgets associated with grant awards and expenditures, to include the pre-audit of expenditures, contracts, applications, award acceptance, etc.
- E. Financial Planning Department:** Ensure the approved grant budget is in place, project ordinances are executed (if applicable), funds are spent for intended purposes, proper accounting and financial statement reporting is maintained, and documentation is correct and available for external auditors.
- F. Directors, Managers, and Supervisors:** Provide leadership and support to employees wishing to pursue grant opportunities and implement grant projects, to include serving as Project Leader when appropriate.
- G. Employees:** Adhere to guidelines outlined in this procedure.

III. DEFINITIONS

- A. Grant** – Public (local, state, or federal government) or private (foundations, corporations, etc.) funding obtained through a competitive process to support a specific project benefiting PWC customers and/or employees

☐ ORIGINAL ☒ REVISION NO. 1APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE:

GRANTS MANAGEMENT

SECTION NUMBER:

3.A.12

- B. Project Director** – The Technical Writer from the Corporate Services Division will serve as Project Director for most grants, and will provide leadership and support for grant planning, writing, implementation, and evaluation efforts
- C. Project Leader** – Subject matter expert assigned to support grant planning, writing, implementation, and evaluation efforts within the appropriate Division/Department
- D. In-Kind** – PWC resources donated to the grant project, to include staff time, use of facilities, equipment and/or overhead expenses
- E. Matching Funds** – Funds dedicated to the grant project from PWC or other identified resources
- F. Request for Proposals (RFP)** – Guidelines and application instructions provided by the funding agency detailing the purpose and requirements of the grant program

IV. GUIDELINES

- A.** It is the objective of the PWC to aggressively seek grant funding opportunities focused on enhancing resources, services, and capital improvements that will benefit customers, employees, and the community at-large.
- B.** Grant funding is usually reserved for projects that include new, innovative, and/or creative activities focused on addressing a serious need that would otherwise not be met. General operating expenses are not usually appropriate for grant funding.
- C.** Grants should be pursued only when sufficient staff resources are available to effectively plan, submit, and administer the program in compliance with grant requirements.
- D.** Short and long-term costs (cash, matching funds, in-kind resources) should be reviewed to ensure that the actual impact of the grant funds will outweigh the cost of implementation.
- E.** All proposals, letters of support, and applications for competitive grant funding must be submitted to the Corporate Services Division for processing, to include obtaining appropriate approvals.

PROCEDURE:

GRANTS MANAGEMENT

SECTION NUMBER:

3.A.12

- F. The minimum dollar amount for the solicitation of grant funds is recommended to be \$5,000; amounts less than \$5,000 should only be considered if there are minimal administrative tasks (reporting, budgeting) imposed by the funder.
- G. All proposed grant projects must be aligned with the goals, objectives, and priorities of the PWC.
- H. Program expenditures associated with a grant should not exceed the terms of the grant, nor exceed the grant project period, unless a funding source has been secured and accepted by the appropriate Officer and/or CEO/GM.
- I. The Project Director and Project Leader will be responsible for maintaining positive relationships with funding agencies at all times.
- J. Grant funded projects must be administered according to the rules and conditions of the PWC and the granting agency.

V. PROCEDURES**A. Planning**

- 1. Before pursuing a grant opportunity employees should notify the appropriate Officer to gain initial approval of the project idea and scope.
- 2. Upon initial approval from the appropriate Officer, the employee should contact the Technical Writer in the Corporate Services Division for a pre-application review.
 - a. During the pre-application review, the project idea will be evaluated with the RFP for eligibility, feasibility, and alignment to goals approved by the PWC.
 - b. The project idea will be scored by the Corporate Services Division using a standardized evaluation matrix before being presented to the CEO/GM for a final recommendation.
 - (1) Upon approval by the CEO/GM, research/planning activities and timelines will be established by the Corporate Services Division.

PROCEDURE:

GRANTS MANAGEMENT

SECTION NUMBER:

3.A.12

- (2) If the project idea is determined not to be a good fit for either the RFP in question or the mission of the PWC, the materials will be filed in the Corporate Services Division and possibly considered for more relevant opportunities at a later date.
- (3) After the pre-application review is completed and the decision is made to pursue a grant opportunity, the Project Director will work with the Project Leader to establish a cross-functional planning team to support planning, research, and writing efforts.

B. Services/Submission

1. The Corporate Services Division and Project Director will work with the Project Leader and other planning team members to finalize the grant package and prepare documents for final approval and submission.
2. All grant proposals, applications, and requests for letters of support for grant projects must be forwarded to the Corporate Services Division for processing, to include getting the appropriate approvals.
 - a. Grants requiring the signature of an authorized representative of the PWC should be forwarded to the Corporate Services Division in final form at least 10 business days before the deadline date.
 - b. Grants requiring the approval of the Public Works Commissioners should be forwarded to the Corporate Services Division at least 30 business days prior to the deadline date. Although the Commission has standard meetings twice each month, cancellations may occur at any time.
3. Depending upon the scope of the grant project, the Corporate Services Division will share the proposal and budget with other departments to verify accuracy and appropriateness of proposed expenditures and activities.
4. The Corporate Services Division will be responsible for finalizing and submitting the final grant package to the funding agency.

PROCEDURE:

GRANTS MANAGEMENT

SECTION NUMBER:

3.A.12**C. Implementation**

1. Grant award/acceptance letters, budget amendments, contracts, special payment requests, revisions, supplements, and other issues requiring approval from an authorized representative of the PWC must be submitted to the Corporate Services Division for processing.
2. The Corporate Services Division will share grant award documents with the Financial Planning Department and other staff as necessary to establish budget funds, codes, and tracking numbers as appropriate.
3. The Corporate Services Division and Financial Planning Department will process contracts and acceptance forms as appropriate to ensure legal and/or financial restrictions do not prohibit further participation.
4. The Project Leader will be responsible for maintaining open communications with the Project Director, managing day-to-day activities, adhering to approved timelines, ensuring that the grant program is in compliance with the performance requirements of the grant, expending funds in accordance with the grant agreement, and maintaining compliance with all rules and regulations of the granting agency.
5. The Project Director will review/monitor communications and correspondence with the funding agency to ensure all activities are on target and in alignment with budget restrictions, program guidelines, and PWC procedures.
6. Budget expenditures must be closely monitored by the Project Director throughout the grant project period. If the grant has a matching requirement, tracking documents must be established and/or maintained to account for matching expenditures. In-kind matching requirements are to be tracked and documented rigorously, as these commitments may be subject to audit criteria.
7. If grant amendments are necessary, due to a change in project scope of work or shifting of funds between expense categories, approval must be obtained from the Corporate Services Division and the appropriate Officer. The Financial Planning Department will be notified of any such changes.

PROCEDURE:

GRANTS MANAGEMENT

SECTION NUMBER:

3.A.12

- a. Once the proposed amendment is approved internally, the Corporate Services Division will submit the official request to the funding agency.
- b. If the amendment is approved by the funding agency, contracts, purchase orders, and other documents will be changed accordingly.

D. Evaluation

1. Copies of any correspondence related to the grant evaluation and reporting requirements must be shared with the Corporate Services Division.
2. The Project Leader will submit all reports, financial summaries, and forms required by the funding agency to the Project Director at least 10 working days before the deadline date.
3. The Corporate Services Division will be responsible for finalizing evaluation and financial documents after conducting a technical review for compliance issues and consulting with the Financial Planning Department as needed.
4. All grants are reported in the PWC audited financial statements. If the granting agency requires a formal compliance review and/or financial audit, the Corporate Services Division and other project staff will work with assigned internal finance/accounting representatives to complete the review process and document proper use of grant funds.
5. The Corporate Services Division will ensure that grant funds are spent in compliance with the grant objectives. All contracts and purchase orders should clearly identify or detail each grant objective and the associated expenditure.
6. Each grant will be assigned individual account codes. To facilitate accurate reporting, all financial documents must be processed using the assigned code for the grant project.
7. Grantors should be instructed to mail all checks to the Financial Planning Department. If the granting agency prefers to make payments by bank transfers, the Corporate Services Division will facilitate arrangements between the funding agency and the Financial Planning Department as needed.

PROCEDURE:

GRANTS MANAGEMENT

SECTION NUMBER:

3.A.12

8. A final copy of the proposal and all supporting documents will be maintained by the Corporate Services Division and the Financial Planning Department. A copy of the proposal and other relevant documentation will be shared with appropriate departments.
9. All grant documents will be maintained in accordance with record retention requirements of the grant, PWC procedures, and/or the NC Records Retention and Disposition Schedule (published by the NC Department of Cultural Resources), whichever is more restrictive.

VI. EFFECTIVE DATE

This procedure will become effective upon approval of the Chief Executive Officer/General Manager.

PROCEDURE:

VENDOR VISITATION/RELEASE OF BID INFORMATION

SECTION NUMBER:

3.D.2**I. PURPOSE**

The purpose of this procedure is to establish formal guidelines that govern vendor visitations and the release of bid information (formal and informal) to vendors.

II. APPLICABILITY

This procedure applies to vendor visitations at the PWC Purchasing Department as well as to the release of all bid information (formal and informal) managed by the PWC Purchasing Department.

III. RESPONSIBILITY

- A. Chief Financial Officer:** Responsible for enforcing the provisions of this procedure.
- B. Purchasing Department:** Responsible for coordinating vendor visits and release of bid information; providing information and documents to vendors and user departments as needed; and enforcing the provisions of this procedure.

IV. GUIDELINES**A. Vendor Visitation**

- 1. Vendors wishing to visit the Purchasing Department should secure an appointment with a Purchasing representative at least one (1) week in advance.
- 2. Vendor visitation hours will be restricted, whenever possible, to Tuesdays and Wednesdays from 9:00 a.m. to 11:00 a.m., and 2:00 p.m. to 4:00 p.m.

B. Release of Bid Information**1. Formal Bids**

- a. A PWC Bid Tabulation Form will be provided to all vendors attending a formal bid opening.

☐ ORIGINAL ☒ REVISION No. 1

APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE:

VENDOR VISITATION/RELEASE OF BID INFORMATION

SECTION NUMBER:

3.D.2

- b. Vendors not attending the formal bid opening may obtain a copy of the PWC Bid Tabulation Form by contacting a Purchasing representative. A copy of the PWC Bid Tabulation form will be sent to the vendor upon request.
- c. Vendors desiring to view bid packages will be required to schedule an appointment with Purchasing (see Section IV.A. above).

2. Informal Bids

- a. Vendors may obtain copies of Request for Quotations by contacting a Purchasing representative. Copies of Request for Quotations will be sent to the vendor upon request.
- b. Vendors wishing to view or pick up copies of Request for Quotations at PWC will be required to give advanced notice to Purchasing.

3. General

- a. Negotiations with vendors for formal and informal bids will be conducted by Purchasing.
- b. Questions concerning bids should be directed to the Purchasing Department.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

CONSTRUCTION CONTRACTS (FORMAL)

SECTION NUMBER:

3.D.3**I. PURPOSE**

The purpose of this procedure is to establish guidelines that comply with General Statute requirements that govern purchasing practices with regard to formal construction contracts.

II. APPLICABILITY

This procedure applies to construction or repair work requiring expenditures of \$500,000 or more.

III. RESPONSIBILITY

- A. General Manager:** Responsible for enforcing the provisions of this procedure and facilitating approval process with the Commissioners and City Council as needed.
- B. Officers:** Responsible for enforcing the provisions of this procedure.
- C. Purchasing Department:** Responsible for facilitating the contract administration process; providing assistance to departments; ensuring all laws and regulations are followed in relation to contract announcements, awards, and negotiations; and obtaining the appropriate approvals for contracts.
- D. User Departments:** Responsible for following the provisions of this procedure.

IV. GUIDELINES**A. Preparation of Specifications**

- 1. Must be prepared by architect/engineer if \$135,000.00 or more and involves construction of, or additions to, public buildings.
- 2. Must be prepared by architect/engineer if \$135,000.00 or more and involves repair work that involves major structural change to public building.

☐ ORIGINAL ☒ REVISION No. 3

APPROVED: MAY 19, 2015APPROVED BY:  GENERAL MANAGER

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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3. For building projects \$300,000.00 or more, specifications must be prepared for at least the following: HVAC, plumbing, electrical and general; separate bids will be received for each branch of work; branch of work less than \$50,000.00 may be combined with another branch; and minority participation goals and guidelines for actions that would constitute a good faith effort to meet these goals are required also.

B. Advertising for Bids

1. Advertisement is published on PWC website, Matchforce.org, and *Greater Diversity Newspaper* for projects over \$300,000 or funded by NCDOT or other special funding sources.
2. Published at least one week prior to bid opening.
3. Notice will contain the following:
 - a. Date, time and place where bids will be opened.
 - b. Short description of project being bid.
 - c. Mailing instructions.
 - d. Bid deposit requirement.
 - e. Pre-bid information (if requested by owner or its representative).
 - f. Reservations of owner.
 - g. Where bid package can be secured.
 - h. Notice that bidders be properly licensed under Chapter 87 of the General Statutes of NC, if required.
 - i. Performance and payment bond requirements.
4. Published notice or advertisement must match notice in bid package.

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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C. Contents of Bid Package & Responsible Party

Department	Contents
Purchasing Department	Title page to include owner's name and description of project
User Department	If professional services used, name of firm and seal of firm with signature and date
Purchasing Department	Table of contents
Purchasing Department	Notice or advertisement
Purchasing Department	Definitions
Purchasing Department	Instructions to bidders
Purchasing Department	General conditions
User Department	Bid proposal
Purchasing Department	PWC contract documents
User Department	Detailed specifications
User Department	Drawings
Purchasing Department	Payment schedule
Purchasing Department	Sales tax schedule
Purchasing Department	Change order form
Purchasing Department	DBE requirements

D. Bid and Process Responsibilities

1. For Specifications Prepared Internally

- a. User department prepares specifications and assembles a rough draft bid document and forwards to Purchasing Manager for review. This should be accompanied by a bidders list.

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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- b. After bid documents are reviewed and approved by PWC, Purchasing Manager sets pre-bid date (if necessary) and bid date in cooperation with User Department representative.
- c. Purchasing Department is responsible for publishing notice and advertisement in newspapers or on website, whichever is applicable.
- d. Purchasing Department is responsible for distributing bid packages. Bid packages will be distributed electronically whenever possible.
- e. Purchasing Department is responsible for receiving and securing bid proposals.
- f. Purchasing Department is responsible for opening bids (User Department may also attend).
- g. User department is responsible for evaluating bids and making recommendations to Purchasing Manager. Purchasing Manager reviews evaluation, prepares action request form and forwards to General Manager.
- h. General Manager schedules proposed recommendation on Commission meeting agenda (User Department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). Commission meets 2nd and 4th Wednesday of each month. Proposed agenda items must be received by Executive Office by Wednesday at 1:00 p.m., prior to the scheduled meeting.
- i. If approved by Commission, General Manager will schedule recommendation on City Council meeting agenda (User Department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). City Council meets 2nd and 4th Monday of each month. Agenda items from PWC must be received by City Manager's office by predetermined date, prior to the scheduled meeting.
- j. Purchasing Department will be responsible for initiating execution of contract after PWC award by filling out:

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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- (1) Award of Contract - Date bids are awarded by Commission
 - (2) Contract - Same date as Award of Contract
 - (3) Council Approval - Date bid award is approved by City Council
 - (4) Notice of Award - Same date as Council approval (or next day)
 - (5) Notice to Proceed - Normally issued and dated at the Pre-Construction Conference
 - (6) Performance/Payment Bonds - Date of execution corresponds to contract date
 - (7) Purchasing Department will hold documents until Council approval.
- k. General Manager will notify Purchasing Manager of action taken by City Council.
- l. If approved by City Council, PWC will send two (2) original and complete sets of contract documents to contractor for execution. Contractor will sign and secure bond/insurance requirements before returning to PWC.
- m. Cash or check bid deposits are returned to vendors by Purchasing Department once contract is executed by contractor.
- n. Contract documents will be presented to the Commission Chairman and Secretary for signatures.
- o. Contract documents will be signed by the Chief Financial Officer.
- p. Contract documents will be sent to City Clerk for signature by Mayor and returned to PWC.
- q. Contract documents will be sent to PWC Attorney for review and signature and returned to PWC.

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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- r. Purchasing Department in cooperation with User Department will schedule pre-construction conference with contractor.
- s. Purchasing Department will issue Notice to Proceed and contract documents at pre-construction conference as follows:
 - (1) One (1) set to Contractor
 - (2) One (1) set to PWC
 - (3) Electronic copies of contract documents and Blanket Purchase Agreement (BPA) or Purchase Order (PO) will be sent to user department and Capital Projects department.
- t. Purchasing Department will issue a Blanket Purchase Agreement (BPA) or Purchase Order (PO) for value of contract.
- u. User Department will administer contract and process invoices against BPA or PO until completion.

2. For Specifications Prepared by Professional Service Firm

- a. User department schedules pre-design meeting with professional firm indicating PWC requirements. As a part of this meeting, Purchasing Department goes over Contract Administration Guidelines with professional service firm.
- b. Professional service firm prepares specifications and forwards to User Department representative for review. After approval of specifications, User Department forwards to Purchasing Department to prepare bid documents. Professional service firm also develops bidders list and forwards to Purchasing Department. This list does not preclude other vendors from bidding unless pre-qualification process exercised.
- c. Purchasing Department assembles bid document and incorporates specifications, sets pre-bid date (if necessary), and bid date in cooperation with User Department representative and professional service firm.

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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- d. Purchasing Department is responsible for publishing notice and advertisement as appropriate.
- e. Purchasing Department is responsible for distributing bid packages.
- f. Purchasing Department is responsible for receiving and securing bid proposals.
- g. Purchasing Department is responsible for opening bids (User Department and professional service firm may also participate).
- h. Professional service firm and User Department are responsible for evaluating bids and making recommendations to Purchasing Manager. Purchasing Manager reviews evaluation, prepares action request form, and forwards to General Manager.
- i. General Manager schedules proposed recommendation on Commission meeting agenda (User Department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). Commission meets 2nd and 4th Wednesday of each month. Proposed agenda items must be received by Executive Office by Wednesday at 1:00 p.m., prior to the scheduled meeting.
- j. If approved by Commission, General Manager will schedule recommendation on City Council meeting agenda (User Department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). City Council meetings are held on the 2nd and 4th Monday of each month. Agenda items from PWC must be received by City Manager's office by predetermined date, prior to the scheduled meeting.
- k. Purchasing Department will be responsible for initiating execution of contract after PWC award by filling out:
 - (1) Award of Contract - Date bids are awarded by Commission

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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- (2) Contract - Same date as Award of Contract
 - (3) Council Approval - Date bid award is approved by City Council
 - (4) Notice of Award - Same date as Council approval (or next day)
 - (5) Notice to Proceed - Normally issued and dated at the Pre-Construction Conference
 - (6) Performance/Payment Bonds - Date of execution corresponds to contract date
- k. Purchasing Department will hold documents until Council approval. In the interest of time, it may be necessary to issue Award of Contract form to contractor in order to secure necessary bond requirements.
 - l. General Manager will notify Purchasing Manager of action taken by City Council.
 - m. If approved by City Council, PWC will send two (2) original and complete sets of contract documents to contractor for execution. Contractor will sign and secure bond/insurance requirements before returning to PWC.
 - n. Cash or check bid deposits are returned to vendors by Purchasing Department once contract is executed by contractor.
 - o. Contract documents will be presented to the Commission Chairman and Secretary for signatures.
 - p. Contract documents will be signed by the Chief Financial Officer.
 - q. Contract documents will be sent to City Clerk for signature by Mayor and returned to PWC.
 - r. Contract documents will be sent to PWC Attorney for review and signature and returned to PWC.

PROCEDURE: CONSTRUCTION CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.3
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- s. Purchasing Department, in cooperation with User Department and professional service firm, will schedule pre-construction conference with contractor.
- t. Purchasing Department will issue Notice to Proceed and contract documents at pre-construction conference as follows:
 - (1) One (1) set to Contractor
 - (2) One (1) set to PWC
 - (3) Electronic copies of contract documents and Blanket Purchase Agreement (BPA) or Purchase Order (PO) will be sent to user department, professional service firm and Capital Projects department.
- u. Purchasing Department will issue a Blanket Purchase Agreement (BPA) or Purchase Order (PO) for value of contract.
- v. User Department and professional service firm will administer contract until completion.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE: PURCHASE CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.5
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I. PURPOSE

The purpose of this procedure is to establish guidelines that comply with General Statute requirements that govern purchasing practices with regard to formal purchase contracts. A formal purchase contract is defined as the purchase of apparatus, supplies, materials or equipment requiring an expenditure of \$90,000.00 or more and may also include minor installation charges if cost is immaterial in relation to total purchase price.

II. APPLICABILITY

This procedure applies to formal purchase contracts requiring expenditures of \$90,000.00 or more.

III. RESPONSIBILITY

- A. Purchasing:** Responsible for ensuring all contracts comply with all legal requirements and appropriate procedures; coordinating efforts with user departments to prepare specifications and bid packages; and facilitating bid approval, advertisements, distribution, collection, review and award processes.
- B. User Department:** Responsible for coordinating efforts with Purchasing to prepare specifications and other documents for the bid packages; assisting in the evaluation process; and participating in other activities as required by Purchasing and/or the General Manager.
- C. CEO/General Manager:** Responsible for reviewing/approving contracts; and facilitating approval of contracts through the Commission and City Council as appropriate.

IV. GUIDELINES

A. Preparation of Specifications

Specifications are either generated internally or PWC may procure professional services to generate detailed specifications.

B. Advertising for Bids

Purchasing shall be responsible for placing an advertisement on the PWC

☐ ORIGINAL ☒ REVISION NO. 1

APPROVED: OCTOBER 1, 2012

APPROVED BY:  GENERAL MANAGER

PROCEDURE: PURCHASE CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.5
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Website in accordance with North Carolina General Statutes.

C. Contents of Bid Package

1. Purchasing shall be responsible for the administrative portion of the bid package to include, but not be limited to, Notice to Bidders, Instructions to Bidders, Bid Proposal, etc.
2. User department shall provide detailed specifications to Purchasing for use in the bid package.

V. PROCEDURES

A. Bid Process and Responsibilities for Specifications Prepared Internally

1. User department prepares detailed specifications and forwards to Purchasing.
2. Purchasing assembles the administrative portions of total bid package.
3. Purchasing, in cooperation with user department, sets pre-bid date (if applicable) and bid date.
4. Purchasing develops and maintains bidders list (user department may assist in development of initial list).
5. Purchasing is responsible for distribution of all bid packages.
6. Purchasing is responsible for receiving and securing bid proposals.
7. Purchasing is responsible for opening bids (user departments may also participate).
8. Purchasing and the user department are responsible for evaluating bid proposals. Once evaluation is complete, Purchasing shall prepare an Action Request Form recommending award of the bid and will forward the form to the General Manager.
9. The General Manager will schedule the proposed recommendation on the Commission meeting agenda (user department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). Proposed agenda items must be received in the General Manager's

PROCEDURE: PURCHASE CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.5
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Office by 1:00 p.m. on the Wednesday prior to the scheduled meeting.

10. If approved by the Commission, the General Manager will schedule recommendation on the City Council's meeting agenda (user department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). Agenda items from PWC must be received by the city clerk by 5:00 PM Tuesday, prior to the scheduled meeting.
11. The General Manager will notify the Purchasing Manager of action taken by City Council.
12. If approved by City Council, Purchasing will notify vendor of award and issue purchase order or contract as appropriate. Purchasing will ensure that all contracts are executed properly and that all bonds and insurance are received and in compliance with the bid documents.
13. Cash or check bid deposits are to be deposited in the PWC General Fund upon receipt. A check request will be completed by Purchasing to refund the deposit once a purchase order or contract is issued. There will be a minimum 10 working day hold for all checks deposited.

B. Bid Process and Responsibilities for Specifications Prepared By Professional Service Firm

1. User department schedules pre-design meeting with professional service firm indicating PWC requirements. As a part of this meeting, Purchasing goes over Contract Administration Guidelines with professional service firm.
2. Professional service firm prepares specifications and forwards to user department representative. After approval of specifications, user department forwards to Purchasing to prepare bid documents. Professional service firm also develops bidders list and forwards to Purchasing. This list does not preclude other vendors from bidding unless pre-qualification process exercised.
3. Purchasing sets pre-bid date (if necessary) and bid date in cooperation with user department representative and professional service firm.
4. Purchasing is responsible for the distribution of all bid packages.

PROCEDURE: PURCHASE CONTRACTS (FORMAL)	SECTION NUMBER: 3.D.5
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5. Purchasing is responsible for receiving and securing bid proposals.
6. Purchasing is responsible for opening bids (user department and professional service firm may also participate).
7. Professional service firm and user department are responsible for evaluating bids and making recommendations to Purchasing Manager. Purchasing Manager reviews evaluation and recommendation, prepares Action Request Form, and forwards to General Manager.
8. The General Manager will schedule the proposed recommendation on the Commission meeting agenda (user department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). Proposed agenda items must be received by the General Manager's Office by Wednesday at 1:00 p.m., prior to scheduled meeting.
9. If approved by the Commission, the General Manager will schedule recommendation on the City Council's meeting agenda (user department representative and/or Purchasing Manager may be asked by General Manager to attend meeting to explain proposed purchase). Agenda items from PWC must be received by the City Clerk by 5:00 p.m., Tuesday, prior to the scheduled meeting.
10. The General Manager will notify Purchasing Manager of action taken by the City Council.
11. If approved by the City Council, Purchasing will notify vendor of award and issue purchase order or contract as appropriate. Purchasing will ensure that all contracts are executed properly and that all bonds and insurance are received and in compliance with the bid documents.
12. Cash or check bid deposits are to be deposited in the PWC General Fund upon receipt. A check request will be completed by Purchasing to refund the deposit once a purchase order or contract is issued. There will be a minimum 10 working day hold for all checks deposited.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

FACILITIES INVESTMENT FEES

SECTION NUMBER:

5.A.1**I. PURPOSE**

The purpose of this procedure is to guide consistent application of water and sewer Facility Investment Fees (FIFs). FIFs were established to ensure that rate payers share in the additional cost of water and sewer services attributable to the increased demand additional connections create upon the systems.

II. APPLICABILITY

This procedure will apply to all PWC Departments responsible for managing activities related to new connections on the PWC system that will be owned, operated and maintained by PWC.

III. DEFINITIONS

- A. Approach Main** – A main extension that is made to serve a development from existing offsite water and/or sewer utilities and passes through or abuts other parcels and provides the availability of water and sewer service to these parcels that did not previously have such service available.
- B. Facility Investment Fee (FIF)** – A fee imposed on potential new customers of the water and sewer systems that represents the pro rata share of system costs which is attributable to the increased demand the additional connection creates on the system.
- C. Facility Investment Fee (FIF) Credits** – Credits offered by PWC for application towards applicable FIF charges on a project when an approved approach main is constructed.
- D. Non-single Family** – All land uses excluding single family units, to include duplex units, triplex units, mobile home parks, apartment complexes, commercial developments, churches, etc.
- E. Single Family** – A single dwelling unit on a parcel solely for habitation by a single family.
- F. Utility Extension Contract** – A legally binding agreement between PWC and a second party whereby the second party wishes to extend existing PWC utilities at their expense to serve a proposed development and PWC agrees to accept the utilities for perpetual operation and maintenance

☐ ORIGINAL ☒ REVISION No. 6

APPROVED: JUNE 3, 2014APPROVED BY:  GENERAL MANAGER

PROCEDURE: FACILITIES INVESTMENT FEES	SECTION NUMBER: 5.A.1
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once the conditions of the contract have been met. This contract will further define all fees and other conditions of acceptance that may be applicable to the project.

IV. RESPONSIBILITY

- A. **Water Resources Chief Operations Officer:** Responsible for ensuring that all provisions of the FIF procedure are implemented and ensuring accurate information needed to calculate fees is supplied to Finance Division.
- B. **Chief Financial Officer:** Responsible for establishing FIF rates; providing documentation to PWC Commission and General Manager related to FIF rates; facilitating appropriate approval of FIF rates; and maintaining and accounting for FIF fees and credits.
- C. **Water Resources Engineering Department:** Responsible for ensuring staff members are familiar with the FIF procedures and rates; applying rates consistently; reviewing contract estimates to ensure fees are applied appropriately; preparing quotes and estimates; and documenting applicable FIFs and credits.
- D. **Customer Programs Department:** Responsible for ensuring procedures are in place to withhold services until proof that applicable PWC fees are paid or waived.

V. GUIDELINES

A. **General**

- 1. A FIF shall be appropriately applied to all connections. FIFs are in addition to the Main Charge and Service Lateral Charge. FIFs are subject to change at any time. For current rates, refer to the Schedule of Deposits, Fees and Charges available on the intranet.
- 2. For a property with a water meter sized up to 2", the FIF will be based on current applicable rates detailed in the Schedule of Water and Sanitary Sewer Deposits, Fees and Charges.
- 3. For a property with a water meter sized greater than 2", the FIF will be based on the estimated GPD (gallons per day) as approved by PWC's Water Resources Engineering Department. After 12 months

PROCEDURE: FACILITIES INVESTMENT FEES	SECTION NUMBER: 5.A.1
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of actual usage, a second engineering analysis may be conducted. If the actual usage is more or less than 5% of the original engineer's estimate, an adjustment will be made to the FIF due.

4. The General Manager has the discretion to waive the FIF for up to six (6) months to encourage connection to newly installed water and/or sewer infrastructure funded through PWC sources (such as annexation areas).
5. Existing customers connected to both water and sanitary sewer, and needing additional connections to the system, will pay the appropriate water and sewer FIFs.
6. Existing customers needing to up-size the current meter will pay the difference between the FIFs (water and sewer) for the existing meter and the larger meter.
7. All applicable FIFs must be paid before the new connection is installed, prior to the meter installation or in the case of an existing meter, prior to connection to the service lateral by the applicant. Any deviations from this procedure will be deemed a violation and addressed in accordance with theft of service requirements.
8. No FIF will be collected for fire protection laterals.
9. There are currently no FIF charges for new PWC electrical connections.
10. FIFs for development in the Development Incentive Zones must be determined in accordance with PWC Incentive Plan Procedure.
11. PWC will provide the applicant with a receipt of payment or other documentation if the FIF is not applicable.
12. If a parcel is being developed for multi-family units or requires multiple water meters (such as shopping centers), customers shall refer to the Schedule of Deposits, Fees and Charges for current rates.
13. The equivalent meter size is determined as if the entire parcel was to be served by a master meter. The Water Resources Engineering Department can make the equivalent meter size determination if needed. Small individual parcels that are closely grouped together,

PROCEDURE:

FACILITIES INVESTMENT FEES

SECTION NUMBER:

5.A.1

such as condominiums and zero lot line parcels, cannot utilize the equivalent meter option.

14. Separate irrigation taps to serve non-single family residential parcels will require payment of the appropriate water FIF; however, a sewer FIF is not applicable.

B. FIF Credits

1. FIF credit may be given for offsite water and/or sewer approach main extensions that meet the definition of Approach Mains. Credits may also be given for upsizing for future needs or for providing additional capacity in a lift station for serving other areas or for future demands. Credits will not be granted if PWC provided participation in the project or for upgrades if the upgrades are funded by PWC.
2. FIF credits are intended for use on the project in which they are earned; however, if not used, the unused amount will be credited to the appropriate party and available for use by that party on future PWC projects. This FIF credit will remain in effect for a maximum of ten (10) years from the start date of the contract unless an extension is approved (see item 5a below). If unused, they then expire and are no longer available for use. These credits shall not be sold or transferred to other parties for use on other PWC projects.
3. FIF credits applied via contract or other method may not be transferred to other properties or refunded for any reason. FIFs that have been paid in cash may not be refunded by applying FIF credits.
4. The party earning the FIF credit may request such credit be prorated between both water and sanitary sewer utilities. Request for this prorating must be made in writing to the Water Resources Engineering Department responsible for reviewing the plans and approved by the Water Resources Engineer Manager. This concurrence must be included in the Utility Extension Contract between PWC and the Developer.
5. FIF extension requests will be considered on a case-by-case basis using the following guidelines:

PROCEDURE: FACILITIES INVESTMENT FEES	SECTION NUMBER: 5.A.1
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- a. Current contracts, those not expired as of March 13, 2013, will have FIF credits extended for an additional five (5) years from the original expiration date.
- b. For contracts that have expired since March 13, 2008, FIF credits will be added back to the developer's account for use for an additional five (5) years from the original expiration date.
- c. For new developer contracts, submitted after March 13, 2013 and approved prior to December 29, 2015, FIF credits will be extended for a ten (10) year period contingent on the construction being completed based on the buildout schedule, but not later than 10 years following execution of the agreement unless otherwise approved in the buildout schedule.
- d. Extended credits, as described above, cannot be used to offset previous payments of FIF charges.

C. Sewer FIFs

1. For customers with sewer only service, no water FIF is charged. Sewer FIF will be based on the following:
 - a. If the property is designated for a single-family residential customer, FIF will be based on 5/8" water meter.
 - b. If the property is served by a private water company, FIF is based on water meter size provided by the company (e.g., Aqua Water Company).

VI. PROCEDURES

A. New Service Connections By Quote

1. The quote process for new service connections shall be as defined in the PWC Water Resources Engineering Quote Manual.
2. Applicable FIF for the service location should be applied in accordance with the guidelines outlined in this document and current rates provided in the Schedule of Deposits, Fees and Charges. In the event of any inconsistencies, information in the

PROCEDURE: FACILITIES INVESTMENT FEES	SECTION NUMBER: 5.A.1
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Schedule of Deposits, Fees and Charges document will take precedence.

3. Applicable FIF charges for individual connections will be clearly indicated on the formal quote prepared by the Water Resources Engineering Department.
4. All applicable fees must be paid prior to the connection being made.

B. New Development Connections

1. New development connections shall follow the plan review/permitting process.
2. The Water Resources Engineering Department will prepare a Project Estimate which identifies the utilities that are to be installed and assumed for maintenance by PWC in accordance with PWC standards and specifications. This Project Estimate will also document the applicable FIF charges, as well as any credits earned. Detailed explanations and any supporting documentation must be attached to the Project Estimate.
3. Upon completion of the Project Estimate and approval by the Water Resources Engineering Department, the Project Estimate will be forwarded to Customer Programs for inclusion in the Utility Extension Contract.
4. The Utility Extension Contract will be assembled by the Customer Programs Department. The FIF charges for new developments will be specifically identified in the Contract or by formal quote if the Contract is not applicable. Specific dollar amounts will be indicated as well as any credits that are to be granted.
5. All applicable FIFs must be paid prior to installation of meters.

VII. EFFECTIVE DATE

This procedure will become effective upon approval.

PROCEDURE:

NC RENEWABLE ENERGY PROGRAMS

SECTION NUMBER:

5.A.11

I. PURPOSE

The purpose of this document is to define how PWC will ensure compliance with opt out alternatives pursuant to North Carolina General Statute 62-133.9(f) and Rule R8-69(d) adopted by the North Carolina Utilities Commission (NCUC).

II. APPLICABILITY

Industrial and Non-Residential customers that use more than one million kWhs annually may choose to opt out of contributions toward Demand Side Management or Energy Efficiency (DSM/EE) programs funded through the NC Renewable Energy Programs (REPS) rider charge if they implement or plan to implement an approved DSM/EE program.

III. DEFINITIONS

- A. **Industrial** – A customer operating in a non-residential facility that meets the manufacturing criteria of the North American Classification System (NAICS).
- B. **Non-Residential** – A customer not classified as residential (single family residence) or industrial in PWC Service and Rate Regulations.
- C. **Demand Side Management or Energy Efficiency (DSM/EE) Programs** – Programs sponsored through PWC's effort to encourage smart energy choices and ensure compliance with North Carolina's renewable energy and energy efficiency legislation.
- D. **NC Renewable Energy Programs (REPS) Rider** – Rate charged to help cover expenses related to implementation and monitoring of DSM/EE programs aimed at encouraging smart energy choices and compliance with state regulations.

IV. RESPONSIBILITY

- A. **Senior Customer Programs Officer** – Responsible for implementing and monitoring activities described within this procedure.
- B. **Marketing Manager** – Responsible for coordinating application review and approval activities, monitoring compliance, and communicating information to staff and customers as needed.

☒ ORIGINAL ☐ REVISION NO. _____APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE:

NC RENEWABLE ENERGY PROGRAMS

SECTION NUMBER:

5.A.11

- C. **Conservation Specialist** – Responsible for reviewing customer's proposed DSM/EE programs to ensure compliance with state regulations.
- D. **Key Accounts Representative** – Responsible for receiving applications, reviewing information for eligibility, and communicating with customers as needed.
- E. **Compliance Specialist** – Responsible for tracking status of customer's approved and/or disapproved applications and monitoring compliance annually to ensure eligibility criteria are continuously met.
- F. **Compliance Manager** – Responsible for filing all required NCUC documents for the PWC Opt Out Program, communicating to the other responsible parties any changes to the governing statutes of this procedure, and conducting an annual customer compliance review of those customers that have elected to join the Opt Out Program.
- G. **Rates Analyst** – Responsible for changing customers' rate status to ensure they are billed appropriately.
- H. **Programs Supervisor** – Responsible assigning applications to a Conservation Specialist when additional information is needed to confirm eligibility.

V. GUIDELINES

- A. Only customers classified as (1) Industrial according to the North American Industry Classification System (NAICS), or (2) Non-Residential customers that use more than one million kWhs annually, may choose to apply to opt out of contributions toward Demand Side Management or Energy Efficiency (DSM/EE) programs funded through the NC Renewable Energy Programs (REPS) rider rate.
 - 1. Industrial customers may not include any meter that is for a site/building not classified as 'industrial' based on the NAICS.
 - 2. Non-Residential customers may not aggregate meters to reach the one million kWh qualification requirement. Each meter is considered independent.
- B. Applications to opt out of the DSM/EE programs must be received by PWC during the January enrollment period.

PROCEDURE:

NC RENEWABLE ENERGY PROGRAMS

SECTION NUMBER:

5.A.11

- C. To meet Opt Out Program eligibility criteria, the customer must demonstrate that they have adopted, or will adopt within the next 12-month period, a significant DSM/EE program.
- D. If a qualifying customer is approved for the Opt Out Program, and the usage rate falls below one million kWh or fails to meet any PWC or NCUC requirements in any 12-month period, PWC reserves the right to cancel the Opt Out Application. The customer may choose to re-apply once usage requirements are met.
- E. Customers who are approved for the Opt Out Program, but then decide to opt back in to PWC's DSM/EE programs:
 - 1. are prohibited from applying for the Opt Out Program for a 5-year period from the date they opt back in,
 - 2. must have initiated a new DSM/EE program different than the one used for the prior opt out request, and
 - 3. submit a new Opt Out Program Application.
- F. All DSM/EE program costs will reside in the REPS Rider account. Approved customers choosing the Opt Out Program will have their bills reduced by the current REPS charge being billed by PWC.
- G. The Opt Out enrollment period will be the calendar month of January each year. Applications received outside this time period will be held for consideration during the next enrollment period.
- H. For approved customers, Opt Out rates will be effective starting July 1st following the enrollment period.

VI. PROCEDURES**A. Joining the Opt Out Program**

- 1. To apply, Industrial and Non-Residential customers must submit an Opt Out Program Application to a Key Account Representative during the open enrollment period (the calendar month of January).
 - a. The application will be available online and in hard copy upon request.

PROCEDURE:

NC RENEWABLE ENERGY PROGRAMS

SECTION NUMBER:

5.A.11

- b. The customer may mail or e-mail the application to the Key Account Representative.
2. The Key Account Representative will review the application and verify customer eligibility under G.S. 62-133.9(f). If the customer does not qualify, the Key Account Representative will notify the customer in writing.
3. If all eligibility criteria are met, the Key Account Representative will forward the application to the Marketing Manager.
4. The Marketing Manager will review and process the application, which may involve requesting additional information on the customer's DSM/EE program(s) to verify that the program meets the intent of state regulations.
 - a. In the case that additional verification/documentation is necessary, the Marketing Manager will forward a review request to the Programs Supervisor who will assign the customer's application to a Conservation Specialist.
 - b. The Conservation Specialist will visit the customer and verify that the current or planned DSM/EE project or program meets the intent of G.S. 62-133.9(f). The Conservation Specialist may follow up at a later date to ensure that the customer initiated program has met the requirements of both the PWC Opt Out Program and the intent of G.S. 62-133.9(f). If the program fails to meet these requirements, PWC reserves the right to back bill the customer for the appropriate REPS charges plus any administrative fees.
 - c. The Conservation Specialist will forward review results to the Marketing Manager. If the application is not approved, the customer will be notified in writing and informed of their right to appeal per G.S. 62-133.9(f). Appeals will not be granted for any customer not meeting the one million kWh requirement.
5. Once the Marketing Manager is satisfied that all eligibility criteria are met and DSM/EE programs are sufficient, the application will be approved and copies will be forwarded to the Compliance Manager and Rates Analyst.

PROCEDURE:

NC RENEWABLE ENERGY PROGRAMS

SECTION NUMBER:

5.A.11

6. The Compliance Manager will document and record approval of the Opt Out status and verify that those accounts are exempt from participating in PWC sponsored DSM/EE programs.
7. The Marketing Manager will send the customer a letter of acceptance into the Opt Out Program. This letter will make the customer aware of options to opt back in to the REPS program and take advantage of the various DSM/EE programs offered by PWC.
8. The Rates Analyst will ensure that the approved customer's account is updated appropriately based on current rate schedules.
9. The effective date of the rate change will be July 1st after the enrollment period.
10. After the June bills are issued for customers who have chosen the Opt Out Program, the Compliance Manager shall review each account for ongoing compliance with this procedure and provide a summary report to the Marketing Manager and Senior Customer Programs Officer.

B. Opt In Process

1. Customers are automatically enrolled in PWC's DSM/EE programs unless they enroll in the Opt Out Program.
2. Once a customer is approved for the Opt Out Program, they must submit a written request to the Marketing Manager if they wish to exit the Opt Out Program and rejoin PWC's DSM/EE programs. Requests will only be considered during the enrollment period.
3. The Marketing Manager or designee will review the written request, share information with the Compliance Manager, and communicate with the customer as needed to ensure all requirements of the PWC and G.S. 62-199.9(f) are met.
4. If approved, the Marketing Manager will forward the approved request to the Compliance Manager and Rates Analyst.
5. Effective July 1st following the enrollment period, the Rates Analyst will remove the customer from the Opt Out Program rate.

VI. EFFECTIVE DATE

This procedure will become effective on January 1, 2013.

PROCEDURE:

ECONOMIC DEVELOPMENT INCENTIVE PLAN

SECTION NUMBER:

5.A.2

P5.A.2

ECONOMIC DEVELOPMENT INCENTIVE PLAN POLICY

It shall be the policy of the Public Works Commission to promote and encourage in-fill development and maximize the use of existing utility infrastructure by providing Facility Investment Fee waivers for new commercial and high density construction within the corporate boundary of the City of Fayetteville.

I. PURPOSE

The purpose of this procedure is to define the Economic Development Incentive Plan which is designed to promote and encourage in-fill development within the City of Fayetteville. A major benefit of the program is to spur economic growth while increasing the PWC customer base and the City of Fayetteville tax base in areas of the City where infrastructure is already in place.

II. APPLICABILITY

The provisions of this procedure apply to incentives in the form of Facility Investment Fee (FIF) waivers for new commercial and high density construction as defined in this document. Decisions related to individual eligibility criteria exceptions will be considered on a case-by-case basis, and must be approved by the Senior Customer Programs Division Officer and General Manager.

III. DEFINITIONS

- A. Tier One** – Properties located in the downtown area identified as the core of the City (see Attachment A).
- B. Tier Two** – Properties located in the City of Fayetteville incorporated area (city limits) but outside of Tier One areas (see Attachment A).

IV. RESPONSIBILITIES

- A. Senior Customer Programs Officer** – Responsible for implementing and monitoring activities described within this procedure.

☐ ORIGINAL ☒ REVISION No. 7APPROVED: JUNE 3, 2014APPROVED BY:  GENERAL MANAGER

PROCEDURE: ECONOMIC DEVELOPMENT INCENTIVE PLAN	SECTION NUMBER: 5.A.2
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- B. Marketing Manager** – Responsible for processing requests for waivers and coordinating efforts with other departments to ensure timely responses for customers.
- C. Project Analysts** – Responsible for verifying eligibility, preparing forms, communicating information to customers, and updating account information.

V. GUIDELINES

A. Eligibility Criteria (Tier One and Tier Two)

1. Water and sewer FIF waivers will be provided when all of the following eligibility criteria are met:
 - a. The site is located within a designated Tier One or Tier Two area as defined in Section III of this procedure and depicted on Attachment A.
 - b. The site will consist of new commercial or high density residential construction. High density construction must consist of four or more units per acre.
 - c. The customer provides a buildout schedule for the project that is acceptable to PWC.
 - (1) The buildout schedule will be included in the contractual agreement.
 - (2) The agreement must be executed by all parties prior to expiration of this incentive plan procedure.
 - (3) For all Developer Agreements executed after March 13, 2013, construction must be completed based on the buildout schedule, but not later than five (5) years following execution of the agreement unless otherwise approved in the buildout schedule.
 - (4) In the event construction does not proceed as set forth in the approved buildout schedule, PWC may require payment of FIF for those structures where building permits have expired or have not been issued.

PROCEDURE: ECONOMIC DEVELOPMENT INCENTIVE PLAN	SECTION NUMBER: 5.A.2
--	---------------------------------

- d. Based on the anticipated water and sanitary sewer utility sales and buildout rate, the project should, through the value added for new customers, provide over a ten (10) year time frame from issuance of the building permit, an amount equal to or greater than the estimated value of the FIF waiver.
- e. The project will promote quality growth and increased customer/tax base within the City of Fayetteville.
- f. Water service meters for the project will be 2" or smaller.
- g. The site is served by PWC electric, water, and sanitary sewer utility services.
- h. There is no FIF credit or carryover for the value of on-site infrastructure that exceeds FIF for the project.

B. Additional Eligibility Criteria for Tier Two

- 1. For new development occurring within Tier Two, FIF waivers do not apply where building improvements are connecting to existing water and sanitary sewer mains.
- 2. The FIF waiver for Tier Two will apply to new construction where the developer is installing water and sanitary sewer mains in accordance with PWC approved plans and specifications under contract with PWC.
- 3. The value of the utility infrastructure as determined by PWC (which does not include engineering, contingency or right-of-way acquisition expenses), should equal or exceed the FIF amount projected by PWC for the project.

C. Extension Requests

- 1. Extension requests will be considered on a case-by-case basis using the following guidelines:
 - a. Current contracts, those not expired as of March 13, 2013, will have FIF credits extended for an additional five (5) years from the original expiration date.
 - b. For contracts that have expired since March 13, 2008, FIF credits will be added back to the developer's account for use

PROCEDURE: ECONOMIC DEVELOPMENT INCENTIVE PLAN	SECTION NUMBER: 5.A.2
--	---------------------------------

for an additional five (5) years from the original expiration date.

- c. For new developer contracts, submitted after March 13, 2013 and approved prior to December 29, 2015, FIF credits will be extended for a ten (10) year period contingent on the construction being completed based on the buildout schedule, but not later than 10 years following execution of the agreement unless otherwise approved in the buildout schedule.
- d. Extended credits, as described above, cannot be used to offset previous payments of FIF charges.

VI. PROCEDURES

- A. To request a FIF waiver under the Economic Development Incentive Plan, the customer will submit a completed Waiver Eligibility Form (see Attachment B) with their permit packet.
- B. Upon receipt of the Economic Development Waiver Eligibility Form, Project Analysts in the Customer Programs Division will verify eligibility of the property according to the criteria outlined in the guidelines above. To verify eligibility, PWC's Project Analysts will:
 - 1. Confer with PWC Water Resources Engineering and Electric Engineering Departments.
 - 2. Contact the City of Fayetteville when necessary to clarify boundary issues.
 - 3. Research information through GIS, online databases, and other sources as needed.
- C. The Project Analysts will submit the Economic Development Waiver Eligibility Form for approval by the Marketing Manager and Senior Customer Programs Officer.
- D. Once the form is approved, Project Analysts will notify the Water Resources Engineering Department of the approval or disapproval of the waiver request.

PROCEDURE: ECONOMIC DEVELOPMENT INCENTIVE PLAN	SECTION NUMBER: 5.A.2
--	---------------------------------

- E. Project Analysts will also share information with appropriate internal departments to ensure contracts are updated, key dates are monitored, and billing information is established as needed.

VII. EFFECTIVE DATE

This procedure shall become effective 30 days after approval.

PROCEDURE:

SAFEWATCH

SECTION NUMBER:

1.B.4

I. PURPOSE

The purpose of SafeWatch is to provide additional service to the community by allowing PWC employees to give needed assistance upon request while in performance of their normal duties. It is not the intent of the program for PWC employees to replace or interfere with any other agencies, such as fire, police, rescue, etc.

II. RESPONSIBILITIES

A. Officer, Supervisors, Managers: Responsible for sharing information and enforcing provisions of this procedure.

B. Employees: Responsible for adhering to all provisions of this procedure.

III. GUIDELINES**A. Program Identification**

1. The SafeWatch program will use the following emblem for identification purposes:



2. All SafeWatch emblems will be placed in standard locations on all vehicles and hard hats.
3. SafeWatch emblems will be displayed on both the left and right front fenders of all PWC vehicles. PWC Fleet Maintenance personnel will be responsible for placing the emblems on all vehicles.
4. Safewatch emblems will be displayed on all PWC hard hats. PWC Warehouse personnel will be responsible for ensuring emblems appear on all hard hats.

B. Company Guidelines

1. Allow PWC employees to give needed assistance upon request while in performance of their normal duties.
2. Provide an orientation program to all employees to explain the SafeWatch concept.

☐ ORIGINAL ☒ REVISION NO. 1APPROVED: OCTOBER 1, 2012

APPROVED BY: GENERAL MANAGER

PROCEDURE:

SAFEWATCH

SECTION NUMBER:

1.B.4

3. Allow all employees to take "Basic First Aid" and "Cardiopulmonary Resuscitation (CPR)" classes through the company training program.
4. Allow employees to use their mobile communication network to summon any needed assistance.

C. Employee Guidelines

1. Represent PWC in a courteous, professional manner at all times.
2. Use good judgment when responding to requests for assistance.
3. Give only the assistance you can based on your personal knowledge and skills.
4. Assist only those people making a request unless the person is unable to do so and the person needs immediate attention.
5. Report any situation that is abnormal to the proper authorities.
6. Do not become involved in domestic quarrels, gang disputes, or other situations which may endanger PWC personnel, property, or equipment.
7. Discontinue all PWC assistance once the requested assistance has arrived.
8. Notify Department Manager of assistance given. Department Manager will notify the Communications and Community Relations Officer.

IV. EFFECTIVE DATE

Resolution adopted by the Commission on October 20, 1994. This procedure will be effective upon approval.

PROCEDURE:

GENERAL & ADMINISTRATIVE FACILITIES SECURITY

SECTION NUMBER:

4.A.1**I. PURPOSE**

The purpose of this procedure is to promote a safe work environment through the implementation of proactive security measures designed to protect the people, assets, and operations associated with the PWC.

II. APPLICABILITY

This procedure applies to all PWC employees, including temporary and co-op students, visitors, consultants, contractors, and contracted security personnel.

III. RESPONSIBILITY

- A. Officers, Managers, and Supervisors:** Responsible for ensuring all provisions of this procedure are enforced.
- B. Facilities Construction and Maintenance Department:** Responsible for managing facility access controls; processing requests for ID Badges; and working with all departments to ensure all security and access requirements are followed according to procedures outlined in this document.
- C. Employees:** Responsible for following all provisions of this procedure and ensuring that all visitors, contractors and vendors comply with procedures.

IV. PROCEDURES**A. Facility Access****1. General**

- a. Non-uniformed PWC employees are required to display ID Badges at all times while on PWC premises. Individuals not displaying their badge will be subject to questioning by PWC staff or Security who may then contact the employee's supervisor to verify identification of employee and to report non-compliance. Uniformed PWC employees must have

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PROCEDURE: GENERAL & ADMINISTRATIVE FACILITIES SECURITY	SECTION NUMBER: 4.A.1
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their ID Badges in their possession at all times while on PWC premises.

- b. Employee badges and keys will be issued by the Facilities Construction and Maintenance Department. A representative from the Human Resources Department will take new employees to the Facilities Construction and Maintenance Department for their ID Badge on or before the employee's first day of work.
- c. Employees should immediately report (within 24 hours or on the next business day) the loss or damage of any PWC-issued ID Badges or keys to their supervisor. The supervisor is responsible for notifying the Facilities Construction and Maintenance Department of the loss/damage so that badges can be deactivated and keys replaced as needed.

2. PWC Operations Complex

a. Access During Business Hours

- (1) Normal business hours are Monday through Friday, 7:00 a.m. – 6:00 p.m., excluding PWC recognized holidays.
- (2) All points of entry for buildings with ID Badge access control on the PWC campus will be managed by badge access controls with the exception of the visitor's entrance located at the front of the Operations Center.
- (3) PWC employees are required to utilize employee entrances only. Employees must use their ID Badge to gain access and shall not let other individuals enter with them.
- (4) All visitors must enter through the designated visitor's entrance. These individuals must sign-in with Security, who will then contact the requested PWC party. If the requested party is not available, Security will contact the department's office assistant or other designee. Only after approval is provided by a PWC employee will the visitor be allowed to leave the security desk area. **Employees shall not grant visitors access through any other point of entry**

PROCEDURE:

GENERAL & ADMINISTRATIVE FACILITIES SECURITY

SECTION NUMBER:

4.A.1

unless the visitor has already been signed in and the employee is working directly with visitor.

- (5) PWC employees are responsible for their visitors, to include transferring visitors from their department to another department when necessary. Visitors will be given a PWC Visitor Badge to display while on the premises and will be required to sign-out with Security and turn in the badge upon leaving.
- (6) Non-PWC employees who attend organized activities held in the Main Meeting Room or other areas shall be considered visitors. However, to eliminate confusion and time delays, the meeting organizer shall be responsible for coordinating such activities with both Security and the Facilities Construction and Maintenance Department to determine appropriate steps needed to accommodate the access levels required by the specific event. When possible, the PWC representative hosting the event shall provide Security a list of scheduled attendees to help expedite the sign-in process. Disposable wrist bands for event attendees may be used.

b. Access During Non-business Hours

- (1) All points of entry will be managed by access controls. Authorized employee entry will be limited to the front of the Operations Center and the construction entrances to the rear of the building by using employee ID Badges.
- (2) Access controls will also be active on various internal points of entry and will be accessible to authorized employees by use of employee ID Badges.
- (3) Employees will not be allowed to enter the Operations or Administration Buildings during non-business hours without an active ID Badge. All employees who enter the Operations Building must also sign in and sign out with the Security Guard. If an employee forgets his/her ID Badge or their ID Badge is damaged, the employee must contact his/her supervisor. The supervisor must verify that the employee is authorized

PROCEDURE:

GENERAL & ADMINISTRATIVE FACILITIES SECURITY

SECTION NUMBER:

4.A.1

to be in the building by speaking directly with the Security Guard. This information will be recorded in the Security Log.

- (4) Non-PWC employees who attend organized activities held in the Main Meeting Room or other area shall be considered visitors. However, to eliminate confusion and time delays, the meeting organizer shall be responsible for coordinating such activities with both Security and the Facilities Construction and Maintenance Department to determine appropriate steps needed to accommodate the access levels required by the specific event. When possible, the PWC representative hosting the event shall provide Security a list of scheduled attendees to help expedite the sign-in process. Disposable wrist bands for event attendees may be used.
- (5) Contractors, vendors, and visitors will not be allowed access during non-business hours unless a PWC employee has notified Facilities Maintenance or Security in advance. Security will log the name and department of the PWC employee that granted access to the facility in the daily activity report.
- (6) All contractors, vendors and visitors will be required to sign in and sign out at the security guard desk, unless they have been given permission by a PWC employee to enter the complex through the manned security gate on Public Works Drive. The Security Guard will contact the PWC employee to confirm authorization before allowing access, unless the contractor meets the requirements of paragraph 2.c.(3) below.

c. Access for PWC Contractors

- (1) For short-term work assignments, contractors must follow standard visitor procedures or be accompanied by a PWC employee to gain access to the PWC Operations Complex.
- (2) For long-term work assignments, contractor badges will be issued by the Facilities Construction and

PROCEDURE:

GENERAL & ADMINISTRATIVE FACILITIES SECURITY

SECTION NUMBER:

4.A.1

Maintenance Department. Internal departments must coordinate efforts with the Facilities Construction and Maintenance Department before the contractor is scheduled to begin work at the site. Upon completion of the work, the department representative will collect badge(s) and return them to the Facilities Construction and Maintenance Department.

- (3) PWC contractors who have regular business or long-term work assignments with PWC must wear contractor's badges provided through the Facilities Maintenance and Construction Department. A list of contractors will be given to Security and contractors on this list that are driving a company truck with identified markings will be allowed access through the manned security gate on Public Works Drive during regular work hours. The Security Guard stationed at this gate will log the vehicle number during entry and when the vehicle leaves the premises.

3. Customer Service Center

a. Access During Business Hours

- (1) Normal business hours are 8:30 a.m. – 5:30 p.m., Monday through Friday, excluding PWC recognized holidays.
- (2) Access controls will be active on various internal points of entry and will be accessible to authorized employees through the use of ID Badges.
- (3) Visitors must check in at the main Security Desk in the Operations Building. Security will then contact the requested PWC party. If the requested party is not available, Security will contact the department's office assistant or other designee. Only after approval is provided by a PWC employee will the visitor be allowed to leave the security desk area. **Employees shall not grant visitors access through any other point of entry unless the visitor has already been signed in and the employee is working directly with visitor.**

PROCEDURE:

GENERAL & ADMINISTRATIVE FACILITIES SECURITY

SECTION NUMBER:

4.A.1

- (4) PWC employees are responsible for their visitors, to include transferring visitors from their department to another department when necessary.

b. Access During Non-business Hours

- (1) All points of entry will be managed by access controls. Authorized employees will gain entry through the use of ID Badges.

4. Butler-Warner Generation Plant (BWGP)**a. Access During Normal Business Hours / Gate Open**

- (1) Normal business hours are from 6:00 a.m. – 6:00 p.m., Monday through Friday, except PWC recognized holidays.
- (2) All non-BWGP personnel shall stop at the guardhouse, where they will be signed in and receive a numbered disk. This disk shall remain with the visitor and be turned in to the guard upon leaving the site.
- (3) BWGP employees will stop at the guardhouse where they will be signed in and receive their plant access card. This card shall be turned in to the guard upon leaving the site.
- (4) Large groups should contact the BWGP Manager in advance of their visit in order to expedite entry to the site.

b. Access After Normal Business Hours / Gate Closed

- (1) The gate will be closed after normal business hours, on holidays, and as required to support plant activities.
- (2) Visitors needing to gain access to the BWGP after normal business hours shall contact the Control Room via the phone located outside the gate at the sign. After identifying themselves and stating their

PROCEDURE: GENERAL & ADMINISTRATIVE FACILITIES SECURITY	SECTION NUMBER: 4.A.1
---	---------------------------------

business, the visitor will receive instructions on how to enter and exit the site.

- (3) BWGP employees needing to make entry to the plant after normal business hours may use their Prox Pass to enter the gate. They must stop at the guardhouse to get their plant access card and shall notify the Control Room via the phone in the guardhouse that they are on site. If they are bringing a non-BWGP employee on site, it is their responsibility to get a numbered disk for the visitor and report the number and name of the visitor to the Control Room at that time.
- (4) If unable to gain entry using the ProxPass, BWGP employees must notify the Control Room via the black phone located outside the gate. Upon entry to the site, the employee must then pick up their plant access card from the guardhouse.

B. Key Control and Key Inventory

1. General

- a. The Facilities Construction and Maintenance Department is responsible for lock changes and issuing keys for the PWC Operations Complex. Keys and lock changes for the Water Treatment Facilities, Water Reclamation Facilities, Butler-Warner Generation Plant, Water Towers, Substations, etc. will be controlled and managed by the appropriate site manager or designee.
- b. All departments on the PWC Operations Complex are required to complete a key inventory for all employees and update the key inventory annually. Each manager or supervisor responsible for key control at each plant and other areas listed above must also complete a key inventory and update the key inventory annually. All key inventories will be submitted to Facilities Construction and Maintenance for review and verification.
- c. Key inventories will include all space keys, desk and cubicle keys, file cabinet keys, etc. for each employee and be signed by the employee and initialed by the office assistance

PROCEDURE:

GENERAL & ADMINISTRATIVE FACILITIES SECURITY

SECTION NUMBER:

4.A.1

(OA) or designated person completing the department's key inventory. Facilities Construction Maintenance will provide each department with the template and instructions for completing key inventories.

- d. Failure to complete the key inventory within the designated month will result in one reminder to the Department Manager followed by notification to the appropriate Officer, after 30 days, by the Facilities Construction Maintenance Manager. Key and lock work orders will not be completed if the department doesn't have a current key inventory on file with Facilities Construction and Maintenance. Exceptions must be approved by the Officer.

C. Vehicle Activity**1. General**

- a. There shall be no parking anywhere outside of designated parking spaces (i.e., fire lanes and curbsides).
- b. Unloading zones are to be used only for that exact purpose. Unloading is defined as the transfer of materials requiring cart assistance and/or more than a single trip.
- c. Reserved parking (i.e., Officers, United Way, etc.) is restricted to the individuals to which the reservations apply.
- d. Visitor parking is restricted to non-employee visitors only. (i.e., PWC employees conducting business at Administration/Operations Facility shall park in employee parking spaces, not visitor parking)
- e. One parking space is allowed per single vehicle unit. Combination vehicles (i.e., truck w/ trailer, etc.) shall utilize the outer-most pull-through parking spaces provided within the employee parking lots.
- f. Motorcycle parking spaces are provided for motorcycle use only, and motorcycles shall use parking spaces designated for motorcycles.

PROCEDURE: GENERAL & ADMINISTRATIVE FACILITIES SECURITY	SECTION NUMBER: 4.A.1
---	---------------------------------

- g. Handicapped parking should only be used by employees that have a true medical need documented by a medical professional. To ensure that adequate spaces are provided:
 - i. Employees must submit a copy of their DMV handicap placard registration card to the Human Resources Department to obtain an authorized hangtag. Human Resources will then issue a hangtag for the employee to display from the front of their rear view mirror.
 - ii. Human Resources will keep a log of tag numbers issued to each employee.
 - iii. Employees must display the authorized hangtag at all times in addition to the DMV issued handicapped placard when parking in a handicapped parking space on PWC property. The hang tag must be clearly visible from the employee's rear view mirror at all times.
 - iv. The Facilities Maintenance and Construction Department will be responsible for monitoring handicapped parking to ensure only employees with authorized hangtags are parking in handicapped spaces.
 - v. The Facilities Maintenance Manager will notify the employee's Supervisor/Manager and Human Resources for appropriate disciplinary action.

2. Personally Owned Vehicles (POVs)

- a. POVS are restricted to employee parking areas ONLY. The employee parking lot next to Public Works Drive is managed by access controls. Authorized employees will gain entry to this parking lot through the use of employee ID Badge.
- b. There shall be no overnight/long-term parking of personal vehicles or property (trailers, boats, campers, etc.) on PWC property unless an employee is out of town conducting PWC business or other extenuating circumstances. If such action occurs, the employee is responsible for notifying both Security and the Facilities Maintenance Department of this

PROCEDURE:

GENERAL & ADMINISTRATIVE FACILITIES SECURITY

SECTION NUMBER:

4.A.1

need prior to the occurrence. **PWC does not guarantee the security of personal property left on PWC property.**

3. PWC Fleet Vehicles

- a. PWC Fleet vehicles shall not travel through nor park within the PWC Complex employee parking lot except for the purpose of performing assigned duties. Fleet vehicles shall always park within the secured areas of the PWC Complex.
- b. **Fleet vehicles shall enter the PWC Complex through the Commission Drive automated gate.** The Public Works Drive entrance to the Complex is designed for non-PWC vehicles (i.e., visitors, contractors, etc.).
- c. Keys shall never be left in an unattended Fleet vehicle.

D. Security Guard Responsibilities

1. All activity involving or requiring security services shall be channeled through the Facilities Construction and Maintenance Manager.
2. Security Guards are responsible for assisting PWC in monitoring the compliance to this policy and are required to address and report non-compliance issues as they arise. Security will be provided photos of all employees who leave the employment of PWC so that building access can be adequately monitored and controlled. During non-business hours, Security will require employees to present photo ID Badge and sign in at the front desk.

V. EFFECTIVE DATE

This procedure will become effective upon approval.

PROCEDURE:

FLAGS FLOWN AT HALF-STAFF

SECTION NUMBER:

4.A.3**I. PURPOSE**

The purpose of this procedure is to establish guidelines for flags flown at half-staff at PWC facilities.

II. DEFINITIONS

- A. Active Employee** – Any person listed as an active employee of PWC, not retired or on long-term disability.
- B. Active Commissioner** – Any Commissioner serving an active term on the PWC Board of Commissioners.

III. RESPONSIBILITY

- A. General Manager:** Orders flags to fly at half-staff in the event of the death of an Active Employee or Active Commissioner.
- B. Human Resources Department:** Notify General Manager of the death of an Active Employee.
- C. Communications and Community Relations Division:** Notify General Manager and Human Resources Department of directive from elected officials to lower flags.
- D. Facilities Construction and Maintenance Department:** Responsible for lowering flags in accordance to guidelines.

IV. GUIDELINES

- A.** Flags will be flown at half-staff upon receiving orders as given by the President, Governor, or Mayor.
- B.** Flags will be flown at half-staff upon the death of an Active Employee or Active Commissioner.
 - 1.** Flags will fly at half-staff for seven (7) days when ordered by General Manager.

☐ ORIGINAL ☒ REVISION No. 1APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE: FLAGS FLOWN AT HALF-STAFF	SECTION NUMBER: 4.A.3
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2. In the event of the death of an active employee, flags will fly at half-staff at employee's work location (i.e., PWC Operations Complex, treatment facility, or plant).
3. In the event of the death of an Active Commissioner, flags will fly at half-staff at all PWC locations.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1**I. PURPOSE**

The purpose of this procedure is to define guidelines relative to providing quality fleet management for both the Public Works Commission (PWC) and the City of Fayetteville (COF).

II. APPLICABILITY

This procedure applies to all employees who manage, coordinate, drive or operate vehicles or equipment owned, rented or leased by PWC.

III. RESPONSIBILITY

- A. Division Officers, Department Managers, and Supervisors:** Responsible for enforcing the provisions of this procedure; communicating needs to appropriate Fleet staff; providing required documentation; and budgeting funds to cover maintenance and acquisition needs.
- B. Employees:** Responsible for following all applicable safety regulations; complying with all aspects of this procedure; and coordinating services with the Fleet Department to minimize downtime and maximize life expectancy of all vehicles and equipment.
- C. Fleet Department:** Responsible for ensuring all procedures are implemented consistently; facilitating repair and maintenance activities; communicating requirements to appropriate department leaders and operators; coordinating all activities to maximize efficient and effective departmental operations; and assisting in budgeting, acquisition, and disposal efforts as needed.

IV. GUIDELINES**A. General**

Vehicle and equipment maintenance and repair includes inspection, lubrication, adjustment, modification, testing, and repair/replacement of vehicle components which have failed or are on the verge of failure. These actions will be performed using one of the following methods:

1. On a scheduled, periodic basis (preventive maintenance cycle).

☒ ORIGINAL ☐ REVISION NO. _____APPROVED: OCTOBER 1, 2012

APPROVED BY:

 GENERAL MANAGER

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1

2. Upon breakdown or for non-scheduled safety/operational related repair needs.
3. On a scheduled, by appointment repair (non-safety/operational related repairs only).

B. Priority

Maintenance and repair of fleet vehicles and equipment will be prioritized as follows:

<u>Priority</u>	<u>Work Order Type</u>
1	Scheduled maintenance and repairs
2	Non-scheduled safety and operational related repairs
3	Non-scheduled non-safety related repairs
4	Non-scheduled preventive maintenance
5	Special requests/modifications

C. Fleet Operating Hours

The Fleet Management Department Shop hours are Monday through Friday from 5:30 a.m. until 11:30 p.m., except for PWC recognized holidays. The department will have technicians available for emergency call-out services at all times.

V. PROCEDURES**A. Fleet Operation Regulations**

Drivers/operators of Fleet vehicles and equipment shall maintain compliance to the following guidelines, ensuring the safe and proper operation of all Fleet vehicles and equipment:

1. Never operate vehicles or equipment in any condition likely to cause an accident, damage, or breakdown, unless stopping the unit at that time or place presents a safety hazard. If the situation presents a hazard, continue operating the unit to the nearest place that repairs can be performed or unit can be towed away safely.
2. Complete and place a "Defective – Do Not Operate" tag on the controls of any vehicle or equipment that presents a safety hazard or needs repairs. "Defective – Do Not Operate" tags shall be

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1

removed only by the Automotive Technician upon completion of all repairs. Tags should be available in all service trucks and can be requested from the Fleet Supervisor as needed.

3. Never operate vehicles or equipment with a "Defective – Do Not Operate" tag on it, except for the purpose of performing repairs.
4. Conduct daily inspection of assigned vehicle/equipment prior to operation as follows:

a. Vehicles under 10,000 lbs Gross Vehicle Weight Rating (GVWR) & Equipment

- i. Prior to operating vehicle or equipment, the operator shall be satisfied that the following components are in proper operating condition:

- Service brakes, including trailer brake connections
- Parking (hand) brakes
- Steering mechanism
- Lighting devices and reflectors
- Tires (wear & pressure), wheels & rims condition
- Horn(s)
- Windshield wipers & fluid
- Rearview/side mirrors
- Seat belts
- Coupling devices (trailer hitches and safety chains)
- Fluid Levels (motor oil, water/anti-freeze, fuel)
- Emergency equipment (fire extinguisher, first aid kits, etc.)

- ii. Any defects found shall be reported immediately to the operator's supervisor and to the Fleet Service Coordinator. Repairs must be completed before the unit can be operated.

b. Vehicles 10,001 lbs GVWR or Over

- i. All drivers shall inspect vehicles and complete a vehicle inspection report at the beginning of each day of use. If unit is not in use, then the department the

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1

unit is assigned to is responsible for filling out inspection report (indicating unit was not used).

- ii. Reports are to be kept in vehicle for one week if no repairs are needed.
 - iii. Original copies of all reports are to be turned in to the employee's Supervisor at the end of each week. Weekly reports will start on the first workday of the week.
 - iv. The operator must report any defects found during the inspection immediately to the appropriate supervisor and to the Fleet Service Coordinator. The unit shall not be used until repairs are completed.
 - v. Transferred employees not familiar with operating vehicles 10,001 lbs GVWR or over, and all new employees, must first successfully complete a road test given by a qualified departmental representative, selected by the Department Supervisor/Manager, prior to operating the vehicle.
 - vi. Transferred employees not familiar with operating equipment, and all new employees, must first successfully complete a training period administered by a qualified departmental representative, selected by the Department Supervisor/Manager, to ensure that they can operate the equipment in a safe and efficient manner prior to operating the equipment.
5. Operators shall comply will all additional PWC safety rules/regulations as they apply to employee operations.

B. Request for Services**1. Scheduled – Preventive Maintenance**

The FASTER Fleet Management System generates Preventive Maintenance Reports on a monthly basis. Maintenance projections are based on mileage, time, and/or fuel use appropriate to the equipment type.

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1

- a. Preventive Maintenance Reports will be routinely distributed to all Department Supervisors/Managers and to assigned Departmental Representatives.
- b. All departments are expected to comply with the Preventive Maintenance Report and ensure that vehicles/equipment due for maintenance are scheduled for service with the Fleet Planner/Scheduler. If the original scheduled time cannot be met, the department representative is responsible for notifying the Fleet Planner/Scheduler and rescheduling the service date.
- c. If Fleet is unable to meet the scheduled maintenance time, the Fleet Supervisor will contact the department representative to provide an explanation and reschedule accordingly.
- d. The Preventive Maintenance Schedule is designed to provide flexibility to the departments and minimize "out of service" time according to specific departmental operating hours.
- e. The department representative will be contacted by email immediately upon completion of work, and by phone/radio if possible, to provide notification that the unit is ready for pick-up.

2. Non-Scheduled – Breakdown or Safety/Operational Related Repair

- a. Service should be requested, in person, at the Fleet Facility. The operator/requestor shall discuss specific repair needs with the Fleet Service Coordinator and shall provide the vehicle/equipment number, current odometer/hour reading, parking location, and keys.
 - i. The Fleet Service Coordinator will create a repair order and the repair will then be assigned to a technician or other appropriate personnel by the Fleet Planner/Scheduler or Fleet Supervisor.
 - ii. If repairs other than those requested by the operator/requestor are needed, they will be made and the Fleet Supervisor will notify the requestor and/or

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1

the appropriate department representative if the expected completion time is delayed.

- iii. In the event of an expected delay that will negatively impact operations, the Fleet Planner/Scheduler will assign a loan vehicle to the employee. If a loan vehicle is not available, and upon approval from the employee's Supervisor and the Fleet Service Coordinator, the Fleet Planner/Scheduler will rent a vehicle for the employee's use while the vehicle is being repaired.
 - iv. The department representative will be contacted by email immediately upon completion of work, and by phone/radio if possible, to provide notification that the unit is ready for pick-up.
- b. Operators requesting service from a field location shall contact the Fleet Service Coordinator either by radio or telephone. The operator/requestor shall report specific repair needs and provide the vehicle/equipment number, current odometer/hour reading, and location of equipment.
- i. The Fleet Service Coordinator will create a repair order and the repair will be assigned to a technician or other appropriate personnel by the Fleet Supervisor.
 - ii. The operator/requestor shall meet the technician or other personnel at the established location and review the specific repair needs.
 - iii. If significant repairs are needed, the vehicle/equipment will be brought to the Fleet Facility for completion of repairs.
 - iv. The Department Representative will be contacted by email immediately upon completion of work, and by phone/radio if possible, to provide notification that the unit is ready for pick-up.

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1**3. Other Scheduled Repairs/Maintenance**

- a. Service needs should have previously been established. Therefore, the operator/requestor only needs to report the vehicle/equipment number, the current odometer/hour reading, parking location, and provide the key to the Fleet Service Coordinator.
- b. The Fleet Service Coordinator will create a repair order and the repair will then be assigned to a technician or other appropriate personnel by the Fleet Planner/Scheduler.
- c. If repairs other than those requested are needed, the Coordinator for that Department will be contacted by the Fleet Maintenance Supervisor/Shift Supervisor for approval to continue with the needed repairs or to reschedule the unit. All safety related repairs must be completed prior to release of the unit. The Fleet Maintenance Supervisor/Shift Supervisor will also contact the Coordinator for that Department if the repairs to a unit will be delayed.
- d. The Department representative will be contacted by email immediately upon completion of work, and by phone/radio if possible, to provide notification that the unit is ready for pick-up.

C. Fueling

1. PWC and the COF have on-site fueling stations that record all fuel transactions.
2. All fuel transactions made outside of the PWC and COF fueling stations must be reported to the Fleet Management Department. Receipts and supporting documents must include the transaction date, vehicle/equipment number, odometer reading at time of fueling, number of gallons received, and cost per gallon.

D. Damaged Vehicles/Equipment

1. The Fleet Management Department is responsible for obtaining estimates on all damaged vehicles and equipment following established PWC procedures.

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1

2. The Fleet Management Department is responsible for ensuring accident or damage reports are filled out for all damaged vehicles/equipment. COF customers must provide a claim number for all damaged vehicles.

E. Small Gas-Engine Equipment (Applicable to PWC Only)

1. When possible, Purchasing will consolidate budget requests from user departments to acquisition small gas-engine equipment in bulk. As needed, the Equipment Analyst and Purchasing Manager can develop specifications for this equipment.
2. All small gas-engine equipment will be delivered to and processed by the Fleet Management Department to ensure that all units are assigned asset numbers.
3. Fleet will contact the appropriate department representative when equipment is ready for operation.

F. Replacement Recommendations for Budget Preparation

1. The PWC Equipment Analyst will, on an annual basis, review the Fleet age, usage, maintenance history, and overall condition of all licensed and fuel powered vehicles and equipment to establish a tentative replacement recommendation for the upcoming budget. Tentative recommendations will be forwarded to the COF user departments during the month of November and forwarded to the PWC user departments during the month of December.
2. The Equipment Analyst will schedule a follow-up meeting with each department representative, approximately 1-2 weeks following distribution of tentative recommendations, to review and discuss recommendations and other departmental requests.
3. A final recommendation list will be developed by the Equipment Analyst and forwarded to appropriate personnel.
4. User departments will be responsible for budget recommendations pertaining to additional vehicles/equipment necessary for departmental operations.
5. All replacement and new vehicles/equipment must be supported by individual line items in the approved budget.

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1**G. Vehicle/Equipment Acquisitions**

All licensed and fuel powered equipment will be acquisitioned as outlined below, regardless of funding source.

1. Upon budget approval, the Equipment Analyst will schedule meetings with each department representative to discuss budgeted vehicles/equipment and begin the specification process. All Fleet vehicles and equipment purchases must be approved by the Equipment Analyst.
 - a. The department head of the user department defines the specific requirements of the vehicle/equipment needed by:
 - i. Defining the job function the vehicle/equipment will perform in the work environment.
 - ii. Consulting with users of the vehicle/equipment for input.
 - iii. Soliciting technical data from vendors. (Vendors must not be allowed to significantly influence the requirements.)
 - b. The Equipment Analyst will review requirements as defined by user department and collect data from various manufacturers/dealers for units that appear to meet user requirements.
 - c. After analyzing all data from various manufacturers, specifications will be developed by the Equipment Analyst, specifying the minimum requirement for each detailed specification. Specifications will not be written around any one make or model.
 - d. Draft of specifications will be forwarded to user department for review and approval. If user department requests changes, the user department and Equipment Analyst will meet to discuss. Any changes shall be mutually agreed upon and reflected in specifications.
 - e. PWC purchases over \$2,500 must be approved by the appropriate Division Officer. Purchases over \$25,000 need

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1

CEO approval. COF Fleet purchases must be approved by the Director of the Department.

2. Following departmental approval of specifications, the Equipment Analyst will coordinate all other transactions related to the purchase, receipt and preparation of vehicles/equipment with appropriate personnel/vendors. There will be no direct contact between department representatives and vendors, all inquiries will be directed to the Equipment Analyst.
 - a. The Purchasing Department shall evaluate the specifications to confirm the level of competition they promote and for compliance to NC General Statutes.
 - b. All acquisitions will be administered by the Equipment Analyst and the Purchasing Department using one of the following methods:
 - i. State contract
 - ii. Informal bid process
 - iii. Formal bid process as required by NC General Statutes
 - iv. "Piggyback" method as approved by NC General Statutes
 - v. "Off the lot" if situation warrants
 - c. The Fleet Management and Purchasing Departments will maintain copies of approved specifications.

H. Distribution of New/Replacement Vehicles/Equipment

1. Equipment Analyst will notify user department when new vehicle/equipment is fully processed and ready to be issued. All factory/manufacture required operator training for new equipment must be completed prior to equipment issue. Equipment Analyst will coordinate all training with vendor and user department(s).
2. Equipment Analyst will schedule a pick-up/drop-off date convenient to the user department for all replacement vehicles/equipment. Replacement vehicles/equipment will not be released to user department until vehicle/equipment to be replaced is turned in for surplus.

PROCEDURE:

FLEET MAINTENANCE AND OPERATIONS

SECTION NUMBER:

4.B.1**I. Equipment Disposal**

1. Equipment Analyst will coordinate and confirm the processing of all vehicle/equipment paperwork and authorizations associated with designating vehicles/equipment as surplus.
2. Decommission of vehicles/equipment deemed surplus, as well as the coordination and preparation of documents for marketing, will be the responsibility of the Equipment Analyst.
3. Disposition of vehicles/equipment will be administered by Warehouse personnel.

J. Special Requirements

1. Any request for replacement vehicles/equipment not included in the approved replacement budget (i.e., accident or major component failure resulting in excessive repair costs), must be accompanied by a copy of associated budget revision.
2. All new vehicle/equipment purchase requests not included in the approved budget (i.e., grant purchases, etc.), shall include funding source and account code.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

MONITORING PWC VEHICLE ASSETS

SECTION NUMBER:

4.B.2

I. PURPOSE

The purpose of this procedure is to outline guidelines required to safeguard PWC assets and to maintain effective utilization of PWC vehicles and resources.

II. APPLICABILITY

All employees driving PWC vehicles, and those responsible for monitoring vehicle usage, will be impacted by this procedure.

III. RESPONSIBILITIES

- A. Fleet Department:** Responsible for installing vehicle tracking units and for providing software system administration and management reporting.
- B. Supervisors, Managers, Directors, and Division Officers:** Responsible for enforcing the provisions of this procedure.
- C. Vehicle Operators:** Responsible for safeguarding installed vehicle tracking equipment; immediately reporting known installation problems to Fleet Department; and effectively utilizing PWC vehicle assets.

IV. GUIDELINES

- A.** All PWC vehicle assets with a purchase price greater than \$10,000 will be equipped with tracking devices.
- B.** Information collected from the tracking devices will be used to assist Supervisors and Managers in safeguarding and managing PWC assets and resources.
- C.** Selected management personnel will have access to real time information, such as vehicle location and routes of travel.
- D.** Collected data for reporting to management personnel may include stop locations, idle times, and travel information, such as speed.
- E.** Exception reporting will be developed to generate e-mail notifications for activities of concern such as high speed travel, excessive idle times, or unusual time and location travel patterns to department Supervisors, Managers, Directors, and Division Officers.

☐ ORIGINAL ☒ REVISION No. 1

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GENERAL MANAGER

PROCEDURE:

MONITORING PWC VEHICLE ASSETS

SECTION NUMBER:

4.B.2

- F. All activities of concern shall be addressed by the Supervisor through the use of the PWC Disciplinary Action Procedure.

V. EFFECTIVE DATE

This procedure will become effective upon approval.

VEHICLE & EQUIPMENT IDLE REDUCTION

SECTION NUMBER:

4.B.4

I. PURPOSE

The purpose of this procedure is to establish standard guidelines for reducing PWC's vehicle and equipment idle times. Unnecessary idling can increase vehicle and equipment maintenance costs, shorten engine life, create adverse health conditions, waste fuel and financial resources, and negatively impact the environment.

II. APPLICABILITY

This procedure is applicable to all operators of vehicles and equipment owned or leased by PWC.

III. DEFINITION

Idle Time – The duration of time a motor vehicle's propulsion engine runs while the unit is stationary.

IV. RESPONSIBILITIES

- A. **Fleet Department:** Responsible for providing routine Idle Summary Reports.
- B. **Supervisors, Managers, and Division Officers:** Responsible for enforcing the provisions of this Procedure.
- C. **Vehicle Operators:** Responsible for procedure compliance.

V. GUIDELINES

- A. No operator shall allow vehicles or equipment to idle for any length of time while unattended.
- B. No operator shall allow, cause, or permit the engine of any motor vehicle or equipment to idle for more than five (5) consecutive minutes in a sixty (60) minute period, unless idling is necessary for one or more of the following:
 - 1. Testing, servicing, repairing, or diagnosing.

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PROCEDURE: VEHICLE & EQUIPMENT IDLE REDUCTION	SECTION NUMBER: 4.B.4
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2. Unavoidable traffic conditions.
 3. Manufacturers recommended start-up and/or cool-down periods.
 4. To operate power take offs to perform the units designated function.
 5. To run defrosters, heaters, air conditioners, or other equipment solely to prevent a safety or health emergency.
- C. Idling only for driver comfort or while located in a queue area are not exempt from this procedure.
- D. Information collected from vehicle tracking devices will help identify vehicles that have idled over five (5) minutes. These instances will be reviewed by the appropriate Supervisor and/or Manager.
- E. Non-compliance shall be addressed by the Supervisor through progressive disciplinary action.

VI. EFFECTIVE DATE

This procedure will be effective upon approval.

PROCEDURE:

INVENTORY STOCK ITEM VERIFICATION

SECTION NUMBER:

4.C.2**I. PURPOSE**

The purpose of this procedure is to establish the methods and verification process used to ensure all inventory stock items are counted to maintain the appropriate balance sheet value, and to facilitate operational efficiency while preserving asset control and accountability.

II. APPLICABILITY

This procedure applies to personnel within PWC's Internal Audit, Financial Planning and Warehouse Departments.

III. RESPONSIBILITY

Internal Audit, Financial Planning, and Warehouse personnel are responsible for ensuring the provisions of the procedure are implemented and monitored as appropriate.

IV. GUIDELINES

- A. Inventory stock items will be verified by utilizing either a cycle count process or an annual count process. The process used is dependent upon the location of the inventory stock as detailed in the next section.
- B. Any changes, additions, or deletions to the procedures for verification of inventory stock items must be presented to PWC Finance staff for review and approval.
- C. PWC's Finance Division reserves the right to implement a full audit at any time.

V. PROCEDURES**A. Cycle Count Process**

Cycle Counting is an inventory verification process used throughout the year to verify posted material quantities by counting these materials in groups consisting of like items or materials located in the same locations.

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APPROVED: MAY 19, 2015

APPROVED BY:  GENERAL MANAGER

PROCEDURE:

INVENTORY STOCK ITEM VERIFICATION

SECTION NUMBER:

4.C.2

The Warehouse Manager or designee shall be responsible for identifying materials to be counted, performing the actual counts, maintaining appropriate data records to support all material items that were counted, and retaining paper copies of the counts for a period of no less than four years. As outlined in PWC's Inventory Control Document (maintained by Financial Planning's Chief Accountant), all counts, recounts and verifications will be forwarded to Financial Planning for record retention purposes.

Cycle Counting applies to inventory stock items located at the Main Warehouse (identified in the financial software as Electric Main Warehouse; EMH and Water Main Warehouse; WMH) and for inventory items staged in the Yard, with the exception of items located in the area identified as Warehouse 0003 (CC). The Main Warehouse and Yard are located on the PWC compound at 1097 Public Works Drive. This Warehouse is used to maintain stock items utilized throughout PWC. The following requirements must be met as they relate to inventory in the Main Warehouse:

1. All stock items must be counted a minimum of **one** time during each fiscal year. Stock items with a value of \$200.00 per unit or more must be counted **twice** during each fiscal year.
2. A minimum of two regular/random audits are to be performed by the PWC Internal Audit Department annually, to include sample counts verifying overall accuracy percentage and procedural compliance outlined in PWC's Inventory Control Document. Inventory audit findings that reveal more than two failures within that fiscal year to either maintain an overall 97% accuracy of cost or compliance to procedures will be reviewed by the Internal Audit Department and may require a full audit of all inventory stock items.
3. Records and/or logs must be readily available for audit or review upon request. Logs/reports must substantiate the number of times the item/location has been counted and what percentage of completion has been reached for all items counted during the fiscal year.
4. Electric and Water Main Warehouse inventory materials staged/located in the Yard, as described under Cycle Counting, may be defined as one location and/or meet the criteria of Subsidiary Warehouse.

PROCEDURE:

INVENTORY STOCK ITEM VERIFICATION

SECTION NUMBER:

4.C.2**B. Full Annual Count Process**

A complete/full point-in-time inventory will be performed annually, no later than June of each fiscal year, on all Subsidiary Warehouses. Subsidiary Warehouses include any auxiliary building, vehicle and/or location utilized to store and stage materials. More information on Subsidiary Warehouses, including how they are identified in the financial software, is provided in the following list of items.

1. Rolling Warehouses shall be identified as any vehicle and/or trailer used for the purpose of transporting copper and cable/conductor that will be charged to work orders.
2. Warehouse 0003 (CC) is used to account for reels and/or coils of cable/conductor where quantities are less than complete, whether in the Main Warehouse or in the Yard.
3. Warehouse 0005 shall be identified as an Inventory Warehouse operated by the PWC Apparatus Repair Shop to account for used transformers that have been removed/returned from job sites.
4. Warehouse 0006 shall be identified as an Inventory Warehouse operated by the PWC Apparatus Repair Shop for the purpose of disposal of used transformers.
5. Surplus shall be identified as an Inventory Location used to account for materials that are to be disposed of or sold.
6. Generation Warehouse (G001) shall be identified as an Inventory Warehouse used to maintain stock items located at the Butler Warner Generation Plant.

VI. EFFECTIVE DATE

This procedure becomes effective upon approval.

PROCEDURE: ADDING, MODIFYING, AND/OR DELETING INVENTORY ITEMS	SECTION NUMBER: 4.C.3
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I. PURPOSE

The purpose of this procedure is to establish formal guidelines pertaining to adding, modifying, and/or deleting inventory items.

II. APPLICABILITY

This procedure applies to all employees responsible for making recommendations pertaining to adding, modifying and/or deleting inventory items.

III. RESPONSIBILITY

- A. Division Officers, Materials Standards Engineer, Warehouse Manager:** Responsible for reviewing and acting upon requests and enforcing the provisions of this procedure.
- B. Material Review Committee, Directors, Managers, Supervisors:** Responsible for making recommendations impacting the Inventory System and enforcing the provisions of this procedure.

IV. GUIDELINES

- A.** Recommendations to add, modify or delete inventory items can be made by the Material Review Committee, Directors, Managers, and Supervisors.
- B.** The recommendation must be submitted using the Inventory Update Form for Addition, Modification, Replacement, or Deletion of Stock Items.
- C.** Additions, changes and removals of compatible unit information will be updated in the Continuing Property Records for Job Cost.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

☐ ORIGINAL ☒ REVISION No. 2

APPROVED: AUGUST 24, 2018

APPROVED BY: D. W. Tupper GENERAL MANAGER

PROCEDURE: SMOKE-FREE ENVIRONMENT	SECTION NUMBER: 2.C.11
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I. PURPOSE

The purpose of this procedure is to establish standard guidelines concerning smoking by employees.

II. RESPONSIBILITIES

- A. Officers, Directors, Managers, and Supervisors:** Ensure this procedure is consistently enforced.
- B. Human Resources Department:** Ensure employees are in compliance with procedure requirements and coordinate Healthy Living initiatives to promote a smoke-free environment.

III. GUIDELINES

- A.** Employees may smoke while on break in designated smoking areas. Designated smoking areas will vary by site.
 - 1.** At the PWC Operations Complex, the designated smoking areas are:
 - a.** Behind the large break room/cafeteria in the Operations Center.
 - b.** On the patios behind the Electric and Water Construction areas.
 - 2.** At other PWC site locations, designated smoking areas should be at least 15 feet from primary entrance/exit doors.
- B.** Employees may not smoke in any PWC building or vehicle.
- C.** Employees may not smoke in any area where dangers of flammable gases or liquids may be present.
- D.** Failure to comply with this procedure may result in disciplinary action.
- E.** Guidelines within this procedure apply to all employees and visitors.

IV. EFFECTIVE DATE

This procedure will become effective upon approval.

☒ ORIGINAL ☐ REVISION No. _____

APPROVED: OCTOBER 1, 2012

APPROVED BY:  GENERAL MANAGER

TELECOMMUTING POLICY

It shall be the policy of the Public Works Commission (PWC) that employees are able to work from home if the employee satisfies the requirements of this Telecommuting Policy and the employee enters into a written Telecommuting Agreement with PWC.

I. PURPOSE

The purpose of this policy is to establish PWC's requirements and procedures for employees to engage in telecommuting, which PWC believes to be a viable alternative work arrangement for certain employment positions when the employee's responsibilities, past performance, and required supervision are suitable for such an arrangement. This policy does not apply when remote work is mandated by PWC or for informal telecommuting such as working for PWC while travelling on business or working from home for a brief, temporary period while on approved leave, all of which will be managed by each department on a case-by-case basis with the assistance of Human Resources as necessary.

II. APPLICABILITY

This policy applies to all regular full-time employees.

III. DEFINITIONS

- A. Telecommuting** - A voluntary work alternative that allows employees to work at home or other approved location upon mutual agreement by the employee and PWC.
- B. Eligible Employee** - Employees who (i) have been employed with PWC for a minimum of 12 months of continuous, regular full-time employment, (ii) meet their performance expectations in accordance with PWC's most recent performance appraisal, and (iii) are engaged in a position that is suitable for telecommuting.

IV. RESPONSIBILITY

- A. Employees:** Notify your immediate supervisor of your desire to engage in telecommuting, complete the Telecommuting Agreement, and adhere to the terms of the Telecommuting Agreement and this policy.
- B. Officers, Directors, Managers, and Supervisors:** Review requests to engage in telecommuting and make arrangements to ensure adequate supervision of each telecommuting employee.
- C. CEO/General Manager:** Exercise final discretion over whether the employee and employment position are eligible for telecommuting and execute Telecommuting Agreement on behalf of PWC.
- D. Human Resources:** Review departmental recommendations for telecommuting eligibility and ensure that this policy meets all appropriate laws and regulations and report any violations to the CEO/General Manager.

V. GUIDELINES

- A.** Telecommuting is not an entitlement for any PWC employee, it is not a company-wide benefit, and it in no way changes the terms and conditions of employment with PWC. The employee's Supervisor has the primary responsibility for approving or disapproving any request based upon the needs and best interest of PWC. Each employee who will engage in telecommuting must sign a written Telecommuting Agreement with PWC before the employee will be permitted to begin telecommuting.
- B.** In the case of a new hire or potential new hire, an Officer may request an exception to the eligibility criteria. Upon written recommendation/justification from the appropriate Officer, the CEO/GM may waive the 12-month minimum employment guideline.
- C.** Positions suitable for telecommuting are those for which the results of the employee's efforts are measurable and can be achieved without the employee's physical presence at PWC's premises, the need for daily interaction with other employees is limited, the need for direct supervision is limited, and the employee has proven that the nature, quality and productivity of the employee's work can be maintained while working independently.
- D.** PWC will provide, with information supplied by the employee and the supervisor, the appropriate equipment needs including hardware, software)

and a PWC phone to support telecommuting. The employee is responsible for providing Internet access. Other materials and equipment will be considered for each telecommuting arrangement on a case-by-case basis. The Human Resource and Information System Departments will assist as necessary in this determination.

- E.** Telecommuting employees who are not exempt from the overtime requirements of the Fair Labor Standards Act will be required to record all hours worked in a manner designated by the organization. Telecommuting employees will be held to a higher standard of compliance than office-based employees due to the nature of the work arrangement. Hours worked in excess of those specified per day and per workweek, in accordance with state and federal requirements, will require the advance written approval of the supervisor. Failure to comply with this requirement can result in the immediate cessation of the Telecommuting Agreement.
- F.** Telecommuting is not designed to be a replacement for appropriate childcare. An employee's schedule may be modified as a telecommuter in the same manner that the schedule could be modified if working in the office. Although an individual employee's schedule may be modified to accommodate childcare needs, the focus of the telecommuter's arrangement must remain on job performance and meeting business demands. Prospective telecommuters are encouraged to discuss expectations of telecommuting with family members prior to entering into a trial period.
- G.** In instances of inclement weather, employees should refer to the Inclement Weather procedure for guidance on performing work remotely.
- H.** Employees entering into a Telecommuting Agreement may be required to forfeit use of personal office or workstation at PWC in favor of a shared arrangement to maximize organization office space needs.
- I.** In certain limited circumstances when approved by the CEO/GM, PWC may contract with an office space provider to meet the needs of employees who wish to telecommute but who do not have appropriate home office space, or for groups of employees whose proximity to the organization and to each other makes such an arrangement feasible.
- J.** The availability of telecommuting as a flexible work arrangement for employees can be terminated at any time at the discretion of PWC or the employee as detailed on the Telecommuting Agreement. If feasible, PWC and employee each should attempt to provide the other party at least 30

days prior notice of termination of the telecommuting arrangement in order to accommodate office space, commuting, childcare and other problems that may arise from such a change. There may be instances, however, when no notice is possible.

VI. PROCEDURES

A. Request for Telecommuting

1. An employee can suggest telecommuting as a possible work arrangement.
2. Before entering into any Telecommuting Agreement, the employee and supervisor, with the assistance of the Human Resource Department, will evaluate the suitability of such an arrangement, paying particular attention to the following areas:
 - a. Employee suitability – The employee and supervisor will assess the needs and work habits of the employee, compared to traits customarily recognized as appropriate for successful telecommuters.
 - b. Job responsibilities – The employee and supervisor will discuss the job responsibilities and determine if the job is appropriate for a telecommuting arrangement.
 - c. Tax and other legal implications – Responsibility for fulfilling all obligations related to the business use of the employee's home based on Internal Revenue Service (IRS) and state and local government restrictions rests solely with the employee.

The employee and supervisor will agree on the telecommuting schedule and the manner and frequency of communication. The employee agrees to be accessible by phone or email within a reasonable time period during the agreed upon work schedule.

3. Once the schedule and site location is agreed upon by the employee and supervisor, the supervisor will facilitate the review and processing of the Telecommuting Agreement with the appropriate Manager, Officer, and Human Resource staff members. The Human Resource Department will submit the final form to the CEO/General Manager.

B. Home/Alternate Work Site

1. The employee will establish an appropriate work environment within his or her home for work purposes to include adequate noise control to ensure clear telephone calls to colleagues and customers; and freedom from distractions and interruptions that might affect workplace performance. Employees will be offered appropriate assistance by the Information Systems and Human Resource departments in setting up a work station designed for safe, comfortable work; however, PWC staff should not be expected to visit the telecommuting site.
2. PWC will supply the employee with appropriate office supplies (pens, paper, etc.) for successful completion of job responsibilities and reimburse the employee for all pre-approved business-related expenses that are reasonably incurred in accordance with job responsibilities.
3. PWC reserves the right to make determinations as to appropriate equipment to be supplied to the employee, subject to change at any time. Equipment supplied by PWC is to be used for business purposes only. The telecommuter should sign an inventory of all PWC property assigned, to include equipment, records, and materials, and agree to take appropriate action to protect the items from damage or theft. Upon termination of employment, all PWC property will be returned, unless other arrangements have been made.
4. The employee is solely responsible for securing, maintaining, and bearing the cost of suitable space, furniture, and Internet access at the telecommuting site, and shall not be eligible for reimbursement from PWC for any such expenses. PWC will also not be responsible for any operating, maintenance, or incidental costs (such as utilities) incurred by employee associated with employee's use of the telecommuting site.
5. Consistent with the organization's expectations of the information security for employees working at the office, telecommuting employees will be expected to ensure the protection of proprietary company and customer information accessible from their home office or alternate work site. This includes use of locked file cabinets and

desks, regular password maintenance, and any other steps appropriate for the job and the environment.

6. With reasonable prior notice, PWC may make on-site visits to employee's telecommuting location to ensure that the designated workspace is safe and free from hazards and provides adequate protection and security of PWC property. At all times employees shall comply with the minimum safety requirements set forth in the Telecommuting Agreement.

C. Evaluation of Telecommuter's Performance

1. Evaluation of the telecommuter performance during the trial period will include regular interaction by phone, e-mail, Microsoft Teams, or another equivalent technology between the employee and the supervisor, and weekly face-to-face or virtual meetings to discuss work progress and problems. The trial period can range from 30 to 90 days based on the discretion of the supervisor. The telecommuter's previous performance telecommuting at PWC can replace the trial period.
2. An appropriate level of communication between the telecommuter and supervisor will be agreed to as part of the discussion process and will be more formal during the trial period. After conclusion of the trial period, the supervisor and telecommuter will communicate at a level consistent with employees working at the office or in a manner and frequency that seems appropriate for the job and the individuals involved.
3. At the conclusion of the trial period, no more than 90 days after the telecommuting start date, the employee and supervisor will each complete an evaluation of the arrangement and make recommendations for continuance or modifications. A copy of the evaluation must be provided to the appropriate Manager and Officer for review.
4. Evaluation of the telecommuter performance beyond the trial period will be consistent with that received by employees working at the office in both content and frequency, but will focus on work output and completion of objectives rather than solely on time-based performance.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

I. PURPOSE

The purpose of this procedure is to establish guidelines to ensure that essential services are provided for customers to the greatest extent possible during inclement weather events and to establish a fair and uniform procedure for managing employee attendance and safety during inclement weather conditions.

II. RESPONSIBILITIES

- A. **CEO/General Manager:** Responsible for evaluating weather conditions and adjusting work schedules as needed to ensure the safety of employees while maintaining services for customers to the greatest extent possible.
- B. **Communications and Community Relations Officer:** Responsible for developing and distributing appropriate messages for employees, customers, and media outlets related to changes in operations and schedules.
- C. **Managers, Supervisors, Directors, Officers:** Responsible for communicating information to employees, coordinating schedules and resources to ensure critical operations and services are maintained, reviewing/approving remote work schedules, ensuring all employees are aware of policies and procedures related to inclement weather and safety requirements, maintaining accurate attendance and leave records for each employee, and reporting any non-compliance issues to the Human Resources Department.
- D. **Employee:** Responsible for making reasonable efforts to report to work if safe to do so, notifying supervisor of their inability to work scheduled hours due to inclement weather, requesting to work remotely if eligible to do so, and preparing/submitting accurate attendance and leave records.
- E. **Human Resources Department:** Responsible for sharing information with new employees through the orientation process, answering questions from employees, and coordinating disciplinary actions as needed.

III. GUIDELINES

- A. Customers depend on PWC to provide reliable utility services, particularly when severe weather threatens. To best serve our customers, employees

are expected to report for work at the scheduled starting time and work regular hours unless officially notified not to do so.

- B. Employees may request to work from home if they are in a job that can be performed remotely. In these instances, the employee must receive prior approval from their supervisor and have the necessary equipment and work assignments to complete their work.
- C. For those employees who are not approved for remote work:
 - 1. Non-exempt employees not reporting at the scheduled time or who leave before the end of the regular shift may file for vacation leave or use the excused without pay option for the portion of the day they do not work.
 - 2. Exempt employees not reporting at the scheduled time or who leave before the end of the regular shift must file vacation leave, if available, for the portion of the day they do not work. If no vacation leave is available, exempt employees:
 - a. will receive their normal pay if they perform any work during the regular shift, or
 - b. will have one day's pay deducted from salary if they have no vacation leave available and fail to perform any work during their shift.
- D. The CEO/General Manager will make the decision to close or modify work schedules as deemed necessary. This decision will be shared with all Officers, who will then be responsible for sharing information and directives with their respective employees. The Communications and Community Relations Officer will distribute company-wide announcements as needed.
- E. In the event of closure or change in work schedules due to inclement weather:
 - 1. Non-exempt employees scheduled to work will be credited for their normal shift hours.
 - 2. Exempt employees will receive their normal rate of pay for the day.
 - 3. Employees required to work during official closings due to inclement weather will receive pay for actual hours worked plus pay for their normal shift hours.

IV. EFFECTIVE DATE

This procedure replaces all previous procedures and becomes effective upon approval.

PROCEDURE: SEVERANCE PAY	EXHIBIT A SECTION NUMBER: Page 133 2.F.2
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I. PURPOSE

The purpose of this procedure is to establish a discretionary program designed to assist regular, full-time employees of PWC who are displaced or whose employment is terminated on or after July 12, 2000. The primary purpose of this procedure is to ease the transition to new employment and to minimize the financial hardship that might result when eligible employees lose their jobs through no fault of their own.

This procedure describes when you may be eligible for severance benefits and what amount of benefits you may receive. Please note, however, that PWC has full discretion in determining severance benefits, and PWC may, in its discretion, determine that an eligible employee will not receive severance benefits.

II. RESPONSIBILITIES

- A. **Chief Executive Officer/General Manager:** Develops and approves severance pay eligibility requirements and benefits.
- B. **Human Resource Officer:** Provides General Manager with the support needed to develop and implement severance pay requirements and benefits.

III. GUIDELINES

A. **When Severance Benefits Are Paid**

1. **Terminations Covered Under the Procedure**

The General Manager may, in his discretion, award severance benefits to regular, full-time employees under this procedure if PWC terminates employment on or after the policy's effective date, as part of a reduction in force or reorganization which results in the elimination of the employee's position.

2. **Terminations Not Covered Under the Procedure**

PWC will not pay severance benefits under this procedure if:

- a. You have less than six (6) months of service at the time of termination;

☐ ORIGINAL ☒ REVISION No. 1

APPROVED: OCTOBER 1, 2012

APPROVED BY:



GENERAL MANAGER

PROCEDURE: SEVERANCE PAY	EXHIBIT A SECTION NUMBER: Page 134 2.F.2
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- b. You are a part-time or temporary employee;
- c. PWC terminates your employment for reasons unconnected to a reorganization or reduction in force, as determined by the General Manager;
- d. Prior to termination, you are offered and decline to accept another regular position at PWC for which you are qualified; provided the new position is at comparable base pay and benefits.
- e. You do not sign the General Release agreeing to waive all legal claims against PWC, or you revoke your agreement to the General Release; or
- f. The General Manager otherwise determines, in his discretion, that the payment of severance benefits is not appropriate.

3. Severance or Separation Benefits Under Other Policies

Any benefits to which you may be entitled under this procedure are separate from any benefits to which you may be entitled under other written policies/procedures or arrangements maintained by PWC. Your eligibility for benefits under any other PWC policy or procedure shall be determined in accordance with the written terms and provisions of such other policies/procedures or arrangements. Notwithstanding the foregoing, any benefits to which you may be entitled under this procedure are in lieu of and not in addition to benefits under the PWC Voluntary Separation Program.

4. General Release Form

Benefits under this procedure are discretionary, and in any event you will not be entitled to severance benefits under this procedure unless you sign and return to PWC the General Release Form, a binding agreement waiving any legal claims you may have as of the date of the release relating to your employment with PWC. If the General Manager determines that you will be offered severance benefits under this procedure, the General Manager will give you a copy of the General Release Form on or before your last day of employment and will give you either 21 or 45 days, depending on the circumstances, to decide whether you want to waive any such

SEVERANCE PAY**2.F.2**

claims in return for severance benefits. You should consult with an attorney to assist you in making your decision.

B. Severance Benefits

1. Subject to the limitations set forth herein, PWC has full and complete discretion to determine the amount of severance benefits to be offered to any employee under this procedure, and PWC may, in its discretion, determine that an employee will not be offered or receive severance benefits upon the termination of his or her employment.
2. PWC anticipates that in a typical case, the severance benefits will be awarded as follows:

a. Salary Continuation

- (1) Four (4) weeks of Base Salary for employees with more than six (6) months of service but less than five (5) full years of service as of the last day of employment ("Termination Date"). Employees with more than four years of service as of their Termination Date will receive one (1) additional week of Base Salary for each full year of service over four as of the Termination Date, up to a combined total of 26 weeks. The maximum number of weeks of salary continuation for any employee is twenty-six (26) weeks. Years of service will be measured from your employment commencement date through your employment Termination Date. You will receive credit for a year of service for each consecutive 12-month period of continuous service, beginning with your employment commencement date.
- (2) For example, assume that your employment commencement date is March 7, 1994 and you work continuously through August 15, 2000, your termination date. PWC will calculate your years of service as follows:

PROCEDURE: SEVERANCE PAY	EXHIBIT A SECTION NUMBER: Page 136 2.F.2
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<u>Period</u>	<u>Years of Service</u>
3/7/94 – 3/6/95	1
3/7/95 – 3/6/96	1
3/7/96 – 3/6/97	1
3/7/97 – 3/6/98	1
3/7/98 – 3/6/99	1
3/7/99 – 3/6/2000	1
3/7/2000 – 8/15/2000	<u>0</u> (less than 12 months)
	6

- (3) For purposes of this procedure, "Base Salary" means your base gross weekly salary or hourly wages immediately prior to termination. Weekly benefit calculation for hourly paid employees shall be based on the hourly wage rate at termination multiplied by 40. Base Salary shall not include bonus or incentive policies, overtime pay, longevity pay, relocation allowances or the value of any other benefits for which you may be eligible.
- (4) Any payment of severance benefits under this procedure will ordinarily be made in installments, through the regular payroll procedure according to your pay schedule at the time of your termination of employment. Payment will begin on the first regular payday which is at least eight (8) days after you execute the General Release, provided that you do not revoke execution of that document.
- (5) Severance benefits shall be subject to mandatory withholding, including federal, state and local income taxes as well as FICA.

b. Medical Insurance

- (1) Subject to the conditions stated in this procedure, and in addition to the salary continuation described above, PWC will pay the "employee only" portion of an eligible employee's COBRA premiums for medical insurance, for a period equal to the number of full months of salary continuation payments, unless the employee becomes covered under another group health plan, in which event this benefit stops.

SEVERANCE PAY**2.F.2**

Additional coverage, such as dental and dependent coverage, will be the responsibility of the individual.

- (2) These provisions are intended to comply with COBRA. All COBRA coverage, except as noted above, is at the individual's expense and may include an administrative fee.
- (3) In the event PWC is dissolved, ceases to do business or is acquired by another entity, and as a result PWC or its successor ceases to provide group health benefits or COBRA coverage for the eligible employee, the dollar amounts which would have otherwise been paid to the employee on his/her behalf under this section shall be paid directly to the individual in full within 60 days following discontinuance of such benefits.

C. Retention of Benefits

Your eligibility to continue participating in PWC's retirement and group insurance programs following your termination of employment will be determined in accordance with the written terms and provisions of those programs.

D. Death Benefit

In the event of your death prior to receiving full payment of any severance benefits under this policy, the balance of salary continuation benefits shall be paid in a lump sum to your estate.

E. Previously Approved Tuition Reimbursement

Tuition reimbursement for previously approved courses for which the individual is enrolled and attending classes as of the Termination Date will be honored by PWC upon submission of proper documentation, including a passing grade of C or better.

F. Procedure Administration

1. The Administrator of this procedure shall be the General Manager of the PWC. The General Manager shall have full power and authority to act on PWC's behalf in carrying out the duties and responsibilities of administering this procedure.

PROCEDURE: SEVERANCE PAY	EXHIBIT A SECTION NUMBER: Page 138 2.F.2
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2. PWC, acting through its General Manager, shall have all powers necessary or helpful to administering the procedure in all its details, and shall have full discretionary authority in exercising such powers. This authority includes, but is not limited to, the power:
 - a. To make rules and regulations for the administration of the policy;
 - b. To make any finding of fact necessary or appropriate for any purpose under the procedure, including, but not limited to, the determination of eligibility for and the amount of any benefit payable under the procedure; and
 - c. To interpret the terms and provisions of the procedure and to determine any and all questions arising out of the procedure or in connection with its administration. This authority shall include, but is not limited to, the right to remedy or resolve possible ambiguities, inconsistencies, or omissions, by general rule or particular decision.
3. PWC, acting through its General Manager, shall exercise the powers conferred by this procedure in its sole and absolute discretion, and all its acts and determinations will be final and binding upon all interested parties.

G. Other Things You Need to Know

1. Nature of the Procedure

This procedure has been drafted as a guideline for providing severance benefits at the discretion of PWC. PWC shall have no legal obligation under this procedure to pay severance benefits except as determined by the General Manager in accordance with the provisions of this procedure. The procedure shall not be construed to form a contract, either for benefits or for continuing employment, between PWC and its employees, and shall not otherwise alter the employment at will status of employees.

2. Amendment or Termination of the Procedure

PWC reserves the right to terminate the procedure or to amend any procedure provision. The procedure may be amended or terminated at any formal commission meeting. The procedure replaces any and all prior policies/procedures and practices relating

PROCEDURE: SEVERANCE PAY	EXHIBIT A SECTION NUMBER: Page 139 2.F.2
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to severance pay, other than the PWC Voluntary Separation Procedure, that may exist as of the effective date of this policy or may have existed prior to such effective date.

3. Changing Your Address

You should notify the General Manager in writing of any change of address. If the General Manager does not have your most recent address on file and cannot locate you, benefit payments may be delayed.

4. Other Policies/Procedures

This document is not intended to describe the provisions or administrative practices of any other benefit policy, procedure or arrangements. Any benefit rights that exist under any benefit policies other than this policy must be determined solely in accordance with the terms and administrative practices of such other policies and procedures.

5. Applicable Law

This procedure shall be governed by and construed according to the laws of the state of North Carolina.

6. Severability

If a provision of this procedure shall be held illegal or invalid, the legality or invalidity shall not affect the remaining provisions of the procedure, and the procedure shall be construed and enforced as if the illegal or invalid provision had not been included in the procedure.

IV. EFFECTIVE DATE

This procedure will be effective upon approval.

PROCEDURE: RESPIRATOR PROGRAM	SECTION NUMBER: 2.G.6
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I. PURPOSE

The purpose of this procedure is to describe the procedures and guidelines to be followed by PWC employees when selecting, purchasing, using, and maintaining respiratory equipment. These procedures and guidelines are designed to prevent respiratory related accidents and illnesses.

II. APPLICABILITY

These procedures and guidelines apply to all PWC Employees (temporary, permanent, part-time, and full-time) who are required to wear respirators in the performance of their duties. This policy also applies to PWC Contractors (See Section V.E.).

III. RESPONSIBILITY

It shall be the responsibility of each Division Officer, Department Manager, Supervisor, and employee to ensure that the provisions of this policy are carried out.

A. Director Responsibilities

Directors are responsible for ensuring that their Divisions are following the procedures outlined in this document and for ensuring that the appropriate funding is provided to enable supervisors to train and equip their employees adequately.

B. Supervisor Responsibilities

1. Respirators shall be provided by the supervisor when such equipment is necessary to protect the employee.
2. Supervisors shall provide respirators that are applicable and suitable for the purpose intended and ensure that all respirators and their intended use have been approved by PWC's Safety Specialist.
3. Supervisors shall investigate malfunctions of respiratory equipment to determine the cause and to ensure corrective measures are taken.

PROCEDURE: RESPIRATOR PROGRAM	SECTION NUMBER: 2.G.6
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4. Supervisors shall ensure that any employee who is required to wear a respirator has had a medical risk assessment prior to using a respirator and that the risk assessment is repeated annually.
5. Supervisors shall ensure that each employee has been properly trained and fit tested prior to the use of a respirator.

C. Employee Responsibilities

1. Employees shall use the provided respiratory protection in accordance with the instructions and training received.
2. Employees shall guard against damage to the respirator.
3. If the respirator malfunctions, the employee shall immediately leave the contaminated area and report the malfunction to their supervisor.
4. The employee shall report to their supervisor any change in their medical or physical status that may impact their ability to safely wear a respirator. This would include, but not be limited to, significant weight gain or loss (20 pounds) or a change in facial structure.
5. Employees should immediately leave the hazardous area under any of the following conditions:
 - a. Failure of respirator to provide adequate protection
 - b. Malfunction of respirator
 - c. Detection of leakage of air contaminant into the respirator
 - d. Increase in resistance of respirator during breathing
 - e. Severe discomfort in wearing the respirator
 - f. Illness of the respirator user
6. Employees shall not wear any respirator if hair is between the skin and the face piece sealing surface (i.e., beards, side-burns).

PROCEDURE: RESPIRATOR PROGRAM	SECTION NUMBER: 2.G.6
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D. Safety Specialist Responsibilities

1. PWC's Safety Specialist shall administer PWC's Respiratory Protection Program by performing the following functions:
 - a. Provide annual respirator training to any employee that is designated by a supervisor to wear a respirator.
 - b. Provide semi-annual fit testing to any employee that is designated by a supervisor to wear a respirator.
 - c. Maintain documentation of training and fit testing.
 - d. Periodically evaluate the effectiveness of this respirator program.
 - e. Update the program to ensure compliance with OSHA's Respiratory Protection Standard (1910.134).
 - f. Approve the use of all respiratory protective devices to ensure proper application and adequate protection.

E. Contractor Responsibilities

At a minimum, PWC Contractors shall provide their employees with proper respiratory protection, in accordance with applicable health and safety regulations, including but not limited to OSHA 1910.134.

IV. GUIDELINES**A. Medical Limitations**

1. A physician shall determine whether or not an employee has any medical conditions that would preclude the use of respirators.
2. Employees who must wear respirators as part of their job requirements shall pass a medical risk assessment prior to employment for such positions (this includes new hires and transfers). Employees' risk assessments will be repeated annually, by a physician, to ensure that they are physically fit and medically able to wear a respirator.

PROCEDURE: RESPIRATOR PROGRAM	SECTION NUMBER: 2.G.6
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3. Employees who cannot pass a risk assessment shall not wear any type of respirator. Supervisors shall make arrangements to keep such employees from wearing respirators.
4. PWC shall keep all medical documents in strict confidentiality. The PWC Medical Officer review medical documents to determine eligibility of employees for respirator use and provide written documentation to all supervisors indicating the pass/fail status of employees' risk assessments.
5. Each supervisor shall determine if a risk assessment is needed (for new hires and/or transferred employees) when filling vacant or new positions. Risk assessments shall only be given to a potential employee when the employee has been chosen for the position. If a risk assessment is needed, the employee should be directed to the PWC Nurse to have this assessment completed.

B. Respirator Selection

1. In the control of those occupational diseases caused by breathing air contaminated with potentially harmful dusts, fumes, sprays, mists, fogs, smokes, vapors, or gases, the primary objective shall be to minimize workplace contamination. This shall be accomplished as far as feasible by acceptable engineering control measures (e.g., enclosure or confinement of the operation, general and local ventilation, and substitution of less toxic materials). When effective engineering controls are not feasible, or while they are being implemented, appropriate respirators shall be used.
2. Respirator selection involves reviewing each operation to (a) determine what hazards may be present (hazard determination) and (b) select which type or class of respirators can offer adequate protection. For more information on the selection of proper respiratory protection, please refer to the PWC Safety Management Manual.
3. Respirator use shall be limited to those tasks listed on PWC's Approved Respirator Use And Equipment List, which is maintained by the PWC Safety Specialist.
4. Types of respiratory protective equipment used shall be limited to equipment listed on PWC's Approved Respirator Use and Equipment List, which is maintained by PWC's Safety Specialist.

PROCEDURE: RESPIRATOR PROGRAM	SECTION NUMBER: 2.G.6
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5. Use of air purifying respirators (canister type) is permitted only when documentation is available that indicates that baseline air quality monitoring has been performed or that the contaminant concentration has been adequately estimated and that proper respirators which have protection factors greater than the hazard ratio have been issued.
6. PWC's Safety Specialist must approve all new respirator uses and purchases.

C. Storage, Cleaning, and Inspection

1. Respirators shall be stored in a clean, sanitary location. Cartridge type respirators shall be stored in an airtight compartment, to prevent the expendable cartridges from absorbing moisture and contaminants from the surrounding air. Respirators shall **not** be stored in such places as lockers and tool boxes, unless they are protected from contamination, distortion, and damage.
2. Respirators shall be cleaned and disinfected regularly (at least once every six months) and after each use. Refer to the Safety Management Manual for more details on cleaning guidelines.
3. SCBAs shall be inspected at least monthly. A written record of the inspection shall be completed and maintained on file with the SCBA unit. A copy of the PWC Monthly Inspection Record form is available in the PWC Safety Management Manual. Worn or deteriorated parts shall be replaced before the respirator is placed back in service.
4. Respirators shall be maintained as outlined by the manufacturer.
5. SCBAs shall be returned to an authorized repair center for periodic maintenance as outlined by the manufacturer.
6. Cylinders shall be hydrostatically tested as necessary.
 - a. Steel - every 5 years
 - b. Aluminum - every 5 years
 - c. Fiberglass wrapped - every 3 years
7. Cylinders shall be stored full (1500 lbs - minimum).

PROCEDURE:

RESPIRATOR PROGRAM

SECTION NUMBER:

2.G.6

8. Cartridges for cartridge type respirators shall be changed on a regular basis, depending on the frequency and duration of use. For heavily used units, the cartridges should be changed when the contaminant is being sensed by the nose, mouth, or eyes, or every two months, whichever comes first. For lightly used units, the cartridges should be changed when the contaminant is being sensed by the nose, mouth, or eyes, or every six months, whichever comes first. ***Note** - in certain situations, cartridges must be changed more frequently (refer to PWC Safety Management Manual for more information).
9. Cartridges shall be dated when put in service.

D. Training & Fit Testing

1. No PWC employee will be allowed to wear any type of respirator without meeting the conditions set forth within this section.
2. Employees who wear respirators shall be trained in the use, storage, and maintenance of their respirator prior to using a respirator and annually thereafter. Employees must meet the following conditions to be eligible for respirator training:
 - a. Employee has been designated by their supervisor as a respirator wearer.
 - b. Employee has passed a risk assessment administered by a physician within the previous 12 months and annually thereafter.
3. Employees who wear respirators shall have a qualitative fit test prior to using a respirator and semi-annually thereafter.
4. Qualitative fit testing shall not be performed on any employee who has any hair between the skin and the face piece sealing surface.
5. The PWC Safety Specialist will maintain documentation of each training session and fit test.

E. Special Conditions

1. A respirator shall not be worn if facial hair comes between the sealing surface of the face piece and the face or if facial hair interferes with valve function.

PROCEDURE: RESPIRATOR PROGRAM	SECTION NUMBER: 2.G.6
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2. All corrective lenses used with respirators must meet the approval of the PWC Safety Specialist, must be fitted to provide good vision, and shall be worn in such a manner as not to interfere with the seal of the respirator.
3. Contact lenses shall **not** be used while wearing a respirator.
4. SCBAs shall be used in the positive pressure mode. **It is a violation of OSHA Regulations and PWC policies and procedures to use an SCBA in the demand mode while in a potentially hazardous atmosphere.**
5. All full faced respirators shall have a nose cup in the face piece.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

RUBBER INSULATING GLOVES & SLEEVES

SECTION NUMBER:

2.G.7**I. PURPOSE**

The purpose of this procedure is to provide guidelines and procedures for PWC employees to ensure that rubber insulating gloves and sleeves are selected, tested, and maintained in such a manner as to maintain dielectric strength. This will assist in preventing electrical contact accidents to the hands, arms, and shoulders and protecting the same from thermal burns if an electric arc were to occur.

II. APPLICABILITY

All PWC employees whose job duties require the selection, purchase, storage, testing, and/or use of rubber insulating gloves and sleeves shall abide by these guidelines and procedures.

III. RESPONSIBILITIES

- A. Division Officers, Department Managers/Directors, Supervisors, and Employees:** Responsible for ensuring that the provisions of this program are in compliance. Supervisors will ensure all designated employees in their work group have the proper gloves and sleeves.
- B. Safety Specialist:** Responsible for the selection of all rubber gloves and sleeves.

IV. GUIDELINES**A. Glove and Sleeve Selection**


1. All gloves purchased will be:

	CLASS 0"	CLASS 2"
VOLTAGE	600	20,000
TYPE	I	I
LENGTH	11" or 14"	18"
SIZE	8-12 in. In ½ Sizes	
COLOR	Red or Yellow/Black	Red/Black
CUFF DESIGN	Straight	Contour

☐ ORIGINAL ☒ REVISION NO. 3

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APPROVED BY:



GENERAL MANAGER

PROCEDURE: RUBBER INSULATING GLOVES & SLEEVES	SECTION NUMBER: 2.G.7
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2. All sleeves purchased and used will be:
 - a. Either Type I (Salcor[®]) or Type II synthetic rubber
 - b. Class 2
 - c. Yellow or orange color
- B. Class "0" Gloves will not be used by Electric Construction and Maintenance personnel unless specifically approved by the Electric Operations Manager.
- C. Each employee required to have gloves will be issued at least two (2) pairs. (One pair will be in the testing cycle and the other pair in the possession of the employee.) Employees requesting sleeves will be issued one (1) pair.
- D. Gloves will be issued only to employees. No gloves will be issued to a truck, plant, etc.
- E. An adequate supply of spare gloves and sleeves will be maintained within each department/section. They will also be a part of the periodic test cycle. No gloves or sleeves will be maintained as "stock only."
- F. Each pair of gloves will be numbered, lettered, and assigned to a specific employee (Example: 112A-112A and 112B-112B).
- G. Gloves will be exchanged and tested at least every four (4) months by an approved rubber goods testing facility. Sleeves shall be tested at least every twelve (12) months.
- H. Gloves and sleeves found defective will be returned to PWC and replaced.
- I. All defective gloves and sleeves will be inspected by the user department/section and/or the safety department to determine the cause of failure.
- J. Whenever an employee has a glove or sleeve that fails the laboratory tests, he/she shall be notified of the failure.
- K. Gloves, when not in actual use, will be stored in an approved glove storage bag with the cuffs in the down position. Sleeves shall be stored in an approved sleeve bag or sleeve roll.
- L. Gloves and sleeves in storage (testing cycle) will be kept in approved containers or boxes in an approved rubber goods storage area.

PROCEDURE: RUBBER INSULATING GLOVES & SLEEVES	SECTION NUMBER: 2.G.7
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- M. Gloves will never be used without leather glove protectors over the gloves. Such protectors will be maintained in good condition and will be discarded when holes or ripped seams are found.
- N. Rubber glove protectors will not be used as leather gloves. They will only be used over rubber gloves.
- O. Gloves and sleeves will never be worn inside out. They will be exchanged at any time they become damaged or the employee to whom they are assigned becomes suspicious of their integrity.
- P. Rubber gloves shall be put on prior to climbing and/or working on any pole, tower, or any other structure on which energized conductors or equipment that could be energized are located, or could be close enough to energized conductors or equipment where a worker or piece of conductive material could make contact. Rubber gloves (and sleeves, if worn, if within 5 feet of primary conductors) shall be put on before the employee ascends a pole, tower, or other structure, or raises an aerial device off the ground or the device's boom cradle. Furthermore, employees shall not remove their gloves, or sleeves, until they have completely descended the pole, tower, or structure or returned the aerial device to the ground or boom cradles.

Rubber gloves shall be put on before opening any energized enclosure including meter bases, pad mount transformers, secondary pedestals, and submersible transformer covers, switching cabinets, and other similar enclosures. Exceptions to these procedures can be found in the *PWC Safety Manual*.

- Q. Each Department/Section is responsible for the proper storage of their gloves and sleeves. The Warehouse will not stock gloves or sleeves.
- R. Each employee will be responsible for the proper care of their gloves and sleeves. This includes a visual inspection and air test prior to use and ensuring their gloves and sleeves have a test date stamped on them proving that gloves have been dielectrically tested within the past four (4) months and sleeves within the past twelve (12) months.
- S. The employee and the employee's supervisor will be disciplined if the employee fails to perform the inspection and test or if the gloves or sleeves are "out of date."

V. EFFECTIVE DATE

This procedure will become effective upon approval.

PROCEDURE:

POWERED INDUSTRIAL TRUCKS (FORKLIFTS)

SECTION NUMBER:

2.G.8**I. PURPOSE**

The purpose of this document is to describe the procedures and guidelines to be followed when purchasing, maintaining and operating powered industrial trucks.

II. APPLICABILITY

These procedures and guidelines apply to all PWC Departments and to all employees (temporary, permanent, part-time and full-time) who, while performing their jobs, operate powered industrial trucks.

III. RESPONSIBILITIES

A. Department Manager/Director: Responsible for ensuring that the provisions of this procedures are carried out within their respective departments and initiate disciplinary action for any violation of these procedures.

B. Fleet and Safety Departments: Modify, change and/or update this procedure as necessary.

IV. GUIDELINES**A. General Requirements**

1. A powered industrial truck includes fork lifts, "cherry pickers," platform lift trucks, motorized hand trucks and any other specialized industrial trucks powered by electric motors or internal combustion engines that are used to lift, move or transport material.
2. All forklifts acquired and used by PWC shall meet the design and construction requirements for powered industrial trucks established in the "American National Standard for Powered Industrial Trucks, Part II, and ANSI B56.1."
3. Modifications and additions, which affect capacity and safe operation, shall not be performed by or for PWC without the manufacturer's prior written approval.
4. The user shall see that all nameplates, warnings, and markings are in place and are maintained in a legible condition.

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PROCEDURE:

POWERED INDUSTRIAL TRUCKS (FORKLIFTS)

SECTION NUMBER:

2.G.8**B. Lighting**

Where general area lighting is less than adequate, auxiliary directional lighting shall be provided on or for the forklift.

C. Control of Noxious Gases and Fumes

Concentration levels of carbon monoxide gas created by forklift operations shall not exceed the levels specified in OSHA 29 CFR Part 1910.1000.

D. Trucks (Loading and Unloading)

1. The brakes of highway trucks shall be set and wheel chocks placed under the rear wheels to prevent the trucks from rolling while they are boarded with forklifts.
2. Loading or unloading shall not be permitted when the trailer is not coupled to the tractor.

E. Operator Training

1. Only trained and authorized operators shall be permitted to operate forklifts.
2. Prior to permitting an employee to operate a forklift, they shall be trained by a person who has the knowledge, training and experience to train operators and evaluate their competence.
3. Training shall consist of a combination of formal instruction (classroom), practical training (demonstrations performed by the trainer and practical exercises performed by the trainee), and evaluation of the operator's performance.
4. Each trainee shall receive training and instruction in all the topics named in the OSHA 1910.178 standard for each type of forklift they will operate.
5. Refresher training shall be obtained within three (3) years of the last training. More frequent training will be required whenever a new or different type or style forklift is purchased by PWC, and/or whenever an employee has an accident involving a forklift.

PROCEDURE: POWERED INDUSTRIAL TRUCKS (FORKLIFTS)	SECTION NUMBER: 2.G.8
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F. Forklift Operations

1. Forklifts shall not be driven up to anyone standing in front of a bench, wall or any other fixed object.
2. No person shall stand on or pass under the elevated forks of any forklift, whether loaded or empty.
3. When a forklift is left unattended, the forks shall be fully lowered, controls shall be neutralized, power shall be shut off, and brakes set. Wheels shall be blocked if the truck is parked on an incline.
4. A safe distance shall be maintained from the edge of ramps or platforms while on any elevated dock or platform.
5. Forklifts shall not be used to open or close freight or other doors.
6. The flooring of trucks, trailers, etc., shall be checked for breaks and weakness before they are driven onto.
7. An overhead guard shall be used as protection to the operator against falling objects.
8. A load backrest extension shall be used whenever necessary to minimize the possibility of the load or part of it from falling rearward.
9. Whenever a forklift is used for lifting personnel, the following additional precautions shall be taken for the protection of personnel being elevated:
 - a. Use an approved safety platform firmly secured to the lifting carriage and/or forks.
 - b. The platform shall provide fall protection through the use of approved guardrails, toeboards and/or body harnesses and lanyards.
 - c. Means shall be provided whereby personnel on the platform can shut off power to the truck.

G. Traveling

1. All traffic regulations shall be observed when operating a forklift on a public road.

PROCEDURE: POWERED INDUSTRIAL TRUCKS (FORKLIFTS)	SECTION NUMBER: 2.G.8
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2. The driver shall slow down and sound the horn at cross aisles and all other locations where vision is obstructed.
3. If the load being carried obstructs forward view, the driver shall travel with the load trailing.
4. A hard hat shall be worn by the driver whenever operating a forklift.
5. The operator shall wear a seat belt if the forklift is equipped with roll over protection.
6. The driver shall look in the direction of travel and keep a clear view of the path of travel.
7. Grades shall be ascended and descended slowly.
8. When ascending or descending grades in excess of 10 percent, loaded forklifts shall be driven with the load upgrade.
9. The load (forks) shall be raised only as far as necessary to clear the traveled surface.
10. Under all travel conditions, the forklift shall be operated at a speed that will permit it to be brought to a stop in a safe manner.
11. The driver shall slow down for wet and slippery floors and pavement.
12. Dockboards or bridgeplates shall be properly secured before they are driven over. Dockboards or bridgeplates shall be driven over carefully and slowly, and their rated capacity never exceeded.

H. Loading

1. Only stable or safely arranged loads shall be handled. Caution shall be exercised when handling off center loads, which cannot be centered.
2. Only loads within the rated capacity of the forklift shall be handled.
3. The forks shall be placed under the load as far as possible.

PROCEDURE: POWERED INDUSTRIAL TRUCKS (FORKLIFTS)	SECTION NUMBER: 2.G.8
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I. Operation

1. If at any time, a forklift is found to be in need of repair, defective, or in any way unsafe, the forklift shall be taken out of service, with a "defective tag" placed on steering mechanism. It shall not be placed back in service until it has been restored to safe operating condition.
2. Fuel tanks shall not be filled while the engine is running.
3. No forklift shall be operated with a leak in the fuel system until the leak has been corrected.
4. Open flames shall not be used for checking electrolyte level in storage batteries or gasoline level in fuel tanks.
5. Forklifts without a load shall be operated with the forks at the lowest possible operating position, raised only enough to clear the surface over which they are being operated.

J. Maintenance

1. Any power-operated forklift not in safe operating condition shall be removed from service. All repairs shall be made by authorized personnel.
2. Forklifts in need of repairs to the electrical systems shall have the battery disconnected (ground lead disconnected first) prior to such repairs.
3. All parts of any forklift requiring replacement shall be replaced only by safe parts equivalent or better than those used in the original design.
4. Forklifts shall not be altered so that the relative positions of the various parts are different from what they were when originally received from the manufacturer, nor shall they be altered by the addition of extra parts not provided by the manufacturer or by the elimination of any parts.
5. Additional counterweighting of forklifts shall not be done unless approved by the manufacturer.

PROCEDURE: POWERED INDUSTRIAL TRUCKS (FORKLIFTS)	SECTION NUMBER: 2.G.8
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6. Forklifts shall be inspected before being used, and shall not be used if the inspection shows any condition affecting the safety of the vehicle. Such inspections shall be made at least daily, if the forklift is used daily. A written record of all inspections shall be retained for at least one (1) year.
7. Forklifts shall be kept in a clean condition, free of excess dirt, oil and grease. Noncombustible agents should be used for cleaning forklifts.
8. Spinner knobs shall not be attached to the steering wheel.

V. EFFECTIVE DATE

This procedure will become effective upon approval.

PROCEDURE:

OVERHEAD CRANE AND HOIST

SECTION NUMBER:

2.G.9**I. PURPOSE**

The purpose of this document is to establish formal procedures to comply with the Occupational Safety and Health Act (OSHA) Subpart N-1910.179, "Overhead and Gantry Cranes," 1926.554 "Overhead Hoists," and The American National Standards Institute (ANSI) B30.2, B30.11, B30.16 and B30.17. These procedures are to be followed when installing, maintaining, inspecting, testing and operating overhead cranes and hoists in order to reduce the incidence of overhead crane and hoist accidents and injuries.

II. APPLICABILITY

These procedures apply to all PWC Departments and to all employees (temporary, permanent, part-time and full-time) who, while performing their jobs use or work in the area of overhead and/or gantry cranes and/or overhead hoists.

III. DEFINITIONS

- A. Gantry Crane** – A crane similar to an overhead except that the bridge carrying the trolley or trolleys is rigidly supported on two or more legs running on fixed rails or other runway.
- B. Overhead Crane** – A crane with a removable bridge carrying a moveable or fixed hoisting mechanism and traveling on an overhead fixed runway structure.
- C. Power Operated Crane** – A crane whose mechanism is driven by electric, air, hydraulic or internal combustion means.
- D. Brake** – A device used for retarding or stopping motion by friction or power means.
- E. Bridge** – That part of a crane consisting of girders, trucks, end ties, foot walks and drive mechanism which carries the trolley or trolleys.
- F. Bridge Travel** – The crane movement in a direction parallel to the crane runway.
- G. Clearance** – The distance from any part of the crane to a point of the nearest obstruction.

☐ ORIGINAL ☒ REVISION No. 1

APPROVED: OCTOBER 1, 2012

APPROVED BY:  GENERAL MANAGER

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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- H. **Designated** – Selected or assigned by PWC or the PWC representative as being qualified to perform specific duties.
- I. **Drum** – The cylindrical member around which ropes are wound for raising or lowering the load.
- J. **Exposed** – Capable of being contacted inadvertently. Applies to hazardous objects not adequately guarded or isolated.
- K. **Hoist** – An electric, air or hydraulic powered suspended device which exerts a force for lifting or lowering.
- L. **Hoist Chain** – The load bearing chain in a hoist.
- M. **Load** – The total superimposed weight on the load block or hook.
- N. **Load Block** – The assembly of hook or shackle, swivel, bearing, sheaves, pins and frame suspended by the hoisting rope.
- O. **Mechanical** – A method of control by friction.
- P. **Rated Load** – The maximum load for which a crane or individual hoist is designed and built by the manufacturer and shown on the equipment nameplate(s).
- Q. **Rope** – Refers to wire rope (steel cable), unless otherwise specified.
- R. **Running Sheave** – A sheave which rotates as the load block is raised or lowered.
- S. **Runway** – An assembly of rails, beams, girders, brackets and framework on which the crane or trolley travels.
- T. **Side Pull** – That portion of the hoist pull acting horizontally when the hoist lines are not operated vertically.
- U. **Switch** – A device for making, breaking or for changing the connections in an electric circuit.
- V. **Switch, Emergency Stop** – A manually or automatically operated electric switch to cut off electric power independently of the regular operating controls.

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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- W. Switch, Limit** – A switch which is operated by some part or motion of a power driven machine or equipment to alter the electric current associated with the machine or equipment.
- X. Switch, Main** – A switch controlling the entire power supply to the crane.
- Y. Switch, Master** – A switch which dominates the operation of contractors, relays or other remotely operated devices.
- Z. Trolley** – The unit which travels on the bridge rails and carries the hoisting mechanism.
- AA. Truck** – The unit consisting of a frame, wheels, bearings and axles which supports the bridge girders or trolleys.

IV. RESPONSIBILITY

- A. Division Officers, Department Managers, and Supervisors:** Enforce the provisions of this procedure.
- B. Safety Department:** Modify, change and/or update this procedure as necessary; and monitor compliance.

V. GUIDELINES

A. Installation

1. New Cranes

All new overhead and gantry cranes and hoists constructed and installed after August 31, 1971, shall meet the design specifications of the ANSI Standards for Overhead and Gantry Cranes, ANSI B30.2-1967 and the ANSI Standards for Overhead Hoists, ANSI B30.16 and B30.17.

2. Modifications

Cranes and hoists may be modified and re-rated provided such modifications and the supporting structure are checked thoroughly for the new rated load by a qualified engineer or the equipment manufacturer.

PROCEDURE:

OVERHEAD CRANE AND HOIST

SECTION NUMBER:

2.G.9**3. Rated Load Marking**

The rated load of the crane or hoist shall be plainly marked on each side of the crane or hoist, and if the crane has more than one hoisting unit, each hoist shall have its rated load marked on it or its load block, and this marking shall be clearly legible from the ground or floor.

B. Maintenance**1. Preventive Maintenance**

Preventive maintenance based on the manufacturer's recommendations shall be followed.

2. Maintenance Procedures

Before adjustments and repairs are started, the following precautions shall be taken:

- a. The crane or hoist to be repaired shall be run to a location where it will cause the least interference with operations in the area.
- b. All controllers shall be at the off position.
- c. The main or emergency switch shall be open and locked in the open position.
- d. "Defective" or "Do Not Operate" tags shall be placed on all control devices.

3. Adjustments and Repairs

- a. Any unsafe conditions discovered during inspections shall be corrected before operation is resumed.
- b. Adjustments and repairs shall be done only by qualified personnel.
- c. Adjustments shall be maintained to assure correct functioning of components.

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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- d. Hooks showing defects should be discarded. Repairs by welding or reshaping are not generally recommended. If such repairs are attempted, they shall only be done under competent supervision and the hook shall be tested to the rated load before further use.
- e. Load attachment chains and rope slings showing defects shall be replaced.
- f. Pendant and other control stations shall be kept clean and function labels kept legible.

C. Inspection

Inspection procedures are divided into the following classifications:

1. Initial Inspection

Prior to initial use, all new and altered cranes and hoists shall be inspected to assure safe operating condition.

2. Frequent Inspection

Frequent inspections shall be performed at daily to monthly intervals depending on frequency of use.

The following items shall be inspected for defects at intervals described below:

- a. All functional operating mechanisms for maladjustments interfering with proper operation.
- b. Deterioration or leakage in lines, tanks, valves, and all other parts of air or hydraulic systems.
- c. Hooks with deformation or cracks.
- d. Hoist chains, including end connections, for excessive wear, twist, distorted links interfering with proper function or stretch beyond manufacturer's recommendations.
- e. Wire rope (cables).

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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- (1) Reduction of rope diameter below nominal diameter due to loss of core support, internal or external corrosion or wear of outside wires.
- (2) A number of broken outside wires and the degree of distribution or concentration of such broken wires.
- (3) Corroded or broken wires at end connections.
- (4) Corroded, cracked, bent, worn or improperly applied end connectors.
- (5) Severe kinking, crushing, cutting or unstranding.
- (6) All rope which has been idle for a period of a month or more shall be given a thorough inspection before it is used. The inspections shall be for all types of deterioration and shall be performed by a qualified person.

3. Periodic Inspection

Periodic inspections shall be performed monthly to annually depending on frequency of use. An outside vendor will complete an annual crane and hoist inspection and report.

The following items shall be inspected for defects at intervals described above.

- a. All items required to be inspected frequently as described in Section V.C.2. of this procedure, shall be inspected during the periodic inspection.
- b. Deformed, cracked or corroded members.
- c. Loose bolts or rivets.
- d. Cracked or worn sheaves and drums.
- e. Worn, cracked or distorted parts such as pins, bearings, shafts, gears, rollers, locking and clamping devices.
- f. Excessive wear on brake systems parts, lining, pawls and ratchets.

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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- g. Load, wind and other indicators over their full range, for any significant inaccuracies.
- h. Gasoline, diesel, electric or other power plants for improper performance or noncompliance with applicable safety requirements.
- i. Excessive wear of chain drive sprockets and excessive chain stretch.
- j. Electrical apparatus for signs of pitting or any deterioration of controller contractors, limit switches and push button and other control stations.
- k. Shall be tested as described in Section V.D.1. of this procedure.

4. Cranes and Hoists Not in Regular Use

- a. A crane or hoist which has been idle for a period of one (1) month or more, but less than six (6) months, shall be given an inspection conforming with requirements of Part 2 (Frequent Inspection) of this section before placing in service.
- b. A crane or hoist which has been idle for a period over six (6) months shall be given a complete inspection conforming with requirements of Section V.C.3. (Periodic Inspection) of this procedure before placing in service.

A crane/hoist inspection report (see Attachment A) shall be completed after every inspection and placed on file where readily available.

D. Testing

1. Operational Tests

Testing shall be performed during periodic inspections and on all new and altered cranes and hoists to ensure proper and safe operation, including the following functions:

- a. Hoisting and lowering
- b. Trolley travel

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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- c. Bridge travel
- d. Limit switches, locking and safety devices

The trip setting of hoist limit switches shall be determined by tests with an empty hook traveling in increasing speeds up to the maximum speed. The actuating mechanism of the limit switch shall be located so that it will trip the switch under all conditions, in sufficient time to prevent contact of the hook or hook block with any part of the trolley.

2. Rated Load Test

Test loads shall not be more than 125 percent of the rated load unless otherwise recommended by the manufacturer. The test reports shall be completed and placed on file where readily available.

E. Operation

- 1. Only qualified, designated personnel shall be permitted to operate a crane or hoist covered by these procedures. Qualified, designated personnel shall meet the following requirements:
 - a. Physically fit
 - b. Normal or corrected vision
 - c. Adequate hearing
 - d. Good coordination and reaction time
 - e. Have a thorough knowledge of these guidelines
 - f. Ability to demonstrate to supervision the ability to safely and effectively operate the type of crane they will be operating.
- 2. Personnel shall not be hoisted, lowered or moved by the crane or hoist hook.

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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3. Handling the load

a. Size of Load

The crane or hoist shall not be loaded beyond its rated load except for test purposes as provided in Section V.D.2. of this procedure.

b. Attaching the load

- (1) The hoist chain or hoist rope shall be free from kinks or twists and shall not be wrapped around the load.
- (2) The load shall be attached to the load block hook by means of slings, chains, cables, or other approved devices.
- (3) Care shall be taken to make certain that the sling clears all obstacles.

c. Moving the Load

- (1) The load shall be well secured and properly balanced in the sling or lifting device before it is lifted more than a few inches.
- (2) Before starting to hoist, the following conditions shall be noted:
 - (a) Hoist rope shall not be kinked.
 - (b) Multiple part lines shall not be twisted around each other.
 - (c) The hook shall be brought over the load in such a manner as to prevent swinging.
- (3) During hoisting care shall be taken that:
 - (a) There is no sudden acceleration or deceleration of the moving load.
 - (b) The load does not contact any obstructions.

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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- (4) Cranes and hoists shall not be used for side pulls except when specifically authorized by a responsible person who has determined that the stability is not endangered and that the various parts will not be overstressed.
- (5) While any person is on the load or hook there shall be no hoisting, lowering or traveling.
- (6) The Operator shall not carry loads over people.
- (7) The Operator shall test the brakes each time a load approaching the rated load is handled. The brakes shall be tested by raising the load a few inches and applying the brakes.
- (8) The load shall not be lowered below the point where less than two full wraps of rope remain on the hoisting drum.
- (9) When two or more cranes or hoists are used to lift a load, one qualified responsible person shall be in charge of the operation. He shall analyze the operation and instruct all personnel involved in the proper positioning, rigging of the load and the movements to be made.
- (10) The operator shall not leave his position at the controls while the load is suspended.
- (11) Signals to the Operator shall be given by one person designated to perform this task. The Operator shall, however, obey a "stop" signal given by anyone.
- (12) Standard hand signals shall be used whenever moving the load. The signals are shown on the Attachment B.

d. Hoist Limit Switch

- (1) At the beginning of each Operator's shift, the upper limit switch of each hoist shall be tried out under no load. Extreme care shall be exercised; the block shall be "inched" into the limit or run in at slow speed. If the

PROCEDURE: OVERHEAD CRANE AND HOIST	SECTION NUMBER: 2.G.9
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switch does not operate properly, the crane or hoist shall not be operated until repairs are completed.

- (2) The hoist limit switch which controls the upper limit of travel of the load block shall never be used as an operating control.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

IDENTIFYING AND HANDLING SUSPICIOUS MAIL AND PACKAGES

SECTION NUMBER:

2.H.1**I. PURPOSE**

The purpose of this document is to provide guidance for employees handling or opening potentially threatening items while performing their normal duties.

II. APPLICABILITY

This procedure applies to all PWC employees.

III. DEFINITION

Suspicious Mail or Package – An item that exhibits any of the following characteristics:

- A. Excessive postage
- B. Handwritten or poorly typed address
- C. Misspellings of common words or names
- D. Incorrect titles or misspelled titles
- E. No return address
- F. Shows postmark that does not match the return address
- G. Excessive weight
- H. Lopsided, rigid, or uneven packaging
- I. Oily stains, discoloration, or strange odor
- J. Protruding wires or tin foil
- K. Ticking sound
- L. Excessive securing (tape, string)
- M. Restrictive markings (Confidential, Personal)

IV. RESPONSIBILITIES

- A. Officer/Manager/Supervisor:** Responsible for ensuring that the provisions of this procedure are followed; training has been provided to employees; and the proper personal protective equipment has been issued to employees at risk of being exposed to suspicious mail or packages.
- B. Legal Services Department:** Responsible for monitoring compliance; providing training; coordinating appropriate actions when an event occurs; and updating procedures as necessary to reflect changes in federal, state, and local regulations.

☐ ORIGINAL ☒ REVISION NO. 1

APPROVED: OCTOBER 1, 2012

APPROVED BY:  GENERAL MANAGER

PROCEDURE:

IDENTIFYING AND HANDLING SUSPICIOUS MAIL AND PACKAGES

SECTION NUMBER:

2.H.1

- C. **Employees:** Responsible for adhering to all provisions within this procedure, to include using extreme caution when handling suspicious mail or packages.

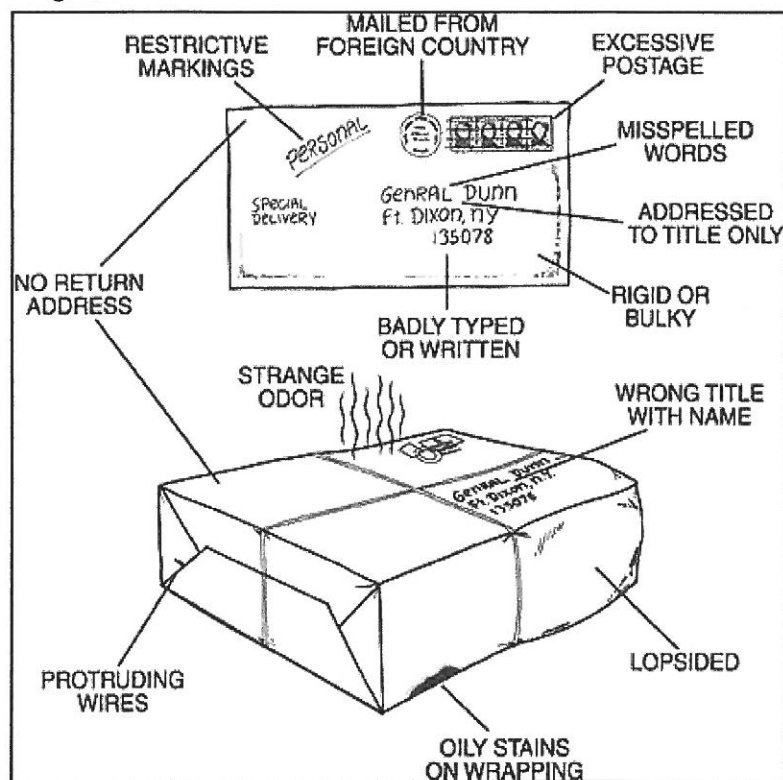
V. GUIDELINES

This procedure is aligned with protocols recommended by the Department of Homeland Security and the Centers for Disease Control and Prevention.

VI. PROCEDURES**A. Handling a Suspicious Unopened Mail Item or Package**

1. Do not open any mail that appears suspicious (see Figure 1).

Figure 1



2. Isolate the suspicious mail item, place it in a plastic bag or container, and seal it if possible.

PROCEDURE:

IDENTIFYING AND HANDLING SUSPICIOUS MAIL AND PACKAGES

SECTION NUMBER:

2.H.1

3. If a bag or container is not available, cover the item with whatever materials are accessible (clothing, paper, trash can, etc.). Do not remove the cover.
4. Ensure that all persons who have touched the item wash their hands with soap and water.
5. If emergency medical assistance is needed, call 911.
6. Contact your supervisor and the Environmental Compliance Specialist immediately. If the Environmental Compliance Specialist is not available, ask another member of the Legal Services Department to respond.
7. Prepare a list of all persons who were in the room or area when the suspicious item was identified. Provide this list to the Environmental Compliance Specialist.
8. The Environmental Compliance Specialist or other appropriate emergency personnel will provide further instructions on securing the area according to the situation. All employees must follow instructions to protect the health and safety of everyone involved.

B. Handling Spilled Contents from a Suspicious Mail Item or Package

1. If contents are spilled from a suspicious item, particularly powder or powder substance, do not attempt to clean it up. Cover the spilled contents immediately with whatever materials are accessible (clothing, paper, trash can, etc.).
2. Leave the area and close any doors possible to section off the area to prevent others from entering.
3. Contact your supervisor and the Environmental Compliance Specialist immediately. If the Environmental Compliance Specialist is not available, ask another member of the Legal Services Department to respond.
4. Any person that could have been exposed to the item or spilled contents should wash their hands with soap and water to prevent further contamination.

PROCEDURE:

IDENTIFYING AND HANDLING SUSPICIOUS MAIL AND PACKAGES

SECTION NUMBER:

2.H.1

5. Remove any contaminated clothing as soon as possible and place them in a plastic bag or contained that can be sealed. This bag should be given to the appropriate emergency responder for proper handling.
6. Any person that feels they were exposed to the item or spilled contents should shower with soap and water as soon as possible.
7. Prepare a list of all persons who were in the room or area where the spilled contents of the suspicious item were found. Identify those persons who had direct contact with the substance. Provide this list to the Environmental Compliance Specialist.
8. The Environmental Compliance Specialist or other appropriate emergency personnel will provide further instructions on securing the area according to the situation. All employees must follow instructions to protect the health and safety of everyone involved.

VII. EFFECTIVE DATE

This procedure will become effective upon approval.

PROCEDURE:

HAZARDOUS MATERIALS SPILL/RELEASE REPORTING

SECTION NUMBER:

2.H.2**I. PURPOSE**

This document describes the procedures PWC employees will follow when encountering a spill/release of oil or other hazardous materials in the course of their employment at PWC.

II. DEFINITIONS

- A. Emergency Response** – The activity of responding to, containing, and mitigating Hazardous Materials Emergencies.
- B. Hazardous Materials** – Any material that poses a threat to human health and/or the environment.
- C. Hazardous Materials Emergency** – Any spill or release event in which there exists the potential for fire or explosion, or where there are conditions immediately dangerous to life and health.
- D. Spill/Release** – To spill or release a hazardous material or oil, intentionally or unintentionally, in a quantity that could endanger the environment, PWC employees, or public health.
- E. Reportable Spill** – Any spill/release that: 1) exceeds the reportable quantity of the material; 2) involves petroleum products which are released in quantities greater than 25 gallons; 3) has the potential to cause harm to the environment, PWC employees, or public health.
- F. Reportable Quantity (RQ)** – The quantity of a hazardous material spill which triggers reports under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA). If a material is released in amounts exceeding its RQ, the spill/release must be reported to the National Response Center, the State Emergency Response Center, and the Local Emergency Planning Committee.

III. RESPONSIBILITIES

- A. Officers, Managers, and Supervisors:** Ensure that the provisions of this procedure are carried out within their respective work areas.
- B. Employees:** Carry out their duties in the event of a spill or release of any hazardous material.

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PROCEDURE:

HAZARDOUS MATERIALS SPILL/RELEASE REPORTING

SECTION NUMBER:

2.H.2

- C. **PWC Environmental Compliance Specialist (ECS):** Modify procedures as necessary to reflect changes in federal, state, and local regulations, and update procedures to reflect changes in responsibilities or operating standards within the PWC.

IV. GUIDELINES

- A. All hazardous materials shall be managed, handled, and disposed of in the appropriate manner, and in accordance with federal and state requirements, with guidance and approval from PWC's ECS.
- B. Only PWC employees who have been trained in accordance with the requirements set forth in the Hazardous Waste Operations and Emergency Response Standard (OSHA Code of Federal Regulations - 1910.120) should aggressively respond to Hazardous Materials Emergencies.
- C. PWC employees may respond to incidental spills/releases of hazardous materials which can be absorbed, neutralized, or otherwise controlled at the time of release in the immediate release area if:
1. There is no potential safety or health hazard (fire, explosion, or chemical overexposure);
 2. Employee has access to and has been trained in the use of proper personal protective equipment; and
 3. Employee has been trained in the hazards posed by the chemical as required under the Hazard Communications Standard (CFR 1910.1200) and in proper clean-up procedures.
- D. PWC employees who fail to follow the outlined procedures may be subject to disciplinary measures as outlined in the Disciplinary Action procedure, up to and including termination.

PROCEDURE: HAZARDOUS MATERIALS SPILL/RELEASE REPORTING	SECTION NUMBER: 2.H.2
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V. PROCEDURES

The following procedures should be followed when a hazardous material has been spilled or released.

- A. In the event of a Hazardous Materials Emergency, evacuate all people from the area, notify your supervisor and 911 Emergency Services, and call PWC's Environmental Compliance Specialist (ECS).
- B. If the spill/release is reportable, or if you don't know if the spill/release is reportable, call PWC's ECS. The ECS will assist you in determining if the spill/release is reportable based on applicable local, state, and/or federal regulations.
- C. If the spill/release is incidental and you have been trained on the hazards posed by the material, either initiate clean-up or contain the spill and notify your supervisor for further instructions.
- D. If the spill/release is incidental and you have **not** been trained on the hazards posed by the material, evacuate all personnel from the area and contact your supervisor for further instructions.
- E. If the spill/release leaves sheen on any surface water, or is within 100 feet or less of any surface water, contact the Environmental Compliance Specialist (ECS).
- F. Any spills/releases of five (5) gallons or more must be documented on the PWC Log of Spills & Releases.
- G. Logs of Spills and Releases shall be submitted to the ECS. The ECS is responsible for all documentation requirements.
- H. PWC's ECS will ensure that all efforts have been made to collect and remove any spill/release and restore the area impacted by the incident as nearly as possible to the condition existing prior to the spill/release.

VI. EFFECTIVE DATE

This procedure shall become effective upon approval and will supersede all other spill/release reporting procedures previously identified.

PROCEDURE:

HAZARDOUS MATERIALS SPILL/RELEASE REPORTING

SECTION NUMBER:

2.H.2**RIDER # 1 - HAZARDOUS MATERIALS DEFINED**

Any substance that poses a threat to human health and/or the environment can be considered a hazardous material. The following list is a sample of hazardous materials used at PWC as defined by the US Department of Transportation. Additional information can be found on the Materials Safety Data Sheet provided within each department.

Class 1 - Explosives

Explosives are any material or article, including a device, which is designed to function by explosion or, by chemical reaction within itself, is able to function in a similar manner even if not designed to function by explosion. **Explosives are not allowed on PWC property.**

Class 2 - Gases

All gases which are compressed and stored for transportation.

- Flammables – Propane
- Non-Flammables – Anhydrous ammonia
- Poisons – None stored on PWC Property

Class 3 - Flammable and Combustible Liquids

A material that gives off flammable vapor(s) and will ignite if it comes into contact with a spark or flame.

- Gasoline
- Oil
- Zep Solvent

Class 4 - Flammable Solids

Flammable solids can take many different forms, and may react explosively on contact with water, friction, heat, sparks or flame.

- Emergency flares on vehicles

Class 5 - Oxidizers and Organic Peroxides

A material that may cause or enhance the combustion of other materials, usually by yielding oxygen.

- Sodium Hypochlorite (Bleach)

PROCEDURE: HAZARDOUS MATERIALS SPILL/RELEASE REPORTING	SECTION NUMBER: 2.H.2
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Class 6 – Poisons

Any material, other than a gas, which is toxic to humans.

- Pesticides, herbicides, insecticides
- Liquid or solid chemicals used to control ants, wasps, rodents, and weeds

Class 7 - Radioactive Materials

Any material exposed to radioactive sources can become radioactive (medical waste, chemical sludge) and should be handled with extreme caution.

- Can be found in some Emergency Exit lights

Class 8 – Corrosives

Corrosive materials, liquid or solid, can cause visible destruction or irreversible alteration to human skin. A liquid that has a severe corrosion rate on steel or aluminum is also considered a corrosive material.

- Found in batteries

Class 9 – Miscellaneous

Class 9 captures any material that presents a hazard during transport, but is not included in any other class, such as hazardous materials or waste.

- Molten sulfur

ORM-D - Other Regulated Materials-Domestic

Present a limited hazard during transportation due to its form, quantity and packaging. Consumer commodities, materials intended for retail sale or designated for individual consumption, fall into this category.

- Cosmetics
- Certain medicines

PWC Log of Spills/Releases Form

In the event of a spill/release of a hazardous material, complete and submit this form to the Environmental Compliance Specialist within 24 hours of discovering the spill/release. For assistance or additional information, contact the Environmental Compliance Specialist.

Contact Information	
Name of Person(s) Discovering the Spill/Release	
Date Discovered	
Telephone Number	
Address of Person(s) Discovering the Spill/Release	
Supervisor or Responsible Person(s)	

Description of Spilled/Released Materials	
Type of Material	
Spill/Release Source	
Spill/Release Location (be specific about the site, include boundaries)	
Quantity Spilled/Released	
Time Discovered	

Please provide a narrative of events leading up to the spill, any clean-up measures performed, and the actions taken and/or proposed to prevent a similar incident in the future.

I hereby certify that the information on this report is true and accurate to the best of my knowledge.

Name - Please Print

Title

Signature

Date

PWC Log of Spills/Releases Form*This page to be completed by the Environmental Compliance Specialist.*

Were there any injuries?	YES/NO	If so, how many?	
Was the site evacuated?	YES/NO	If so, how many people were evacuated?	

National Response Center Report # Assigned (if applicable)	
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Post Spill/Release Efforts	
Material Spilled (Solid, Liquid, Gas)	
Quantity Spilled	
Clean-up Contractor(s)	
Contractor Contact Name	
Contractor Telephone Number	
Quantity of Material Removed	
Disposal Method/Location	

Spill/Release Notifications				
Type of Spill	Agency	Date	Time	Person Contacted
Land Spill	• NCDENR			
Water Spill	• National Response Center			
	• NCDENR			
	• EPA Region IV			
Air Release	• NCDENR			
	• National Response Center			
	• EPA Region IV			

Please provide a narrative of the clean-up measures performed and the actions taken and/or proposed to prevent a similar incident in the future.

I hereby certify that the information on this report is true and accurate to the best of my knowledge.

_____ Name - Please Print	_____ Title
_____ Signature	_____ Date

PROCEDURE:

LEGAL SERVICES PROCEDURE

SECTION NUMBER:

2.H.3**I. PURPOSE**

The purpose of this document is to define the internal procedure for PWC acquiring legal services, handling legal inquiries, and answering questions of a legal nature.

II. APPLICABILITY

This procedure applies to all Departments and Divisions needing legal services of any nature to support the needs to complete their work assignments or to meet compliance directives, etc.

III. RESPONSIBILITY

- A. Division Officers:** Responsible for making sure that the legal services needs of their Division are properly handled with appropriate legal review and advice whenever necessary.
- B. Directors/Managers/Supervisors:** Responsible for directing any issue requiring legal input or review to the appropriate Division Officer.
- C. PWC General Counsel:** Responsible for providing direct legal support and services for PWC and the PWC Commissioners as well as providing general legal oversight and monitoring of outside legal firms working for PWC. Also responsible for coordinating with the City Attorney of the City of Fayetteville, North Carolina, when needed.
- D. Director of Legal, Risk and Procurement:** Responsible for maintaining list of approved outside legal firms with which PWC maintains a currently effective General Services Agreement. Responsible for providing general administrative support and coordination of PWC's legal activities.

IV. GUIDELINES

- A.** The PWC General Counsel will provide legal services and/or review for such items as:
 - 1. PWC Policies and Procedures
 - 2. Service Contracts
 - 3. Purchasing Agreements
 - 4. Land Transactions
 - 5. Right-of-Way Agreements
 - 6. Finance Transactions and Opinion Letters
 - 7. Claims

☐ ORIGINAL☒ REVISION No 1APPROVED: OCTOBER 9, 2017APPROVED BY: D. W. T. Trip

GENERAL MANAGER

PROCEDURE:

2.H.3

LEGAL SERVICES PROCEDURE

8. Employment Matters
 9. Regulatory Proceedings
 10. Legislative Processes
 11. Trials, Arbitrations, Mediations, Appeals, and Settlements
 12. Public Records and other formal legal document requests
 13. Federal and State Law Compliance
 14. Commission Governance Matters (including, but not limited to, open meetings, amendment of bylaws, and advice to Commissioners)
 15. Selection and retention of outside legal counsel
 16. Selection and retention of consultants and expert witnesses for hearings and litigation
 17. Other Legal Matters
- B. A monthly report of legal activities shall be furnished to the PWC General Counsel through the PWC General Manager's Office.

V. PROCEDURES**A. General Legal Questions and Issues**

1. All Directors, Managers, Supervisors and Employees should direct any issue requiring legal input or review to the appropriate Division Officer.
2. Division Officers, or the designees of Division Officers, will submit any general legal questions and issues to the PWC General Counsel.
3. The Director of Legal, Risk and Procurement Services will manage all legal issues from claims, right of way and land acquisition/sale activities, and coordinate as needed with the PWC General Counsel.

B. Requesting Legal Services

1. The Division Officer, or the designee of the Division Officer, will discuss the need and justification for legal services with the PWC General Counsel and/or the PWC General Manager for his review and approval.
2. The PWC General Counsel will decide if the legal services will be done internally by the PWC General Counsel or through an approved outside legal firm.

PROCEDURE:

2.H.3

LEGAL SERVICES PROCEDURE

3. If it is determined that an approved outside legal firm will provide the legal services, the Division Officer, or the designee of the Division Officer, will contact the Director of Legal, Risk and Procurement Services to coordinate the development of a standard task authorization with the appropriate firm defining the work to be done and the specific legal services to be provided.
4. Once the task authorization is executed by the outside legal firm and PWC, it will be submitted to the PWC Procurement Department who will then issue a purchase order as defined in the executed task authorization.

C. Adding an Outside Legal Firm to the Approved List

1. A request to add a legal firm to the Approved List may be made by or through a Division Officer, the PWC General Counsel or the Director of Legal, Risk and Procurement Services.
2. All requests not made by the PWC General Counsel shall be reviewed by the PWC General Counsel to determine the capabilities and expertise of the outside legal firm being requested. The PWC General Counsel shall approve the types of legal services and/or representation that the requested outside legal firm may perform on behalf of PWC.
3. Once approved, the Legal, Risk and Procurement Department shall issue a copy of the PWC standard General Services Agreement to be executed by the outside legal firm and a standard task authorization will be developed and executed for the legal services to be provided.
4. Once both documents are executed by the outside legal firm and PWC, they will be submitted to the PWC Procurement Department who will then issue a purchase order for the services as defined in the executed documents.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE: HAZARD COMMUNICATIONS AND THE GLOBALLY HARMONIZED SYSTEM	SECTION NUMBER: 2.H.4
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I. PURPOSE

The purpose of this document is to ensure the Public Works Commission (PWC) of the City of Fayetteville complies with the OSHA Hazard Communications Standard/Globally Harmonized System (29 CFR 1910.1200), commonly referred to as the "Right to Know Act."

II. APPLICABILITY

These procedures apply to all PWC departments and all PWC employees (Full-time, Part-time, Temporary, and Contractors).

III. DEFINITIONS

- A. **Chemical** – any substance, or mixture of substances, or compounds.
- B. **Chemical Inventory** – a list of chemicals used, produced or stored in the workplace.
- C. **Chemical name** – the scientific designation of a chemical substance.
- D. **Container** – any bag, barrel, bottle, box, can, cylinder, drum, reaction vessel, storage tank, or the like that contains or stores hazardous chemicals.
- E. **Globally Harmonized System** – a common, global approach to hazard communications.
- F. **Hazard Communications** – the end result of special measures and activities conducted by employers to reduce and eliminate adverse health effects due to unnecessary exposure to hazardous materials.
- G. **Hazardous Chemicals** – any chemical which is classified as a physical hazard or health hazard, a simple asphyxiant, combustible dust, pyrophoric gas, or hazard not otherwise classified.
- H. **Health Warning** – any words, pictures, symbols, or combination thereof appearing on a label or other appropriate form of warning which conveys the hazards of the chemical(s) in the container.

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APPROVED: JANUARY 30, 2017

APPROVED BY: D. W. Trip GENERAL MANAGER

PROCEDURE: HAZARD COMMUNICATIONS AND THE GLOBALLY HARMONIZED SYSTEM	SECTION NUMBER: 2.H.4
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- I. **Health Hazard** – a chemical which is classified as posing one of the following hazardous effects: acute toxicity, skin corrosion or irritation, serious eye damage or eye irritation; respiratory or skin sensitization; germ cell mutagenicity; carcinogenicity; reproductive toxicity; specific target organs toxicity; or aspiration hazard.
- J. **Label** – an appropriate group of written, printed or graphic information elements concerning a hazardous chemical that is affixed to, printed on, or attached to the immediate container of a hazardous chemical, or to the outside packaging.
- K. **Physical Hazard** – a chemical that is classified as posing one of the following hazardous effects: explosive; flammable (gases, aerosols, liquids, or solid); oxidizers (liquid, solid, gas); self-heating; organic peroxide; corrosive to metals; gas under pressure; or in contact with water emits flammable gas.
- L. **Safety Data Sheets (SDS)** – a written or printed material concerning a hazardous chemical; formerly referred to as MSDS Sheet.
- M. **Substance** – chemical elements and their compounds in the natural state or obtained by any production process, including an additive necessary to preserve the stability of the product and impurities deriving from the process used.

IV. RESPONSIBILITY

- A. **Division Officers, Department Managers, and Supervisors** are responsible for enforcing the provisions of this procedure and ensuring they are carried out within their respective departments.
- B. **Department Managers** are responsible for appointing a designated employee in their specific department/area to maintain chemical inventories and ensure SDS are current and readily accessible. This person will coordinate with the Environmental Compliance Specialist (ECS) to ensure copies of the SDS are maintained in the Master Index.
- C. **Supervisors** are responsible for ensuring employees are properly trained on the chemicals used in their specific area and that employees are aware of the hazards associated with those chemicals and how to protect themselves.

PROCEDURE: HAZARD COMMUNICATIONS AND THE GLOBALLY HARMONIZED SYSTEM	SECTION NUMBER: 2.H.4
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D. Environment Compliance Specialist (ECS) is responsible for:

1. Ensuring compliance with the Hazard Communications/Globally Harmonized System.
2. Maintaining the Master Index of SDS used by the Fayetteville PWC, including chemicals no longer in use.
3. Maintaining a Chemical Inventory of products used at all PWC facilities.
4. Conducting periodic inspections of chemical storage areas and inventories.
5. Ensuring all employees have been trained in the new Hazard Communications/Globally Harmonized System and refresher training is conducted annually.
6. Coordinating SDS and Chemical Inventory Management System, maintaining chemical inventories by Departments/Sections, and updating inventories annually.
7. Ensuring that all SDS are readily available to employees either manually or electronically.
8. Reviewing, evaluating and approving the purchase of new chemicals requested by Department/Sections.

V. GUIDELINES

- A.** All new chemical purchases or trials shall be reviewed by the ECS prior to approval.
- B.** All employees are required to be trained on the New Hazard Communications/Globally Harmonized System.

VI. PROCEDURES

A. Chemical Inventory

1. All hazardous chemicals used by the PWC employees, and/or chemicals stored on the PWC property, will be inventoried and placed in the "Right to Know" Notebook which shall be maintained in each

PROCEDURE: HAZARD COMMUNICATIONS AND THE GLOBALLY HARMONIZED SYSTEM	SECTION NUMBER: 2.H.4
---	---------------------------------

Department/Section. The notebook will contain Chemical Inventories and copies of SDS for chemicals used in their individual areas. Employees should have access to this area in case of an emergency and to increase awareness of chemical hazards. Materials will be in listed by chemical name and/or trade name. The average and maximum quantities kept on hand and the type and size of container will also be documented in this Notebook.

2. A Master Index Copy of all SDS will be maintained in the office of the Environmental Compliance Specialist. The ECS will maintain copies of SDS that are no longer active in the PWC Chemical Inventory for 25 years after product has been discontinued.
3. Where possible, janitorial/cleaning supplies have been standardized, and these chemicals will be properly stored in designated storage closet. Notebooks will be kept in each closet listing the chemical inventory and the associated SDS in each individual closet.

B. Container Labeling

1. It shall be the responsibility of each Department/Section to ensure that every container located within their respective areas are properly labeled, tagged, or marked with the following information:
 - a. Product Identifier
 - b. Signal Word
 - c. Hazard Statement(s)
 - d. Pictogram(s)
 - e. Precautionary Statement(s)
 - f. Name, Address, Telephone number of Manufacturer, Importer or responsible party.
2. Supervisors will refer to the corresponding SDS to assist employees in verifying labels and answering questions when necessary.
3. No chemical containers will be stored at PWC unless they are properly labeled. If a container does not have a proper label, the user shall immediately inform their supervisor. Supervisors will notify the ECS or replace the inadequate label with an alternate replacement.
4. Chemical deliveries shall not be accepted if labeled improperly or not labeled at all. Each Supervisor will be responsible for ensuring that all labels on incoming packages are intact and that tanks and containers at their site are properly labeled.

PROCEDURE: HAZARD COMMUNICATIONS AND THE GLOBALLY HARMONIZED SYSTEM	SECTION NUMBER: 2.H.4
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5. Chemicals shall not be purchased, used or stored on PWC property unless a SDS is available. Samples of chemicals are also required to have a SDS on PWC property.
6. Labels shall not be removed or defaced from chemical containers unless the container is immediately remarked with the required information.

C. Building and Facility Designation

1. All PWC buildings and other facilities that contain hazardous chemicals shall be identified, labeled, and placarded in the manner required under NFPA 704 Placarding System according to Fayetteville Fire Department requirements.
2. All NFPA 704 Placards shall be sized and color coded according to Fire Department Regulations.

D. Safety Data Sheets

1. Each Department/Section will maintain SDS for each hazardous chemical within their area:
 - a. SDS shall be readily accessible to all employees in the work area at all times.
 - b. A master copy of all SDS will be maintained by the ECS and accessible online.
 - c. SDS will be kept in "active" status as long as the product is still in use. Once the product is discontinued, the Department/Section will notify the ECS so it can be removed from the "active" Master Inventory List.

E. Employee Training

1. Supervisors will ensure employees working with or around hazardous chemical receive the following basic training before they are assigned to their duties:
 - a. A summary of the Hazard Communication/Globally Harmonized System Standard and PWC's Written Program.

PROCEDURE: HAZARD COMMUNICATIONS AND THE GLOBALLY HARMONIZED SYSTEM	SECTION NUMBER: 2.H.4
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- b. The method used to detect the presence or release of a hazardous chemical in their work area. (i.e., monitoring devices, visual appearance or odor of hazardous chemicals when being released).
 - c. The physical and health hazards of the hazardous chemicals.
 - d. The measures employees should take to protect themselves from these hazards such as appropriate protective equipment to be used.
 - e. Procedures to follow to ensure when cleaning routine hazardous chemical spills and stopping leaks.
 - f. How to read and interpret labels and SDS.
 - g. Where SDS are located and how to obtain additional information.
2. In addition to the above basic training, it shall be the responsibility of each supervisor to ensure employees receive thorough training in the specific hazards to which they are exposed to on the job. Additional training is required whenever:
- a. New hazardous chemicals are introduced into the workplace
 - b. Whenever a new employees enters the workplace.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

I. PURPOSE

The purpose of the Safety Incentive Awards Program is to encourage continuous employee interest and awareness towards incident prevention in a manner that rewards both the employee and the Public Works Commission.

II. DEFINITIONS

- A. **Bonus Effort Points (BEP)** – Points earned by an employee who has displayed documented effort in the tasks designated by the Safety Incentive Awards Program.
- B. **Redemption List** – The list of items and/or monetary dollars in which accumulated points may be redeemed as described in this procedure.
- C. **Reduction Points (RP)** – Points lost as a result of any one or more qualifying incidents and/or circumstances as described in this procedure.
- D. **Safe Worker Points (SWP)** – Points earned by employees who have completed the entire program year with no preventable personal injury Workers' Compensation claims and no preventable vehicle/equipment damage incidents.
- E. **Program Year** – The 12-month period from July 1, 2014 through June 30, 2015 and each fiscal year until June 30, 2017.

III. RESPONSIBILITIES

- A. **Officers:** Provide oversight and support as needed; review and process appeals when necessary; and promote recognition activities across all Divisions/Departments.
- B. **Human Resources Department/Safety Section:** The Safety Specialist will provide guidance and support for activities designed to recognize and reward employees who demonstrate a commitment to safety and incident prevention, maintain records, and share data with staff as appropriate.
- C. **Directors, Managers, and Supervisors:** Enforce the provisions of these guidelines within respective work areas.
- D. **Employees:** Adhere to guidelines and processes as described in this procedure.

IV. GUIDELINES

- A. All PWC regular, full-time employees will be eligible for awards.
- B. The Safety Incentive Awards Program will span a 36-month period beginning July 1, 2014 and ending June 30, 2017.
- C. If necessary, amendments and/or changes to this procedure may be developed by the Safety Committee and presented to the PWC management for approval during the program period.
- D. Appeals for any aspect of this procedure shall be made in writing by the employee to the appropriate Officer.

V. PROCEDURES

- A. The Safety Awards Incentive Program is designed to recognize and reward employees who display the necessary effort in achieving personal, equipment, and vehicle incident prevention.
- B. The Safety Awards Incentive Program works on a point reward/deduction basis as described below.

1. **Points Assessment**

- a. **Safe Workers Points (SWP):** Employees can earn up to 200 points for completing each program year with no preventable incidents. SWPs will be credited to employee accounts each July.
- b. **Bonus Effort Points (BEP):** A maximum of 800 BEPs may be earned each year by completing additional tasks or receiving recognition related to safety efforts. Points can be earned up to two times per year, per task, as listed in the Table 1. BEPs will be credited to each employee's account after a BEP Submission Form (see Attachment A) is completed and approved.
- c. **Reduction Points (RP):** Employees' safety points will be reduced for failing to complete tasks or incurring negative incidents related to safety efforts as listed in Table 2. In addition to the 300 point reductions listed in Table 2 for preventable incidents, an employee will earn an additional

100 Reduction Points for each of the following contributing circumstance(s):

- (1) Striking a fixed object with a vehicle or equipment
- (2) Preventable backing incident
- (3) Preventable injury to the eye(s), face, or head
- (4) Preventable injury to a hand, wrist, arm, or shoulder
- (5) PWC Safety Rule violation

Table 1

Bonus Effort Points	Tasks/Recognitions
500	Develop and have adopted a new safety improvement
300	Serve as an effective Safety Committee Member for each program year
200	Receive a valid Safety Commendation Report*
200	Make a safety presentation at a Safety Meeting (Safety presentations are to be delivered by an individual with the exception of larger departments, in which team presentations will be allowed.
200	Perform a safety inspection in a Department/Section (Minimum of 2 vehicles)
100	Propose and have adopted a PWC Safety Rule addition, revision, or deletion
100	No incidents for each program year within the Department or a 25% reduction in the number of incidents within the Department from the previous year (everyone in the Department at each year-end will receive the points)
25	Complete a minimum of one hour of safety training
100	Serve as an effective Safety Committee Officer
100	Serve as immediate supervisor of an employee who has received a valid Safety Commendation Report

**Available on the Human Resources intranet site.*

Table 2

Reduction Points	Tasks/Incidents
300	Failure to report any vehicle incident, equipment damage or injury within 72 hours of the occurrence
300	Any personal injury incident that results in a Workers Compensation claim that is determined as preventable

Table 2

Reduction Points	Tasks/Incidents
300	Any vehicle or equipment damage incident, that is determined as preventable
300	Erroneous, false, deceptive, or otherwise misleading accidents, incidents, inspections, or injury reporting.
200	Receive a written Safety Hazard Report*
200	Managers and Supervisors in departments with 25% increase in preventable incidents from the previous fiscal year will receive reduction points.
100	Serve as immediate supervisor of an employee who has an incident resulting in a preventable Workers' Compensation Claim, a preventable vehicle incident, or a preventable equipment damage incident

*Available on the Human Resources intranet site.

- C. Awards are available based on individual, department, and company-wide accomplishments as listed below.

1. Individual Awards

- a. As individuals earn points, they may choose awards from the Safety Award Redemption List (see Table 3).

Table 3

Points	Safety Award Redemption List
800	Walker's Game Ear Alpha Carbon Muffs SSL Electronic Earmuffs
600	Maxsa Luxeon K2 AC/DC Rechargeable LED Flashlight
500	Men's Full Zip Hooded Sweatshirt
500	Ladies Full Zip Hooded Sweatshirt
500	Port Authority Essential Jacket for Men
500	Port Authority Essential Jacket for Ladies
500	Port Authority Men's Puffy Vests
500	Port Authority Ladies Puffy Vest
500	Night Stick NSP-1160 LED Flashlight
500	Mr. Beams ReadyBright Power Outage Starter Kit
500	Google Chromecast HDMI Streaming Media Player
500	CamelBak Adult HydroBak 50oz.
500	Charles River Jacket
450	Port Authority Ladies ¾ Blouse
450	Ladies Silk Touch Interlock Cardigan
400	Jerzee Crewneck Sweatshirt (UNI)

Table 3

Points	Safety Award Redemption List
400	Port Authority Men's Fleece Vests
400	Port Authority Ladies Fleece Vests
400	Port Authority Men's Short Sleeve Poplin Shirt
400	Port Authority Ladies Short Sleeve Poplin Shirt
400	Port Authority Men's Knit Polo's
400	Port Authority Ladies Knit Polo's
400	Cop Dots
400	Sentina Outback Safety LED Lamp
400	First Alert 5lb. Premium Rechargeable Fire Extinguisher
400	Vehicle Emergency Kit w/Jumper Cables
350	Russell Outdoors T-Shirt LS-CAMO
250	Russell Outdoors T-Shirt SS-CAMO
200	Gildan Men's Safe Worker T-Shirt (LS)
200	Ladies Safe Work T-Shirt (LS)
200	Port Authority Safari Hat
200	Port Authority Outback Hat
200	First Aid Kit for up to 10 People
200	LifeHammer
150	Gildan Men's Safe Worker T-Shirts (SS)
150	Gildan Ladies Safe Worker T-Shirts (SS)
150	Utilitech 6-Pack 23-Watt (100W Equivalent) CFL Bulbs
150	Safe Worker T-Shirt (LS)
150	Insulated Coffee Mug
100	Port Authority Camouflage Cap
100	Port & Company Fashion Visor
100	Safe Worker Ball Cap
50	Sports Water Bottle
50	Coffee Mug

- b. Employees may redeem accumulated points for awards by completing the Redemption Form (See Attachment B) and submitting it to the Safety Specialist.
- c. Point totals will be updated as they are earned and redeemed. Records will be maintained by the Safety Department.
- d. Each quarter, the Safety Specialist will distribute a Point Totals Report to all PWC Divisions/Departments.

- e. Points are not transferable; they can be redeemed only by the employee who earned the points.
- f. An employee may redeem their point balance for cash at a value of 10 cents per point. If this option is selected, the cash amount will be added to their paycheck and be subject to all applicable payroll taxes. A minimum of 400 points must be accumulated to "cash out."

2. Department/Section Awards

- a. The following field-oriented Departments/Sections that complete the entire program year with no personal injury or vehicle/equipment incidents will receive a Department/Section Safety Plaque.

Apparatus Repair Shop	IS/Telecommunications
Cross Creek Plant	Plants Maintenance
Electric Construction	Residuals Management
Electric Engineering	Rockfish Plant
Environmental Sections	Substations
Facilities Maintenance	Utility Field Services
Fleet Maintenance	Warehouse
Generation	W/R Construction
Glenville Plant	W/R Engineering
Hoffer Plant	

3. Company-Wide Awards

- a. If all PWC employees work at least one million hours with no lost time personal injuries, PWC will provide a Safety meal or other special event/merchandise for all employees.
- b. Subsequent million hours recognition to be determined when obtained.

VI. EFFECTIVE DATE

This procedure shall become effective upon approval and will supersede all other Safety Incentive Awards Program procedures previously identified.

2014 – 2017

SAFETY AWARDS PROGRAM**BONUS EFFORT POINT (BEP)
SUBMISSION FORM**

In order to receive Bonus Effort Points (BEPs) for the PWC Safety Awards Program, this form must be completed by the employee, reviewed by the employee's supervisor and approved by the appropriate Manager/Director prior to submission to the Safety Department for consideration.

Employee Name: _____ Employee #: _____

Department: _____ Cost Center #: _____

1. **DEVELOP AND HAVE ADOPTED A NEW SAFETY IMPROVEMENT (300 POINTS)**

Describe the improvement? _____

2. **SAFETY MEETING PRESENTATION (200 POINTS)**

Date of Meeting _____, _____

Topic _____

(An outline or copy of presentation must be attached.)

3. **SAFETY INSPECTION (200 POINTS)**

Date of Inspection _____, _____

Department Inspected _____

(Copy of the inspection report must be attached.)

4. **SAFETY TRAINING (1 HOUR MINIMUM) (25POINTS PER HOUR)**

Date of Training _____ Subject _____ Instructor _____ #Hours _____

Date of Training _____ Subject _____ Instructor _____ #Hours _____

(Copy of the training agenda, syllabus, or certificate must be attached.)

5. **PWC SAFETY RULE CHANGE (100 POINTS)**☐ Additional Rule☐ Revision to Rule☐ Deletion of Rule

Safety Manual Section # _____, Part _____. Describe the Safety Rule Change: _____

Reason for Change: _____

6. **SAFETY COMMENDATION (200 POINTS)***(Copy of the commendation must be attached.)*

Date of Commendation: _____ Commended by: _____

Commended for: _____

SUBMISSION AND APPROVALS*Only original signatures will be accepted.***COMPLETED BY:**_____
Employee_____
Date**REVIEWED BY:**_____
Employee's Supervisor_____
Date**APPROVED BY:**_____
Department Manager/Director_____
Date***** FORWARD TO SAFETY OFFICE AFTER ALL SIGNATURES ARE OBTAINED******This section to be completed by the Safety Specialist.*☐ **ACCEPTED**☐ **REJECTED**

If rejected, provide explanation: _____

Signature _____

Date _____



2014-2017 SAFETY AWARDS PROGRAM SAFETY AWARD REDEMPTION FORM



EMPLOYEE NAME: _____ EMPLOYEE #: _____

COST CENTER#: _____

MERCHANDISE OPTION: This is a request to redeem _____ points for the items indicated below.

	POINTS REQUIRED	ITEM	Size	Color
<input type="checkbox"/>	800	Walker's Game Ear Alpha Carbon Muffs SSL Electronic Earmuffs		
<input type="checkbox"/>	600	Maxxa Luxeon K2 AC/DC Rechargeable LED Flashlight		
<input type="checkbox"/>	500	Mens Full Zip Hooded Sweatshirt		
<input type="checkbox"/>	500	Ladies Full Zip Hooded Sweatshirt		
<input type="checkbox"/>	500	Port Authority Essential Jacket for Men		
<input type="checkbox"/>	500	Port Authority Essential Jacket for Ladies		
<input type="checkbox"/>	500	Port Authority Mens Puffy Vests		
<input type="checkbox"/>	500	Port Authority Ladies Puffy Vests		
<input type="checkbox"/>	500	Night Stick NSP-1160 LED Flashlight		
<input type="checkbox"/>	500	Mr. Beams ReadyBright Power Outage Starter Kit		
<input type="checkbox"/>	500	Google Chromecast HDMI Streaming Media Player		
<input type="checkbox"/>	500	CamelBak Adult HydroBak 50 oz.		
<input type="checkbox"/>	500	Charles River Jacket		
<input type="checkbox"/>	450	Port Authority Ladies 3/4 Blouse		
<input type="checkbox"/>	450	Ladies Silk Touch Interlock Cardigan		
<input type="checkbox"/>	400	Jerzee Crewneck Sweatshirt (UNI)		
<input type="checkbox"/>	400	Port Authority Mens Fleece Vests		
<input type="checkbox"/>	400	Port Authority Ladies Fleece Vests		
<input type="checkbox"/>	400	Port Authority Mens Short Sleeve Poplin Shirt		
<input type="checkbox"/>	400	Port Authority Ladies Short Sleeve Poplin Shirt		
<input type="checkbox"/>	400	Port Authority Mens Knit Polos		
<input type="checkbox"/>	400	Port Authority Ladies Knit Polos		
<input type="checkbox"/>	400	Cop Dots		
<input type="checkbox"/>	400	Sentina Outback Safety LED Lamp		
<input type="checkbox"/>	400	First Alert 5 lb. Premium Rechargeable Fire Extinguisher		
<input type="checkbox"/>	400	Vehicle Emergency Kit w/Jumper Cables		
<input type="checkbox"/>	350	Russell Outdoors T Shirt LS-CAMO		
<input type="checkbox"/>	250	Russell Outdoors T Shirt SS-CAMO		
<input type="checkbox"/>	200	Gildan Mens Safe Worker T Shirt (LS)		
<input type="checkbox"/>	200	Ladies Safe Worker T Shirt (LS)		
<input type="checkbox"/>	200	Port Authority Safari Hat		

	POINTS REQUIRED	ITEM	Size	Color
<input type="checkbox"/>	200	Port Authority Outback Hat		
<input type="checkbox"/>	200	First Aid Kit for up to 10 People		
<input type="checkbox"/>	200	LifeHammer		
<input type="checkbox"/>	200	Stainless Steel Travel Mug - 17 oz.		
<input type="checkbox"/>	150	Gildan Mens Safe Worker T Shirts (SS)		
<input type="checkbox"/>	150	Gildan Ladies Safe Worker T Shirts (SS)		
<input type="checkbox"/>	150	Utilitech 6-Pack 23-Watt (100W Equivalent) CFL Bulbs		
<input type="checkbox"/>	150	Attache Case		
<input type="checkbox"/>	100	Port Authority Camouflage Cap		
<input type="checkbox"/>	100	Port & Company Fashion Visor		
<input type="checkbox"/>	50	Coffee Mug		

Please send completed form to the Safety Office for approval and processing. Clothing items are not stocked and must be ordered. Please allow 7-10 business days for delivery.

CASH OUT OPTION: The Cash Out Option is only available at the conclusion of each program year and requires a minimum of 400 points. Each point is valued at \$.10 each and will be subject to applicable payroll taxes, etc.

Date: _____

Employee Signature

Date: _____

Safety Specialist Approval

PROCEDURE:

DRIVER'S LICENSE QUALIFICATION

SECTION NUMBER:

2.G.3**I. PURPOSE**

The purpose of this procedure is to establish criteria to qualify employees to operate licensed vehicles for PWC business purposes. Eligibility shall be determined by the possession of a valid North Carolina Driver's License (proper type and class), Motor Vehicle Record (MVR) data, and PWC Driving Points. This procedure applies to all employees who drive PWC vehicles or any other vehicles on PWC business.

II. DEFINITIONS

- A. Authorized Driver:** Any employee who possesses a valid NC Driver's License and has less than seven (7) PWC Driving Points.
- B. CDL:** Commercial Driver's License.
- C. MVR:** Motor Vehicle Record or Driving History Report maintained by and obtained from the North Carolina Department of Motor Vehicles' computer database.
- D. Non-Driving Status:** Assigned to any employee who does not possess a valid NC Driver's License, has seven (7) or more PWC Driving Points, does not have a MVR on file at PWC, or is disqualified as per this Driver's License Qualification Procedure.
- E. PWC Driving Points:** The number of points assigned for various driving violations documented in the MVR data or PWC safety records.
- F. Required Driver:** Any employee whose job duties require that they possess/maintain a valid North Carolina Driver's License.

III. RESPONSIBILITIES

- A. Officers, Directors, Supervisors, and Managers:** Ensure all provisions of this procedure are enforced consistently.
- B. Human Resources Department:** Secure and maintain driving records for employees; monitor compliance with procedure requirements; assign and track driving status for employees; and communicate information to employees as needed.
- C. Employees:** Provide appropriate notifications of changes in driving status and adhere to all provisions of this procedure.

☒ ORIGINAL ☐ REVISION No. 1APPROVED: OCTOBER 1, 2012APPROVED BY:  GENERAL MANAGER

PROCEDURE: DRIVER'S LICENSE QUALIFICATION	SECTION NUMBER: 2.G.3
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IV. GUIDELINES

A. Frequency

MVR's will be obtained at least annually for all PWC authorized drivers.

B. Evaluation Period

The past three (3) years from the date of the most recent MVR.

C. PWC Driving Points

PWC Driving Points are assigned based on MVR data, convictions, and Safety Department records as indicated in the table below.

CONVICTION	POINT VALUE
Alcohol/Drug Related	6
Leaving the Scene of an Accident	5
Passing Stopped School Bus Loading or Unloading Children	5
Reckless Driving	4
Hit and Run, Property Damage Only	4
Following Too Closely	4
Driving on Wrong Side of the Road	4
Illegal Passing	4
Stop Sign Violation	3
Speeding	3
Failure to Yield Right-of-Way	3
Red Light Violation	3
Failure to Stop for Siren	3
Safety Zone Violation	3
Failure to Appear	2
No Liability Insurance	2
All Other Moving Violations	2
Preventable Licensed Vehicle Accidents Associated with PWC Business	2

D. Employees shall notify their supervisor immediately if any of the following events occur:

1. License has expired.
2. License has been suspended.
3. License has been revoked.

PROCEDURE: DRIVER'S LICENSE QUALIFICATION	SECTION NUMBER: 2.G.3
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4. Have received points on their MVR based on convictions that could jeopardize their PWC driving status.
5. The "Driver's Improvement Clinic" is completed.

V. PROCEDURES

A. Assignment of PWC Driving Points

1. On at least an annual basis, the PWC Safety Specialist will review MVR data and PWC safety records.
2. PWC Driving Points and actions will be assigned based on the following scale:

Points Assigned	Actions to be Taken
0 - 3 Points	No Action
4 - 6 Points	Written Notification (from Manager) stating that additional point(s) may result in an assignment to a non-driving status.
7 or More Points	All employees will be immediately placed in a non-driving status. Required drivers 1) shall receive a 5% reduction in pay, 2) may have employment terminated, and 3) there will be no pay increases during this time period.

B. New Applicant Requirements

1. The Human Resources Department will review MVR data for selected applicants.
2. Employment for required drivers shall be contingent on the applicant having a valid driver's license with no more than four (4) points on their MVR. Upon approval from the appropriate Division Officer or designee, PWC may at its discretion require applicants to successfully complete a state approved driver's improvement clinic on their own time and at their own expense prior to employment.
3. New employees will not be allowed to operate a PWC vehicle or a personal vehicle on PWC business until a valid NC Driver's License is obtained. NC driver's license must be obtained within 30 days from employment or employment may be terminated.
4. Required Drivers hired upon the contingent that they receive a CDL must sign an agreement which will require possession of the CDL within six (6) months of their employment date. Failure to obtain a

PROCEDURE: DRIVER'S LICENSE QUALIFICATION	SECTION NUMBER: 2.G.3
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CDL and any required endorsement within the stated time period may result in termination of employment.

C. Alcohol/Drug Related Convictions

Alcohol and/or drug related convictions shall require that the employee enroll and successfully complete the prescribed Employee Assistance Program.

D. Other Considerations

1. In addition to the point system for violations, employees will be immediately placed in a non-driving status if any of the following occur:
 - a. Suspension or revocation of driver's license.
 - b. Limited driving privileges does not constitute a NC Driver's License and is not recognized by PWC.
 - c. License expires.
 - d. Failure to obtain valid North Carolina Driver's License as specified for the job duties.
2. For Required Drivers, occurrence of any of the above-mentioned events will result in a 5% reduction in pay and possible termination of employment.
3. If an employee is required to maintain a CDL, loses their CDL, but obtains a Class C license, they will receive a 5% reduction in pay and may not be eligible for any pay increases until they re-obtain their CDL. Subject to management approval and eligibility requirements, a transfer to another position not requiring a CDL may be possible.
4. If a records check confirms that an employee is operating a PWC licensed vehicle or a personal vehicle on PWC business without a valid NC Driver's License, they will immediately be placed in a non-driving status. Required Drivers will receive a 5% reduction in pay, not be eligible for any pay increases or allowed to operate vehicles for a minimum of 1 year, or face possible termination of employment.

PROCEDURE: DRIVER'S LICENSE QUALIFICATION	SECTION NUMBER: 2.G.3
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5. An employee may subtract three (3) points from their PWC Driving Points for three (3) years, if they submit proof of successful completion of a State approved "Driver's Improvement Clinic," on their own time, and at their own expense. Points will be deducted only once during any three-year period.
6. The Manager shall forward, in writing, all the above information supplied by the employee to the Human Resource Department.
7. The Human Resource Department shall maintain driving records on all employees.
8. The Human Resource Department shall secure driving records, as needed, and at any time when requested by the General Manager, Division Officer, Director, Department Manager, Human Resource Officer, or Safety Specialist.
9. The Human Resource Department shall prepare and forward to the appropriate Department Managers all reports, letters, memos, and other correspondence, as necessary.

E. License Expense Reimbursement

Only those employees whose Job Description and/or job duties require that they possess and maintain a CDL will be reimbursed the additional costs to obtain or renew their license.

1. New hires or existing employees that must obtain a CDL will be eligible for reimbursement of the Application Fee, Permit Fee, License Fee, and any "required for the job" Endorsements, less the normal costs for a Class C Operators License.
2. The Renewal Fee and any "required for the job" Endorsements, for employees will be reimbursed by PWC, less the normal costs for a Class C Operators License.
3. In order to receive reimbursement for the above mentioned, a receipt issued by the Licensing Agency and a copy of the original or renewed CDL must be submitted to the Human Resource Department for processing.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE: OFFICE FURNITURE/ LARGE ELECTRONIC EQUIPMENT/APPLIANCES	SECTION NUMBER: 3.C.8
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I. PURPOSE

The purpose of this procedure is to establish guidelines for procuring office furniture, large electronic equipment and appliances, and transferring office furniture.

II. APPLICABILITY

This procedure will apply to the procurement of all office furniture, large electronic equipment and appliances, and the transfer of office equipment.

III. DEFINITION

- A. **Office Furniture** - Desks, credenzas, desk chairs, bookcases, side chairs, and other furnishings purchased for employee work spaces.
- B. **Large Electronic Equipment** – Flat Screen TV's, Message Boards
- C. **Appliances** – Refrigerators, microwaves, coffee pots

IV. RESPONSIBILITY

- A. **Facilities Construction and Maintenance Department:** Responsible for reviewing and approving furniture requests, assisting employees with selecting appropriate furniture, and ensuring that purchases and transfers are made in accordance with this procedure.
- B. **Officers, Department Managers, and Supervisors:** Responsible for enforcing the provisions of this procedure.

V. GUIDELINES

- A. To maintain consistency in ordering procedures and overall office environment aesthetics, all furniture purchases and transfers must be made in coordination with the Facilities Construction and Maintenance Department.

☐ ORIGINAL ☒ REVISION No. 1

APPROVED: MAY 28, 2015

APPROVED BY:  GENERAL MANAGER

PROCEDURE: OFFICE FURNITURE/LARGE ELECTRONIC EQUIPMENT/APPLIANCES	SECTION NUMBER: 3.C.8
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- B. To request a transfer of office furniture, the department representative must submit a Departmental Transfer Request Form (Form #1) to the Facilities Construction and Maintenance Department. Upon approval by the appropriate department Supervisor and the Facilities Construction Maintenance Manager, the request will be processed and the form will be forwarded to the Financial Planning Department.
- C. Procurement cards may not be used by the user department to make purchases for items covered by this policy. The Facilities Construction and Maintenance Department or the Purchasing Department may use a procurement card to purchase items covered under this policy costing less than \$2,500.
- D. To limit the possibility of personal or property damage, office furniture should only be moved under the direction of the Facilities Construction and Maintenance Department staff.
- E. The purchase of office furniture will take into account the following criteria:
 - 1. **Status of End User**
 - a. Staff Member
 - b. Supervisor
 - c. Department Manager
 - d. Division Officer
 - 2. **Function (how the furniture will be used)**
 - a. 8 Hours with High Customer Visibility
 - b. 8 Hours with Low Customer Visibility
 - c. 24 Hours with Heavy Use
 - 3. **Pricing Considerations**
 - a. State Contract
 - b. Local Availability
 - c. Informal Pricing
 - 4. **Durability**

As it relates to above listed criteria.
- F. Any furniture delivered without obtaining the proper approvals as outlined in this procedure will not be accepted by the Facilities Construction and

PROCEDURE: OFFICE FURNITURE/LARGE ELECTRONIC EQUIPMENT/APPLIANCES	SECTION NUMBER: 3.C.8
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Maintenance Department. Any fees incurred due to a rejected or returned delivery will be charged to the department responsible for making the order and scheduling the delivery.

- G. Any deviations from this procedure or requests for non-budgeted furniture must be pre-approved by the CEO/General Manager.

VI. PROCEDURES

A. New Furniture Requests

- a. User departments must provide a written request to the Facilities Construction and Maintenance Department justifying the need for any office furniture procurement not previously approved in the annual budgeting process. Requests should address all criteria outlined in this procedure.
- b. The Facilities Construction and Maintenance Department will review requests for new office furniture and provide the appropriate recommendations on the type of furniture to be purchased.
- c. The Facilities Construction and Maintenance Department and Purchasing Department will maintain a list of approved furniture items and vendors.
- d. After approval by the Facilities Construction and Maintenance Department, the user department must process the request using standard procedures established by the Purchasing Department. The written request, documentation of approval from the Facilities Construction and Maintenance Department, and any other supporting documents must be attached to the purchase requisition submitted electronically to the Purchasing Department.
- e. Requests of \$2,500 or more will require approval from the appropriate Division Officer. This approval process will be generated through the electronic purchasing system.
- f. Procurement of office furniture, whether new or replacement, must be supported in the current year budget by either a line item entry

PROCEDURE: OFFICE FURNITURE/LARGE ELECTRONIC EQUIPMENT/APPLIANCES	SECTION NUMBER: 3.C.8
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in the capital budget or documentation in the justification section of the budget system within the appropriate operating account.

B. Transfer of Office Furniture

- a. To request a transfer of office furniture, a Departmental Transfer Request Form must be completed (Form #1).
- b. The department representative requesting the transfer will complete the form, to include listing asset information and obtaining approvals from the appropriate department managers/supervisors from the transferring and receiving departments.
- c. The form must be submitted to the Facilities Construction Maintenance Manager for review and inspection of the sites and assets to be impacted by the transfer.
- d. If approved, the form will be signed and returned to the receiving department. The receiving department's contact person will be responsible for forwarding the completed form to the Financial Planning Department.
- e. If the transfer is not approved, the Facilities Construction Maintenance Manager will contact the appropriate department representatives.
- f. Furniture items being transferred to the Warehouse as surplus will be processed for sale or disposal.

VII. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

PURCHASE ORDER

SECTION NUMBER:

3.C.1**I. PURPOSE**

The purpose of this procedure is to establish formal guidelines governing the use of Purchase Orders.

II. APPLICABILITY

These procedures apply to all user departments who requisition materials, supplies, services, or equipment.

III. RESPONSIBILITY

- A. Chief Financial Officer:** Responsible for enforcing the provisions of this procedure.
- B. Purchasing Department:** Responsible for issuing Purchase Orders and enforcing the provisions of this procedure.

IV. GUIDELINES

- A. The Purchase Order is a financially controlled document.
- B. All Purchase Orders must be accounted for and are subject to audit.
- C. The Purchase Order commits PWC funds for the value of the goods and services order, and authorizes the vendor to deliver and charge for the goods and services specified in the order. Any order, agreement, or obligation entered into contrary to this provision may be declared invalid.
- D. Any additions, deletions, corrections, or cancellations required for a Purchase Order will be made within the EBS system by the Purchasing Department. A revised copy of the PO will be electronically distributed to all interested or affected parties.
- E. Component parts of a Purchase Order are as follows:
 - 1. Document Date: Date Purchase Order was created
 - 2. Purchase Order Number: Must be eleven (11) digits

☐ ORIGINAL ☒ REVISION No. 2

APPROVED: MAY 28, 2015APPROVED BY: Steven Blanchard GENERAL MANAGER

PROCEDURE: PURCHASE ORDER	SECTION NUMBER: 3.C.1
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3. Vendor Name, Address, and Vendor Number (e.g., 5680)
4. Ship to Address: Where goods are to be delivered
5. Attention: Person to be notified when goods are received
6. Buyer: Purchasing staff member who prepares Purchase Order
7. Bill to Address: Where invoice is to be sent
8. Quantity of Goods Ordered
9. Unit of Measure
10. Description of Items: Detailed description to include catalog number
11. Unit Price of Goods
12. Extension: Total Price of Line Item
13. Total Cost of Purchase Order
14. Messages:
 - a. Quoted By: Vendor representative who quoted price
 - b. Quoted F.O.B.: (Free on Board) Origin or destination
 - c. Quoted Terms (Method of Payment):
 - (1) Net: Payment due when invoiced
 - (2) Net 30: Payment due within 30 days of invoice
 - (3) 1%-10, Net 30: 1% discount given if payment received within 10 days of invoice.
 - d. Quoted Delivery Date: Date goods are to be delivered
 - e. Reason: Brief description of why goods or services are being ordered
15. Account Number: Charge number for goods or services

PROCEDURE: PURCHASE ORDER	SECTION NUMBER: 3.C.1
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16. Pre-Audit Statement: North Carolina General Statutes require that this statement appear on all Purchase Orders denoting that the funds are available. The Purchase Order must be electronically signed by the Chief Financial Officer or designated official.
17. Signature Block of Purchasing Manager/Agent

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

PURCHASES ON A TRIAL BASIS

SECTION NUMBER:

3.C.10**I. PURPOSE**

The purpose of this procedure is to establish formal guidelines governing purchases of materials, supplies, and equipment involving a free examination period.

II. APPLICABILITY

This procedure applies to all user departments who requisition materials, supplies, or equipment.

III. RESPONSIBILITY

- A. Purchasing:** Responsible for coordinating efforts with the user department, to include processing purchase requisitions and purchase orders as needed.
- B. User Department:** Responsible for following the provisions outlined in this procedure.
- C. Officers, Managers, Supervisors:** Responsible for enforcing the provisions outlined in this procedure.
- D. Legal Services Department:** Responsible for ensuring that the terms within the agreement of the trial items are acceptable and meet PWC requirements for insurance coverage, liability consideration, regulatory compliance, and other concerns.

IV. PROCEDURES

In some instances vendors offer a free examination period to customers in order that the customers evaluate the vendor's products. Options are either to accept the product and assume financial liability (be billed) or to return the product free of charge. The following procedures pertain to this type of transaction:

- A.** The user department must submit a purchase requisition prior to ordering the product. Attach any literature that defines the terms of the free examination period and any order forms, completely filled out, that are applicable.

☐ ORIGINAL ☒ REVISION No. 2

APPROVED: MAY 19, 2015APPROVED BY:  GENERAL MANAGER

PROCEDURE: PURCHASES ON A TRIAL BASIS	SECTION NUMBER: 3.C.10
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- B. Purchasing will submit information to the Legal Services Department for review. The Legal Services Department will review the trial agreement for compliance and notify Purchasing accordingly.
- C. Purchasing will process the requisition and print a purchase order. The purchase order will include the terms of the examination period and other relevant data. The purchase order will be held by Purchasing.
- D. After receipt of the product, the user department will evaluate the product and either reject or accept the product. This evaluation must be made within the time frame of the examination period.
- E. If the product is accepted, Purchasing will send the purchase order to the vendor. The user department will enter a receipt in the financial system, note the receipt number on the packing slip or invoice and forward it to Accounts Payable for payment.
- F. If the product is rejected, the user department will notify the Purchasing Department. Purchasing will void the purchase order. The user department is also responsible for returning product to vendor within the time frame specified.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE: PURCHASE REQUISITIONS	SECTION NUMBER: 3.C.2
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I. PURPOSE

The purpose of this procedure is to establish formal guidelines governing use of Purchase Requisitions.

II. APPLICABILITY

This procedure applies to all User Departments who requisition materials, supplies, equipment or services.

III. RESPONSIBILITY

- A. Originator:** The Originator is responsible for accurately submitting the Purchase Requisition, determining the proper account numbers to be used for the purchase, and verifying that funds are available in those accounts.
- B. Department Manager:** The Department Manager is responsible for reviewing the Purchase Requisition for correctness, and authorizing purchase of the request. The Manager should verify that expenditures are being charged to the correct accounts and that funds are available to cover the charges. Once the Manager confirms that all documentation is in order, the Manager approves the Purchase Requisition.
- C. Officer:** The appropriate Division Officer is responsible for reviewing the Purchase Requisition and authorizing the request for purchases over \$2,500.00. The Officer should verify that the Manager has properly reviewed and approved all documentation. Once the Officer confirms that all documentation is in order, the Purchase Requisition may be approved.
- D. CEO/General Manager:** The CEO/General Manager is responsible for reviewing and approving requisitions of \$10,000 or more for Executive cost centers and \$30,000 or more for all other cost centers.
- E. Purchasing:** If any discrepancies are found, Purchasing will contact the Originator. Purchasing is responsible for verifying that the Purchase Requisition has all the information necessary to properly process the order. If all the documentation is sound, a Purchase Order is created and electronically forwarded to the Chief Financial Officer for pre-auditing.
- F. Chief Financial Officer:** The Chief Financial Officer pre-audits the Purchase Order in accordance with the appropriate General Statutes, and

☐ ORIGINAL ☒ REVISION No. 3

APPROVED: MAY 19, 2015

APPROVED BY:  GENERAL MANAGER

PROCEDURE: PURCHASE REQUISITION	SECTION NUMBER: 3.C.2
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forwards the Purchase Order to Purchasing. The Purchase Order is electronically submitted to the approved supplier.

IV. **GUIDELINES**

A. General

1. A Purchase Requisition must be completed electronically, by the User department, to request materials, supplies, construction or repair services, miscellaneous services, or equipment. This Purchase Requisition must precede any issuance of purchase orders for planned or confirming purchases.
2. For confirming purchase orders, the purchase order number will be given to the User Department by Purchasing before the Purchase Requisition is submitted. The Purchase Requisition must be submitted to Purchasing within one business day after receipt of the confirming purchase order.
3. The Purchase Requisition is designed to serve as a guideline to Purchasing when obtaining quotes. To ensure that it is processed in a timely manner, a requisition must be accurate and complete when filled out by the User Department.

B. Special Conditions

The following conditions require special approvals before the Requisition can be processed by Purchasing.

1. Technology-related purchases (computers, communications equipment, etc.) must be approved by the Information Services department to ensure uniformity in specifications.
2. Charges to other Departments require the approval of the Manager/Supervisor for that cost center before the purchase is processed.
3. Account numbers, work order numbers, and invoice numbers (in certain situations) should be noted on the purchase request.
4. All capital project fund related requests require the approval of the Director of Financial Planning.

PROCEDURE: PURCHASE REQUISITION	SECTION NUMBER: 3.C.2
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5. Office furniture, large electronic equipment, and appliance purchases must be approved by the Facilities Construction and Maintenance Department.
6. Requests for Fuel Powered Equipment must be approved by the Fleet Maintenance Department.
7. All purchase requisitions for chemicals must be approved by the Environmental Compliance Specialist. All requests for chemicals shall state that a MSDS (Material Safety Data Sheets) is required so that Purchasing can include the request on the purchase order.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

PROCEDURE:

UNAUTHORIZED PURCHASES

SECTION NUMBER:

3.C.7**I. PURPOSE**

The purpose of this procedure is to establish formal guidelines governing unauthorized purchases.

II. APPLICABILITY

This procedure applies to all user departments (individuals) who requisition materials, supplies, services, equipment, and construction services.

III. RESPONSIBILITY

- A. Officers, Managers, and Supervisors:** Responsible for enforcing the provisions of this procedure.
- B. Employees:** Responsible for adhering to provisions outlined in this procedure and all other procedures related to purchasing items or services for PWC.

IV. GUIDELINES

- A.** PWC has six (6) methods of purchasing materials, supplies, services, construction services, and equipment needed in day-to-day operations. These methods are: planned purchase requests, blanket purchase orders, confirming purchase orders, local purchase orders, procurement cards, and contracts. Procedures are in place to insure compliance with provisions of the General Statutes governing purchasing practices by municipalities.
- B.** Purchase of materials in a manner other than those listed above constitutes violation of PWC policies and procedures.
- C.** Confirming orders are those issued only for repair parts or services in the event of emergency situations which threaten the health and safety of people and their property or inhibit essential functions of operating departments within PWC.
- D.** Unauthorized purchases, i.e., improper use of confirming purchase orders or methods not approved by PWC policies/procedures or the N.C. General Statutes, may be returned to the initiating party.
- E.** An employee making an unauthorized purchase may be liable for the cost of such purchase.

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

☐ ORIGINAL ☒ REVISION NO. 1

APPROVED: OCTOBER 1, 2012

APPROVED BY:

 GENERAL MANAGER

PROCEDURE: CHEMICAL PURCHASES	SECTION NUMBER: 3.C.9
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I. PURPOSE

The purpose of this procedure is to ensure that all chemical purchases are properly managed to support their safe management and use.

II. APPLICABILITY

This procedure applies to employees required to purchase chemicals (as defined in this procedure) for any department or division.

III. RESPONSIBILITY

- A. **Purchasing:** Responsible for ensuring compliance to this procedure when chemicals are requisitioned and ordered.
- B. **Environmental Compliance Specialist:** Responsible for researching chemicals to determine if the chemical is safe to use and environmentally friendly; ensuring Safety Data Sheets (SDS) are received/retained; and ensuring appropriate training is provided when necessary.
- C. **User Departments:** Responsible for adhering to all aspects of this procedure when purchasing or receiving chemicals.

IV. DEFINITION

Hazardous Chemical - Any substance that poses a physical or health hazard, including the following hazards: fire, corrosive, irritant, carcinogen, combustible, flammable, poison, oxidizer, explosive, etc.

V. PROCEDURES

- A. Prior to purchasing, using, and/or testing a new chemical/hazardous substance on any PWC property, the user must submit the pre-approval form (see Attachment #1) along with a Safety Data Sheet (SDS) to the Environmental Compliance Specialist for approval.
- B. Upon receipt of the pre-approval form, the Environmental Compliance Specialist will use all appropriate resources to evaluate the product's safety and potential impact on the environment.

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APPROVED BY: 

GENERAL MANAGER

PROCEDURE: CHEMICAL PURCHASES	SECTION NUMBER: 3.C.9
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- C. The Environmental Compliance Specialist will return results of the evaluation to the appropriate User Department representative.
 - 1. If the product is approved, a copy of the pre-approval form will be sent to the Purchasing Department.
 - 2. Based on the evaluation results, the Environmental Compliance Specialist will determine if additional training is needed for employees, and will coordinate efforts with the User Department as needed.
 - 3. The Environmental Compliance Specialist will also add the product to PWC's list of approved chemicals.
- D. The User Department representative will complete the purchase requisition process. "SDS Required" must be entered on the requisition in the header supplement or item supplement field.
- E. Once Purchasing receives the purchase requisition and confirms that the pre-approval form has been received, the request will be processed.
- F. Purchasing will complete the purchase order and ensure that "SDS Required" is included on the purchase order. Purchasing will forward a copy of the Purchase Order to the Environmental Compliance Specialist. The Environmental Compliance Specialist will match pre-approval forms to outstanding purchase orders.
- G. Purchasing will send the purchase order to the vendor along with a request that the vendor send any updates to the SDS via e-mail to the Environmental Compliance Specialist.

VI. EFFECTIVE DATE

This procedure will become effective on the date of approval.

Chemical Purchases**Pre-Approval Form****REQUEST TO EVALUATE/PROCURE NEW CHEMICALS**

Please complete and forward this form, along with the appropriate Safety Data Sheet (SDS) to the Environmental Compliance Specialist. This form must be approved before purchasing or receiving any samples of a new chemical.

Product/Chemical Name

Department(s) where it will be used

Average amount that will be stored on-site

Supplier/Vendor

Address & Phone Number

☐ **A copy of the Safety Data Sheet is attached.**

Requestor/User Department Representative

Date

For use by the Environmental Compliance Specialist only

Approved: ☐

Disapproved: ☐

Comments: _____

Signature

Date

PROCEDURE:

CONTRACTING FOR PROFESSIONAL SERVICES

SECTION NUMBER:

3.D.1**I. PURPOSE**

The purpose of this procedure is to establish guidelines for selecting providers of professional services to PWC.

II. APPLICABILITY

This procedure applies to procurement transactions for professional services including, but not limited to, architectural, engineering, surveying, appraisal, management consulting, training, financial, and computer services. Professional services are those where a firm produces drawings and/or specifications, gives advice, renders an opinion, or performs any other type of consulting services.

III. RESPONSIBILITY

- A. Officers, Directors, and Managers:** Responsible for identifying the need for using professional services and developing the technical specifications to be used in an official Request for Qualifications (RFQ) or Request for Proposals (RFP).
- B. Purchasing Department:** Responsible for packaging, issuing and following the evaluation process to select a vendor to supply the professional services specified and to recommend the selection to the approving authority.

IV. GUIDELINES**A. Selection Criteria Basis**

1. Architectural, Engineering, Surveying, and Construction Management at Risk Services

According to NC General Statutes, the criteria for evaluating the above named professional services are:

"to select firms qualified to provide such services on the basis of demonstrated competence and qualification for the type of professional services required without regard to fee other than unit price information at this stage, and thereafter to negotiate a contract for those services at a fair and reasonable fee with the best qualified firm. If a contract cannot be negotiated with the best

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APPROVED: MAY 19, 2015

APPROVED BY:  GENERAL MANAGER

PROCEDURE: CONTRACTING FOR PROFESSIONAL SERVICES	SECTION NUMBER: 3.D.1
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qualified firm, negotiations with that firm shall be terminated and initiated with the next best qualified firm.”

2. All Other Professional Services (i.e., Information Technology, Accounting, etc.)

This category of professional services may be selected on the basis of the best qualified, cost effective, compliant firm.

B. Selection of the Evaluation Team

PWC has determined that the selection process for professional services will follow the RFQ or RFP process, be evaluated by a cross departmental evaluation team, and use an evaluation matrix for scoring proposals.

Typically the Purchasing Department works with the User Department to select an evaluation team based on the needs of the RFQ or RFP. The team usually consists of 5 to 7 members. The User Department should not make up more than 50% of the evaluation team. The Purchasing Department has a position on the team and the remaining team members should be made up of individuals outside of the User Department with a good understanding of the project and evaluation criteria.

Each team member must be available to evaluate and score each of the submitted proposals independently using the evaluation matrix and the requirements stated within the RFQ or RFP. The Purchasing Department will coordinate this activity.

C. Evaluation Matrix

The evaluation components outlined below are to serve as a guideline for creating an evaluation matrix. Variances may occur based on the needs of the RFQ. In general, the scoring matrix should consist of, but not be limited to, the following categories:

1. Project Management Experience
2. Project Understanding and Approach
3. Personnel Qualifications
4. Consultants, Sub-Consultants, Other
5. General Qualifications

PROCEDURE:

CONTRACTING FOR PROFESSIONAL SERVICES

SECTION NUMBER:

3.D.1

6. Cost (as allowed)

Each category is intended to specifically illustrate how well the firm has represented itself in their proposal, presentation, and work history. A brief breakdown of each category is outlined below. Each sub-category is assumed to be equally weighted, unless otherwise warranted by the needs of the RFQ.

1. The Project Management Experience category attempts to evaluate the firm's performance on previous jobs and related work. Consideration should be given to:
 - a. Developing Schedules
 - b. Estimates and Bid Documents
 - c. Budget Control
 - d. Prior Project Management Experience
 - e. References
2. The Project Understanding and Approach category attempts to evaluate how well the proposed firm understands the scope of the project, and based on their knowledge and experience, their ability to perceive particular areas of concern. Consideration should be given to:
 - a. General project understanding
 - b. Compliance to RFQ specifications
 - c. Adequacy of approach
 - d. Evaluation of Costs
 - e. Project Management Approach
 - f. Quality Control
 - g. Identification of unique qualities making them best suited for the job

PROCEDURE: CONTRACTING FOR PROFESSIONAL SERVICES	SECTION NUMBER: 3.D.1
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3. The Personnel Qualifications category focuses on the proposed project team and their ability to successfully complete the task at-hand. Consideration should be given to:
 - a. Relative and related work experience
 - b. Résumé(s) of the professional staff
 - c. Location of key project personnel
 - d. Adequacy and availability of resource personnel
 - e. Ability to complete the task
4. The Consultants Sub-Consultants, and Subcontractors category focuses on the logistics associated with adding specialized skills to the project team. Consideration should be given to:
 - a. Percentage of the project responsibility
 - b. Relative and related work experience
 - c. Résumé(s) of the staff
 - d. Good faith efforts to meet DBE goals
5. The General Qualifications category attempts to tie in key miscellaneous qualities of the firm that are important to PWC, such as:
 - a. Completeness and quality of the proposal
 - b. Use of local personnel
 - c. Operating history and reputation
 - d. Experience with the PWC
 - e. Insurance and licensing in North Carolina
 - f. Cost (as allowed)

The evaluation matrix is a spreadsheet outlining the aforementioned qualities and will be used as a key document to illustrate the fair and unbiased approach to the evaluation process.

PROCEDURE: CONTRACTING FOR PROFESSIONAL SERVICES	SECTION NUMBER: 3.D.1
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A final matrix is compiled by objectively combining the individual scores of each team member to identify the most qualified bidder as the firm with the highest point total. The Purchasing Department will coordinate this process and be responsible for the recommendation for award of contract.

D. General Service Agreements

1. Firms must be qualified by PWC in order to enter into a General Service Agreement (GSA). Firms are "qualified" in two different ways.
 - a. Consideration is given to firms who have submitted proposals in the past for services or have actually rendered services in the past. By going through either of these processes, firms are deemed "qualified."
 - b. New firms can submit letters of qualifications (or PWC can request them) for review by appropriate PWC personnel. Firms will be deemed "qualified" upon successful review.
2. Requests for GSA(s) by User Departments shall be made to the Purchasing Manager. The User Department forwards the firm's address and name of the contact person. The Purchasing Department will administer the execution of the agreement to include correspondence, contract negotiation, contract review and distribution.
3. The Purchasing Department will maintain the original GSA(s) for reference. Sample GSA documents are available through the Purchasing Department.
4. Exceptions to this GSA requirement apply to firms that meet one or more of the following criteria:
 - a. Contractual service amount is less than \$5,000.
 - b. General liability exposure is deemed as being low risk.
 - c. Performance of this service is a one-time occurrence, and there is not a projected need for this service again within the next 36 months.

PROCEDURE: CONTRACTING FOR PROFESSIONAL SERVICES	SECTION NUMBER: 3.D.1
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E. Task Authorizations

1. As projects arise, the Purchasing Department, in coordination with the User Department, solicits request for proposals (RFP) from firms with an established GSA. The Purchasing Department also posts a notice for architectural, engineering and surveying services on the PWC website, as required by NC General Statutes. This is a formality which applies to these specific services only.
2. The Purchasing Department, in coordination with the User Department, reviews RFQs/RFPs and selects the firm based on competence, qualifications and price. (Price is not considered until after selection of the firm for architectural, engineering and surveying services.)
3. The User Department calls the Purchasing Department for a Task Authorization (TA) number to be used as a reference for tracking purposes. The User Department also gives the Purchasing Department the contract amount and work order number/account number.
4. The User Department generates a TA for the selected firm using the template provided by the Purchasing Department.
5. The User Department forwards two originals of the TA to the firm for execution. Once executed by the firm, the User Department forwards the TA to the General Manager for PWC execution. (Note: Firm always executes TA before PWC.)
6. The General Manager forwards both originals of the TA to the Purchasing Department for distribution and accountability, as follows:
 - a. The Purchasing Department processes the purchase requisition to include the appropriate number of task authorizations and return letters for distribution by the Purchasing Department.
 - b. Once a purchase order (PO) is approved, the Purchasing Department forwards the following documents:
 - (1) Firm – Return letter, PO, Original TA
 - (2) User Department – Return letter, PO, Copy of TA

PROCEDURE:

CONTRACTING FOR PROFESSIONAL SERVICES

SECTION NUMBER:

3.D.1

- (3) Purchasing Department - PO, Copy of TA
- c. The Purchasing Department keeps and files one original of the TA and return letter.
- d. The User Department is responsible for processing receipts and invoices when services are rendered and billed by the firm (electronically to Financial System).
- 7. The User Department is responsible for maintaining the status of the TA(s) in their own department. (This information will be available in the Purchasing/Accounts Payable Systems since a TA is associated with a PO.)

V. EFFECTIVE DATE

This procedure will become effective on the date of approval.

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
RONNA ROWE GARRETT, COMMISSIONER
ELAINA L. BALL, CEO/GENERAL MANAGER



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May 6, 2021

MEMO TO: Elaina L. Ball, CEO/General Manager

FROM: James West, CLO/General Counsel /s/JPW

SUBJECT: Recommendation to Adopt Resolution Approving Coverage

Staff believes that adoption of the Resolution Approving Coverage is reasonably necessary and appropriate and consistent with applicable law and recommends adoption of the Resolution Approving Coverage for the additional reasons set forth in the Resolution enclosed herewith.

Comments: PWC staff believes that adoption of the Resolution Approving Coverage is reasonably necessary and appropriate and consistent with applicable law.

RESOLUTION APPROVING COVERAGE

WHEREAS, the Fayetteville Public Works Commission (PWC), a public authority under North Carolina law, supplies electric power, waste, and wastewater services in the City of Fayetteville, North Carolina and surrounding areas;

WHEREAS, PWC employs Commissioners, officers, and more than six hundred (600) additional employees, all of whom conduct the business of PWC on a daily basis and against whom claims may from time to time be asserted personally based upon actions taken within the course and scope of their employment; and

WHEREAS, the defense and liability coverage for such claims should be the responsibility of PWC rather than individual Commissioners, officers, and employees, and PWC desires to defend them and to satisfy any claims or judgments against such Commissioners, officers, and employees if the facts and circumstances giving rise to the claim or suit show that the Commissioner, officer or employee was engaged in the good-faith performance of his or her duties on behalf of PWC when the incident(s) giving rise to the claim(s) occurred.

THEREFORE, LET IT BE RESOLVED BY THE COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION THAT:

1. It shall be the policy of the Fayetteville Public Works Commission, upon request made by or in behalf of any Commissioner, officer, or other employee or former Commissioner, officer, or other employee of PWC (each of whom is a “requester”), provided that such request is made in accordance with Section 5 of this Resolution, to defend the requester in both the requester’s official and individual capacities against civil actions, civil claims or civil proceedings arising from any act done or omission made, or any act allegedly done or omission allegedly made, in the course and scope of their employment or duty as a Commissioner, officer or employee of PWC. Adoption of this Resolution shall not be deemed an assumption of liability for payment of claims or judgments in excess of funds available for appropriation by the Commissioners for payment of claims or judgments. PWC will not defend a claim, lawsuit, or proceeding or pay any civil claim or civil judgment when the requester:

- A. Acts or fails to act because of actual fraud, corruption or actual malice as it pertains to civil actions;
- B. Acts or fails to act as a result of or at a time when his self-indulgence has substantially impaired his judgment (as, for example, a requester who causes damage or injury while intoxicated or under the influence of drugs while on the job);
- C. Acts or fails to act, except for emergencies or the existence of extenuating circumstances, directly contrary to instructions from his superior, directly contrary to the advice of PWC’s General Counsel, or directly contrary to PWC regulations and/or policy;

- D. Acts or fails to act in such manner as to constitute a criminal act (as, for example, misappropriation of property or funds of PWC or the City of Fayetteville);
- E. Acts outside the scope of the requester's employment when such acts outside the scope of employment cause, in whole or material part, the alleged injury or damages; or
- F. Is adverse to PWC in the litigation; provided, however, that PWC may provide defense in such case when determined by the Board of Commissioners to be in PWC's best interests.

2. It shall be the policy of PWC to defend the requester in both the requester's official and individual capacities from criminal prosecution for any act done or omission made, or any act allegedly done or omission allegedly made, when it is determined by the Board of Commissioners that the facts and circumstances giving rise to the charge show that the requester was acting within the course and scope of his employment and that the requester was engaged in the good-faith performance of his duties on behalf of PWC when the incident giving rise to the prosecution occurred. If the requester pleads guilty (even to lesser charges), pleads no contest, or is found guilty, the requester must reimburse PWC for any amounts already spent by PWC for the defense and the requester shall be solely responsible for any additional amounts owed for the defense. PWC will not provide a defense unless the requester has been named a suspect (not just a "person of interest") or has been charged with a crime or indicted. Additionally, PWC will not provide such defense when the requester:

- A. Acts or fails to act as a result of or at a time when the requester has substantially impaired judgment (as, for example, a requester who causes damage or injury while intoxicated or under the influence of drugs while on the job);
- B. Acts or fails to act, except for emergencies or the existence of extenuating circumstances, directly contrary to instructions from his superior, directly contrary to the advice of PWC's General Counsel, or directly contrary to PWC regulations and/or policy; or
- C. Has been charged with a motor vehicle moving violation.

3. Regarding civil representation for requesters other than Commissioners, PWC's CEO (or the CEO's designee) and PWC's General Counsel (or the General Counsel's designee) shall determine whether or not a claim or suit filed against a requester appears to meet the requirements specified herein for providing a defense for such requester. Upon determining that a defense should be provided regarding the civil claim or suit, the General Counsel shall report such event to the Board of Commissioners as soon as reasonably practicable. Regarding civil representation for Commissioners and notwithstanding any other provision herein to the contrary, PWC shall automatically provide the defense unless and until there is substantial evidence tending to show that the Commissioner acted, or failed to act, in such manner as would

disqualify any other requester from defense pursuant to Section 1 (A), (B), (D), (E), or (F). In the event such evidence is produced, the matter shall be referred to the Board of Commissioners, and the Board shall make the final determination as to whether to withdraw the defense by PWC. Regarding criminal representation, PWC's CEO (or the CEO's designee) and PWC's General Counsel (or the General Counsel's designee) shall make an initial determination as to whether a criminal investigation of a requester appears to meet the requirements specified herein for providing a defense for such requester. Upon an initial determination that a criminal defense should be provided, PWC's General Counsel shall present such recommendation to the Board of Commissioners, along with the name and fee schedule of proposed defense counsel. After consideration, the Board of Commissioners shall make the final determination as to whether criminal defense shall be provided and whether the defense counsel proposed is satisfactory.

4. The term "defend" shall include negotiating the settlement of a claim or lawsuit in those instances where settlement is appropriate. Reference to the masculine gender shall include the feminine.

5. The policies specified herein as to defense and payment of claims or judgments shall not be applicable unless the requester provides notice of the claim or suit to PWC through the General Counsel (or the General Counsel's designee) as soon as reasonably practicable following receipt by the requester's notice that a claim or suit has been filed. The notice shall include at least the name of the claimant, the name of the requester against which the claim is asserted, the amount of alleged damages sought to be recovered, the time and place where the alleged damage occurred, and a brief statement of the facts and circumstances surrounding the alleged injury or damage giving rise to the claim. PWC shall not pay all or part of a claim made or civil judgment entered unless notice of the claim or litigation is given to the General Counsel on behalf of the Board of Commissioners prior to the time that the claim is settled or civil judgment is entered.

6. The fact that a defense has been furnished to a requester under this Resolution shall not require that PWC pay all or any part of an award made or judgment rendered. However, the Board of Commissioners may in its sole discretion appropriate funds for the purpose of paying all or part of a claim made or judgment entered, as provided in this Resolution and to the extent authorized by applicable laws. The Board of Commissioners' decision shall be final. Although provision of defense shall not compel payment by PWC of an award made or judgment rendered, it shall be the general policy of PWC to satisfy any claims or judgments against a requester, if the facts and circumstances giving rise to the claim or suit show that the requester was engaged in the good-faith performance of his or her duties on behalf of PWC when the incident giving rise to the claim occurred; provided, however, that PWC will not pay punitive damages or claims, awards, or judgments based upon evidence of gross negligence or willful indifference to the rights of another person, or a claim, award, or judgment based upon evidence which would have disqualified the requester from being provided a defense had those facts been known by PWC's CEO (or the CEO's designee) and PWC's General Counsel (or the General

Counsel's designee) prior to the time defense of the action was authorized. Upon discovery of such facts, PWC's General Counsel (or the General Counsel's designee) may recommend to the Board of Commissioners the withdrawal of defense for the requester. This recommendation will be reviewed by the Board of Commissioners, and the Board shall make the final determination as to whether to withdraw defense by PWC. In the event the Board of Commissioners elects to withdraw defense pursuant to this section, the requester shall be required to reimburse legal fees paid to date.

7. The attorney selected to provide defense of a requester shall be in PWC's discretion and generally shall be counsel assigned by PWC's General Counsel or PWC's insurance carrier(s) counsel if applicable. Any decision to settle a claim or lawsuit on behalf of the requester shall be made by PWC. If the requester disagrees with PWC's decision to settle, then any obligation of PWC to defend said action or pay any judgment in connection therewith shall terminate.

8. Internal procedures for handling liability claims and lawsuits against PWC and any requester shall be established by the CEO and General Counsel, in consultation with PWC's Risk Manager. Contracts and invoices for service shall be subject to the standing policies of PWC and must be reviewed and approved by the General Counsel or the General Counsel's designee.

9. Adoption of this Resolution shall not be construed to:

- A. Waive the defense of governmental immunity or any other defense available to PWC or any requester, except as expressly stated in this Resolution, or
- B. Relieve any insurance company of its obligation under any insurance policy to protect the interests of any insured under such policy, or to reduce or eliminate the rights of any requester against any other party.

10. A copy of this Resolution shall be maintained in the office of the Clerk to the Board of Commissioners for public inspection during normal business hours.

ADOPTED this ____ day of May, 2021.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Wade R. Fowler, Jr., Chairman

ATTEST:

Darsweil Rogers, Secretary

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
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May 5, 2021

MEMO TO: Elaina Ball, CEO/General Manager

MEMO FROM: Rhonda Haskins, Chief Financial Officer

SUBJECT: Capital Project Fund (CPF) Budget Ordinances

Attached are CPF budget ordinance amendments for Commission action at the May 12th meeting and below is a summary explaining the purpose of each.

The following ordinances will be effective upon adoption:

- PWCORD2021-08 creates the Annexation Phase V, Asphalt Overlay CPF to fund the asphalt overlay in Annexation Phase V areas.
- PWCORD2021-09 amends the Annexation Phase V Reserve to cover increased costs for the Annexation Phase V, Areas 22-23 CPF and to fund the establishment of the Asphalt Overlay CPF as well as Annexation Phase V, Areas 28 & 29 CPF.
- PWCORD 2021-10 amends the Annexation Phase V, Areas 22 & 23 CPF to account for increased construction costs for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD 2021-11 amends the Annexation Phase V, Areas 24 & 25 CPF to account for revised construction estimates for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD 2021-12 amends the Annexation Phase V, Areas 26 & 27 CPF to account for revised construction estimates for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD 2021-13 creates the Annexation Phase V, Areas 28 & 29 CPF to fund the water and sewer installations in these areas. This fund needs to be established now because engineering will be starting soon.
- PWCORD 2021-14 amends the Annexation Phase V, Areas 32-34 CPF to account for revised construction estimates for these areas and the removal of the asphalt overlay costs which will now be accounted for in a separate CPF.
- PWCORD 2021-15 amends the Big Rockfish Sanitary Sewer Outfall CPF to revise the construction costs which will be financed with additional state loan proceeds. PWC previously applied for additional funding and received notification of the approval of the additional loan proceeds on March 1, 2021.

Staff recommends that the Commission adopt the attached budget CPF ordinance amendments.

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER

CAPITAL PROJECT ORDINANCE
ANNEXATION PHASE V - ASPHALT OVERLAY CAPITAL PROJECT FUND
PWCORD2021-08

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for funding the asphalt overlay in the Phase V annexation areas 20 through 34 with accumulated funds in the Annexation Reserve Fund.

Section 2. The officers of this unit are hereby directed to proceed with the project within the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete the project:

Transfer from Annexation Reserve Fund	<u>\$ 5,875,700</u>
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Section 4. The following amounts are appropriated for the project:

Project Expenditures	<u>\$ 5,875,700</u>
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Section 5. Copies of the capital project ordinance shall be made available to the PWC budget officer and finance officer.

Adopted this 12th day of May 2021.

CAPITAL RESERVE FUND ORDINANCE AMENDMENT
ANNEXATION PHASE V RESERVE FUND AMENDMENT #38
PWCORD2021-09

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 18 to 22 of Chapter 159 of the General Statutes of North Carolina, the following capital reserve fund ordinance is hereby amended:

- Section 1. The amendment authorized is to the Annexation Phase V Capital Reserve Fund, adopted May 27, 2009 and June 8, 2009 by PWC and the City of Fayetteville (CITY), respectively, as amended, for the accumulation of funds to complete water and sewer extensions in the Phase V Annexation Area.
- Section 2. This fund will remain operational until all expenditures of the planned water and sewer extensions in the Phase V Annexation Area, including debt service payments, have been paid.
- Section 3. The following revenues and other financing sources are anticipated to be available and authorized to be accumulated by PWC for the reserve fund:

	Listed As	Amendment	Revised
Transfer from PWC Water/Sewer Fund	\$ 20,560,323	\$ -	\$ 20,560,323
Transfer from PWC Electric Fund - City Portion	20,470,416	-	20,470,416
Transfer from PWC Annexation Ph V Project 1	727,903	-	727,903
Transfer from City of Fayetteville	11,261,179	-	11,261,179
Transfer - Assessment Revenue including interest	19,284,200	-	19,284,200
Interest Income	1,800,000	-	1,800,000
	<u>\$ 74,104,021</u>	<u>\$ -</u>	<u>\$ 74,104,021</u>

- Section 4. The following uses of accumulated funds are authorized:

	Listed As	Amendment	Revised
Project Withdrawal Authorizations:			
Transfer to FPWC Water/Sewer Fund - Debt Service	\$ 24,256,000	\$ -	\$ 24,256,000
Transfer to FPWC Water/Sewer Fund	811,600	-	811,600
Transfer to Annexation Ph V, Areas 8-13 CPF	729,548	-	729,548
Transfer to Annexation Ph V, Areas 14-15 CPF	198,512	-	198,512
Transfer to Annexation Ph V, Areas 16-17 CPF	1,212,013	-	1,212,013
Transfer to Annexation Ph V, Areas 18-19 CPF	11,098,122	-	11,098,122
Transfer to Annexation Ph V, Areas 20-21 CPF	552,096	-	552,096
Transfer to Annexation Ph V, Areas 22-23 CPF	18,000,000	1,000,000	19,000,000
Transfer to Annexation Ph V, Areas 24-25 CPF	500,000	-	500,000
Transfer to Annexation Ph V, Areas 26-27 CPF	500,000	-	500,000
Transfer to Annexation Ph V, Areas 28-29 CPF	-	500,000	500,000
Transfer to Annexation Ph V, Areas 32-34 CPF	8,000,000	-	8,000,000
Transfer to Annexation Ph V, Asphalt Overlay CPF	-	5,875,700	5,875,700
Interest Expense - Advance from Rate Stabilization Fd	79,356	-	79,356
Future Project Funding Accumulations	8,166,774	(7,375,700)	791,074
	<u>\$ 74,104,021</u>	<u>\$ -</u>	<u>\$ 74,104,021</u>

- Section 5. Copies of the capital reserve fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 12th day of May 2021.

CAPITAL PROJECT ORDINANCE AMENDMENT
ANNEXATION PHASE V - AREAS 22 - 23 CAPITAL PROJECT FUND AMENDMENT #2
PWCORD2021-10

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment is to the Annexation Phase V - Areas 22 - 23 Capital Project Fund, adopted March 14, 2018 for funding the water and sewer installations in the Phase V annexation areas 22 through 23 with accumulated funds in the Annexation Reserve Fund.

Section 2. The officers of this unit are hereby directed to proceed with the project within the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfer from Annexation Reserve Fund	\$ 18,000,000	\$ 1,000,000	\$ 19,000,000

Section 4. The following amounts are appropriated for the project:

Project Expenditures	\$ 18,000,000	\$ 1,000,000	\$ 19,000,000
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Section 5. Copies of the capital project ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 12th day of May 2021.

CAPITAL PROJECT ORDINANCE AMENDMENT
ANNEXATION PHASE V - AREAS 24 - 25 CAPITAL PROJECT FUND AMENDMENT #1
PWCORD2021-11

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment is to the Annexation Phase V - Areas 24 - 25 Capital Project Fund, adopted December 12, 2018 for funding the water and sewer installations in the Phase V annexation areas 24 through 25 with a combination of accumulated funds in the Annexation Reserve Fund and bond proceeds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the Bond Order including reimbursement declarations and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfer from Annexation Reserve Fund	\$ 500,000	\$ -	\$ 500,000
Bond Proceeds	\$ 18,275,000	\$ 9,125,000	\$ 27,400,000
	<u>\$ 18,775,000</u>	<u>\$ 9,125,000</u>	<u>\$ 27,900,000</u>

Section 4. The following amounts are appropriated for the project:

Project Expenditures	<u>\$ 18,775,000</u>	<u>\$ 9,125,000</u>	<u>\$ 27,900,000</u>
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Section 5. The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6. Funds may be advanced from the PWC General Fund and/or Annexation Reserve Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance amendment shall be made available to the PWC budget officer and finance office

Adopted this 12th day of May 2021.

CAPITAL PROJECT ORDINANCE
ANNEXATION PHASE V - AREAS 26 - 27 CAPITAL PROJECT FUND AMENDMENT #1
PWCORD2021-12

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment is to the Annexation Phase V - Areas 26 - 27 Capital Project Fund, adopted October 9, 2019 for funding the water and sewer installations in the Phase V annexation areas 26 through 27 with a combination of accumulated funds in the Annexation Reserve Fund and bond proceeds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the Bond Order including reimbursement declarations and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfer from Annexation Reserve Fund	\$ 500,000	\$ -	\$ 500,000
Bond Proceeds	16,600,000	3,600,000	20,200,000
	<u>\$ 17,100,000</u>	<u>\$ 3,600,000</u>	<u>\$ 20,700,000</u>

Section 4. The following amounts are appropriated for the project:

Project Expenditures	<u>\$ 17,100,000</u>	<u>\$ 3,600,000</u>	<u>\$ 20,700,000</u>
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Section 5: The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund and/or Annexation Reserve Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance shall be made available to the PWC budget officer and finance officer.

Adopted this 12th day of May 2021.

CAPITAL PROJECT ORDINANCE
ANNEXATION PHASE V - AREAS 28 - 29 CAPITAL PROJECT FUND
PWCORD2021-13

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for funding the water and sewer installations in the Phase V annexation areas 28 through 29 with a combination of accumulated funds in the Annexation Reserve Fund and bond proceeds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the Bond Order including reimbursement declarations and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

Transfer from Annexation Reserve Fund	\$ 500,000
Bond Proceeds	\$ 20,650,000
	<u>\$ 21,150,000</u>

Section 4. The following amounts are appropriated for the project:

Project Expenditures	<u>\$ 21,150,000</u>
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Section 5: The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund and/or Annexation Reserve Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance shall be made available to the PWC budget officer and finance officer.

Adopted this 12th day of May 2021.

CAPITAL PROJECT ORDINANCE AMENDMENT
ANNEXATION PHASE V - AREAS 32 - 34 CAPITAL PROJECT FUND AMENDMENT #4
PWCORD2021-14

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment authorized is to the Annexation Phase V - Areas 32 through 34, adopted December 13, 2017 for the design and construction of water and sewer installations in Phase V Annexation, Areas 32 through 34.

Section 2. The officers of this unit are hereby directed to proceed with the project within the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfer from Annexation Reserve Fund	\$ 8,000,000	\$ -	\$ 8,000,000
Series 2016 Bond Proceeds	\$ 1,070,481	-	\$ 1,070,481
Series 2018 Bond Proceeds	\$ 1,355,273	-	\$ 1,355,273
Bond Proceeds	\$ 68,774,246	665,900	\$ 69,440,146
	<u>\$ 79,200,000</u>	<u>\$ 665,900</u>	<u>\$ 79,865,900</u>

Section 4. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project Expenditures	\$ 79,200,000	\$ 665,900	\$ 79,865,900

Section 5: The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund and/or Annexation Reserve Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project ordinance shall be made available to the PWC budget officer and finance officer.

Adopted this 12th day of May 2021.

CAPITAL PROJECT ORDINANCE
BIG ROCKFISH SANITARY SEWER OUTFALL AMENDMENT #1
PWCORD2021-15

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment authorized is to the Big Rockfish Sanitary Sewer Outfall Capital Project Fund, adopted August 28, 2019 for the project financed by the proceeds from a State Revolving Loan.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the loan documents and within the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
State Revolving Loan Proceeds	\$ 16,162,109	\$ 10,025,890	\$ 26,187,999

Section 4. The following amounts are appropriated for the project:

Project expenditures	\$ 16,162,109	\$ 10,025,890	\$ 26,187,999
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Section 5: Funds may be advanced from the PWC General Fund for the purpose of making payments as due and reimbursement requests will be made to the funding agency in an orderly and timely manner.

Section 6. Copies of the capital project fund ordinance shall be made available to the PWC budget officer and finance officer.

Adopted this 12th day of May 2021.

Open Commission Requests

As of 5-12-21

<u>Commission Meeting Date</u>	<u>Presentation/Discussion Item</u>	<u>Presenter (Staff)</u>
To be Determined	Report Key Ratios Across all Reporting Agencies Requested by: Commissioner Rogers 10/9/19	R. Haskins
In Progress – Presentation in May	Provide a presentation on the process to be followed in the event of a Contamination Event (corrected 11-9-20) Requested by: D. Rogers 10-14-20	M. Noland
In Progress – Will Provide Written Summary	Provide explanation on the options customers have when online without speaking to a customer representative. (11-11-20)	E. Ball R. Haskins

PREVIOUSLY CLOSED COMMISSION REQUESTS HAVE BEEN ARCHIVED

Customer Utility Payments By Payment Type - FY20 and FY21

Payment Type	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21
Kiosk	562	592	585	679	632	713	944	976	1,073	1,019	890	948	916
Mail	14,778	21,571	24,388	18,333	20,323	21,219	17,438	20,557	18,575	18,353	20,301	20,859	18,047
Walk In	0	0	0	0	0	0	0	0	0	0	0	0	0
Drive Thru	4,432	5,789	5,768	5,747	5,247	5,850	6,653	6,012	6,548	6,349	5,732	6,193	5,656
Depository	500	560	695	563	834	519	468	580	439	571	466	488	469
Bank Draft	18,332	18,172	18,253	18,478	18,570	18,496	18,697	15,997	19,172	19,336	19,418	19,486	19,676
Bill2Pay IVR	15,384	16,853	15,336	16,277	13,936	16,534	19,727	19,039	20,480	21,538	18,654	21,356	20,224
Bill2Pay WEB	29,545	31,744	28,455	31,127	26,606	30,336	35,778	34,383	36,384	38,794	34,769	38,205	37,178
Western Union	2,639	3,120	2,852	3,018	2,654	2,949	3,341	3,009	3,319	3,239	2,886	2,891	2,837
E-Box	10,460	11,100	11,004	10,311	12,165	11,127	11,216	9,835	10,711	10,017	9,696	10,934	10,338
Totals	96,632	109,501	107,336	104,533	100,967	107,743	114,262	110,388	116,701	119,216	112,812	121,360	115,341

April 1-30, 2021

Personnel Report

<i>DIVISION</i>	<i>AUTHORIZED POSITIONS</i>	<i>ACTUAL EMPLOYEES</i>	<i>Part -time Employees</i>	<i>CONTRACT POSITIONS</i>	<i>VACANT POSITIONS</i>	<i>Temp Staff</i>
MANAGEMENT						
Executive	5	4			1	
Legal Administration	1	1				
Customer Programs Admin	1	1				
Human Resources Admin	1	1				
Communications/Comm Rel	1	1				
Corporate Services Admin	1	1				
Information Tech Admin	1	1				
Financial Administration	1	1				
Water Administration	1	1				
Electric Administration	1	1				
Total	14	13	0	0	1	
LEGAL						
Legal	1	1				
Total	1	1	0	0	0	
COMM/COMM REL						
Communications/Comm Relations	4	4				
Total	4	4	0	0	0	
HUMAN RESOURCES						
Human Resources	7	7				
Medical	1	1				
Safety	1	1				
Total	9	9	0	0	0	
CUSTOMER PROGRAMS						
Programs Call Center	11	10			1	2
Development & Marketing	5	5				
Water Meter Shop	2	2				
Electric Meter Shop	2	2				
Utility Field Services	17	17				
Meter Data Management	7	7				
Total	44	43	0	0	1	2
CORPORATE SERVICES						
Project Management	19	19				
Warehouse	13	13				
Fleet Maintenance	31	28			3	
Facilities Maintenance	7	7				
Total	70	67			3	
INFORMATION TECHNOLOGY						
IT Admin	5	4			1	
IT Infrastructure & Support	12	12				
IT Applications	8	8				
IT DevOps	8	8				1
Total	33	32	0	0	1	1

April 1-30, 2021

Page 2

<i>DIVISION</i>	<i>AUTHORIZED POSITIONS</i>	<i>ACTUAL EMPLOYEES</i>	<i>Part -time Employees</i>	<i>CONTRACT POSITIONS</i>	<i>VACANT POSITIONS</i>	<i>Staff by Temp Agency</i>
FINANCIAL						<i>or Part-time</i>
Accounting	16	16				
Payroll	2	2				
Accounts Receivable	3	3				
Customer Accts Call Center	33	*35				
Customer Service Center	15	15				
Cust Billing & Collection	14	13			1	2
Risk Management	4	4				
Environmental Compl	1	1				
Property & ROW Mgmt	5	5				2
Internal Auditing	2	2				
Budget	2	1			1	
Rates & Planning	2	2				
Financial Planning Admin	5	5				
Purchasing	7	7				
Total	111	109	0	0	2	4
WATER RESOURCES						
W/R Engineering	37	35			2	1
W/R Construction	107	103			4	
P.O. Hoffer Plant	10	10				
Glenville Lake Plant	7	7				2
W/WW Facilities Maint.	25	24			1	
Cross Creek Plant	11	11				
Rockfish Plant	8	8				
Residuals Management	2	2				
Environmental Services	1	1				
Laboratory	6	6				
W/R Environ. Sys. Prot.	4	4				
Watersheds	2	2				
Total	220	213	0	0	7	3
<i>DIVISION</i>	<i>AUTHORIZED POSITIONS</i>	<i>ACTUAL EMPLOYEES</i>	<i>Part -time Employees</i>	<i>CONTRACT POSITIONS</i>	<i>VACANT POSITIONS</i>	<i>Staff by Temp Agency</i>
ELECTRIC						
Electrical Engineering	23	22			1	
Fiber	2	2				
Electric Construction	86	82			4	
Substation	15	14			1	1
Apparatus Repair Shop	5	5				
CT Metering Crews	4	4				
Compliance	3	3				
Power Supply SEPA	0	0				
Power Supply Progress Energy	0	0				
Generation	26	*29				
Total	164	158		0	6	1
TOTAL	670	649	0	0	21	11

*2 temporary overstaff in Customer Service

*3 temporary overstaff in Generation

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
ELAINA L. BALL, 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

April 26, 2021

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: Job Vacancy

POSITION: ADMINISTRATIVE ASSISTANT II

DEPARTMENT: 0821- Substations

HOURS: MONDAY-FRIDAY 7:30AM-4:00PM
Overtime and on-call as required

GRADE LEVEL: 403- \$16.28-\$20.35/HOUR

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, May 7, 2021.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
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TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

April 26, 2021

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: Job Vacancy

POSITION: E/S ENGINEER

DEPARTMENT: 0810- Electrical Engineering

HOURS: MONDAY-FRIDAY 8:00AM-5:00PM
Extended hours as required

GRADE LEVEL: 413X- \$76,267-\$95,334/ANNUALLY

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position by 5pm, May 7, 2021.

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

April 28, 2021

MEMO TO: ALL PWC EMPLOYEES

FROM: Brittany Sisco
Brittany.Sisco@faypwc.com

SUBJECT: Job Vacancy

POSITION: W/R TREATMENT FACILITIES MANAGER

DEPARTMENT: Glenville Water Treatment Facility

HOURS: MONDAY-FRIDAY 8:00AM-5:00PM

GRADE LEVEL: 416; \$100,418.40- \$125,523.01/ SALARY

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position no later than 5pm, May 12th, 2021.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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RONNA ROWE GARRETT, COMMISSIONER
ELAINA L. BALL, CEO/GENERAL MANAGER



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

April 29, 2021

MEMO TO: ALL PWC EMPLOYEES

FROM: Rhonda Fokes
rhonda.fokes@faypwc.com

SUBJECT: Job Vacancy

POSITION: Customer Programs Specialist

DEPARTMENT: Programs Call Center 0311

HOURS: MONDAY-FRIDAY 8:00AM-5:00PM
(Overtime as Required)

GRADE LEVEL: 404; \$18.06- \$22.58/ HOURLY

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position no later than 5pm, May 13th, 2021.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER

DARSWEIL L. ROGERS, COMMISSIONER
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TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

April 29, 2021

MEMO TO: ALL PWC EMPLOYEES

FROM: Brittany Sisco
Brittany.Sisco@faypwc.com

SUBJECT: Job Vacancy

POSITION: W/R FACILITY MECHANICAL TECHNICIAN (JULY 1 START DATE)

DEPARTMENT: W/R Central Maintenance

HOURS: MONDAY-FRIDAY 7:00AM-3:30PM (OVERTIME & ON
CALL AS REQUIRED)

GRADE LEVEL: 405; \$20.18- \$25.22/HOUR

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position no later than 5pm, May 13th, 2021.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER

DARSWEIL L. ROGERS, COMMISSIONER
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April 29, 2021

MEMO TO: ALL PWC EMPLOYEES

FROM: Brittany Sisco
Brittany.Sisco@faypwc.com

SUBJECT: Job Vacancy

POSITION: W/R TREATMENT PLANT OPERATOR (JULY 1 START DATE; 2 POSITIONS)

DEPARTMENT: Glenville/Hoffer Water Treatment Facility

HOURS: 12 HOUR ROTATING SHIFT 7:30-7:30

GRADE LEVEL: 405; \$20.18- \$25.22/HOUR

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position no later than 5pm, May 13th, 2021.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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FAYETTEVILLE PUBLIC WORKS COMMISSION
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TELEPHONE (910) 483-1401
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April 29, 2021

MEMO TO: ALL PWC EMPLOYEES

FROM: Brittany Sisco
Brittany.Sisco@faypwc.com

SUBJECT: Job Vacancy

POSITION: W/R TREATMENT PLANT OPERATOR (JULY 1 START DATE; 2 POSITIONS)

DEPARTMENT: Rockfish Creek/Cross Creek Water Reclamation Facility

HOURS: 12 HOUR ROTATING PERMANENT NIGHT SHIFT 7:00PM-7:00AM

GRADE LEVEL: 405; \$20.18- \$25.22/HOUR

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please log into EBS, I-Recruitment, Employee Candidate to apply for this position no later than 5pm, May 13th, 2021.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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