

PUBLIC WORKS COMMISSION  
MEETING OF WEDNESDAY NOVEMBER 10, 2021  
8:30 AM

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

Others Present: Elaina L. Ball, CEO/General Manager  
Telly Whitfield, Assistant City Manager

Absent: Chris Davis, City Council Liaison  
Michael Boose, Cumberland County Commissioner, Liaison  
Scott Meszaros, Hope Mills Town Manager  
Media

## REGULAR BUSINESS

Chairwoman Evelyn Shaw called the meeting of Wednesday, November 10, 2021, to order.

## APPROVAL OF AGENDA

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

## AWARD PRESENTATION

### Presentation of APPA Smart Energy Award

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

Ms. Justice Hinson informed the Commission PWC earned the second Smart Energy Provider Award from the APPA. This award recognizes energy efficiency and environmental initiatives of PWC. The award was first given by APPA in 2019. PWC is one of 90 out of 2,000 to receive this award, and one of 4 in North Carolina.

The Smart Energy Provider award was created similar to RP3 Award. There are criteria for the award, and we must meet at least 70 out of 100 for the award. PWC met 87. Those areas we must meet criteria include smart energy program structure; distributed energy; energy efficiency; environmental and sustainability initiatives; and the customer experiences.

There are several things we do that are pretty obvious that go along with this designation, which include our community solar and battery storage; time of use rates; electrical vehicle charging stations; and our customer incentive programs. There are other things that go into this designation which include demand reduction; our transformer upgrades; coincident peak pricing signaling; demand response; and supporting the CoF and their efforts toward electric buses. It is really a well rounded designation for all the things we do. Many of the initiatives of our strategic plan will continue to support it. It will also continue to grow the criteria we meet.

Ms. Justice-Hinson stated this is a companywide recognition.

Commissioner Rogers asked for Ms. Justice-Hinson to send to the Commissioners the points or criteria we did not meet. Ms. Justice-Hinson stated there are some criteria we cannot meet because of our contract with Duke Energy. Additional discussion ensued.

Chairwoman Shaw complimented the entire team for their efforts.

CONSENT ITEMS

Commissioner Fowler moved to approve Consent. Motion was seconded by Commissioner Garrett, and unanimously approved.

- A. Approve Minutes of meeting of October 27, 2021
- B. Approve bid recommendation to reject lowest non-responsible bid submitted by J. Smith Civil, LLC, for the Annexation Phase V Area 24 B/C Cliffdale Estates, Village Hills & Kings Mill Subdivision and approve to award contract to T. A. Loving Company, Goldsboro, NC, the lowest responsive, responsible bidder in the total amount of \$7,208,567.50, and forward to City Council for approval.

The funding for this project will be from the Phase V Annexation Reserve Fund (CPR1000130 and CPR1000095).

Bids were received October 12, 2021, as follows:

<u>Bidders</u>	<u>Total Cost</u>
J. Smith Civil, LLC, Goldsboro, NC	\$ 7,046,992.57
T. A. Loving Company, Goldsboro, NC	\$ 7,208,567.50
Billy Bill Grading, Inc., Fayetteville, NC	\$11,028,908.28

**COMMENTS:** Notice of the bid was advertised through PWC’s normal procedures on September 14, 2021, with a bid opening date of October 12, 2021. Addendum No. 1 was issued on October 04, 2021 to provide a list of attendees, minutes, and questions from the Mandatory Pre-Bid Meeting. The submitted bids were timely opened and evaluated by PWC Water Resources Engineering for this project.

PWC staff requested interviews of the references submitted by the lowest bidder, J. Smith Civil, LLC. After evaluation of the reference interviews, bid, and prior performance of the contractor, PWC staff determined that J. Smith Civil, LLC was a non-responsible bidder for the size and scope of the subject project. PWC staff then requested interviews of the references submitted by the second lowest bidder, T.A. Loving Company. After evaluation of the reference interviews, bid, and prior performance, PWC staff concluded that T.A. Loving Company was the lowest responsive, responsible bidder for the subject project. It is therefore PWC staff’s recommendation to award this project to the lowest responsive, responsible bidder, T.A. Loving Company.

- C. Adopt PWC Ordinances PWCORD2021-37 thru PWCORD2021-42
  - PWCORD2021-37 amends the Series 2021 Water and Wastewater CPF. It trues up the actual proceeds received as part of the Series 2021 Revenue Bonds issuance.
  - PWCORD2021-38 amends the Series 2021 Electric CPF. It trues up the actual proceeds received as part of the Series 2021 Revenue Bonds issuance.

- PWCORD2021-39 amends the Annexation Phase V, Areas 22-23 CPF. It trues up the actual proceeds received as part of the Series 2021 Revenue Bonds issuance.
- PWCORD2021-40 amends the Annexation Phase V, Areas 24-25 CPF. It trues up the actual proceeds received as part of the Series 2021 Revenue Bonds issuance.
- PWCORD2021-41 amends the Annexation Phase V Reserve to reflect the financing of Annexation Phase V, Areas 22-23 CPF from Series 2021 Revenue Bonds proceeds instead of from the Reserve as originally planned. There is also a transfer from the Water/Sewer Fund to Annexation Reserve to cash fund some areas in the same amount as funded by the 2021 Bonds financing additional rehab costs.
- PWCORD2021-42 amends the Replacement of 20-in North Fayetteville Force Main CPF. It trues up the actual proceeds received from the Series 2021 Revenue Bonds issuance.

Staff recommends that the Commission adopt the attached budget CPF ordinance amendments which will be effective upon adoption.

#### D. Adopt PWC Ordinance PWCORD2021-43

PWCORD2021-43 is an Electric and W/WW Fund amendment changing the fund balances as follows: The Electric Fund is increasing by \$441,300 to \$299.3 million and the W/WW Fund is increasing \$4,623,400 to \$146.9 million.

##### Electric Fund:

- Series 2021 Bond Debt: The Electric Fund Revenues are increasing \$354,600 and Electric Fund Expenditures are increasing \$441,300 for changes in Bond Interest Expense, Amortization and Finance Costs related to the Series 2021 Bond Issuance. The impact to Net Position is (\$86,700).
- Electric Fund Expenditures:
  - Total capital expenditures increased by \$505,000 to reclassify expense to capital from the purchase order encumbrance carryforward.

##### W/WW Fund

- Series 2021 Bond Debt: The W/WW Fund Revenues are increasing \$3,749,000 and W/WW Fund Expenditures are increasing \$4,623,400 for changes in Bond Interest Expense, Amortization and Finance Costs related to the Series 2021 Bond Issuance. The impact to Net Position is (\$874,400).
- W/WW Fund Expenditures: Total capital expenditures were reduced by \$8,145,000. The \$8,650,000 capital expenditures reduction removes the budgeted rehab projects that are now funded by bonds and offsets the increase to appropriation of funds to Annexation Phase V Reserve. The \$505,000 increase is to reclassify expense to capital from the purchase order encumbrance carryforward.

#### E. Approve staff recommendation to transfer to Nash Technical Community College (“NTCC”) certain equipment titled in the name of the Fayetteville Public Works Commission and supplies and other tangible personal property over which the Fayetteville Public Works Commission exercise control and custody in its utility operations but is titled in the name of the City of Fayetteville in accordance with the Fayetteville Public Works Commission’s Charter in exchange for NTCC initiating and operating a training program for electric line workers.

The recommendation, as approved by the Fayetteville Public Works Commission, shall be referred to City Council in accordance with Section 6A.9 of the Charter to request that the City of Fayetteville adopt a resolution authorizing the Fayetteville Public Works Commission to transfer to NTCC certain

supplies and other tangible personal property titled in the name of the City of Fayetteville in accordance with G.S. 160A-274.

From time to time staff will make additional recommendations for transfer of equipment, supplies, and other tangible personal property.

Comments: PWC has determined that the support of an electric line worker training program would be beneficial to PWC and the greater community, and PWC wishes to help facilitate this endeavor by NTCC.

## END OF CONSENT

## DISCUSS RESULTS OF THE EMPLOYEE Q12 GALLUP POLL

Presented by: Bobby Russell, Human Resource Officer

Carolyn Justice-Hinson, Communications/Community Relations Officer

Mr. Russell began the discussion by defining engaged employees, not engaged employees and actively disengaged employees.

### Engaged

- Employees are highly involved in and enthusiastic about their work and workplace. They are psychological ‘owners’ drive performance and innovation, and move the organization forward

### Not Engaged

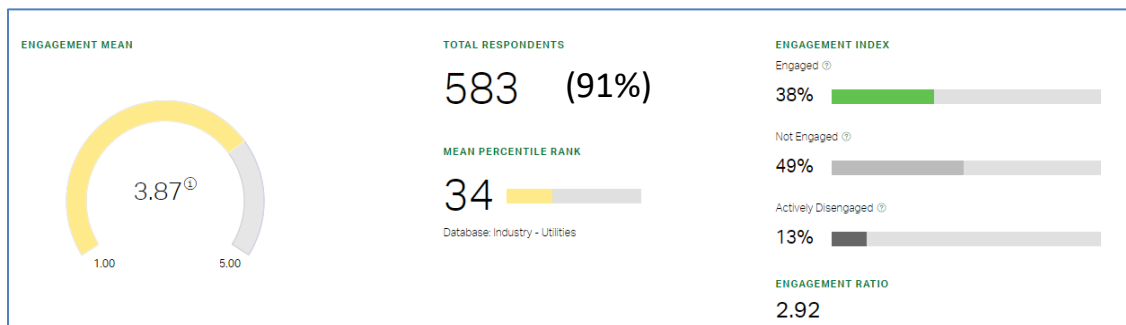
- Employees are psychologically unattached to their work and company. Because their engagement needs are not being fully met, they’re putting time – but not energy or passion – into their work.

### Actively Disengaged

- Employees aren’t just unhappy at work – they are resentful that their needs aren’t being met and acting out their unhappiness. Every day, these workers potentially undermine what their engaged coworkers accomplish.

Mr. Russell noted how PWC compared to the Gallup 2021 poll (far right).

On a scale of 5, PWC rated 3.87. He stated we were pleased with the score. Ms. Ball stated for a first-time survey our results, especially participation was very good. She stated there are real opportunities to improve.

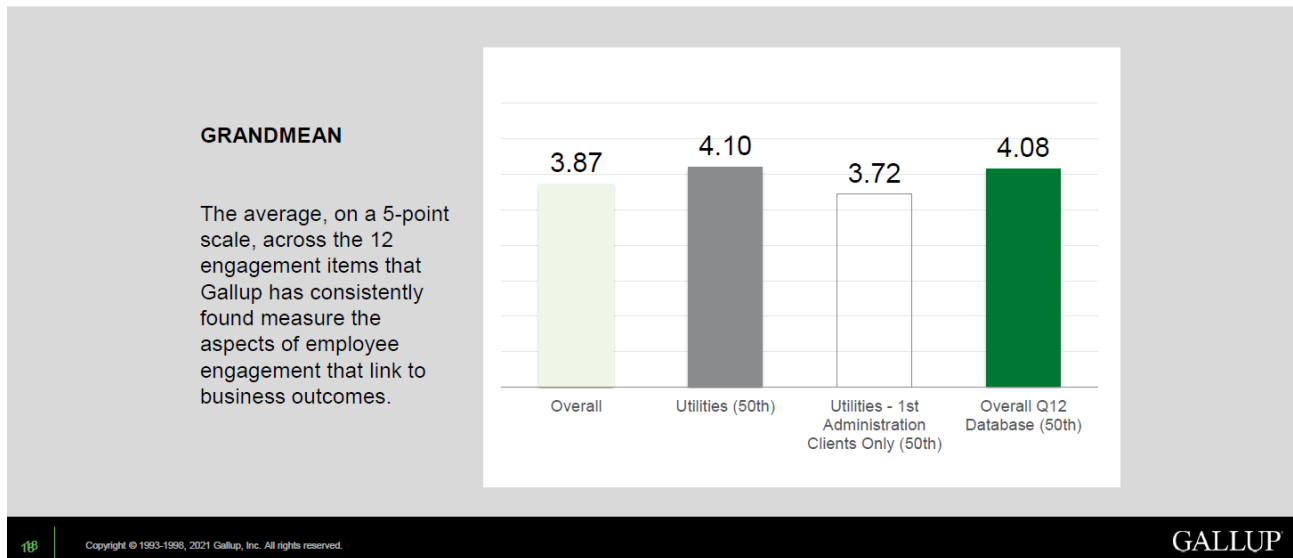


Gallup 2021
36%
49%
15%
2.4

Mr. Russell also noted the mean score of other utilities first survey which was 3.72,

## Engagement Benchmarks

Comparing your engagement results with the results in Gallup's Q<sup>12</sup> Client Database will help you understand where you are starting and what your goals should be for the future.



### 4. Managers Have the Greatest Influence on Creating an Engaging Workplace

1 in 2

One in two employees have left their job to get away from their manager at some point in their career.

70%

Managers account for at least 70% of the variance in employee engagement scores across business units.

59%

Employees who are supervised by highly engaged managers are 59% more likely to be engaged than those supervised by actively disengaged managers.

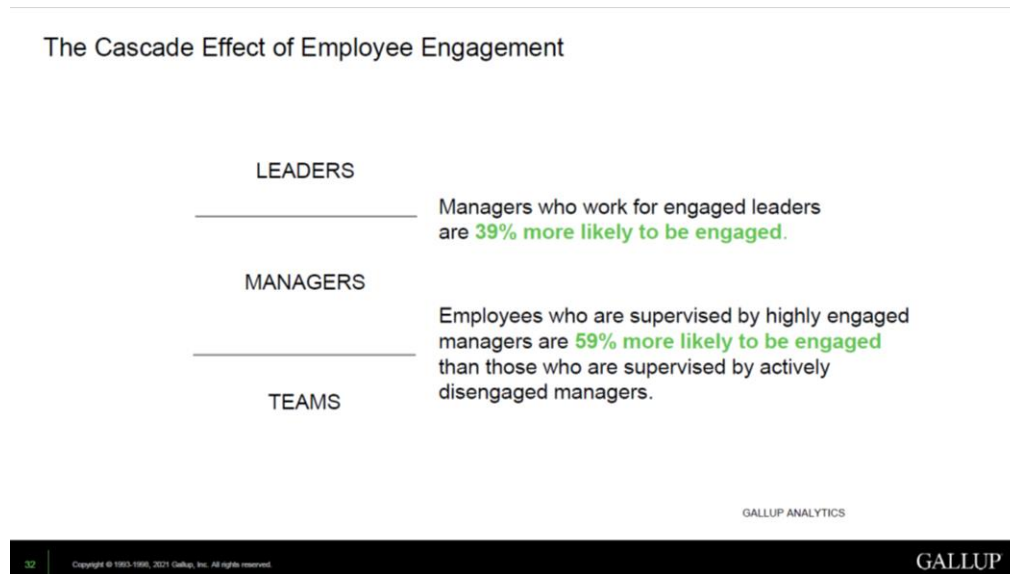
GALLUP ANALYTICS

Mr. Russell stated as we get more managers and supervisors engaged in this process, more employees will also be engaged. He stated we will provide managers and supervisors with tools to assist them in engaging their employees.

Ms. Ball stated we have a portal as part of our subscription with Gallup. We can break down the responses in many ways (tenure, generation, job title, ethnicity, age) and it generates minutes after the survey closes. We have 98 distinct teams, and we expect every distinct team to create an action plan. The action plans are created within the tool.

Mr. Russell stated we have had two sessions with the managers and supervisors along with the Gallup associates to teach the PWC Team members how to use the portal. HR will assist in this effort by ensuring the managers and supervisors stay connected in driving employee engagement.

Commissioner Garrett asked if management has had a company-wide meeting to brief results. Ms. Ball replied we have not had an all-hands meeting. She sent out a summary of the results within a couple days of receiving them. We also had a leadership meeting in which the results were covered. Ms. Ball stated each team has its own unique challenges and culture. She stated we want to have focused actions based on each team. Additional discussion ensued regarding action plans, employee expectations, and moving the engagement ratio.



## Next Steps

- **Manager/Supervisors**  
**Access to results/Setup to use Gallup Tools**
- Manager/Supervisors
- Use Gallup Resources-videos, how-to content, action planning tools to drive engagement
- Manager/Supervisors  
State of the Team Conversation: Discuss results and work with teams to establish Action Plans by Dec. 31<sup>st</sup>.
- Conduct 2<sup>nd</sup> survey/measure progress (Spring 2022)

## GALLUP ANALYTICS TOOL

Mr. Russell, Ms. Ball and Ms. Justice-Hinson discussed the Gallup Analytics Tool.

- The Result Snapshot
- The Highest Ranking Items
- The Lowest Ranking Items
- How to View Advice for Specific Topics (See Below)

View Advice for a Specific Topic. Engagement ▾

## Give Praise for Better Understanding of Expectations

### What To Do As A Manager

< PREVIOUS    NEXT >

Tie recognition or praise to performance, progress, accomplishments or goals.

### Business Outcome

The No. 1 reason people leave their jobs is that they do not feel appreciated. Managers who do not use the power of positive feedback are hampering their managerial effectiveness and diminishing the contribution of their employees and teams.

Mr. Russell went on to share the following:

Workgroups that show the greatest gains in engagement scores from one year to the next do three things well:

- They share and discuss their engagement results with one another.
- They create goals and build a plan to drive engagement as a team.
- They work together throughout the year to make progress on their goals.

Mr. Russell stated this tool keeps up with the activity that the managers and supervisors enter to ensure that it is collaborative and cohesive with the strategic goals we have laid out. Hopefully we will see advancement across the board with strategic initiatives we have for the organization. When we come together to discuss this topic, we will see advancements.

Commissioner Garrett congratulated PWC in having 91% participation. She stated in her career she has not seen that level of participation, especially in a pandemic. Additional discussion ensued.

Ms. Ball stated when we had our leadership call, we had everyone (managers and supervisors) on the call.

Commissioner Shaw thanked staff for the presentation, and recalled a conversation she had with an employee, who knew who she was. The employee stated he really likes working at PWC because the staff encourages him. More discussion ensued.

## GENERAL MANAGER REPORT

## **Bond Issuance**

Ms. Ball stated we completed our bond issuance. She thanked the Finance team, Water Resources, Electric and everyone who supported the bond issuance package. We closed with an interest rate of 2.278% to Citi Group.

## **COVID**

Our numbers continue to improve. We are preparing for compliance with the Federal OSHA Emergency Temporary Standard for Testing and Vaccination. The State of NC has 30 days to file a standard that is at least as stringent as the federal standard. We are aware there are legal challenges to the Federal ETS. We have also reached out to our contact at Ft. Bragg to discuss our water supply contract.

## **Customer Survey Results**

We have received the results from our first nationally syndicated Customer Satisfaction Survey with Escalante. We will brief the Commission next month as well as the CAG on the results.

## **Wholesale Water Agreement**

We are continuing to work on the wholesale water agreement for Grays Creek with the County. They may be able to access ARPA funds to support this initiative

## **RC Williams Building**

Our sale process continues. The County will consider our parking agreement assignment and extension on November 15<sup>th</sup>. The Commission should expect to see this matter and possibly a definitive purchase agreement in the next month.

## **United Way**

Our campaign is off to a terrific start. As of yesterday, we are over \$55,000. Ms. Ball stated she will match new Marquis givers. We have introduced pie into the mix (for fun). Ms. Ball stated when we hit our goal of \$125,000, Ms. Ball will donate additional funds.

## **Alzheimer's Walk**

Thanked everyone who supported the Alzheimer's walk on October 30<sup>th</sup> at the Segra. Also, Ms. Ball thanked Mark Brown for organizing several events this fall.

## **Veteran's Breakfast**

PWC will have our first Veteran's Breakfast to recognize our PWC men and women. Commissioner Wade Fowler has agreed to speak to the PWC Veterans. We have a large number of service men and women, and it is a great time to recognize them. The Commissioners are invited to attend.

## **Community Impact Awards**

Will be held at Segra on November 16<sup>th</sup> during lunch time.



## **Succession Planning**

Ms. Ball stated we have more than doubled the candidates in our Succession Plan. We are working through a 9-box exercise as well as identifying developmental needs and plans for our (Officer) roles and through the organization. Ms. Ball stated PWC has secured two seats in a mini utility MBA Program that is administered through the University of Idaho. There is also an executive summit that she will have two of our officers to attend. We will do this yearly.

Commissioner Rogers inquired about the Greensboro water situation. Ms. Ball stated it has been filed with DEQ. We learned on Monday there was another exceedance out of Greensboro for 1, 4 Dioxane. They noticed us and we are doing our required monitoring. We have modeled it and do not expect levels to increase. It further underscores the need to have settlement around our SOC (Special Order by Consent). Having it addressed will be a significant step in having enforceable limits. Additional discussion ensued.

### **Meetings with Council Members**

Ms. Ball stated she has begun to set up meetings with individual council members. Some council members have requested they meet in small groups. She will keep the Commission posted when they occur.

## **COMMISSIONER/LIAISON COMMENTS**

Commissioner Garrett stated she echoes Ms. Ball comments to the team on financial health regarding the success we recently had. Commission Garrett thanked the Bond Counsel and the Financial Advisor as well. She stated she is excited about the financial success, the employee engagement, and the succession planning.

Commissioner Rogers stated he enjoyed seeing his baby picture in the PWC Connections. He feels this communication brings a personal touch to what is going on. He also congratulated the team on the bond order and the Q12 scores.

## **REPORTS AND INFORMATION**

Commission acknowledges receipt of the following reports and information.

- A. Personnel Report – October 2021
- B. Position Vacancies
- C. Financial Statement Recaps
  - Electric – September 2021
  - Water/Wastewater – September 2021
- D. Approved N.C. Department of Transportation Encroachment Agreement(s):
  - Encr. #18803 – Install 24” fusible PVC DR-21 sewer main @ I-95 & SR 2341 (Claude Lee Road)
- E. Actions by City Council during the meeting of October 25, 2021, related to PWC:
  - Approved Parking Rights Resolution

**CLOSED SESSION PURSUANT TO N. C. GENERAL STATUTES 143-318.11(A)(6) FOR PERSONNEL MATTERS**

Commissioner Fowler motioned to enter closed session pursuant to NC General Statutes 143-318.11(A)(6) for personnel matters. Motion was seconded by Commissioner Garrett and unanimously approved at 9:21 am.

There being no further discussion, upon motion by Commissioner Rogers, seconded by Commissioner Fowler and unanimously approved, the meeting returned to open session at approximately 10:05 am.

#### ADJOURNMENT

There being no further business, upon motion by Commissioner Fowler, seconded by Commissioner Garrett, and unanimously approved, the meeting adjourned at 10:06 am.