

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY APRIL 26, 2023
8:30 AM

Present: Ronna Rowe Garrett, Chairwoman
 Donald L. Porter, Vice Chairman
 Evelyn O. Shaw, Secretary
 Christopher Davis, Treasurer

Others Present: Mick Noland, Interim CEO/General Manager
 Deno Hondros, City Council Liaison
 Adam Lindsay, Assistant City Manager

Absent: Jimmy Keefe, Cumberland County Liaison
 Media

I. REGULAR BUSINESS

Chairwoman Ronna Rowe Garrett called the meeting to order at 8:30 a.m.

APPROVAL OF AGENDA

Commissioner Christopher Davis motioned to amend the agenda by moving Item II-B from the Consent Agenda to Item III for separate discussion and vote, and renumber subsequent items as appropriate. Motion was seconded by Commissioner Donald Porter, and the amended agenda was unanimously approved.

II. CONSENT ITEMS

Upon motion by Commissioner Evelyn Shaw, seconded by Commissioner Donald Porter, Consent Items were unanimously approved.

A. Approve Minutes of meeting of April 12, 2023

(Removed from Consent for discussion and vote, added as Item III)

~~B. Adopt PWC Resolution # PWC2023.06 Resolution to Adopt Ten Year Improvement Program Plan for Fiscal Years 2023-2032~~

~~As part of the NC Division of Water Infrastructure (DWI) evaluation process for projects requesting loan and grant funding through the State Revolving Fund Program, DWI is now requesting that applicants provide an adopted ten year Capital Improvement Program (CIP) plan for water/wastewater projects. Currently, and consistent with the Budget and Fiscal Control Act (and specifically 159-13 (a)), the Commission only approves current year's expenditures in the Budget Ordinance. However, as part of the budget presentation and discussion with the Commission, staff does include a ten year CIP plan.~~

~~In order to comply with the informational request of the DWI, and to thus improve PWC's standing in the evaluation process under the State Revolving Fund Program, approval of this resolution is needed to move PWC's loan applications through the May 1st review process.~~

~~**COMMENTS:** Staff recommends that the Commissioners adopt, without financial commitment, Resolution No. PWC2023.06 which is consistent with the CIP Budget that was presented to the Commission on May 11, 2022, and approved on June 8, 2022 (Ordinance PWCORD2022-17).~~

- C. Adopt PWC Resolution # PWC2023.07 – Resolution of the Fayetteville Public Works Commission to Direct the Filing of an Application for State Loan Assistance

Attached is a resolution directing the filing of State Revolving Loan application for funding for the Rockfish Creek WRF Expansion Phase 3 project which is currently estimated at approximately \$149.2 Million.

The application for said loan is due no later than May 1, 2023, and must include the original of this resolution. Details of the loan will be forthcoming in the award letter should PWC be awarded the loan and resolution accepting the offer will be presented to the Commission at that time.

COMMENTS: Staff recommends that the Commission adopt the attached resolution directing Staff to file State Revolving Loan Application for the Rockfish Creek WRF Expansion Phase 3 project.

- D. Adopt PWC Resolution # PWC2023.08 – Resolution to Declare Personal Property as Surplus and Authorize Sale of Property by Sealed Bid

Fayetteville Public Works Commission (“PWC”) owns equipment that is identified in our inventory as “transformer shipment #646-OH, containing seventy-five (75) transformers, totaling 2480 KVA” (the “Equipment”). Staff has determined that PWC no longer has any use for the Equipment, that the Equipment should be sold at this time, and that the estimated value of the Equipment is at least thirty thousand dollars (\$30,000.00). Staff, therefore, requests that the Commission declare this Equipment to be surplus and authorize the sale of the Equipment via sealed bid in accordance with G.S. 160A-268.

COMMENTS: Staff believes that the Equipment is surplus and requests that the Equipment be declared surplus and authorized for sealed bid.

- E. Adopt PWCORD2023-04 – Electric and Water/Wastewater Fund Budget Amendment #7

Attached is an Electric and W/WW Fund budget ordinance amendment #7 for Commission action at the April 26th meeting.

PWCORD2023-04 is an Electric and W/WW Fund amendment changing the fund balances as follows: The Electric Fund is increasing by \$3,415,600 to \$277.2 million and the W/WW Fund is decreasing by \$1,550,700 to \$142.5 million.
Please see a detailed explanation of amended items in the list below:

Electric Fund

➤ Electric Fund Revenue: Total Electric Fund Revenue increased \$3,415,600.

- Remittances From City have increased by \$1,333,400 to include the last two months of FY23 repayments for the emergency fund transfer in accordance with the Interlocal Government Agreement.
 - Transfer from NCDOT Electric Raeford Road Capital Project Fund increased by \$123,200 to true up the transfers between funds.
 - Appropriation from Net Position increased by \$1,959,000 due to expenses below.
- Electric Fund Expenditures: Total Electric Fund Expenditures increased \$3,415,600.
- Electric operating expenses have increased by \$150,000 due to crane rental expenses escalating due to higher inflationary rates and a gas turbine rotor inspection requiring necessary unanticipated repairs.
 - Electric capital has increased by \$2,751,500 due mainly to the escalation of prices for utility materials on several electric transmission, distribution, and lighting projects.
 - BWGP Start Cost Reserve has increased by \$637,300 due to better align with year-end estimates.
 - Transfer to NCDOT Electric Raeford Road Capital Project Fund decreased by \$123,200 to true up the transfers between funds.

W/WW Fund

- W/WW Fund Revenue: Total W/WW Fund Revenue decreased \$1,550,700.
- Appropriation from Net Position decreased by \$1,550,700 due to expenses below.
- W/WW Fund Expenditures: Total W/WW Fund Expenditures decreased \$1,550,700.
- Water Capital has decreased by \$1,550,700 due mainly to delays in supply chain restrictions on several projects.

COMMENTS: Staff recommends the Commission adopt the attached budget ordinance amendment PWCORD2023-04

END OF CONSENT

III. PWC RESOLUTION # PWC2023.06 – RESOLUTION TO ADOPT TEN-YEAR IMPROVEMENT PROGRAM PLAN FOR FISCAL YEARS 2023-2032

Ms. Haskins stated our next round of funding applications for state revolving loans is due May 1st. One of the scoring criteria is in the management category. They look to see if we have an adopted 10 Year CIP. We did not formerly adopt the current CIP. We are asking by resolution for the Board to adopt this 10 year CIP, so we can gain those extra points.

Following a brief discussion, Commissioner Donald Porter motioned to adopt Resolution No. PWC2023.06 adopting the Ten-Year Capital Improvement Program Plan for FY2023-2032, in accordance with the guidelines set forth in the staff's April 20, 2023, memo to interim CEO Noland. Motion was seconded by Commissioner Evelyn Shaw, and unanimously approved.

IV. ELECTIVE RATES PRESENTATION

Presented by: Kathy Miller, Interim Chief Customer Care Officer

Ms. Miller stated the following elective rates are available as of May 1st which are particular to EVs and rooftop solar.

- Residential Whole Home Rate
- Small Power Whole Business Rate
- Medium Power Coincident Peak Rate
- Renewable Energy Buy Back Rider
- Buy All Sell All Rider

She stated we want to steer our staff, customers, and vendors to our webpage. It gives a lot of information. It not only goes through our rates, but we are looked to as a trusted advisor. We have a lot of vetted information there, specifically for electric vehicles. We also have a rate calculator there.

Is the Whole Home / Whole Business Rate Right for You?

Whole Home

Primarily charge your Electric Vehicle at home, drive 16 or more miles per day (475+ miles per month), can charge between 9PM-5AM

Small Power Whole Business Rate

Advantageous for businesses/ apartments with managed Level 2 EV charging

Medium Power Coincident Peak Rate

Advantageous for managed EV charging – public, workplace, or fleet

Whole Home Rate – Our Communication

- We are using Blastpoint Analytics to identify residential customers who have a propensity for EV adoption – direct communication.
- Use data analytics to identify customers who have EV usage pattern – direct communication.
- Communicate with EV Clubs
- Communicate with car dealerships
- Communicate rate Information through typical channels

PWC's website provides trusted information & interconnection requirements. It provides rate options, battery storage export restrictions, and trusted resource material to customers who are considering rooftop solar.

PWC has two specific rates for Rooftop Solar

- Renewable Energy Buyback Rider (REBB)
 - Available to solar electric renewable generation of 10 kW or less
- Buy All Sell All (BASA)
 - Required for any solar electric renewable operation over 10 kW

Our Communication Regarding Rooftop Solar

- ✓ Coordinate with City Inspections and Fire Marshall
- ✓ Conduct virtual training with known solar vendors

- ✓ Contact customers waiting for REBB rider availability
- ✓ Communicate rate information through typical channels
- ✓ CSRs will refer interested customers to Customer Programs Specialist for direction

Our Communication to Contractors

Below is some of the information that has been conveyed to the vendors.

- PWC offers 2 rate options for customers with rooftop solar
 - Renewable Energy Buyback Rider (REBB)
 - Buy All Sell All Rider (BASA)
- PWC does not have a “net metering” rate
- Systems with battery storage cannot export stored energy to the grid
- Must meet established requirements prior to installation and prior to interconnection



Ms. Miller stated more than ever, communication efforts need to include education, public engagement, and targeted outreach which PWC is actively pursuing.

Following the presentation, staff responded to questions and comments from Commission.

V. GENERAL MANAGER REPORT

Budget Presentation

Mr. Noland stated we are planning for our budget presentation which will be given during the May 10th Commission Meeting. The Commissioners will receive the budget books by Friday, May 5th.

Upcoming Events

Ms. Justice-Hinson reported the following:

- ✓ This weekend is the Dogwood Festival. We will have tents, giving out water and fans.
- ✓ May 4th is our next PWC day. We have close to 30 citizens signed up.
- ✓ May 6th is our Annual Picnic
- ✓ May 11th is the Chamber of Commerce Annual Awards Presentation at Highland Country Club. PWC has been notified that we are one of the nominees for an award.

VI. COMMISSIONER/LIAISON COMMENTS

Council Member Deno Hondros

Council Member Hondros announce the Fayetteville/Cumberland Human Resource Commission is having their Denim Day at the Botanical Gardens at 11am to 1pm today. Denim Day is the longest running awareness campaign of sexual violence.

Council Member Hondros also mentioned the airport has a hangar expansion in progress. Their need for water and sewer lines along Doc Bennet Road was discussed, as well as a Golden Leaf Foundation Grant the City received. Mr. Noland confirmed that the City and PWC managers meet monthly, and this is on the list of topics when they meet.

Commissioner Christopher Davis

No Comments

Commissioner Evelyn Shaw

No Comments

Commissioner Donald Porter

No Comments

Commissioner Ronna Rowe Garrett

Commissioner Rowe Garrett stated we have a final list of candidates for the CEO/GM position. She and her colleagues will evolve the process through interviews. It is moving along, and she anticipates great things happening over the next 60 days.

VII. REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Purchase Orders – March 2023
- B. Payments by Payment Type – March 2023
- C. Career Opportunities
- D. Actions by City Council during the meeting of April 10, 2023, related to PWC:
 - Approved Bid Recommendation - Clarify Pole Mount Distribution Transformers Contract Calendar Year 2023 Quantities

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

Commissioner Evelyn Shaw 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 Donald Porter and unanimously approved at 9:09 am.

There being no further discussion, upon motion by Commissioner Evelyn Shaw, seconded by Commissioner Donald Porter, the meeting returned to open session at 11:15 a.m.

IX. ADJOURNMENT

There being no further discussion, upon motion by Commissioner Evelyn Shaw, seconded by Commissioner Donald Porter, the meeting adjourned at 11:16 a.m.