

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY JUNE 28, 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
Amy Navejas, UWCC Executive Director/CEO

Absent: Adam Lindsay, Assistant City Manager
Jimmy Keefe, Cumberland County Liaison
Chancer McLaughlin, Hope Mills Interim Town Mgr.
Media

I. REGULAR BUSINESS

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

APPROVAL OF AGENDA

Upon motion by Commissioner Donald Porter, seconded by Commissioner Christopher Davis, the agenda was unanimously approved.

II. INTRODUCTION OF HIGH SCHOOL AND COLLEGE INTERNS

Presented by: Bobby Russell, HR Officer

Bobby Russell, Human Resource Officer, introduced the 2023 IKON High School Students, as well as the 2023 College Interns. Mr. Russell explained as we do every year, we are participating in the College Intern Program as well as the IKON Program. This gives the students an opportunity to take a look at their career journey and the opportunities that are afforded them. He stated they are doing real work, and they help us take a fresh look, with fresh ideas.

Mr. Russell stated the students will give a presentation at the end of their summer internship on the projects they have worked on during their time here.

The college and high school interns each introduced themselves, giving their names, schools, and the departments in which they work at PWC.

Christopher Kingsley	NC A&T State University	IT Applications
William Bledsoe	Campbell University	Watersheds
Keaneu Alonzo	Western Governors University	Electric Constr. Dispatch-SCADA
Rachel Buffaloe	North Carolina State University	Medical
Elizabeth Buffaloe	East Carolina University	Procurement

Laura Rosario	University of North Carolina	Medical
Georgeanna Randall	Western Carolina University	Watersheds
Jayla Green	University of NC Wilmington	IT Infrastructure
Emily Lane	Pine Forest High School	Water Lab
Ayana Vontress	Seventy-First High School	Water Lab
Bi'yonna Melvin	Cape Fear High School	Safety
Nathaniel Callender	Cape Fear High School	Safety
Maya Storms	Jack Britt High School	Customer Program Call Center
Makalya Simms Jones	East Carolina University	Communications and Comm Rel. Rel
LaMonte Mitcham	Westover High School	Water Engineering
Patience Tucker	Cape Fear High School	Supply Chain

The Commission thanked the interns; offered their advice and encouraged the interns to ask questions; to let their voice be heard; to participate and learn as much as they can; and to ensure that the impact they make is positive.

III. CONSENT ITEMS

Upon the motion by Commissioner Evelyn Shaw, seconded by Commissioner Donald Porter, the Consent Item was unanimously approved.

A. Approve Minutes of meeting of June 14, 2023

END OF CONSENT

IV. PUBLIC HEARING TO CONSIDER ADOPTION OF PWC'S MINORITY, WOMEN, DISADVANTAGED BUSINESS ENTERPRISE PROGRAM AND RELATED POLICY AND TO ESTABLISH VERIFIABLE PERCENTAGE GOALS

Presented by: Candice Kirtz, Director of Supply Chain

Commissioner Garrett called for public hearing the proposed adoption of PWC's minority, women, and disadvantaged business enterprise (MWDBE) program and related policy and the establishment of percentage goals. She stated at our board meeting on June 14, 2023, this hearing was set for this June 28th meeting, and PWC staff gave public notice of this hearing by publishing notice in a newspaper of general circulation serving this community, the Fayetteville Observer, on Thursday, June 22, and Sunday, June 25, 2023.

The Board will now hear from PWC staff.

Ms. Candice Kirtz discussed the following:

- ▶ Aspirational Goals and Compliance Targets
- ▶ MBE and WBE Availability vs. Utilization
- ▶ Evidence for Goals
- ▶ Disparity Study Recommendations Recap
- ▶ MWDBE Program Highlights
- ▶ Enforcement Mechanisms

► Measuring Success

She stated the map we are using for the MWDBE program is outlined below. She stated these are the areas of focus because it is where PWC spends 70% of its procurement related payments.

This geographic area is a larger area than what we normally discuss when we are presenting on SLS. SLS only includes Cumberland, Hoke, and Harnett County. Whereas the MWDBE available vendors would be determined by DOT regions 3,4,5,6,7,8, and 10 which are outlined in this map.



NCDOT Divisions

Ms. Kirtz explained the Availability, Aspirational Goals as well as Utilization percentages.

MBE Aspirational Goals				
	Availability	Aspirational Goal	Compliance Target	Utilization
Construction	23.99%	14%	9%	3.59%
A&E	10.58%	6%	4%	0.65%
Professional Services	18.82%	19%	19%	24.46%
Other Services	16.61%	9%	6%	0.50%
Goods	6.19%	4%	4%	2.35%

WBE Aspirational Goals				
	Availability	Aspirational Goal	Compliance Target	Utilization
Construction	11.93%	11%	11%	10.66%
A&E	10.13%	5%	3%	0.00%
Professional Services	6.79%	3%	3%	0.00%
Other Services	5.03%	4%	4%	3.34%
Goods	6.49%	4%	4%	0.94%

$$\text{Availability} + \text{utilization} / 2 = \text{aspirational goals}$$

She stated her team looked at the aspirational goals for procurement categories that have larger gaps from utilization, the 2 in the formula was replaced with a 3 to establish a compliance target that will be used as a benchmark in year 1.

Ms. Kirtz stated the percentages shared on the previous slide are from the following utilization numbers per procurement category. The utilization columns do not represent the number of MBEs or WBEs we used. It represents the occurrences of those utilizations. The number of MBEs and WBEs utilized for the occurrences noted on the slide is actually less. For example, there are 770 available MBEs in the construction industry, we used MBEs 4 times in construction, and among those 4 times it was actually 2 businesses that were utilized.

FY18 - FY20 MBE & WBE Availability Numbers				
	MBE Availability	MBE Utilization	WBE Availability	WBE Utilization
Construction	770	4	383	13
A&E	71	3	68	0
Professional Services	147	3	53	0
Other Services	469	4	142	6
Goods	124	7	130	14

Ms. Kirtz stated that Griffin & Strong found that PWC should continue its race and gender-neutral programs (SLS) and that there is a factual predicate for race and gender-conscious efforts. The study included the following items that she considers evidence for using the aspirational goals recommended by the consultant.

- Legal Findings
- Quantitative Finds
- Policy Findings
- Marketplace Disparities Findings
- Anecdotal Findings
- Commendations and
- Recommendations

Griffin & Strong, PC Recommendations:

Ms. Kirtz commented on the recommendations by Griffin and Strong. She stated if everyone does what they are expected then we are comfortable with current staffing.

► **GSPC Recommendation #1**

- The Study recommends allocating additional staff and resources; a full-time HUB Coordinator to be dedicated to the MWBE Program

► **GSPC Recommendation #2**

- The Study recommends the utilization of a Sheltered Market Program – a program that reserves a certain threshold of contracts so that only small businesses can bid

► **GSPC Recommendation #3**

- The Study recommends aspirational annual goals that are/will be accessed on an annual basis

▶ **GSPC Recommendation #4**

- The Study recommends PWC to continue setting contract-specific goals with separate MBE and WBE goals on a contract-by-contract basis per procurement category (construction, A&E, professional services, other services, goods)

▶ **GSPC Recommendation #5**

- The Study recommends that if a firm does not meet contract-specific goals with separate MBE and WBE goals and does not satisfy Good Faith Efforts, they should be deemed non-responsive

▶ **GSPC Recommendation #6**

- The Study recommends instituting all aspects of contract compliance including robust monitoring to ensure that prime contractors utilize MWBE firms and are held to the commitments made in their bid package

▶ **GSPC Recommendation #7**

- The Study recommends PWC undertake targeted outreach, supportive services, forecasting, and encouraging teaming (joint venturing) besides a general outreach campaign

▶ **GSPC Recommendation #8**

- The Study recommends PWC to streamline the paperwork on smaller project bids so that the required submissions are not overly burdensome

▶ **GSPC Recommendation #9**

- The Study recommends establishing a policy for the use of job orders and on-call contracts

▶ **GSPC Recommendation #10**

- The Study recommends requiring bidders and subcontractors to register as vendors and subcontractors should be tracked in a data file and not just included in pay applications

Ms. Kirtz highlighted the MWDBE Program. She stated in addition to the consultant's recommendations, the MWDBE program will include the following changes that will make our procurement opportunities available to MWDBEs in our relevant market area.

- ▶ Separate good faith efforts for construction contracts, A&E contracts, professional services, and general services.
- ▶ New procurement process for informal bidding to ensure that MWDBEs are invited to quote
- ▶ New procurement process for service agreements to ensure that MWDBEs are invited to quote
- ▶ Standardized bid documents and related procurement forms
- ▶ Prime contractor accountability and verification of subcontractor opportunities



Enforcement Mechanisms

- ▶ Monthly Data ~ Provided to End Users/Management
 - ▶ Recognition of program compliance and/or address individual's non-compliance with corrective recommendations
- ▶ Quarterly Data ~ Provided to Executive Team
 - ▶ Recognition of program compliance and/or require individuals to acknowledge corrective actions for non-compliance to include required training and post-compliance reviews
- ▶ Annual Report ~ Presented to Executives and Commission
 - ▶ Recognition of program compliance and awards to MWDBE Champions
 - ▶ Provide Executives with a listing of individuals

*Program compliance coincides with procurement procedure compliance

Program Success

- ▶ The following trends will be tracked:
 - MWDBE directory growth
 - MWDBE participation in outreach events and survey responses
 - MWDBE participation and submittals for bid opportunities
 - MWDBE bid awards
 - MWDBE encumbrances
 - MWDBE spend
 - MWDBE utilization – occurrences
 - MWDBE utilization – count



In conclusion, Ms. Kirtz noted:

- ▶ Accepting GSPC's recommendations will assist PWC in remedying the disparities found in the study for available firms within the relevant market
- ▶ Implementing the recommendations does not guarantee that all the aspirational goals will be met or surpassed
- ▶ Enforcement mechanisms will ensure program compliance
- ▶ Corrective actions will occur throughout the program
- ▶ Current staffing may be adequate if individuals are compliant with the new procurement procedures
- ▶ Process improvements will be considered ongoing
- ▶ Support, accountability, and transparency will be provided by program staff to drive trends upward for MWDBE utilization and spend

Chairwoman Garrett asked Ms. Siobiah Houge (Clerk) if any written comments were submitted to her. If so, please identify the person submitting the comments and read the comments into the minutes. Ms. Houge responded Madam Chair, there are no written comments.

Chairwoman Garrett also asked if anyone has registered to speak at the hearing. Ms. Houge responded no one has requested to speak at the hearing.

Chairwoman Garrett then asked if there is anyone present who wishes to speak at the hearing but was unable to timely pre-register? There was no response.

She then stated that concludes the public hearing in this matter. .

Commissioner Evelyn Shaw moved to adopt proposed Resolution No. 2023.14 adopting PWC's new MWDBE policy and program, including all participation goals, as presented by PWC staff today, to be effective July 1, 2023. Motion was seconded by Commissioner Christopher Davis and unanimously approved.

V. SYSTEM DEVELOPMENT FEES – PWC RESOLUTION # PWC2023.13

Commissioner Donald Porter motioned to adopt the proposed resolution suspending the collection of System Development Fees upon the close of business on the last day of the current fiscal year, June 30, 2023, and maintain the suspension in effect until the board adopts new System Development Fees for the fiscal year 2024. Motion was seconded by Commissioner Evelyn Shaw, and unanimously approved.

VI. GENERAL MANAGER REPORT

Mr. Noland asked Ms. Justice Hinson to provide an update on The Fayetteville Observer's 40 under 40 Program. Ms. Justice Hinson stated for 13 years now, the Fayetteville Observer has a 40 under 40 class. PWC had several nominees this year, and we are happy to report **Michael (Mike) Molina** was selected for this year's class.

She stated Mr. Molina has been an employee of PWC for 19 years. He has worked in Metering Services during his entire career. He began during a transformative time in the utility industry. Mr. Molina has had the opportunity to help PWC grow in his role. He began as a meter reader, and has been promoted several times. He currently serves as the MDM, RNI Operations Supervisor, and has served in that role since 2017. He has also been on every team that helped to implement our current meter technology. His current role oversees the meter data for over 200,000 services that we provide to our customers. It is the foundation for what we do regarding our customer billing and our outage management. Along with his PWC responsibilities he is currently pursuing a bachelor's degree in business management from UNC Pembroke.

Ms. Justice Hinson stated the nomination is not only what the person is doing in their professional life, the Observer wants to find areas the person is making a difference in the community. That is one of the places Mike Molina really shines. He has volunteered countless times for PWC in so many projects. He has served on the board of CBYA, which mentors at-risk youth. He has also coached for over 20 years numerous sports within the Fayetteville Parks and Recreation. Ms. Justice Hinson stated PWC is proud of Mr. Mike Molina.

Mr. Molina stated he appreciates the opportunity to grow in a company such as PWC who is out in the community. He takes pride in his community. He grew-up here, and went to school here. He was fortunate to begin a career here in 2004. He enjoys and appreciates the opportunity to give himself back to the community through such programs as the United Way, Meals on Wheels, and everything we do for the community.

Commissioner Porter told Mr. Molina; he is a perfect example of what the chairwoman just told the interns. Commissioner Davis agreed, as well as Commissioner Shaw.

Chairwoman Garrett stated it makes her very proud, personally, professionally and as the chair of the board. She told Mr. Molina; you are the epitome of the kind of employee we want; committed to the work; the technical expertise; elevating yourself with your credentials; and as important the relations with the community. That is what we want to personify through the commission, the board, through our executive leaders, and through employees like you. She stated she can't say enough how proud we are to have employees like you on our team, out in the community showing what it means to be a good citizen, good employee, and a good person. She stated I am sure your family is proud of you and PWC is proud of you too.

VII. COMMISSIONER/LIAISON COMMENTS

Council Member Deno Hondros

Council Member Hondros wished everyone a safe July 4th. He stated the City passed a budget with a modest tax increase. They had some tough decisions to make moving forward. He appreciates all the hard work PWC does.

Commissioner Donald Porter

No Comment

Commissioner Christopher Davis

No Comment

Commissioner Evelyn Shaw

No Comment

Commissioner Ronna Garrett

Commissioner Garrett wished everyone a safe holiday season. She stated she is thankful for where we are and thankful for all you. We are making a lot of progress, and getting ready to enter a new fiscal year.

VIII. REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Monthly Cash Flow Report – May 2023
- B. Recap of Uncollectible Accounts – May 2023
- C. Investment Report - May 2023
- D. Financial Statement Recaps – May 2023
 - Electric Systems
 - Water/Wastewater
- E. Career Opportunities
- F. Actions by City Council during the meeting of June 12, 2023, related to PWC:

- Approved Resolution to Declare Property as Surplus and Authorize Sale of Property By and Through the PWC

IX. ADJOURNMENT

There being no further discussion, upon motion by Commissioner Porter, seconded by Commissioner Shaw, and unanimously approved, the meeting adjourned at 9:11 a.m.