

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

Present: 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

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

I. REGULAR BUSINESS

Vice Chairman Donald Porter called the meeting to order at 8:30 a.m.

APPROVAL OF AGENDA

Upon motion by Commissioner Evelyn Shaw, seconded by Commissioner Christopher Davis, Vice Chairman Porter then proceeded by consent.

II. CONSENT ITEMS

Upon motion by Commissioner Evelyn Shaw, seconded by Commissioner Christopher Davis, Consent Items were unanimously approved.

A. Approve Minutes of meeting of July 12, 2023

B. Set Public Hearing for August 9, 2023, on Proposed Power Supply Adjustment (PSA) and Direct Staff to Give Public Notice of the scheduled hearing.

Due to cumulative and projected power costs varying by more than five percent (5%) from the determinants used to set PWC's retail electric rates, PWC staff seeks to impose a Power Supply Adjustment ("PSA") in accordance with PWC's Service Regulations and Charges.

C. Approve bid recommendation to award bid for the purchase of Primary Cable 750 MCM AL to WESCO Distribution, Clayton, NC, and Border States Electric, Greenville, SC the lowest responsive, responsible bidders, and in the best interest of PWC, in the total amount of \$1,210,770.00 and \$1,043,460.00 respectively, reject all bids for Primary Cable 1/0 AL, find the Primary Cable 750 MCM AL bids of AMEK A&S and Mina Holdings to be nonresponsive, and forward the recommended award to City Council for approval.

The Primary Cable 750 MCM AL is budgeted in Warehouse Inventory.

Bids were received June 21, 2023, as follows:

*PRIMARY CABLE 750 MCM AL*

Bidders	Manufacturer	Total Price	Delivery
AMEK A&S South Gate, CA	DAEWON Cable	\$879,120.00	20-24 weeks
Mina Holdings Harrisburg, PA	WTEC Energy	\$975,150.00	6-8 weeks ARO
*Border States Elect. Greenville, SC	Prysmian	\$1,043,460.00	12-18 weeks
*WESCO Distribution Clayton, NC	Okonite	\$1,210,770.00	August 2024
Switchgear US LLC Slaughter Beach, DE	American Wire Group	\$2,703,393.00	18-20 weeks
Royal Media Network. Windsor Mill, MD	Huadong Cable Group	\$3,636,270.00	N/A

*PRIMARY CABLE 1/0 AL*

Bidders	Manufacturer	Total Price	Delivery
Mina Holdings Harrisburg, PA	WTEC Energy	\$955,000.00	6-8 Weeks
Wesco Distribution Clayton, NC	Okonite	\$962,500.00	August 2024
Border States Electric Greenville, SC	Prysmian	\$1,012,500.00	12-18 weeks
Royal Media Network Windsor Mill, MD	Huadong Cable Group	\$1,200,000.00	N/A
Switchgear US LLC Slaughter Beach, DE	American Wire Group	\$2,458,500.00	18-20 weeks

**COMMENTS:** The Commission is asked to approve multiple awards for the purchase of primary cable 750 MCM AL, because such action is in the best interest of PWC. Notice of the bid was advertised through PWC's normal channels on June 7, 2023, with a bid opening date of June 21, 2023. Bids were solicited from four (4) vendors and PWC received six (6) bids. Bidders were not required to bid on each category of primary cable. For the purchase of primary cable 750 MCM AL, the Commission is asked to award the purchase to the lowest responsive, responsible bidders, being Border State Electric and Wesco Distribution. Awarding to the two lowest responsive, responsible bidders, will ensure the availability of this critical inventory in FY24 and FY25. The

Electrical Engineering Department has reviewed the bid submissions and agrees with the recommendation to award the bids as set forth above.

The two apparent low bidders for the 750 MCM AL, are AMEK A&S and Mina Holdings. AMEK A&S and Mina Holdings did not meet the required material specifications to be considered for the award. AMEK A&S also did not provide the correct testing data.

Staff also recommends the Commission reject the bid responses for the primary cable 1/0. Following a recent analysis of the quantity on hand, planned work, and lead times it was determined that the PWC warehouse will not need an order of the 1/0 primary cable this calendar year. **SDBE/Local Participation:** WESCO Distribution, Inc., Clayton, NC & Border States Electric, Greenville, SC are not local businesses and are not classified as SDBE Minority or Woman-Owned businesses.

- D. Approve the following recommended bid awards for one-year contracts (with the option to extend contracts for additional one-year period upon the agreement of both parties) for the purchase of Water Treatment and Water Reclamation Chemicals Contract 2024, find the bid of Oltrin Solutions LLC for Sodium Hypochlorite to be non-responsive, and forward the recommended award to City Council for approval. Bids were received on June 22, 2023, as follows:

**A. Caustic Soda (Sodium Hydroxide, 50%) – UOM /TON**

<b>BIDDERS</b>	<b>UOM</b>	<b>QTY</b>	<b>UNIT COST</b>	<b>TOTAL COST</b>
<b>* Univar Solutions, Inc</b>	<b>TON</b>	<b>2300</b>	<b>\$339.50</b>	<b>\$780,850.00</b>
Oltrin Solutions LLC	TON	2300	\$350.50	\$806,150.00
Colonial Chemical Solutions, Inc.	TON	2300	\$396.00	\$910,800.00
Brenntag Global	TON	2300	\$399.00	\$917,700.00

**B. Fluorosilicic Acid**

<b>BIDDERS</b>	<b>UOM</b>	<b>QTY</b>	<b>UNIT COST</b>	<b>TOTAL COST</b>
<b>* Univar Solutions, Inc</b>	<b>TON</b>	<b>140</b>	<b>\$0.23</b>	<b>\$64,400.00</b>
Pencco, Inc	TON	140	\$0.26	\$72,800.00

**C. Powdered Activated Carbon**

<b>BIDDERS</b>	<b>UOM</b>	<b>QTY</b>	<b>UNIT COST</b>	<b>TOTAL COST</b>
<b>* Brenntag Mid-South Inc.</b>	<b>LB</b>	<b>90000</b>	<b>\$0.847</b>	<b>\$76,230.00</b>
Univar Solutions USA Inc.	LB	90000	\$1.08	\$97,200.00
Carbon Activated Corporation	LB	90000	\$1.09	\$98,100.00
Norit Americas Inc	LB	90000	\$1.15	\$106,500.00
Aulick Chemical Solutions	LB	90000	\$1.26	\$113,400.00
Chemrite, Inc.	LB	90000	\$1.44	\$129,600.00

**D. Sodium Hypochlorite**

BIDDERS	UOM	QTY	UNIT COST	TOTAL COST
JCI Jones Chemicals, Inc	LB	7750000	\$0.1831	\$1,419,025.00
* <u>Oltrin Solutions LLC</u>	LB	7750000	<b>\$0.1850</b>	<b>\$1,433,750.00</b>

**E. Sodium Bisulfite**

BIDDERS	UOM	QTY	UNIT COST	TOTAL COST
* <b>Southern Ionics</b>	LB	<b>400000</b>	<b>\$0.1875</b>	<b>\$75,000.00</b>
PVS Chemical Solutions, INC	LB	400000	\$0.29	\$116,000.00

**F. Aqueous Ammonia (19.2%)**

BIDDERS	UOM	QTY	UNIT COST	TOTAL COST
* <b>Univar Solutions USA Inc</b>	TON	<b>200</b>	<b>\$393.75</b>	<b>\$78,750.00</b>
Brenntag Mid-South Inc	TON	200	\$0.213	minimum order full truckloads (22 Tons per delivery)

**G. Magnesium Hydroxide**

BIDDERS	UOM	QTY	UNIT COST	TOTAL COST
* <b>Premier Magnesia, LLC</b>	GAL	<b>185000</b>	<b>\$0.276</b>	<b>\$51,060.00</b>

**H. Hydrated Lime (Bulk)**

BIDDERS	UOM	QTY	UNIT COST	TOTAL COST
* <b>North America of VA</b>	TON	<b>300</b>	<b>\$444.11</b>	<b>\$133,233.00</b>
Univar Solutions USA Inc	TON	300	\$469.00	\$140,700.00

**I. Ferric Sulfate Liquid**

BIDDERS	UOM	QTY	UNIT COST	TOTAL COST
* <b>Pencco, Inc</b>	LB	<b>6000</b>	<b>\$0.166</b>	<b>\$1,992,000.00</b>
Kemira Water Solutions, INC	LB	6000	\$0.1815	\$2,178,000.00

**J. Caustic Soda (Sodium Hydroxide, 25%)**

BIDDERS	UOM	QTY	UNIT COST	TOTAL COST
* <b>Univar Solutions USA Inc</b>	TON	<b>600</b>	<b>\$204.25</b>	<b>\$122,550.00</b>
Brenntag Mid-South Inc	TON	600	\$215.20	\$129,120.00
JCI Jones Chemicals Inc.	TON	600	\$283.57	\$170,142.00
Colonial Chemical Solutions, Inc	TON	600	\$464.00	\$278,400.00

**COMMENTS:** The Commission is asked to approve to approve multiple awards for the purchase of water treatment and water reclamation chemicals. Notice of the bid was advertised through PWC's normal channels on May 23, 2023, with a bid opening date of June 22, 2023. Bids were solicited from eleven (11) vendors and PWC received fifteen (15) bids. Bidders were not required to bid on each chemical. The lowest responsive, responsible bidders were also the apparent low bidders with the exception of the Oltrin Solutions LLC recommendation for Sodium Hypochlorite. The apparent low bidder for Sodium Hypochlorite was Jones Chemical. Jones Chemical did not meet the technical specification requirements of the advertised bid.

- E. Adopt PWC Resolution – PWC2023.24 – Resolution Exempting Construction Design-Phase Services and Construction Administration Services Relating to the Roof Replacement Systems

for the Water Meter Shop and the Electric Meter Shop from North Carolina General Statutes 143-64.31

Staff recommends the Commission adopt a resolution, in accordance with G.S. 143-64.2, exempting from the requirements of G.S. 143-64.31 the engineering design-phase and construction design-phase services and construction administration services needed for the roof replacement systems to be installed in the water meter shops and electric meter shop buildings (the “Project”), the estimated fees for which are less than fifty thousand dollars (\$50,000.00), and grant authority to PWC’s CEO/General Manager to execute a contract with Fleming & Associates, PA to perform those services.

F. Adopt PWCORD2023-28, PWCORD2023-29, and PWCORD2023-31 – Capital Project Fund (CPF) Budget Ordinances

- PWCORD2023-28 amends the Annexation Phase V Reserve to fund the establishment of Annexation Phase V, Areas 30 & 31 CPF.
- PWCORD2023-29 creates the Annexation Phase V, Area 30 & 31 CPF to fund the water and sewer installations in these areas. This fund needs to be established now because engineering will be starting soon.
- PWCORD2023-31 amends the budget ordinance for the Electric Rate Stabilization Fund (ERSF). The ERSF will transfer \$12,216,000 to the Electric General Fund (GF). This is to account for the net energy and capacity true-up received in June from Duke Energy Progress of \$7,216,500, and \$4,999,500 to pay for estimated FY24 catch-up energy costs.

G. Adopt PWCORD2023-30 – FY2024 Electric and Water/Wastewater (W/WW) Fund Budget Amendment #2

The purpose of this amendment is to recognize an increase in the Duke Energy Progress (DEP) actual energy rate over their estimated rate for calendar year 2023 and the annual DEP True-Ups. PWC recognized DEP’s actual monthly energy costs from January – May 2023 trending higher than the 2023 billing rate and cost pressures to the rate likely to continue through December based on current market conditions. This would result in a significant true-up payment due to DEP with interest. To lessen the impact of interest costs to PWC, PWC and DEP agreed upon an adjustment to the billed energy rate of \$4.58/MWh to be applied to the remaining 6 months of this calendar year. PWC intends to utilize the Electric Rate Stabilization Fund to fund this increase. An explanation of amended items is listed below:

- Electric Fund Revenue: Total Electric Fund Revenue increased by \$1,885,300.
  - Total Budgetary Appropriations increased by \$1,885,300. Of this amount, \$12,216,000 is being added to the Transfer from Electric Rate Stabilization Fund (ERSF) offset by a \$10,330,700 reduction to the Appropriation from Net Position.
- Electric Fund Expenditures: Total Electric Fund Expenditures increased by \$1,885,300.
  - Total Budgetary Appropriations increased by \$1,885,300 due to increasing the Transfer to Coal Ash Reserve as a result of the 2022 true-up to coal ash expense from Duke Energy Progress.

END OF CONSENT

### III. GRANTS UPDATE

Presented by: Susan Fritzen, Chief Administrative Officer  
Paula Shambach, Director of Business Services

Ms. Fritzen stated during our orientation several weeks ago with Commissioner Davis, the subject of Grants was discussed. We thought it prudent to bring this information to the entire board. Ms. Fritzen introduced Ms. Paula Shambach, and Ms. Shawna Haslem.

Ms. Shambach provided an overview of the discussion which included

- Role of Corporate Development
- Federal Funding Overview
- Grant Summary Collaborative Efforts

Ms. Shambach is the Director of Business Services, and Corporate Development is one of the areas under her responsibility. Ms. Shauna Haslem was recently hired as our Technical Writer, however her biggest priority is grant research and writing. In Corporate Development they lead efforts to research and apply for competitive grants. Corporate Development also serves as a liaison to community groups.

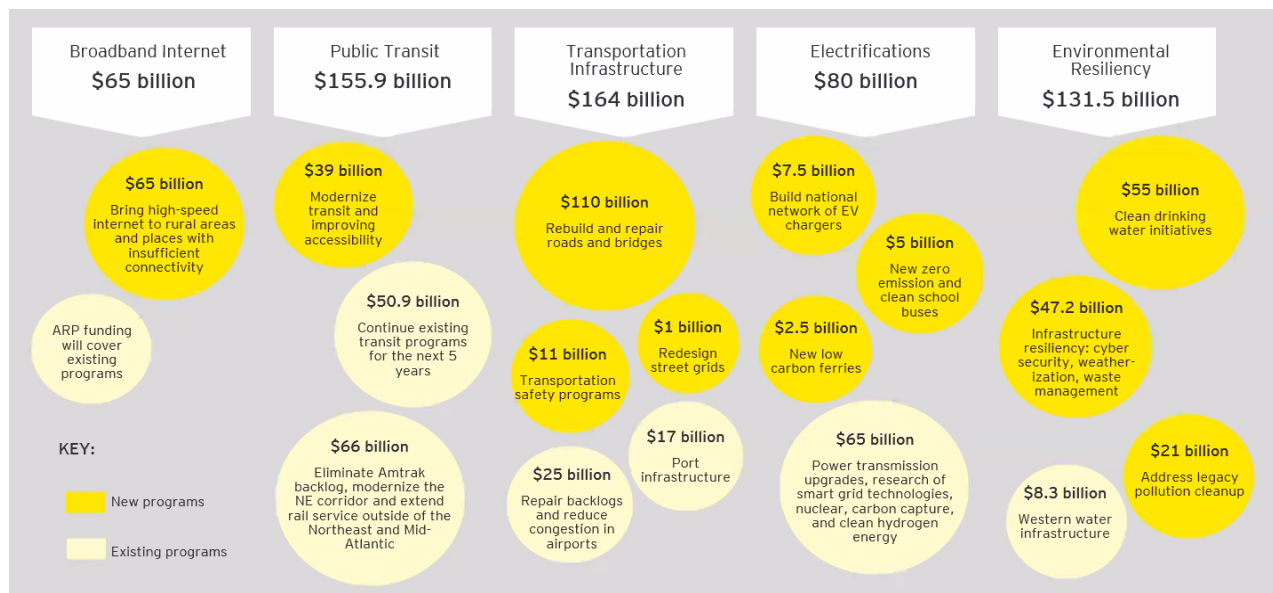
She pointed out the federal funding timeline (2021-2023)

2021 - Infrastructure Investment and Jobs Act Passed

2022 - Identified Funding Priorities; Developed Federal Action Plan

2023 - Research/Planning Continues; Funding Opportunities Started Opening; Regional Energy Collaborative Formed

Ms. Shambach also pointed out the funding that was available through the Infrastructure Investment and Jobs Act.



The Infrastructure Investment and Jobs Act (IIJA) was signed into law in November 2021. Of the \$1.2 trillion allocated, \$550 billion was new federal spending not previously authorized.

Funding Priorities

- Establish Priorities
  - Met with staff across the organization
  - Reviewed Strategic Priorities
  - Reviewed CIP Budget
- Federal Action Plan – developed in coordination with an external consultant who had federal knowledge and expertise.
  - Aligned priorities/projects with possible funding opportunities
  - Research grant programs to make a match

## Grant Research

- Monitor Multitude of Sources
  - Federal & State Websites
  - Professional & Membership Associations
  - Foundation/Nonprofit Resources
  - Email distribution Lists
- Criteria to Consider
  - Program Goals
  - Eligibility
  - Competitiveness
  - Funding Available
  - # of Awards Available
  - Requirements

## Grant Summary

- Grant Tracker
  - Updated Weekly based on funding announcements
    - Total programs researched/tracked: 80
    - Shared opportunities: 10
    - Grant Submissions 2\*\*
  - \*\* Does not include Water Division Grants & Loans
- Submitted/Pending
  - US Department of Energy – Grid Resilience and Innovation Partnerships
    - Request: \$20M (5 yrs.)
    - Status: Announcements planned for Summer 2023
    - Purpose: Deploy software and automated protection equipment to increase resiliency for electric system
  - US Department of Energy / APPA
    - Request: \$32,000 (Cooperative Agreement)
    - Status: Awaiting legal acceptance documents, implementation planned for September
    - Purpose: Enhance cybersecurity for SCADA operators

## Collaboration

- Regional Energy Collaborative
  - Diverse group of representatives from Fayetteville and Cumberland County
  - Share information on current and planned efforts

- Build partnerships for project development and implementation
- Example:
  - US Department of Energy / Building Training and Assessment Center Programs
    - Status: Fayetteville State University submitted a Concept Paper; awaiting notification to determine if they should submit a full application
    - Purpose: Advance workforce development in energy management through education and training of building technicians and engineers on implementing energy-efficient building technologies

#### What's Next

- Continue Efforts To:
  - Identify project ideas for funding
  - Research and track funding opportunities
  - Share information with PWC team and potential partners
  - Build relationships with Regional Energy Collaborators

Commissioner Christopher Davis expressed his full support for innovations; multi-use site concepts; and multi-agency opportunities. He stated it is important to find ways to bring big ideas forward. Additional discussion ensued.

#### IV. DISCUSS SALE OF RC WILLIAMS BUILDING AND ASSOCIATED PARKING LICENSE AND ADOPT PWC RESOLUTION – PWC2023.25 – A RESOLUTION TO AUTHORIZE THE SALE OF PROPERTY

Presented by: Richard Galt, Deputy General Counsel

Mr. Galt discussed the sale of the RC Williams Building and associated parking license. He stated PWC retained Franklin Johnson Real Estate, and Michael Pascal to handle the potential sale of the building. He has worked closely with Michael Pascal and Kevin Howell (Facilities).

PWC received two inquiries, although only one materialized into a contract for \$5.1M. They have done some due diligence and we have not had any unusual due diligence requests. We have gone through the upset bid as required, and have not received any upset bids.

Mr. Galt stated we have drafted a resolution for the Commission with the contract we have in hand. Assuming the Commission approves the resolution, we will send the matter on to the City Council for their approval. We have also drafted a proposed resolution for the City Council to consider when they meet again on August 14<sup>th</sup>. Mr. Galt provided the next steps, and expected closing date which is on or before September 13<sup>th</sup>.

Commissioner Evelyn Shaw moved to approve the resolution (PWC2023.25) prepared by our legal counsel for the purpose of moving forward with the sale of the RC Williams Building. Commissioner Christopher Davis seconded the motion, and it was unanimously approved.

#### V. GENERAL MANAGER REPORT



Mr. Noland stated we have been sharing information with staff regarding the new CEO coming onboard. We are also putting events together as far as getting him onboarded with staff as well as establishing some connections in the community.

## VI. COMMISSIONER/LIAISON COMMENTS

Council Member Deno Hondros

Council Member Hondros stated he does not take Commissioner Davis' comments lightly. He also feels that though we have collaborated on some projects, we can do more together.

He also commented on Ms. Shauna Haslem. He stated, "our loss is PWC's gain."

Commissioner Evelyn Shaw

Commissioner Shaw commended Ms. Carolyn Justice-Hinson and her team for the video that was put out to the workforce regarding the incoming CEO. It was a really nice video. She believes his comments probably massaged and soothed a lot of anxiety as he sought to identify, not only his background but why he was excited about coming to PWC

She also wanted to publicly thank all the men and women who are taking care of the community during this brutal heatwave. She stated Mr. Rynne and the Electric Construction crews have been Johnny on the spot in getting outages restored. The restoration period is very brief. The crews are working outside in the heat getting the power restored. She also noted the grant money that is being sought is to make the grid more resilient, and that is good because the men and women are out there without those upgrades. It is important to recognize those men and women publicly who are out there on the front lines for us.

Commissioner Christopher Davis

No Comments

Commissioner Donald Porter

Commissioner Porter commended our Chairwoman, (Commissioner Ronna Garrett) Mr. Russell, Ms. West, and especially the team effort that has transpired this past year. He thanked Mr. Noland, stating 'you have done an absolute wonderful job. He stated, "I have never referred to you as the interim." Commissioner Porter stated he is very sensitive to 'acting or interim.' Nothing gets any easier in the acting position. He stated he just cannot thank him and the entire team enough even to the linemen.

## VII. REPORTS AND INFORMATION

- A. Monthly Cash Flow Report – June 2023
- B. Recap of Uncollectible Accounts – June 2023
- C. Purchase Orders Report – June 2023
- D. Investment Report – June 2023
- E. Utility Payments by Payment Type – June 2023
- F. Career Opportunities

## VIII. ADJOURNMENT

There being no further discussion, upon motion by Commissioner Christopher Davis, seconded by Commissioner Evelyn Shaw, and unanimously approved, the meeting adjourned at 9:08 a.m.