

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MARCH 27, 2024
8:30 AM

Present: Donald L. Porter, Chairman
Christopher G. Davis, Vice Chairman
Ronna Rowe Garrett, Secretary
Richard W. King, Treasurer

Others Present: Timothy L. Bryant, CEO/General Manager
Derrick Thompson, City Council Liaison
Nat Robertson, Greater Fayetteville Chamber
Media

Absent: Michael Boose, Cumberland County Liaison

I. REGULAR BUSINESS

Chairman Donald Porter called the meeting of March 27, 2024, to order at 8:30 am.

PLEDGE OF ALLEGIANCE

Chairman Donald Porter led the Commission in the Pledge of Allegiance

APPROVAL OF AGENDA

Commissioner Ronna Rowe Garrett motioned to amend the agenda by removing Item IX. Motion was seconded by Commissioner Christopher Davis, and amended agenda was unanimously approved.

II. PRESENTATION

RECOGNITION OF PWC LEADERSHIP FAYETTEVILLE GRADUATES

Presented by: Nat Robertson, CEO/President Greater Fayetteville Chamber

Mr. Bryant introduced Mr. Nat Robertson, CEO/President of the Greater Fayetteville Chamber and presented Ms. Justice Hinson to recognize the PWC Leadership Fayetteville Graduates.

Mr. Robertson stated the Leadership Fayetteville has been around for decades and led by the Chamber. Leadership Fayetteville is a nine-month course, which meets once a month, touring all the county. It is a great opportunity and Mr. Robertson encourages anyone who has not taken the course to do so.

Mr. Robertson presented diplomas to Mr. Jason Briggs and Mr. John Allen. He stated they are from the 2020 class, and they were the last class before COVID, in fact, the class ended a month early because of the COVID outbreak.

III. CONSENT ITEMS

Upon motion by Commissioner Christopher Davis, seconded by Commissioner Ronna Rowe Garrett, Consent Items were unanimously approved.

- A. Approve Minutes of meeting of March 13, 2024
- B. Approve bid recommendation to award bid for the purchase of four (4) Vacuum Circuit Breakers to Meiden America Switchgear, Inc., Gray Court, SC, the lowest, responsive, responsible bidder, in the total amount of \$431,400.00, and forward to City Council for approval.

The four (4) Vacuum Circuit Breakers are budgeted in Warehouse Inventory.

Bids were received March 11, 2024, as follows:

<u>Bidders</u>	<u>Manufacturer</u>	<u>Total Cost</u>	<u>Delivery</u>
Meiden America Gray Court, SC	Meiden America	\$431,400.00	38 Weeks

COMMENTS: The Commission is asked to approve awards for the purchase of four (4) Vacuum Circuit Breakers to the lowest, responsive, responsible bidder and in the best interests of PWC to Meiden America Switchgear, Inc., Gray Court, SC. Notice of the bid was advertised through our normal channels on February 20, 2024, with a bid opening date of March 5, 2024, with no bids received. Re-Advertisement on March 6, 2024, with a bid opening date of March 11, 2024. Bids were solicited from three (3) vendors and one (1) was received. The award is recommended to Meiden America Switchgear, Inc., Gray Court, SC. **MWDBE / SLS Participation:** Meiden America Switchgear, Inc., Gray Court, SC is not a MWDBE, or local business Meiden is the manufacturer of this purchase and intends to perform the contract with its own workforce.

- C. Adopt PWC Ordinance # PWCORD2024-02 – FY24 Electric, Water/Wastewater (W/WW) Fund Budget Amendment #7

The above budget ordinance amendment #7 increases the Electric Fund by \$3,800,000 to \$308.2 million. The purpose of this amendment is to fund the overhaul of gas turbine #1 to meet the recommendations of the original equipment manufacturer by completing major overhauls at certain operational intervals, which will extend the useful life of the asset. There is no effect to the W/WW Fund.

Electric Fund

- Electric Fund Revenue: Total Electric Fund Revenue increased by \$3,800,000.
 - o Total Budgetary Appropriations increased by \$3,800,000 due to increasing the Appropriation from Electric Net Position.
- Electric Fund Expenditures: Total Electric Fund Expenditures increased by \$3,800,000.
 - o Capital increased by \$3,800,000 to fund one gas turbine overhaul.

W/WW Fund

- W/WW Fund Revenue: Total W/WW Fund Revenue is not affected.
- W/WW Fund Expenditures: Total W/WW Fund Expenditures is not affected.

COMMENT: Staff recommends the Commission adopt the above budget ordinance amendment PWCORD2024-02

END OF CONSENT

IV. PUBLIC HEARING REGARDING ELECTRIC LARGE SERVICE RATES

Chairman Porter opened the public hearing regarding the proposed Electric Large Service Rates and revisions to the Service Regulations and Charges.

He stated at our board meeting on March 13, 2024, this hearing was set for today, 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 Sunday, March 17, 2024, and posted the same notice information, along with all relevant documents, on our website on Wednesday, March 13, 2024, with further updates to the Service Regulations and Charges posted on Friday, March 15, 2024.

He then opened the floor to Mr. Jason Alban to provide a brief summary.

Mr. Alban stated on March 13th staff presented the following:

- Recommendations for Large Service Rates for July 1/May 1; rates are as adopted on February 28, except as noted
- Large Service Rates effective July 1, 2024:
 - Large Power Service – Owing Transmission (closed to new customers)
 - Large General Service – Owing Transmission (available to new customers wishing to interconnect at the 66kV level)
 - Large General Service; replacing Large Power Service-Coincident Peak
- Updated to include interruptible load language

- Staff also recommends closing the two differential rate schedules effective July 1, 2024. No customers are on these rates.
 - Large Power Service – Noncoincident Peak Differential – Owing Transmission
 - Large Power Service – Noncoincident Peak Differential
- Current Large Power Service-Coincident Peak customers will move to the Large General Service rate effective July 1, 2024; and rate will be available to new customers

There being no written comments and no persons present wishing to speak the public hearing was closed.

Commissioner Davis moved to approve the Electric Large Service Rates, and revisions to the Service Regulations and Charges, recommended by PWC Staff. Commissioner Richard King seconded the motion, and it was unanimously approved.

V. SAFETY PROGRAM UPDATE

Presented by: Georgette Miller, General Counsel/Chief Legal Officer

Mr. Bryant presented Ms. Georgette Miller, our Chief Legal Officer, and General Counsel. She also leads our Safety Team.

Ms. Miller stated she will discuss the historical background, the current state, and the way forward.

Historical Perspective

- PWC was previously viewed as a Safety Leader in Industry and NC
- Received several OSHA, APPA, AWWA Safety Awards
- Safety program previously viewed as models by others
- Worked several periods without a Lost Time Incident, including 5 million hours from 2011 to 2015
- Butler Warner worked 16 years without a Lost Time Accident (1.2 million hours)

Current State - Data

- As of March 1, 2024, the total of 68 YTD V/E incidents with 45 (66%) being preventable
- V/E incident projection rate is annualized at 107 incidents, for this FY, which is almost double the historical average
- 1 vehicle incident every 20,500 miles (Fleet Drives 2.2m miles year)
- There is a small number of employees that are responsible for a large percentage of incidents
- Total Recordable Injury Rate (TRIR) is 0.46, less than 1



Current State - Behavior

- Strong support and desire to work safe in the rank-and-file employees
- It appears, many current and future supervisors of the rank-and-file see safety procedures as hinderance to completing tasks and not as a tool
- There is inconsistency in Safety Manuals and inconsistency in procedures for accountability

Guiding Principles & Pillars

- You cannot get good outcomes from Bad Policies
- You cannot change what you cannot identify and/or quantify
- The only constant in business is change ... so embrace it. Change is coming.



Good Policies

- The backbone of PWC's prior historical success in the Safety Department was a comprehensive procedure manual that was in place decades – THE GREEN BOOK.
- The GREEN BOOK is being updated and reinstated.
- The updating process will involve all stakeholders so all parties will have agency in the process.
- Milestone dates – April 1, May 1, July 1, and Sept 30
- Everyone will know what the Green Book procedures are, and everyone will be held accountable.

Measurement Systems

- The Safety Department will be deploying a Safety and Risk Management Software (KPA) on or before July 1, 2024. This software will:

- Track all data relating to Safety and Risk in a readily available repository.
- Through the use of accurate, up to date and data driven reports, it will allow us to identify areas or critical need quickly and deploy resources efficiently.
- All future processes and safety initiatives will be driven by identifiable and verifiable data. The data will lead us.
- We are also leveraging technology to keep our employees educated, current in their areas of specialty and trained.

Embrace Change

- The hardest of our three Pillars...EMBRACING CHANGE
 - CHANGING THE CULTURE OF A WORKFORCE
 - Nothing succeeds like success, therefore, what does success look like? We need success in implementation, in order to have the employees embrace the change.
 - Implementing the Green Book in a manner that is TRANSPARENT and has CLEAR and UNDERSTANDABLE GUIDELINES
 - Holding Supervisors and Managers accountable
 - Using data and analytics to make Safety’s recommendations unassailable
 - Making it clear to the employees the fact that the Safety Department is a resource for everyone and is also an umpire merely calling “balls” and “strikes”
- Ms. Miller went on to state it is morning in the Safety Department at PWC and failure is not a viable option. The consequences of inaction or failure are outside our risk tolerance.

Following Ms. Miller’s presentation staff responded to comments and questions from the Commissioners regarding PWC’s safety history, culture, and goals. Additional discussion ensued.

VI. GENERAL MANAGER REPORT

Safety

Mr. Bryant repeated Commissioner Porter’s statement, everyone of us is a safety officer. And there are some of us in formal safety roles, but we are all safety officers.

People

Kathy Miller is our current Chief Customer Care Officer, but this week is her last week at PWC after a storied career here. She has demonstrated her commitment to PWC, most recently stepping up to be our Chief Customer Care Officer after the untimely passing of Mark Brown. She has devoted her time and efforts to her team and to PWC in ensuring our customers, current and potential are treated with the utmost respect and professionalism while helping to drive down customer bills. He went on to state she will be sorely missed among the team, and we wish her nothing but the best in her retirement.

Carolyn Justice-Hinson, our previous Communications and Community Relations Officer is now our new Chief Customer Care Officer of PWC. Carolyn is widely known for her passion for PWC and customer advocacy. It is her spirit of knowledge about PWC and her customer advocacy that makes her the ideal leader to take the Customer Care Team to the next level of service to our customers. Carolyn’s previous role, leading the CCR team has been posted internally and externally and the HR

and recruiting team have Mr. Bryant's full support and drive to get this position filled as quickly and diligently as possible, with a strong preference to get it filled from within.

In order to get even better at delivering our phenomenal services, Mr. Bryant thanks the Process Improvement Culture Change Team. A large percentage of our team members have taken the introductory courses for yellow belt and the introduction to process improvement. The Corporate Development Team has performed extremely well in leading the training efforts, as well as helping the organization identify the most impactful processes requiring improvement to help PWC deliver its commitment to customers for low cost, reliable electric, water, and wastewater services. This culture change will not happen overnight, however learning new skills and techniques to be more efficient are not always easy. However, as we move into this direction PWC, and its customers will directly benefit from this change and how we do our everyday business more efficiently.

Mr. Bryant went on to state with all the change going on in the organization, it is very important for our officers, directors, managers and supervisors to all understand the thoughts and feelings of our employees. He stated with all the culture change going on concurrently, we need everyone onboard with our culture change. We need to all keep our heads and our mentality in the game. And it begins with employee engagement from our leadership, ensuring we are interacting with our team members.

Community Engagement

Mr. Bryant thanked the Communications and Community Relations (CCR) Team. The PWC Expo was held at the Skyview on Hay last Friday with great success. CCR, Customer Care and other employees were on hand to ensure customers' questions were addressed.

PWC Day will be held on May 2nd. Stay tuned for more details.

Annual water treatment change over process will end this week.

Running the Business

There are no significant operational issues to be discussed at this time.

VII. COMMISSIONER/LIAISON COMMENTS

Council Member Derrick Thompson

Council Member Thompson stated the PWC Expo was good, and the community was all in, and that is how great of an expo it was. He went on to state events like that keep the community informed, prepared and helps them save money. He is grateful for the expo; it was a great turnout.

Commissioner Richard King

No Comment

Commissioner Christopher Davis

Commissioner Davis provided an update from the ElectriCities Connections Summit. He stated PWC is the tip of the spear at ElectriCities. The topics were amazing. He stated there were three he thought

were transformational: Succession Planning; The Innovation of AI and Technology Innovation; and Leadership Styles.

Commissioner Ronna Rowe Garrett

Commissioner Garrett thanked Kathy Miller. She stated she stepped up after Mark Brown, who was an icon in the community, and she did a fantastic job. Commissioner Garrett stated she looks forward to seeing Ms. Justice-Hinson in her new role. It is a great part of our succession plan.

She also wished everyone a good weekend. It is the trifecta week for her, the Holy Week, the NCAA Tournament, and she is heading to the beach.

Commissioner Donald Porter

Commissioner Porter stated it has been a great month. He went to the CAG last week, and it is a great group of people. He thanked Ms. Justice Hinson for all she has done, and he thanked Ms. Miller as well for stepping up after Mr. Brown and for all she accomplished.

He also informed the Commission his daughter was selected for promotion to SES, which means she is a GS15 and is being promoted to General Officer rank.

VIII. REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Monthly Cash Flow Report – February 2024
- B. Recap of Uncollectible Accounts – February 2024
- C. Purchase Orders – February 2024
- D. Utility Payments by Payment Type – February 2024
- E. Financial Statement Recaps – February 2024
 - Electric Systems
 - Water/Wastewater
- F. Career Opportunities
- G. Actions by City Council during the meeting of March 14, 2024, related to PWC:
 - Approved Bid Recommendation – Cross Creek and Rockfish Creek Water Reclamation Facilities Screw Pump Improvements
 - Approved Bid Recommendation – Relay Control Switchboards

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

X. ADJOURNMENT

There being no further business, upon motion by Commissioner Christopher Davis, seconded by Commissioner Ronna Rowe Garrett, and unanimously approved, the Commission adjourned at 9:20 a.m.