

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, JULY 24, 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
Adam Lindsay, Assistant City Manager
Chancer McLaughlin, Hope Mills Town Manager/Liaison
Derrick Thompson, City Council Liaison (VIA WEBEX)
Sally Shutt, Assistant County Manager

Absent: Media

I. REGULAR BUSINESS

Chairman Donald Porter called the meeting of July 24, 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 II-B and renumber subsequent Consent Items. Motion was seconded by Commissioner Christopher Davis, and unanimously approved.

Commissioner Christopher Davis motioned to approve the amended agenda. Motion was seconded by Commissioner Ronna Rowe Garrett and unanimously approved.

II. CONSENT ITEMS

Commissioner Christopher Davis motioned to approve the consent agenda. Motion was seconded by Commissioner Ronna Rowe Garrett and unanimously approved.

A. Approve Minutes of meeting of July 10, 2024

REMOVED FROM AGENDA

~~B. Approve bid recommendation to award construction bid for the Re-Bid Water Main Rehabilitation Project to Mainlining America, LLC, Livingston, NJ, the lowest, responsive, responsible bidder and in the best interest of PWC, in the total amount of \$4,149,400.00, and forward to City Council for approval.~~

~~The Re-Bid Water Main Rehabilitation Project is budgeted in 209.0000.0435.2430402-07.700030..CPR1000088.~~

~~Bids were received June 18, 2024, as follows:~~

<u>Bidders</u>	<u>Total Cost</u>
Mainlining America, LLC, Livingston, NJ	\$4,149,400.00
Insituform Technologies, LLC, Chesterfield, MO	\$4,411,220.00

~~**COMMENTS:** The bid notice was advertised through our usual channels on April 5, 2024, with a bid opening date of June 18, 2024. Bids were solicited from seven (7) vendors, and two (2) bids were received. The award is recommended to Mainlining America, LLC~~

- B. Approve bid recommendation for purchase of ICP Mass-Spectrophotometer to Agilent Technologies, Inc., Wilmington, DE, the lowest responsive, responsible bidder, and in the best interest of PWC, in the total amount of \$152,696.72, and forward to City Council for approval.

The ICP Mass-Spectrophotometer is budgeted in 002.0651.0802.0000000-00.395000.00000.2406515

Bids were received on July 16, 2024

Bidders	Total Price
Agilent Technologies, Inc., Wilmington, DE	\$152,696.72
PerkinElmer U.S. LLC, Shelton, CT	\$154,678.40
Thermo Electron North America LLC, West Palm Beach, FL	\$175,814.83

COMMENTS: The bid notice was advertised through our usual channels on July 2, 2024, with a bid opening date of July 16, 2024. Bids were solicited from three (3) vendors, and three (3) bids were received. The award is recommended to Agilent Technologies, Inc

- C. Adopt PWC Resolution # PWC2024.13 - Resolution to Accept the Drinking Water and Wastewater Reserve Direct Appropriation

In June 2024, the North Carolina Department of Environmental Quality (DEQ) offered PWC a \$2,111,000 Drinking Water and Wastewater Reserve Direct Appropriation funding offer for the High Pressure Zone Water Main Improvements Project. To accept the funding offer, PWC must adopt this resolution accepting the appropriation in the form provided by DEQ. DEQ administers the appropriation and PWC will make periodic draws throughout the Project upon presenting supporting documentation of eligible payments.

COMMENTS: Staff recommends that the Commission adopt Resolution No. PWC2024.13

- D. Adopt PWC Resolution # PWC2024.14 – 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 “1245025 Regulator, Single PH, 833 KVA, 14.4 KV, totaling 3 each” (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.

END OF CONSENT

III. DISCUSS PROPOSED POWER SUPPLY ADJUSTMENT AND PUBLIC HEARING REQUEST Presented by: Rhonda Haskins, CFO

Ms. Haskins discussed the proposed Power Supply Adjustment and requested the Commission to set a Public Hearing for August 14, 2024. Discussion ensued

Commissioner Christopher Davis motioned to Set a Public Hearing for August 14, 2024, regarding the Proposed Power Supply Adjustment (PSA) and directed staff to give public notice of the scheduled hearing. Motion was seconded by Commissioner Richard King, and unanimously approved.

IV. DISCUSS PWC ORDINANCES – PWCORD2024-20 AND PWCORD2024-21 Presented by: Rhonda Haskins, CFO

Ms. Haskins discussed ordinances PWCORD2024-20 and PWCORD2024-21. PWCORD2024-20 is amendment #1 to the FY25 Budget Ordinance.

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 2024 and the annual DEP True-Ups. PWC recognized DEP’s actual monthly energy costs from January to May 2024 trending higher than the 2024 billing rate with energy rates from DEP projected higher through December. 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 \$5.52/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. Discussion ensued.

PWCORD2024-21 amends the budget ordinance for the Electric Rate Stabilization Fund (ERSF). The ERSF will transfer \$12,809,500 to the Electric General Fund (GF). This is to account for the energy and capacity true-up received in June from Duke Energy Progress of \$6,619,500, and \$6,190,000 to pay for estimated FY25 catch-up energy costs. The amendment updates the FY24 transfer activity to the GF of \$10,000,000.

Commissioner Ronna Rowe Garrett motioned to adopt PWC Ordinances PWCORD2024-20 and PWCORD2024-21. Motioned was seconded by Commissioner Christopher Davis, and unanimously approved.

V. GENERAL MANAGER REPORT

Safety

Mr. Bryant stated the PWC Team continues to work safely overall. Over the last several weeks the team and our customers have experienced changing weather and environmental conditions ranging from severe heat to significant downpours, wind, and lightening. The PWC Team has managed to bring great value to our customers safely in the process. In these situations we are reminded to continue to look out for one another, continue to consider what could go wrong, hold to our tried and true work processes, and if something does not appear to be right, stop the work and regroup, to ensure we do not cause an incident when we can avoid one. He went on to state if we take these measures we have a greater chance of experiencing zero injuries.

People

He stated during our last meeting we had the opportunity to highlight our Summer Interns and ICON Students. During this meeting he would like to highlight a few achievements among our professional ranks.

Anna Gray, our Budget Manager, graduated from our 12 Month New Leaders Journey, resulting in her enhanced new leadership skills.

Rodney Maness, WR Technical Resources Supervisor and Michael Smith, WR Asset Management Coordinator received their Professional Water Asset Manager credentials from the Byrd Asset Management Institute. This certification is a multi-step process requiring not only course work but also passing certification exams as well as a four-year work experience.

We will recognize Wastewater Professionals Day on August 14th, and the prior day, August 13th @ 8:00 am, we will have a division wide recognition in the Construction Breakroom. Mr. Bryant invited the Commissioners and in particular Commissioner Porter to have words honoring the Wastewater Professionals.

Misty Manning has been recently promoted to our Deputy Water Resources Officer, and she is expected to succeed Mr. Noland in his impending retirement on January 1st. Mr. Noland has dedicated 40 years to our state and 30 of those years here at PWC. Mr. Bryant stated Mr. Noland is a trailblazer in his own right.

Rhonda Haskins has also communicated her retirement on January 1st, and Rhonda Graham has been named as the Deputy Finance Officer. Rhonda Haskins has done a fantastic job for PWC during her six years as CFO, and her dedicated career at PWC. Rhonda Graham was our Controller, and she will be our CFO after January 1st.

Running the Business

Mr. Bryant stated the FCEDC acknowledged and reported that Project Aero (the titanium company) has made a decision, and they are coming to Cumberland County. He stated that PWC team members were very integral in helping Aero to make the decision to come to Cumberland County. He stated whether it was on the Water Resources side, the Electric side, the infrastructure, and plans we had to endure and make, or even those around this room who had to consider revising our tariffs to bring in the energy they require.

Mr. Bryant went on to state he appreciates the Commission for allowing staff the flexibility to do what they need to do from an economic standpoint, not only for Aero but for other businesses coming to this region. He stated obviously the work has just begun. We need to put the infrastructure in the ground, and they will need to do their part as well. Again, he thanked the Commissioners and the team.

VI. COMMISSIONER/LIAISON COMMENTS

Assistant County Manager Sally Shutt

Ms. Shutt stated the County is thrilled about the announcement yesterday from an economic development viewpoint and are looking forward to that partnership.

City Council Liaison Derrick Thompson

Thanked everyone for the support, and no additional comments.

Hope Mills City Manager Chancer McLaughlin

Hope Mills City Manager McLaughlin brings greetings from the Town of Hope Mills, and he supports everything PWC is doing for the county.

Commissioner Ronna Rowe Garrett

Commissioner Garrett thanked the Town of Hope Mills, the City Council and County for being present. Partnerships are important. Relationships are the most important thing to get business done and manage people.

She sent on to say that you cannot say enough about people who have spent decades committed to professional advancement, and investment in the community. She stated she wants to personally thank Mr. Noland and Ms. Haskins. She thanked them both and wished them the best in their retirement.

Commissioner Garrett also thanked Mr. Bryant for the updates. She stated all his updates have to do with people and relationships. She stated it is exciting news about the titanium, and she is looking forward to the business it will bring to our region, and all the work before us. We are committed to work across the challenges and the boundaries.

Commissioner Christopher Davis

No Comments

Commissioner Richard King

Commissioner King stated he ditto, ditto, ditto. He congratulated Rhonda Haskins and Mick Noland. He is also excited about the titanium, and he would be more excited if there is no rate change when we do it. He asked how many employees the venture will bring. Mr. Bryant responded about 300.

Commissioner Donald Porter

Commissioner Porter acknowledged the Assistant City Manager, Mr. Lindsay. He thanked him for being here.

He stated Ms. Haskins and Mr. Noland are professionals. This is a great place to work. From the family perspective, it is the people side of things that make it work. This is a professional environment, and it is all about people.

As a former economic developer, he is excited that our CEO is always at the table. The worst thing in economic development is to have a major project, and a question comes up, and the answer is I will get back to you. Our CEO is at the table and helps to shoulder everything.

VII. REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Monthly Cash Flow Report – June 2024
- B. Recap of Uncollectible Accounts – June 2024
- C. Investment Report - June 2024
- D. PO Report – June 2024
- E. NC Retirement Plans – June 2024
- F. Career Opportunities

VIII. CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTES 143-318.11(A)(6) FOR PERSONNEL MATTERS

Commissioner Christopher Davis motioned to enter closed session pursuant to North Carolina General Statutes 143-318.11(A)(6) for Personnel Matters. Motion was seconded by Commissioner Ronna Rowe Garrett and unanimously approved at 9:01 am.

There being no further discussion, upon motion by Commissioner Ronna Rowe Garrett, seconded by Commissioner Christopher Davis, and unanimously approved the meeting returned to open session at 9:49 am.

IX. ADJOURN

There being no further discussion, upon motion by Commissioner Ronna Rowe Garrett, seconded by Commissioner Christopher Davis, and unanimously approved the meeting was adjourned at 9:49 a.m.