

PUBLIC WORKS COMMISSION  
MEETING OF WEDNESDAY, AUGUST 14, 2024  
8:30 AM

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

Others Present: Timothy L. Bryant, CEO/General Manager  
Derrick Thompson, City Council Liaison  
Sally Shutt, Assistant County Manager

Absent: Adam Lindsay, Assistant City Manager  
Media

I. REGULAR BUSINESS

Chairman Donald Porter called the meeting of August 14, 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 approve the agenda. Motion was seconded by Commissioner Christopher Davis and unanimously approved.

II. APPRECIATION PRESENTATION

Wastewater Professionals Day

Presented by: Misty Manning, Deputy Chief Officer – Water Resources

Misty Manning stated this is our second year celebrating Wastewater Professionals Day. There was no acknowledgement of our Water Resources Professionals, specifically on the wastewater side, so PWC created this day of recognition to show them we appreciate the work they do, as well as to educate the public on the work they do.

She presented the following individuals, and each provided their name, job title and responsibilities.

Leon McWhorter  
Brittany Odom

Wesley Tanner  
Jordan Clabo

Tyler Jacobs  
Scott McCoy

CJ Hyatt

Ms. Manning presented the Commissioners with a commemorative t-shirt in honor of the Wastewater Professionals Day.

The Commissioners and Liaisons thanked and congratulated the Wastewater Professionals for their excellence in the performance of their duties. They encouraged them to keep up the good work, and they look forward to celebrating them again next year.

### III. 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 24, 2024
- B. Adopt PWC Resolution – PWC2024.15 – 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 “Transformers, Overhead, 2590 KVA, totaling 75 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.

- C. Adopt PWC Resolution – PWC2024.16 – 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 “Transformers, Padmount, 2067 KVA, totaling 40 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

### IV. PUBLIC HEARING - PROPOSED POWER SUPPLY ADJUSTMENT (PSA)

Commissioner Porter called for the public hearing on the proposed Power Supply Adjustment. He stated at our board meeting on July 24, 2024, this hearing was set for this August 14th 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 Sunday, August 4, 2024, and posted the same notice information, along with all relevant documents, on our website on Friday, July 27, 2024.

The Board will now hear from PWC staff.

Mr. Jason Alban, Director of Financial Planning provided the following information:

#### PROPOSED PSA

- ▶ 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
- ▶ Prior adopted PSA ends August 31, 2024: \$0.00635 per kWh (energy) charge
- ▶ Proposed PSA effective September 1, 2024: \$0.00327 per kWh charge
- ▶ Recovers approx. \$6.4M as PSA customer billed revenue over 12 months

FY25 Budgeted kWh	Total Estimated PSA	Monthly Charge/kWh
1,965,597,312	\$6,429,092	\$0.00327

#### PSA DERIVATION – JULY 2024

- ▶ Actual energy pricing January-May, and balance of year 2024 projections received from DEP, result in a \$6.2M Catch-up (plus estimated interest)
- ▶ Energy rates are over 18% higher in 1H24 than were projected and paid
- ▶ Budget amendment for Catch-up payments approved by the Commission

DEP Catch-up	Amount
CY24 Energy Catch-up (Jul-Dec)	\$6,189,399
Interest Estimate at Next True-up*	<u>\$239,693</u>
<b>Total PSA Recommendation</b>	<b>\$6,429,092</b>

\*8.5% Interest Rate – Est. is lower due to catch-up payments

- ▶ Average RES bill impact is \$3.29 (2.7%) per month, down from \$6.52 (5.4%)

Staff's public hearing comments were concluded.

Chairman Porter asked Ms. Durant, Clerk to the Board if any written comments were submitted to her. She replied, no written comments were submitted.

Chairman Porter then asked Ms. Durant if anyone has registered to speak at the hearing. Ms. Durant responded, there is one citizen registered to speak today. She asked the speaker to identify himself and informed him he had three minutes to address the board.

- Mr. Steve Harper, 5707 Bashford Court, Fayetteville NC 28304

Chairman Porter then stated that concludes the public hearing on this matter and entertained a motion on the matter.

Commissioner Christopher Davis motioned to approve the Proposed Power Supply Adjustment (PSA) as recommended by PWC Staff. Motion was seconded by Commissioner Ronna Rowe Garrett and unanimously approved.

## V. CONSIDERATION OF THE FOLLOWING BUDGET ORDINANCES

Presented by: Jason Alban, Director of Financial Planning

- PWCORD2024-22 - FY 2025 Electric and Water/Wastewater (W/WW) Fund Budget Amendment #2
- PWCORD2024-23 – Capital Project Ordinance Amendment, Electric Utility System Rate Stabilization Fund Amendment #53

Mr. Alban stated with the PSA adopted, the above ordinances are requested to be adopted. He described the amendments to the Commission.

Commissioner Christopher Davis motioned to approve ordinances PWCORD2024-22 and PWCORD2024-23 as presented by staff. Motion was seconded by Commissioner Ronna Rowe Garrett and unanimously approved.

## VI. GENERAL MANAGER REPORT

### **Safety**

Mr. Bryant stated the team continues to work safely overall. Our team worked flawlessly during the Tropical Storm Debby storm response. We monitored the storm throughout. We deployed the right number of team members to respond to the storm and took the precautions necessary to allow those team members who could work remotely to avoid having to deal with rain and flooding conditions, and that mindset carried over to the construction and response teams as they deployed for multiple nights. There were no safety incidents.

### **Recognitions**

Today we recognized our Wastewater Professionals. Mr. Bryant commended Ms. Manning for the fantastic job she did in getting everyone together to recognize our team members. He also commended the volunteers and ambassadors who assisted during the breakfast on yesterday. These are some of the same volunteers who assisted during the storm response by packing and serving meals to our team members.

### **Community Engagement**

- Backflow Prevention Day is Friday, August 16<sup>th</sup>.
- Community Advisory Group (CAG) Meeting is Tuesday, August 20<sup>th</sup> at 6pm.

## VII. COMMISSIONER/LIAISON COMMENTS

County Liaison Sally Shutt

Ms. Shutt stated the County had an all-day Emergency Operations Center Tabletop Exercise on July 31<sup>st</sup> and the very next week Tropical Storm Debby came through. She thanked PWC for the communications, the sharing of the talking points, and the work on NORCRESS.

City Council Liaison Derrick Thompson

Council Member Thompson stated he echoes Ms. Shutt's comments. He appreciates the storm notifications from our Communications and Community Relations Director, Tyler Patton. He appreciates all PWC does.

Commissioner Richard King

Commissioner King congratulated the water team, and stated he is confident we are prepared to take care of any major storms that come through. He mimics everything Council Member Thompson said.

Commissioner Christopher Davis

Commissioner Davis stated what he wants to echo and to say thanks about whenever there are any PSAs we continue to communicate to the ratepayers in layman's terms what that means. There is an annual ebb and flow that we do not control. The prices go up and the prices go down, and we are very responsive on behalf of the customer to ensure we are as light handed as possible, minimizing the negative impact on our ratepayers, and being conscious about those who struggle. Our response is always with the ratepayers' bottom line in the forefront. He encourages PWC to continue to communicate to the ratepayers in layman's terms.

Commissioner Ronna Rowe Garrett

Commissioner Garrett stated she liked hearing there were no safety issues during the storm response. It is also important to her that they recognize the open communication between the PWC, the City and the County. No one is successful across the city without the three entities being communicative.

She thanked Mr. Harper for being courageous and coming to speak to the board. She echoes her colleague (Commissioner Davis). Our only responsibility is fiduciary, and we do not take it lightly. She has to answer to her 83-year-old mother, and her mom tells her about the impact to the \$2-\$3 increase in bills. Everything Commissioner Davis has said is absolutely true, we analyze it, think about it and it is not just a rubber stamp. It is business and there are somethings that are out of our control. But the entire commissioner team takes it very seriously. She thanked Mr. Harper again for being here.

Commissioner Donald Porter

Commissioner Porter stated he is so excited and delighted about the collaboration. It is such a pleasure to work together. He stated the County Liaison has been consistent, and he appreciates it. This is a top-notch community, and we are all about each other.

Commissioner Porter congratulated Mr. Bryant on his first anniversary. And we are hoping for many, many more.

## VIII. REPORTS AND INFORMATION

The Commission acknowledges the following reports and information.

- A. Utility Payments by Payment Type – July 2024
- B. Career Opportunities
- C. Approved N.C. Department of Transportation Encroachment Agreement(s):
  - Encr. # 19091 – Install of 3-Phase Underground Primary Installation @ S. Reilly Rd.
  - Encr. # 19092 – Install of 3-Phase Underground Primary Installation @ S. Reilly Rd.
  - Encr. # 19093 – Install of Overhead Primary Conductor; Aluminum Overhead Neutral Conductor and wood pole @ Grove St., and I95 Business/US Hwy 301

## IX. ADJOURN

There being no further discussion, upon motion by Commissioner Christopher Davis, seconded by Commissioner Ronna Rowe Garrett, and unanimously approved the meeting was adjourned at 9:06 a.m.