

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MAY 14, 2025
8:30 AM

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

Others Present: Timothy L. Bryant, CEO/General Manager
Derrick Thompson, City Council Liaison (VIA WEBEX)
Kirk deViere, Cumberland County Commission Chairman/Liaison
Adam Lindsay, Assistant City Manager
Media

Absent: Ronna Rowe Garrett, Secretary
Sally Shutt, Assistant County Manager
Chancer McLaughlin, Hope Mills Town Manager

I. REGULAR BUSINESS

Chairman Christopher Davis called the meeting of May 14, 2025, to order at 8:30 a.m.

PLEDGE OF ALLEGIANCE

Chairman Davis led the Commission in the Pledge of Allegiance

APPROVAL OF AGENDA

Commissioner Donald Porter motioned to approve the agenda. Motion was seconded by Commissioner Richard King and unanimously approved.

II. CONSENT ITEMS

Commissioner Donald Porter motioned to approve the consent items. The motion was seconded by Commissioner Richard King and unanimously approved.

- A. Approve Minutes of meeting of April 23, 2025_
- B. Approve to Set the Public Hearing for the FY2026 Budget for May 28, 2025
- C. Adopt PWC Ordinance # PWCORD2025-07 – FY2025 Electric and Water/Wastewater (W/WW) Fund Budget Amendment #4

The primary purpose of this amendment is to add funds for the BWGP Gas Turbine #4 overhaul discovery/findings. The secondary purpose of this amendment is to increase the Transfer to Electric Transportation Equipment Capital Project Fund, due to updated cost estimates for long lead time vehicle procurements. Lastly, this amendment will increase the planned Transfer from REPS reserve account to align the budget to updated estimates.

Electric Fund

- Electric Fund Revenue: Total Electric Fund Revenue increased by \$2,645,000.
 - Budgetary Appropriations increased by \$2,645,000 due to increasing the Transfer from REPS by \$325,200 and increasing the Appropriation from Electric Net Position by \$2,319,800 to cover increased capital expense and the Transfer to Electric Transportation Equipment Capital Project Fund.
- Electric Fund Expenditures: Total Electric Fund Expenditures increased by \$2,645,000.
 - Capital increased by \$2,600,000 due to additional funding to overhaul gas turbine #4.
 - Budgetary Appropriations increased by \$45,000 due to the Transfer to Electric Transportation Equipment Capital Project Fund.

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.

- D. Adopt PWC Resolution # PWC2025.16 – 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 non-stock inventory as “Static VAR Compensator, totaling 15 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.

- E. Adopt PWC Resolution # PWC2025.17 – 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 non-stock inventory as “Control, Capacitor Bank, Digital, 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.

- F. Adopt PWC Resolution # PWC2025.18 – 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, Pad Mount, 2342 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.

- G. Adopt PWC Resolution # PWC2025.19 – 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, 2115 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.

- H. Approve purchase award recommendation for Annual Contract for Sodium Hypochlorite to Oltrin Solutions, LLC, Hamlet, NC, the lowest responsive, responsible bidder and in the best interests of PWC in the total amount of \$1,433,750.00 and forward to City Council for approval.

The Annual Contract for Sodium Hypochlorite is budgeted across four accounts strings.

- P.O. Hoffer 002.0630.0157.000-00.801025.0000.99999
- Glenville 002.0631.0157.000-00.801025.0000.99999
- Cross Creek 002.0640.0157.000-00.801025.0000.99999
- Rockfish 002.0641.0157.000-00.801025.0000.99999

Bid Date: April 24, 2025

<u>Bidders</u>	<u>UOM</u>	<u>Qty</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Oltrin Solutions, LLC, Hamlet, NC	LBS (WET)	7,750,000	\$0.185	\$1,433,750.00

COMMENTS: The bid notice was advertised through our usual channels on April 9, 2025, with the bid opening date of April 24, 2025. Bids were solicited from two (2) vendors, and one (1) bid was received. **MWDBE / SLS Participation** - Trinity Manufacturing, Inc dba Oltrin Solutions, Hamlet, NC is not a small local or MWDBE business. Trinity Manufacturing, Inc dba Oltrin Solutions anticipates to self-perform.

- I. Approve purchase award recommendation for Annual Contract for Magnesium Hydroxide to Premier Magnesia, LLC, Waynesville, NC, the lowest responsive, responsible bidder and in the best interests of PWC in the total amount of \$629,000 and forward to City Council for approval.

The Annual Contract for Magnesium Hydroxide is budgeted in two the following accounts strings.

- Cross Creek 002.0640.0157.000-00.801025.0000.99999
- Rockfish 002.0641.0157.000-00.801025.0000.99999

Bid Date: April 24, 2025

<u>Bidders</u>	<u>UOM</u>	<u>Qty</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Premier Magnesia, LLC, Waynesville, NC	GAL	185,000	\$3.40	\$629,000

COMMENTS: The bid notice was advertised through our usual channels on March 21, 2025, with the bid opening date of April 24, 2025. Bids were solicited from three (3) vendors, and one (1) bid was received. **MWDBE/SLS Participation:** Premier Magnesia, LLC, Waynesville, NC, is not a small local or MWDBE business. Premier Magnesia anticipates to self-perform.

END OF CONSENT

III. REVIEW PROPOSED OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET FOR FISCAL YEAR 2025-2026

Presented by: Timothy L. Bryant, CEO/General Manager
Rhonda Graham, Chief Financial Officer

Mr. Bryant stated the agenda will consist of:

- PWC Key Facts
- Budget Assumptions
- FY26 Budget Details
 - Customer Growth
 - Budget Overview
 - Key Financial Metrics
 - Fund Summaries
 - Reserves
 - Operating Budget
 - Divisional Summaries
 - Capital Budget and Financing Plan
- Next Steps
 - Budget Ordinance
 - FY26 Budget Review/Adoption Schedule

PWC Key Facts

- **Customers**
 - Total Customer Meters: 122,372
 - Total Number of Services: 271,139
 - Population Served: >300K
 - Customers With Two+ Services: 75.4%
- **Financial**
 - FY25 Annual Operating Budget: \$439.1M
 - Total Assets: \$1.89B
 - Bond Rating: Aa2 (Moody's), AA (S&P and Fitch)
- **Electric Operations**
 - System Peak: 499 MW
 - Generation Capacity: 268 MW
 - Reliability Rate: 99.99%
- **Water/Wastewater Operations**
 - Drinking Water Treated: 10.8B Gal/Year
 - Daily Water Treatment Capacity: 57.5 MGD
 - Daily Wastewater Treatment Capacity: 46 MGD

Budget Assumptions

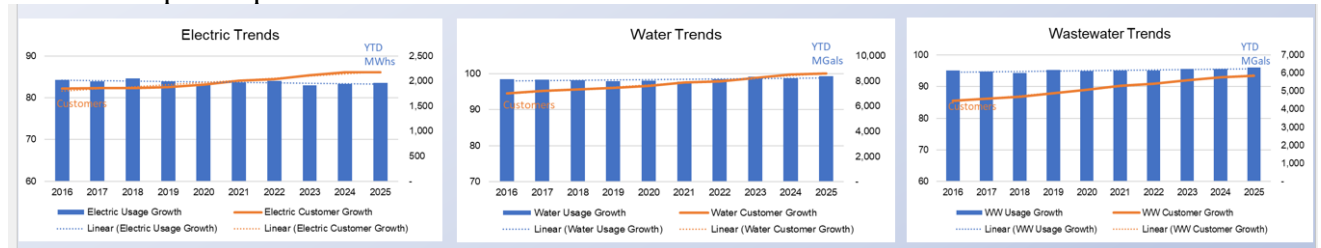
➤ **Key Considerations in Budget Development:**

- Electric system growth and 2024 rate adjustment
- Water/Wastewater system growth and 2025 rate adjustment
- Contractual Power Supply Costs and required adjustments
- Material and contractual cost escalations
- Capital project planning and funding requirements
- Operating & Maintenance expenses
- Appropriation, Transfer and Reserve funding requirements
- Unplanned events/contingency funding
- Cost of Service studies and rate support

10-Year Customer and Usage Trends

FY25 Results

- Relatively flat customer growth
- Consumption up across all utilities



Budget Overview

	Electric		Water/WW	
\$ in millions	FY25 Amended Budget	FY26 Proposed Budget	FY25 Amended Budget	FY26 Proposed Budget
Sales Revenue	\$227.1	\$222.0	\$141.6	\$152.3
Other Operating Revenue	\$18.1	\$17.7	\$14.3	\$14.7
Contributions/Intergovernmental Revenue	\$10.5	\$14.4	\$3.8	\$4.8
Budgetary Appropriations From	\$27.8	\$11.8	\$13.5	\$8.8
Operating Expenses	(\$201.1)	(\$191.6)	(\$91.5)	(\$93.5)
PILOT (Payment in Lieu of Taxes)	(\$12.0)	(\$12.1)	\$0.0	\$0.0
Debt Related Payments	(\$5.3)	(\$6.4)	(\$28.5)	(\$32.2)
Capital	(\$50.1)	(\$48.6)	(\$35.1)	(\$31.1)
Budgetary Appropriations To	(\$19.2)	(\$10.8)	(\$17.4)	(\$17.5)
Appropriations To/(From) Net Position	(\$4.1)	(\$3.5)	\$0.8	\$6.3

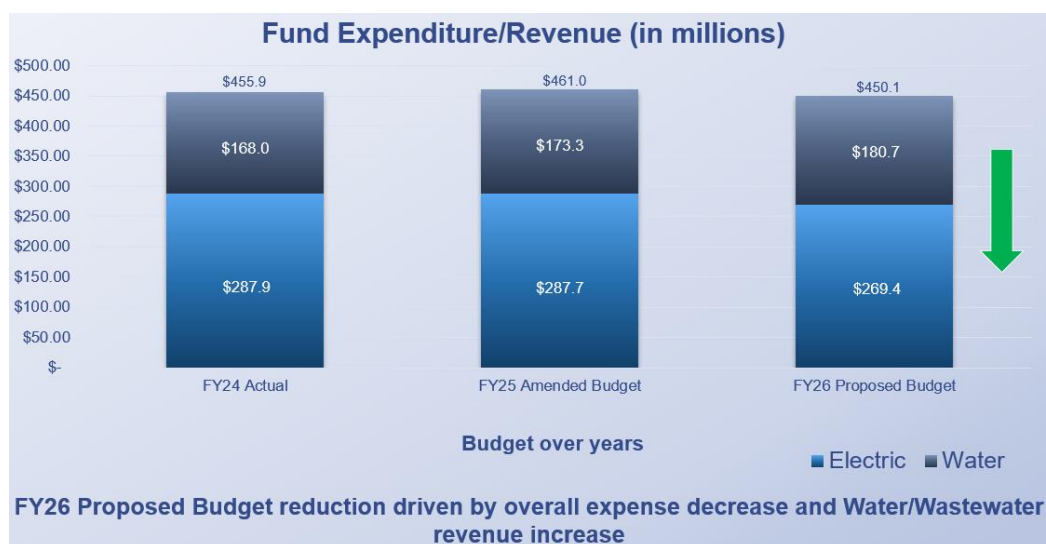
Key Financial Metrics

	2023	2024	2025	2026	Target
Bond Rating	AA	AA	AA	AA	AA
Liquidity (DCOH)	132	151	157	161	120
Operating Reserves	\$138.0M	\$165.4M	\$162.1M	\$164.9M	
Debt Service Coverage	3.53	5.11	6.29	4.31	2.50
Debt to Capitalization	28%	34%	31%	40%	<40%

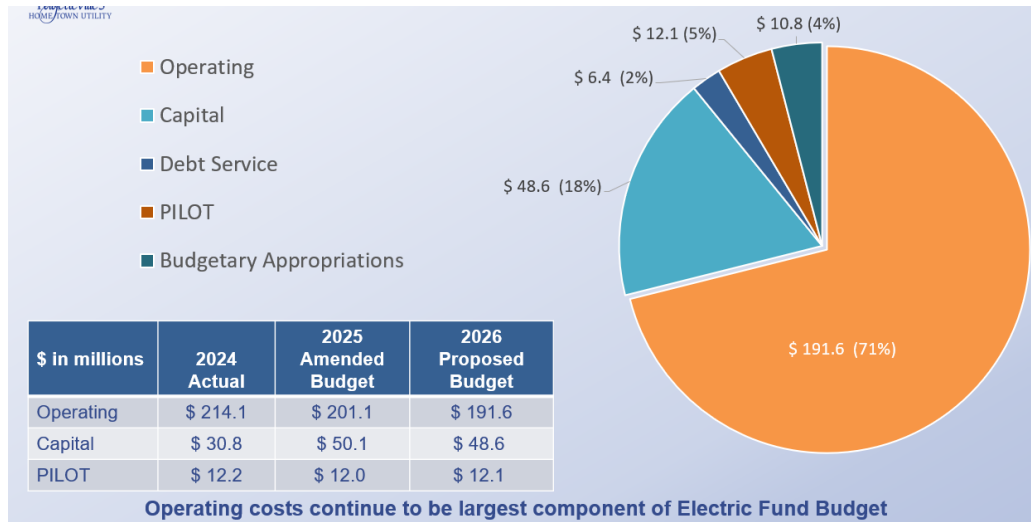
AA Bond Rating (Scorecard Implied Rating)	Target
Moody's (Adjusted Days Liquidity on Hand)	150-250 Days
Standard and Poor's (Liquidity and Reserves)	150-270 Days
Fitch (DCOH; Minimum Non-Adverse)	120+ Days

Sound financial planning has resulted in strong financial position to address current and future financial obligations

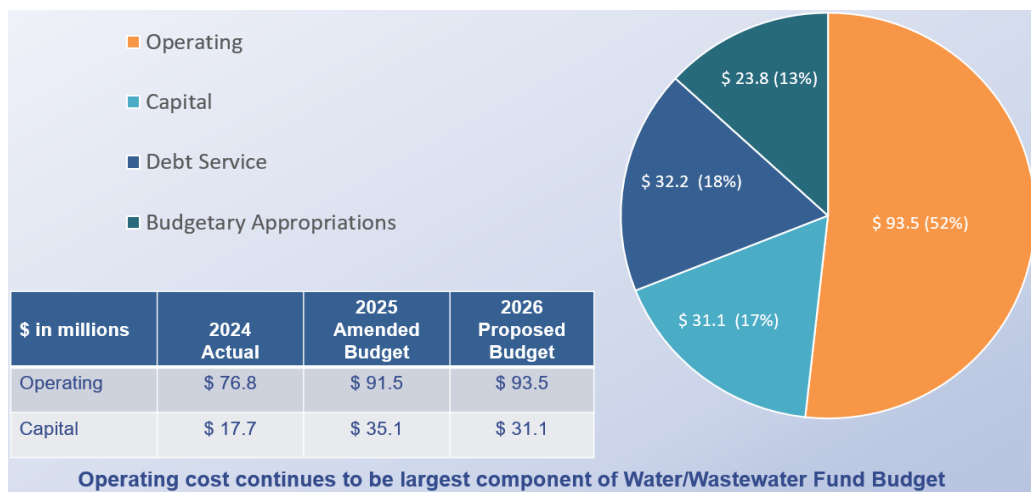
3-Year Trend of Budget Summary



Key Fund Drivers – Electric (\$269.4M)



Key Fund Drivers – Water/WW (\$180.7M)



Pilot to City of Fayetteville and Additional Services and Contributions

	FY26
Payment In Lieu Of Taxes	\$12,064,900
Annexation (Transfer from Annexation Reserve to General Fund, debt service payment)*	\$8,495,700
Inside Street Lighting	\$4,148,400
City of Fayetteville Storm Drainage Improvement	\$3,697,000
Underground Conversions and Gateway Improvements	\$1,275,000
Community Economic Development (FCEDC Contribution)	\$325,000
Street and Pedestrian Lighting Improvements	\$150,000
City of Fayetteville Public Access Television Channel	\$85,000
Parking Deck (Shared Costs – Operating and Capital Reserve)	\$50,000
Total	\$30,291,000

PWC continues to provide great value to the City of Fayetteville

Reserves – Electric & Water

Reserve/Fund (\$ in millions)	FY25	FY26	FY27	FY28	FY29
Electric Rate Stabilization Fund*	\$11.0	\$5.6	\$6.1	\$6.0	\$5.9
Purchased Power Reserve	\$10.9	\$11.1	\$11.3	\$12.0	\$12.7
Coal Ash Reserve	\$4.1	\$1.2	\$0.0	\$0.0	\$0.0
Water Rate Stabilization Fund	\$2.6	\$2.9	\$3.3	\$3.6	\$3.9

*Amount over 10% Purchase Power Reserve

PWC Reserve Purpose(s):

- Financial and customer rate/bill stability; maintain Bond Credit Rating
- No access to short term borrowing (Lines Of Credit, Factoring, Commercial Paper, Operating & Maintenance)
- Address unknown conditions/situations (Natural Disasters)
- Unfunded regulations and economic variables (Supply Chain, Inflation)
- Short and Long-Term planning; smoothing between debt financings

PWC reserves continue to be very integral to organization and customer stability

Overview – Operating Budget

Division (\$ in millions)	FY23 Actual	FY24 Actual	FY25 Amended Budget	FY26 Proposed Budget	% Change
Management	\$4.5	\$5.7	\$6.5	\$5.5	(14.9%)
Communications	\$1.5	\$1.6	\$2.4	\$2.3	(0.1%)
Legal	\$8.4	\$8.2	\$11.0	\$10.1	(8.2%)
Customer Care	\$10.1	\$9.9	\$11.9	\$11.2	(5.9%)
Human Resources	\$2.3	\$2.3	\$2.3	\$2.9	25.2%
Information Technology	\$16.9	\$17.0	\$23.0	\$19.3	(16.0%)
Financial	\$6.1	\$6.1	\$6.7	\$6.5	(2.0%)
Water Resources	\$50.0	\$52.0	\$61.4	\$58.5	(4.7%)
Electric Non-Power Supply	\$29.8	\$34.4	\$46.8	\$43.0	(8.1%)
Total Divisions w/out Power Supply	\$129.5	\$137.1	\$172.0	\$159.5	(7.2%)
Electric Power Supply	\$136.6	\$150.3	\$119.9	\$113.7	(5.1%)
G&A	\$18.4	\$19.8	\$23.9	\$30.1	25.8%
Total PWC	\$284.5	\$307.2	\$315.7	\$303.3	(3.9%)

*Includes Operating Capital

FY26 DIVISION SUMMARIES

Mr. Bryant provided an Overview/Summary of Budget Changes, Key Projects/Initiatives, and Challenges of each division.

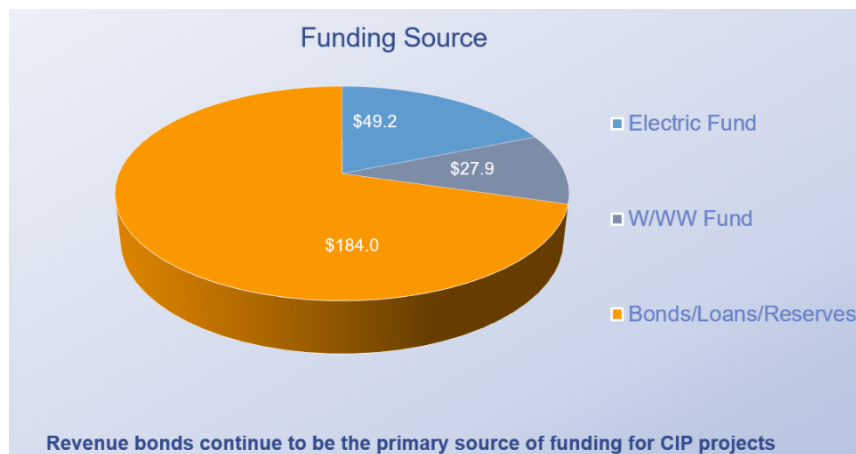
General & Administrative Budget

\$ in millions	FY22 Original Budget	FY23 Original Budget	FY24 Original Budget	FY25 Original Budget	FY26 Proposed Budget
Medical/Dental/Other Post-Employment Benefits	\$9.62	\$10.64	\$12.51	\$14.67	\$16.92
Other Benefits/Expenses	\$0.86	\$1.69	\$1.97	\$1.71	\$3.94
Insurances	\$1.44	\$1.85	\$1.58	\$1.81	\$1.97
Contingency	\$3.15	\$3.27	\$3.69	\$4.25	\$4.40
Customer Chargeoffs	\$1.50	\$1.20	\$1.20	\$1.15	\$1.50
Security	\$0.26	\$0.23	\$0.29	\$0.32	\$0.34
Other	\$1.51	\$1.35	\$1.32	\$1.03	\$1.00
Total General & Administrative Budget	\$18.35	\$20.23	\$22.57	\$24.95	\$30.06
Change	(1.36%)	10.28%	11.54%	10.55%	20.48%

*Includes Electric and Water/Wastewater Funds

General and Administrative Budget driven by Medical/Benefits Expense

FY26 Capital Budget Funding Source



Overview – Capital Budget

Division (\$ in millions)	FY23 Original Budget	FY24 Original Budget	FY25 Original Budget	FY26 Proposed Budget	% Change
Legal	\$1.0	\$1.3	\$2.2	\$0.2	(90.9%)
Customer Care	\$1.6	\$1.0	\$1.8	\$1.8	0%
Finance	\$0	\$0	\$6.2	\$3.5	(43.5%)
Water Resources	\$79.7	\$96.0	\$123.4	\$143.3	16.1%
Electric Systems	\$45.2	\$77.9	\$69.4	\$112.4	62.0%
Total	\$127.5	\$176.2	\$203.0	\$261.2	28.7%

Significant investments include GAC, Gray's Creek Water Main Extension, Project Aero, Solar and NCDOT Projects.

Ms. Graham provided a final glance at our FY26 Budget.

Budget Summary

ELECTRIC & W/WW FUNDS SUMMARY					
Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimate	FY 2026 Recommended
Electric Utility Operating Fund	\$242,386,935	\$257,083,808	\$237,572,500	\$229,634,200	\$220,879,200
Electric Capital Outlay	\$21,179,504	\$30,774,207	\$50,130,000	\$44,297,000	\$48,565,000
Total Electric Fund	\$263,566,439	\$287,858,015	\$287,702,500	\$273,931,200	\$269,444,200
Water/Wastewater Utilities Operating Fund	\$143,498,496	\$150,319,043	\$138,230,300	\$154,214,500	\$149,542,400
Water/Wastewater Capital Outlay	\$17,357,450	\$17,688,346	\$35,073,500	\$28,741,700	\$31,112,000
Total Water/Wastewater Fund	\$160,855,946	\$168,007,389	\$173,303,800	\$182,956,200	\$180,654,400
Total Electric & W/WW Funds	\$424,422,385	\$455,865,404	\$461,006,300	\$456,887,400	\$450,098,600
Total Budget	\$424,422,385	\$455,865,404	\$461,006,300	\$456,887,400	\$450,098,600

In compliance with NC General State Statutes, PWC will ask Commission to approve this budget ordinance after the required public hearing scheduled for the next Commission Meeting.

FY 2026 Budget Ordinance (PWCORD2025-08)

BE IT ORDAINED BY THE FAYETTEVILLE PUBLIC WORKS COMMISSION OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA:

Section 1. It is estimated that the following revenues and other financing sources will be available during the fiscal year beginning July 1, 2025, and ending June 30, 2026, to meet the appropriations listed in Section 2.

Schedule A: Electric Fund

Electric Revenues	\$ 222,031,200
Operating and Other Revenues	15,162,800
BWGP Purchased Capacity Payment	2,500,000
Customer Contributions	14,395,000
Budgetary Appropriations	15,355,200
Total Estimated Electric Fund Revenues	269,444,200

Schedule B: Water and Wastewater Fund

Water Revenues	\$ 71,256,400
Wastewater Revenues	81,055,600
Operating and Other Revenues	14,744,200
Customer Contributions	2,586,500
Intergovernmental Revenue - Assessments	2,166,000
Budgetary Appropriations	8,845,700
Total Estimated Water and Wastewater Fund Revenues	180,654,400

Grand Total **\$ 450,098,600**

Section 2. The following amounts are hereby appropriated for the operations of the Fayetteville Public Works Commission and its activities for the fiscal year beginning July 1, 2025, and ending June 30, 2026, according to the following schedules:

Schedule A: Electric Fund

Operating Expenditures	\$ 191,335,200
Debt Service	6,666,700
Capital	48,565,000
Payment in Lieu of Taxes - City	12,064,900
Budgetary Appropriations	10,812,400
Total Estimated Electric Fund Expenditures	269,444,200

Schedule B: Water and Wastewater Fund

Operating Expenditures	\$ 93,318,600
Debt Service	32,424,000
Capital	31,112,000
Budgetary Appropriations	23,799,800
Total Estimated Water and Wastewater Fund Expenditures	180,654,400

Grand Total \$ 450,098,600

BE IT ORDAINED BY THE FAYETTEVILLE PUBLIC WORKS COMMISSION OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA, THAT PURSUANT TO SECTION 13.1 OF CHAPTER 159, OF THE GENERAL STATUTES OF NORTH CAROLINA, THE FOLLOWING FINANCIAL PLAN IS HEREBY ADOPTED:

Mr. Graham stated the Next Steps and Requested Board Actions are:

- ▶ May 28, 2025, PWC BOC Meeting
 - FY26 Budget and Updated Service Regulations Public Hearing
 - FY26 Budget and Updated Service Regulations Adoption
 - FY26 CIP Plan Resolution

Or

- ▶ June 25, 2025, PWC BOC Meeting
 - FY26 Budget Adoption and Updated Service Regulations Adoption, and CIP Plan Resolution (if not earlier adopted)

Commissioner Porter commended the financial staff on receiving the Distinguished Budget Presentation Award and the Certificate of Achievement for Excellence in Financial Reporting (FY22 and 23), both awarded by the Government Finance Officers Association.

He then asked for an example from the past of an unplanned event. Mr. Bryant responded an unplanned event would be during storm season when we have to respond here or by supporting mutual aid when we sent crews to the western part of the NC or to SC. Outside of the weather, other unplanned activity is as we build our reserves to respond to our primary power supplier, Duke, if there are fuel costs that exceed what we have in the plan we have to look to our rate stabilization fund to address those unplanned activities. He stated on the water/wastewater side if we have an incident at one of our water or wastewater treatment facilities where equipment fails prematurely we have to respond.

Commissioner Porter also thanked staff for enumerating the expenses that go into the PILOT, including additional services and contributions (to the City of Fayetteville). He also mentioned the Phase V layout and what is left to be done.

He asked Mr. Bryant and Ms. Graham what keeps them up at night. Ms. Graham responded it is the capital pressures, like regulatory expenses such as GAC and other critical projects and expenses that come up which are not discretionary.

Mr. Bryant appreciated Ms. Graham pointing out the expense of the GAC, which will be expensive to install and to maintain. He went on to mention we have to move forward with the GAC even though there may be some changes to the standard by FERC. He agrees with Ms. Graham about the cost pressures on our bonds and the CIP projects, which is why we are focused on the execution of those other projects, more importantly to help make sure as we look at the DOT projects, the electric projects, the water projects, wastewater projects, in addition to the water/wastewater core GAC to keep the water clean, we have to execute on them. He went on to state we have to drive down those costs within our C(P as we drove down the costs in our OEM. We have to make sure our contracting partners are working hand in hand with us even as they have in the past to help identify ways that we can be more effective and efficient by delivering on these projects. And again, continuing our efforts within Raleigh as we deal with the DOT and other state agencies by making sure that they know whenever they make a change to their capital plan, they retroactively impact us regarding the dollars we are also planning for. Mr. Bryant went on to state that being subject to others and not wanting to be and trying to minimize our victimization of others' decision making is what keeps him up at night.

Commissioner Porter thanked them both for their candid answers.

Commissioner King stated he likes seeing the reduction in every division except Human Resources. He just wants to ensure with those reductions we do not have a lapse in coverage, or response to our customers. He also commented on the reduction in Legal and the contract with Duke. He also commented on the reserves and asked what the percentage we are making for it. He believes we should make at least 4%.

Mr. Bryant responded to Commissioner King's comments regarding the Duke contract and our execution on the Duke contract. He stated we have FERC attorneys in Washington, DC, and consultants with GDS, as well as our partners with Electricities and other agencies as we all work together in getting the most value out of our Butler Warner Generation Plant as well as ensuring we stay competitive in regards to the other electric agencies in North Carolina and within the US. Additional discussion ensued. Staff also responded to Commissioner King's inquiry into the percentage the reserves receive, which is 4%.

Commissioner Davis stated sometimes the answer may not be in the room, and you have to stir it until it comes to the top. He stated the vice-chair has asked multiple times about the interest rate we are making on the reserves. He also stated we want to be well equipped behind the changes. The more effective we are in understanding the ups and downs in the charts, the easier it is to follow the presentations and the more effective we are in giving wise counsel. After further discussion, Chairman Davis went on to entertain a motion for a public hearing the May 28th.

Commissioner Porter, motioned to set a Public Hearing on the Proposed Operating Budget & Capital Improvement Program for FY25-26. Motion was seconded by Commissioner Richard King and unanimously approved.

III. GENERAL MANAGER REPORT

Safety

Mr. Bryant stated the team continues to work very well, and the evidence in our total recordable injury rate (TRIR) which is now down to 0.16, which is very impressive. There are no significant safety incidents to bring to the Commission's attention. He stated the reduction of our total recordable injury rate is evidence of our continued focus on safety and how we are every day looking at how we can do our jobs safer than we did the day before, with the focus of not letting up even with the downturn in the indicator.

People

Mr. Bryant stated we completed the employee engagement survey, and he received the results yesterday. Staff will start the process of doing the deep dive and obtaining the debrief of the 40-question Gallup survey over the next coming weeks. The survey results and action plans will be discussed among our team to ensure that we do the best that we can as leadership, as well as all employees to continue to drive our employee engagement through the levels that will continue to result in optimal performance to our customers as we look to work and deliver fantastic results for PWC.

Mr. Bryant also stated the PWC Picnic, held on May 3rd was a resounding success. He thanked the entire committee (HR, CCR and other team members) who made the picnic a tremendous success. He believes all who attended had a great time, employees, retirees, family members and friends enjoyed that event, which was quite memorable. He stated there will be a communication going out later today or this week relative to some of the pictures of the photos that were taken during that event.

Community Engagement

Mr. Bryant stated we are coming up on the heels of another great PWC Day that was held last week here focusing on the water wastewater side of our business. We entertained leaders from Fayetteville and all over Cumberland County as we showed them the inner workings of our business and how we deliver our water and wastewater services. He thanked the CCR team and the leadership of the water wastewater division that helped make this a tremendous success for those participants in our PWC Day.

Running the Business

We have received feedback from EPA region four in the DEQ that our 2024 water related projects funding is no longer being reviewed, so very happy to see that confirmation. He stated we are working to get the same confirmation from the DOE and the electric side of the DEQ to have those projects that have been delayed released as well. So again, we are really working to stay focused on not only going after the funds previously awarded but also continuing to look forward to new state, federal grants and funding opportunities to help us offset some of our capital expenditures.

In response to Commissioner King's question. Mr. Bryant stated the Gallup survey results will be held in closed session.

Commissioner Porter commented on PWC's emphasis on safety and a recent Duke incident up north. He appreciates the continued focus on safety.

IV. COMMISSIONER/LIAISON COMMENTS

Assistant City Manager Lindsay

ACM Lindsay stated Council Member Thompson was not able to be here in person due to a conflict of interest

County Chairman Kirk deViere

Chairman deViere stated for situational awareness, they will be starting their budget process, much like PWC is going through right now. On May 22nd, their County Manager will present his budget and then the commissioners will begin their deliberations for a final budget sometime in June. That is when they will set the tax rate. He stated you will see the preliminary tax rate from the manager. And then the county commissioners move, adjust or keep it the same. He also stated he appreciates the work with our staffs as we continue to look at the water situation across our oommunity,

Commissioner Donald Porter

Commissioner Donald Porter stated other than safety, he would like to again commend the CEO on the picnic. It was well done. He got out there a little bit late, but he did not get there too late to walk by that catfish. He stated it reminds him of Organization Day and the military. Just to see the families enjoying. It was a great event.

Commissioner Richard King

Commended staff on the budget presentation. He read over the slides and understands them. The presentation was very well done. He also appreciated Commissioner Donald Porter's question regarding "what keeps you up at night."

He liked seeing the reduction on most everything, as he likes to see us (PWC) being lean and mean, although he does not want that to cause a lapse in coverage, which he knows it will not. Overall, it was a good job.

Commissioner Christopher Davis

No comments

V. REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

- A. Purchase Orders – April 2025
- B. Personnel Report – April 2025
- C. Financial Statement Recaps
 - Electric – March 2025
 - Water – March 2025

D. Career Opportunities

E. Actions by City Council during the meeting of April 28, 2025, related to PWC:

- Adopted - Resolution of the City of Fayetteville, North Carolina to Accept a State Loan Offer Under the Infrastructure Investment & Jobs Act of 2021
- Approved Appeal of Utility Assessment – 6920 Tayberry Court
- Ronna Rowe Garrett and Donald Porter appointed to a 2nd term, as of 9/1/2025 through 9/30/2029

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

Commissioner Porter motioned to enter closed session pursuant to NC General Statutes 143-318.11(A)(3) for Legal Matters. Motion was seconded by Commissioner Richard King and unanimously approved at 9:30 a.m.

Following discussion, there being no more discussion, the Commission returned to open session at approximately 10:18 am.

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III. ADJOURNMENT

There being no further discussion, upon motion by Commissioner Donld Porter, seconded by Commissioner Richard King, and unanimously approved, the meeting adjourned at approximately 10:18 am.