

PUBLIC WORKS COMMISSION  
MEETING OF WEDNESDAY, JANUARY 14, 2026  
8:30 AM

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

Others Present: Timothy L. Bryant, CEO/General Manager  
Kirk deViere, Cumberland County Commission Chairman/Liaison (Virtual)  
Derrick Thompson, City Council Mayor Pro Tem/Liaison  
Jodi Phelps, Assistant City Manager (Virtual)  
Media

Absent: Chancer McLaughlin, Hope Mills Town Manager

I. REGULAR BUSINESS

Chairman Richard King called the meeting of January 14, 2026, to order at 8:30 a.m.

PLEDGE OF ALLEGIANCE

Chairman King led the Commission in the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Upon motion by Commissioner Donald Porter, seconded by Commissioner Christopher Davis, the agenda was unanimously approved.

II. 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 December 10, 2025\_
- B. Approve purchase award recommendation for purchase of Gas Turbine 6 IR Load Gearbox Parts and Repair to Philadelphia Gear Corporation, Huetown, AL, the lowest responsive, responsible bidder and in the best interests of PWC in the total amount of \$529,997.00, and forward to City Council for approval.

Gas Turbine 6 IR Load Gearbox Parts and Repair is budgeted in account string  
001.0915.0802..153000

Bid Date: December 18, 2025

Conforming Bidder

Total Price

Philadelphia Gear Corporation, Huetown, AL

\$529,997.00

**COMMENTS:** The bid notice was advertised through our normal channels on December 5, 2025, with a bid opening date of December 18, 2025. Bids were solicited from three (3) vendors, and one (1) was received. **SDBE / SLS Participation:** Philadelphia\_Gear Corporation, Huetown, AL, is not a small local or SDBE business. Philadelphia Gear Corporation anticipates self-performing the entirety of this project.

- C. Approve Electric System Substation Department sole source purchase of specific equipment in accordance with NC law. North Carolina law allows an exception from the competitive bidding requirements for “Purchases of apparatus, supplies, materials, or equipment when: (i) performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration.” NCGS §143-129(e)(6).

The sole source request is specifically to purchase spare parts for our existing on-load tap changers (OLTC) from Reinhausen Manufacturing, Inc, the sole provider in NC. A quote for \$178,691.04 was provided on December 16, 2025.

END OF CONSENT

III. ANNUAL AUDIT REPORT FOR FISCAL YEAR 2025 PREPARED BY PBMARES, LLC

Presented by: Rhonda Graham, Deputy Chief Financial Officer  
Robert Bittner, III, CPA, MBA – PBMares, LLC

Ms. Graham recognized and thanked members of the Accounting and Financial Planning teams for their hard work and dedication. She asked those present to stand and state their name and position.

- Scott Reynolds, Financial Rates Manager
- Quincei Lovejoy, Planning and Analysis Manager
- Jason Briggs, Controller
- Marsha Krings, Accounting Manager
- Alaina Herring, Accounts Payable/Accounts Receivable Supervisor
- Birgit Sexton, Financial Reporting Manager
- Jason Alban, Director of Financial Planning

Ms. Graham stated this team and their staff are responsible for performing many duties that include financial modeling, rates and financial analysis, budgeting, managing capital project funds, accounts payable, accounts receivable, payroll, and financial reporting.

She stated they are also an award-winning team, receiving the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the last 18 years, as well as receiving the GFOA’s Distinguished Budget Presentation Award for the last 30 years.

She stated this year has been an exceptionally complex year with ERP implementation testing, the year-end audit and finally the ERP Go Live. And this group as well as their staff has done an excellent job, meeting those challenges head on and all the while keeping a very positive attitude.

Ms. Graham introduced Mr. Robbie (Robert) Bittner, Partner at PBMares, LLC. She stated he has an extensive background in energy as well as utility audit spaces in the state and local government audits.

Mr. Bittner thanked Rhonda Graham and her team for helping to get the audit completed. He stated the audit report is normally done in October. As Ms. Graham mentioned two years ago, the Commission decided to separate their single audit reporting from the city. Therefore, there is their own single audit opinion for the federal and state included in your compliance section of your Annual Comprehensive Financial Report.

Well, with that, one of the things that we must do is opine in accordance with the uniform guidance and the OMB's compliance supplement. That compliance supplement was being delayed this year and when the government shut down, it got delayed even further. He stated they were not even able to opine until such time the supplement was released, and that supplement was released on Tuesday afternoon before Thanksgiving.

So, of course, they normally would have this completed sometime in the first or second week of October. They were unable to issue, along with the local government commission, not allowing them to issue the financial statements separate from the single audit this year with the extension of the LGC deadline. They had no choice but to sit in hold. Mr. Bittner stated the good news is that with that extension of the LGC deadline to December 31<sup>st</sup> this past year, everything was on time as it was originally scheduled to be and in accordance with the LGC's requirements.

The audit report highlights a strong financial position for PWC, with a total net position of approximately \$1.2 billion, reflecting a \$94 million increase from the previous year. This increase is largely due to capital asset investments and a \$9 million settlement related to PFAS litigation in the water/sewer fund. The commission received partial payment of \$1.8 million with future payments expected over time.

Mr. Bittner issued a clean (unmodified) opinion on the financial statements, indicating they are fairly presented in accordance with generally accepted accounting principles. No material noncompliance, significant deficiencies, or material weaknesses in internal controls were identified. The compliance with federal and state grants was also found to be satisfactory with no issues reported.

Three minor control deficiencies were noted in the management letter, including a service agreement accrual, retirement premiums classification, and a small inventory count discrepancy. These were not material and have been or are being addressed.

Mr. Bittner stated the commission implemented GASB Statement No. 101 regarding compensated absences, which required recognizing a liability for sick leave likely to be paid out in cash. This resulted in an increase of about one million dollars in liabilities per fund but did not materially affect the financial statements. Future GASB statements (103-105) will introduce clarifications and changes, but none are expected to materially impact the financial statements.

Mr. Bittner also referenced the management's representation letter. This is where management is representing to PBMares that all questions asked were answered honestly, and all the information requested is complete and accurate and PBMares can rely on their statements and the documentation provided.

Mr. Bittner stated the LGC has now implemented what they call Logos. Whereas in the past, the auditors had an Excel spreadsheet called the Data Input Workbook that they were required to complete and upload to the LGC, now the LGC has a portal called Logos where they input the same information. After the information is input, you will see it as Appendix C. This is what the LGC calls their Performance Indicators of Concern. There are no Performance Indicators that require any sort of response.

During the report, Mr. Bittner responded to questions and comments from Commissioners. Upon conclusion, the Commission thanked Mr. Bittner for his audit report.

#### IV. APPROVAL OF AUDIT REPORT FOR FISCAL YEAR 2025

Chairman King entertained a motion to approve the 2025 Audit Report provided by PBMares, LLC.

Upon motion by Commissioner Ronna Rowe Garrett and seconded by Commissioner Donald Porter, the 2025 Audit Report provided PBMares, LLC and presented by Mr. Robert Bittner was unanimously approved.

#### V. GENERAL MANAGER REPORT

##### Safety

Mr. Bryant noted a slight decrease in the total recordable injury rate (TRIR) to 0.65 with about 1.3 million man-hours worked. The team is addressing minor complacency issues by reinforcing safety protocols and situational awareness.

##### People

Mr. Bryant thanked the project team and the finance team that helped implement PWC's new Oracle payroll and timekeeping system. Countless hours of testing began during the Christmas holiday season by staff along with Oracle and Huron and was implemented with last week's payroll.

##### Community and Customer Engagement

PWC urges customers to maintain consistent thermostat settings during the winter to avoid high energy consumption and system strain. The Commission also emphasizes caution around water main repairs and directs customers to the PWC website for energy and water-saving tips.

Mr. Bryant stated public opposition to a proposed six million gallon per day interbasin transfer (IBT) of water is strong, with over 270 attendees and seventy-three speakers at public hearings. PWC continues to support community efforts to oppose the IBT and encourages written public comments to the North Carolina Environmental Management Commission (NCEMC)

#### VI. COMMISSIONER/LIAISON COMMENTS

Cumberland County Chairman/Liaison Kirk DeViere

Chairman Kirk DeViere expressed gratitude for PWC’s leadership in the IBT opposition. He stated the County Commission will conduct Strategic Planning sessions soon. He also commented on the movement being done in Grays Creek.

Mayor Pro Tem/Liaison Derrick Thompson

Mayor Pro Tem Thompson expressed excitement about serving another term and emphasized collaboration to overcome infrastructure and asset challenges. He noted that Jodi Phelps will attend the Commission meetings since Mr. Adams has moved on.

Commissioner Christopher Davis

No Comments

Commissioner Donald Porter

Commissioner Donald Porter echoed the enthusiasm for 2026. He applauded local cooperation, leadership, and the quality of the audit report.

Commissioner Ronna Rowe Garrett

Commissioner Garrett reminded attendees of Martin Luther King Jr.'s legacy of nonviolent activism in honor of the upcoming holiday. She also thanked staff for the audit report.

Commissioner Richard King

Commissioner King, reiterated his energy and commitment to progress in 2026, emphasizing the importance of strong fiduciary responsibility, transparency, and community service to ensure reliable water and electric services at reasonable rates for ratepayers.

## VII. REPORTS AND INFORMATION

The Commission acknowledges the receipt of the following reports and information.

- A. Recap of Uncollectible Accounts
  - November 2025
  - December 2025
- B. Investment Report – November 2025
- C. Purchase Order Report
  - October 2025
  - November 2025
  - December 2025
- D. Personnel Report – December 2025
- E. Career Opportunities

VIII. ADJOURNMENT

There being no further discussion, upon motion by Commissioner Ronna Rowe Garrett, seconded by Commissioner Donald Porter, and unanimously approved, the meeting adjourned at 9:10 a.m.