

COMMISSIONERS OF PUBLIC WORKS
Minutes of August 28, 2008

The regular meeting of the Board of Commissioners of Public Works was held on Thursday, August 28, 2008 at 10:00 a.m., in the Boardroom at 121 West Court Avenue.

In attendance:

Gene P. Hancock	Steve D. Reeves, Jr.	Vickie Gorham	Bill Patrick
Michael G. Monaghan	Richard Gentry	Jeff Meredith	Amy Ashley
Henry O. Watts	Jeff Auman	Jeff Chapman	Stacia May
	Carlos Cometto	Curtis Burnett	Mark Warner
	Denise Ogletree	Melinda Bishop	
	Jerry Smith	Vicki Knott	

- I. Chairman Monaghan called the meeting to order.
- II. Chairman Monaghan gave the statement of compliance with the notification provision of the Freedom of Information Act.
- III. A motion was made by Commissioner Watts and seconded by Commissioner Hancock to approve the minutes as received for the July 10, 2008 regular meeting; the July 21, 2008 special called meeting; and the July 31, 2008 regular meeting; the motion was unanimously approved.
- IV. Financial Statement:

Commissioner Watts inquired about Equal Payment Plan monthly amounts and how those amounts are determined. Ms. Gorham explained that the system is programmed to take the previous twelve months of utility billings and divide those by eleven; then a small percentage was added for anticipated increases. Commissioner Watts noted surprise over a \$31 increase to his bill since there was a \$6 credit at the end of the year, and questioned whether that anticipated increase would equal out to \$31. Commissioner Watts referred to electric commercial revenue noting the amount was down about \$337,000. Ms. Ogletree responded that some are classified as commercial that were supposed to be large power. She explained that the rate structure was changed the previous year at which time some customers changed classes; some may be in the wrong class so their charges are showing up in the trial balance under that classification. Manager Reeves clarified that they were budgeted as commercial but the billing, collecting, and posting are to large power. Commissioner Watts inquired about utility pole rental; Ms. Ogletree explained that a payment was posted into the account that was not adjusted out before the budget was done causing the

budget to appear higher than it should be. Commissioner Watts inquired about the status of propane tanks. Manager Reeves responded that proposals had gone out and Mr. Barnett was meeting with a potential bidder for a site visit that morning. He added that the bid opening had to be delayed for a couple of weeks after discovering that an addendum needed to go out. Ms. Ogletree pointed out a large deficit in the electric department due to the cost of electricity. Mr. Meredith explained that the provider had a nuclear plant that went down for eighteen-month service that was two weeks late getting back online. He further explained the extra fuel charge coming from their going out on the market to buy power and to run natural gas units they would normally not have run during the two week time period when everyone hit their peak. Ms. Ogletree added that it would be collected through the PPAC over the next two to three months. Chairman Monaghan referred to page 16 noting that was within \$17,000 with collecting for the fiscal year. He stated that page 15 showed "Combined through July 2006 to Present" of \$569,000 and asked if those funds had been allocated. Ms. Ogletree responded that the 2007 over-collection was carried forward to use throughout last year; it ended up in June 2008 with \$17,974 deficit for that period of time so only a small portion was used. Manager Reeves clarified that it is a carryover; the Board could make the decision to distribute that back to customers. He reminded the Commissioners of a previous discussion when they asked for a running total to be kept, and noted that they usually hit a big deficit around the December timeframe so the money would be there.

V. Old Business:

A. Manager Reeves presented a recommendation to approve a Collection Agency Procedure noting that several discussions had taken place already. He pointed out that amendments were made based on the Board's input, and that those amendments had been reviewed by Mr. Patrick and staff. Chairman Monaghan noted a comment made at the last Metro meeting about CPW stopping the billing of their customers. He added that it should be clear by now that the Commissioners want to continue billing people if they are late. He requested that someone talk with Gayle Grogan to find out exactly what they are talking about. Ms. Ashley explained that a customer who is cut off for non-pay with electric and gas but is a regular customer paying "sewer only", they continue to bill and it still comes up on "cut for non-pay" to keep the account active even though the electric, water, and gas would be in-active. Ms. Ashley stated that something is still sent monthly showing that the customer has not paid the sewer portion, as well as if they still owe money to CPW. Chairman Monaghan stated concern with a person who is late continuing to get billed. Ms. Ashley reassured him that they would still get a bill every month showing sewer charges only.

A motion to approve the procedures was made by Commissioner Hancock, seconded by Commissioner Watts, and unanimously approved.

VI. Other Business:

1. Mr. Gentry reminded the Commissioners of the Safety BBQ on September 25, and a grant check presentation to be made that day at the old Brewer School at 1:00 p.m. Mr. Gentry stated he had requested information from GLEAMS some time ago and had just received that from them earlier in the week. Mr. Mark Warner reported on a meeting with Galloway held the previous week. Chairman Monaghan expressed urgency with knowing if everyone is in agreement.
2. Manager Reeves reported on progress with a new wholesale electric contract with Duke Power noting the need for a filing before the North Carolina Utilities Commission. He stated that the services of Mr. Glen Ortman had been retained as the FERC expert attorney; however, Mr. Ortman had informed him that the assistance of a North Carolina attorney is needed since he is not licensed there. Mr. Ortman has recommended Mr. Marcus Tratham from Brooks, Pearce, McClendon, Humphrey and Leonard. With no objection from the Commissioners, Manager Reeves stated that he would proceed along those lines.

A motion was made by Commissioner Watts and seconded by Commissioner Hancock to go into *Executive Session* to discuss a personnel matter; the motion was unanimously approved.

VII. With no further business, the meeting was adjourned.

Approved: _____, 2008

Secretary