

GREENVILLE UTILITIES COMMISSION  
GREENVILLE, NORTH CAROLINA

Thursday, March 21, 2024

The Board of Commissioners of the Greenville Utilities Commission met in the Greenville Utilities Board Room in regular session at 12:00 noon with the following members, and others present, and Chair Geiger presiding.

Commission Board Members Present:

Peter Geiger	Mark Garner
Lindsey Griffin	Dr. Wanda D. Carr
Ferrell L. Blount III	Dillon Godley
Tommy Stoughton	Michael Cowin

Commission Staff Present:

Tony Cannon, General Manager/CEO	Lou Norris	Kim Coggins
Chris Padgett	Kevin Keyzer	Maria Johnson
Jeff McCauley	Jonathan Britt	Meredith Smith
Phil Dixon	Tony Godwin	Michell Yeager
Anthony Miller	Kathy Howard	Molly Ortiz
Richie Shreves	Amanda Wall	Will James
Scott Mullis	Paige Wallace	
Amy Wade	Caitlyn McLawhorn	
Ken Wade	Cleve Haddock	
Colleen Sicley	Cynthia Langley	
Durk Tyson	Heather Manning	
Scott Farmer	Jessica Hardy	
Steve Hawley	Kelly Powell	

Others Attending:

Ginger Livingston, Daily Reflector; Gay Wasik, Laura Cuthbertson, Sully Cuthbertson, and Midge Kowalczyk, First Presbyterian Church; Beth Ann Atkins and Sabastian Kressley, Chamber Leadership Institute.

Chair Geiger called the meeting to order. Secretary Blount ascertained that a quorum was present.

ACCEPTANCE OF THE AGENDA

A motion was made by Mr. Garner, seconded by Mr. Stoughton, to accept the agenda as presented. The motion carried unanimously as presented.

SAFETY BRIEF

Mr. Kevin Keyzer, Operations Support Manager, provided a safety brief and explained the plan of action should there be an emergency at today's meeting. Mr. Keyzer provided a safety moment reminding everyone that March is National Eye Wellness Month.

Chair Geiger welcomed Chamber Leadership Institute participants, Beth Ann Atkins and Sabastian Kressley, to the meeting.

RECOGNITION OF FIRST PRESBYTERIAN WOMEN – NEIGHBOR TO NEIGHBOR FUNDRAISER

Mr. Scott Mullis, Director of Customer Relations, stated that the Neighbor-to-Neighbor program has helped a number of Pitt County residents. He reminded the Board that this program meets local needs by providing funds to assist low-income families in Pitt County with their heating

bills. The program is administered through the Department of Social Services and offers up to \$200 for heating assistance per year to approved families.

The First Presbyterian Women were recognized for their fundraising efforts supporting GUC's Neighbor to Neighbor program. This year the First Presbyterian Women held a fundraising luncheon and raised \$8,000. Since the beginning of the GUC Neighbor to Neighbor program in 2001, their fundraising efforts, along with GUC's matching funds, total more than \$382,984 for the program. Mr. Mullis welcomed Gay Wasik, Midge Kowalczyk, Laura Cuthbertson, and Sully Cuthbertson and thanked them and the First Presbyterian Women for their service and continued support.

#### RECOGNITION OF FINANCE DEPARTMENT AWARDS

Mr. Jeff McCauley, Chief Financial Officer, announced that GUC was the recipient of the following Financial Department Awards for outstanding performance:

##### Distinguished Budget Presentation Award

GUC received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. This marks the 8th consecutive year GUC has earned the Distinguished Budget Award. The purpose of the program is to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal.

##### Certificate of Excellence in Financial Reporting

GUC received the GFOA Certificate of Excellence in Financial Reporting for the 14th consecutive year. The purpose of the program is to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

##### Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR)

GUC received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for Fiscal Year 2022 for the 8th consecutive year. The purpose of the program is to encourage and assist state and local governments to extract information from their annual comprehensive financial report to produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance and then to recognize individual governments that are successful in achieving that goal.

##### Sustained Professional Purchasing Award

GUC received the North Carolina Association of Governmental Purchasing (NCAGP) Sustained Professional Purchasing Award for demonstrating sustained excellence in purchasing standards for the 13<sup>th</sup> consecutive year.

Mr. McCauley recognized staff on the hours of hard work and thanked the Board for their leadership.

#### CONSENT AGENDA

Mr. Tony Cannon, General Manager/CEO, presented the following items for approval on the consent agenda:

- (Agenda Item 1) Approval of Minutes - Regular Meeting: February 15, 2024
- (Agenda Item 2) Consideration of Adoption of Records Retention and Disposition Schedules (General Records and Program Records)

(Agenda Item 3) Consideration of Resolution Regarding Procurement of Architectural, Engineering, and Surveying Services, pursuant to NC General Statute 143-64.32

(Agenda Item 4) Consideration of Resolutions adopting Policies related to funding of The American Rescue Plan Grant

(Agenda Item 5) Consideration of Approval of Resolution for Accepting NC Department of Environmental Quality American Rescue Plan Grant of \$5,000,000 for Water Distribution System Improvements

A motion was made by Mr. Stoughton, seconded by Mr. Godley, to approve the consent agenda as presented. The motion carried unanimously.

(Resolution for Agenda Item 3)

NORTH CAROLINA  
PITT COUNTY

**RESOLUTION OF GREENVILLE UTILITIES COMMISSION  
OF THE CITY OF GREENVILLE, NORTH CAROLINA,  
REGARDING PROCUREMENT OF ARCHITECTURAL,  
ENGINEERING, AND SURVEYING SERVICES, PURSUANT TO  
§143-64.32 OF THE GENERAL STATUTES OF NORTH CAROLINA**

WHEREAS, §143, Article 3D, of the General Statutes of North Carolina provides guidelines for the Procurement of Architectural, Engineering, and Surveying Services by units of local government; and

WHEREAS, §143-64.32 of the General Statutes of North Carolina recites, in pertinent part, that units of local government may in writing exempt from the provisions of Article 3D particular proposed projects “where an estimated professional fee is in an amount less than Fifty Thousand Dollars (\$50,000.00)”; and

WHEREAS, Greenville Utilities Commission of the City of Greenville, North Carolina, concludes it is in its best interests and desires to exempt particular projects from the provisions of Article 3D of Chapter 143 of the General Statutes of North Carolina, in writing, as required by law, and to delegate to the General Manager/CEO or his/her designee the authority to negotiate and execute contracts for architectural, engineering, or surveying services where an estimated professional fee is in an amount less than Fifty Thousand Dollars (\$50,000.00) for a particular project, or such amount as may be allowed in the future to be exempted by the North Carolina General Assembly, and where the funds to pay such contracted services are properly appropriated.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Greenville Utilities Commission of the City of Greenville, North Carolina, does hereby exempt Greenville Utilities Commission projects from the procurement procedures set forth in §143, Article 3D of the General Statutes of North Carolina for architectural, engineering, or surveying services where the

estimated professional fee only in any particular project is in an amount less than Fifty Thousand Dollars (\$50,000.00) for a particular project, or such amount as may be allowed in the future to be exempted by the North Carolina General Assembly, and where the funds to pay such contracted services are properly appropriated.

BE IT FURTHER RESOLVED that the General Manager/CEO or his/her designee is hereby authorized to negotiate and execute any contract for architectural, engineering, or surveying services where the estimated professional fee is in an amount less than Fifty Thousand Dollars (\$50,000.00) for a particular project, or such amount as may be allowed in the future to be exempted by the North Carolina General Assembly, and where the funds to pay such contracted services are properly appropriated.

This the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

GREENVILLE UTILITIES COMMISSION

By \_\_\_\_\_  
/s/ PETER GEIGER, CHAIR

ATTEST:

\_\_\_\_\_  
/s/ FERRELL L. BLOUNT III, SECRETARY

(SEAL)

(Resolutions for Agenda Item 4)

A meeting of the Board of Commissioners of the Greenville Utilities Commission was held at 12:00 p.m. March 21, 2024.

Present: \_\_\_\_\_

\_\_\_\_\_

Absent: Commissioners

\_\_\_\_\_

Also Present: \_\_\_\_\_

\_\_\_\_\_

\* \* \* \* \*

\_\_\_\_\_ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

**RESOLUTION FOR ALLOWABLE COSTS AND COST PRINCIPLES FOR EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND**

## LOCAL FISCAL RECOVERY FUNDS BY NORTH CAROLINA LOCAL GOVERNMENTS

**WHEREAS**, in accordance with Chapter 861 of the 1992 Session Laws of North Carolina, the Greenville Utilities Commission, of the City of Greenville, North Carolina, a body politic duly chartered by the State of North Carolina, in Pitt County, North Carolina, (the “Commission”) has been created for the proper management of the public utilities of the City of Greenville, North Carolina (the “City”), which shall include an electric system, a natural gas system, a sanitary sewer system, and a water system (collectively, the “Combined Enterprise System”) within and without the corporate limits of the City, with responsibility for the entire supervision and control of the management, operation, maintenance, improvement and extension of the public utilities; and

**WHEREAS** the Commission, has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

**WHEREAS** the funds may be used for projects within these categories, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors;
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and
6. Invest in certain disaster recovery/mitigation and, Title I projects, and surface transportation projects; and

**WHEREAS** the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the [Assistance Listing](#); and

**WHEREAS** the [Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds](#) provides, in relevant part:

**Allowable Costs/Cost Principles.** As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

[ARP/CSLFRF] Funds may be, but are not required to be, used along with other funding sources for a given project.

Treasury’s Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

- a. Administrative costs: Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the [ARP/CSLFRF] Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the [ARP/CSLFRF] program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the [ARP/CSLFRF] award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).
- b. Salaries and Expenses: In general, certain employees' wages, salaries, and covered benefits are an eligible use of [ARP/CSLFRF] award funds; and

**WHEREAS** Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARP/CSLFRF funds; and

**WHEREAS** Subpart E of the UG (specifically, 200.400) states that:

The application of these cost principles is based on the fundamental premises that:

- (a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- (b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- (c) The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.
- (d) The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-Federal entity. However, the accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the Federal award.
- (e) In reviewing, negotiating and approving cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the non-Federal entity is applying these cost accounting principles on a consistent basis during their review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered.
- (f) For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees (including pre- and post-doctoral staff) contributing to the completion of Federal awards for research must be recognized in the application of these principles.

- (g) The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless explicitly authorized by the terms and conditions of the Federal award.

**NOW, THEREFORE, THE GREENVILLE UTILITIES COMMISSION DOES HEREBY DETERMINE AND RESOLVE**, to adopt and enact the following UG Cost Principles Policy for the expenditure of ARP/CSLFRF funds.

This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled "RESOLUTION FOR ALLOWABLE COSTS AND COST PRINCIPLES FOR EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS BY NORTH CAROLINA LOCAL GOVERNMENTS" was adopted by the following vote:

Ayes: \_\_\_\_\_

Noes: \_\_\_\_\_

\* \* \* \* \*

I, Ferrell L. Blount, III, Secretary of the Greenville Utilities Commission, DO HEREBY CERTIFY that the foregoing is a true copy of such much of the proceedings of said Commission, at a regular meeting held on March 21, 2024, as it relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Commission.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Commission this 21<sup>st</sup> day of March 2024.

\_\_\_\_\_  
/s/ Ferrell L. Blount III, Secretary

[SEAL]

APPROVED AS TO FORM:

\_\_\_\_\_  
/s/ Phillip R. Dixon  
General Counsel

A meeting of the Board of Commissioners of the Greenville Utilities Commission was held at 12:00 p.m. March 21, 2024.

Present: \_\_\_\_\_

Absent: Commissioners

Also Present: \_\_\_\_\_

\* \* \* \* \*

\_\_\_\_\_ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

### **RESOLUTION FOR ELIGIBLE USE POLICY RESOLUTION**

**WHEREAS**, in accordance with Chapter 861 of the 1992 Session Laws of North Carolina, the Greenville Utilities Commission, of the City of Greenville, North Carolina, a body politic duly chartered by the State of North Carolina, in Pitt County, North Carolina, (the “Commission”) has been created for the proper management of the public utilities of the City of Greenville, North Carolina (the “City”), which shall include an electric system, a natural gas system, a sanitary sewer system, and a water system (collectively, the “Combined Enterprise System”) within and without the corporate limits of the City, with responsibility for the entire supervision and control of the management, operation, maintenance, improvement and extension of the public utilities; and

**WHEREAS** the Commission, has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

**WHEREAS** US Treasury is responsible for implementing ARP/CSLFRF and has enacted a Final Rule outlining eligible projects; and

**WHEREAS** the funds may be used for projects within these categories, to the extent authorized by state law; and

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors;
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and
6. Invest in certain disaster recovery/mitigation projects, Title I projects, and Surface Transportation projects; and

**WHEREAS** the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Part 200 (UG), as provided in the [Assistance Listing](#); and

**WHEREAS** US Treasury has issued a [Compliance and Reporting Guidance v.3.0 \(February 28, 2022\)](#) dictating implementation of the ARP/CSLFRF award terms and compliance requirements; and

**WHEREAS** the Compliance and Reporting Guidance states on page 6 that  
Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document determinations.

**NOW, THEREFORE, THE GREENVILLE UTILITIES COMMISSION DOES HEREBY DETERMINE AND RESOLVE**, to adopt and enact the following Eligibility Determination Policy for ARP/CSLFRF funds.

This resolution shall take effect immediately upon its adoption.



Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_ the foregoing resolution entitled "**RESOLUTION FOR ELIGIBLE USE POLICY RESOLUTION**" was adopted by the following vote:

Ayes: \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

\_\_\_\_\_

\* \* \* \* \*

I, Ferrell L. Blount, III, Secretary of the Greenville Utilities Commission, DO HEREBY CERTIFY that the foregoing is a true copy of such much of the proceedings of said Commission, at a regular meeting held on March 21, 2024, as it relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Commission.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Commission this 21<sup>st</sup> day of March 2024.

\_\_\_\_\_  
/s/ Ferrell L. Blount III, Secretary

[SEAL]

APPROVED AS TO FORM:

\_\_\_\_\_  
/s/ Phillip R. Dixon  
General Counsel

A meeting of the Board of Commissioners of the Greenville Utilities Commission was held at 12:00 p.m. March 21, 2024.

Present: \_\_\_\_\_

\_\_\_\_\_

Absent: Commissioners

\_\_\_\_\_

Also Present: \_\_\_\_\_

\_\_\_\_\_

\* \* \* \* \*

\_\_\_\_\_ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

**Nondiscrimination Policy Resolution**

**WHEREAS**, in accordance with Chapter 861 of the 1992 Session Laws of North Carolina, the Greenville Utilities Commission, of the City of Greenville, North Carolina, a body politic duly chartered by the State of North Carolina, in Pitt County, North Carolina, (the "Commission") has been created for the proper management of the public utilities of the City of Greenville, North Carolina (the "City"), which shall include an electric system, a natural gas system, a sanitary sewer system, and a water system (collectively, the "Combined Enterprise System") within and without the corporate limits of the City, with responsibility for the entire supervision and control

of the management, operation, maintenance, improvement and extension of the public utilities; and

**WHEREAS**, the Commission has received an allocation of funds from the “Coronavirus State Fiscal Recovery Fund” or “Coronavirus Local Fiscal Recovery Fund” (together “CSLFRF funds”), established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “ARP/CSLFRF award”); and

**WHEREAS**, CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22; and

**WHEREAS**, pursuant to the ARP/CSLFRF Award Terms and Conditions, and as a condition of receiving CSLFRF funds, the Commission agrees to follow all federal statutes and regulations prohibiting discrimination in its administration of CSLFRF under the terms and conditions of the ARP/CSLFRF award, including, without limitation, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury’s implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin within programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving Federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury’s implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs and, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**NOW, THEREFORE, THE GREENVILLE UTILITIES COMMISSION DOES HEREBY DETERMINE AND RESOLVE**, to adopt and enact the following nondiscrimination policy, which shall apply to the operations of any program, activity, or facility that is supported in whole, or in part, by expenditures CSLFRF pursuant to the ARP/CSLFRF award.

This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled “**Nondiscrimination Policy Resolution**” was adopted by the following vote:

Ayes: \_\_\_\_\_

Noes: \_\_\_\_\_

\* \* \* \* \*

I, Ferrell L. Blount, III, Secretary of the Greenville Utilities Commission, DO HEREBY CERTIFY that the foregoing is a true copy of such much of the proceedings of said Commission,

at a regular meeting held on March 21, 2024, as it relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Commission.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Commission this 21<sup>st</sup> day of March 2024.

\_\_\_\_\_  
/s/ Ferrell L. Blount III, Secretary

[SEAL]

APPROVED AS TO FORM:

\_\_\_\_\_  
/s/ Phillip R. Dixon  
General Counsel

A meeting of the Board of Commissioners of the Greenville Utilities Commission was held at 12:00 p.m. March 21, 2024.

Present: \_\_\_\_\_

\_\_\_\_\_  
Absent: Commissioners

\_\_\_\_\_  
Also Present: \_\_\_\_\_

\* \* \* \* \*

\_\_\_\_\_ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

**RESOLUTION FOR PROGRAM INCOME RELATED TO THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS BY NORTH CAROLINA LOCAL GOVERNMENTS**

**WHEREAS**, in accordance with Chapter 861 of the 1992 Session Laws of North Carolina, the Greenville Utilities Commission, of the City of Greenville, North Carolina, a body politic duly chartered by the State of North Carolina, in Pitt County, North Carolina, (the "Commission") has been created for the proper management of the public utilities of the City of Greenville, North Carolina (the "City"), which shall include an electric system, a natural gas system, a sanitary sewer system, and a water system (collectively, the "Combined Enterprise System") within and without the corporate limits of the City, with responsibility for the entire supervision and control of the management, operation, maintenance, improvement and extension of the public utilities; and

**WHEREAS**, The Commission has received an allocation of funds from the Coronavirus "State Fiscal Recovery Fund" or "Coronavirus Local Fiscal Recovery Fund" (together "CSLFRF") established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 ("ARPA").

**WHEREAS**, The Commission shall comply with the terms of ARPA, and the U.S. Department of

Treasury’s (“Treasury”) federal regulations governing the spending of CSLFRF funds, including the Final Rule, and Treasury’s regulations governing expenditures of CSLFRF funds, including the Award Terms and Conditions, Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds (together the “Federal regulations”), and any additional guidance Treasury has issued or may issue governing the spending of CSLFRF funds.

**WHEREAS**, The Commission shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part § 200 (the “Uniform Guidance”); and

**WHEREAS**, The Commission shall account for program income per the requirements set forth in the Uniform Guidance, including, but not limited to, 2 C.F.R. § 200.307, and as stipulated in Compliance and Reporting Guidance for the State and Local Recovery Funds, which provides: “Recipients of CSLFRF funds should calculate, document, and record the organization’s program income. Additional controls that your organization should implement include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records.”<sup>1</sup> Now, therefore, be it

**NOW, THEREFORE, THE GREENVILLE UTILITIES COMMISSION DOES HEREBY DETERMINE AND RESOLVE**, to adopt and enact the following policies and procedures for the use of program income earned from the expenditure of CSLFRF funds pursuant to the ARP/CSLFRF award.

This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled “RESOLUTION FOR PROGRAM INCOME RELATED TO THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS BY NORTH CAROLINA LOCAL GOVERNMENTS” was adopted by the following vote:

Ayes: \_\_\_\_\_

Noes: \_\_\_\_\_

\* \* \* \* \*

I, Ferrell L. Blount, III, Secretary of the Greenville Utilities Commission, DO HEREBY CERTIFY that the foregoing is a true copy of such much of the proceedings of said Commission, at a regular meeting held on March 21, 2024, as it relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Commission.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Commission this 21<sup>st</sup> day of March 2024.

\_\_\_\_\_  
/s/ Ferrell L. Blount, III, Secretary

[SEAL]

APPROVED AS TO FORM:

\_\_\_\_\_  
/s/ Phillip R. Dixon  
General Counsel

(Resolution for Agena Item 5)

A meeting of the Board of Commissioners of the Greenville Utilities Commission was held at 12:00 p.m. March 21, 2024.

Present: \_\_\_\_\_

Absent: Commissioners

Also Present: \_\_\_\_\_

\* \* \* \* \*

\_\_\_\_\_ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

**RESOLUTION ACCEPTING A NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY AMERICAN RESCUE PLAN GRANT OF \$5,000,000 FOR WATER DISTRIBUTION SYSTEM IMPROVEMENTS AND ASSURING ADHERENCE TO THE TERMS OF THE GRANT**

WHEREAS, in accordance with Chapter 861 of the 1991 Session Laws of North Carolina, the Greenville Utilities Commission, of the City of Greenville, North Carolina, a body politic duly chartered by the State of North Carolina, in Pitt County, North Carolina, (the "Commission") has been created for the proper management of the public utilities of the City of Greenville, North Carolina (the "City"), which shall include an electric system, a natural gas system, a sanitary sewer system, and a water system (collectively, the "Combined Enterprise System") within and without the corporate limits of the City, with responsibility for the entire supervision and control of the management, operation, maintenance, improvement and extension of the public utilities; and

WHEREAS, the American Rescue Plan (ARP) funded from the State Fiscal Recovery Fund was established in S.L. 2021-180 and S.L. 2022-74 to assist eligible units of government with meeting their water/wastewater infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality (the "Department") has offered American Rescue Plan (ARP) funding in the amount of \$5,000,000 to perform work detailed in the submitted application referred to as application number SRP-D-ARP-0225- GUC Watermain Rehabilitation Phase III (the "Project"), and

WHEREAS, the Commission intends to perform Project in accordance with agreed scope of work.

NOW, THE GREENVILLE UTILITIES COMMISSION DOES HEREBY DETERMINE AND RESOLVE, as follows:

Section 1. The Commission does hereby accept the American Rescue Plan Grant offer of \$5,000,000.

Section 2. The Commission does hereby give assurance to the Department that all items specified in the award, will be adhered to by the Commission.

Section 3. That the Commission's General Manager/CEO or designee's are hereby authorized and directed to furnish such information as the Department or appropriate State Agency may request in connection with grant offer or the Project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the grant offer or Project.

Section 4. The Commission has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the Project and to Federal and State grants pertaining thereto.

This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled "RESOLUTION ACCEPTING A NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY AMERICAN RESCUE PLAN GRANT OF \$5,000,000 FOR WATER DISTRIBUTION SYSTEM IMPROVEMENTS AND ASSURING ADHERENCE TO THE TERMS OF THE GRANT" was adopted by the following vote:

Ayes: \_\_\_\_\_

Noes: \_\_\_\_\_

\* \* \* \* \*

I, Ferrell Blount, Secretary of the Greenville Utilities Commission, DO HEREBY CERTIFY that the foregoing is a true copy of such much of the proceedings of said Commission, at a regular meeting held on March 21, 2024, as it relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Commission.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Commission this 21<sup>st</sup> day of March 2024.

\_\_\_\_\_  
/s/ Ferrell Blount, Secretary

[SEAL  
APPROVED AS TO FORM:

\_\_\_\_\_  
/s/ Phillip R. Dixon  
General Counsel

REVIEW OF MONTHLY FINANCIAL STATEMENT – FEBRUARY 29, 2024 (Agenda Item 6)

**February 29, 2024, Financial Statement:**

Key financial metrics for the combined funds for the period ending February 29, 2024:

Operating Cash	\$84,326,978	Days of Cash on Hand	129
Less Current Liabilities	(\$25,471,688)		
Fund Balance	\$58,855,290	Days of Cash on Hand After Liabilities	90
Fund Balance Available for Appropriation	20.7%		
Average Investment Yield	3.45%		

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
<b>Electric</b>	\$1,593,867	\$1,361,277	(\$125,453)	(\$1,411,954)	(\$2,846,096)	(\$1,821,661)
<b>Water</b>	\$380,888	\$126,439	\$505,670	\$1,440,255	\$1,128,401	\$3,780,411
<b>Sewer</b>	\$589,347	\$14,357	(\$14,755)	\$1,793,496	\$279,837	\$1,440,683
<b>Gas</b>	\$1,874,650	\$2,474,689	\$1,234,570	\$4,109,687	(\$3,345,950)	\$1,287,089
<b>Combined</b>	<b>\$4,438,752</b>	<b>\$3,976,762</b>	<b>\$1,600,032</b>	<b>\$5,931,484</b>	<b>(\$4,783,808)</b>	<b>\$4,686,522</b>

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
<b>Electric</b>	(\$1,103)	\$2,011,277	\$24,547	\$893,076	\$2,353,904	\$31,662
<b>Water</b>	(\$54,102)	(\$6,894)	\$255,670	\$455,265	\$61,737	\$1,418,875
<b>Sewer</b>	\$154,357	(\$35,643)	(\$14,755)	\$1,008,506	(\$120,163)	\$7,690
<b>Gas</b>	\$939,660	\$2,674,689	\$1,234,570	\$3,174,697	(\$1,745,950)	\$1,394,686
<b>Combined</b>	<b>\$1,038,812</b>	<b>\$4,643,429</b>	<b>\$1,500,032</b>	<b>\$5,531,544</b>	<b>\$549,528</b>	<b>\$2,852,913</b>

Mr. McCauley provided a presentation on the Financial Statement for February 29, 2024.

The weather impact for the month of February indicated that the February Heating Degree Days were higher than last year. The February rainfall was approximately 2.6 inches which was lower than last year. The portfolio earned 3.45 % for the month of February.

Overall year-to-date results through the end of February remain stable. The Electric Rate Stabilization Reserves are approximately \$15.9 million, and the Gas Rate Stabilization Reserves are \$5.4 million. The Operating Reserves are 129 Days Cash on Hand, and Renewals and Replacements Reserves are approximately \$2.6 million. The Capital Project Funds Reserved for Existing and Future Capital Projects are approximately \$22.6 million.

After discussion, a motion was made by Mr. Godley, seconded by Mr. Blount to accept the February 29, 2024 Financial Statement. The motion carried unanimously.

RECOMMENDATION OF THE FINANCE/AUDIT COMMITTEE TO AWARD THE AUDITING SERVICES CONTRACT (Agenda Item 7)

Commissioner Lindsey Griffin, Committee Chair, announced that the Finance/Audit Committee met on March 6, 2024, and he along with committee members Blount, Godley, and Stoughton attended. Other Commissioners present at the meeting included Cowin, Garner, and Geiger. He added that in accordance with GUC's Charter, a single auditing firm is used to perform the City's and GUC's audit. The costs associated with the audit are based on hours expended for each organization. In 2015, a five-year engagement contract for auditing services was awarded to Cherry Bekaert, LLP, but subject to approval of a contract on an annual basis.

On January 23, 2024, an RFP for auditing services was issued requesting proposals for a five-year engagement. The City and Commission staff evaluated the responses and selected Cherry Bekaert, LLP for auditing services, subject to approval of a contract on an annual basis.

A motion was made by Mr. Godley, seconded by Mr. Griffin, to proceed with executing the fiscal year 2024 auditing services contract with Cherry Bekaert, LLP in the amount of \$59,415. The motion carried unanimously.

UPDATE OF THE STATUS OF THE BUDGET DEVELOPMENT (Agenda Item 8)

Mr. Cannon stated that on March 6, 2024, staff presented the end-of-year financial projections for FY 2023-24 and the proposed budget for FY 2024-25 to the Finance/Audit Committee. This is a follow up from that meeting with a few minor changes.

Mr. Cannon's presentation focused on end-of-year performance for FY 2023-24 and the key elements of the proposed FY 2024-25 budget. These areas include current status, recommended rate adjustments, capital investment, five-year capital plans, rate models, and the long-term financial forecast. Mr. Cannon reported on the cost drivers and goals of each of the four funds and the highlights of the FY 2024-25 proposed budget are listed below.

Key rate adjustment recommendations from the Finance/Audit Committee for the FY 2024-25 proposed budget are listed below:

- Electric: 3.8% rate increase, a 0.5% increase from last year's forecast of 3.3%
- Water: 0.0% retail rate increase, a 3.0% reduction from last year's forecast of 3.0%  
7.46% firm wholesale rate increase (Yr 2 of 3 phase-in)
- Sewer: 5.1% rate increase, a 1.4% increase from last year's forecast of 3.7%  
Bethel Sewer Monthly Surcharge: Increase from \$11.33 to \$13.83
- Gas: 0.0% rate increase, a 5.3% reduction from last year's forecast of 5.3%

#### Across-the-Board 5% Miscellaneous Fee Increases

- Electric: Outdoor lighting, temporary service, underground residential & commercial service installations
- Water: Tap, temporary service, and meter testing
- Sewer: Tap and system development fees (per Analysis phase-in plan)
- Gas: Cut-on gas service, delivery pressure change, tap, and additional service line footage
- Customer Service Fees: Cut-on/set-up/transfer service, meter read, restore accounts, and theft and trouble calls

#### Electric Vehicle Charger Rate

- Rate for Direct Current Fast Chargers with more than 150 kW output (Level 3)

#### Other key provisions in the FY 2024-25 proposed budget include:

- Electric Rate Design Modifications: Continue 5-year implementation plan for rate study recommendations (Year 4 of 5)
- Water Rate Design Modifications: Continue 5-year implementation plan for class differential updates (Year 5 of 5)
- Annual turnover or transfer of \$8.7M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly
- Continue support of Greenville-ENC Alliance as a Sustaining Member- \$650,000
- Transfer \$150K to City's Energy Efficiency Partnership
- Transfer \$5.5M from the electric rate stabilization fund
- Transfer \$900K to the gas rate stabilization fund
- Invest \$16.6M for capital outlay to maintain system reliability and comply with regulatory requirements
- Funding for a 4.0% employee merit/market adjustment
- Transition 401k contribution from fixed amount to percentage of salary
- Continuation of health and dental plans
- Transfer \$500K to Other Post-Employment Benefits (OPEB)
- Funding to hire replacements prior to the retirement of key personnel to facilitate succession planning, leverage the knowledge and experience of long-term employees for training on critical issues and ensure smooth transitions
- One new permanent position allocation for a Water Resources Plant Engineer



Capital Improvement Projects scheduled to be adopted with the FY 2024-25 budget are listed below:

Line #	Dept	Project Description	Project Amount
1	Finance	Admin HVAC Upgrades	\$ 1,700,000
<b>2</b>		<b>Subtotal Finance</b>	<b>\$ 1,700,000</b>
3	Electric	Radial Substation Conversion	\$ 1,100,000
4	Electric	10MW Peak Shaving Generator Plant	\$ 13,375,000
<b>5</b>		<b>Subtotal Electric</b>	<b>\$ 14,475,000</b>
6	Water	WTR: NCDOT 14th Street	\$ 45,000
7	Water	WTR: NCDOT Allen Road	\$ 10,000
8	Water	WTR: NCDOT Corey and Worthington	\$ 150,000
9	Water	WTR: NCDOT Firetower/Portertown	\$ 65,000
10	Water	WTP Lagoon and Impoundment Improvements	\$ 1,500,000
11	Water	WTR: NCDOT BUILD Grant – 5 <sup>th</sup> Street	\$ 2,650,000
<b>12</b>		<b>Subtotal Water</b>	<b>\$ 4,420,000</b>
13	Sewer	SWR: NCDOT Allen Road	\$ 10,000
14	Sewer	SWR: NCDOT Firetower/Portertown	\$ 125,000
15	Sewer	SWR: NCDOT 14th Street	\$ 25,000
16	Sewer	SWR: NCDOT Corey and Worthington	\$ 10,000
17	Sewer	SWR: NCDOT BUILD Grant – 5th Street	\$ 1,750,000
<b>18</b>		<b>Subtotal Sewer</b>	<b>\$ 1,920,000</b>
19	Gas	Integrity Management Replacement Project Phase II*	\$ 2,337,000
<b>20</b>		<b>Subtotal Gas</b>	<b>\$ 2,337,000</b>
<b>21</b>		<b>TOTAL</b>	<b>\$ 24,852,000</b>

\* Contingent on grant award

**Long-term Financial Forecast**

Mr. Cannon reviewed the long-term financial forecast that included the five-year plan through FY 2028-29.

He noted that looking ahead the Board will adopt the proposed FY 2024-25 at GUC’s regular Board meeting on April 18, 2024. On May 9, 2024, the FY 2024-25 balanced budget will be presented to the City Council. Adoption of the final budget will be at GUC’s regular Board meeting on June 13, 2024, and at the City Council meeting on June 13, 2024.

It was the consensus of the Board to move forward with appropriate actions related to the current end-of-year fiscal forecast and the proposed preliminary FY 2024-25 budget as presented.

GENERAL MANAGER’S/CEO REPORT (Agenda Item 9)

1. Informational Reading

Ranking of Proposals, Bids, Statistical Data Report, Sewer Spill Tracking Report, Load Management Report, and PGA Report were provided.

The following Ranking of Proposals and Bids awarded by the General Manager/CEO during the past month were reported for information:

**GREENVILLE UTILITIES COMMISSION**  
**RANKING OF PROPOSALS RECEIVED**

AUDITING SERVICES  
FEBRUARY 9, 2024 @ 3:00 PM

<b>VENDOR PROPOSAL RANKING</b>
Cherry Bekaert, LLP *
PBMares, LLP
Mauldin & Jenkins. LLC
FORVIS, LLP
Thompson, Price, Scott, Adams & Co., P.A.

\* Indicates recommended vendor to negotiate a contract.

**TABULATION OF BIDS RECEIVED**

VALVE BOX BOTTOMS, TOPS & EXTENSIONS  
FEBRUARY 20, 2024 @ 2:00 PM

<b>VENDORS</b>	<b>DELIVERY TIME (WEEKS)</b>	<b>TOTAL</b>
Ferguson Waterworks	4	\$33,018.25*
EJ USA, Inc.	1-10	34,956.50

\* Indicates recommended award based on the lowest responsible, responsive bid.

The Duke Energy Progress (DEP) monthly peak occurred on February 8, 2024, for the hour ending at 8:00 a.m. GUC’s load management system was in full operation during this period. As a result, the estimated avoided demand costs amount to \$1,531,614.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

Debbie Nash, Paralegal, received a call from Mr. Brian Maciaszek, Lead Pastor of Operations at Opendoor Church. Mr. Maciaszek informed Debbie he worked with Cliff Cahoon, Water Resources Construction Contracts Engineer, on obtaining a water easement for Opendoor Church. He stated that Cliff was great to work with and really appreciated his professionalism.

4. Other

- A copy of the Popular Annual Financial Reporting (PAFR) 2023 was provided.
- Mr. Cannon noted that the PGA decreased 8.8 percent.

BOARD CHAIR'S REMARKS/REPORT (Agenda Item 10)

Chair Geiger congratulated the Finance department their awards. He thanked those on the Board for their engagement on budget details at Finance/Audit Committee meeting.

Chair Geiger shared the approved minutes dated October 24, 2023, from the Finance/Audit Committee. He announced the GUC Regular Board meeting is scheduled for Thursday, April 18, 2024, and a Joint City and GUC meeting is scheduled for April 22, 2024.

BOARD MEMBERS' REMARKS

Commissioners thanked the First Presbyterian representatives for their support of GUC's Neighbor to Neighbor program and hosting a successful fundraiser.

Commissioner Garner thanked Durk Tyson and Gas staff for their efforts on gas service questions and providing surveys. He also attended a session in Jones County and was pleased to see GUC Water Treatment Plant staff presenting. They did a great job.

Closed Sessions:

Mr. Phillip Dixon, General Counsel, stated that the Board of Commissioners should consider entering Closed Session pursuant to the following statutes.

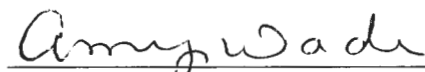
N.C.G.S. 143-318.11(a)(1) To prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes.

N.C.G.S. 143-318.11(a)(4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations.

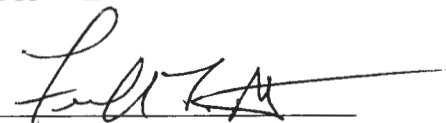
Upon motion by Mr. Blount, seconded by Mr. Godley, the Greenville Utilities Board of Commissioners unanimously agreed to enter Closed Session at 12:45 p.m. for such purposes.

There being no further business to come before the Board of Commissioners in Closed Session, upon motion by Mr. Blount, seconded by Dr. Carr, the Board of Commissioners unanimously agreed to return to Open Session at 1:01 p.m. Without objection, Chair Geiger announced the Board would adjourn the meeting at 1:01 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
Amy Wade, Executive Secretary

APPROVED:

  
\_\_\_\_\_  
Ferrell L. Blount III, Secretary