

GREENVILLE UTILITIES COMMISSION

GREENVILLE, NORTH CAROLINA

Thursday, February 18, 2021

The Board of Commissioners of the Greenville Utilities Commission held a Virtual Meeting at 12:00 noon with the following members and others present, and Chair Overton presiding.

Commission Board Members Present:

Parker Overton, Chair	Lindsey Griffin
Tommy Stoughton, Chair-Elect	Kelly L. Darden, Jr.
Minnie J. Anderson, Secretary	Kristin S. Braswell
Peter Geiger	Ann E. Wall

Commission Staff Present:

Tony Cannon, General Manager/CEO	Kevin Keyzer
Jeff McCauley	Carl Smith
Chris Padgett	Lou Norris
Phil Dixon	Kathy Howard
Amy Wade	Jonathan Britt
Randy Emory	Amanda Wall
Anthony Miller	Molly Ortiz
John Worrell	Tony Godwin
Andy Anderson	
Steve Hawley	
David Springer	
Scott Mullis	
Ken Wade	

Others Present:

Rick Smiley, City Council Liaison; and Ginger Livingston, The Daily Reflector.

Chair Overton called the meeting to order. Ms. Amy Wade, Executive Secretary, called the roll and ascertained that a quorum was present.

ACCEPTANCE OF THE AGENDA

Mr. Phil Dixon, General Counsel, asked to amend the agenda to include a closed session to preserve the attorney-client privilege concerning the handling or settlement of a potential or actual claim pursuant to N.C.G.S. 143-318.11 (a)(3). A motion was made by Mr. Geiger, seconded by Ms. Wall, to accept the agenda as amended. The motion carried unanimously.

APPROVAL OF MINUTES (Agenda Item 1)

A motion was made by Mr. Stoughton, seconded by Mr. Darden, to approve the January 21, 2021 Regular Meeting minutes as presented. The motion carried unanimously.

REVIEW OF MONTHLY FINANCIAL STATEMENT – JANUARY 31, 2021 (Agenda Item 2)

January 31, 2020 Financial Statement:

Key financial metrics for the combined funds for the period ending January 31, 2021 Preliminary:

Operating Cash: \$90,799,929
 Less Current Liabilities (\$24,121,4640)
 Appropriated Fun Balance (\$3,354,180)
 Fund Balance: \$63,324,285

Days of Cash on Hand: 157

Fund Balance Available for Appropriation: 23.4%

Days of Cash on Hand After Liabilities: 110

Average Investment Yield: .69%

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$813,359)	(\$869,339)	\$182,298	\$3,986,294	(\$750,010)	\$1,981,873
Water	\$199,551	(\$98,266)	\$554,880	\$2,633,030	\$2,535,139	\$4,340,073
Sewer	(\$55,910)	(\$134,613)	\$212,990	\$2,432,893	\$577,575	\$3,163,918
Gas	\$1,238,361	\$436,591	\$671,150	\$2,335,998	(\$991,942)	\$1,305,927
Combined	\$568,643	(\$665,627)	\$1,621,318	\$11,388,215	\$1,370,762	\$10,791,791

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$813,359)	(\$669,338)	\$98,965	\$2,702,974	\$650,009	\$1,481,878
Water	\$99,551	(\$519,099)	\$125,713	\$972,996	(\$410,692)	\$1,335,904
Sewer	(\$55,910)	(\$313,780)	\$37,990	\$1,266,225	(\$676,594)	\$1,538,639
Gas	\$1,150,861	\$366,258	\$650,317	\$2,073,498	(\$1,484,273)	\$1,159,828
Combined	\$381,143	(\$1,135,959)	\$912,985	\$7,015,693	(\$1,921,550)	\$5,516,249

Jeff McCauley, Chief Financial Officer, provided a presentation on the Financial Statement for January 31, 2021.

The weather impact for the month of January indicated that the January 2021 heating degree days were higher than last year. The January rainfall was 6.02 inches which was more than last year. The portfolio earned .69% for the month of January.

Overall year-to-date results through the end of January remain stable. The Electric Rate Stabilization Reserves are approximately \$24.5 million, and the Gas Rate Stabilization Reserves are \$2.2 million. The Operating Reserves are 157 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 \$29.8 million.

After discussion, a motion was made by Mr. Geiger, seconded by Ms. Braswell, to accept the Financial Statement for January 31, 2021. The motion carried unanimously.

CONSIDERATION OF APPROVAL OF REINSTATEMENT OF MERIT PROGRAM / MARKET ADJUSTMENT FOR FY 20-21 (Agenda Item 3)

Mr. Tony Cannon, General Manager/CEO, announced that GUC's goal is to maintain an effective pay system for employees and to be as competitive as possible in relation to the external marketplace. Rewarding employees whose performance has enabled GUC to fulfill its mission of providing safe, reliable, utility services at the lowest reasonable cost, with exceptional customer service is important.

Not knowing the financial impact that the COVID-19 Pandemic could have on the utility's finances, the Commission removed the planned funding of the Merit Program/Market Adjustment from the overall FY 20-21 budget. Since that time, things have stabilized, and review and analysis of the financial data indicates that GUC is in position to reinstate and fully fund the Merit Program/Market Adjustment for FY 20-21 at the 2% level.

Mr. Cannon noted that the City of Greenville recently reinstated its Merit Program/Market Adjustment.

Performance reviews were completed as scheduled. Merit raises are based on the employee's annual performance evaluation and the recommendations of their Supervisor and Department Director. The merit raises would be retroactive to the date of the performance evaluation and the market adjustments retroactive to July 1, 2020.

A motion was made by Mr. Griffin, seconded by Mr. Stoughton, to approve the reinstatement of GUC's Merit Program/Market Adjustment for FY 2020-2021 as presented. The motion carried unanimously.

CAPITAL PROJECTS UPDATE (Agenda Item 4)

Mr. Randy Emory, Director of Water Resources, introduced Assistant Director of Water Resources David Springer and he provided an update on the progress of the Water Treatment Plant Upgrade.

Mr. Springer started with an overview of the project and stated that as a reminder the Water Treatment Plant upgrade will increase the water capacity from 22.5 million gallons per day (MGD) to 32 MGD. This project was approved as part of the 2014-2015 budget with a total project budget of \$55 million with \$40 million in State Revolving Fund loan at 1.11% interest. The project includes two separate construction contracts. The first contract was for the 3MG Ground Storage Tank which is complete, and the second contract is for the Water Treatment Plant upgrade. Mr. Springer explained the different components of the construction.

T.A. Loving is the Construction Manager at Risk for the project and Hazen & Sawyer is the Engineer. There has been good progress despite the wet weather with a completion date target for the fall of 2023.

GENERAL MANAGER'S/CEO REPORT (Agenda Item 5)

1. **Informational Reading**

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

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

GREENVILLE UTILITIES COMMISSION

TABULATION OF BIDS RECEIVED

DESIGN-BUILD SERVICES FLEET MAINTENANCE BUILDING

AUGUST 17, 2020 at 3:00PM

Top Three Vendors Based Upon Qualifications:

VENDOR	TOTAL BID
T. A. Loving Company	\$794,636.00*
Farrior & Sons, Inc.	988,249.00
Barnhill Contracting Company	1,237,274.00

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

Additional Vendors Submitting Qualifications:

VENDOR
Bobbitt Design Build, Inc.
Monteith Construction Corp.

ONE BACKHOE
DECEMBER 10, 2020 @ 3:00 PM

VENDORS	DELIVERY TIME	TOTAL
Hills Machinery Co. LLC	120 days	\$116, 703.00*
Mark Chesson & Sons	July 2021	129,949.00
James River Equipment	90 days	132,159.76

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

(1) ONE TELESCOPIC BOOM LIFT
JANUARY 6, 2021 @ 3:00 PM

VENDOR NAME	DELIVERY TIME	\$ TOTAL
United Rentals	February 3, 2021	\$96,526.16*
All Around Access, LLC	30-60 days	97,950.00
Sunbelt Rentals	2-3 weeks	98,121.00
H & E Equipment	2 weeks	100,482.53
Gregory Poole Lift Systems	30 days	103,112.22
H & E Equipment	2 weeks	105,125.67

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

Load Management Report

The Duke Energy Progress (DEP) monthly peak occurred on January 29, 2021 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 \$1,509,664.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

Customer Service Supervisor Colleen Sicley received an email from customer Stacy Keech who wrote to provide a commendation for Allisyn Sanchez, Customer Contact Representative I. Ms. Keech wrote that she called GUC Customer Service due to a problem she was having with the new online portal. She said that Allisyn was attentive and patient. Allisyn's helpfulness made her day and said she is the epitome of customer service.

Troubleshooter Crew Leader Casey Jones and Overhead Lineworker Third Class Oscar Meeks were recognized and commended for their work by customer Ann Herrin. Ms. Herrin wrote a handwritten letter to GUC about the work they performed on a powerline that blew down across the street from her during a storm. Oscar and Casey arrived and explained what needed to be done and they went to work. They verified that the power was back on before they left.

4. Other

- Mr. Cannon announced the work with the Town of Bethel is continuing and he and Chief Administrative Officer Chris Padgett are scheduled to meet with the Bethel Board of Commissioners next week to provide an update. Chief Financial Officer Jeff McCauley has made the required notice of GUC's intent to merge the systems to the Joint

Legislative Committee at the Office of State Treasurer. July 1, 2021 is the expected transfer date.

- GUC employees recently participated with the City of Greenville on a Warm Hearts and Warm Feet Socks and Gloves Drive. A total of 248 pairs of socks and 94 pairs of gloves were donated by GUC employees with a combined total of more than 5,000 socks and gloves for Pitt County School children in need. Secretary to the General Manager Lou Norris headed this initiative.
- Mr. Cannon asked Interim Director of Customer Relations Scott Mullis to provide an update on GUC's new web portal for Customer Relations. Mr. Mullis stated that the new web portal launched on January 11, 2021 and provides added features and simplifies the payment process. There have been 21,000 customers to register for the new portal over the past month and compares to only 18,000 registered customers from the old system. He also added that the Customer Service Call Center Representatives received a higher amount of calls than average due to this change. In addition, there was a 50% increase in the telephone traffic due to the U.S. Post Office mail issues last month and colder weather which correlated to higher bills.

Mail delivery is being monitored and most bills arrive within 6 to 7 days to customers and call volume is returning to normal.

- Mr. Cannon announced that a new internet provider is coming to Greenville. Director of Electric Systems John Worrell provided an update and shared that GUC along with the City of Greenville have been working with MetroNet since October on a service agreement. This new service will require 2 million feet of fiberoptic cable in Greenville and surrounding areas to be installed underground and attached to GUC poles. GUC will assist with construction inspectors, engineering, utility locators, and construction contractors. A pole attachment standard is being drafted for approval at a future meeting. MetroNet plans to begin work in the area starting in April 2021.

BOARD CHAIR'S REMARKS/REPORT (Agenda Item 6)

Chair Overton reminded the Commissioners of the Finance/Audit Committee Meeting scheduled for Friday, March 5, 2021 at 9:00 a.m. and the Regular Board meeting scheduled for Thursday, March 18, 2021 at 12:00 noon.

Commissioner Wall thanked GUC including John Worrell and Kyle Brown on all the work on MetroNet. It has been a good partnership with the City of Greenville.

General Manager/CEO Cannon replied to a question about the winter storm in Texas. He noted that the State of Texas has power outages and is under a boil water advisory. APPA will have a debrief on this issue and there is likely to be mutual aid needed throughout the Midwest.

CLOSED SESSION:

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

N.C.G.S. 143-318.11 (a)(3) "To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged and to consider and give instructions to an attorney concerning the handling or settlement of a claim."

Upon motion by Ms. Wall, seconded by Mr. Stoughton, the Greenville Utilities Board of Commissioners unanimously agreed to enter Closed Session at 12:31 p.m. for such purpose.

There being no further business to come before the Board of Commissioners in Closed Session, upon motion by Ms. Wall, seconded by Mr. Stoughton, the Board of Commissioners unanimously agreed to return to Open Session at 12:40 p.m.

There being no further business to come before the Board of Commissioners, upon motion by Mr. Griffin, seconded by Mr. Geiger, the Board of Commissioners unanimously agreed to adjourn the meeting at 12:40 p.m.

Respectfully submitted,

Amy Carson Wade
Amy Carson Wade, Executive Secretary

APPROVED:

Minnie Johnson Anderson
Minnie Johnson Anderson, Secretary