

GREENVILLE UTILITIES COMMISSION

GREENVILLE, NORTH CAROLINA

Thursday, January 20, 2022

The Board of Commissioners of the Greenville Utilities Commission met virtually at 12:00 noon with the following members, and others present, and Chair Stoughton presiding.

Commission Board Members Present:

Tommy Stoughton, Chair
Kelly L. Darden, Jr.
Peter Geiger
Lindsey Griffin

Ann E. Wall
Minnie J. Anderson
Ferrell L. Blount III
Kristin S. Braswell

Commission Staff Present:

Tony Cannon, General Manager/CEO
Chris Padgett
Amy Wade
John Worrell
Jeff McCauley
Phil Dixon
Randy Emory
Steve Hawley
David Springer
Scott Mullis
Andy Anderson
Colleen Sicley
Ken Wade

Lou Norris
Kevin Keyzer
Kathy Howard
Jonathan Britt
Amanda Wall
Molly Ortiz
Tony Godwin
Tyler Haislip
Durk Tyson
Linda Clark

Others Attending:

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

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

ACCEPTANCE OF THE AGENDA

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

SAFETY BRIEF

Mr. Kevin Keyzer, Operations Support Manager, provided a safety moment.

LEGAL UPDATE

Mr. Phil Dixon, General Counsel, provided a legal update related to 2021 N.C. Senate Bill 473. Mr. Dixon announced that this new bill modifies governing board members' duty to vote and recusal procedures. It states that any Public Official (elected or appointed) that are serving on a governing board of a political subdivision of the State and who also serve (as directors, officers, or governing board members) for non-profits are prohibited from participating in making or administering (or attempting to influence any votes or deliberations) any contract with those non-profits. The person must recuse themselves from any deliberation and record the recusal. A violation is a Class 1 misdemeanor.

RECOGNITION FROM AMERICAN PUBLIC POWER ASSOCIATION FOR THE COMMUNITY-OWNED VIDEO AWARD

Mr. Steve Hawley, Public Information Officer/Communications Manager, shared that the American Public Power Association (APPA) sponsors a competition every year to recognize the best in public power communications. GUC submitted a video last year that was created for public power week and speaks to the benefits of a community owned utilities and features employees throughout the organization. GUC won an award of merit for this video.

Mr. Hawley thanked everyone involved in the production of the video including the Public Information Office team, including Communications Specialist Karin Fullington who is the videographer, and those who appeared in the video.

APPROVAL OF MINUTES (Agenda Item 1)

A motion was made by Mr. Darden, seconded by Dr. Braswell, to approve the December 16, 2021 Regular Meeting minutes as presented. The motion carried unanimously.

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

December 31, 2021 Financial Statement Preliminary:

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

Operating Cash:	\$80,149,896	Days of Cash on Hand:	136
Less Current Liabilities:	(\$22,234,258)		
Fund Balance:	\$57,915,638		
Fund Balance Available for Appropriation:	21.8%	Days of Cash on Hand After Liabilities:	98
Average Investment Yield:	.52%		

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	\$260,094	(\$296,499)	\$1,837,552	\$3,031,781	(\$160,815)	\$4,799,653
Water	\$591,548	\$353,737	\$611,071	\$2,984,671	\$2,990,130	\$2,433,479
Sewer	\$1,472	\$140,534	\$144,805	\$2,346,628	\$748,787	\$2,488,803
Gas	\$419,031	\$483,042	\$1,811,374	(\$1,674,179)	(\$1,146,156)	\$1,097,637
Combined	\$1,272,145	\$680,814	\$4,404,802	\$6,688,901	\$2,431,946	\$10,819,572

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	\$60,094	(\$296,499)	\$1,516,719	\$281,781	(\$160,815)	\$3,516,333
Water	\$91,548	\$8,735	\$190,238	\$249,671	\$35,125	\$873,445
Sewer	\$1,472	\$78,034	\$44,805	\$246,628	\$373,787	\$1,322,135
Gas	\$419,031	\$483,042	\$1,723,874	(\$1,674,179)	(\$1,146,156)	\$922,637
Combined	\$572,145	\$273,312	\$3,475,636	(\$896,099)	(\$898,059)	\$6,634,550

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

The weather impact for the month of December 2021 indicated that the December Heating Degree Days were lower than last year, and the Cooling Degree Days were higher than last year. The December rainfall was approximately 3.43 inches which was less than last year. The portfolio earned .52% for the month of December.

Overall year-to-date results through the end of December remain stable. The Electric Rate Stabilization Reserves are approximately \$24.6 million, and the Gas Rate Stabilization Reserves are \$4.0 million. The Operating Reserves are 136 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 \$34.5 million.

After discussion, a motion was made by Mr. Geiger, seconded Mr. Griffin, to accept the December 31, 2021 Preliminary Financial Statement. The motion carried unanimously.

CAPITAL PROJECT UPDATE (Agenda Item 3)

Mr. Chris Padgett, Assistant General Manager/Chief Administrative Officer, provided an update on the progress of the Fleet Maintenance Building at the new operations center. The last update was provided to the Board in September 2021 when the concrete foundation and vertical steel were installed. Mr. Padgett shared photos of the exterior and the interior of the building showcasing the tall bays with 16-foot doors and interior framed walls. The Fleet Maintenance Building will be substantially complete by the end of April 2022 with anticipated occupancy of the space by the end of May 2022. This project is within budget.

GENERAL MANAGER’S/CEO REPORT (Agenda Item 4)

1. Informational Reading

Qualifications, 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 QUALIFICATIONS RECEIVED

DESIGN-BUILD SERVICES FOR LNG PEAK SHAVING FACILITY EXPANSION
NOVEMBER 17, 2021 @ 3:00 PM

VENDOR QUALIFICATION RANKING
New Energy Development Company, LLC *
Overland Contracting, Inc. (Black and Veatch)
Burns & McDonnell Engineering Company, Inc.
Lisbon Group, LLC
ODIN EPC, LLC
Campos EPC, LLC

* Indicates recommended contract negotiations based on the vendor’s submitted qualifications.

The Duke Energy Progress (DEP) monthly peak occurred on December 13, 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 \$1,592,816.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

5 Star Google Review- December 21, 2021: Customer Julie Anne wrote a 5 Star Google Review: “We had a man named Jason Haddock come this morning to check on our fireplace, and fix it, if needed. He got here when he said he would, was very pleasant, and fixed our issue. We are very pleased with both our service and that he was so very kind. I hope you’ll pass this along to him, and I also hope that both Jason, and everyone at GUC has a happy holiday season and a blessed new year!” Employee’s Name: Jason Haddock, Gas Service Worker Senior

The Daily Reflector, Bless Your Heart- January 1, 2022: BYH Greenville Utilities. What an awesome water resources employee you have - "Luke" who was working the Dalebrook Circle and Deerwood Drive water concern. What an authentically kind and caring professional. Employee's Name: Luke Hagee, Distribution Water Quality Technician I

Customer Belinda Sealey called to commend Gas Systems Crew Leader 1 Paul Bunch for providing excellent customer service while turning off her gas service and removing her gas meter. She stated he was nice, courteous, and very professional.

4. Semi-Annual Report on Disposal of Surplus Property

Greenville Utilities Commission, NC
Semi-Annual Report on Disposal of Surplus Property
Date range: 07/01/2021 – 12/31/2021

Greenville Utilities utilizes GovDeals, an internet-based government surplus sales auction to dispose of surplus property, as well as Greenville Auto Auction in Greenville, NC which sells vehicles and heavy equipment.

In accordance with G.S. 160A-268 (c), the property disposed of between July 1, 2021 and December 31, 2021 is listed below. No action is required by the Board.

Description	Sold Amount
Misc. CPVC Fittings	\$102.00
Stove	25.00
Vacuum Breakers/Circuit Breakers/Kyle Reclosures	1,934.00
Cable Grounding Crimps/Cable Terminations	95.00
File Cabinets/Desk Chairs/Office Supplies & Décor	952.50
Computer Equipment	4,698.00
Flashlights & Drill Bits	25.00
Marlow Pump	52.00
John Deere Mower	501.00
2009 Ford F550	11,331.25
2000 Ford Ranger	3,700.00
John Deere Crawler/Loader	24,992.50
2010 Ford Explorer	3,700.00
John Deere 410G	18,037.50
TOTAL	\$70,145.75

Revenue generated by the sale of surplus property is listed below:

Calendar Year	Revenue Received
Year 2008	\$85,972.26
Year 2009	\$90,001.15
Year 2010	\$83,292.38
Year 2011	\$106,297.20
Year 2012	\$113,381.46
Year 2013	\$80,010.99
Year 2014	\$10,366.05
Year 2015	\$158,613.46
Year 2016	\$34,641.35
Year 2017	\$134,668.95
Year 2018	\$85,698.85
Year 2019	\$130,812.14
Year 2020	\$91,736.50
Year 2021	\$186,988.25
TOTAL	\$ 1,392,480.99

5. Other

- Mr. Tony Cannon, General Manager/CEO, reported that recently the State of North Carolina Utilities Commission conducted the annual inspection of GUC's natural gas distribution facilities and there were no noted violations for the ninth year in a row.
- Mr. John Worrell, Director of Electric Systems, reported that a smart thermostat pilot program using the ecobee App will be implemented to no more than 500 GUC customers by March 2022 to help reduce energy consumption. This program will be voluntary, and customers will receive incentives. Data obtained from the pilot program will be reviewed and evaluated to determine the program's success, and whether to offer it to all GUC electric customers. Estimated savings is 1kW per device.
- GUC operations is prepared for the pending winter storm.
- Due to changes within the Hometown Connections, Mr. Cannon recommends canceling the Governance workshop that is scheduled for March 23, 2022. A motion was made by Mr. Darden, seconded by Dr. Braswell, to cancel the March 23, 2022 Governance workshop. The motion carried unanimously.

BOARD CHAIR'S REMARKS/REPORT (Agenda Item 5)

Chair Stoughton announced the GUC Regular Board meeting is scheduled for Thursday, February 17, 2022, at 12:00 noon, and will be held virtually.

There being no further business to come before the Board of Commissioners, upon motion by Dr. Braswell, seconded by Mr. Darden, the Board of Commissioners unanimously agreed to adjourn the meeting at 12:23 p.m.

Respectfully submitted,

Amy Carson Wade
Amy Carson Wade, Executive Secretary

APPROVED:

Kelly L. Darden, Jr.
Kelly L. Darden, Jr., Secretary

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