

GREENVILLE UTILITIES COMMISSION

GREENVILLE, NORTH CAROLINA

Thursday, July 21, 2022

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 Stoughton presiding.

Commission Board Members Present:

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

Ann E. Wall
Ferrell L. Blount III
Kristin S. Braswell
Marcus Jones

Commission Staff Present:

Tony Cannon, General Manager/CEO
Chris Padgett
Phil Dixon
John Worrell
Anthony Miller
Randy Emory
Richie Shreves
Andy Anderson
Steve Hawley
Scott Mullis
Amy Wade
David Springer
Ken Wade
Durk Tyson
Lou Norris
Kevin Keyzer
Amanda Wall
Kathy Howard
Karin Fullington

Margie Taylor
Jessica Hardy
David Guy
Mike Ashley
Brian Baker
Steven Briley
Lin Bunting
CJ Forest
Jason Gaskins
Nick Gibson
Ryan Hardee
Cole Hartley
Bobby Lewis
Michael McGowan
Justin McLawhorn
Jeffrey Rouse
Gavin Smith
Calvin Whitehead

Others Attending:

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

Chair Stoughton called the meeting to order. Secretary Darden ascertained that a quorum was present.

ACCEPTANCE OF THE AGENDA

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

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 shared the GUC Safety Vision Statement.

INTRODUCTION OF NEW COMMISSIONER: MARCUS JONES

Chair Stoughton introduced Commissioner Marcus Jones and welcomed him to the GUC Board of Commissioners. Mr. Jones is a disaster relief case worker with Green Lamp.

RECOGNITION OF NCAMES AND APPA LINEWORKERS RODEO TEAMS

Mr. John Worrell, Director of Electric Systems, stated that on May 19 the GUC Lineworkers competed in the 23rd annual North Carolina Association of Municipal Electric Systems (NCAMES) Lineman Rodeo in Shelby North Carolina. This Rodeo highlights the lineworkers' skills that they encounter on their jobs each day. Mr. Worrell would like to recognize their accomplishments and he asked Jacob Swink, Electric Distribution Engineer, to introduce the members of the team that participated in the NCAMES Rodeo. GUC was also represented with a team at the APPA Lineman Rodeo in Austin, Texas.

Mr. Swink introduced the two rodeo teams and coaches and congratulated them for their hard work and accomplishments.

Apprentice Rodeo Team:

- Oscar Meeks (not in attendance) placed 1st in Double Deadend Changeout, 1st Hurtman, rescue and 3rd overall for Apprentice
- CJ Forest placed 4th in the Fuse Changeout
- Cole Hartley placed 5th Hurtman Rescue
- Bobby Lewis
- Jeffrey Rouse
- Tucker Foell and Stanley Roberson (not in attendance).

Journeyman Rodeo Team:

- David Guy placed 3rd in the Arrestor Changeout, 5th in Obstacle Course, 1st in the Cutout Changeout and 1st overall for Journeyman.
- Lin Bunting placed 3rd in Cutout Changeout, and 3rd overall
- Steven Briley placed 5th in Arrestor Changeout, 2nd in Cutout Changeout.
- Brian Baker

The two rodeo team coaches are Mike Ashley and Michael McGowan.

RECOGNITION OF CERTIFICATE OF APPRECIATION – 2022 LIGHT UP NAVAJO

Mr. Cannon reminded the Commissioners that in 2019 the APPA participated in a new project to assist with an area of the country that is unserved with power in the Navajo nation. Mr. Worrell provided additional information and shared the Light Up Navajo mutual aid effort utilizes the APPA network to construct power lines to connect approximately 15,000 homes that do not have electricity. Due to Covid, the efforts were canceled. Recently, the GUC linemen were able to participate in the project and worked for two weeks constructing power lines. Mr. Worrell congratulated the electric crew for their participation in the APPA Mutual Aid project, 2022 Light Up Navajo. Karin Fullington, Communication Specialist and GUC's videographer, created a video that highlighted the crew and their work on this project.

Mr. Swink recognized following team members who participated: Lin Bunting, Jason Gaskins, Nick Gibson, David Guy, Ryan Hardee, Bobby Lewis, Michael McGowan, Justin McLawhorn, Stanley Roberson, Gavin Smith, and Calvin Whitehead.

RECOGNITION OF 2022 CHAMBER LEADERSHIP INSTITUTE GRADUATES: ANDY ANDERSON AND JACOB SWINK

Andy Anderson, Director of Information Technology, and Jacob Swink, Electric Distribution Engineer, were recognized for completing and graduating from the Greenville-Pitt County Chamber of Commerce Leadership Institute program and for representing Greenville Utilities Commission in 2022. Mr. Anderson provided a brief update on the Third Street School library project that he and Mr. Swink participated.

CONSENT AGENDA

The following items were presented for approval on the consent agenda:

(Agenda Item 1) Approval of minutes from the June 9, 2022, Board of Commissioners Meeting

(Agenda Item 2) Award of bid for electrical supplies – distribution transformers to Wesco Distribution, Inc. in the amount \$910,300.00

A motion was made by Mr. Darden, seconded by Mr. Geiger, to approve the consent agenda. The motion carried unanimously.

ELECTION OF OFFICERS (Agenda Item 3)

Mr. Cannon announced that GUC’s Bylaws indicate that the election of officers is to be conducted on the first regular meeting after July 1 of each year. The officers of the Commission shall be the Chair, Chair-Elect and Secretary for a term of one year. Mr. Cannon presided and opened the floor for nominations.

Dr. Braswell nominated a slate of officers to include Kelly Darden as Chair, Peter Geiger as Chair-Elect, and Lindsey Griffin as Secretary. Mr. Cannon asked if there were any other nominations from the floor and there were none. A motion was made by Dr. Braswell, seconded by Mr. Blount, to close the nominations and to elect by acclamation Kelly Darden as Chair, Peter Geiger as Chair-Elect, and Lindsey Griffin as Secretary. The motion carried unanimously.

In addition, Mr. Cannon stated it is also appropriate at this time to reappoint the Executive Secretary and the Assistant Executive Secretary. A motion was made by Mr. Griffin, seconded by Dr. Braswell, to nominate to reappoint Amy Wade as Executive Secretary and Lou Norris as Assistant Executive Secretary. The motion passed unanimously.

RECOMMENDED APPROVAL OF GUC REPRESENTATIVES TO SERVE ON THE GREENVILLE ENC ALLIANCE BOARD OF DIRECTORS (Agenda Item 4)

Mr. Cannon stated that the Greenville-ENC Alliance, (the Alliance) was established to lead economic development efforts county-wide. Members of this partnership include GUC and the City of Greenville as sustaining members, other Pitt County municipalities and various other public and private sector investors. A Board of Directors govern the Alliance to manage the property, affairs, and business of the Alliance. As a sustaining member, Greenville Utilities Commission shall appoint three (3) members to serve on the Board of Directors as voting members. The GUC Board Chair nominates the following to serve on the Alliance Board of Directors as voting members on behalf of Greenville Utilities Commission:

1. Drake Brinkley, Attorney, Ward & Smith
2. Jon Anderson, Senior Vice President, Truist
3. Thomas Taft, Principal, Taft Family Ventures

A motion was made by Mr. Griffin, seconded Ms. Wall, to approve the GUC Representatives Drake Brinkley, Jon Anderson, and Thomas Taft to serve on the Greenville ENC Alliance Board of Directors. The motion carried unanimously.

REVIEW OF MONTHLY FINANCIAL STATEMENT – JUNE 30, 2022, PRELIMINARY (Agenda Item 5)

June 30, 2022, Financial Statement:

Key financial metrics for the combined funds for the period ending June 30, 2022:

Operating Cash:	\$87,638,505	Days of Cash on Hand:	141
Less Current Liabilities:	(\$26,705,498)		
Fund Balance:	\$60,933,007		
Fund Balance Available for Appropriation:	22.4%	Days of Cash on Hand After Liabilities:	98
Average Investment Yield:	.99%		

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$141,486)	(\$1,914,848)	(\$1,432,347)	\$3,260,394	\$2,069,532	\$4,371,297
Water	\$121,848	\$165,718	(\$2,849,267)	\$5,030,737	\$5,061,127	\$4,353,457
Sewer	(\$575,653)	(\$163,467)	(\$2,578,744)	\$2,685,482	\$1,731,618	\$2,596,305
Gas	(\$895,937)	(\$423,329)	(\$503,810)	(\$716,979)	(\$2,028,979)	\$3,065,914
Combined	(\$1,491,228)	(\$2,335,926)	(\$7,364,168)	\$10,259,634	\$6,833,298	\$14,386,973

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	\$1,358,514	\$585,152	(\$1,032,347)	\$1,560,394	\$219,532	\$167,144
Water	\$21,848	\$15,724	(\$2,449,267)	\$570,737	\$161,127	\$830,924
Sewer	(\$175,653)	(\$225,967)	(\$1,328,744)	\$185,482	\$131,618	\$912,969
Gas	(\$170,937)	(\$1,073,329)	(\$1,103,810)	\$8,021	\$57,117	\$115,914
Combined	\$1,033,772	(\$698,420)	(\$5,914,168)	\$2,324,634	\$569,394	\$2,026,951

Ms. Amanda Wall, Controller, provided a presentation on the Preliminary Financial Statement for June 30, 2022.

The weather impact for the month of June 2022 indicated that the June Cooling Degree Days were higher than last year. The June rainfall was approximately 1.38 inches which was less than last year. The portfolio earned .99 % for the month of June.

Overall year-to-date results through the end of June remain stable. The Electric Rate Stabilization Reserves are approximately \$24.7 million, and the Gas Rate Stabilization Reserves are \$3.3 million. The Operating Reserves are 141 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 \$28.7 million.

After discussion, a motion was made by Dr. Braswell, seconded Mr. Geiger, to accept the June 30, 2022, Preliminary Financial Statement. The motion carried unanimously.

CONSIDERATION OF ACCEPTANCE OF OFFER TO SELL OLD OPERATIONS CENTER ON MUMFORD ROAD (TWELVE (12) PARCELS) (Agenda Item 6)

Mr. Phil Dixon, General Counsel, stated that prior to the construction of a New Operations Center, Greenville Utilities Commission (GUC) owned and operated an Operations Center at 801 Mumford Road which consists of twelve (12) separate parcels of land acquired over a period of time denominated Tax Parcel No. 28948, Tax Parcel No. 16494, Tax Parcel No. 16145, Tax Parcel No. 01791, Tax Parcel No. 23655, Tax Parcel No. 23656, Tax Parcel No. 16882, Tax Parcel No. 16878, Tax Parcel No. 16884, Tax Parcel No. 32669, Tax Parcel No. 22579, and Tax Parcel No. 49156. These parcels are titled in the name of the City of Greenville for the use and benefit of Greenville Utilities Commission. All operations at the Old Operations Center ceased during June of this year and this low-lying area has been prone to flooding. This property has previously been deemed, by GUC and the City Council of the City of Greenville, surplus to the needs of GUC and is not generating any revenue for GUC. A sale of the property could generate substantial revenue. We have received several offers to purchase this property and propose to sell it under the upset bid procedure set forth in the General Statutes of North Carolina in Chapter 160A (G.S. 160A-269). This is the same manner which we have previously sold property, and is the manner favored by the UNC School of Government and used recently by the City of Greenville, the County of Pitt, and the Pitt County Board of Education. Our highest offer for the property has been \$2,500,000. This offer to purchase the property has been submitted to us together with a bid deposit of five percent (5%), or a total of \$125,000 as required by statute.

We request that the Board of Commissioners approve a sale of the subject property to Stout Operating Firm, LLC, a North Carolina limited liability company, and recommend approval of

such sale to the City Council of the City of Greenville. If approved by the City Council, this offer will be advertised in the newspaper to allow for the submission of any upset bid. There has been interest by at least four (4) separate possible bidders for this property and we anticipate that an upset bid is likely.

After discussion, a motion was made by Ms. Wall, seconded by Mr. Blount, that the Board of Commissioners deem such offer or any future offer at a higher price to be a reasonable offer for such property and recommend approval of same by the City Council of the City of Greenville subject to the upset bid procedure set forth in Chapter 160A of the General Statutes of North Carolina. The motion carried unanimously.

UPDATE OF ANNUAL STATEMENT OF CONFLICT-OF-INTEREST POLICY, DISCLOSURE, AND ETHICS BRIEFING (Agenda Item 7)

Mr. Dixon informed the Board that in 2009 the N.C. General Assembly passed legislation requiring various local governing bodies to adopt a resolution or policy containing a Code of Ethics to guide board members in the performance of their duties as members of the governing board. While GUC is not covered by the State Ethics Act, Mr. Dixon previously recommended that the GUC Board consider the adoption of an ethics policy.

In this regard, the League of Municipalities had developed a model code that Boards could use in developing their own Code of Ethics. Mr. Dixon, in collaboration with the City Attorney developed a Code of Ethics that was adopted by the Commission and by the City Council of the City of Greenville.

Mr. Dixon recommends that the Board members consider executing the "Conflict of Interest Policy and Disclosure Form" annually to ensure that any conflict-of-interest issues are avoided. The form outlines what to do if a commissioner thinks he or she has a potential conflict of interest over a matter coming before the Board.

UPDATE OF ACTIVITIES BY GENERAL COUNSEL (Agenda Item 8)

Mr. Dixon provided an update on legal activities performed in the Legal Office. The Legal Office has worked this past year on many easements, encroachments, claims, contracts, leases, real estate matters, bankruptcies, personnel matters, lawsuits, and special use permits.

ANNUAL STATEMENT OF COMPLIANCE WITH INVESTMENT POLICY (Agenda Item 9)

Ms. Wall announced that in accordance with Section XIII, Reporting Requirements of Greenville Utilities' Investment Policy, an annual written statement shall be submitted to the Board.

A signed statement was provided in the agenda materials stating that the Commission was in full compliance with all provisions during fiscal year beginning July 1, 2021, and ending June 30, 2022, with the exception of the item listed below.

Due to the recent rise in interest rates, the Commission is not meeting the benchmark yield of the 90-Day T-Bill. The Commission will be able to correct this item as funds that are invested reach maturity and are re-invested.

GENERAL MANAGER'S/CEO REPORT (Agenda Item 10)

1. Informational Reading

Bids, 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

RANKING OF PROPOSALS RECEIVED

ONE CUSTODIAL SERVICES

APRIL 28, 2022 @ 3:00 PM

VENDOR PROPOSAL RANKING
Harris Cleaning Service *
Jani King Commercial Cleaning *
City Wide Facility Solutions
American Facility Services, Inc.

* Indicates recommended vendor(s) to negotiate a contract(s).

TABULATION OF BIDS RECEIVED

GAS METERS

MAY 24, 2022 @ 3:00 PM

VENDORS	DELIVERY (WEEKS)	TOTAL
ED Young Sales/ Honeywell Elster American Meter	40-62	\$162,495.90*
Equipment Control Company	70	86,372.00 ⁽¹⁾

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

⁽¹⁾ Indicates that the vendor did not quote all items.

FIRE HYDRANTS AND VALVES

MAY 31, 2022 @ 3:00 PM

VENDORS	DELIVERY (WEEKS)	TOTAL
Consolidated Pipe & Supply Inc.	1-14	\$72,420.00*
Water Works, Inc.	24	97,355.87
Ferguson Enterprises	23-35	101,397.58
Core & Main, LP.	1-35	104,976.79

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

LIGHT BULBS & PHOTOCELLS

JUNE 1, 2022 @ 3:00 PM

VENDORS	DELIVERY (WEEKS)	TOTAL
Wesco Distribution, Inc.	4-6	\$45,428.00*

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

CAST IRON VALVE BOX RISERS, PLASTIC GAS VALVE BOXES
& METER RISERS

JUNE 1, 2022 @ 4:00 PM

VENDORS	DELIVERY (WEEKS)	TOTAL
Consolidated Pipe & Supply, Inc.	6-10	\$43,124.00*
Stuart C. Irby	6-34	49,808.10
Technology International, Inc.	22	30,405.00 ⁽¹⁾

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

⁽¹⁾Indicates that the vendor did not meet minimum specifications.

**SEWER CLEAN OUT BOXES
JUNE 2, 2022 @ 4:00 PM**

VENDORS	DELIVERY (WEEKS)	TOTAL
EJ USA, Inc.	18-20	\$46,560.00*
Ferguson Enterprises	18-20	44,425.00(1)

* Indicates recommended award based on the lowest responsible, responsive bid.
(1) Indicates that the vendor did not meet minimum specifications concerning fixed pricing.

**GCP-10112 VOA SITE C ROAD GAS IMPROVEMENTS
JUNE 7, 2022 @ 2:00 PM**

VENDORS	TOTAL
Ertel Construction, Inc.	\$376,077.00*
Classic City Mechanical, Inc.	379,570.50
Pike Gas Services, LLC	604,748.57

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

**SODIUM HYDROXIDE, SODIUM HYPOCHLORITE, BULK CHEMICALS
JUNE 8, 2022 @ 3:00 PM**

VENDORS	DELIVERY DAYS	UNIT PRICE 240 DRY TONS	TOTAL
Univar Solutions USA, Inc.	2-3	\$996.00	\$239,040.00*
Brenntag Mid-South, Inc.	3-5	1,020.00	244,800.00
JCI Jones Chemicals, Inc.	2-3	1,175.00	282,000.00

VENDORS	DELIVERY DAYS	UNIT PRICE 125,000 GALLONS	TOTAL
Oltrin Solutions, LLC	5-7	\$1.45	\$181,250.00*
Water Guard, Inc.	3	1.68	210,000.00
JCI Jones Chemicals, Inc.	2-3	2.20	275,000.00

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

RANKING OF QUALIFICATIONS RECEIVED

**FINANCIAL ADVISOR SERVICES
JUNE 10, 2022 @ 3:00 PM**

VENDOR QUALIFICATION RANKING
First Tryon*
Davenport Public Finance
PFM Financial Advisors, LLC

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

The Duke Energy Progress (DEP) monthly peak occurred on June 13, 2022, for the hour ending at 6:00 p.m. GUC's load management system was in full operation during this period. As a result, the estimated avoided demand costs amount to \$1,214,102.

Semi-Annual Report on Disposal of Surplus Property

Greenville Utilities Commission, NC
Semi-Annual Report on Disposal of Surplus
Property Date range: 01/01/2022 – 6/30/2022

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 January 1, 2022, and June 30, 2022, is listed below. No action is required by the Board.

Description	Sold Amount
Computer Equipment	\$158.00
Desks/Office Supplies/Office Chairs/File Cabinets/Cubicles	\$1,353.00
Generators	\$43,125.00
Snack Machine	\$160.00
TOTAL	\$44,796.00

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	\$116,842.50
Year 2022	\$44,796.00
TOTAL	\$ 1,367,131.24

Employee Computer Purchase Program Participant Report

There are currently 4 outstanding computer loans for FY 2021-2022 with a balance of \$2,377.55.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

- General Manager/ CEO Tony Cannon received a letter from the City of Wilson Mayor Carlton L. Stevens. Mayor Stevens wrote to thank GUC for assisting them during a time of need. A May 20 thunderstorm brought very high winds to Wilson, downing 19 utility poles, and causing the loss of power to nearly 14,000 customers. Due to the assistance of GUC lineman power was restored to most customers within hours and all of the poles were reset and lines restored in less than two days.
- Customer Richard Crisp called to compliment Jason Haddock, Gas Service Worker Senior, for providing excellent customer service while changing his natural gas meter. Mr. Crisp stated that Jason was very kind, knowledgeable, and went above and beyond in demonstrating excellent customer service.
- Customer Lena Previll, also GUC’s Senior Human Resources Manager, sent an email to commend Roy Bryant, Gas Systems Technician I, and Jason Haddock, Gas Service

Worker Senior, for providing outstanding customer service while change her natural gas meter. Lena was very appreciative of how the service workers showed care and paid attention to detail.

- Amanda Coldren, Customer Contact Representative, received a #HighFive for her note she received of appreciation from a customer regarding her exceptional service. The customer wrote, "Thank you for your help. You were great to work with and gave the best customer service experience I have had recently"

4. Other

- The customer satisfaction survey results will be available soon and will be shared at a future meeting.
- A public hearing that is required due to Infrastructure Investment and Jobs Act (IIJA) related to GUC's load management program and electric vehicle rebate program will be added to a future Board meeting.

BOARD CHAIR'S REMARKS/REPORT (Agenda Item 11)

Chair Darden is thankful for nomination as the Chair. He also announced that the next GUC Regular Board meeting is scheduled for Thursday, August 18, 2022, at 12:00 noon.

Chair Darden will contact each commissioner to discuss committee appointments for 2022-23.

BOARD MEMBERS' COMMENTS (Agenda Item 12)

Commissioners welcomed Marcus Jones and congratulated the linemen for all they have done and for the work completed as part of the Light Up Navajo project.

Commissioner Stoughton congratulated General Manager/CEO Tony Cannon as he was installed as Chairman of the American Public Power Association (APPA) last month in Nashville at the annual conference.

There being no further business to come before the Board of Commissioners in Regular Session, upon motion by Mr. Griffin, seconded by Mr. Geiger, the Board of Commissioners unanimously agreed to adjourn the Board of Commissioners meeting at 12:49 p.m.

Respectfully submitted,



Amy Wade, Executive Secretary

APPROVED:



Lindsey Griffin, Secretary

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