

GREENVILLE UTILITIES COMMISSION  
GREENVILLE, NORTH CAROLINA

Thursday, January 19, 2023

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 Darden presiding.

Commission Board Members Present:

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

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

Marcus Jones was absent.

Commission Staff Present:

Tony Cannon, General Manager/CEO  
Chris Padgett  
Jeff McCauley  
Phil Dixon  
John Worrell  
Anthony Miller  
Andy Anderson  
Richie Shreves  
Steve Hawley  
Scott Mullis  
David Springer  
Durk Tyson  
Colleen Sicley  
Carl Smith  
Jason Manning

Lou Norris  
Kevin Keyzer  
Jonathan Britt  
Kathy Howard  
Tony Godwin  
Amanda Wall  
Jessica Hardy  
Chris Hill  
Bryon Orr  
Julius Phillips  
Kyle Meeks  
Steve Hedgepeth  
Adam Garris  
LeAnne Wetherington  
Lauri Evans  
Kristen Jarman  
Lena Preville  
Erin Walton  
Branson Rogers

Others Attending:

Rick Smiley, City Council Liaison; Ginger Livingston, The Daily Reflector; and Jamie Mitchell, Chamber Leadership Institute participant.

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

Chair Darden welcomed the Greenville-Pitt County Chamber of Commerce Leadership Institute participant.

ACCEPTANCE OF THE AGENDA

General Counsel Phil Dixon stated that the agenda needs to be amended to add a closed session regarding matters pertaining to N.C.G.S. 143-318.11(a)(1), N.C.G.S. 143-318.11(a)(4), and N.C.G.S. 143-318.11(a)(6). A motion was made by Ms. Wall, seconded by Mr. Geiger, to accept the agenda as amended. The motion carried unanimously.

## SAFETY BRIEF AND MOMENT

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 explaining walking safely on slippery surfaces.

## RECOGNITION OF WATER RESOURCES SMOOTH OPERATORS FROM THE WATER ENVIRONMENT FEDERATION: CHRIS HILL, BRYON ORR, JULIUS PHILLIPS, KYLE MEEKS, STEVE HEDGEPEETH, AND ADAM GARRIS

Mr. David Springer, Assistant Director of Water Resources, introduced Jason Manning, WWTP Superintendent, to share the recent awards received by GUC's Equipment Operators, Smooth Operators. Mr. Manning announced that the Smooth Operators placed second overall in the Water Environment Federation Technical Exhibition Conference (WEFTEC) Operations Challenge 2022 in New Orleans and placed first overall at the 2022 NC One Water Annual Operations Challenge in Division 2. The team will advance to Division 1 next year and will represent North Carolina at the WEFTEC 2023 in Chicago. Representing GUC at the competitions included Water Resources Equipment Operators Bryon Orr, Chris, Hill, Julius Phillips, Kyle Meeks, Steve Hedgepeth, and Adam Garris.

Mr. Manning thanked Director of Water Resources Randy Emory, Assistance Director of Water Resources David Springer, and GUC leadership for their support.

## RECOGNITION OF THE GUC UNITED WAY COMMITTEE

Mr. Tony Cannon announced that the United Way is important to GUC and he introduced GUC's United Way Committee Chair Amanda Wall to provide highlights of the committee's efforts.

Ms. Wall announced that the committee organizes and promotes the company wide annual campaign and supports the United Way of Pitt County and its affiliates. In addition to the annual campaign drive, the committee executed several fund raisers and can food drive throughout the year to benefit the United Way agencies. Since 2013 more than \$409,000 was donated to the United Way of Pitt County by GUC and its employees. This does not include the almost \$35,000 pledged to be donated this calendar year. This committee and their dedication is greatly appreciated. The benefits of their hard work can be seen throughout our neighbors and community.

The GUC committee members include Andy Anderson, Amanda Wall, Branson Rogers, Charles May, Erin Walton, Kristen Jarman, Lauri Evans, LeAnne Wetherington, Lena Preville, and Lou Norris.

## 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: December 15, 2022
- (Agenda Item 2) Compliance with the Infrastructure Investment and Jobs Act (IIJA)
- (Agenda Item 3) Consideration of Abandonment of a 30' Wide Utility Easement Across Tax Parcel No. 86716

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

## REVIEW OF MONTHLY FINANCIAL STATEMENT – DECEMBER 31, 2022 (Agenda Item 4)

### **December 31, 2022, Financial Statement:**

Key financial metrics for the combined funds for the period ending December 31, 2022:

Operating Cash:	\$82,805,868	Days of Cash on Hand:	126
Less Current Liabilities:	(\$30,364,637)		
Fund Balance:	\$52,441,231		
Fund Balance Available for Appropriation:	18.2%	Days of Cash on Hand After Liabilities:	80
Average Investment Yield:	1.96%		

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
<b>Electric</b>	(\$788,949)	(\$1,267,774)	\$260,094	(\$204,681)	(\$2,313,262)	\$3,031,781
<b>Water</b>	\$76,645	\$270,703	\$591,548	\$2,731,616	\$2,211,602	\$2,984,671
<b>Sewer</b>	(\$237,012)	(\$43,931)	\$1,472	\$1,298,235	\$498,939	\$2,346,628
<b>Gas</b>	\$669,325	(\$560,920)	\$419,031	(\$1,248,403)	(\$4,361,274)	(\$1,674,179)
<b>Combined</b>	<b>(\$279,991)</b>	<b>(\$1,601,922)</b>	<b>\$1,272,145</b>	<b>\$2,576,767</b>	<b>(\$3,963,995)</b>	<b>\$6,688,901</b>

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
<b>Electric</b>	(\$285,626)	(\$851,107)	\$60,094	(\$501,358)	\$186,738	\$281,781
<b>Water</b>	\$40,109	(\$104,297)	\$91,548	\$1,120,080	(\$38,398)	\$249,671
<b>Sewer</b>	(\$95,005)	(\$85,598)	\$1,472	(\$34,758)	\$248,937	\$246,628
<b>Gas</b>	\$776,922	(\$434,212)	\$419,031	(\$1,140,806)	(\$3,601,024)	(\$1,674,179)
<b>Combined</b>	<b>\$436,400</b>	<b>(\$1,475,214)</b>	<b>\$572,145</b>	<b>(\$556,842)</b>	<b>(\$3,203,747)</b>	<b>(\$896,099)</b>

Mr. Jeff McCauley, Chief Financial Officer, provided a presentation on the Financial Statement for December 31, 2022.

The weather impact for the month of December 2022 indicated that the December Heating degree days were higher than last year. The December rainfall was approximately 1.78 inches which was less than last year. The portfolio earned 1.96 % for the month of December.

Overall year-to-date results through the end of December remain stable. The Electric Rate Stabilization Reserves are approximately \$24.9 million, and the Gas Rate Stabilization Reserves are \$3.8 million. The Operating Reserves are 126 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 \$23.9 million.

After discussion, a motion was made by Mr. Geiger, seconded Mr. Stoughton, to accept the December 31, 2022, Financial Report. The motion carried unanimously.

RECOMMENDATION FROM THE FINANCE/AUDIT COMMITTEE TO ADOPT A CAPITAL PROJECT BUDGET AMENDMENT AND REIMBURSEMENT RESOLUTION FOR LNG FACILITY EXPANSION UPGRADE (GCP-92) (Agenda Item 5)

Finance/Audit Committee Chair Peter Geiger stated that the Finance/Audit Committee met in October 2022. He stated that GUC staff has been evaluating options to increase its natural gas supply and peak shaving opportunities. At the meeting, staff provided a brief history of the LNG facility and its benefits, reviewed challenges, and provided recommendations to move forward with the LNG facility expansion project upgrade. The Finance/Audit Committee approved staff recommendation and Mr. Tyson will provide a summary of the project and recommendations.

Mr. Durk Tyson, Assistant Director of Gas Systems, discussed challenges GUC is facing with natural gas supply and provided a review of master plan for LNG Peak Shaving Facility Expansion. Mr. Tyson stated that since 1997 there have been two major expansions of the facility which increased its storage capacity from 8,000 DT to 24,000 DT. The plant is designed

to supplement pipeline gas for a 3-day peak demand. Weather impacts peak demand and daily prices.

Since Winter Storm Grayson in 2018, GUC has added additional 4,000 DTs of pipeline capacity and has contracted with additional suppliers of LNG to increase supply and resiliency. However, GUC's volume growth has outpaced these measures. To address this shortfall, staff reached out to NorthStar Industries and Energy Resources Group for assistance with economic analysis and to provide options to meet customer demands, mitigate high costs and acquire pipeline capacity. It was determined that adding six 70,000 US gallon shop fabricated tanks to the existing site would be the best approach for the expansion. Phase 1 has an estimated cost of \$14.8M and Phases 2 and 3 have cost estimates of \$9.5M or \$9.8M respectively for the additional tanks. The current budget is \$8M.

After discussion, a motion was made by Mr. Blount, seconded Ms. Braswell, to adopt the capital project budget amendment in the amount of \$7,000,000 and reimbursement resolution for GCP-92, recommend similar action by City Council, and authorize General Manager/CEO to execute a contract amendment with New Energy Development Company, the design builder for Phase I expansion of the LNG peak Shaving Facility, to include a Guaranteed Max Price for an amount not to exceed \$14,800,000 The motion carried unanimously.

GENERAL MANAGER'S/CEO REPORT (Agenda Item 6)

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 BIDS RECEIVED**

ONE (1) FORD F-150XL EXTENDED CAB 2WD  
DECEMBER 9, 2022 @ 3:00 PM

VENDORS	DELIVERY TIME (WEEKS)	TOTAL
Capital Ford Wilmington	1	\$37,324.00*

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

ONE (1) FORD F-150XL EXTENDED CAB 4WD  
DECEMBER 9, 2022 @ 3:00 PM

VENDORS	DELIVERY TIME (WEEKS)	TOTAL
Capital Ford Wilmington	1	\$40,814.00*

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

TWO (2) FORD F-150 EXTENDED CAB 2WD  
DECEMBER 14, 2022 @ 2:00 PM

VENDORS	DELIVERY TIME (WEEKS)	UNIT PRICE	TOTAL
Capital Ford Wilmington	1	37,324.00	\$74,648.00*

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

ONE (1) FORD EXPLORER 2WD WITH 202A GROUP  
DECEMBER 20, 2022 @ 3:00 PM

VENDORS	DELIVERY TIME (WEEKS)	TOTAL
Capital Ford Wilmington	1	\$46,469.00*

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

ONE (1) FORD EXPLORER 2WD WITHOUT 202A GROUP  
DECEMBER 20, 2022 @ 2:00 PM

VENDORS	DELIVERY TIME (WEEKS)	TOTAL
Capital Ford Wilmington	1	\$40,989.00*

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

ONE (1) FORD EXPLORER 4WD WITH 202A GROUP  
DECEMBER 20, 2022 @ 4:00 PM

VENDORS	DELIVERY TIME (WEEKS)	TOTAL
Capital Ford Wilmington	1	\$48,919.00*

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

The Duke Energy Progress (DEP) monthly peak occurred on December 24, 2022, for the hour ending at 6:00 a.m. GUC's load management system was in full operation during this period. As a result, the estimated avoided demand costs amount to \$1,654,590.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

- Meter Superintendent Jason Hardee received a call from Customer Alysha Gray. Ms. Gray called to give accolades to Meter Technician III Calvin Glover for going above and beyond helping her with a connect. The service was showing a leak and Calvin told her what to check for and found more than one toilet leaking at the piping. This could have caused water damage to the home.
- Staff Support Specialist Shirley Peele received a call from customer Belinda Munden to compliment Gas Service Specialist II John Sheppard for providing excellent customer service while responding to a natural gas leak. The customer stated that she really appreciated John's integrity, knowledge, and kindness. She also stated that his quality of service was refreshing, and she loved how he made her family feel safe. In addition, she described John as a "superstar" and said the company should feel proud to have such a great employee.
- Staff Support Specialist Shirley Peele received a second call from customer to compliment John Sheppard. Customer Ano Chukka called and complimented John Sheppard for providing excellent customer service while responding to a natural gas leak at her residence. She was very appreciative of his patience and attentiveness. She also stated that she would give John a rating of 11 out of 10 for customer service.

4. Semi-annual Report on Disposal of Surplus Property

**Greenville Utilities Commission, NC**  
**Semi-Annual Report on Disposal of Surplus Property**  
**Date range: 07/01/2022 – 12/31/2022**

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 July 1, 2022 and December 31, 2022 is listed below. No action is required by the Board.

Description	Sold Amount
Vehicle Equipment & Parts	\$26,171.00
Public Utility Equipment	\$4,320.99
Computers, Monitors, Printers	\$2,960.00
Office Supplies, Furniture, & Equipment	\$1,514.99
Misc Refrigerators, Microwaves, Stoves	\$1,310.00
Misc Tools & Landscaping Items	\$1,068.50
<b>TOTAL</b>	<b>\$37,345.48</b>

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
Year 2022	\$82,141.48
<b>TOTAL</b>	<b>\$ 1,474,622.47</b>

5. Other

No other updates from the General Manager/CEO were provided.

BOARD CHAIR'S REMARKS/REPORT (Agenda Item 7)

Chair Darden thanked the GUC United Way Committee members and Water Resources Smooth Operators for their hard work. Chair Darden announced he is looking forward to prosperity and growth in 2023.

He reminded the Board of the GUC Regular Board meeting scheduled for Thursday, February 16, 2023, at 12:00 noon and an Executive Committee meeting on Wednesday, February 15, 2023.

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.

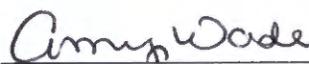
N.C.G.S. 143-318.11(a)(6) To consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee.

Upon motion by Mr. Geiger, seconded by Mr. Stoughton, 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 Mr. Geiger, the Board of Commissioners unanimously agreed to return to Open Session at 1:10 p.m.

There being no further business to come before the Board of Commissioners in Regular Session, upon motion by Mr. Geiger, seconded by Mr. Stoughton, the Board of Commissioners unanimously agreed to adjourn the Board of Commissioners meeting at 1:10 p.m.

Respectfully submitted,

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

APPROVED:

  
\_\_\_\_\_  
Lindsey Griffin, Secretary

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