

GREENVILLE UTILITIES COMMISSION
GREENVILLE, NORTH CAROLINA

Thursday, May 18, 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.	Ann E. Wall
Peter Geiger	Ferrell L. Blount III
Lindsey Griffin	Mark Garner (via telephone)
Tommy Stoughton	

Marcus Jones was absent.

Commission Staff Present:

Tony Cannon, General Manager/CEO	Lou Norris
Chris Padgett	Kevin Keyzer
Jeff McCauley	Jonathan Britt
Phil Dixon	Tony Godwin
Anthony Miller	Jessica Hardy
Richie Shreves	Michelle Yeager
John Worrell	Amanda Wall
Andy Anderson	Chris Bright
Steve Hawley	David Bunch
Durk Tyson	Wade Corbitt
Colleen Sicley	Kim Coggins
Ken Wade	Kenny McDonald
Amy Wade	Kevin Lockamy
Scott Farmer	Emily Smith
	LeAnne Wetherington
	Carrie Peed

Others Attending:

Rick Smiley, City Council Liaison; Ginger Livingston, Daily Reflector; Josh Lewis, Greenville ENC Alliance; and Grace Faller, Jordan Lynch, Matthew Kleino, and Nehak Rathore, City of Greenville Interns; Jeff Monico, Cypress Group of the Sierra Club

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

Commissioner Ann Wall introduced four City of Greenville Interns.

ACCEPTANCE OF THE AGENDA

A motion was made by Ms. Wall, seconded by Mr. Geiger, to accept the agenda as presented. 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 on personal protective equipment (PPE) and protecting ourselves and others.

RECOGNITION OF iLEAD GRADUATES

Mr. Tony Cannon, General Manager/CEO, stated that the iLead program, implemented in 2016, was part of the succession management strategy to plan for GUC’s future leadership. The current graduates are the fifth iLead class. Mr. Cannon introduced Richie Shreves, Director of Human Resources. Ms. Shreves stated that the applicants completed an application, assessment and panel interview and were selected for the program. There were 9 participants in the class. Ms. Shreves shared that the group was divided into two teams, each preparing a final project that was presented to the Management Team in May. Ms. Shreves congratulated the 2022-2023 iLead class which totals 82 graduates since its implementation. The iLead program has benefited 36.5% of the graduates with a promotion or increase in responsibility.

The 2022-2023 iLead Class Graduates are as follows:

- | | |
|------------------------|----------------------------------------------------------|
| 1. Chris Bright | Gas System Operator I |
| 2. David Bunch | Lineworker First Class |
| 3. Kim Coggins | Business Analyst II (Finance) |
| 4. Wade Corbitt | WTP Instrumentation Controls and Maintenance Crew Leader |
| 5. Kevin Lockamy | Mechanic Supervisor |
| 6. Kenny McDonald | Master Mechanic |
| 7. Emily Smith | Staff Support Specialist I (Customer Relations) |
| 8. Amanda Wall | Controller |
| 9. LeAnne Wetherington | Senior Administrative Assistant (Customer Relations) |

RECOGNITION OF NC DEPARTMENT OF LABOR SAFETY AWARDS

Mr. Keyzer stated that there are several recognitions for GUC by the North Carolina Department of Labor (NCDOL) Safety Awards. He stated that the NCDOL’s Safety Awards Program recognizes private and public organizations throughout the state that maintain good safety records. The Greenville-Pitt County Chamber of Commerce along with NCDOL hosted the event for the eastern region on April 20, 2023. Several employers came together to celebrate and GUC was honored to receive 9 Gold awards.

ADMINISTRATION	Gold - Second Year
ADMINISTRATION BUILDING	Gold - Second Year
WASTEWATER TREATMENT PLANT	Gold - Sixteenth Year
CUSTOMER RELATIONS DEPARTMENT	Gold - Tenth Year
INFORMATION TECHNOLOGY DEPARTMENT	Gold - Second Year
FINANCE DEPARTMENT	Gold - Second Year
EXPRESS OFFICE	Gold - Third Year
WATER TREATMENT PLANT	Gold - Sixth Year
METER DEPARTMENT	Gold - Second Year

(Gold Award - Rate of days away from work, job transfer or restriction was at least 50% below the industry average)

PUBLIC HEARING

Mr. Jonathan Britt, Manager of Advanced Analytics, announced that System Development Fees are one-time charges assessed to new water and/or sewer customers for their use of system capacity and to recover up-front system capacity costs. The fees are subject to conditions and limitations of the N.C.G.S. 162A Article 8. This statute required conformity no later than July 1, 2018, identifies 3 acceptable fee calculation methods, with a planning horizon of not less than 5 years, nor more than 20 years, and requires adoption of a written supporting analysis updated at least every 5 years. Mr. Britt provided the analysis updated for Water and Sewer System Development Fees that were utilized since 2018 and showed supporting analysis for calculating the 2023 System Development Fees.

The recommended Action is to conduct a public hearing as properly in accordance with N.C.G.S 162A Article 8 and to approve a resolution adopting the updated System Development Fee Supporting Analysis at the June 8th Board Meeting. The analysis was posted March 20, 2023, for public review and no emails were received.

As part of the recommended action, Chair Darden announced the public hearing at 12:17 p.m. and explained the procedures to be followed by anyone who wished to speak.

There being no guests who wished to speak during the public hearing, Chair Darden closed the public comment period at 12:18 p.m.

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: April 20, 2023
- (Agenda Item 2) Recommended Approval of a Joint Development and Funding Agreement by and among the City of Greenville, NC, Greenville ENC Alliance, and Greenville Utilities Commission

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

REVIEW OF MONTHLY FINANCIAL STATEMENT – APRIL 30, 2023 (Agenda Item 3)

April 30, 2023, Financial Statement:

Key financial metrics for the combined funds for the period ending April 30, 2023:

Operating Cash:	\$79,467,135	Days of Cash on Hand:	122
Less Current Liabilities:	(\$22,511,799)		
Fund Balance:	\$56,955,336		
 Fund Balance Available for Appropriation:	 19.8%	 Days of Cash on Hand After Liabilities:	 88
Average Investment Yield:	2.83%		

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$758,734)	\$492,304	\$339,404	(\$3,333,567)	(\$1,481,174)	\$2,892,177
Water	\$292,421	\$547,259	\$556,903	\$4,047,628	\$3,734,854	\$4,600,718
Sewer	\$226,106	\$184,643	\$450,185	\$1,467,873	\$395,957	\$3,263,224
Gas	\$126,463	\$584,641	\$181,948	\$2,471,032	(\$723,385)	\$506,165
Combined	(\$113,744)	\$1,808,847	\$1,528,440	\$4,652,966	\$1,926,252	\$11,262,284

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	\$41,266	\$908,971	\$39,404	\$119,756	\$2,685,493	\$142,177
Water	\$42,421	\$172,259	\$56,903	\$1,236,092	(\$15,146)	\$490,718
Sewer	\$26,106	\$142,976	\$50,185	\$34,880	(\$20,713)	\$363,224
Gas	\$126,463	\$711,349	\$181,948	\$2,578,629	\$543,698	\$506,165
Combined	\$236,256	\$1,935,555	\$328,440	\$3,969,357	\$3,193,332	\$1,502,284

Mr. Jeff McCauley, Chief Financial Officer, provided a presentation on the Financial Statement for April 30, 2023.

The weather impact for the month of April 2023 indicated that the April Heating degree days were down compared to year, and the Cooling Degrees were higher than last year. The April rainfall was approximately 5.5 inches which was more than last year. The portfolio earned 2.83% for the month of April.

Overall year-to-date results through the end of April remain stable. The Electric Rate Stabilization Reserves are approximately \$21.7 million, and the Gas Rate Stabilization Reserves are \$3.8 million. The Operating Reserves are 122 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 \$29.5 million.

After discussion, a motion was made by Mr. Geiger, seconded Mr. Blount, to accept the April 30, 2023, Financial Report. The motion carried unanimously.

CONSIDERATION OF ADOPTION OF FY 2022-2023 BUDGET AMENDMENT FOR OPERATIONS AND CAPITAL PROJECTS (Agenda Item 4)

Mr. Cannon shared that each year a budget amendment is needed to balance out the budget. Mr. McCauley stated that actual operating results for nine months of the fiscal year have been evaluated to derive year-end projections. Staff is proposing the fiscal year 2022-23 budget be amended to reflect year-end projections and to amend certain capital projects budgets. The budget ordinance for the City Council’s consideration was provided for review.

Mr. McCauley provided a high-level overview of the FY 2022-23 budget amendment that will need approval by City Council at its June meeting.

Major budgetary adjustments to the operating funds are listed below:

Operations:

Revenues

Rates and Charges	(\$3,006,440)
Fees and Charges	(237,370)
Miscellaneous	(241,899)
Interest on Investments	682,000
Bond Proceeds	(274,800)
Transfer from Rate Stabilization	(2,520,500)
Total	(\$5,599,009)

Expenditures

Operations	\$637,838
Purchased Power	(5,657,355)
Purchased Gas	(2,136,082)
Capital Outlay	848,504
Debt Service	(512,543)
Transfer to Rate Stabilization	750,000
Transfer to Capital Projects	400,000
Operating Contingencies	70,629
Total	(\$5,599,009)

Mr. Cannon noted that these amendments reflect a change in the annual budget from \$288 million to \$282 million.

Major changes to capital projects are listed below:

(a) The revenues anticipated to be available to complete the projects are amended as follows.

Line #	Revenue Description	Budget	Change	Revised
1	Proceeds from long-term debt	\$8,350,000	\$7,600,000	15,950,000
2	Capital projects fund balance	500,000	891,700	1,391,700
3	System development fees	0	1,500,000	1,500,000
4	EDA Grant	4,500,000	0	4,500,000
5		\$13,350,000	\$9,991,700	\$23,341,700

(b) The amounts appropriated for the projects are amended as follows:

<u>Project Description</u>				
6	ECP10168 POD #3 to Simpson Substation 115kV Transmission Loop	\$600,000	\$6,000,000	\$6,600,000
7	ECP10174 Electric System Expansion	2,500,000	(1,608,300)	891,700
8	WCP-124 Residual Lagoon Improvements	1,250,000	500,000	1,750,000
9	SCP10238 WWTP Clarifier Replacement Project	7,500,000	5,100,000	12,600,000
10	SCP10245 Frog Level Pump Station Improvements	1,500,000	0	1,500,000
11		<u>\$13,350,000</u>	<u>\$9,991,700</u>	<u>\$23,341,700</u>

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
ALL FUNDS**

	<u>2022-2023 Budget</u>	<u>2022-2023 Change</u>	<u>2022-2023 Revised</u>
REVENUE:			
Rates & Charges	\$ 274,761,943	\$ (3,006,440)	\$ 271,755,503
Fees & Charges	2,518,247	(218,022)	2,300,225
U. G. & Temporary Service Charges	434,348	(19,348)	415,000
Miscellaneous	2,880,665	(241,899)	2,638,766
Interest on Investments	408,000	682,000	1,090,000
Bond Proceeds	274,800	(274,800)	-
Transfer from Rate Stabilization	6,520,500	(2,520,500)	4,000,000
	<u>\$ 287,798,503</u>	<u>\$ (5,599,009)</u>	<u>\$ 282,199,494</u>
EXPENDITURES:			
Operations	\$ 82,568,039	\$ 637,838	\$ 83,205,877
Purchased Power	134,080,724	(5,657,355)	128,423,369
Purchased Gas	30,925,416	(2,136,082)	28,789,334
Capital Outlay	14,598,261	848,504	15,446,765
Debt Service	12,674,956	(512,543)	12,162,413
City Turnover - General	6,059,364	-	6,059,364
Street Light Reimbursement	979,944	-	979,944
Transfer to OPEB Trust	500,000	-	500,000
Transfer to Rate Stabilization	-	750,000	750,000
Transfer to Capital Projects	5,000,000	400,000	5,400,000
Operating Contingencies	411,799	70,629	482,428
	<u>\$ 287,798,503</u>	<u>\$ (5,599,009)</u>	<u>\$ 282,199,494</u>

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
ELECTRIC FUND**

	<u>2022-2023 Budget</u>	<u>2022-2023 Change</u>	<u>2022-2023 Revised</u>
REVENUE:			
Rates & Charges	\$ 179,718,246	\$ (4,798,095)	\$ 174,920,151
Fees & Charges	1,346,990	(76,490)	1,270,500
U. G. & Temporary Service Charges	414,348	(19,348)	395,000
Miscellaneous	2,293,039	(262,020)	2,031,019
Interest on Investments	240,000	440,000	680,000
Bond Proceeds	217,683	(217,683)	-
Transfer from Rate Stabilization	5,000,000	(1,000,000)	4,000,000
	<u>\$ 189,230,306</u>	<u>\$ (5,933,636)</u>	<u>\$ 183,296,670</u>
EXPENDITURES:			
Operations	\$ 34,884,562	\$ (698,812)	\$ 34,185,750
Purchased Power	134,080,724	(5,657,355)	128,423,369
Capital Outlay	9,722,316	342,083	10,064,399
Debt Service	4,669,709	(358,660)	4,311,049
City Turnover - General	4,356,852	-	4,356,852
Street Light Reimbursement	979,944	-	979,944
Transfer to OPEB Trust	275,000	-	275,000
Transfer to Capital Projects	-	500,000	500,000
Operating Contingencies	261,199	(60,892)	200,307
	<u>\$ 189,230,306</u>	<u>\$ (5,933,636)</u>	<u>\$ 183,296,670</u>

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
WATER FUND**

	<u>2022-2023 Budget</u>	<u>2022-2023 Change</u>	<u>2022-2023 Revised</u>
REVENUE:			
Rates & Charges	\$ 24,399,360	\$ 402,727	\$ 24,802,087
Fees & Charges	500,538	(98,038)	402,500
U. G. & Temporary Service Charges	20,000	-	20,000
Miscellaneous	265,823	(9,586)	256,237
Interest on Investments	53,000	72,000	125,000
Bond Proceeds	19,039	(19,039)	-
	<u>\$ 25,257,760</u>	<u>\$ 348,064</u>	<u>\$ 25,605,824</u>

EXPENDITURES:

Operations	\$ 16,919,891	\$ 1,245,757	\$ 18,165,648
Capital Outlay	1,502,110	554,489	2,056,599
Debt Service	2,183,442	8,122	2,191,564
Transfer to OPEB Trust	75,000	-	75,000
Transfer to Capital Projects	4,500,000	(1,500,000)	3,000,000
Operating Contingencies	77,317	39,696	117,013
	<u>\$ 25,257,760</u>	<u>\$ 348,064</u>	<u>\$ 25,605,824</u>

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
SEWER FUND**

	<u>2022-2023 Budget</u>	<u>2022-2023 Change</u>	<u>2022-2023 Revised</u>
REVENUE:			
Rates & Charges	\$ 24,135,503	\$ 542,514	\$ 24,678,017
Fees & Charges	485,732	(35,507)	450,225
Miscellaneous	148,207	(22,209)	125,998
Interest on Investments	45,000	65,000	110,000
Bond Proceeds	38,078	(38,078)	-
	<u>\$ 24,852,520</u>	<u>\$ 511,720</u>	<u>\$ 25,364,240</u>

EXPENDITURES:

Operations	\$ 17,780,941	\$ (72,830)	\$ 17,708,111
Capital Outlay	1,767,235	49,284	1,816,519
Debt Service	4,657,173	(169,121)	4,488,052
Transfer to OPEB Trust	75,000	-	75,000
Transfer to Capital Projects	500,000	650,000	1,150,000
Operating Contingencies	72,171	54,387	126,558
	<u>\$ 24,852,520</u>	<u>\$ 511,720</u>	<u>\$ 25,364,240</u>

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
GAS FUND**

	<u>2022-2023 Budget</u>	<u>2022-2023 Change</u>	<u>2022-2023 Revised</u>
REVENUE:			
Rates & Charges	\$ 46,508,834	\$ 846,414	\$ 47,355,248
Fees & Charges	184,987	(7,987)	177,000
Miscellaneous	173,596	51,916	225,512
Interest on Investments	70,000	105,000	175,000
Transfer from Rate Stabilization	1,520,500	(1,520,500)	-
	<u>\$ 48,457,917</u>	<u>\$ (525,157)</u>	<u>\$ 47,932,760</u>
EXPENDITURES:			
Operations	\$ 12,982,645	\$ 163,723	\$ 13,146,368
Purchased Gas	30,925,416	(2,136,082)	28,789,334
Capital Outlay	1,606,600	(97,352)	1,509,248
Debt Service	1,164,632	7,116	1,171,748
City Turnover	1,702,512	-	1,702,512
Transfer to OPEB Trust	75,000	-	75,000
Transfer to Rate Stabilization	-	750,000	750,000
Transfer to Capital Projects	-	750,000	750,000
Operating Contingencies	1,112	37,438	38,550
	<u>\$ 48,457,917</u>	<u>\$ (525,157)</u>	<u>\$ 47,932,760</u>

**Greenville Utilities Commission
Capital Project Budget
As of May 18, 2023**

<u>Project Name</u>	<u>Current Budget</u>	<u>Change</u>	<u>Revised Budget</u>
ECP10168 POD #3 to Simpson Substation 115kV Transmission Loop			
Revenues:			
Long-Term Debt	\$600,000	\$6,000,000	\$6,600,000
Total Revenue	<u>\$600,000</u>	<u>\$6,000,000</u>	<u>\$6,600,000</u>
Expenditures:			
Project Costs	\$600,000	\$6,000,000	\$6,600,000
Total Expenditures	<u>\$600,000</u>	<u>\$6,000,000</u>	<u>\$6,600,000</u>

**Greenville Utilities Commission
Capital Project Budget
As of May 18, 2023**

Project Name	Current Budget	Change	Revised Budget
ECP10174 Electric System Expansion			
Revenues:			
Long-Term Debt	\$2,500,000	\$(2,500,000)	\$ -
Capital Projects Fund Balance	-	891,700	891,700
Total Revenue	\$2,500,000	\$(1,608,300)	\$891,700
Expenditures:			
Project Costs	\$2,500,000	\$(1,608,300)	\$891,700
Total Expenditures	\$2,500,000	\$(1,608,300)	\$891,700

**Greenville Utilities Commission
Capital Project Budget
As of May 18, 2023**

Project Name	Current Budget	Change	Revised Budget
WCP-124 Residual Lagoon Improvements			
Revenues:			
Long-Term Debt	\$1,250,000	\$ -	\$1,250,000
System Development Fees	-	500,000	500,000
Total Revenue	\$1,250,000	\$500,000	\$1,750,000
Expenditures:			
Project Costs	\$1,250,000	\$500,000	\$1,750,000
Total Expenditures	\$1,250,000	\$500,000	\$1,750,000

**Greenville Utilities Commission
Capital Project Budget
As of May 18, 2023**

Project Name	Current Budget	Change	Revised Budget
SCP10238 WWTP Clarifier Replacement Project			
Revenues:			
Long-Term Debt	\$3,000,000	\$5,100,000	\$ 8,100,000
EDA Grant	4,500,000	-	4,500,000
Total Revenue	\$7,500,000	\$5,100,000	\$12,600,000
Expenditures:			
Project Costs	\$7,500,000	\$5,100,000	\$12,600,000
Total Expenditures	\$7,500,000	\$5,100,000	\$12,600,000

**Greenville Utilities Commission
Capital Project Budget
As of May 18, 2023**

Project Name	Current Budget	Change	Revised Budget
SCP10245 Frog Level Pump Station Improvements			
Revenues:			
Long-Term Debt	\$1,000,000	\$(1,000,000)	\$ -
Capital Projects Fund Balance	500,000	-	500,000
System Development Fees	-	1,000,000	1,000,000
Total Revenue	\$1,500,000	\$ -	\$1,500,000
Expenditures:			
Project Costs	\$1,500,000	\$ -	\$1,500,000
Total Expenditures	\$1,500,000	\$ -	\$1,500,000

ORDINANCE NO. 23-
CITY OF GREENVILLE, NORTH CAROLINA
TO AMEND THE GREENVILLE UTILITIES COMMISSION 2022-23 BUDGET, AND
TO AMEND VARIOUS CAPITAL PROJECT BUDGETS

THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA, DOES ORDAIN:

Section I. Estimated Net Revenues and Fund Balances. It is estimated that the following non-tax revenues and fund balances will be available during the fiscal year beginning July 1, 2022 and ending June 30, 2023 to meet the subsequent expenditures according to the following schedules:

<u>Revenues</u>	<u>Budget</u>	<u>Change</u>	<u>Revised</u>
A. <u>Electric Fund</u>			
Rates & Charges	\$179,718,246	(\$4,798,095)	\$174,920,151
Fees & Charges	1,761,338	(95,838)	1,665,500

Miscellaneous	2,293,039	(262,020)	2,031,019
Interest on Investments	240,000	440,000	680,000
Bond Proceeds	217,683	(217,683)	0
Transfer from Rate Stabilization	5,000,000	(1,000,000)	4,000,000
Total Electric Fund Revenue	\$189,230,306	(\$5,933,636)	\$183,296,670
B. <u>Water Fund</u>			
Rates & Charges	\$24,399,360	\$402,727	\$24,802,087
Fees & Charges	520,538	(98,038)	422,500
Miscellaneous	265,823	(9,586)	256,237
Interest on Investments	53,000	72,000	125,000
Bond Proceeds	19,039	(19,039)	0
Total Water Fund Revenue	\$25,257,760	\$348,064	\$25,605,824
C. <u>Sewer Fund</u>			
Rates & Charges	\$24,135,503	\$542,514	\$24,678,017
Fees & Charges	485,732	(35,507)	450,225
Miscellaneous	148,207	(22,209)	125,998
Interest on Investments	45,000	65,000	110,000
Bond Proceeds	38,078	(38,078)	0
Total Sewer Fund Revenue	\$24,852,520	\$511,720	\$25,364,240
D. <u>Gas Fund</u>			
Rates & Charges	\$46,508,834	\$846,414	\$47,355,248
Fees & Charges	184,987	(7,987)	177,000
Miscellaneous	173,596	51,916	225,512
Interest on Investments	70,000	105,000	175,000
Transfer from Rate Stabilization	1,520,500	(1,520,500)	0
Total Gas Fund Revenue	\$48,457,917	(\$525,157)	\$47,932,760
Total Revenues	<u>\$287,798,503</u>	<u>(\$5,599,009)</u>	<u>\$282,199,494</u>

Section II. Expenditures. The following amounts are hereby estimated for the Greenville Utilities Commission to be expended for managing, operating, improving, maintaining, and extending electric, water, sewer and gas utilities during the fiscal year beginning July 1, 2022 and ending on June 30, 2023, according to the following schedules:

<u>Expenditures</u>	<u>Budget</u>	<u>Change</u>	<u>Revised</u>
Electric Fund	\$189,230,306	(\$5,933,636)	\$183,296,670
Water Fund	25,257,760	348,064	25,605,824
Sewer Fund	24,852,520	511,720	25,364,240
Gas Fund	48,457,917	(525,157)	47,932,760
Total Expenditures	<u>\$287,798,503</u>	<u>(\$5,599,009)</u>	<u>\$282,199,494</u>

Section III. Capital Projects. The following Capital Project Budgets previously established are hereby amended.

(a) The revenues anticipated to be available to complete the projects are amended as follows.

<u>Line #</u>	<u>Revenue Description</u>	<u>Budget</u>	<u>Change</u>	<u>Revised</u>
1	Proceeds from long-term debt	\$14,100,000	\$7,200,000	\$21,300,000
2	Capital projects fund balance	1,000,000	891,700	1,891,700
3	System development fees	0	1,500,000	1,500,000
4	Grant ARP DEQ	0	400,000	400,000
5	EDA Grant	4,500,000	0	4,500,000
6		<u>\$19,600,000</u>	<u>\$9,991,700</u>	<u>\$29,591,700</u>

(b) The amounts appropriated for the projects are amended as follows:

<u>Project Description</u>				
7	ECP10168 POD #3 to Simpson Substation 11SkV Transmission Loop	\$600,000	\$6,000,000	\$6,600,000
8	ECP10174 Electric System Expansion	2,500,000	(1,608,300)	891,700
9	WCP-124 Residual Lagoon Improvements	1,250,000	500,000	1,750,000
10	WCP10030 Water Distribution System Improvements	6,250,000	0	6,250,000
11	SCP10238 WWTP Clarifier Replacement Project	7,500,000	5,100,000	12,600,000
12	SCP10245 Frog Level Pump Station Improvements	1,500,000	0	1,500,000
13		<u>\$19,600,000</u>	<u>\$9,991,700</u>	<u>\$29,591,700</u>

(c) The capital project revenues and expenditures authorizations shall extend from year to year until each project is completed.

Section IV. Amendments.

(a) Pursuant to General Statutes 159-15, these budgets may be amended by submission of proposed changes to the City Council.

(b) Notwithstanding Subsection (a) above, the General Manager/CEO of Greenville Utilities Commission is authorized to transfer funds from one appropriation to another in an amount not to exceed \$100,000. Any such transfers shall be reported to the Greenville Utilities Commission and the City Council at their next regular meeting and shall be entered in the minutes.

(c) In case of emergency which threatens the lives, health, or safety of the public, the General Manager/CEO may authorize expenditures in an amount necessary to meet the emergency so long as the expenditure(s) is/are reported to the Greenville Utilities Commission as soon as possible, and appropriate budget amendments are submitted to the City Council, if necessary, at its next meeting.

(d) Capital Projects listed in section III may be amended on an individual project basis.

Section V: Distribution. Copies of this ordinance shall be furnished to the General Manager/CEO and the Chief Financial Officer of the Greenville Utilities Commission, and the Director of Financial Services of the City of Greenville to be kept on file by them for their direction in the disbursement of funds.

Adopted this the 5th day of June, 2023.

/s/ P. J. Connelly, Mayor

Attest:

/s/ Valerie Shiuwegar, City Clerk

**RESOLUTION RECOMMENDING TO THE CITY COUNCIL
ADOPTION OF A RESOLUTION PROVIDING FOR THE
REIMBURSEMENT TO THE GREENVILLE UTILITIES COMMISSION,
OF THE CITY OF GREENVILLE, NORTH CAROLINA, A BODY POLITIC
DULY CHARTERED BY THE STATE OF NORTH CAROLINA, FROM THE
PROCEEDS OF ONE OR MORE FINANCING(S) FOR THE EXPENDITURE OF
FUNDS FOR CERTAIN IMPROVEMENTS TO THE COMBINED ENTERPRISE
SYSTEM**

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

WHEREAS, Section 1.150-2 of the Treasury Regulations prescribes specific procedures which will be applicable to certain bonds, notes or other indebtedness ("Debt") issued by or on behalf of the Commission and the City including, without limitation, a requirement that the City declare official intent to reimburse certain expenditures with proceeds of Debt to be incurred prior to, or within sixty (60) days of, payment of the expenditures to be reimbursed;

WHEREAS, the Commission has identified certain improvements (the "Additional Improvements") to the Combined Enterprise System that have been and must be funded from available funds pending reimbursement from the proceeds of Debt to be issued for such purposes;

WHEREAS, the Additional Improvements consist of an electric substation transmission loop, electric system expansion, lagoon and pump station improvements, and a clarifier replacement project; now, therefore,

BE IT RESOLVED BY THE GREENVILLE UTILITIES COMMISSION as follows;

1. The City is hereby requested to give favorable consideration to and pass the proposed resolution, which resolution (the "Reimbursement Resolution") effectively would provide for the reimbursement to the Commission from the proceeds of one or more Debt financing(s) (estimated to be \$23,341,700) for certain expenditures for the Additional Improvements made not more than 60 days prior to the adoption of the Reimbursement Resolution, the Commission having determined that such adoption will be in the best interests of the Combined Enterprise System.

2. This resolution shall take effect immediately upon its passage, and a certified copy thereof shall be provided to the City Clerk for presentation to the City Council at its next regularly scheduled meeting.

Adopted this the 18th day of May, 2023.

/s/ Kelly L. Darden, Jr., Chair

ATTEST:

/s/ Lindsey Griffin
Secretary

APPROVED AS TO FORM:

/s/ Phillip R. Dixon
General Counsel

RESOLUTION NO. 23-__
RESOLUTION DECLARING THE INTENTION OF THE
CITY COUNCIL OF THE CITY OF GREENVILLE TO REIMBURSE THE
GREENVILLE UTILITIES COMMISSION, OF THE CITY OF GREENVILLE, NORTH
CAROLINA, A BODY POLITIC DULY CHARTERED BY THE STATE OF NORTH
CAROLINA, FROM THE PROCEEDS OF ONE OR MORE FINANCING(S) FOR
CERTAIN EXPENDITURES MADE AND TO BE MADE IN CONNECTION WITH THE
ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS

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

WHEREAS, Section 1.150-2 of the Treasury Regulations (the "Regulations") prescribes specific procedures which will be applicable to certain bonds, notes or other indebtedness ("Debt") issued by or on behalf of the Commission and the City including, without limitation, a requirement that the City declare official intent to reimburse certain expenditures with proceeds of Debt to be incurred prior to, or within sixty (60) days of, payment of the expenditures to be reimbursed;

WHEREAS, the Commission has determined to pay certain expenditures (the "Expenditures") incurred no more than 60 days prior to the date hereof and thereafter relating to the acquisition and construction of certain improvements (collectively, the "Additional Improvements") more fully described below;

WHEREAS, the Additional Improvements consist of an electric substation transmission loop, electric system expansion, lagoon and pump station improvements, and a clarifier replacement project; and

WHEREAS, the City Council of the City has determined that those moneys previously advanced by the Commission no more than 60 days prior to the date hereof to pay such Expenditures are available only on a temporary period and that it is necessary to reimburse the Commission for the Expenditures from the proceeds of one or more issues of Debt;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL as follows:

Section 1. The City hereby declares concurrence with the Commission's intent to reimburse the Commission from the proceeds of the Debt for the Expenditures made with respect to the Additional Improvements no more than 60 days prior to the date hereof and thereafter.

Section 2. Each Expenditure was or will be either (a) of a type chargeable to capital account under general federal income tax principles (determined as of the date of the Expenditures), (b) the cost of issuance with respect to the Debt, (c) a non-recurring item that is not customarily payable from current revenues of the Combined Enterprise System, or (d) a grant to a party that is not related to or an agent of the Commission or City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Commission or City.

Section 3. The principal amount of the Debt estimated to be issued to reimburse the Commission for Expenditures for the Additional Improvements is estimated to be not more than \$23,341,700.

Section 4. The Commission and the City will make a reimbursement allocation, which is a written allocation by the Commission and the City that evidences the Commission's use of proceeds of the Debt to reimburse an Expenditure no later than 18 months after the later of the date on which such Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The City recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de

minimis amounts, (expenditures by "small issuers" based on the year of issuance and not the year of expenditure), and expenditures for construction projects of at least 5 years.

Section 5. This declaration of official intent is made pursuant to Section 1.150-2 of the Treasury Regulations.

Section 6. The resolution shall take effect immediately upon its passage.

Adopted this the 5th day of June, 2023.

/s/ P. J. Connelly, Mayor

ATTEST:

/s/ Valerie Shiuwegar
City Clerk

After discussion, a motion was made by Ms. Wall, seconded by Mr. Blount, to adopt the fiscal year 2022-23 budget amendment and reimbursement resolution which includes certain capital projects budget amendments as shown. Recommend similar action by City Council. The motion carried unanimously.

UPDATE FROM GREENVILLE ENC ALLIANCE PRESIDENT JOSH LEWIS ON ITS STRATEGIC PLAN (Agenda Item 5)

Mr. Josh Lewis, President of the Greenville ENC Alliance, provided an update on its strategic plan. Mr. Lewis stated that its previous plan was focused on capital campaign and working with investors and there was a lack of a road map with activities and outcomes. The Alliance has since developed strategic plan objectives as follows:

- Identify shared economic development goals for the metro (Greenville-Pitt County)
- Develop the strategies and tactics needed to achieve those objectives
- Secure alignment on who should do what, when, over what time period, and with what resources
- Align on the metrics that should track to ensure success

Through documenting observations and findings, the strategic plan goals were created.

To implement the strategic plan, year one the Alliance will lay foundation and continue business development, focus on core and next-gen industries, kick off site prioritization study, execute and coordinate marketing and promotion strategy, and implement and coordinate Business Rule Engine (BRE) programming and support. In year two the Alliance will expand initiatives and continue business development focus on core and next-gen industries, continue site and marketing strategy execution, work with partners to execute creative and knowledge industry cultivation, and leverage research and benchmarking to support policy advocacy coordination. And in years three through five the Alliance will scale impact and continue business development, sites, and marketing strategy execution, expand product development strategy to include industrial buildings, execute targeted initiative(s) to support scalable entrepreneurial and innovation startups, and identify high-impact opportunities to support partners in enabler categories like talent, quality of life, and opportunity creation.

As part of product development, Greenville ENC Alliance owns a shell building and is bringing on partners to cover carrying cost with a plan to get the building occupied before any money is owed. This option was created as a lower risk than original plan to construct a new building.

Mr. Lewis added that starting businesses in the area is going well. However, there is a need for employment so one initiative is to attract a sector of employers that will gain employees and

maintain them over time. By doing the activities that have been laid out in their plan, it will provide positive outcomes with an increase in employment, average wage, labor, and tax base.

Mr. Lewis talked about how investors continue to come online. The current investor make up is about 50% private sector and 50% public sector dollars.

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

1. Informational Reading

Bids and Request for Qualifications, Statistical Data Report, Sewer Spill Tracking Report, Load Management Report, and PGA Report were provided.

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

GREENVILLE UTILITIES COMMISSION
RANKING OF BIDS RECEIVED

GREENVILLE UTILITIES COMMISSION

RANKING OF PROPOSALS RECEIVED

GAS LEAK DETECTION & ATMOSPHERIC CORROSION SURVEY SERVICES
MARCH 30, 2023 @ 11:00 AM

VENDOR PROPOSAL RANKING
Southern Cross Corp. *
OMARK Consultants, Inc.
Leak Detection Service, Inc.
Heath Consultants, Inc.

* Indicates recommended vendor to negotiate a contract.

TABULATION OF BIDS RECEIVED

2,160' - WIRE, #4 INSULATED COPPER XLP4 GUC STK# 208730,
12,000' - WIRE, 2/0 - 600V UG TRIPLEX GUC STK# 201250,
5,400' - WIRE, #2 TRIPLEX CABLE (OH) XLP GUC STK# 204630,
2,000' - WIRE, 4/0 UG QUADPLEX GUC STK# 201270
4,420lbs. - WIRE, 1/0 ACSR GUC STK# 204570

APRIL 6, 2023 @ 3:00 PM

VENDORS	MFG.	DELIVERY WEEKS	UNIT PRICE #4 INSULATED XLP4	TOTAL
Wesco Distribution, Inc.	Priority W&C	20-22	\$1.552	\$3,352.32*
Bell Electrical Supply Co, Inc.	N/A	1	1.647	3,557.52(1)
American Wire Group	-	--	-	-

VENDORS	MFG.	DELIVERY WEEKS	UNIT PRICE 2/0 600V UG TRIPLEX	TOTAL
Wesco Distribution, Inc.	Priority W&C	1	\$4.90	\$9,800.00*
Bell Electrical Supply Co, Inc.	N/A	1	4.841	9,682.00(1)
American Wire Group	AWG	2	5.50	11,000.00(1)

VENDORS	MFG.	DELIVERY WEEKS	UNIT PRICE #2 TRIPLEX (OH) XLP	TOTAL
Wesco Distribution, Inc.	Southwire	1	\$3.1187	\$37,424.40*
Bell Electrical Supply Co, Inc.	N/A	1	2.447	29,364.00(1)
American Wire Group	-	-	-	-

VENDORS	MFG.	DELIVERY WEEKS	UNIT PRICE 4/0 UG QUADPLEX	TOTAL
Wesco Distribution, Inc.	Southwire	1	\$1.193	\$6,442.20*
American Wire Group	AWG	2	1.50	8,100.00(1)
Bell Electrical Supply Co, Inc.	N/A	1	1.848	9,972.20(1)

VENDORS	MFG.	DELIVERY WEEKS	UNIT PRICE 1/0 ACSR	TOTAL
Wesco Distribution, Inc.	Southwire	1	\$3.12	\$13,790.40*
Bell Electrical Supply Co, Inc.	N/A	1	3.83	18,384.00(1)
American Wire Group	AWG	2	4.85	23,280.00(1)

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

(1) Indicates vendor did not meet minimum specifications.

RANKING OF QUALIFICATIONS RECEIVED

ENVIRONMENTAL SERVICES SOQ
APRIL 11, 2023 @ 3:00 PM

VENDOR QUALIFICATION RANKING
GEI Consultants of North Carolina, PC*
Terracon Consultants, Inc.*
CATLIN Engineers & Scientists*
Timmons Group
ECS Southeast, LLP
NOVA Engineering & Environmental, Inc.

* Indicates the ranking order, top three, based on their submissions and qualifications.

TABULATION OF RE-BIDS RECEIVED

AYDEN-GRIFTON HIGH SCHOOL NATURAL GAS MAIN EXTENSION
APRIL 27, 2023 @ 4:00 PM

VENDORS	TOTAL
Classic City Mechanical, Inc.	\$216,865.00*
Directional Services, Inc.	315,610.00
Mears Group, Inc.	724,977.18

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

The Duke Energy Progress (DEP) monthly peak occurred on April 6, 2023, for the hour ending at 5:00 p.m. GUC's load management system was in full operation during this period. As a result, the estimated avoided demand costs amount to \$1,637,447.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

- Customer Mary M. Norris, a former Greenville Utilities employee, called to compliment Chris Rouse, Blake Beddard, Carson Knight, and Allen Brooks for demonstrating their respect during a funeral procession for her mother while working on East Avenue Road in Ayden. She stated that she was so honored and blown away by them taking the time to stop what they were doing and put their hands over their chest as the funeral procession passed. She said that their act of kindness during that difficult time in her life really made her day and they were to be commended for their kindness. **Employees' Name:** Gas Systems Crew Leader II Chris Rouse, Gas Systems Technician II Blake Beddard and Carson Knight, and Gas Systems Technician I Allen Brooks.
- Customer Elizabeth Mitchell called to compliment Chris Wallace and Adam Wilson for providing excellent customer service while performing a routine meter change. She stated that they were very nice, helpful, and knowledgeable. In addition, she was very grateful for them taking the time to explain to her and the plumber about an existing leak on her piping. **Employees' Name:** Gas Service Specialist II Chris Wallace and Gas Service Specialist I Adam Wilson.
- Customer Brad Rawls, Wimco Corporation Superintendent, emailed Gas Engineering Assistant I Joey Breeden to compliment Michael Mills, Ramsey Covington, Stephen Roebuck, Willie Boyd, and Mickey Dawson for providing excellent customer service while working on the ACES project on Worthington Road. He stated that the Gas crew worked hard and knocked out a big scope of work for the ACES site. Moreover, he stated that the Gas crew has made it a great process from the planning to the gas installation and it was his pleasure to work with such a great group of guys. **Employees' Name:** Gas System Crew Leader II Michael Mills and Gas System Technician IV Ramsey Covington, Stephen Roebuck, Willie Boyd, and Mickey Dawson.
- Customer David Johnson called Meter Superintendent Jason Hardee and left a voice mail message to compliment Ernest Overton. Ernest had arrived at Mr. Johnson's property, and he stated that Ernest showed kindness and humanity. He said that Ernest went beyond what he had to do to help him with this situation and made a difference in his life today. **Employee's Name:** Meter Field Tech II Ernest Overton.
- Lou Norris, Secretary to the General Manager/CEO, received a text message from Mr. Brad Griffin complimenting Mandy and a field technician that responded to his email that he sent to the hotline. He wrote, "Hi, Lou, I wanted to send you a GUC fan letter. Maybe you can pass it on. I emailed the GUC hotline last night at 1:15 a.m. because we've had some intermittent partial power issues last couple of days. Last night stuff was cutting on and off like crazy. Just some circuits at various times. GUC came first thing this morning and fixed it right away. I got a call from Mandy in customer service, and a call from the technician in the field when he was done. Just amazing service!" **Employees' Name:** Customer Contact Representative I Mandy Coldren; Troubleshooter Crew Leader Casey Jones; and Lineworker Third Class Jordan Bradshaw.

4. Other

- Mr. Cannon shared that he presented the GUC 2023-2024 budget to the City Council of the City of Greenville last week and it went well overall.
- Mr. Cannon announced that the North Carolina Association of Municipal Electric Systems (NCAMES) lineman rodeo is being held in Greenville, North Carolina today at the Greenville Convention Center and invited everyone to go out and see the competition.
- Safety awards received from the North Carolina Department of Labor show the importance GUC has on safety. Recently several staff attended and participated in the

DEKRA Safety in Action Conference where the message was not about numbers but saving lives.

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

Chair Darden shared how important it is to stay safe and to be recognized in receiving safety awards each year by the NC Department of Labor. He added that the safety reminders from Operations Support Manager Kevin Keyzer are always applicable for GUC employees and others at home. He next commended the 2022-2023 iLead graduates on completion of their program and welcomed the City of Greenville interns.

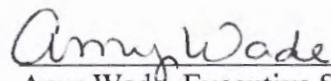
Chair Darden announced the GUC Regular Board meeting is scheduled for Thursday, June 8, 2023, at 12:00 noon.

BOARD MEMBER REMARKS:

Commissioner Garner added that he enjoyed seeing the compliments from customers about GUC employees listed in the agenda packet

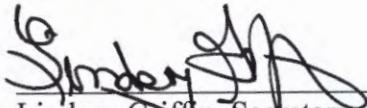
There being no further business to come before the Board of Commissioners in Regular Session, upon motion by Mr. Blount, seconded by Mr. Geiger, the Board of Commissioners unanimously agreed to adjourn the Board of Commissioners meeting at 1:01 p.m.

Respectfully submitted,



Amy Wade, Executive Secretary

APPROVED:



Lindsey Griffin, Secretary

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