

GREENVILLE UTILITIES COMMISSION
GREENVILLE, NORTH CAROLINA

Thursday, April 17, 2025

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 Griffin presiding.

Commission Board Members Present:

Lindsey Griffin
Ferrell L. Blount III
Justin Fuller

Mark Garner
Dr. Wanda D. Carr
Dillon Godley

Peter Geiger and Michael Cowin had an excused absence.

Commission Staff Present:

Tony Cannon, General Manager/CEO
Chris Padgett
Jeff McCauley
Phil Dixon
David Springer
Anthony Miller
Ken Wade
Colleen Sicley
Scott Mullis
Steve Hawley
Scott Farmer
Richie Shreves
Amy Wade
Andy Anderson
Durk Tyson

Amanda Wall
Paige Wallace
Lou Norris
Jonathan Britt
Kevin Keyzer
Jessica Hardy
Molly Ortiz
Maria Johnson
Jacob Swink
Melinda Sampson

Others Attending:

Les Robinson, City Liaison; Josh Lewis, Greenville ENC Alliance; and Ginger Livingston, The Daily Reflector.

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

ACCEPTANCE OF THE AGENDA

Chair Griffin asked to have the agenda amended to remove the two Closed Sessions.

A motion was made by Mr. Blount, seconded by Dr. Carr to accept the agenda as amended. 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 introduced Assistant Director of Gas Systems Durk Tyson to share the safety tip. Mr. Tyson stated that April is Safe Digging month. North Carolina 811 is a free service, and you should call 811 three full days before doing any digging.

RECOGNITION OF FIRST PRESBYTERIAN WOMEN – NEIGHBOR TO NEIGHBOR FUNDRAISER

Mr. Scott Mullis, Director of Customer Relations, introduced Assistant Director of Customer Relations Colleen Sicley to provide information on the fundraiser. Ms. Sicley stated that Neighbor-to-Neighbor program has helped a number of Pitt County residents. She reminded the Board that this program meets local needs by providing funds to assist low-income families in Pitt County with their heating bills. The program is administered through the Department of Social Services and offers up to \$200 for heating assistance per year to approved families.

This year the First Presbyterian Women held a fundraising luncheon and raised \$11,000. Since the beginning of the GUC Neighbor to Neighbor program in 2001, their fundraising efforts, along with GUC's matching funds, total more than \$401,984 for the program. Due to an emergency, the group was unable to attend the meeting and will be recognized at a later date.

RECOGNITION OF AMERICAN PUBLIC POWER ASSOCIATION SAFETY AWARD OF EXCELLENCE: DIAMOND DESIGNATION

Jacob Swink, Electric Distribution Engineer, stated the American Public Power Association (APPA) presented Safety Awards of Excellence to 15 ElectriCities of North Carolina member utilities for safe operation practices in 2024. The annual award recognizes a utility's comprehensive approach to safety, including its incident rate and the state of its safety program and culture. APPA awards utilities in three levels based on application score.

For the 2024 year, the Electric Department was awarded the Diamond Level of the APPA Safety Award of Excellence, which is the highest designation. He explained that to earn this award APPA considers the total number of hours worked by Electric Department employees for an entire year and how many days were lost or restricted from work due to injury. For 2024 GUC Electric worked 275,830 hours with only two OSHA reported injuries and only one of those resulted in restricted work with five days lost.

CONSENT AGENDA

Mr. Tony Cannon presented the following items for approval on the consent agenda:

(Agenda Item 1) Approval of Minutes – Regular Meeting: March 20, 2025

(Agenda Item 2) Recommended Award of Bid for Replacement of Wooden Distribution Structures along the Grid.

A motion was made by Mr. Godley, seconded by Dr. Carr to approve the consent agenda as presented. The motion carried unanimously.

CONSIDERATION OF RESOLUTION AGREEING TO PROVIDE SANITARY SEWER SERVICE TO A PROPOSED MEGASITE FOR INDUSTRIAL DEVELOPMENT AND REQUESTING AUTHORITY TO SERVE PROPERTY WITHOUT ANNEXATION BY THE CITY OF GREENVILLE, NC (Agenda Item 3)

Mr. Tony Cannon, General Manager/CEO, reminded the Board that the Megasite project was reviewed at the January Workshop. Mr. Cannon introduced Mr. Josh Lewis, President & CEO of Greenville-ENC Alliance, to provide a presentation on the project. Mr. Lewis stated the State of North Carolina has identified several possible megasites for large-scale industrial development and Pitt County is one of several counties selected for participation in the Megasite Readiness Program. The North Carolina General Assembly has set aside more than One Hundred Million Dollars to conduct due diligence studies and begin site development of such megasites. The County of Pitt, the City of Greenville ("City"), and the Greenville-ENC Alliance are joining with Weyerhaeuser to apply for state funding and official megasite designation.

The Greenville-ENC Alliance and the State of North Carolina have requested that Greenville Utilities Commission ("Commission") provide sanitary sewer service to such megasite and have

requested that the City allow the Commission to serve such site with sanitary sewer service without such property being annexed to enhance the attractiveness of the site as a possible location for large-scale industrial development. The Charter of Commission provides that approval by the City Council of the City is required to extend sanitary sewer service outside of the ETJ. Although the City has historically required a Petition for Voluntary Annexation from a property owner seeking sanitary sewer service outside the corporate limits, the City has previously allowed for sanitary sewer service to be provided to industrial manufacturing plant sites within and outside the ETJ of the City without requiring annexation to encourage economic development.

After discussion, a motion was made by Mr. Blount, seconded by Mr. Godley to approve the resolution agreeing to provide sanitary sewer service to the proposed megasite and recommend that the City authorize the Commission to provide sanitary sewer service to the subject site as a proposed megasite industrial park, and further recommend that the City allow sanitary sewer service to be extended to such site without a Petition for Voluntary Annexation being required to be submitted and approved by the City. The motion carried unanimously.

RESOLUTION _____

RESOLUTION OF GREENVILLE UTILITIES COMMISSION
OF THE CITY OF GREENVILLE, NORTH CAROLINA,
AGREEING TO PROVIDE SANITARY SEWER SERVICE TO A PROPOSED MEGASITE FOR
INDUSTRIAL DEVELOPMENT NEAR BETHEL, NORTH CAROLINA,
AND REQUESTING AUTHORITY TO SERVE SUCH PROPERTY WITHOUT ANNEXATION BY
THE CITY OF GREENVILLE, NORTH CAROLINA

WHEREAS, the State of North Carolina, in an attempt to promote and encourage industrial development, has identified seven (7) possible megasites with 1,000 acres or more for large-scale industrial development; and

WHEREAS, Pitt County is one of seven (7) counties selected for participation in the Megasite Readiness Program; and

WHEREAS, the North Carolina General Assembly has set aside more than One Hundred Million Dollars (\$100,000,000) to conduct due diligence studies and begin site development of such megasites over a two (2) year period; and

WHEREAS, the County of Pitt, the City of Greenville ("CITY"), and the Greenville-ENC Alliance are joining with Weyerhaeuser, the property's owner, to apply for state funding and official megasite designation; and

WHEREAS, Pitt County and Nash County are the first two (2) counties that will likely be eligible to access the due diligence funding; and

WHEREAS, such site has between 1,000 and 3,300 acres under single ownership for such a megasite, with access to multiple service transportation corridors, including U.S. Highway 13/N.C. Highway 11, U.S. Highway 64, and U.S. Highway 587, two (2) airports, and the seaside ports of Morehead City, North Carolina, and Norfolk, Virginia; and

WHEREAS, there is availability in Pitt County of a strong workforce and educational institutions such as East Carolina University and Pitt Community College to deliver workers for such anticipated future industrial development; and

WHEREAS, it is estimated that it will cost approximately \$451,000,000 for due diligence, design, and build of infrastructure to develop this particular project from state funds, which is the lowest estimate for the development of a site among the seven (7) sites currently under study; and

WHEREAS, the development of the site is expected to occur over a period of five (5) years to fifteen (15) years; and

WHEREAS, the Greenville-ENC Alliance and the State of North Carolina have requested Greenville Utilities Commission ("COMMISSION") agree to provide sanitary sewer service to such site which is located approximately six (6) miles north of downtown Greenville, west of U.S. Highway 13/N.C. Highway 11 near Alpine Taylor Road, with Briley Road to the south; and

WHEREAS, the State of North Carolina and the Greenville-ENC Alliance have requested that the CITY allow the COMMISSION to serve such property with sanitary sewer service without such property being annexed in order to enhance the attractiveness of the site as a possible location for substantial large-scale industrial development.

WHEREAS, the Charter of the Commission provides, in pertinent part, that approval by the City Council of the CITY is required to extend sanitary sewer service outside of the Extraterritorial Jurisdiction ("ETJ"); and

WHEREAS, the CITY has historically required a Petition for Voluntary Annexation from a property owner seeking sanitary sewer service outside the ETJ; and

WHEREAS, the CITY has previously allowed for sanitary sewer service to be provided to industrial manufacturing plant sites within and outside the ETJ of the CITY without requiring annexation in an effort to encourage economic development.

NOW, THEREFORE, BE IT RESOLVED by the COMMISSION of the City of Greenville, North Carolina, in Regular Session on the ____ day of _____, 2025, as follows:

1. The Board of Commissioners of the COMMISSION hereby recommends that the CITY authorize the COMMISSION to provide sanitary sewer service to the subject property as a proposed megasite industrial park in the northern portion of Pitt County as hereinabove described; and

2. The Board of Commissioners of the COMMISSION further recommends that the CITY allow sanitary sewer service to be extended to such property without a Petition for Voluntary Annexation being required to be submitted and approved by the CITY.

Adopted this the ____ day of _____, 2025.

GREENVILLE UTILITIES COMMISSION
OF THE CITY OF GREENVILLE, NC

By _____
/s/LINDSEY GRIFFIN, Chair

(SEAL)

ATTEST:

/s/FERRELL BLOUNT, Secretary

REVIEW OF MONTHLY FINANCIAL STATEMENT – MARCH 31, 2025 (Agenda Item 4)

Key financial metrics for the combined funds for the period ending March 2025:

Operating Cash	\$89,050,891	Days of Cash on Hand	127
Less Current Liabilities	<u>(\$24,729,536)</u>		
Fund Balance	\$64,321,355	Days of Cash on Hand After Liabilities	91

Fund Balance Available for Appropriation: 21.7%

Average Investment Yield: 3.78%

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$812,223)	(\$1,014,943)	(\$910,816)	(\$368,954)	(\$5,297,056)	(\$2,322,770)
Water	\$198,557	\$9,079	\$237,805	\$1,356,578	\$970,161	\$1,678,060
Sewer	\$28,474	(\$131,738)	\$123,197	\$2,076,526	\$483,052	\$1,916,693
Gas	\$1,271,121	\$1,046,705	\$546,101	\$5,074,044	\$825,388	\$4,655,788
Combined	\$685,929	(\$90,897)	(\$3,713)	\$8,138,194	(\$3,018,455)	\$5,927,771

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$812,223)	(\$514,943)	\$89,184	\$2,381,046	(\$797,056)	\$982,260
Water	\$98,557	(\$70,088)	\$87,805	\$759,081	\$257,662	\$543,070
Sewer	\$28,474	(\$173,405)	\$73,197	\$1,726,526	\$108,053	\$1,081,703
Gas	\$1,071,121	\$896,705	\$46,101	\$3,574,044	(\$524,612)	\$3,220,798
Combined	\$385,929	\$138,269	\$296,287	\$8,440,697	(\$955,953)	\$5,827,831

Mr. Jeff McCauley, Chief Financial Officer, provided a presentation on the Financial Statement for March 31, 2025.

The weather impact for the month of March 2025 indicated that the heating degree days were higher than March 2024, and the cooling degree days were higher than March 2024. March rainfall was approximately 2.65 inches which was lower than last year. The portfolio earned 3.78% for the month of March.

Overall year-to-date results through the end of March remain stable. The Electric Rate Stabilization Reserves are approximately \$11.7 million, and the Gas Rate Stabilization Reserves are \$7.6 million. The Operating Reserves are 127 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 negative \$3.2 million.

After discussion, a motion was made by Mr. Blount, seconded by Mr. Garner, to accept the Financial Statement for March 31, 2025. The motion carried unanimously.

CONSIDERATION OF ADOPTION OF PRELIMINARY FY 2025-2026 BUDGET (Agenda Item 5)

Mr. Cannon stated that on March 20, 2025 a presentation was provided to the Board of Commissioners that focused on the end-of-year performance for FY 2024-25, the principle elements of the preliminary FY 2025-26 budget, GUC's five-year capital improvement plan, and long-term financial forecast. After careful consideration of the information that was presented and feedback of the March 20, 2025 meeting materials, the Board of Commissioners reached a consensus to move forward with the preparation of the preliminary FY 2025-26 budget.

Highlights of the FY 2025-26 proposed budget are listed below:

- Expenditures budgeted for FY 2025-26 have increased by 3.9%, or \$11.9M, when compared to the FY 2024-25 budget. Key points are:
 - \$3.2M increase in operations
 - \$2.9M decrease in purchased power
 - \$3.2M increase in capital outlay
 - \$3.4M increase in purchased gas
 - \$5.4M increase in debt service
 - \$389K increase in City turnover
 - \$146K increase in transfers to capital projects
 - \$900K decrease in transfers to rate stabilization fund
- 3.7% rate increase for the Electric Fund, a 3.7% increase from last year's forecast
- 0.0% rate increase for the Water Fund, a 2.2% reduction from last year's forecast
- 6.5% rate increase for the Sewer Fund, equal to last year's forecast
- 4.9% rate increase for the Gas Fund, a 0.6% increase from last year's forecast
- Funding for a 4.0% employee merit/market adjustment
- Funding for 4.0% employer 401(k) contribution
- Continuation of a self-insured health insurance plan which includes a high deductible Health Savings Account option
- Continuation of self-insured dental insurance plan
- Funding to hire replacements ahead of key personnel retirements, enabling effective succession planning, knowledge transfer from experienced employees, and smooth operational transitions
- Continuation of investment in the Greenville ENC Alliance to promote economic development in the region
- Transfer to Other Post-Employment Benefits (OPEB) of \$500K
- Transfer of \$150K to the City's Energy Efficiency Partnership
- Investment of \$19.8M in capital outlay to maintain system reliability and comply with regulatory requirements
- Annual turnover or transfer of \$9.1M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

Additional Components include:

- Electric Rate Design Modifications, Year 5 of 5
- Electric Rate Rider RR-1, Qualified Customer Resources Policy, Revision
- New Electric Rate Rider RR-7, Commercial Renewable Excess Energy Buy Back Credit
- Sewer System Development Fees Phase-In Plan

Highlights of the FY 2025-26 capital budget are listed below:

- GUC continues to make investments in capital projects to maintain reliability, meet ongoing regulatory requirements, and remain strategically positioned to facilitate growth. In FY 2025-26, GUC plans to initiate capital projects totaling \$63.675M.

Project Type	Project Description	Project Amount
Finance	Operations Renovations	\$2,000,000
Meter	Advanced Metering Infrastructure	49,000,000
Electric	Distribution Substation Transformer Replacements	6,000,000
Water	NCDOT Evans Street	125,000
Water	NCDOT Dickinson Avenue Water Improvements	250,000
Water	WTP Filter Improvements	5,500,000
Sewer	NCDOT Evans Street	100,000
Gas	Integrity Management Replacement Project Phase III	700,000
	<u>Total</u>	<u>\$63,675,000</u>

Long-term Financial Forecast

Mr. Cannon reviewed the long-term financial forecast that included the five-year plan through FY 2026-30. This plan includes Advanced Meter Infrastructure (AMI).

Mr. Cannon noted that pending the Board’s approval of adoption, the preliminary balanced budget will be presented to the City Council on May 8, followed by a public hearing scheduled for June 9. Final adoption of the FY 2025-26 budget will be considered at the Board’s June 12 meeting, with final consideration by the City Council also scheduled for June 12.

After discussion, a motion was made by Mr. Garner, seconded by Mr. Blount, to adopt the preliminary FY 2025-26 Budget and to recommend similar action by City Council. The motion carried unanimously.

GENERAL MANAGER’S REPORT (Agenda Item 6)

1. Informational Reading

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

The Ranking of Proposals and Bids awarded by the General Manager/CEO during the past month was reported for information:

GREENVILLE UTILITIES COMMISSION

TABULATION OF BIDS RECEIVED

(8) 15 KVA CONV. TRANSFORMER, STK # 204890
FEBRUARY 20, 2025 @ 2:00 PM

VENDORS	DELIVERY TIME (WKS)	UNIT PRICE	OWNERSHIP COST/UNIT	TOTAL
Wesco Distribution, Inc.	14	\$1,189.00	\$1,946.20*	\$9,512.00
TEMA, Inc.	14	1,320.00	2,082.00	10,560.00
AR Transformers, Inc.	12	1,455.00	2,204.40	11,640.00
Kllen Group America	16	1,690.00	2,413.00	13,520.00
Richardson & Associates	26	2,536.00	3,280.90	20,288.00
Bolt Electrical, LLC	12	1,320.00	2,106.30	10,560.00(1)
ULS Corporate, Inc.	30	2,038.00	2,785.00	16,304.00(1)
Technology International, Inc.	24	2,121.00	2,919.00	16,968.00(1)
Kijero, LLC	In Stock	2,866.00	2,866.00	22,928.00(1)
Southwest Electrical Company	28	7,140.00	7,870.50	57,120.00(1)

* Indicates recommended award based on lowest total ownership cost.

(1) Indicates vendor is not an approved source.

(30) 155 KVA CSP TRANSFORMER, STK # 205010
FEBRUARY 20, 2025 @ 2:00 PM

VENDORS	DELIVERY TIME (WKS)	UNIT PRICE	OWNERSHIP COST/UNIT	TOTAL
Wesco Distribution, Inc.	22	\$1,334.00	\$2,101.10*	\$40,020.00
AR Transformers, Inc.	12	1,567.00	2,316.40	47,010.00
TEMA, Inc.	14	1,590.00	2,374.80	47,700.00
Kllen Group America	16	1,750.00	2,473.00	52,500.00
Richardson & Associates	26	2,963.00	3,759.80	88,890.00
Bolt Electrical, LLC	12	1,758.00	2,544.30	52,740.00(1)
Technology International, Inc.	24	2,290.00	3,110.50	68,700.00(1)
ULS Corporate, Inc.	30	2,950.00	3,697.00	88,500.00(1)
Kijero, LLC	In Stock	3,078.16	3,078.16	92,344.80(1)

* Indicates recommended award based on lowest total ownership cost.

(1) Indicates vendor is not an approved source.

GATORADE, COOLERS & CAPS
FEBRUARY 25, 2025 @ 2:00 PM

VENDORS	DELIVERY (WEEKS)	TOTAL
Fastenal Company	1	\$12,936.67*

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

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

A customer left a review card for Customer Contact Representative I Danesha Williams. The customer stated she was friendly and made the process easy for him. Danesha received review cards from two other customers stating she was professional and did an excellent job of helping them.

Employee's Name: Danesha Williams, Customer Contact Representative I

Mr. Melvin Foreman left a voicemail message to compliment Anthony Miller, Carl Smith and Will Prescott in assisting him on getting the utilities marked. He stated that he contacted Director of Gas Systems Anthony Miller who contacted Carl Smith to have Will Prescott locate the utilities at his church. Melvin was very appreciative for the Gas Department's excellent customer service.

Employees' Names: Anthony Miller, Director of Gas Systems; Carl Smith, Gas Systems Engineer; and Will Prescott, Damage Prevention Supervisor

Mr. Hardee called to compliment Roger Waterfield, Brandon Stevens, Spencer Dickerson, Carlos Crespo and Adam Wilson for providing excellent customer service while repairing a leak at his residence. He stated that they did a superb job while repairing an underground leak. He also stated that the entire crew did an excellent job with the cleanup.

Employees' Names: Roger Waterfield, Gas Systems Crew Leader I; Brandon Stevens, Gas Systems Technician III; Spencer Dickerson, Gas Systems Technician II; Carlos Crespo, Gas Service Specialist II; and Adam Wilson, Gas Service Specialist I.

4. Other

- Mr. Cannon stated Piedmont Natural Gas will be performing routine infrastructure maintenance at City Gate #4 off East 10th Street. The work will take place between April 21, 2025 through May 2, 2025. Flare notifications were mailed to everyone within a ½ mile radius of the flare site.
- Mr. Cannon stated Operation Spring Clean is underway which is the preventative maintenance program designed to clean roughly half of the 722 miles of water distribution lines on GUC's water system over an 8-week period.
- Mr. Cannon stated the Purchased Gas Adjustment (PGA) report was provided to the Board. He shared the rates have reduced almost 3% for all classes.
- Mr. Cannon shared that ElectricCities is hosting a Legislative Reception in Washington DC on June 24, 2025, and the GUC Board of Commissioners are invited to attend.
- Mr. Cannon shared that GUC staff will be traveling to New York City to meet with Moody's and Fitch for a ratings visit.

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

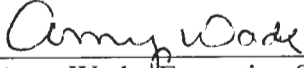
Chair Griffin congratulated Electric staff on receiving the APPA Safety Award of Excellence.

BOARD MEMBERS' REMARKS

Chair Griffin announced the next Regular Board Meeting is scheduled for May 15, 2025.

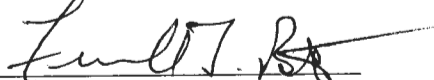
Without objection, and no further business to conduct, upon motion to adjourn by Mr. Godley, seconded by Dr. Carr, the Board unanimously agreed to adjourn the meeting at 12:37 p.m.

Respectfully submitted,



Amy Wade, Executive Secretary

APPROVED:



Ferrell L. Blount III, Secretary