

GREENVILLE UTILITIES COMMISSION
GREENVILLE, NORTH CAROLINA

Thursday, April 16, 2026

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 Garner presiding.

Commission Board Members Present:

Mark Garner	Dr. Wanda D. Carr
Ferrell L. Blount III	Dillon Godley
Michael Cowin	Dr. Bob Shaw
Justin Fuller	

Commissioner Simon Swain had an excused absence.

Commission Staff Present:

Tony Cannon, General Manager/CEO	Paige Wallace
Chris Padgett	Lou Norris
Andy Anderson	Jonathan Britt
Jeff McCauley	Amanda Wall
Phil Dixon	Jessica Hardy
Ken Wade	Molly Ortiz
Jacob Swink	Cleve Haddock
Colleen Sicley	Will James
Scott Mullis	Nick Peaden
David Springer	Kyle Brown
Scott Farmer	Jason Hardee
Amy Wade	Doug Boone
Durk Tyson	Jacob Murray
Carl Smith	Lena Previll
Richie Shreves	Juanita Sims
Kevin Keyzer	Melinda Sampson
Steve Hawley	Erin Walton
Todd Cannon	

Others Attending:

Midge Kowalzyck, Karen Jackson and Gail Joyner, First Presbyterian Church; Brandon Hardison, WITN-TV.

Chair Garner called the meeting to order. Secretary Wanda Carr ascertained that a quorum was present.

ACCEPTANCE OF THE AGENDA

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

SAFETY BRIEF

Mr. Kevin Keyzer, Director of Operations Support, provided a safety brief and explained the plan of action should there be an emergency at today's meeting. Mr. Keyzer stated that April is National Safe Digging Month and reminded everyone to call 811 before you dig to protect yourself and utilities.

RECOGNITION OF FIRST PRESBYTERIAN WOMEN – NEIGHBOR TO NEIGHBOR FUNDRAISER

Mr. Scott Mullis, Director of Customer Relations, stated that Neighbor-to-Neighbor program has helped a number of Pitt County residents. He 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 in Pitt County.

This year the First Presbyterian Women held a fundraising luncheon and raised \$15,000. Since the beginning of the GUC Neighbor to Neighbor program in 2001, their fundraising efforts, along with GUC's matching funds, total more than \$435,000 for the program. Mr. Mullis recognized Midge Kowalzyck, Gail Joyner, and Pastor Karen Jackson and thanked the First Presbyterian Women for their ongoing support of the program.

Mr. Mullis presented the women with a plaque that was filled with 24 years of service plates recognizing them for their 24 years of supporting the Neighbor-to-Neighbor program.

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

Mr. Jacob Swink, Assistant Director of Electric, stated the American Public Power Association (APPA) presented Safety Award of Excellence to GUC for safe operation practices in 2025. 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 year 2025, 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 2025 GUC's 150 Electric employees worked 275,000 hours with 6 OSHA Recordables and zero lost workdays.

Mr. Swink congratulated and introduced leaders from the electric department Nick Peaden, Substation Control Engineer; Kyle Brown, Planning Engineer; Doug Boone, Electric Distribution Engineer; and Jason Hardee, Meter Superintendent.

RECOGNITION OF FINANCE DEPARTMENT AWARDS FROM THE NORTH CAROLINA ASSOCIATION OF GOVERNMENTAL PURCHASING (NCAGP) 2025

Sustained Professional Purchasing Award

Ms. Amanda Wall, Controller, announced that Cleve Haddock, Procurement Manager, and Will James, Buyer II, were recognized and accepted the Sustained Professional Purchasing Award last month at the NCAGP in Wilmington, North Carolina. This was the 15th year in a row for GUC's procurement team to receive this award. The award recognizes GUC for demonstrating sustained excellence in purchasing standards during the calendar year 2025.

2025 Billy D. Ray Purchaser of the Year Award

Ms. Wall stated that Mr. Will James was presented with the 2025 Billy D. Ray Purchaser of the Year Award at the same conference. This award recognizes a public purchasing professional that has made a significant contribution over the past two years to the success of their entity, profession, and personal professional development.

CONSENT AGENDA

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

(Agenda Item 1) Approval of Minutes - Regular Meeting: March 19, 2026

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

REVIEW OF MONTHLY FINANCIAL STATEMENT – MARCH 31, 2026 (Agenda Item 2)

Key financial metrics for the combined funds for the period ending March 2026:

Operating Cash	\$90,128,702	Days of Cash on Hand	120
Less Current Liabilities	<u>(\$24,573,875)</u>	Days of Cash on Hand After Liabilities	
Fund Balance	\$65,554,827		87

Fund Balance Available for Appropriation: 20.9%

Average Investment Yield: 3.37%

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	\$940,514	(\$236,015)	(\$812,223)	\$3,560,329	\$4,788,499	(\$368,954)
Water	\$99,648	\$146,724	\$198,557	\$1,298,452	\$448,188	\$1,356,578
Sewer	\$18,374	(\$67,688)	\$28,474	\$2,214,310	(\$252,760)	\$2,076,526
Gas	\$21,068	\$1,352,586	\$1,271,121	(\$202,415)	\$737,952	\$5,074,044
Combined	\$1,079,604	\$1,195,607	\$685,929	\$6,870,676	\$5,721,879	\$8,138,194

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	\$940,514	(\$385,848)	(\$812,223)	\$2,660,826	\$3,439,998	\$2,381,046
Water	\$99,648	\$113,391	\$98,557	\$1,114,452	\$148,187	\$759,081
Sewer	\$18,374	(\$15,605)	\$28,474	\$2,114,310	\$215,990	\$1,726,526
Gas	\$21,068	\$1,327,737	\$1,071,121	(\$352,415)	\$514,315	\$3,574,044
Combined	\$1,079,604	\$1,039,675	\$385,929	\$5,537,173	\$4,318,490	\$8,440,697

Ms. Amanda Wall, Controller, stated that the weather impact for the month of March 2026 indicated that the heating degree days were less than March 2025. Cooling degrees were higher than last year. March rainfall was approximately 3.6 inches which was higher than last year. The portfolio earned 3.37% for the month of March.

Overall year-to-date results through the end of March remain stable. The Electric Rate Stabilization Reserves are approximately \$10.9 million, and the Gas Rate Stabilization Reserves are \$7.9 million. The Operating Reserves are 120 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 \$22.9 million.

After discussion, a motion was made by Mr. Godley, seconded by Mr. Blount, to accept the March 31, 2026, Financial Statement as presented. The motion carried unanimously.

CONSIDERATION OF ADOPTION OF PRELIMINARY FY 2026-2027 BUDGET (Agenda Item 3)

Mr. Cannon stated that on March 19, 2026, a presentation was provided to the Board of Commissioners that focused on the end-of-year performance for FY 2025-26, the principle elements of the preliminary FY 2026-27 budget, GUC’s five-year capital improvement plan, and long-term financial forecast. As the budget progressed and more information was available, some changes were made. Mr. Cannon began the presentation by sharing the changes from the March 19, 2026, Board presentation.

1. Organizational changes: The Operations Support Department was created and is reflected in the budget.
2. Capital Projects Update: Four capital projects were created for the Pitt County Megasite North. Each has a \$1M budget.
3. Costs Change: POD transformer costs have increased and delivery is approximately 2.5 years.
4. Joint Pay and Benefits Committee recommendations: The Joint Committee recommendation of 3.25% percent for market/merit program and 5% for the 401k program are included the budget.

End-of-Year Projections

Chief Financial Officer Jeff McCauley stated that the current budget adopted for FY 2025-26 is the same with adjustments being made with the budget amendments in May.

Highlights of the FY 2026-27 proposed budget are listed below:

Mr. McCauley reported on the cost drivers and goals of each of the four funds and the highlights of the FY 2026-27 proposed budget are listed below.

- Expenditures budgeted for FY 2026-27 have increased by 5.1%, or \$15.9M, when compared to the FY 2025-26 budget. Key points are:
 - \$8.6M increase in operations
 - \$3.3M increase in purchased power
 - \$1.6M increase in capital outlay
 - \$1.3M increase in purchased gas
 - \$29k increase in debt service
 - \$315k decrease in City turnover
 - \$869k increase in transfers to capital projects
- 1.9% rate increase for the Electric Fund, a 0.2% increase from last year's forecast
- 3.7% rate increase for the Water Fund, a 0.5% increase from last year's forecast
- 3.9% rate increase for the Sewer Fund, a 1.2% increase from last year's forecast
- 4.0% rate increase for the Gas Fund, a 0.2% decrease from last year's forecast
- Funding for a 3.25% employee merit/market adjustment
- Funding for 5.0% employer 401(k) contribution
- Continuation of a self-insured health insurance plan that includes a high-deductible Health Savings Account option
- Continuation of a self-insured dental insurance plan
- Funding to hire replacements ahead of key retirements to support succession planning, transfer critical knowledge, and ensure smooth transitions
- Continuation of investment in Invest Greenville 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 \$21.4M in capital outlay to maintain system reliability and comply with regulatory requirements
- Annual turnover of \$8.7M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

Across-the Board 2.7% Miscellaneous Fee Increases:

- **Electric** – Outdoor lighting, temporary service, underground residential & commercial service installations
- **Water** – Tap, temporary service, and meter testing
- **Sewer** – Tap and system development fees (per Analysis phase-in plan)
- **Gas** – Cut-on service, delivery pressure change, tap, and additional service line footage
- **Customer Service Fees** – Cut-on/set-up/transfer service, meter read, restore accounts, and theft and trouble calls

Long-term Financial Forecast

Mr. McCauley reviewed the long-term financial forecast that included the five-year plan through FY 2027-31 and shared GUC's 10 largest projects totaling approximately \$139M associated with the five year plan.

He shared the Capital Improvement Projects that are scheduled to be adopted with the FY2026-27 Budget.

Dept	Project Description	Project Amount
Electric	Peak Shaving Generator Plant – Phase II	\$6,600,000
Electric	Pitt County North Megasite (Electric)	\$1,000,000
	Subtotal Electric	\$7,600,000
Water	Backwash Pump Replacement	\$400,000
Water	Pitt County North Megasite (Water)	\$1,000,000
	Subtotal Water	\$1,400,000
Sewer	Sewer Outfall Rehabilitation Phase V	\$5,000,000
Sewer	Greene Street Pump Station	\$3,500,000
Sewer	Pitt County North Megasite (Sewer)	\$1,000,000
	Subtotal Sewer	\$9,500,000
Gas	Northwestern Loop High-Pressure Gas Main Extension Phase II	\$300,000
Gas	Pitt County North Megasite (Gas)	\$1,000,000
	Subtotal Gas	\$1,300,000
	TOTAL	\$19,800,000

In summary, Mr. McCauley added that the proposed FY 2026-27 budget is a balanced budget, and he asked the Board to accept the recommendations and to adopt the FY 2026-27 preliminary budget.

He noted that looking ahead on May 14, 2026, the FY 2026-27 balanced budget will be presented to the City Council. Adoption of the current year’s amended budget and the FY 2026-27 budget will be at GUC’s regular Board meeting on May 21, 2026, and at the City Council meeting on June 8, 2026.

Mr. Cannon noted that grant funding will be used for the preliminary work of the Pitt County North Megasite.

After discussion, a motion was made by Mr. Blount, seconded by Mr. Fuller, to adopt the Preliminary FY 2026-27 budget. The motion carried unanimously.

GENERAL MANAGER’S REPORT (Agenda Item 4)

1. Informational Reading

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

The Bids awarded by the General Manager/CEO during the past month were reported for information:

GREENVILLE UTILITIES COMMISSION
RE-BID RECEIVED

RECOATING OF METER/ REGULATOR PIPING
FEBRUARY 26, 2026 @ 3:00 PM

VENDORS	TOTAL
JN Utilities Support, LLC	\$48,500.00*
MJ Painting Contractor Corp.	55,320.00

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

BIDS RECEIVED

BOVIET SUBSTATION VACUUM CIRCUIT BREAKERS
MARCH 17, 2026 @ 2:00 PM

VENDORS	DELIVERY (WEEKS)	TOTAL
Wesco Distribution, Inc.	27	\$396,392.74*
Border States Industries, Inc.	28	418,850.00

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

The Duke Energy Progress (DEP) monthly peak occurred on March 18, 2026, for the hour ending at 8:00 a.m. GUC's load management system was in full operation during this period. As a result, the estimated avoided demand costs amount to \$1,485,729.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Other

- Mr. Cannon shared the new road construction along NC Highway 43 North at the Highway 264 intersection near the Operations Center will begin on April 20. The construction is expected to be completed at the end of June. Access to the Operation Center will be detoured during this time.
- Mr. Cannon announced that recent calls with the rating agencies went well and it is anticipated that GUC will receive great ratings.
- GUC inventory was recently completed. He called upon Controller Amanda Wall to share information. She noted that over the years the inventory has grown from \$7-8 million to \$16-20 million. Both the materials and finance teams did an excellent job with the inventory and had a low margin (.01%).
- The Customer Relations report for last month had a high of 15,000 calls answered. Each call was answered within 11 seconds. There were only 201 abandoned calls, which is a low abandoned call rate. In addition, the customer lobby average wait was 1.26 seconds.
- A copy of GUC's Clean Future report was provided.

BOARD MEMBERS' REMARKS (Agenda Item 5)

Several commissioners congratulated the teams on their great work and Dr. Shaw was glad to see the mental health information shared in the GUC Spotlight issue about having a clinical counselor available.

BOARD CHAIRS' REMARKS/REPORT (Agenda Item 6)

Chair Garner also agrees that the information provided in the GUC Spotlight is wonderful. Mr. Cannon noted that with the tight schedule on the budget process that staff have done a great job. There are some pressures with the fluctuating energy cost that will continue to be a challenge.

Chair Garner announced the following meetings:

- Joint City/GUC Meeting, April 20, 2026, 6:00 p.m., City Hall
- GUC Regular Meeting, May 21, 2026, 12:00 noon

Without objection and no further business to conduct, Chair Garner adjourned the GUC Board of Commissioners meeting at 12:41 p.m.

Respectfully submitted,

Amy Wade
Amy Wade, Executive Secretary

APPROVED:

Wanda Carr
Wanda Carr, Secretary