

**JOINT MEETING**  
**Greenville City Council/Greenville Utilities Commission**

Monday, September 20, 2021  
6:00 p.m.  
City Council Chambers

1. Call Meeting to Order – Mayor Connelly  
– Chairman Stoughton
2. Approval of Agenda – City Council  
Approval of Agenda – Greenville Utilities Commission
3. Public Comment Period - For issues that are germane to both the City Council and Greenville Utilities Commission

The Public Comment Period is a period reserved for comments by the public. Items that were or are scheduled to be the subject of public hearings conducted at the same meeting or another meeting during the same week shall not be discussed. A total of 30 minutes is allocated with each individual being allowed no more than 3 minutes. Individuals who registered with the City Clerk to speak will speak in the order registered until the allocated 30 minutes expires. If time remains after all persons who registered have spoken, individuals who did not register will have an opportunity to speak until the allocated 30 minutes expires.

4. Approval of Minutes from the April 19, 2021 Joint City Council / Greenville Utilities Commission Board Meeting
5. Joint Pay and Benefits Committee Recommendation on Plan Year 2022 Health and Dental Benefits
6. Joint Pay and Benefits Committee Recommendation on Observance of Juneteenth Holiday
7. Adjournment

PROPOSED MINUTES  
JOINT MEETING OF THE GREENVILLE CITY COUNCIL  
AND THE GREENVILLE UTILITIES COMMISSION  
BOARD OF COMMISSIONERS  
MONDAY, APRIL 19, 2021

Having been properly advertised, a joint session of the Greenville City Council and the Greenville Utilities Commission Board of Commissioners (GUC Board) was held on Monday, April 19, 2021, at 6:00 p.m. via Zoom.

Mayor Connelly called the meeting to order for the City Council and ascertained that a quorum was present via roll call by Camillia Smith.

Chair Overton called the meeting to order for the GUC Board and ascertained that a quorum was present via roll call by Amy Wade.

Those present from the City Council:

Mayor P.J. Connelly, Mayor Pro-Tem Rose H. Glover, and Council Members Will Bell, Monica Daniels, Rick Smiley, Brian V. Meyerhoeffer, Jr. and William F. Litchfield, Jr.

Also present from the City of Greenville:

Ann E. Wall, City Manager; Michael Cowin, Assistant City Manager; Emanuel McGirt, City Attorney; Camillia Smith, Assistant City Clerk; and Leah Futrell, Director of Human Resources

Those present from the GUC Board:

Chair Parker Overton, Chair-Elect Tommy Stoughton, and Commissioners Kelly L. Darden, Jr., Lindsey Griffin, Peter Geiger, Kristin Braswell, and Ann E. Wall

Those absent from the GUC Board;

Secretary Minnie J. Anderson

Also present from the Greenville Utilities Commission:

Tony Cannon, General Manager/CEO; Chris Padgett, Assistant General Manager/Chief Administrative Officer, Jeff McCauley, Chief Financial Officer; Keith Jones, Director of Financial Services and Accounting; Phillip R. Dixon, General Counsel; Richie Shreves, Director of Human Resources; Lena Preville, Human Resources Manager; Steve Hawley, Public Information Officer/Communications Manager; Amy Wade, Executive Assistant to the General Manager/CEO; and Lou Norris, Secretary to the General Manager/CEO

Other guests included Chad Carwein and Dr. David Ames.

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APPROVAL OF THE AGENDA

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Upon motion by Council Member Bell and seconded by Council Member Meyerhoeffer, the Greenville City Council unanimously approved the agenda as presented via roll call.

Upon motion by Commissioner Darden and seconded by Commissioner Geiger, the GUC Board unanimously approved the agenda as presented via roll call.

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PUBLIC COMMENT PERIOD

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Mayor Connelly opened the public comment period at 6:06 p.m. and explained the procedures to be followed by anyone who wished to speak.

Chad Carwein

Mr. Carwein discussed the environmental challenges, rapid growth, and deteriorated streams, and stated that waterways are at risk. He had a concern on limitations on what can and cannot be recycled and local utility not offering incentives for solar power. He wanted to promote the need for conservation efforts in celebration of Earth Day.

Dr. David Ames

Dr. Ames announced that this week marks the 50<sup>th</sup> anniversary of Earth Day. It was founded to focus on damage to the environment. He stated that temperatures will continue to climb and be catastrophic if we keep using fossil fuel.

There being no other guests who wished to speak during the Public Comment period, Mayor Connelly closed the public comment period at 6:11 p.m.

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APPROVAL OF PROPOSED MINUTES- APRIL 24, 2019

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Upon motion by Council Member Bell and seconded by Council Member Smiley, the Greenville City Council unanimously approved the April 24, 2019 Joint Minutes as presented via roll call.

Upon motion by Commissioner Geiger and seconded by Commissioner Stoughton, the GUC Board unanimously approved the April 24, 2019 Joint Minutes as presented via roll call.

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CONSIDERATION OF MARKET ADJUSTMENT/MERIT ALLOCATION FOR FY 2021-2022

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City Manager Ann Wall called on Assistant City Manager/CFO Michael Cowin to present recommendations of the Joint Pay and Benefits Committee who recently met on March 30. Mr. Cowin stated that each year the City and GUC review the pay posture of the joint pay plan with the objective to maintain an effective pay system for employees that is internally equitable, and competitive to the external marketplace. This review is based on data obtained from salary surveys, other public sector organizations, and several local private employers.

Mr. Cowin shared the following data which was collected by the City's and GUC's Human Resources Departments.

Projected wage increases are as follows:

Market Survey	Projected Wage Increase
Aon Hewitt	7.3%
Catapult (fla CAI)*	2.2%
Korn Ferry (fka Hay Group)	3.0%
Mercer	2.5%
Willis Towers Watson	2.7%
WorldAtWork	2.9%

\* COG and GUC have traditionally used Catapult (formerly CAI) as the primary benchmark.

This year data was collected from 6 survey groups consisting of Aon Hewitt, Catapult, Korn Ferry (fka Hay Group), Mercer, Willis Towers Watson and WorldatWork. After removing

Aon Hewett with its higher percentage of 7.3%, the wage projections and trends for 2021 are relatively consistent ranging from 2.2% to 3.0%, averaging 2.7%.

Staff also surveyed established public-sector benchmark organizations and local private-sector employers to determine their plans related to compensation decisions. Twenty-six public-sector organizations responded and were comprised of municipalities and utilities. The average increase was 2.2% (market and/or merit) in FY 2020-21. Some entities are still developing their FY 2021-22 budgets and seven of these public employers provided their projections with the average pay increase projection at 3.9% (market and/or merit) for FY 2021-22. Ten of the 19 local private-sector employers responded and reported projections at an average increase of 2.1% (market and/or merit) for FY 2020-2021 and projecting 2.6% increase for FY 2021-22.

**Pay Increases Compared to Market:**

<b>Fiscal Year</b>	<b>Catapult</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>City/GUC</b>
2020-21	2.5%	2.2%	2.1%	2.0%
2021-22	2.2%	3.9%	2.6%	TBD

Mr. Cowin stated the recommendation of the Joint Pay and Benefits Committee from their March 30 meeting is to fund an employee pay adjustment of 2.0% for FY 2021-2022, to be applied as deemed appropriate by each entity, in order to maintain market competitiveness.

Council Member Smiley moved to fund an employee pay adjustment of 2.0% for FY 2021-2022, to be applied as deemed appropriate. Council Member Bell seconded the motion, which passed by unanimous vote via roll call.

Commissioner Darden moved to fund an employee pay adjustment of 2.0% for FY 2021-2022, to be applied as deemed appropriate. Commissioner Griffin seconded the motion, which passed by unanimous vote via roll call.

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**CONSIDERATION OF ADDITIONAL 457 PLAN OFFERING**

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Mr. Michael Cowin announced that an additional supplemental retirement plan, NC 457 Plan, sponsored by the State of NC, is available to eligible employees. This option would allow for one "umbrella" for NC 401K and NC 457 plans making it easier for employees to monitor accounts and stay on track towards retirement savings goals. This NC 457 Plan is completely voluntary with no City/GUC contributions. It offers employees a way to save money through reduced fees and has multiple investment choices with penalty-free withdrawals. The NC 457 Plan would be offered to eligible employees during the open enrollment period and be effective January 1, 2022. The Joint Pay and Benefits Committee members voted unanimously to recommend this plan be added as an offering.

Council Member Daniels made a motion to approve the addition of the North Carolina 457 Plan for eligible employees effective January 1, 2022. Council Pro-Tem Glover seconded the motion, which passed by unanimous vote via roll call.

Commissioner Braswell made a motion to approve the addition of the North Carolina 457 Plan for eligible employees effective January 1, 2022. Commissioner Geiger seconded the motion, which passed by unanimous vote via roll call.

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## CONSIDERATION OF APPROVAL OF BETHEL'S WATER AND WASTEWATER SYSTEMS OWNERSHIP TRANSFER AGREEMENT

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Mr. Tony Cannon, General Manager/CEO, announced that staff has been working with the Town of Bethel for a number of years to transfer their systems to GUC. He stated that it is fortunate to get grant funding for the project. The Town of Bethel met Thursday at a special meeting and voted unanimously to approve a transfer agreement.

Next, Mr. Chris Padgett, Assistant General Manager/Chief Administrative Officer for GUC, added that this project has been discussed with GUC Board and presented to the City Council at a previous workshop session.

Mr. Padgett provided some background information stating that the Town of Bethel (Bethel) has historically owned and operated a water distribution system and a sanitary sewer collection system, each with approximately 750 services. Greenville Utilities Commission (GUC) currently treats Bethel's wastewater and supplies the town with water on a wholesale basis. In recent years, Bethel's enterprise systems have struggled financially resulting in extremely high rates for customers. This is primarily due to debt on the systems, inflow and infiltration on the sanitary sewer collection system and inefficiencies associated with owning and operating these types of enterprise systems on such a small scale.

Bethel and GUC have been collaborating since the Summer of 2016 on how a transfer of Bethel's systems to GUC and the City of Greenville (Greenville) might be mutually beneficial. Challenges to such an arrangement as Bethel's systems needing capital improvements and existing debt have been addressed to ensure that such a transfer would not negatively impact GUC's current customers. Background and other detailed information regarding the proposed Water and Wastewater Systems Ownership Transfer Agreement were provided.

Highlights of the Proposed Water and Wastewater Systems Ownership Transfer Agreement include the following:

- Bethel's Water and Wastewater Systems Assets will be transferred to the "City of Greenville for the use and benefit of the Greenville Utilities Commission."
- GUC will be responsible for the operation and maintenance of the systems and former Bethel customers will become retail customers of GUC.
- All needed Capital Improvements will be managed by GUC and will be funded using grant funds awarded to Bethel.
- Bethel's existing debt will be refinanced by GUC and Greenville over a 20-year term. Customers located within the Bethel Service Area will pay 100% of the debt service via a monthly surcharge on their GUC bills. At the end of the 20-year term, the monthly surcharge will be eliminated.
- GUC will develop a new Water Rate for "Municipalities Outside of Greenville" that is 15% higher than the Inside Greenville rate. This new rate will be applicable to all customers located within the Bethel corporate limits. Any customer located outside the corporate limits will pay the normal Outside Greenville water rate.
- The FY 22 proposed rate estimate for a Bethel customer shows a 23% reduction in their monthly bill.

- The Bethel Service Area includes the Bethel corporate limits and up to two miles outside of the contiguous corporate limits. Any request for wastewater system extensions within two miles of Bethel's contiguous corporate limits shall request approval of the extension from Bethel and require petition for voluntary annexation to be filed with Bethel.
- The date the assets will transfer (Transfer Date) is July 1, 2021. This date was selected so the transfer will align with each party's fiscal year.

The draft Water and Wastewater Systems Ownership Transfer Agreement was provided in the agenda packet and was developed by GUC staff with edits resulting from input from Bethel, Greenville and other third parties. It has been reviewed and deemed legally acceptable by GUC General Counsel Phil Dixon, Greenville City Attorney Emanuel McGirt, and by Cauley Pridgen, the outside counsel retained by GUC and Greenville for this specific project. Additionally, the draft Agreement has been reviewed by Bethel Town Attorney Keen Lassiter and various attorneys and staff at the UNC School of Government.

Commissioner Geiger made a motion to approve the Bethel's Water and Wastewater Systems Ownership Transfer Agreement. Commissioner Braswell seconded the motion, which passed by unanimous vote via roll call.

Council Member Daniels made a motion to approve the Bethel's Water and Wastewater Systems Ownership Transfer Agreement. Council Mayor Pro-Tem Glover seconded the motion, which passed by unanimous vote via roll call.

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**CONSIDERATION OF ADOPTION OF WATER AND SEWER CAPITAL PROJECT BUDGETS AND  
ORDINANCE FOR THE TRANSFER OF WATER AND WASTEWATER SYSTEMS FROM BETHEL  
TO GREENVILLE UTILITIES COMMISSION**

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Mr. Cannon announced that as part of the transfer agreement it is necessary to establish Capital Project Budgets related to the water systems improvements and the wastewater system improvements.

The estimated cost of water system improvements is \$1,367,000. The funding source for the improvements is a State Revolving Fund (SRF) grant from the State Department of Environmental Quality (DEQ) Water Infrastructure Division.

The estimated cost of the wastewater systems improvements is \$3,000,000. The funding source for the improvements is a DEQ Water Infrastructure Division SRF grant.

Mr. Cannon asked for approval by the GUC Board to adopt the Capital Project Budgets and asked for similar action by City Council.

Greenville Utilities Commission  
 Proposed Capital Project Budget  
 As of April 19, 2021

<u>Project Name Budget</u>	<u>Proposed</u>
<b>Bethel Water System Improvements</b>	
<b>Revenues:</b>	
State DEQ SRF Grant	\$1,367,000
<b>Total Revenue</b>	<b>\$1,367,000</b>
<b>Expenditures:</b>	
Project Costs	\$1,367,000
<b>Total Expenditures</b>	<b>\$1,367,000</b>

Greenville Utilities Commission  
 Proposed Capital Project Budget  
 As of April 19, 2021

<u>Project Name Budget</u>	<u>Proposed</u>
<b>Bethel Wastewater System Improvements</b>	
<b>Revenues:</b>	
State DEQ SRF Grant	\$3,000,000
<b>Total Revenue</b>	<b>\$3,000,000</b>
<b>Expenditures:</b>	
Project Costs	\$3,000,000
<b>Total Expenditures</b>	<b>\$3,000,000</b>

ORDINANCE NO. 21-  
 CITY OF GREENVILLE, NORTH CAROLINA  
 BETHEL SYSTEM IMPROVEMENTS BUDGET ORDINANCE

THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA

Section I. Capital Improvements. The following Capital Improvements anticipated revenues and project appropriations as listed below in this section are hereby adopted on April 19, 2021.

(a) It is estimated that the following non-tax revenues and long term debt proceeds will be available to fund capital project expenditures that will begin April 19, 2021.

<u>Capital Projects Revenues</u>	<u>Budget</u>
Water Fund - State DEQ SRF Grant	1,367,000
Sewer Fund - State DEQ SRF Grant	3,000,000
<b>Total Revenues</b>	<b>\$4,367,000</b>

(b) The following amounts are hereby appropriated for capital projects that will begin April 19, 2021.

<u>Capital Projects Expenditures</u>	<u>Budget</u>
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Bethel Water System Improvements	\$1,367,000
Bethel Wastewater System Improvements	3,000,000
Total Capital Projects Expenditures	<u>\$4,367,000</u>

Section II: Amendments.

(a) Pursuant to General Statutes 159-15, this budget 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 such amount does not exceed the amount in contingency accounts and the expenditure is 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 regular meeting.

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

Section III: Appropriation. The capital project revenue and expenditure authorizations shall extend from year to year until each project is completed.

Section IV: 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 19th day of April, 2021.

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/s/ P. J. Connelly, Mayor

Attest:

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/s/ Valerie Shiuwegar, City Clerk

Commissioner Griffin made a motion to adopt the Capital Project Budgets associated with the transfer of the Bethel Water and Wastewater Systems and recommends similar action by the City Council. Commissioner Darden seconded the motion, which passed by unanimous vote via roll call.

Council Member Smiley made a motion to adopt the ordinance associated with the transfer of the Bethel Water and Wastewater Systems. Council Member Daniels seconded the motion, which passed by unanimous vote via roll call.



ADJOURNMENT

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There being no further discussion, Commissioner Geiger moved to adjourn the meeting, and Commissioner Braswell seconded the motion, which passed by unanimous vote via roll call. Chair Overton adjourned the meeting for the GUC Board at 6:41 p.m.

There being no further discussion, Mayor Pro-Tem Glover moved to adjourn the meeting, and Council Member Daniels seconded the motion, which passed by unanimous vote via roll call. Mayor Connelly adjourned the meeting for the City Council at 6:41 p.m.

Respectfully submitted,

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Amy Carson Wade  
Executive Secretary

APPROVED:

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Minnie J. Anderson  
Secretary

**MEMORANDUM**

TO: Mayor and City Council  
Greenville Utilities Board of Commissioners

FROM: Ann E. Wall, City Manager *AEW*  
Anthony C. Cannon, General Manager/CEO *ACC*

DATE: September 15, 2021

SUBJECT: Joint City/GUC Pay and Benefits Committee  
Recommendations for Plan Year 2022

The Joint City/GUC Pay and Benefits Committee, comprised of Mayor Pro-Tem Rose Glover, Council Member Rick Smiley, and GUC Commissioners Kelly Darden, Jr. and Peter Geiger, met on August 26, 2021 to develop recommendations for Plan Year 2022 health and dental benefits and discuss the observance of the Juneteenth holiday. The following recommendations will be considered by the City Council and GUC Board of Commissioners at their upcoming Joint Meeting scheduled for Monday, September 20, 2021, at 6:00 p.m. in the City Council Chambers.

**Joint Committee Recommendation on Plan Year 2022 Health/Dental Insurance Benefits:**

At the August 26, 2021 Joint City/GUC Pay and Benefits Committee meeting, Mr. Steve Graybill, Principal with Mercer Health and Benefits LLC, led the presentation regarding health and dental insurance recommendations for the 2022 plan year. Due to continuing excellent performance of the COG/GUC health and dental plans during plan year 2021, staff recommendations to the Joint City/GUC Pay and Benefits Committee were as follows:

- Adopt the updated three-year strategy for plan years 2023 through 2025;
- No increase in medical and dental employee contributions for the 2022 plan year, which would mark the third consecutive year of no increases in employee contributions;
- Continue the expansion of programs to help mitigate trend and promote improved navigation of the healthcare delivery system for employees and their families (i.e., implement Cancer Expert Now, expand to Omada Complete Program, and move forward with the Out of Pocket Adjuster and Condition Specific Care Program); and
- Continue the “first-year incentive” of \$250 for individual coverage and \$500 for family coverage for employees electing to enroll in the HSA for the first time to encourage migration to the HSA.

The Joint City/GUC Pay and Benefits Committee unanimously recommends adoption of the proposed changes for Plan Year 2022.

**Joint Committee Recommendation on Observance of Juneteenth Holiday:**

The Joint City/GUC Pay and Benefits Committee unanimously recommends observing Juneteenth as a paid holiday for eligible City and GUC employees. A survey recently conducted by City HR staff indicates that municipalities such as the City of Asheville, City of Durham, City of Greensboro, City of Raleigh, City of Rocky Mount, City of Winston-Salem, and the Town of Cary have added Juneteenth to their paid holiday schedule. Many of these municipalities are benchmark organizations for the City and GUC, and the addition of Juneteenth as a paid holiday will allow the City and GUC to acknowledge the holiday's significance.

We look forward to seeing you at the upcoming Joint Meeting on September 20, 2021 at 6:00 p.m. in the City Council Chambers.

cc: Michael Cowin, COG Assistant City Manager  
Chris Padgett, GUC Chief Administrative Officer  
Leah Futrell, COG Director of Human Resources  
Richie Shreves, GUC Director of Human Resources

# JUNETEENTH HOLIDAY SURVEY

## Municipalities recognizing Juneteenth as a paid holiday:

- Town of Cary
- City of Asheville
- City of Durham
- City of Greensboro
- City of Raleigh
- City of Rocky Mount
- City of Winston-Salem

## Municipalities currently not recognizing Juneteenth as a paid holiday:

- City of Charlotte
- City of Concord
- City of Fayetteville
- City of High Point
- City of Wilmington
- City of Wilson

## Notes:

- **State Holiday Schedule** - the Human Resources Act provides that the Human Resources Commission will establish a holiday schedule that will not exceed 12 paid holidays per year and will include Martin Luther King Jr.'s Birthday, Veterans Day, and three days for Christmas. Juneteenth has not been added to the State Holiday Schedule. Any change to the State Holiday Schedule will require legislative action because the number of paid holidays is specified by statute.
- **Pitt County Holiday Schedule** - typically follows the State Holiday Schedule; no discussions to date regarding adding Juneteenth as a paid holiday.

## Smaller municipalities observing Juneteenth as a paid holiday (from HR listserv):

- Town of Angier (to be added 2022)
- Town of Chapel Hill
- Town of Hillsborough
- City of Lexington
- City of Washington

## Counties observing Juneteenth as a paid holiday (from HR listserv):

- Durham County
- Granville County – has a “flex holiday” in their policy which allows employees to take one paid day off per year for a federally recognized holiday that is not currently one of their paid holidays. Their Board approved to allow the Juneteenth holiday to be included as one of the federal holidays that can be taken as a flex holiday
- Northampton County – celebrating holiday on July 10 (“Liberation Day”)
- Orange County

**CITY OF GREENVILLE/GUC HOLIDAY SCHEDULE**  
**(12 Paid Holidays per Year)**

<b>Holiday</b>	<b>Date</b>
New Year's Day	January 1
Martin Luther King, Jr. Birthday	Third Monday in January
Good Friday	Date varies according to observation of Easter
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Day after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25
One (1) "Floating Holiday" as designated by the City Manager*	Date varies

\*For 2021, the "floating holiday" has been designated as Friday, November 12<sup>th</sup> (day after Veterans Day)