

Electric Cities of Georgia, Inc. (ECG)
Board Meeting
January 24, 2023

A meeting of the Electric Cities of Georgia was held on January 24, 2023, beginning at 10:00 AM, at the MEAG Training Center, Forsyth, Georgia.

Board Members Present:

Derek Hampton
Chris White
Rod Prince
Tim Houston
Gary Youngblood
Jeff Lewis
Lamar Hill
Huston Gillis

Board Members Not Present:

Autron Hayes

Others in Attendance: Walter West, Daryl Ingram, Sallie Coleman, Sabrina Milner, Sheri Braddick, Rita Hillhouse, Nick Foshee, Jon Beasley, Stephen Reynolds, Brian Jaynes, Harrison Lange, Chau Nguyen, ECG; Peter Floyd, Alston & Bird; Elom Garrison, Mike Batchelor, Forsyth; John Howard, Brian Thompson, Jim Holbrooks, Monroe.

Chairman Gary Youngblood called the ECG January Meeting to order.

Approval of Minutes

The minutes from the December 6, 2022, were presented.

On motion by Lamar Hill and seconded by Derek Hampton, the Board approved the minutes from the December 6, 2022, meeting as presented.

Financial Update

Sallie Coleman reported through December 31, 2022, the over-recovery was \$527K. Sallie updated the Board with detail of over/under recovery for each service.

Staff Summary Reports

Hosted Solutions

- Member Support
 - Completed training – City of Troy, AL, General City Departments
 - Year-end Inventory Assistance – Albany, Norcross, Sandersville, West Point and Fort Valley
 - Gas Cities – conducting process testing for new system wide updates for upcoming Gas Compliance and Regulatory changes

Economic & Community Development

- Project Activity (July 22 – Dec 22) – Active Projects: Retail 17, Industrial 30; Property Submissions: ECG 39 – non-ECG 32; Community Touchpoints - 195
- Daniel Martin, Manager, Retail-Commercial Development – newest team member

Legislative & Regulatory Update

- SR 463 Joint Study Committee on the Electrification of Transportation
- Joint Study Committee on the Electrification of Transportation session has started

Analytical Services

- COS Electric Completed – Ellaville (COS & Rate), Washington (Rate)
- Water/Sewer Completed – Ellaville (COS), Grantville (COS & Rate), Thomasville (COS)
- Benchmark – 24 members participating; preparing report
- PSC Rate Survey due in late January/February
- Customer Choice/Site Selection –
 - large interest from EV and battery industry
 - Publix stores are opening several stores in Georgia each month
- Recent high market price in December
 - Prices as high as \$6/kWh on December 24
 - Members should monitor closely to adjust PCA as needed
 - May not be able to recover deficit in one month
 - May have to dip into savings and recoup over 6 to 12 months

Pole Attachment Service

- Annual Billing for 2022/2023 Cycle – \$4.38M
- Operations Invoicing 2022 - \$489K

Engineering and Energy Services

- Cryptocurrency Projects – Texas group expansion in East Point, 14MW – under construction
- Commercial/Institutional Projects – Lawrenceville (hospital expansion; adding seven 2500 kVA transformers, relocating five transformers) – under construction
- USPS Sorting Center project, 13 MW connected – under construction
- ECG Metering – 175 meters installed; reviewing policy and procedures
- More power quality and energy audit studies, due to severe weather in the past month. Expecting to see this consistently.

Training and Safety

- Jon Beasley thanked the cities that sent crews to help Griffin that was hit hard with recent storms

Approval of the Joint Use 365 Pilot Project

Nick Foshee gave a brief update on the Joint Use 365 Program. Nick stated ECG staff inputs, manages and tracks permits representing 4,000-5,000 poles per year. The Joint Use 365 Program will provide improvement for all data input (permits) provided by attachers, central location of all permit components and contracts, increased visibility of permit status for attachers, and streamlining of invoicing process and variance tracking. The benefits of the Joint Use 365 will save approximately 300 hours/year administrative time, frees up time for ECG staff to focus on concerns of cities, i.e., inventories, transfers, safety violations, invoicing and payments. ECG staff is recommending ECG Board approval for a pilot program testing one city with Joint Use 365 software.

On motion by Tim Houston and seconded by Rod Prince, the Board approved a pilot program to test one city using the Joint Use Program.

Approval of the Training Facilities Sustainability Committee (TFSC) Chairperson

Walter West gave a brief update on the Training Facilities Sustainability Committee, which was approved at the October 20, 2022, Board Meeting. The members of the TFSC are Brett Sane, Calhoun, Steve Gaines, Norcross, Alexis Brooks, Newnan, Blake Manning, Crisp County and Brent Alderman, Thomasville. ECG is asking the Board to direct the TFSC to select a chairperson for the Committee.

On motion by Rod Prince and seconded by Derek Hampton, the Board approved the directive to the TFSC to select a Chairperson for the TFSC Committee.

Approval of the (TFSC) Additional Committee Member

Walter West gave a brief history of the TFSC Committee, and the task given by the Committee to conduct a survey to be sent to Members to gather information regarding interest to have one training center located in the center part of the state. Walter stated that Alabama was included in the survey as they represent about 14% of the powerline schools and 20% of the training classes conducted by ECG. Alabama asked to have Solomon Brackett, Assistant General Manager of Utilities, Troy Utilities to be a member on the TFSC Committee.

On motion by Tim Houston and seconded by Lamar Hill, the Board approved Solomon Brackett, Assistant General Manager of Utilities, Troy, Alabama, as a Committee Member to the TFSC Committee.

Training Facility Needs Assessment Directive

Walter West asked the Board to request a needs assessment from the TFSC Committee. Walter stated ECG does not need to rush this project if we are to consolidate the facilities in to one location. ECG staff will work closely with the TFSC Committee to come up with a needs assessment to report back to the Board.

On motion by Rod Prince and seconded by Lamar Hill, the Board approved the directive to the Training Facilities Sustainability Committee to provide a needs assessment for one facility to be located in, or around Forsyth, Georgia.

Approval of the 2023 EPIP and 401K Contribution

Chris White stated the Benefits Committee met with ECG executive staff regarding the results from Mercer report. Chris stated in conjunction with the recently completed Mercer study along with the Board Benefits Committee recommendation, a motion be made to approve the payout of the FY23 Employee Performance Incentive Plan at 5% as well as the 401(k) Supplement in lieu of the frozen pension plan at 4% with funding from the savings from the health insurance renewal in FY23 and the remainder from the Restricted Reserve Fund. The Board thanked the employees for their dedication and patience during the process of the Mercer Study.

On motion by Chris White and seconded by Jeff Lewis, the Board approved the payout of the FY23 Employee performance incentive Plan at 5% as well as the 401(k) Supplement in lieu of the frozen pension plan at 4% with funding from the savings from the health insurance renewal in FY23 and the remainder from the Restricted Reserve Fund.

Approval of the FY24 Budget Assumptions

Sallie Coleman stated ECG used recommendations from the Mercer Salary and Benefits study for the FY24 Budget Assumptions. Sallie presented the Assumptions for the preliminary FY24 Budget – 4% Merit, 6% Employee incentive (based on Board-approved goals), 6% Safe Harbor 401(k) match, 4% 401(k) supplement in lieu of pension, Remove \$100,000 from the Restricted Reserves budget for FY24, and Offset benefits with revenue from FY23 and FY24 PEP returns.

On motion by Jeff Lewis and seconded by Tim Houston, the Board approved the following assumptions for the FY24 Preliminary Budget – 4% merit increase, 6% employee incentive plan, 6% 401(k) safe harbor match, and 4% 401(k) supplement in lieu of pension with funding offsets including the removal of the \$100,000 restricted reserve from the budget and the application of PEP funding for FY23 and FY24.

Approval of an Additional Board Member to the Benefits Committee

Chairman Youngblood stated there is a vacant seat on the Benefits Committee. Chris White recommended Huston Gillis to fill the open seat on the ECG Benefits Committee.

On motion by Jeff Lewis and seconded by Chris White, the Board approved adding Huston Gillis to the ECG Benefits Committee.

Other Business

No other business was brought up before the Board.

Adjourn

On motion by Huston Gillis and seconded by Derek Hampton, the Board adjourned the January 2023 Meeting.