



**Commission Members Present:** Vanessa Cain, Bill Donohue, Jim Turpin, Sheila Williamson-Branch, Fred Shanks, Helm Dobbins, Ken Larking

**Commission Members Absent:** Michael Nicholas

**Staff Present:** Ryan Dodson, Amy Chandler, Greg Disher, Jason Grey, Janet Davis, Alan Johnson, Kelly Kinnett, Mike Spencer, Jennifer Holley, Michael Adkins, Carolyn Evans

**Others Present:** Brad Kitchens, Scott Madden Management Consultants  
Jerry Shupe and Charles Overby, Inframark

**Call to Order and Announcements**

Chairman Donohue opened the meeting and asked that the attendance be recorded. As a quorum was present, the meeting was called to order.

**Discussion/Business Items**

Minutes of March 26, 2018 Commission Meeting

Chairman Donohue asked for any corrections, deletions, or adjustments to the minutes from March 26, 2018.

Mr. Shanks requested that the March 26<sup>th</sup> minutes reflect that he and Mr. Larking were absent due to official City business.

Mr. Dobbins requested that the minutes also reflect that a work conflict prevented him from being in attendance.

Mr. Dobbins made a motion to approve the minutes. Ms. Cain seconded, all members voted in favor, and the motion carried unanimously.

**Review of Utilities' Financial Statements**

Ms. Chandler presented the March financial statements for each utility fund.

Mr. Turpin asked if there is five million dollars less income than last year even though we have sold more power.

Mr. Donahue replied that there has been an increase of 0.88% on kilowatt consumption.

Mr. Turpin asked why there is less income with higher consumption.

Ms. Chandler explained that the power cost adjustment (PCA) and two million dollars for tree trimming included in operating funds in fiscal 2018 and regular capital maintenance in fiscal 2017 accounts for this difference in income from the previous year.

Mr. Grey said that March was cold and that part of the billing occurred in April for those sales. Further, he stated that projected kilowatt hours were lower than actual which will result in additional revenue.

Mr. Donahue requested that the Commission discuss the current PCA. Mr. Grey explained that the primary impact to the PCA was in January 2018 due to increased power cost and consumption.

#### FY19 Utilities Budget Update

Ms. Jennifer Holley, Division Director of Support Services, provided an update on fiscal year 2019 budget items that changed since the Utility Commission recommended the budget to City Council in February.

Mr. Larking made a motion to approve the budget as recommended. Mr. Turpin seconded, all members voted in favor, and the motion carried unanimously.

#### Strategic Planning Session

Mr. Grey introduced Mr. Brad Kitchens, from Scott Madden Management Consultants. Mr. Kitchen presented initial findings following interviews with City staff and Utility Commission members to aid in developing the strategic plan.

Seven areas were determined to focus on for the plan: rates, reliability, power supply, infrastructure improvement, safety, cost management, and economic development.

He led the strategic planning discussion to determine the key items that staff needs to include in the Utilities department's strategic plan. Mr. Kitchens will use the information already gathered during interviews with the Commissioner and Utilities management staff. The Utilities staff will take the information learned from this meeting and use it to develop a well laid out utility plan for all funds for the next five to seven years.

Mr. Turpin made a motion to accept the recommendations in the strategic plan. Ms. Williamson-Branch seconded the motion. All members voted in favor, and the motion carried unanimously.

Mr. Grey said that the department will report back progress at the August Utility Commission meeting and the draft will be presented at the November Utility Commission meeting.

#### Department Discussions

Mr. Dobbins thanked the staff for providing agreement information he requested at the last meeting. He requested additional information regarding consultants for the last five years. Mr. Grey responded that staff would get additional information to him.

Mr. Shanks thanked staff for attending given the difficult past year. He also encouraged customers to use the Utilities' Customer Portal, to utilize the Home\$ave rebate program and to visit the Utilities' website. Mr. Shanks also requested improved communication during outages to the customers. Mr. Grey replied that we are improving our outage map and that the newly designed website will be online soon. He also noted that media releases are our primary communication avenue during outages.

Mr. Grey thanked staff for their effort during the tornado recovery.

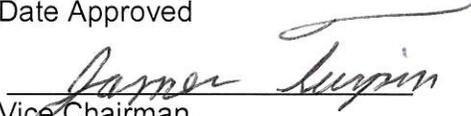
There was no comment from City staff.

There was no comment from the public.

#### Adjournment

Mr. Donahue stated the next meeting is scheduled for June 25, 2018. He also commented that he will be on vacation, and Mr. Turpin will preside over the meeting in his absence. Mr. Larking stated that he also will not be present, and Mr. Reynolds will attend in his place. Mr. Turpin made a motion to adjourn. Mr. Dobbins seconded the motion. There being no further business, Mr. Donohue adjourned the meeting at 5:25 p.m.

Submitted by Janet C. Davis  
Secretary to the DUC

**June 25, 2018**  
Date Approved  
  
Vice Chairman  
Danville Utility Commission