



Commission Members Present: Joe King, Bob Schasse, Phillip Smith, Adam Tomer, and Bob Vaughan

Commission Members Absent: Steve Daniels, Jeff Liverman, and James Turpin

Staff Present: Ken Ashworth, Barry Dunkley, Barbara Dameron, Carolyn Evans, Jim Harr, Joe King, Nate Lewis, Kevin Martin, Denise Sandlin, and Clarke Whitfield.

Others Present: Fred Shanks, Danville City Council
Jeffrey Cruickshank from Hazen and Sawyer

Call to Order & Announcements

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

Chairman Vaughan spoke on the late City Manager, Lyle Lacy and his assistance with the Utility Commission.

Discussion / Business Items

Minutes of February 22, 2010 Commission Meeting: Chairman Vaughan asked for any corrections, deletions, or adjustments to the minutes of February 22, 2010. There were none. Mr. Smith made a motion to approve the minutes. Mr. King seconded the motion. The motion was unanimously approved.

Danville's Water System Master Plan: Barry Dunkley introduced Jeffrey Cruickshank, manager of Hazen and Sawyer's Greensboro office, to detail their report on Danville's Water System Master Plan.

Mr. Cruickshank explained that Phase I of the master plan included testing pumps and graphing a model that shows every pipe in the City's system and usage for every meter. Mr. Cruickshank said that Phase II checked the Phase I model against SCADA records in order to show problem areas and project future usage. Mr. Cruickshank detailed recommended improvements based on the research including pipes that should be replaced, installed or rehabbed. Mr. Cruickshank then addressed questions from the Commissioners.

Update on nDanville's Phase III – Fiber to the Home: Jason Grey spoke on Phase III of the nDanville Project, Fiber to the Home, which will include extending infrastructure to approximately 2000 homes. Jason explained that 100% of the \$2.5 million loan could be paid back with telecommunication revenues. Jason stated that Danville was in negotiations with two IPTV providers and that the Utility Commission and City Council would be involved before a vendor would be signed.

Jason then answered questions from the Commissioners who asked that more information on the business plan and vendors be brought to the next meeting.

Demonstration of Danville Utilities' New Website: Kevin Martin turned the floor over to Nate Lewis, Danville Utilities' Marketing Specialist, to demonstrate Danville Utilities' new website. Nate explained that the process to update the website in an effort to make it more user friendly took approximately four months. Nate demonstrated the website and told the Commissioners that any comments, questions or suggestions could be sent to him by email.

Communications

Communications from the City Manager: Joe King said that he had looked at dozens of websites and, in his opinion, Danville Utilities' website is one of the best.

Mr. King also referenced a letter that he had received from Pittsylvania County Administrator, Dan Sleeper, asking for a meeting to discuss the county's utility rates. Mr. King suggested that he and R.B. Sloan attend the meeting. The Commissioners agreed.

Mr. King informed the Commissioners that the town of Yanceyville requested that Danville fulfill its emergency water needs. Mr. King said that Danville could provide the water without compromise to its system and that the request would need to go to City Council for formal approval.

Communications from Utilities Staff: Barry Dunkley updated the Commissioners on projects in the Water and Wastewater Division and a possible fine assessed by the Department of Environmental Quality after a violation of permit levels due to recent flooding. Barry answered questions from the Commissioners and said he would keep them up to date on any developments.

Denise Sandlin said that she was working with Cynthia Thomasson and City Council on the budget.

Kevin spoke on the energy efficiency rebates offered by the Department of Mines, Minerals and Energy and said the money for the rebates would probably be depleted soon. Kevin also said that he and Nate Lewis had distributed energy efficiency information at the Home Expo. Kevin told the Commissioners that he had accepted a

position with the North Carolina State University and that he enjoyed working with the Utility Commission and everyone at Danville Utilities.

Mr. Vaughan thanked Kevin for his work with the Utilities Department and the community.

Jim Harr distributed information on the accuracy of the new smart meters. Jim said the new water and gas meters are reading approximately 99.9% accurate and can measure flows that previous meters were unable to detect.

Jason Grey told the Commission that three towers in the County are now operational.

Ken Ashworth spoke on the Solar Demonstration project at the Community Market and the accuracy of the smart meters. Ken said that out of the 21,000 meters installed there have been approximately 100 problems.

Carolyn Evans said there has been an increase in donations to the Neighbors Helping Neighbors program with the implementation of the Round Up option for customers. Carolyn also said that the warmer temperatures should bring lower bills to the area.

Barbara Dameron distributed financial statements and said all funds are performing well.

Communications from Commissioners: Mr. Smith said that Kevin had done a fine job in his position as Key Accounts Manager and would be missed. R.B. Sloan agreed.

R.B. said that on the next meeting's agenda he expects to have Doug Handley present for a discussion on the Commercial Industrial Rates and Part B of the PCA. There will also be more information about the Fiber to the Home project including the business plan, vendors and division responsibilities.

Adjournment

Mr. Vaughan stated the next meeting is scheduled for April 26, 2010. There being no further business, Chairman Vaughan adjourned the meeting at 5:50 p.m.

April 26, 2010
Date Approved

Chairman
Danville Utility Commission

Submitted by Patti OKeefe
Secretary to the DUC