



Danville Utility Commission
4:00 p.m. December 3, 2018 Meeting
Council Chambers, City Hall
Minutes

Commission Members Present: Sheila Williamson-Branch, Bill Donahue, Vanessa Cain, Helm Dobbins, Fred Shanks, Bert Eades, Earl Reynolds, Paul Liepe

Commission Members Absent: Ken Larking

Staff Present: Ryan Dodson, Jason Grey, Janet Davis, Kelly Kinnett, Mike Spencer, Jennifer Holley, Alan Johnson, Phillip Haley, Michael Adkins, Carolyn Evans, Arnold Hendrix

Others Present: Jerry Shupe and Charles Overby, Inframark

Call to Order and Announcements

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

Mr. Donahue asked were there any announcements. Mr. Grey introduced Paul Liepe to the Commission.

Discussion/Business Items

Minutes of October 1, 2018 Commission Meeting

Mr. Donahue asked for any corrections, deletions, or adjustments to the minutes from October 1, 2018.

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

Review of Utilities' Financial Statements

Ms. Holley presented the utility financial statements for each utility fund and addressed questions from the commissioners.

Mr. Shanks asked if the Telecommunications financial statement showing that the Danville City Schools extended their contract by 90 days was due to their new vendor not being ready. Mr. Grey replied that he was correct.

2019 Biennial Rate Study

Jacob Thompson of GDS Associates presented information on the City's electric, gas, water, and wastewater biennial rate study for fiscal years 2020 and 2021. Mr. Thompson summarized the study findings which contained a financial review, allocated cost of service, and rate design.

Electric Utility

Mr. Shanks asked if the unrestricted funds currently on hand were taken into account in the study versus the required levels. Mr. Grey responded that it was.

Mr. Donahue requested that Mr. Thompson review the unrestricted cash balance amounts of the electric fund to verify their accuracy. Mr. Thompson responded that he would look into it and provide his findings to Mr. Grey.

Mr. Eades asked why the recommendations did not include reducing the base rate. Mr. Thompson responded that this would be reflected in a reduction in the power cost adjustment (PCA).

Mr. Thompson presented the recommended Rate 15 Worship Sanctuary Service changes. Shanks asked if the recommendations to City Council would take into account that churches have lost a lot of their congregations over the past few years, and if the rates could be introduced over a longer period of time so that churches will not have an unrecoverable financial burden.

Mr. Thompson recommended looking at individual churches at a broader view to try to anticipate the effects on the different size churches.

Telecommunication Utility

Jason Grey presented the findings from Wide Open Network's review of the Telecommunication fund and charges to nDanville customers.

Department Discussions

Mr. Shanks thanked Mr. Thomas for the information he provided to the Commission, and thanked the Commission for the healthy discussion.

Mr. Donohue thanked the Commission for their service

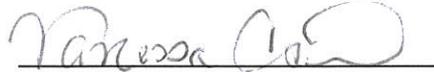
Adjournment

Ms. Williamson-Branch made a motion to adjourn. Mr. Liepe seconded the motion. Mr. Donohue stated the next meeting is scheduled for January 28, 2019. There being no further business, Mr. Donohue adjourned the meeting at 6:15 p.m.

Submitted by Janet C. Davis
Secretary to the DUC

January 28, 2019

Date Approved



Vice Chairman
Danville Utility Commission