



UTILITY COMMISSION

REGULAR MEETING

MINUTES

Thursday, January 10, 2019
Public Works Facility, 8500 Public Works Drive

I. CALL MEETING TO ORDER

John Weber, Chairman, called the meeting to order at 5:30 p.m.

II. DETERMINATION OF QUORUM

MEMBERS PRESENT: Chairman John Weber, Commissioner Mason Hollcroft, Commissioner Jeffrey McWhirt, Commissioner Richard Milligan, Commissioner Dr. James Schornick, Commissioner Stephen Silberstein

MEMBERS ABSENT: Councilman Mark Wolfe

STAFF PRESENT: Director of Utilities Tony Dawood, Assistant Director of Electric David Jones, Utilities Finance Manager Glenn Simpson, Utilities Services Manager Ana Davis, Utilities Administrative Coordinator Daralyn Baker, Assistant Director of Water and Sewer Ron Tatariw, Deputy City Manager Bryan Foster, Environmental Programs Manager Ivy Ozmon

STAFF ABSENT: None

GUESTS PRESENT: None

III. CHAIRPERSON'S TIME

IV. APPROVAL OF MINUTES – December 13, 2018

MOTION: Commissioner McWhirt made the motion to approve the December 13, 2018 meeting minutes as submitted.

SECOND: Commissioner Milligan

VOTE: Unanimous

V. STAFF REPORTS

A. ELECTRIC OPERATIONS REPORT

David Jones, Assistant Director of Electric, reported that there were eleven (11) outages reported during the month of December: four (4) equipment failures, four (4) scheduled outages, and three (3) animal outages.

The November 2018 VMEA billing was \$1,873,506 (\$0.569/kwh). The City coincident peak for the month of December occurred on December 11, 2018 for a peak of 68.95 MW. The Dominion Power peak was 16,490 MW.

Mr. Jones reported that in 2018 there were 146 outages logged by System Operations. 27 of these outages were momentary circuit operations lasting a few seconds, the remaining 119 were sustained outages. Mr. Jones also explained that efforts are underway to reduce outages. These include installing sectionalizing devices and reclosers, tree trimming, moving overhead lines underground, replacing aging underground cable and utilizing an outage management system.

B. CUSTOMER SERVICE REPORT

Ana Davis, Customer Services Supervisor, presented the December Customer Service Report. Ms. Davis reported there were 16,690 accounts billed throughout the month of December. Total revenue billed was \$5,625,275.26 and revenue collected was \$5,792,467.60. The City wrote off \$7,383.55 this month and collected \$1,037.09 from in-house and \$128.67 from state resulting in a net collection of \$6,217.79.

15,821 AMI electric meters have been installed to date, along with 11,055 water meters.

C. CASH REPORT AND BUDGET UPDATE

Glenn Simpson, Utilities Finance Manager, presented the Cash Report for the month of December. The Total Unrestricted Utility Operating Cash as of January 2, 2019 was \$19,612,528.40 and reflects the VMEA payment of \$1,873,505.63 made on December 27, 2018.

D. WATER AND SEWER OPERATIONS REPORT

Ron Tatariw, Assistant Director of Water & Sewer, presented the Water & Sewer Operations Report for the month of December. There were three (3) water main breaks and two (2) sewer blockage in December.

Mr. Tatariw, Assistant Director of Water & Sewer, reported on the following CIP Projects and their status:

CIP Project and Description	Status
W-42 – 24” Transmission Main Replacement	Shirley Contracting has been awarded the contract for Phase VI, which is underway. Phase VI-A is the design process.
W-47 – Finished Water Capacity Increase	Consultant is working on design.
W-50 – Main Replacement Looping	Phase 1 for waterline improvements at the airport are in the planning phase.
W-70 – Water Plant Improvements FY18	Phase II at the Water Treatment Plant is in planning phase.
T-19 – Prince William Street	The installation of the 12” water line has been discontinued until spring.

E. DIRECTOR’S UPDATE

Tony Dawood, Director of Utilities, reported that Councilmember Mark Wolfe has been reappointed to serve at the Utilities Commission liaison.

F. PURCHASE ORDERS APPROVED – DECEMBER 2018

Project	Company	Amount
Tank Gauge Calibration & Line Testing of Above-ground Storage Tanks at Central Park (DOM/LOMAR) Generation Facility	Apex Companies	\$7,600
Tank Gauge Calibration & Line Testing of Above-ground Storage Tanks at Godwin Drive (VMEA) Generation Facility	Apex Companies	\$7,600
LTC Inspection & Maintenance on Micron Substation Transformer	S P X Transformer Solutions	\$24,472
Outdoor Airbreak Switches (8) for Airport Substation	Graybar Electric	\$28,904
Finished Water Capacity Increase Task Order #14- Design plate settlers for retrofit into the existing conventional sedimentation basin; design of sludge collection equipment for retrofit into the existing sedimentation basins; design of additional sodium hypochlorite and DeIPAC storage; design improvements to existing chemical storage and feed systems.	Michael Baker International	\$477,400
Cleaning of two (2) Permanganate tanks and one (1) Ferric Chloride tank and disposal of waste.	Clean Harbors Environmental Services, Inc	\$12,662
Two (2) Blue White Metering Pump to Feed Sodium Hypochlorite	PYRZ Water Supply Company, Inc.	\$11,598

VI. FY20 CIP AND BUDGET

G. FY20 EXPENDITURES

Glenn Simpson, Utilities Finance Manager, presented a power point on the proposed FY20 operating expenditures. Mr. Simpson summarized expenditures for the four funds and gave preliminary revenue forecasts along with projected rate increases. Rate increases are proposed in three funds as follows: Water 5.0%, Sewer 4.5%, and Stormwater 23.0%. David Jones, Assistant Director Electric, Ron Tatariw, Assistant Director of Water and Sewer, and Ivy Ozmon, Environmental Programs Manager, all described the major expenditures in their funds for FY20.

MOTION: For Information Only

VII. NEW BUSINESS

H. STORMWATER COMPREHENSIVE EVALUATION PROGRAM

Ivy Ozmon, Environmental Programs Manager, requested approval of a budget and appropriation in the amount of \$40,000 to undertake a comprehensive program evaluation to determine the most effective means to meet MS4 program requirements for current licensing cycle. Ms. Ozmon explained that this evaluation entails a series of intensive meetings to: 1) review the City's current capacity for satisfying regulatory requirements for stormwater, 2) establish the City's overall stormwater program goals, including regular maintenance of storm sewer infrastructure, 3) develop a roadmap for implementing the updated program to maintain compliance with MS4 permit requirements now and into the future, and 4) determine the level of funding required for the program's continued success. The evaluation will include a written report to summarize findings and to make recommendations. The final report is expected in the 4th quarter of FY 2019.

MOTION: Commissioner Hollcroft made the motion to approve the B&A and further it on to Finance Committee and City Council for further approvals.

SECOND: Commissioner Silberstein

VOTE: Unanimous

I. SECOND AMENDATORY AGREEMENT WITH DOMINION ENERGY

Glenn Simpson, Utilities Finance Manager, explained that as part of the Micron expansion, the infrastructure to serve the Micron load will need to be upgraded. Dominion Energy has agreed to pay for the upgrades but seeks reassurances that it will have time to recover its investment. A second amendatory agreement has been negotiated in which the City would allow Dominion to serve the Micron load through the current franchise agreement, February 29, 2028, and if Dominion is the successful bidder in the next franchise agreement it would be allowed to serve the Micron load through February 29, 2032.

MOTION: Commissioner Milligan made the motion to approve the Second Amendatory Agreement with Dominion Energy and further to City Council

SECOND: Commissioner Hollcroft

VOTE: Unanimous

VIII. OLD BUSINESS

IX. CLOSED SESSION

X. ADJOURNMENT OF MEETING

There being no further business; a motion was made, seconded and carried unanimously to adjourn the meeting. Chairman Weber adjourned the regular meeting at 6:20 p.m.