

# **Louisville Metro Government**

601 W. Jefferson Street Louisville, KY 40202

# Action Summary - Final Public Works Committee

Chair Nicole George (D-21)
Vice Chair Robin Engel (R-22)
Committee Member Keisha Dorsey (D-3)
Committee Member Cassie Chambers Armstrong (D-8)
Committee Member Bill Hollander (D-9)
Committee Member Stuart Benson (R-20)
Committee Member Madonna Flood (D-24)

Tuesday, April 13, 2021

4:00 PM

Council Chambers/Virtual

#### Call to Order

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Chair George called the meeting to order at 4:02 p.m.

#### **Roll Call**

Chair George introduced the committee members and non-committee members present. A quorum was established.

\*NOTE: All committee members and non-committee members present attended virtually, except Chair George, who attended in Chambers.

Present:

5 - Committee Member Keisha Dorsey (D-3), Committee Member Cassie Chambers Armstrong (D-8), Chair Nicole George (D-21), Vice Chair Robin Engel (R-22), and Committee Member Madonna Flood (D-24)

Excused: 2 -

Committee Member Bill Hollander (D-9), and Committee Member Stuart Benson (R-20)

### Non-Committee Member(s)

Council Member Markus Wiinkler (D-17)

## **Support Staff**

Lauren Givhan, Jefferson County Attorney's Office Hollie Hopkins, Jefferson County Attorney's Office

## Clerk(s)

Cheryl Woods, Assistant Clerk Sonya Harward, Clerk

#### **Special Discussion**

#### **1.** ID 21-0466

#### Snow Clearing Routes: Vanessa Burns, Louisville Metro Public Works

Brian Funk, Louisville Metro Public Works, gave a presentation.

The following spoke to this item:

- Brian Funk
- Chair George
- Council Member Winkler
- Committee Member Chambers Armstrong
- Vanessa Burns, Louisville Metro Public Works

#### The following was discussed:

- The Snow and Ice Control Operations system allows for traffic movement down the priority streets for travel to work and schools, as well as to allow emergency vehicle to perform their duties during snow events
- The aim of the Snow and Ice Control Operations is to return road services maintained by Louisville Metro Public Works to safer winter driving conditions as soon as feasible with the limitations program, including limited resources and weather conditions
- Louisville Metro Public Works is the lead agency responsible for planning and administration of the snow and ice program
- Louisville Metro Public Works is the roads and operational division of the snow and ice control operations with east, west, and central districts
- Other department that assist with the Snow and Ice Control Operations are:
   Solid Waste Management, a couple people from Signs and Markings
   Department, Parks Department, Codes and Regulations Vacant Lots Division, and Fleets Department
- The crews provide service to 1,130 center line miles of road and using above 150 pieces of equipment
- The crews can spread salt to two lanes of row at a time per truck and some can spread and more than two lanes
- Crews spread material on the equivalent of 2700 two lane miles to treat the roads
- The 2700 miles are divided into 110 routes
- The spreading operation takes approximately six hours
- It takes 13 hours to plow the routes
- The Snow and Ice Control Operations has capability to stock pile a maximum of about 40 thousand plus piles of rock salt at four above ground salt domes that are located at the east, west, and central districts plus the one at Solid Waste Management and also the underground cave
- Liquid salt, and calcium chloride are stored at the east, west, and central districts
- The on-line snow status mapping system is where the drivers provide a status report of their efforts that shows what has been done on each route
- The public can use the on-line map by typing the address they are interested in
- Arterial roads are roads with high capacity and are considered high priority roads

- Connector roads are roads that criss-cross between arterial roads and are also considered high priority roads
- Typically local roads are not included in the snow routes
- Neighborhood roads must meet certain criteria to be added to snow routes, example would be if it has a steep down hill grade intercepting with a arterial roadway or if it is a school bus route with a steep grade or if it is a Transit Authority of River City (TARC) bus route
- Many local streets are cleared by private contractors hired by homeowners associations
- Louisville Metro has not purchased more snow removal equipment since we only have a few days of snow
- Purchase 5 new trucks to replace 5 tucks that are over 20 years old would cost Louisville Metro \$5.5 million and it would add \$1.3 million to the salt demand
- No private contractors bid on assisting with the snow program
- Kentucky Transportation Cabinet District 5 is responsible for servicing inter-state highways in Jefferson and surrounding counties and they use contractors
- Question about whether it is known how many local or neighborhood roads are being serviced
- Question about whether there is any existing roads that are on the map today that does not meet the criteria's and should they be reevaluated
- Question about whether there are options that residents with emergency situation have that are not on snow plow route

#### **2.** ID 21-0467

Louisville Gas and Electric Company Rate Case Update: Jeff Derouen, Jefferson County Attorney's Office

Jeff Derouen, Jefferson County Attorney's Office, gave a presentation.

The following spoke to this item:

- Jeff Derouen
- Chair George

The following was discussed:

- On November 25, 2020 Louisville Gas and Electric Company ask the Public Service Commission to raise electric rates by 12% which is \$131 million and gas rates by 8.3% which is \$30 million, and the money is slated to improve infrastructure
- Part of the request is to up-grade the metering equipment
- Louisville Gas and Electric Company has requested that there be an economic relief sur-credit adjustment clause added to the rate case which will credit to Louisville Gas and Electric customers about \$41.6 million over 12 years if it is accepted by the Public Service Commission, which would off-set the first year of the rate increase with \$38.9 million going to the electric and \$2.7 of that would go to gas customers
- Louisville Gas and Electric Company is a legal monopoly owned by share holders and they are not allowed to set rates for the product
- Since Louisville Gas and Electric Company is privately owned Louisville Gas and Electric Company shareholders are allowed to earn a rate of return and that what Public Service Commission is supposed to determine the

#### proceedings

- There are two distinct portions of a rate case, one is to determine the rate case or how much utility needs to provide the service its required to do and the second part is after the revenue requirement is established the rate allocation would need to be determined between the various classes of customers, such as residential, industrial, commercial and lighting
- This would be the third rate increase in four years for Louisville Gas and Electric Company
- The City of Louisville and the City of Lexington both filed a motion to intervene in the case
- The Public Service Commission is slated to conduct three public meetings and the 1st public meeting is scheduled for April 13, 2021 at 1 p.m, the second is on Thursday, April 15, 2021 at 5 p.m and the third one is on Tuesday, April 20, 2021 at 5 p.m., to provide information and receive public comments and the hearing is set for five days beginning on April 26, 2021, at 9 a.m.each day
- Anyone in Kentucky Utilities or Louisville Gas and Electric Company can speak by emailing The Public Service Commission at psc.meeting@ky.gov to sign up to speak to the Commissioners
- The rate case is called a convenience of public and necessity
- The Public Service Commission put in a time line in the rate case they suspended the rate for six months which ends May 25, 2021, and at the end of that six months Louisville Gas and Electric Company can put the rates into effect with subject to refund and at the end of 10 months which is September 25, 2021, the Public Service Commission must have a ruling, or the rates could go into effect as Louisville Gas and Electric Company has asked
- The settlement conference case is scheduled for Thursday, April 15 and Friday April 16, 2021 in Louisville
- Louisville Metro has intervened in all three rate increase cases through the Jefferson County Attorney's Office
- The City of Lexington and Louisville Metro are sharing attorneys to represent them before the Public Service Commission
- In 2017 the request was lower by 60% and in 2019 the request was lower by 70%
- Other intervener's in this case includes the Attorney General, Industrial Utility customers, Kroger, Walmart, The Sierra Club, Metropolitan Housing Collation, Kentuckians for the Commonwealth, The Department of Defense, the Kentucky Solar Energy Sociality and Kentucky Solar Industries Association
- Louisville Metro and the City of Lexington are the only entities with concerns about street lights
- There was a question about whether getting the street lights converted to light-emitting diode (LED) lighting would be much cheaper for Louisville Metro
- -There was a question about whether customers who currently have net metering would be grandfather in and continue the program
- Louisville Metro pays 12% rate of return to Louisville Gas and Electric for street lighting compared to the average rate class which includes all the rates of 7%
- Louisville Metro and City of Lexington are arguing for lower revenue requirement, lower return on equity, and lower rates especially in the street lighting both classes lighting services and restricted light service

#### **Adjournment**

Without objection, Chair George adjourned the meeting at 4:57 p.m.