

**REGULAR MEETING OF THE CITY COMMISSION
JANUARY 22, 2018**

The meeting of the Winter Park City Commission was called to order by Mayor Steve Leary, at 3:30 p.m. in the Commission Chambers, 401 Park Avenue South, Winter Park, Florida. The invocation was provided by Father Richard Walsh, St. Margaret Mary Catholic Church, followed by the Pledge of Allegiance.

Members present:

Mayor Steve Leary
Commissioner Pete Weldon
Commissioner Greg Seidel
Commissioner Sarah Sprinkel
Commissioner Carolyn Cooper

Also Present:

City Manager Randy Knight
City Clerk Cynthia Bonham
City Attorney Kurt Ardaman

Approval of agenda

Motion made by Commissioner Cooper to approve the agenda; seconded by Commissioner Seidel and carried unanimously with a 5-0 vote.

Mayor's Report

- a. 4th Quarter 2017 Business Recognition Award – Park Avenue Smoothie Café

Mayor Leary and CRA Manager Kyle Dudgeon presented the award to Chris Bassil of the Park Avenue Smoothie Café.

City Manager's Report

City Manager Knight spoke about the report in the packet summarizing the 2017 Year in Review of the development that has taken place and is in the process. Commissioner Seidel asked about modifications to the signal at Fairbanks/Denning. Public Works Director Troy Attaway explained what has taken place.

Commissioner Seidel spoke about the Ormond Manor community meeting and the discussion regarding the speeders on Orange Avenue through that section. He asked that a safety study be done. Upon discussion, there was a consensus that staff will look into this and bring back information regarding what they determined with the speeding on that road and if FDOT needs to be contacted concerning this.

Commissioner Sprinkel asked if a money amount was determined with the 2017 development report. The City Manager this information to the Commission. She also asked about the boat ramp at the Scenic Boat Tour and asked to expedite its completion and not wait on the railing to come in before improving the boat ramp's appearance.

City Attorney's Report

Attorney Ardaman spoke about the Constitutional Revision Commission where the Local Government Committee did not meet last week but plans to meet Friday. He will be sending them the two proposals he just received regarding Proposal 95 (FLC suggested they oppose) preempting the regulation of Commerce, Trade and Labor that would prohibit cities from passing ordinances that would regulate this in the City; and Proposal 61 (in support of) that would enhance and protect the home rule powers for cities. Mayor Leary spoke about meeting with the Governor who is in support for the City's position regarding preemption language in front of the committee and legislature. Vice Mayor Weldon will speak with the City Manager to determine if they should contact the members of the Local Government Committee.

Non-Action Items

a. Tennis Center Renovation and Operational Improvements

Jason Seeley, Parks and Recreation Department, summarized the schedule for renovations at the tennis center. He proposed the shutdown of the courts during the months of May-August to allow time for the renovations. He addressed utilizing the clay courts during the renovation period and the end of the High Performance tennis management contract in May. He stated they would like to review the operations during the shutdown time, receive public input and feedback on the tennis center and programming and come back in March-April with a possible new operation model based on public input. Clarification was made that Phelps Park and Cady Way have some capacity to take some of the load but that they only have hard courts.

Consent Agenda

- a. Approve the minutes of January 8, 2018.
- b. Approve the following agreement and authorize the Mayor to execute the contract:
 1. Orange County – Interlocal agreement for municipal separate storm sewer system permit activities; \$22,052.
- c. Approve the following piggyback agreement and authorize the Mayor to execute the contract:
 1. Hubbard Construction Co. – Seminole County contract #IFB-602096-14/BJC for Pavement Management Services; \$150,000.

Motion made by Commissioner Sprinkel to approve the Consent Agenda; seconded by Commissioner Cooper. There were no public comments. **The motion carried unanimously with a 5-0 vote.**

Action Items Requiring Discussion

a. Contract for the sale of 1111 W. Fairbanks Avenue

Planning Director Dori Stone presented this item and spoke about working through the sale of this property. The contract with Verax was presented. The second reading of the ordinance will take place along with the conditional use request. She stated that staff is satisfied with the schedule they received and believe they will see a conditional use request quickly and that they will not own the property until the Commission is agreeable with the conditional use.

Commissioner Cooper commented she still holds that this property has public use and value because of its proximity to Martin Luther King Park and is opposed to the sale and contract. She addressed the new library and issues she believes with the lake and loss of parkland and the intent of the CRA plan.

Motion made by Commissioner Sprinkel to approve the contract, seconded by Commissioner Weldon. There were no public comments made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel and Weldon voted yes. Commissioner Cooper voted no. The motion carried with a 4-1 vote.**

b. Consideration of two real estate offers on 2600 Lee Road

Planning Director Dori Stone addressed the two offers received. Bobby Palta of CBRE (real estate broker for the City) was available for questions. City Manager Knight spoke about his preference for the City of the land lease approach if the Commission is in agreement with the use of the property. Mayor Leary addressed his preference of the alternative use but that without him providing plans as to his intentions for the property it is difficult for him to accept his offer if he is going to just put a fast food restaurant there.

City Manager Knight verified that the other party does not have a tenant in mind at this time. Mr. Palta addressed the closing period of the lease that the Commission appeared to favor. Mayor Leary expressed concerns with the 180-day closing. Ms. Stone spoke about this coming back as a conditional use and that they want to offer the deal to them and bring back a contract and lease to look at and then ask for a motion to sign the lease.

Motion made by Commissioner Sprinkel to move forward with the proposal for the land lease as presented, giving staff the flexibility knowing their concerns regarding the timing issue, seconded by Commissioner Weldon. There were no public comments made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.**

c. Federal Legislative priorities

City Manager Knight provided the list of proposed Federal legislative priorities. He addressed meeting with the City's lobbyist Jim Huckeba of Renaissance Strategy Group. Mr. Huckeba spoke about earmarks as well as other opportunities for funding.

The list for approval is as follows:

Projects/Funding (in priority order):

- 17-92 beautification and corridor improvements
- Assist with widening of SR 426 between 17-92 and Pennsylvania Ave
- Acquisition of post office property for expansion of Central Park
- Broadband project
- Expansion of reuse water system
- Green energy generation (Solar, etc.)
- Expansion of sewer infrastructure to eliminate septic tanks

Legislative matters:

- Assist with FEMA reimbursements
- Oppose legislation negatively impacting tax exempt financings

After discussion and questions, **motion made by Commissioner Sprinkel to approve the list; seconded by Mayor Leary. Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.**

The Commission asked for monthly updates as to what is happening.

Public Hearings:

- a. ORDINANCE NO. 3100-18: AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, VACATING AND ABANDONING A CERTAIN PORTION OF THE PUBLIC RIGHT-OF-WAY KNOWN AS LAUREL ROAD AND PUBLIC UTILITY RIGHTS OVER CERTAIN PROPERTY LOCATED WITHIN THE CHARMONT SUBDIVISION, AS MORE PARTICULARLY DESCRIBED HEREIN; PROVIDING FOR RESERVATION OF A PERPETUAL 20' PUBLIC UTILITY EASEMENT; PROVIDING FOR AUTHORIZATION AND DIRECTION TO CITY STAFF; PROVIDING FINDINGS BY THE CITY COMMISSION; PROVIDING FOR SEVERABILITY, CONFLICTS, AND AN EFFECTIVE DATE Second Reading

Attorney Ardaman read the ordinance by title.

Motion made by Commissioner Sprinkel to adopt the ordinance; seconded by Commissioner Weldon. There were no public comments made. Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.

- b. ORDINANCE NO. 3101-18: AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, AMENDING ARTICLE II, CHAPTER 22 OF THE CITY OF WINTER PARK CODE OF ORDINANCES RELATING TO THE BUILDING CODE AND AMENDING ARTICLE V, CHAPTER 22 OF THE WINTER PARK CODE OF ORDINANCES RELATING TO PROPERTY AND BUILDING MAINTENANCE; PROVIDING FOR THE INCORPORATION OF AND MODIFICATIONS TO THE FLORIDA BUILDING CODE AND ASSOCIATED STANDARDS AND REQUIREMENTS; PROVIDING FOR CLARIFICATIONS TO THE CITY'S BUILDING CODE AND PROPERTY AND BUILDING MAINTENANCE CODE; PROVIDING FOR THE INCORPORATION OF CERTAIN ADMINISTRATIVE AND TECHNICAL AMENDMENTS, INCLUDING A FIRE SPRINKLER REQUIREMENT FOR CERTAIN PROPERTIES; DESIGNATING APPLICABLE WIND DESIGN CRITERIA; PROVIDING FOR SEVERABILITY, CODIFICATION, CONFLICTS, TRANSMITTAL TO THE FLORIDA BUILDING COMMISSION, AND AN EFFECTIVE DATE Second Reading

Attorney Ardaman read the ordinance by title.

Motion made by Commissioner Cooper to adopt the ordinance as amended at first reading; seconded by Commissioner Weldon. No public comments were made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.**

- c. AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA AMENDING CHAPTER 58, "LAND DEVELOPMENT CODE", ARTICLE I "COMPREHENSIVE PLAN" FUTURE LAND USE MAP SO AS TO CHANGE THE SINGLE FAMILY FUTURE LAND USE DESIGNATION ON PORTIONS OF THE PROPERTY AT 2141 OAKHURST AVENUE TO A LOW DENSITY AND MEDIUM DENSITY RESIDENTIAL FUTURE LAND USE DESIGNATION, MORE PARTICULARLY DESCRIBED HEREIN PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE First Reading

AN ORDINANCE AMENDING CHAPTER 58 "LAND DEVELOPMENT CODE" ARTICLE III, "ZONING" AND THE OFFICIAL ZONING MAP SO AS TO CHANGE FROM SINGLE FAMILY (R-1A) DISTRICT ZONING TO LOW DENSITY (R-2) AND MEDIUM DENSITY MULTIPLE-FAMILY RESIDENTIAL (R-3) DISTRICT ZONING ON A PORTION OF THE PROPERTY AT 2141 OAKHURST AVENUE, MORE PARTICULARLY DESCRIBED HEREIN, PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE First Reading

- d. Request of the Mayflower Retirement Community for Preliminary and Final Conditional Use approval for expansions to their facility to include a three-story healthcare (skilled nursing) building; a one-story memory care building; a one-story clubhouse and forty (40) new villa units in four separate three-story buildings on the combined 15.5 acres of vacant property at 1620 Mayflower Court and 2141 Oakhurst Avenue

Attorney Ardaman read both ordinances by title. Planning Manager Jeff Briggs stated that public hearings c and d will be held together. He addressed the two ordinances for consideration and the conditional use

request. He explained that the property will be rezoned in tiers and displayed the property to be rezoned R-3 (that is necessary to permit a three story building) adjacent to the R-4 property, and the R-2 rezoning. He spoke about the property on the far west of the site where the 50' strip of property is staying single family so there is a permanent 50' buffer of single family zoning and future land use where no building can take place. He explained the conditional use request and the concept plan before them for the improvements on the existing wetland area to the west of the existing Mayflower buildings.

Mr. Briggs summarized the proposed building plans and the condition attached to the approval that limits both the time of construction and no weekend construction. He addressed the increase in traffic, the improvement of parking, buffering to the Gallery Condominiums and to the homes to the east (they must bring back the landscape plan and any plans for fencing, etc. to provide visual and sound protection barrier). He explained that the Transportation Advisory Board is interested in extending the bike path system and vision that this property could be a link between Lakemont and Aloma if the St. Andrews extension is ever made but that safety and security of the Mayflower has to be a top concern.

Commissioner Seidel addressed the 2010 study that showed a trail should go in and where it should be located. He provided a GIS map that showed a connection that he stated was in the planning stages and there has not been a public study to meet with property owners. He stated he wanted to see the study be done to see if there is potential to either obtain or have an agreement to use a portion of the property for this. Commissioner Weldon stated he takes the recommendation for the bike path seriously and wanted to see what could be done but in the right venue.

Commissioner Cooper spoke about the many conversations about connectivity through the City and the importance of alternative modes of transportation, and that the Mayflower should provide a trail easement and determine the best way to do that for the Mayflower.

Mr. Briggs concluded that there are some conditions that will go back to the Planning and Zoning Board; if the Commission wants to see certain plans, the conditions can be amended to come back to the Commission. He commented that preliminary approvals can be done this evening and final approvals with detailed plans such as stormwater, etc. can return to the Commission.

Mr. Briggs responded to questions of Commissioner Cooper regarding removal of trees, ingress/egress into the property from Lakemont Avenue (there were no issues), R-2 zoning and drainage, and wetland mitigation.

Commissioner Sprinkel had concerns with the removal of trees and where fences will be built so they do not block parts of the property that could be a nice view for the residents.

Steve Kramer, CEO, Mayflower Retirement Community, explained the levels of care provided at the Mayflower and other background information. He spoke about issues with stormwater.

Ron Branom, Construction Project Director, addressed the stormwater issues and drainage.

Kevin Deck, Architect for the project, summarized the master plan and elevations.

Joe Kolb, Engineer for the project, explained the drainage, flood plain, canal drainage system and pond excavation.

Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon stated they all met with the applicant prior to the meeting.

Motion made by Commissioner Weldon to accept the Future Land Use map (comprehensive plan) ordinance as presented on first reading; seconded by Commissioner Seidel.

Motion made by Commissioner Weldon to accept zoning ordinance as presented on first reading; seconded by Commissioner Seidel.

Karen Jacobs, 2411 Gallery View Drive spoke in support of the Mayflower expansion and the conditions that were recommended by P&Z.

Mike Emerson, 2115 Taylor Avenue, expressed concerns with drainage problems at their property. Staff will contact Mr. Emerson regarding their concerns and who is responsible for maintaining the storm drain.

Barbara Smith, 2427 Gallery View Drive, was neutral because of issues already clarified for her and thanked the Commission for responded to her.

Brooks Hewitt, President of the Gallery Condo Association, spoke in support of the project. He asked that the only entrance going into the Mayflower is the property that runs by the Gallery.

Upon a roll call vote on the Future Land Use map ordinance (comprehensive plan), Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.

Upon a roll call vote on the zoning ordinance, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.

Conditional use approval

Planning Manager Jeff Briggs stated if the Commission wants to see the landscape and stormwater plans come back before them, this could be done as a preliminary approval with the final plans coming back with the same conditions as follows:

1. That the Mayflower Retirement Community explore options to create a northeast connector trail on the Mayflower Retirement Center property of 12 feet wide with a three foot buffer on each side, consistent with the proposed St. Andrews Trail, as recommended by the Transportation Advisory Board.
2. That the Project receive a subsequent approval from the P&Z Board on a fence and landscape plan for the project including the 50 foot perimeter buffer area which utilizes a combination of new trees in the buffer area, cypress trees around the new ponds and those ponds bordering other properties; other landscaping features and fencing to provide a visual and sound buffer for the privacy of the adjoining residences and Gallery condos.
3. In consideration of the multi-year length of the construction period, that the Mayflower limit the hours of construction to Monday through Friday 8 a.m. to 5 p.m.
4. That the Project receive a subsequent approval from the P&Z Board on the final stormwater design for the project, once fully vetted by City staff.

Motion made by Commissioner Cooper that they approve conditions 2-4 as a preliminary approval and with the modification that item #1 instead of saying that "the Mayflower Retirement Community will explore" says that "the Mayflower Retirement Community will provide a trail easement to the City for a multi-purpose bike trail to accommodate a northeast connector trail across the Mayflower Retirement Center property consistent with the planned St. Andrews

trail as recommended by the Transportation Advisory Board and included in Winter Park's Bike and Pedestrian Plan and the specific route to be developed in conjunction with the City". The motion was seconded by Commissioner Seidel.

Mayor Leary stated he could not support the motion because if being so specific without any engineering and without consideration of the professionals designing this. He expressed concerns with security issues on site with this motion and would only support the motion as presented.

Commissioner Weldon stated he wants to find practicable and workable ways to extend bicycle trails throughout the City but did not believe this works because of access issues that would be secure for an open public trail. He explained that he would like the landscape plan (condition #2) come back to the Commission and the P&Z and receive full vetting as to what that will be because of the removal of many trees. He agreed with condition #3.

Concerning condition #4, Commissioner Weldon spoke about concerns with causing flooding problems around the neighborhood and hoped that the developer would be agreeable to exceeding the St. John's Water Management standards. He stated he wants to see that come back to the Commission with a higher level of standard. Mr. Kolb addressed Commissioner Weldon's concern. Mayor Leary stated they could have that plan resubmitted to the City for approval and put into the approval utilizing a third party paid for by the applicant that reports to City on those numbers. Further discussion took place regarding condition #4.

Commissioner Sprinkel supported conditions 2-4 to come back to the Commission and to eliminate condition #1.

Motion (above) withdrawn by Commissioner Cooper.

Motion made by Commissioner Sprinkel to approve the preliminary Conditional Use as presented by P&Z (to come back to the City Commission for final CU approval); seconded by Commissioner Weldon. No further public comments were made. Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel and Weldon voted yes. Commissioner Cooper voted no. The motion carried with a 4-1 vote.

Public Comments (Items not on the agenda)

No comments were made.

- e. RESOLUTION NO. 2199-18: A RESOLUTION OF THE CITY OF WINTER PARK, FLORIDA, URGING ALL MEMBERS OF THE FLORIDA LEGISLATURE TO OPPOSE LEGISLATION THAT WOULD RESTRICT OR ELIMINATE COMMUNITY REDEVELOPMENT AGENCIES; DIRECTING CITY ADMINISTRATION TO TRANSMIT A CERTIFIED COPY OF THIS RESOLUTION TO THE FLORIDA LEAGUE OF CITIES, THE ORANGE COUNTY LEGISLATIVE DELEGATION AND ANY OTHER INTERESTED PARTIES; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Attorney Ardaman read the resolution by title.

Motion made by Commissioner Sprinkel to adopt the resolution; seconded by Commissioner Weldon. No public comments were made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, and Weldon voted yes. The motion carried unanimously with a 4-0 vote. Commissioner Cooper was absent for the vote.**

- f. RESOLUTION NO. 2200-18: A RESOLUTION OF THE CITY OF WINTER PARK, FLORIDA, OPPOSING LEGISLATIVE EFFORTS TO IMPEDE THE CONSTITUTIONAL RIGHT FLORIDA'S CITIZENS HAVE ENJOYED FOR NEARLY 50 YEARS TO GOVERN THEMSELVES UNDER MUNICIPAL HOME RULE POWERS; OPPOSING THE LEGISLATURE'S PERSISTENT INTRUSION INTO LOCAL FINANCES, WHICH ARE NECESSARY TO PROVIDE FINANCIAL STABILITY AND ESSENTIAL SERVICES UNIQUELY REQUIRED BY MUNICIPAL RESIDENTS AND LOCAL BUSINESSES; DIRECTING CITY ADMINISTRATION TO TRANSMIT A CERTIFIED COPY OF THIS RESOLUTION TO THE FLORIDA LEAGUE OF CITIES, THE ORANGE COUNTY LEGISLATIVE DELEGATION AND ANY OTHER INTERESTED PARTIES; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Attorney Ardaman read the resolution by title.

Motion made by Commissioner Sprinkel to adopt the resolution; seconded by Commissioner Weldon. No public comments were made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, and Weldon voted yes. The motion carried unanimously with a 4-0 vote. Commissioner Cooper was absent for the vote.**

- g. AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, ADOPTING A NAMING POLICY FOR THE CITY'S LIBRARY AND EVENTS CENTER; PROVIDING FOR AUTHORIZATION TO THE MAYOR AND CITY MANAGER WITH RESPECT TO SUCH NAMING POLICY; MAKING FINDINGS; PROVIDING FOR SEVERABILITY, NON-CODIFICATION, CONFLICTS, AND AN EFFECTIVE DATE First Reading

Attorney Ardaman read the ordinance by title. He addressed two items needing correction in the policy itself.

Motion made by Commissioner Weldon to accept the ordinance on first reading with the suggestions made by Attorney Ardaman in the policy; seconded by Commissioner Sprinkel.

Commissioner Cooper provided a list of items in the policy she wanted to address.

Motion made by Commissioner Cooper that they add in the introduction, line 1 prior to name that it says "This policy sets forth the requirements and conditions that must be met by donors in order for their name or a person's name they select as opposed to just a name they select". Motion failed for lack of a second.

Motion made by Commissioner Cooper to change within the policy, #2 (b), line 1-2 and 7: to change "City of Winter Park" to "City Commission"; seconded by Commissioner Sprinkel.

Motion made by Commissioner Cooper in #2 (b) line 4, (no one is designated who can approve the pre-approved list of naming opportunities) to add: "such list will be presented to the City Commission for approval". Motion failed for lack of a second.

Commissioner Cooper spoke about #6 and did not want individuals making donations that do not specify what it should go toward (one of the amenities or toward the overall cost of the library/events center) to be defaulted toward the library commitment. **Motion made by Commissioner Cooper to add "the donor shall be given the opportunity to specify in writing whether their donation is applied to the Winter Park Library Association commitment or to a particular future enhancement to the facility".** City Manager Knight commented that a donor could always designate how they want their donation to be used whether or not it is in the policy. **Motion failed for lack of a second.**

There were no public comments made.

Upon a roll call vote on the amendment, to change within the policy, #2 (b), line 1-2 and 7: to change "City of Winter Park" to "City Commission", Mayor Leary and Commissioners Seidel and Weldon voted no. Commissioners Sprinkel and Cooper voted yes. The motion failed with a 3-2 vote.

Motion amended made by Commissioner Cooper a preceding sentence be added to #2 (b): "The final authority for naming the Library, the events center, and the complex as a whole, rests exclusively with the City Commission", seconded by Commissioner Sprinkel. Upon a roll call vote,

Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.

Upon a roll call vote on the main motion as stated (including the suggestions made by Attorney Ardaman), Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and Weldon voted yes. The motion carried unanimously with a 5-0 vote.

- h. Request of the City of Winter Park to amend various sign code regulations
PLEASE NOTE: THE PUBLIC HEARING FOR THIS ORDINANCE HAS BEEN POSTPONED UNTIL FURTHER NOTICE

City Commission Reports:

Commissioner Seidel – No report.

Commissioner Sprinkel – Spoke about the traffic increase in the City.

Commissioner Cooper – Spoke about the objections to the bike path concerning the Mayflower.

Commissioner Weldon – Spoke about asking for the development report provided with the City Manager's Report. He commented that the quality of development that was approved will increase the City's taxes by about \$1 million a year and that the objective is to seek redevelopment of high quality to help the City finance more of the services provided to the citizens.

Commissioner Weldon also provided a memo regarding electric rates and revenue that he believed raised some issues the Commission may want to consider. A copy of the memo is attached.


Mayor Leary – No report.

The meeting adjourned at 6:41 p.m.



Mayor Steve Leary

ATTEST:



City Clerk Cynthia S. Bonham, MMC

Memo to Commission Members

January 22, 2018

From: Pete Weldon

I asked to see total Winter Park electric utility revenues based on actual consumption compared to the same consumption at both OUC rates and Duke Energy rates. This analysis does not compare rates, it compares total revenue generated given the current rate structure of each utility. Thus, this analysis takes into consideration our customer mix by class of trade (residential and commercial) and by kilowatt hours consumed by customer.

The results of staff's analysis are as follows for the current year's MWh consumption forecast:

<u>Electric Revenues*</u>	<u>Winter Park</u>	<u>OUC</u>	<u>Duke</u>	<u>Versus OUC</u>	<u>Versus Duke</u>
Residential Customers	\$24,995,614	\$22,661,325	\$27,235,510	\$2,334,289	(\$2,239,896)
Commercial Customers	\$24,365,220	\$24,036,984	\$26,243,635	\$328,237	(\$1,878,415)
Total Revenues	\$49,360,835	\$46,698,309	\$53,479,145	\$2,662,526	(\$4,118,311)

* The term "electric revenue" here includes Franchise Fees, Gross Receipts Tax, Utility Tax

If we directly applied OUC rates to our customers, total residential electric revenue including taxes and fees would decline by \$2.3 million and total commercial electric revenue would decline by \$0.3 million. The total decline in electric revenue would be \$2.6 million.

If we directly applied Duke Energy rates to our customers, total residential electric revenue would increase by \$2.2 million and total commercial electric revenue would increase by \$1.9 million. The total increase in electric revenue would be \$4.1 million.

Our electric distribution utility was acquired as an investment by the citizens of Winter Park. We agreed in 2005 to take on \$50 million in investment risk expecting a return in the form of improved reliability and undergrounding of the system. The original commitment was that our rates would not exceed those of the predecessor provider, now Duke Energy.

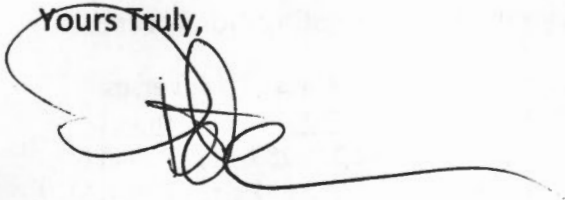
By lowering rates below those of Duke Energy we are depriving our citizens of the full return on the investment in the electric utility they voted for.

Since acquiring the distribution system, the city has not adopted a formal electric pricing policy. I believe it prudent to consider adopting a pricing policy that adjusts our rate structure at least annually to match revenue that would be generated at the then current Duke Energy rate structure. This policy would assure electric customers their individual electric bills will continue to be equal to or less than if Duke Energy still owned the system.

Setting such a policy should generate incremental annual electric fund revenues of approximately \$3.8 million and increase other revenue (fees and taxes) by \$0.3 million given current consumption levels and patterns. Adoption of Duke's rate structure will result in additional revenue for the foreseeable future that will enable us to speed the undergrounding plan, as well as contemplate other investments such as city-wide decorative street lighting and bandwidth infrastructure. Such a policy would also dedicate electric fund revenue increases to infrastructure investment benefiting our residents and electric customers.

If you find this initiative of interest, please review staff's analysis and we can discuss the issue at the next commission meeting.

Yours Truly,

A handwritten signature in black ink, appearing to be "Peter J. Weldon", with a long horizontal line extending to the right.

Peter J. Weldon, Vice Mayor