

**CITY OF WINTER PARK  
UTILITIES ADVISORY BOARD**

**Regular Meeting  
Welcome Center  
151 W. Lyman Ave.**

**May 14, 2013  
12:00 pm**

**REVISED MINUTES**

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**Present:** Greg Seidel, David Smith, Linda Lindsey, Ronald Ellman, Mike Whiting, Donald Doyle Katherine Johnson, and Dan Swanson

**Absent:** Michael Smith, John Reker

**City of Winter Park Staff:** Jerry Warren, Director, Electric Utility; Wes Hamill, Director, Finance Dept.; Terry Hotard, Electric Utility, Gary Heller, Wastewater Division Chief; Delsia Margraf, Utility Service Manager; Debbie Wilkerson, Recording Secretary

**I. CALL TO ORDER.** Chm Seidel called the Utility Advisory Board meeting to order at 12:06 pm.

Chn Seidel expressed the Board's appreciation to Ron Ellman and Don Doyle for their years of service on the Board. Mr. Warren announced that Mukesh Joshi is the new appointee to the Board.

**II. ADMINISTRATIVE ITEMS**

Approval of Minutes:

Chm Seidel asked for approval of the minutes from the April 3, 2013, regular meeting. Mr. Whiting made a motion to approve the minutes as revised; Ms. Lindsey seconded the motion. Motion carried unanimously by a vote of 8-0.

**III. NEW BUSINESS**

Water Reports

The requested changes have been included in the financial reports. Additional discussion will take place during that report.

**IV. ACTION ITEMS**

Edyth Bush Charitable Foundation Project Update

Mr. Hotard reported that he had met with the EBCF and the following is information about the program:

- EBCF will contribute \$10-12,000 to the project
- Data to be quantified by a Crummer grad student to determent the net benefit of the program.
- EBCF looking for Winter Park Electric to match their contribution.
- One neighborhood of low income seniors will be targeted for the project. Information is available from the CRA Rehab Program.
- Homes are to be owner occupied
- Targeted will be insulation and duct repair
- Applications are complete
- 25 homes at approximately \$1,000 each
- After the project is completed an after fact press release will be issued

Ms. Johnson responded to questions regarding selection of the grad student.

Power Supply – Due to the length of the presentation it was postponed to the end of the meeting.

## V. REPORTS

### **Financial Report**

Mr. Hamil reviewed the report document which covers electric, water and wastewater.

#### Water/Wastewater

- Mr. Hamil reported that budgeted or forecast sales in terms of quantity, thousands of gallons data is included in the first few rows of the Water and Sewer Fund Report. Discussion ensued.
- Water sales are down 2 % from last year
- The budgeted water sales volume of 3,396,633 was calculated based on projected thousands of gallons of water that must be sold to meet the overall water and sewer revenue
- Projects water sales volume for FY 2013 from the rate study in thousands of gallons was 3,709,803. Actual sales volume is 3.3% lower at 3,585,703.
- Revenues in total are project to be on track with budget. Sewer revenues will exceed the budget estimate and water revenues will be short to of the annual estimate.
- Positive bottom line and debt service coverage remains strong at 2.07

#### Electric

- Electric sales are projected to be 16.5 M short of our original estimate. The total projection of 414,102,326 is very close to our final total for the previous fiscal year of 413,795,957.
- Favorable bulk purchase contracts are evident throughout this report. Our cost of purchasing electricity declined from \$0.0815 kWh in FY 2010 to \$0.553 in FY 2012.
- Both fuel revenues and fuel expenses show a decline as a result of lower natural gas prices. Quarterly fuel rate adjustments allow the City to keep fuel costs at breakeven for our customers. This report shows those costs and revenues have been fairly consistent beginning with FY 2010.
- Bottom line for the six months ended March 31 is a positive \$1,699,705 and debt service coverage remains strong at 2.94. The auction rate security bonds outstanding figure of 415,585,000 reflects the \$700,000 purchased by the City as approved by the City Commission in this past January.

### **Usage Graphs Electric, Water and Wastewater**

- *Water* - Mr. Zusi reviewed the water and sewer graphs. Water consumption is right on track. The City is still comfortably below the CUP. He reported that the City is in discussion with Orange County to clean up some inequities, caused by old Interlocal Agreements, in service areas that are next to Orange County. The changes should be neutral as far as revenue is concerned but will require a small amount of new construction to collect wastewater. Mr. Zusi responded to questions.
- *Electric* - Monthly % Change in kWh consumption from Prior Year's month, Moving Total 12 Months kWh Sales, and Residential kWh vs Heating and Cooling Degree Days: Dec – Feb Fiscal Year 2006-2013. Residential kWh Sales vs Degree Days. Mr. Warren explained the value of tracking degree days and the consequences to revenues. Mr. Warren responded to questions

### **Electric Utility Report**

Reliability Indicators

Mr. Warren reviewed the reliability indicators, SAIDI, MAIFI, CAIDI, nothing unusual to report this month. Mr. Warren explained the relationship between SAIDI and CAIDI.

Jan-March 2013 F/A Update

	August
<b>Fuel Revenues Collected</b>	<b>\$1,427,406</b>
<b>Fuel Cost Purchased Power</b>	<b>3,720,690</b>
<b>Over/(Under) Collected</b>	<b>(293,284)</b>
<b>Cumulative to date (Includes balance of NEIL refunds)</b>	<b>\$289,560</b>
<b>*\$325,946 true-up intended in 1<sup>st</sup> quarter's fuel adjustment</b>	

April 2013 F/A Update

	August
<b>Fuel Revenues Collected</b>	<b>\$1,392,149</b>
<b>Fuel Cost Purchased Power</b>	<b>\$1,533,044</b>
<b>Over/(Under) Collected</b>	<b>(140,895)</b>
<b>Cumulative to date (Includes balance of NEIL refunds)</b>	<b>\$148,665</b>

Mr. Warren explained his concerns with the fuel adjustment and the actions he will take if we continue to under recover.

Interlachen T-2 Issue

Mr. Warren reported that all field tests and transformer inspections came back good. Since all tests came back negative they have changed strategy and set the alarm level at the level previously tripping and raised the setting for tripping. There have been no alarms or trips since then.

Rate Comparison 1,000 kWh Residential Monthly F/A Update

	WPE Apr-June	PEF Jan-Dec	Difference	
			\$	%
Base Bill	\$74.20	\$79.23	+\$5.03	+6.8%
Fuel Adjustment	<u>43.79</u>	<u>33.93</u>	<u>-9.86</u>	<u>-22.5%</u>

Electric Bill *	117.99	113.16	-4.83	-4.3%
* Excludes franchise fee and taxes				

Water/Wastewater Report

Mr. Zusi reported that he is working on shifting City irrigation with potable water to irrigation from other sources. He reported that Lake Island Park is off potable water which will save about 2 million gallons a year. Dinky Dock is next on the list to get off potable water, Utilities is looking at installing a shallow well. Mr. Zusi reviewed the benefits of switching to a non-potable water source for irrigation.

He also reported that he has been approached by companies that would provide insurance for the private side of resident utilities. He is looking into partnerships with this type of company but is going to take it very slowly. Fairbanks Ave should be complete by late August, early September. This will allow businesses to connect to the sewer; it will also provide the opportunity for increased new development.

Utility Billing

Ms. Margraf reported that they are working on getting the new payment system set up and working. Customer Service Reps are training on the new system. She provided details of what customers can expect and how the new system will work.

Communications

No Report

Power Supply Updates

Mr. Warren presented a PowerPoint presentation on the current power supply negotiations. The presentation included, strategic objectives, responses from 10 utilities, discussion of the PR proposals from FPL and OUC, discussion of the must take proposals from GRU and Covanta, projected power supply costs, transmission considerations, Clean Footprint Solar presentation, go forward portfolio, and schedule of important dates. Mr. Warren responded to questions. After discussion on holding a special meeting for power supply discussion and recommendations Mr. Whiting made a motion to hold a special meeting on June 6, from 12-1, location TBD; Mr. D. Smith seconded the motion. Motion carried unanimously by a vote of 8-0.

**Action Items**

- ❖ Edyth Bush Foundation Project update
- ❖ Update on Power Supply

**ADJOURNMENT**

Chm. Seidel adjourned the meeting at 1:53 p.m. Next regular meeting date June 11, 2013

Respectfully submitted,

***Debbie Wilkerson***

Debbie Wilkerson, Recording Secretary