

**CITY OF WINTER PARK  
UTILITIES ADVISORY BOARD**

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

**September 10, 2013  
12:00 pm**

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**MINUTES**

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**Present:** Greg Seidel, David Smith, Michael Smith, Mukesh Joshi, John Reker, Dan Swanson, Kathryn Johnson, Mike Whiting, and Linda Lindsey

**Absent:** None

**City of Winter Park Staff:** Jerry Warren, Director, Electric Utility; David Zusi, Water/Wastewater Director; Wes Hamill, Director, Finance Dept.; Terry Hotard, Asst Dir. Electric Utility, Gary Heller, Wastewater Division Chief; Clarissa Howard, Communications Director, Delsia Margraf, Utility Billing Manager,

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

II. **ADMINISTRATIVE ITEMS**

Approval of Minutes:

Chm Seidel asked for approval of the minutes from the July 9, 2013, regular meeting. Mr. Whiting moved to approve as presented, seconded by Dr. Johnson, motion carried 9-0.

III. **NEW BUSINESS**

Mr. Zusi talked about the \$300,000 transferred into the general fund from the vehicle replacement fund. Mr. Zusi and Mr. Hamil responded to questions.

IV. **ACTION ITEMS**

None

V. **REPORTS**

**Financial Report**

Mr. Hamil reviewed the July 30, 2013 financial report which covers electric, water and wastewater utilities. Mr. Hamil responded to questions.

Mr. Hamil brought before the Board for discussion a water and sewer rate adjustment. He explained that there was an ordinance in place adjusting water and sewer rates according to the public index. The current year is 1.63. We are doing a 3 year phase in, water rates are too low and sewer rates too high. Mr. Hamil reviewed the calculations for determining the new water volume rates. Board members discussed the reasons for the change, what is the change, how it will affect customers. Ms. Lindsey moved to approve the proposed rate adjustment, seconded by Mr. Whiting, motion carried 9-0

**Usage Graphs Electric, Water and Wastewater**

Mr. Reker reviewed the water and sewer graphs which cover changes in water sales, irrigation sales and the consumptive use permit and the electric graphs which cover the 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. Reker responded to questions.

## **Water and Wastewater Report**

Mr. Zusi reported that he will be attending a re-use water conference to gather information on ways to expand our re-use.

He responded to questions regarding capital budget. He clarified that funds for capital projects will roll over to next year. Some of the projects will require upgrades.

## **Electric Utility Report**

Mr. Warren requested that the Board read an article that explains why we don't do what Europe does.

Mr. Warren presented the reliability indicators. He commented that the weather this summer is what he remembers from his childhood.

Mr. Warren reviewed the fuel adjustment including under recovery, consequences of higher natural gas prices, and impact to rates.

## **Bulk Power Supply Update**

Mr. Warren reviewed the current status of the portfolio parts

### **FPL**

- Agreements approved and executed
- FPL transmission service application submitted
- Redesignation of resources on Duke's transmission underway

### **OUC**

- Agreements approved and executed
- Design of distribution interconnection is underway
- Long lead items on order (cable)
- Right-of-way permit submitted to City of Winter Park has been approved

### **Clean Footprint**

- Agreements approved and executed
- Clean Footprint requested meeting to discuss reconfiguration of Central canopy solar to a) reduce the size and b) to add roof mounted and ground mounted PV cells.
- Disclosed that bank will not finance the project as approved; Initial 10 year term with 5 year renewable terms is problematic
- Staff will work with Clean Footprint to evaluate options

### **Covanta**

- Agreement finalized and ready for City Commission action.
- Covanta lost waste stream contract with Lake County. Requested delay in City Commission consideration.
- Contract draft will be amended to allow for deferral of start date with no change in pricing.

### **GRU**

- Negotiations are continuing.
- Expected start date not until January 1, 2015

## **Underground Update**

The City Commission held a strategic planning meeting on September 6, 2013. Mr. Warren presented an overview of the meeting.

The following is reported the results of discussion:

1. Status of Undergrounding
2. Discussion of ten-year pro forma re: U/G
3. Maps
4. Strategic questions

The following the current underground status in miles/percent.

Underground miles at time of acquisition: 79.1 miles, 43.5%

Underground miles completed by WPE: 20.5 miles, 11.3%

Remaining miles to Underground: 82.1 miles, 45.2%

Mr. Warren presented the electric service fund pro-forma and underground maps

1. Is undergrounding still a community priority? *Yes*
2. If yes, at what level?
  - a) Out of the profits of the System?
  - b) Out of part of the profits of the System?
  - c) At a specific annual amount and adjust rates accordingly?

*At a level that completes undergrounding in 12-15 year timeframe.*

3. Is the currently adopted priority list (based upon reliability issues and tree conflicts) still the desired method for going forward?

*Current priority list to be retained, Staff will bring back for consideration advancing certain gateway roads*

Mr. Warren responded to questions.

## **Duke Settlement Agreement**

Mr. Warren reviewed the Duke Settlement agreement.

- Settles City's CR-3 outage related damage claim net of NEIL proceeds.
- Settles meter-billing/customer transfer issues mishandled at the time of system acquisition.
  - Involves about 30 customers commercial and residential
  - 99 months of inappropriate billings
- Settlement completely resolves both issues (settlement is a wash)
- Memorializes boundary set at the time of arbitration/distribution system acquisition
- Expands City's territory to include Ravadauge
  - Duke to continue to serve until service is terminated (prompted by development)
  - When new customers are connected, City to serve. After 12 months City to pay Duke 2.5 x annual revenues (going concern).
  - No provision for growth of territory
  - 20 year term.

Mr. Warren responded to questions. Mr. Seidel requested a copy of the agreement prior to presentation to the City Commission. Mr. Warren will email the entire Board next week.

## **Utility Billing**

Ms. Margraf reported that testing on the phone upgrades will take place next week. Dr. Johnson shared her experience with making a payment on-line.

### **Communications**

Ms. Howard thanked Utility Billing for handling irate callers in a professional and pleasant manner.

### **Action Items**

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

### **ADJOURNMENT**

Chm. Seidel adjourned the meeting at 2:10 p.m. Next regular meeting date October 8, 2013.

Respectfully submitted,

**Debbie Wilkerson**

Debbie Wilkerson, Recording Secretary