

**CITY OF WINTER PARK  
UTILITIES ADVISORY BOARD**

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

**January 14, 2014  
12:00 pm**

**MINUTES**

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**Present:** Greg Seidel, David Smith, Mukesh Joshi, John Reker, Mike Whiting, Linda Lindsey, Katherine Johnson, Richard James

**Absent:** Michael Smith, Dan Swanson

**City of Winter Park Staff:** Jerry Warren, Director, Electric Utility; David Zusi, Director, Water and Wastewater Utility; Wes Hamil, Director, Finance; Clarissa Howard, Director, Communications; Terry Hotard, Asst. Dir. Electric Utility, Mark Brown, Electric Utility; Gary Heller, Wastewater Division Chief; Delsia Margraf, Utility Billing Manager, Debbie Wilkerson, Recording Secretary

**CALL TO ORDER.** Chm Seidel called the Utility Advisory Board meeting to order at 12:00 pm.

**ADMINISTRATIVE ITEMS**

Approval of Minutes:

Chm Seidel asked for approval of the minutes from the November 12, 2013, regular meeting. Ms. Johnson moved to approve as presented, seconded by Mr. Whiting, motion carried 8-0. Chm Seidel asked for approval of the minutes from the December 10, 2013, regular meeting. Ms. Johnson moved to approve as presented, seconded by Mr. Whiting, motion carried 8-0.

Citizen Comments:

None

**NEW BUSINESS**

Mr. Zusi announced that he has something they are working on that he wants to bring forward. He provided some back ground information. The Utility may require some businesses to install pretreatment facilities in between their business and the gravity sewer, flushing system; this prevents the City from picking up hazardous waste that is difficult to treat or large quantities of grease that can clog up the sewer. Occasionally, a situation can occur where the business is in a location where it is physically impossible to install a grease trap. Mr. Zusi is proposing an ordinance that would charge the business a fee in lieu of for the additional treatment necessary. One the ordinance is finalized it will bring it to the Board for its review. Mr. Zusi responded to questions, including who decides who can pay fee in lieu of, what protection is in place in case of water contamination, and how often is water tested.

**ACTION ITEMS**

**Fairbanks Septic Tank Incentive**

Mr. Zusi will also bring the ordinance dealing with the new incentive program to get septic tanks users to connect to sewer where available. It has gone back to the attorney for revisions.

**Undergrounding Electric Service Ordinance Change**

Mr. Warren explained that as decided at the December meeting a subcommittee meeting was held to discuss this issue. The meeting was held on January 13, 2014. Attending where Board members Mike Whiting, David Smith, and Mukesh Joshi who were appointed at the December meeting.

He reviewed the principal objectives, the current situation, cost of undergrounding O/H Service

wires, various strategies, provided his own perspective and the proposed action plan.

Mr. Whiting reviewed the following strategic options discussed at the subcommittee meeting:

<b><u>Proposed Strategic Options to ensure all customers have underground service by the completion of the City of Winter Park's Underground Project</u></b>		
	<b>Primary U/G Done</b>	<b>Primary U/G Not Done</b>
<b>Hardship</b>	Per Hardship Criteria (to be developed)	
<b>New Construction</b>	\$3K* now	
<b>Want it now</b>	\$3K*	Need to wait per scheduled priority
<b>Renovation <u>either</u> 10 -30% of assessed value <u>or</u> &gt; \$30K</b>	\$3K* now	
<b>Transfer of Ownership - At time of Signing (Mandatory)</b>	Pay \$1.5K* now and City shall schedule when cost effective feasible	\$1K*
<b>Limited time Offer (Drop date of within 24 months after Ordinance passed)</b>	Pay \$1.5K* now and City shall schedule when cost effective feasible	N/A
<b>If Limited time Offer declined within the 24 months after Ordinance passed</b>	Option A or Option B below	N/A
<b>Offer at the time when Primary Underground is scheduled to be done</b>	N/A	\$1K*
<b>Limited time Offer (Drop date of within 24 months after Primary U/G completed)</b>	N/A	Pay \$1.5K* now and City shall schedule when cost effective feasible
<b>If Limited time Offer declined within the 24 months after Primary U/G completed</b>	N/A	Option A or Option B below
<b>Two years left to complete the Entire City Underground Project</b>	N/A	\$1K* (Hardship criteria still applies)
<b><i>NOTE: * (Subject to change at the time of installation as approved by the City of Winter Park and higher fees charged for large services)</i></b>		
Option A	City will pay \$3K* and apply Surcharge Rate to recover costs	
Option B	Apply Overhead Service Surcharge Rate until customer pays \$1.5K* to underground	

Discussion ensued regarding the strategic options proposed by the subcommittee, including, age of houses, finance option for undergrounding service line, impact to contractor costs, progressive cost mechanism, how to deal with low income homeowners, who will determine hardship cases, status of Plug-In Program, criteria, value, and availability of GIS information, cost of maintaining overhead lines. *Linda Lindsey left 1:10*

The Board consensus was that Mr. Seidel will discuss with Ms. Seidel to determine what GIS data would be valuable, Mr. Warren will gather and distribute renovation information and the Board will review the strategic options spreadsheet and discuss at the February meeting.

## **REPORTS**

### **Financial Report**

Mr. Hamil reviewed the November financial report for water and sewer fund and electric services fund. Mr. Hamil responded to questions.

### **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. Mr. Reker commented that residential and commercial sales are both down. The moving total is right on budget which is good. Irrigation went down substantially due to adequate rain fall and possibly changes to St John's watering rules. The 12 month raw rolling average stated pretty flat which puts us in a good spot under our CUP. Mr. Zusi distributed the water use record graph that showed the City is at 82% of CUP flow. Mr. Zusi responded to questions.

He also provided 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. Rolling weather charts, degree days took a downturn but it is above what it was at the end of 2013. Mr. Reker responded to questions.

### **Water and Wastewater Report**

Mr. Zusi commented that that chart he distributed shows that the utility is healthy and doing a good job.

### **Utility Billing**

Ms. Margraf reported that the only new thing they are doing is using Experian to run credit checks for new customers with their permission.

### **Communications**

Ms. Howard reported they are working on the Mayor's State of the City address at January 17, 2014, luncheon. The OUC interconnection will be included in the address as well as the video that will be shown. She is working on the March, April, May issue of the City update. She also announced that City Commission meetings will now be broadcast live. Ms. Howard responded to questions.

Mr. Seidel commented that the interconnection went so smooth that he didn't even know it had happened. Mr. Reker observed that the publicity regarding the event was well done. Residents

respond better when they are informed.

**Electric Utility Report**

Mr. Warren presented the reliability indicators. He reviewed industry averages. He commented the MAIFI is no longer a problem. The SAIDA goal is 60; we are getting closer at 68.35. Mr. Warren explained some of the challenges with reducing the CAIDI.

F/A Update November	
Beginning Balance	689,813
Fuel Revenues Collected	\$1,397,743
Fuel Cost Purchased Power	\$1,136,137
Over/(Under) Collected	\$261,606
Cumulative to date (includes balance of NEIL refunds)	\$951,420

Mr. Warren addressed the fuel adjustment issue discussing possible changes in the formula.

F/A Stabilization Issue	
Minimum Balance (management’s target)	\$500,000
Tariff requires true-up credit (5% annual fuel budget)	\$1,000,000
Difference	\$500,000
Beginning Balance (July 1)	-\$27k
Ending Balance (Sept 30)	+\$711k
Swing over the quarter	+\$738k

Possible changes he is going to propose:

- Increase maximum amount to about \$1.5 million (~8%)
- Revise whole formula to become a purchased power adjustment instead of a fuel adjustment

Rate Comparison 1,000 kWh	WPE Jan- March	Duke Jan-March	Difference	
			\$	%
Base Bill	\$74.20	\$81.39	+\$7.19	+9.7%

Fuel Adjustment	<u>35.79</u>	<u>40.77</u>	<u>+4.98</u>	<u>+13.9%</u>
Electric Bill *	\$109.99	\$122.16	\$12.17	+11.1%
* Excludes franchise fee and taxes				

## Power Supply Update

### FPL

- FPL began supplying 23 MW as of Jan. 1, 2014
- Firm DEF transmission has secured thru May 12 for available months, weeks and days:
  - Continue to monitor availability and secure transmission capacity as it becomes available.

### OUC

- Successful test of interconnections took place January 17. Brief outages (<3 minutes) experienced IN-159 and CA-09 when the test began and ended.
- Permanent connections completed on January 31, at 9-9:30 am
- At the time of the peak last Tuesday morning approximately 16 MW was served over the OUC interconnections.
- Currently evaluating additional OUC distribution interconnection(s)
- Need for clean break and reconnects to OUC when managing outages causes unwanted hospital “blips.” We are examining possible solutions.

### Seminole

- Continues to provide load following services through the end of 2014

### GRU

- Discussions are scheduled to determine if we add 10-20 MS to WPE power supply portfolio beginning in 2015.

### Action Items

- ❖ Fairbanks incentive to connect to sewer program
- ❖ Undergrounding Ordinance change

## ADJOURNMENT

Chm. Seidel adjourned the meeting at 2:12 p.m. Next regular meeting date, February 11, 2014.

Respectfully submitted,

*Debbie Wilkerson*

Debbie Wilkerson, Recording Secretary