

**CITY OF WINTER PARK
UTILITIES ADVISORY BOARD**

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

**February 11, 2014
12:00 pm**

MINUTES

Present: Greg Seidel, David Smith, John Reker, Linda Lindsey, Katherine Johnson, Richard James

Absent: Michael Smith, Dan Swanson, Mukesh Joshi,

City of Winter Park Staff: Jerry Warren, Director, Electric Utility; Wes Hamil, Director, Finance; Clarissa Howard, Director, Communications; Terry Hotard, Asst. Dir. Electric Utility, Mark Brown, Electric Utility; Delsia Margraf, Utility Billing Manager, Debbie Wilkerson, Recording Secretary

CALL TO ORDER. Chm Seidel called the Utility Advisory Board meeting to order at 12:04 pm.

ADMINISTRATIVE ITEMS

Approval of Minutes:

Chm Seidel asked for approval of the minutes from the January 14, 2014, regular meeting. Mr. Reker moved to approve as presented, seconded by Dr. Johnson, motion carried 5-0.

Citizen Comments:

Ms. Lindsey reported that she had received a flyer offering insurance for her water lines from a source other than the City. The Board discussed any action they should take regarding these notices. The notice will be delivered to Clarissa Howard so the issue can be addressed in a City publication.

NEW BUSINESS

Chm Seidel proposed changing the agenda so that Mr. Warren's Electric Utility report can be given first because he needs to leave early. The Board agreed.

Usage Graphs Water, Waterwaster and Electric,

Mr. Reker reported that no water and sewer graphs were provided electronically. He does have hard copies and reported no significant change from last year. Updated copies will be provided next month.

He also reviewed 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. Dr. Johnson responded to a question regarding incandescent light bulbs, explaining the manufacture and politics of production. Mr. Reker discussed the impacts of billing cycles and how it affects the graphs. He also discussed the impacts of heat pump replacement. Mr. Reker responded to questions.

Electric Utility Report

Mr. Warren presented the reliability indicators. He reviewed industry averages. He commented the MAIFI is almost nonexistent which was possibly the biggest problem with the City took over from Progress Energy. The SAIDA goal is 60; it is coming down slowing, but the only thing we can do at this time to reduce it more is trim the trees more extensively or underground the utility.

Mr. Warren reviewed the fuel adjustment, rate comparison and power supply.

F/A Update December	
Beginning Balance	954,033
Fuel Revenues Collected	\$1,176,294
Fuel Cost Purchased Power	\$1,264,919
Over/(Under) Collected	-\$88,626
Cumulative to date (includes balance of NEIL refunds)	\$865,407

F/A Update January	
Beginning Balance	865,302
Fuel Revenues Collected	\$1,226,076
Fuel Cost Purchased Power	\$1,352,902
Over/(Under) Collected	-\$126,826
Cumulative to date (includes balance of NEIL refunds)	\$738,477

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

Supplier	Capacity MS	Energy MWh	Fuel \$/MWh	Total \$/MWh	
FPL	23	16,537	\$29.50	\$41.26	*
OUC	16	6,670	\$43.13	\$66.14	
Seminole	42	12,864	\$44.40	\$69.59	*
Total	81	36,071	\$37.33	\$55/96	

*Excludes Duke Transmission Wheeling

Power Supply Update (con't)

GRU

- Deal structure complete
 - 10 MW deal, 4 yrs begins January 1, 2015
 - Optional additional 10 MW, 1 yr begins 1-1-2015 to replace Covanta, if required.
 - Must take (can reduce to 5 MW up to 500 hours per year)
 - Fixed Energy Prices

Mr. Warren requested Board approval for the deal structure and to present it to the City Commission 2/24/14 for inclusion in portfolio. Mr. Warren explained how all our providers supply energy to Winter Park. Mr. Warren responded to questions.

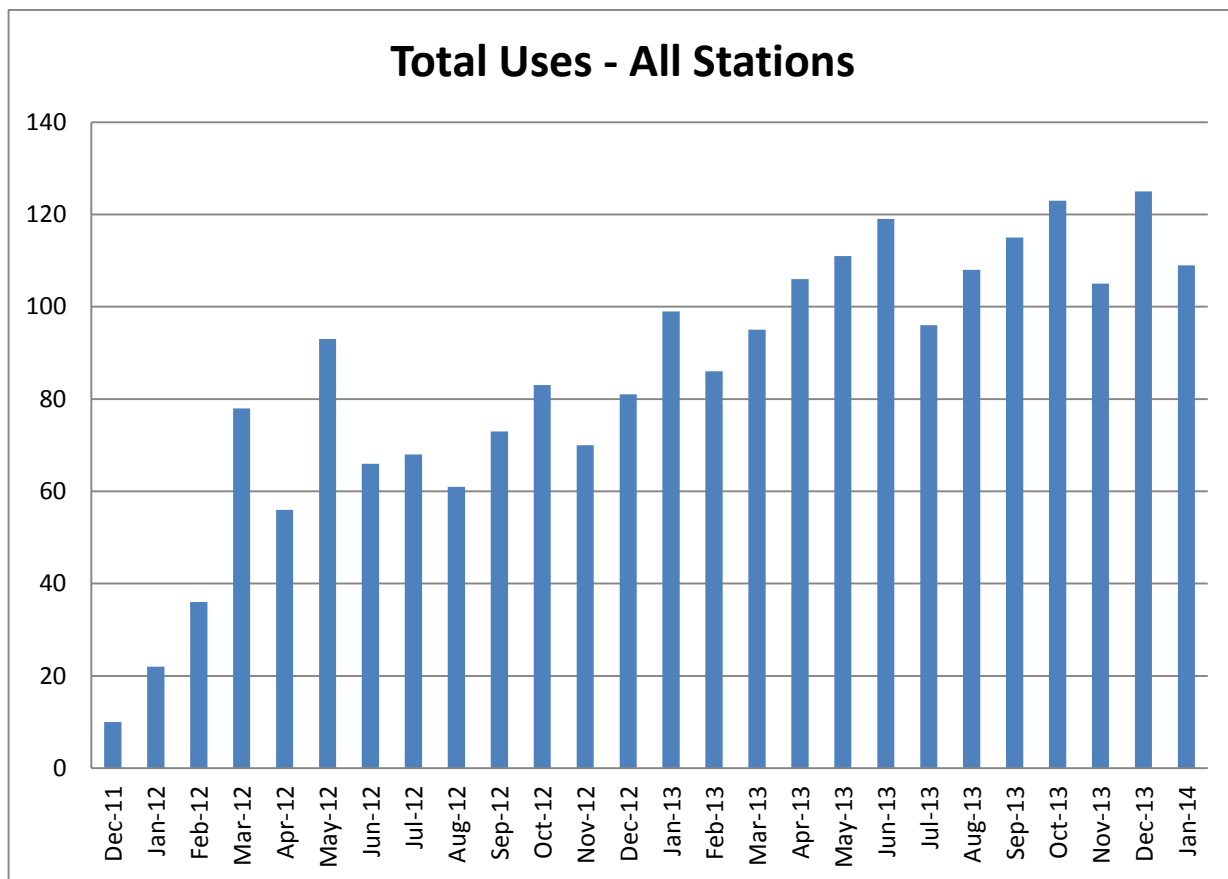
Ms. Lindsey moved to support the GRU deal structure for inclusion in the portfolio and to present it to the Commission, seconded by Mr. D. Smith, motion carried 5-0.

Electric Vehicle Charging Stations

Mr. Warren updated the Board on the electric vehicle charging stations.

Month	No. of Uses	Avg KWh/use	Avg Hrs/use
14 mo's ending Jan 2013	896	4.87	1.70
12 mo's ending Jan 2014	1298	6.04	2.31

Total	2,194	5.56	2.06
Wholesale Power cost to date	\$778.50 (\$.35/use)		
Greenhouse Gas Avoided (lbs)	38,226		
Gallons of gas saved	1,531		



Undergrounding Update

Mr. Warren reviewed estimated home value of City/demographics

Assessed Value	# of Services	%
0-\$191K	2,805	58

\$191-\$300k	911	19
\$300-\$500	498	10
\$500-\$750	181	4
\$750 and up	455	9
Total	4,850	100

Observations

- Many of the less than \$191k homes are in the Winter Park High School area.
- Zillow shows market values are generally above \$350.
- Assessed value is considerable below market value.
- Homes typically owned by one owner form many years
- Due to aging owner population, increasing sales are expected.
- Median price of homes sold in 32789 = \$295

Go forward Strategies

- Continue incentive program:
 - Offer reduced price when U/G neighborhood.
 - Offer reduced price from time to time as groups of O/H services suggest efficient UG
- Adjust trigger that requires underground:
 - 1/3 of assessed value of existing improvements or \$40,000 whichever is lower
- Require undergrounding upon transfer of property when purchase price exceeds \$300k

Discussion ensued regarding demographics and home values in regards to undergrounding of electric. After discussion of the go forward strategy the Board decided to postpone a vote until Mr. Warren can discuss the subject with Mr. Whiting, Mr. Joshi and City Commissioners.

Income Thresholds

Chm Seidel reviewed a handout that provided income threshold, and annual income.

Action Items

Fairbanks Ave. Septic Tank Incentives – Mr. Zusi did not attend no update.

REPORTS

Financial Report

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

Utility Billing

Ms. Margraf reported that there is nothing new going on right now. Mr. Hotard requested the number of customers signed up for Home Wire, Ms. Margraf reported 404.

Communications

Ms. Howard reported on how they are working on publicizing the new solar panels installed at the Public Works compound. She announced that the City Update is going out and items it will contain.

Action Items

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

ADJOURNMENT

Chm. Seidel adjourned the meeting at 1:30 p.m. Next regular meeting date, March 11, 2014.

Respectfully submitted,

Debbie Wilkerson

Debbie Wilkerson, Recording Secretary