

**CITY OF WINTER PARK
UTILITIES ADVISORY BOARD**

**Regular Meeting
500 N. Virginia Ave
Public Safety Community Room**

**August 25, 2015
12:00 pm**

MINUTES

Present: Richard James (Vice chair), Hugh James, Lawrie Platt Hall, Tara Tedrow (via telephone), Dan Swanson, Jennifer Lyons, Cheryl Forney, Barbara Devane, Rick Baldocchi

Absent: Katherine Johnson (Chair)

City of Winter Park Staff: Jerry Warren, Director, Electric Utility; Troy Attaway, Director, Public Works; David Zusi, Director, Water/Wastewater; Clarissa Howard, Director, Communications; Wes Hamil, Director, Finance; Dan D'Alessandro, Electric Utility Operations Manager; Francisco Catalan, Chief Accountant; Terry Hotard, Asst. Dir. Electric Utility; Gary Heller, Division Chief, Wastewater; Abby Gulden, Sustainability Coordinator; Kris Stenger, Building and Sustainability Manager; Delsia Margraf, Utility Billing Manager; Debbie Wilkerson, Recording Secretary

Guests:

Call to Order. Vice Chm. D. James called the August 25, 2015, Utility Advisory Board meeting to order at 12:05 pm.

ADMINISTRATIVE ITEMS

Approval of Minutes:

Vice Chm D. James asked for approval of the minutes from the July 14, 2015, regular meeting. Mr. H. James moved to approve as presented, seconded by Mr. Swanson, motion carried 9-0.

Citizen Comments:

None

NEW BUSINESS

Introduction of New Electric Operations Manager

Mr. Warren introduced Dan D'Alessandro, new Electric Utility Operations Manager for Winter Park Electric Utility. Mr. Warren reviewed the duties of the Board and complimented them on their contribution to the electric utility. Mr. D'Alessandro shared his experience in the electric utility industry.

Meeting Date

Ms. Wilkerson reported on the results of the Doodle poll for selecting a new date for monthly meetings. The day selected by the majority of the board was the 4th Wednesday of the month. Ms. Platt Hall moved to approve the 4th Wednesday of each month as the new meeting date for the Utility Advisory Board, seconded by Ms. Devane, motion carried 9-0.

Increased Outages

Mr. D'Alessandro explained that the primary reason the City is experiencing increased outages is weather related. He also reviewed a new process for tracking outages and the benefits of the new process.

Mechanism to Advance Developer Underground

Mr. Warren reviewed the current procedure for a developer to advance undergrounding their building.

Mr. Warren outlined the changes that will simplify the process. The Board discussed the proposed changes, no action was taken. Mr. Warren will bring back additional information to address their concerns.

ACTION ITEMS

Water Operations Cost Increase

Mr. Hamil, in response to a question raised at the July meeting regarding the disparity between projected operating expenses for FY 2015 in comparison to FY 2014, provided an explanation and revised financial reports.

REPORTS

Financial Report

Mr. Hamil reviewed the June financial report for the water and sewer fund. Water sales are comparable to the prior year at this point and slightly below our forecast. The bottom line reflects a positive \$1,058,841 and debt service coverage is projected to be a strong 1.91 for the fiscal year.

Electric sales in kWh are tracking about 0.2% behind where we were through June 2014 and will be very close to forecast FY 2015. Fuel costs were over recovered **by** about \$600,000 for the nine months ending June 30. The bottom line reflects \$1,538,759 being taken from working capital. Extra spending is in the capital area for undergrounding as well as routine capital. Debt service coverage is projected to be a strong 2.5 for the fiscal year.

After discussion on the costs to accelerate the underground program, Mr. Warren agreed to bring back additional calculations on cost to residents.

Mr. Hamill reported that the City Commission is considering a 1.5 increase to the power portion of the utility bill to support undergrounding.

Usage Graphs Water, Wastewater

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

Mr. Zusi commented that the utility's goal is to keep the consumption as flat as possible. Mr. Zusi explained that they have projects they are working on to convert potable irrigation to non-potable irrigation. Mr. Zusi explained that the conversion is not reclaimed water. That project is planned for the future however; he will bring back additional information on reclaimed water to the next meeting.

Electric Utility Report

Fuel Adjustment

Mr. Warren reviewed the fuel adjustment for July.

F/A Update July 2015	July 2015
Beginning Balance	\$1,192,177
Fuel Revenues Collected	\$1,631,076
Fuel Cost Purchased Power	\$1,524,302

Over/(Under) Collected	\$-106,774
Ending Balance	\$1,298,951
Target Balance Min	\$500,000
Target Balance Max	\$1,700,000
Target Balance Mid-Point	\$1,100,000

Rate Comparison w/Duke Energy, 1,000 kWh Residential Customer

Mr. Warren reviewed the rate comparison.

Rate Comparison w/Duke Energy, 1,000 kWh Residential Customer

	WPE May-Sept	Duke May-Sept	Difference	
			\$	%
Base Bill	\$74.20	\$75.32	+\$1.12	+1.5%
Fuel Adjustment	<u>32.92</u>	<u>43.23</u>	<u>+\$10.31</u>	<u>+31.3%</u>
Base Electric Bill	\$107.12	\$118.55	\$11.43	+10.7%
Franchise Fee & Taxes	\$18.39	\$19.60	\$1.21	+6.2%
Total Electric Bill	\$125.51	\$138.15	\$12.64	+9.1%

Mr. Warren presented the residential bill comparison graph compiled by FMEA.

12 months Ending June				
City of Winter Park	Muni Avg	IOU Avg	State Avg	City of Winter Park %State Avg
\$115.93	\$120.13	\$127.63	\$121.28	95.6%

Mr. Warren provided a sales table.

July Sales by Class

Customer Class	July 2015 vs. July 2014	3 mo's ending July 2015 vs. 3 mo's ending July 2014	12 mo's ending July 2015 vs. 12 mo's ending

			July 2014
Residential	+6.78%	+7.73%	+3.28%
Commercial	+11.82%	+5.22%	-.26%
Street Lights	-.70%	-1.75%	-1.00%
Total	+9.47%	+6.28%	+1.26%

Customer Count in June = 14,429
12 month rolling average = 14,325

Mr. Warren reviewed the graph Moving Total 12 Months kWh Sales, Mr. Warren also provided additional details on the City Commission’s proposal to increase the power side of the utility bill by 1.5%.

Mr. Warren informed the Board of his presentation to the City Commissioners on the Duke 69 kV – proposed underground transmission project, including termination pole at Harper and Comstock, cost to underground balance of transmission to substation and impact to trees on Harper. The Commission did not take any action.

Mr. Warren shared the Service Wires Conversion Update presentation he made to the City Commission. Mr. Warren responded to a question regarding the possibility of funding undergrounding of service connections for low-income residents, stating that he will bring back some options to the next meeting.

Communications Report

Media Relations – Ms. Howard, Communications Director, explained her role as City spokesperson and how she can be a resource to Board members when contacted by anyone in the media. Ms. Howard responded to questions.

Utility Billing

Ms. Margraf reported that the ability to apply for new service on-line has temporarily been taken down while IT develops a new process in-house instead of using a third party provider.

Sustainability Report

Ms. Gulden update the Board on the successful “Water for Tomorrow” workshop, the Toyota grant extension request, the Georgetown Energy Prize, the status of the City’s Energy Conservation Program, and the RFP for energy auditing services.

Ms. Devane suggested that the Board take a tour of the city’s water/wastewater and electric facilities. The Board agreed this was a good idea.

Action Items

- Calculation to accelerate underground program
- Plan for reclaimed water
- Options to fund undergrounding service lines for low income residents.

ADJOURNMENT

Vice Chair James adjourned the meeting at 2:17 p.m. Next regular meeting date is September 23, 2015.

Respectfully submitted,

Debbie Wilkerson

Debbie Wilkerson, Recording Secretary