

**CITY OF WINTER PARK
UTILITIES ADVISORY BOARD**

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

**February 28, 2018
12:00 pm**

MINUTES

Present: Richard James (Chair)
Rick Baldocchi
Hugh James
Jennifer Lyons
Lawrie Platt-Hall
Jack Miles
Paul Conway
Karim Arja

Absent: None

City of Winter Park Staff: Wes Hamil, Director of Finance
Jason Riegler, Asst. Director of Water & Wastewater Utility
Dan D'Alessandro, Director Electric Utility
Kris Stenger, Assistant Director Building and Permitting
Mike Passarella, Engineer Electric Utility
Vanessa Balta-Cook, Sustainability Planner
Linda Antonion, Recording Secretary

GUESTS: Genean Hawkins McKinnon, Consultant
Todd Weaver

CALL TO ORDER:
Chair Richard James called the February 28, 2018 Utility Advisory Board meeting to order at 12:02 pm.

ADMINISTRATIVE ITEMS:

Approval of Minutes:

The minutes from the January 24, 2018 regular meeting was presented. Motion to approve the minutes was made, seconded and approved, unanimously.

Citizen Comments:

Mr. Todd Weaver, representing his Winter Park community in the Lee Road corridor, requested the City to consider purchasing their utility service from Duke Energy. Their community was annexed into the City and not included in the original purchase of the electric service from Duke. Currently, the community experiences poor reliability and service from Duke. He asked if the Board would recommend it to the Commissioners. Mr.

Weaver has met with both Commissioners and the City Manager and does not feel there is any real political opposition.

Mr. D'Alessandro stated that he supported this idea but that costs and Duke willingness to sell were the issues. Mr. Weaver stated that the City Manager felt it would cost approximately \$8M to fund a purchase, which Mr. Hamil said was based on the formula of two-and-a-half times annual revenue.

The Board discussed this idea and had no additional concerns other than funding. Mr. Baldocchi stated that the Board should consider in the future a policy of aligning service area boundaries with the City limits.

Mr. D'Alessandro stated he would take this issue up with the City Manager and report back to the Board.

NEW BUSINESS: None.

ACTION ITEMS:

Scheduling of Orientation by Departments:

An orientation session for the Board with the Electric Department was set for Friday, 9 March, at 3:00pm.

Since Mr. Zusi was not present, the Water Department orientation will be scheduled next month.

Vote on NLC Service Warranty Program Endorsement:

The NLC Service Warranty program for home plumbing introduced at the last meeting for Board review and endorsement was discussed again. Board had requested additional documentation (contract) and proposed pricing which was not received. Board voted 6-to-1 to not support the proposed service or vendor.

Status of Scheduling Joint Meeting with KWP Board:

The joint meeting with the Keep Winter Park Beautiful & Sustainable Advisory Board is still pending.

Commission Weldon Proposal:

This topic was initially discussed at the January meeting based on the verbal communication to Staff of Commissioner Weldon's interest in funding an accelerated undergrounding program by raising rates to be closer to those charged by Duke. With receipt of his memo to fellow commissioners highlighting Staff findings and stating that the City has no formal pricing policy, the Board continued their discussion on this topic. regarding the rate expectations at the time of the buyout from Duke Energy as well as what the current rate structure should be. Wes Hamil explained how past rate increases were determined.

The Board agreed that although no formal pricing policy exists an annual process is followed that is deliberate and thoughtful for how the rate structure is developed and compared to other entities to ensure that we meet the goals envisioned when transitioned to City control. It is not a documented policy, but rather a guideline for an annual process.

The Board agreed that setting our rates based on Duke's rates should not be done. Instead, using the state average for municipal owned utilities is a better benchmark for pricing.

Indexing to some external metric was not recommended by the Board. Mr. Hamil stated that he did not believe there was a published index for electric rates as there is for water/sewer.

The Board will respond in writing to the Commissioners. Ms. Pratt-Hall will publish the initial draft for Board review and comment.

REPORTS

Financial Report

Mr. Hamil reviewed the January financial data

Water/Sewer Fund:

Sales of water and sewer services as well as revenues are tracking closely with the forecast for the year. The FY 2018 budget anticipates spending \$1,747,964 in water/wastewater reserves. Most of this spending is on the I-4 Ultimate Project, fiber lines to connect water treatment plants, and solar power for the treatment plant roofs.

The bottom line currently reflects a positive \$893,390 and debt service coverage of 1.77 for the fiscal year.

Electric Services Fund:

Sales in terms of kWh look good for the first four months in comparison to our forecast and recent history. Through January 31, we have over recovered fuel costs and rates were reduced effective February 1, 2018. We are aiming for a fuel cost stabilization fund balance of \$1,400,000 by December, 31, 2018.

Bottom line is a positive \$638,156 with a projected debt service coverage of 2.35

Electric Utility Report:

Mr. D'Alessandro reported on the progress of the undergrounding projects (2 miles completed so far in FY 2018) and gave a summary of the recent outages. He stated that accelerating the development of the engineering design for upcoming underground plan segments is still behind schedule but expected the design firm to catch up.

He then presented the Florida Municipal Power Association(FMPA)/OUC multi-site solar project. The proposed agreement between FMPA and Winter Park is for a 20-year contract for 10 megawatts of solar generated power. This would cover 7.2% of WP's

energy requirements at a cost that is below what currently pay for power. Board unanimously approved motion to recommend accepting this agreement subject to City attorney's review/approval.

Sustainability Report:

Mr. Stenger reported on a proposal by Tesla to place 20 super chargers at the Winter Park Village. The issue concerning loss of 20 parking stations was the main Board discussion on this topic. Mr. Stenger said that discussions are ongoing with Tesla and the property owner on the issue of parking spaces.

Ms. Balta-Cook advised that the RFP for the solar panels for the water treatment plants are still being developed. She also announced that Earth Day is planned for April 15th in Central Park and that this Board should plan to have a booth.

FURTHER ACTION: None.

MEETING ADJOURNED:

The Chair adjourned the meeting at 2:27 p.m.

 R. L. Santos,  PHT