

**CITY OF WINTER PARK
UTILITIES ADVISORY BOARD**

Regular Meeting
500 N. Virginia Ave
Public Safety Community Room

January 23, 2019
12:00 pm

MINUTES

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

Absent: None

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

Guests: Todd Weaver
FMPA representatives

CALL TO ORDER:

- Meeting called to order 12:01 p.m.

ADMINISTRATIVE ITEMS:

- Approval of November 28, 2018 minutes was unanimous.

CITIZEN COMMENTS:

- None

NEW BUSINESS: (presented by Wes Hamil)

- An eleven page report outlining a 5 year progression to recover fifty percent of the Electric Utility fixed costs was presented. The report included a comparison of rates for tiered billing at various levels of electric usage, as well as costs versus the State Muni average. Questions

were raised by the board regarding the basis of the rates, the number of customers at each usage level, when and how to attempt the cost recovery.

As more customers become energy efficient the need to recover the fixed costs, which are 60% of the costs, becomes necessary. Currently only 11% of these costs are covered.

The PSC might need to be consulted before any rate basis changes were implemented. The FMPA's legal staff might be able to assist with the process.

There was some discussion regarding the flat rate of growth for electric utilities and would it be possible to reduce the cost of the infrastructure in the future as more of it was placed underground.

Discussion surrounding the topic of how to adjust the electric rates continued between the board members, Winter Park staff, and the FMPA representatives.

It was decided that a sub-committee of four board members should review the possibility of a tiered rate structure. A motion was made to approve the sub-committee studying and resolving, within four months, the strategy of changing the electric rate structure to more adequately recover the cost of the infrastructure. The vote was 6 to 1 in favor.

ACTION ITEMS:

- See New Business
- Sustainability's report on the city's electric car charging stations ability to accept payment. (presented by Kris Stenger & Vanessa Balta-Cook) It is possible for them (the vendor) to accept payment as a service charge of 10% of the transaction charge. The cost of the electric power is approximately \$4,000 per year. The city is currently not planning on obtaining more charging stations. Installing the stations cost between \$3,000 to \$6,000. The power usage is 3.5 megawatts per vehicle per year. The revenue would only generate about \$24 per vehicle. 70% of the charging sessions are for people from outside of the city.
The 2009 A and B bonds will be refinanced in July at a lower rate that will save money.

REPORTS:

Financial Reports (presented by Wes Hamil)

- Sales of water and sewer service are ahead of the previous year as well as the forecast. The bottom line is a positive \$1,239,390 with projected debt coverage of 2.37.
- Electric KWH sales were 7.2% greater than the same period in 2018. Fuel rates were again reduced based on bulk power provider's forecast. Undergrounding is on track with the budget. The Fairbanks project will negatively (temporarily until reimbursement by the DOT) impact the budget.

Water/Wastewater (presented by David Zusi)

- Some anticipated projects are beginning to happen including the Orange County roadway job near Baldwin Park which is estimated to cost \$2.2 million. The possibility of a wastewater station in the Ravaudage area, intended to pump water to Altamonte Springs, may be resurrected, it would save money on piping costs.

Electric (presented by Dan D'Alessandro)

- Project G has been delayed, by the permitting issues for the Railroad as well as the contractors being pulled away to handle other issues. It is behind by a year but the projected

completion of the undergrounding to all be done by 2026 is on target as some other projects will be completed ahead of schedule.

The Fairbanks project is proceeding well. They are trying to fix some of the traffic issues. Duke Energy quoted a high cost for removing the old overhead transmission line so the Electric Department decided to handle it at what should be a lower price. The poles on Lakemont will require a 100 ton crane, an operator and a semi to remove them.

The question of whether it would be possible For Winter Park to assume the electric supply for Fairbanks and Lee Rd was discussed. Duke Energy has not been interested in the topic.

A board member asked if there was any possibility of moving the time of the meetings from lunch to either early morning or afternoon. Member have been lost due to conflicting times. An Action Item was taken for this subject.

MEETING ADJOURNED:

- Meeting adjourned at 2:27 p.m.

A handwritten signature in blue ink that reads "K. James, PhD". The signature is written in a cursive style with a large, stylized initial "K" and "J".