MINUTES

Present: Katherine Johnson (Chair), Richard James (Vice chair), Linda Lindsey, Hugh James, Cheryl Forney, David Smith, Dan Swanson

Absent: John Reker, Jennifer Lyons

City of Winter Park Staff: David Zusi, Director, Water/Wastewater; Jerry Warren, Director, Electric Utility; Clarissa Howard, Director, Communications; Wes Hamil, Director, Finance; Troy Attaway, Director, Public Works; Terry Hotard, Asst. Dir. Electric Utility; Gary Heller, Water/Wastewater; Kris Stenger, Building & Sustainability Manager, Abby Gulden, Sustainability and Permitting Coordinator; Debbie Wilkerson, Recording Secretary

Guests: City Commissioner, Greg Seidel

Call to Order. Chm. Johnson called the May Utility Advisory Board meeting to order at 12:00 pm.

ADMINISTRATIVE ITEMS

Approval of Minutes:
Mr. Smith moved to approve minutes from the April 14, 2015, regular meeting as presented; seconded by Ms. Lindsey motion carried unanimously 7-0.

Citizen Comments:
None

NEW BUSINESS

Chm Johnson recognized retiring Board members, Linda Lindsey and David Smith with certificates of appreciation and gifts. Both have served six years on the Utility Advisory Board.

ACTION ITEMS

Energy Conservation Program Recommendations
Ms. Gulden reported that based on the assessment of the current Duke program and their current contract her recommendation is to go out to bid for energy auditing services. The other options, reworking the Duke contract or handling audits in house, are not feasible at this time. She explained what the bid would include and reassured the Board that there are companies in the area that offer energy auditing services. She is recommending that the bid include residential and commercial services. Ms. Gulden responded to questions. Ms. Gulden will bring a draft RFP to the Board for their review prior to issuing.

Policy Statement, Use of Utility Funds
Chm Johnson reiterated the reason for the policy statement explaining that the Board learned that monies were diverted from utility revenues to the general fund to finance charitable contributions. The Board reviewed the policy statement drafted by Chm. Johnson. The Board discussed possible changes including, broadening the scope of the statement, utility customers bearing the cost, increasing the franchise fee equivalent, need for transparency in transferring funds, and detriment caused by setting a precedent. Chm. Johnson will revise the statement incorporating suggestions and provide to the Board for their review. Mr. Hamil responded to a question regarding customers’ ability to make donations on their bill, he explained that currently donations can be made to assist
211, but it would not be feasible to allow customers to donate to causes at will.

Mr. Warren introduced Troy Attaway, Public Works Director. Mr. Warren explained that his retirement is about 100 days away and the Electric Utility is going to be moved under the Public Works Department, so Mr. Attaway will be assuming additional responsibilities. The City is also recruiting for an Operations Manager and a Senior Electric Engineer. These positions will be taken out from under ENCO and will become part of the City’s management team.

Dr. Smith reiterated the Google fiber discussion from the March meeting. At the April meeting it was suggested that the best way to accomplish this was to work through the Visioning process with the City. Dr. Smith reported that he had spoken to Dori Stone who is working with the Vision process and she said this was a great idea. Dr. Smith reported that in launching the Vision processes the representatives will be coming to all City advisory boards to discuss the process. Even though this is his last official UAB meeting he offered to attend the UAB meeting when the Visioning is presented and speak on the value of Google Fiber.

Mr. Warren announced the four new Board members:
- Barbara DeVane
- Lawrie Platt Hall
- Rick Baldocchi
- Tara Tedrow (alternate)

REPORTS

Financial Report
Mr. Hamil reviewed the March financial report for the water and sewer fund. Water sales are comparable to the prior year at this point in time and slightly below our forecast. The bottom line reflects a positive $523,699 and debt service coverage is projected to be a strong 1.89 for the fiscal year.

Electric sales in kWh are about 3.3% behind where we were through March 2014. Since a large portion of our expenses in electric are the variable cost of purchasing power, this should not have a significant impact on the financial results of the fund. Fuel costs were over recovered about $580,000 for the first half of FY 2015. The bottom line for the first six months reflects $75,678 being added to working capital. Debt service coverage is projected to be a strong 2.95 for the fiscal year.

Mr. Zusi commented on the water utility five-year capital plan. He stated that he is looking at postponing some capital projects associated with reclaimed water projects due to the amount of work involved with the I-4 project and the potential for some state funding associated with reclaimed water projects becoming available. Mr. Zusi thanked Ms. Lindsey and Dr. Smith for their contributions to the UAB.

Usage Graphs Water, Wastewater and Electric
Mr. Warren reported that in the near future he and Mr. Heller are going to look at the frequency of presenting some of the slides.

Mr. Heller reviewed the water and sewer graphs which cover changes in water sales, irrigation sales and the consumptive use permit. Mr. Heller commented there is a little increase in flows. We continue to have a lot of rainfall. Mr. Heller responded to questions.
Mr. Zusi reported that a meeting is being next week by the Central Florida Water Initiative where SJRWMD will look at projects, demands and anticipated withdrawals through 2035.

Mr. Warren reviewed electric graphs that 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. Mr. Warren explained that residential is up 15.5% and the reason is that we had more cooling degree days than in any April in the history of the utility. Commercial is up 5%. Mr. Warren responded to questions.

Chm. Johnson left and Mr. James took over the meeting.

**Water/Wastewater Report**
No additional information

**Electric Utility Report**

**Fuel Cost Recovery**
Mr. Warren reported that it is early in the month in the terms of fuel cost recovery and he doesn’t have May fuel cost recovery information.

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

<table>
<thead>
<tr>
<th></th>
<th>WPE May-Sept</th>
<th>Duke May-Sept</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$74.20</td>
<td>$81.39</td>
<td>+$7.19</td>
</tr>
<tr>
<td>Base Bill</td>
<td>$107.12</td>
<td>$122.16</td>
<td>$15.04</td>
</tr>
<tr>
<td>Fuel Adjustment</td>
<td>32.92</td>
<td>40.77</td>
<td>+$7.85</td>
</tr>
<tr>
<td>Franchise Fee &amp; Taxes</td>
<td>$18.39</td>
<td>$20.55</td>
<td>$2.16</td>
</tr>
<tr>
<td>Total Electric Bill</td>
<td>$125.51</td>
<td>$142.71</td>
<td>$17.20</td>
</tr>
</tbody>
</table>

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

**12 months Ending March (rates)**

<table>
<thead>
<tr>
<th></th>
<th>City of Winter Park</th>
<th>Muni Avg</th>
<th>IOU Avg</th>
<th>State Avg</th>
<th>City of Winter Park %State Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$116.87</td>
<td>$119.97</td>
<td>$129.71</td>
<td>$121.66</td>
<td>96.1%</td>
</tr>
</tbody>
</table>

**Strategies to Increase the Conversion of O/H Services to Underground**
Mr. Warren reported a meeting to discuss strategies to increase conversion was held and the following are some of the suggestions.
• Continue $1,000 discounted conversion
  o Up-front payment
  o 12 months, same as cash $85/mo
  o 48 months $25/mo
• Improved marketing (samples provided)
  o Mailer, we are coming next year
  o Tri-fold brochure, we will begin undergrounding soon
  o Face to face meeting as required
  o Post card, this is your last chance we are finishing up your neighborhood.
• Renovation Ordinance
  o Ordinance requires undergrounding service wires when the estimate of renovation exceeds 50% of the assessed value of the existing building
  o UAB previously supported lowering 50% trigger to 1/3 or $40,000 whichever is lower
• Require conversion upon sale of property ($300k)
  o City attorney believes $ amount creates discrimination issues
  o Local realtor states it will adversely impact sales of homes that don’t have UG services.
• Recommendation
  o Implement increased marketing and time payment plans.
  o Lower the trigger for renovations
  o Try it for a few years and reassess.
  o If necessary consider tougher strategies.

Fairbanks Update
• Duke-FDOT JPA - Reimburses Duke for up to $8.4 million for undergrounding transmission along Fairbanks. If there are left over funds, FDOT can transfer to distribution project.
• FDOT – Winter Park JPA - Reimburses the City up to $3.1 million for undergrounding Duke’s overhead distribution.
• Winter Park – Duke agreement provides for Winter Park to underground on Duke’s behalf (as its contractor) Duke’s overhead distribution.
• Tri-Party agreement says that if the transmission project exceeds the FDOT reimbursement amount then the City is responsible. If excess funds are available from the $3.1 million FDOT can transfer.
• Expect to take three of the agreements to the City Commission at a June meeting.

Mr. H. James moved to approve the Fairbanks Ave. concept as depicted on slide 8 of the PowerPoint presentation presented at the May 12, UAB meeting; seconded by Dr. Smith motion carried unanimously 7-0.

Utility Billing
None

Communications Report
Ms. Howard reported the plans to celebrate the 10th anniversary of the Electric Utility Purchase are final and she provided details. The time for the public celebration June 8, at the Commission meeting was changed to 5:00 pm.

In addition to the marketing that Mr. Warren outlined the City is creating a webisode that visually shows the importance of undergrounding service drops.
The next bill insert will include information about the Homewire program and the Update on June 1 will include a longer article about the electric utility.

**Sustainability Report**
Ms. Gulden is working with OUC on a workshop for Winter Park OUC customers. The balance in the Energy Conservation fund is $10,696.00. The fund will likely run out of money before the new budget year starts in October and at that time, the program will have to turn away customers.

**Action Items**
- Utility fund policy statement.

**ADJOURNMENT**

Vice Chair James adjourned the meeting at 1:47 p.m. Next regular meeting date is June 9, 2015.

Respectfully submitted,

**Debbie Wilkerson**
Debbie Wilkerson, Recording Secretary
Appv’d July 14, 2015