MINUTES

Present: Katherine Johnson (Chair), Richard James (Vice chair), Hugh James, Barbara Devane, Rick 'Baldocchi, Tara Tedrow, Dan Swanson, Jennifer Lyons

Absent: Cheryl Forney, Lawrie Platt Hall

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

Guests:

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

ADMINISTRATIVE ITEMS

Chm Johnson recognized retiring Board member John Reker with certificates of appreciation and gifts. She thanked him for his nine years of service on the Utility Advisory Board. Mr. Reker thanked Barbara DeVane for suggesting he apply for the Utility Advisory Board and the Board for a wonderful experience. Mr. Warren thanked Mr. Reker for his assistance to the Electric Utility.

Approval of Minutes:

Mr. R. James moved to approve minutes from the May 12, 2015, regular meeting as presented; seconded by Mr. H. James motion carried unanimously 8-0.

Citizen Comments:

Tom Shutts, 2010 Brandywine Dr., requested that the Board not support projects outside their purview, even outside the City of Winter Park. He commented that service fees are collected for the good of users of the utility system, not to fund projects not related to the City of Winter Park, or even inside the City.

Frank Anderson, 2232 Fosgate, spoke against using utility funds to fund the City’s support of the Dr. Phillips Performing Arts Center.

Bea Eply, 151 N. Orlando Ave., spoke against using utility funds to fund the City’s support of the Dr. Phillips Performing Arts Center.

John Reker, 1660 Joline Ct, explained cost of service and how it is used to determine rates. In that context things not related to supplying that service are not appropriate to charge customers.

Kathleen Kiley, 1800 Oneco Ave., spoke against allocating utility funds for uses outside the utility and outside the City of Winter Park. She also questioned the wording of the Performing Arts Center agreement between Orlando and the City of Winter.

Kim Allen, 1800 W. Faswett, expressed concern with utility funds being expended for non-utility items, the budgeting approval process relative to the existing Statutes and the responsibilities of the Utility Advisory Board.
Chm Johnson and Mr. H. James complimented staff on the Electric Utility 10th Anniversary Celebration.

NEW BUSINESS
Chm Johnson asked new and returning board members and staff to introduce and tell a little bit about themselves.

Election of Chairman and Vice-Chairman:
Dr. R. James nominated Dr. Katherine Johnson for the position of Chairman, seconded by Ms. Devane; motion to elect Dr. Johnson as Chair carried unanimously by a vote of 8-0. Dr. Johnson nominated Dr. R. James as Vice Chair, seconded by Ms. Devane, motion to elect Dr. R. James as Vice Chair, carried unanimously by a vote of 8-0.

2016 Electric Forecast – John Reker
Mr. Reker presented a PowerPoint presentation that included the history of total kWh sales, key influences, weather impacts, 2015 forecast methodology, 2016 Base kWh commercial and residential, 2006-2014 heating and cooling days and the projected kWh sales for 2016. Mr. Reker responded to questions. The Board thanked Mr. Reker for his efforts in creating the forecast.

ACTION ITEMS
Policy Statement, Use of Utility Funds
Chm. Johnson reviewed the functions and responsibility of the Utility Advisory Board as outlined in Ordinance No. 2843-11. She also reviewed funding concerns the Board has with funds being allocated from utilities revenue to the general fund for non-utility concerns. Chm. Johnson explained the reasons why the Board felt the need to offer guidance regarding use of utility revenues. Copies of the second draft of the proposed policy recommendations were provided to Board members prior to the meeting. Mr. Knight commented that it was his proposed budget that the Commission approved and his organization support policy. He also clarified some inaccuracies expressed during the meeting. Mr. Knight reviewed the timing for budget approval.

Chm. Johnson reiterated the Board’s concerns that priority should be given to benefits for customers of the utility if extra funds are available. Chm. Johnson responded to questions. The Board discussed possible changes including advising the Board when accessing utility revenues are under discussion by the City, revisit existing policy, increasing the franchise fee equivalent, and reiterating that the focus of utility revenues are to provide benefits to customers. Chm. Johnson will revise the statement incorporating suggestions and provide to the Board for their review.

REPORTS
Financial Report
Mr. Hamil reviewed the April financial report for the water and sewer fund. Due to new members Mr. Hamil provided a more detailed explanation of the report. Water sales are comparable to the prior year at this point and slightly below our forecast. The bottom line reflects a positive $887,290 and debt service coverage is projected to be a strong 1.97 for the fiscal year. Mr. Zusi responded to questions regarding wastewater treatment costs.

Electric sales in kWh are tracking very closely with the forecast after a slow start. April sales were the highest in the ten-year history of the electric utility. Fuel costs were over recovered about $585,000 for the seven months of FY 2015. The bottom line for the first seven months reflects a net use of $405,955 of working capital. Debt service coverage is projected to be a strong 2.89 for the fiscal year.
Usage Graphs Water, Wastewater and Electric
Mr. Zusi commented that he is looking at providing graphs quarterly to reduce staff time preparing and since some of the information is more informative shown over a longer span of time. The Board agreed to review graphs on a quarterly basis.

Mr. Heller reviewed the water and sewer graphs which cover changes in water sales, irrigation sales and the consumptive use permit. Mr. Heller commented that there was a billing cycle issue this month between billed water and water pumped. This happens sometimes but they will monitor to make sure there aren’t any other issues. The City is still well below CUP. Mr. Heller responded to questions.

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 reported that residential is up 10.9% and the reason is that we had more Cooling Degree Days, 441, in May than in the history of the utility. Commercial usage is up 2.9%. Mr. Warren responded to questions.

Water/Wastewater Report
Mr. Zusi reported that he is continuing to work with FDOT on the I-4 Widening. They had a somewhat positive meeting yesterday with FDOT where the City received a small concession but is still hoping for more.

Electric Utility Report
Fuel Adjustment
Mr. Warren reviewed the fuel adjustment for May.

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Rate Comparison w/Duke Energy, 1,000 kWh Residential Customer
Mr. Warren reviewed the rate comparison. He commented that the City’s rates are below Duke Energy, below the state municipal electric average and below state IOU average.
Mr. Warren presented the residential bill comparison graph complied by FMEA. Mr. Warren commented that the $116.87 includes the 6% franchise fee.

### Fairbanks Update

Mr. Warren reported that the City Commission unanimously approved all three Fairbanks agreements at its June 8, 2015, meeting. Mr. Warren explained what each agreement involved.

- Distribution Services Agreement with Duke
- Joint Participation Agreement with
- Three Way Agreement among City, Duke and FDOT

### Street lighting JPA’s with FDOT

City Commission unanimously approved two street lighting Joint Participation Agreements (JPA) with FDOT at its June 8, 2015, meeting. Mr. Warren explained what each agreement involved.

- Decorative lighting to fill in the gap along Aloma
- Decorative lighting along the south side of Fairbanks (Orlando Ave to I-4) to match decorative lighting on the north side.

Mr. Warren responded to a question regarding street lighting on Palmer Ave. He explained standard lighting in the City, the process to get decorative lighting, unless included as part of a streetscaping project, and the current state of street lighting on Palmer and potential resolutions and costs.

Mr. Warren explained that he was asked to look at decorative lights for collector roads. He provided a list of collector road and costs to provide decorative lights totaling $2.5 million. This equates to approximately 1 year of undergrounding. Mr. Warren then looked at gateway roads. He provided a list and cost to provide totaling $1 million. He asked two questions of the Board:
Do you agree with the list of gateway roads; and,
Would you be in favor of a modification to the streetlight policy to add decorative lighting on roads determined to be gateway roads? If the answer is yes, then Mr. Warren recommends incorporating it into the undergrounding program so they can be done at the same time. Mr. Warren responded to questions.

(At the request of Ms. Howard the Chair interrupted the Electric report for the Communications report so she could leave for another meeting)

**Communications Report**
Ms. Howard reported that the Electric Utility’s 10th anniversary made the front page of the Orlando Sentinel. Other local media has also picked up the story. Ms. Howard thanked the Board and City staff for a very successful Electric Utility Celebration. She welcomed new Board members and reminded the Board that if any Board member receives media calls and is not comfortable with responding to feel free to forward them to her.

**Electric Report resumed**
Mr. Warren stated that moving forward he is going to take the list of gateway roads that staff has identified to the Commission, with the cost to install of $900,000 and see if they will approve the list and are will to amend the street lighting policy to include gateway roads. Discussion ensued regarding the best way to make the presentation and fund gateway roads street lighting.

**Utility Billing**
Things are going well. No issues to report.

**Sustainability Report**

**RFP for Auditing Services**
Ms. Gulden explained that Sustainability has taken over the energy conservation program from the Electric Utility. She also commented that the $50,000 budgeted for the 2015 program has been expended and reviewed how the funds were spent. As part of their acquiring the program they were tasked with reviewing the program and making recommendation for possible changes. Ms. Gulden brought back a draft RFP for auditing services. She reviewed the RFP and responded to questions. Mr. Stenger added that the City is a semi-finalist in the Georgetown Energy Prize competition, which has a $5 million prize. The Board consensus was to move forward with the RFP.

Mr. Zusi commented that a Commissioner at last night’s meeting suggested the Central Florida Water Initiative make a presentation to the Keep Winter Park Beautiful and Sustainable Board and offered to inform the UAB as to date and time.

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

**ADJOURNMENT**
Chair Johnson adjourned the meeting at 2:43 p.m. Next regular meeting date is July 14, 2015.

Respectfully submitted,

**Debbie Wilkerson**
Debbie Wilkerson, Recording Secretary