MINUTES

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

Absent:   Rick Baldocchi

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

GUESTS:   Genean Hawkins McKinnon, Consultant

CALL TO ORDER:
Chair Richard James called the February 28, 2018 Utility Advisory Board meeting to order at
12:00 pm.

Justin Isler was introduced as the Supervisor of the linemen for the Electric Utility.

ADMINISTRATIVE ITEMS:

Approval of Minutes:
The minutes from the February 28, 2018 regular meeting were presented. Motion to
approve the minutes was made, seconded and approved, unanimously.

Citizen Comments:  None.
NEW BUSINESS:

Commissioner Weldon’s Response:
Board discussed Commissioner Weldon’s recent response to the Utilities Advisory Board’s memorandum of March 20, 2018, on the subject of setting of the electric rates. The main focused was on use of revenues to increase reserve funds, accelerate undergrounding, and avoidance of ownership of non-electric related projects as well as need for formal charter/policy for rate review and adjustments.

Action item assigned for Board to study Weldon’s response in detail and discuss at next meeting. Also, at next meeting, FY19 budget needs and rate discussions would be initiated.

ACTION ITEMS:

NLC Service Warranty Program:
Mr. David Zusi accepted the decision to not endorse made at the last meeting. He stated that the City may still offer the program and let customers pursue on their own.

Water/Wastewater Orientation:
An orientation by the Water/Wastewater Department for Board Members was set for Friday, April 13th, 2018 (but has since been delayed). In addition, a tour of a water treatment plant, will be scheduled to take place just before the next meeting.

REPORTS:

Financial Report
Mr. Hamil reviewed the February financial data.

Water/Sewer Fund:
Sales of water and sewer service as well as revenues are tracking closely with the forecast for the year. We have a slight negative variance in operating revenues but it is less than 2%. Water treatment by other agencies costs are up due to water infiltration into sewer lines caused by water saturated soil from Hurricane Irma. Expect significant operational budget savings to offset the overage.

The FY 2018 budget anticipates spending $1,747,964 in water and wastewater reserves. Most of this is from spending reserves on the I-4 Ultimate Project (relocating water and sewer lines as required by the project). $322,564 of the balance is to fund open purchase orders as of 9/30/2017.

The bottom line reflects a positive $983,106 and debt service coverage of 1.78 for the fiscal year.

Electric Services:
Sales in terms of MWh look good for the first five months in comparison to our forecast and past history: 166.2 MWh (FY18) vs. 163.6 MWh (FY17).
Fiscal year to date through February 28 we have over recovered fuel costs by $56,507. Fuel rates were reduced effective February 1, 2018. We are aiming at a fuel cost stabilization fund balance of $1,400,000 at 12/31/2018.

Cash decreased by $695,521 in the first five months. That is primarily due to paying bills related to restoring power following Hurricane Irma. Staff is working with FEMA on recovering as much of these costs as possible. We hope to get at least $700,000. This will likely occur in FY 2019.

It is early in the fiscal year but it is starting out pretty good. We have a positive $527,186 for the first five months and projected debt service coverage of 2.37.

**Water/Wastewater:**
Mr. David Zusi reported that normal water/wastewater services were proceeding normally. In response to Board question, he explained that the water intrusion into sewer lines was mainly in older pipes and that they have initiated an in-house project to install liners to prevent intrusion.

The I-4 Project at the Maitland interchange continues to create issues. The latest is that SGL, which was to manage a large, deep drilling activity affecting multiple municipalities, has pulled out.

**Electric:**
Mr. Dan D’Alessandro reported that 2.5 miles of undergrounding has been completed so far this year after being slowed down by hurricane recovery. Project G (4 miles long) is underway and will be done this year. Grove Terrace/Mizell conversion due to reliability issues is completed. McKean/Lincoln Circle conversion due to reliability issues is 45% done. Work will start next in Orwin Manor to deal with reliability issues.

February was a quiet month for outages. Four outages were due to overhead infrastructure (two preventable) with the biggest impact limited to 30 customers for four hours.

In response to Board query, Mr. D’Alessandro stated that maintenance of exiting overhead distribution system is only being done as necessary in order to facilitate progress of undergrounding.

He reported that the City Commission approved the FMPA solar agreement that will supple 10 MW of power beginning in 2020. Board expressed concern that this fact was not widely communicated to utility customers.

He also reported that Brighthouse/Spectrum is still slow on undergrounding their cables (conduit has been placed) and removing their lines from poles. He stated that Spectrum is sent 30-day notice from Electric Operations as soon as conduit is available.

Duke has been approached regarding purchasing their distribution system of the Lee Road corridor City residents experiencing unreliability of service. Board asked for a report on status of the purchase at the next meeting.
The Fairbanks undergrounding project costs came in $4.9M over the City’s contract budget. City is attempting to re-negotiate this contract as well as asking State DOT officials for additional funding. Funds to cover some of this cost must be included in the FY19 budget.

**Sustainability:**
Ms. Vanessa Balta-Cook announced that Earth Day Celebration will be held in Central Park on Sunday, April 15th. She also announced that the City received the SOLMART Silver award for streamlining the solar permitting process.

June’s utility bill will contain information on energy audits available to citizens.

Ms. Balta-Cook announced that their department was looking at ways to increase the use of renewable energy supplies with a goal of 40% by 2020 and 60% by 2030. The joint meeting between UAB and Sustainability Board still on hold.

**FURTHER ACTION:**
Utilities Advisory Board Members: Review of Commissioner Weldon’s letter for further discussion.


**MEETING ADJOURNED:**
The Chair adjourned the meeting at 1:27 p.m.