

**CITY OF WINTER PARK
UTILITIES ADVISORY BOARD**

**Regular Meeting
Welcome Center**

**September 7, 2011
12:00 p m**

MINUTES

Present: Greg Seidel, David Smith, Katherine Johnson, Donald Doyle, Linda Lindsey, Ron Ellman, and Dan Swanson, John Reker

Absent: Mike Whiting, Michael Smith, Ron Ellman

City of Winter Park Staff: David Zusi, Water and Wastewater Utility, Terry Hotard, Asst Director, Electric Utility; Mark Brown, Electric Utility, Delsia Margraf, Utility Billing Manager; Clarissa Howard, Communications Director; Debbie Wilkerson, Recording Secretary.

CALL TO ORDER – Chm. Seidel called the Utility Advisory Board meeting to order at 12:00 p. m.

I. ADMINISTRATIVE ITEMS

A. Approval of Minutes:

Mr. Reker moved to approve the August 3, 2011, minutes as presented, seconded by Mr. Swanson, motion carried unanimously.

II. NEW BUSINESS

Election of Chairman and Vice-Chair

The board held a brief discussion on nominations to elect a Chairman and Vice Chairman to the Utility Advisory Board.

Mr. Reker moved to nominate Greg Seidel as Chairman, seconded by Mr. D. Smith. The motion carried unanimously.

Mr. Seidel moved to nominate John Reker as Vice Chairman, seconded by Mr. D. Smith. The motion carried unanimously.

III. ACTION ITEMS

Rate Study

Mr. Zusi updated the Board on the status of the Rate Study stating that the Board will have an opportunity to review the final report prior to presentation to the City Commission. Mr. Zusi answered questions.

IV. REPORTS

Financials

Mr. Hamil was not in attendance but the Board review the Monthly Financial Utilities Summary YTD July 2011 (83% of fiscal year lapsed).

Highlights included:

Water and Sewer Fund

- Revenue is up \$1,120,985 in comparison to the prior year, but is only 82% of the annual budget and we are 83% of the way through the fiscal year. A water sales table was included in the report
- Expenditures are well within budgetary constraints.
- YTD net income of \$2,490,296. After subtracting capital contributions (impact fees), net income is \$1,585,442 for the nine months ended July 31, 2011.
- Revenues will be short of projections because we anticipated a rate increase being implemented in FY 2011. Our current timeline for the water and sewer rate study indicates rates will be adjusted in the first quarter of fiscal year 2012.
- Although revenues will be approximately \$550K short of budget, there is contingency built into the budget as well as anticipated savings in wastewater treatment and debt service that largely offset this shortfall.

Electric Fund

- Revenues are down \$3,851,672 in comparison to the prior year.
- Sales of kWh are running about 2.9% behind the prior year.
- Bulk power costs are below budget as of July 2011. The new arrangement with Seminole Electric and Progress Energy should result in these costs being significantly below budget for the year with the exception of fuel costs, which will be recovered from the customer through quarterly adjustments. Although sales of KWH are running about 2.9 behind the prior year our cost of purchasing power is 17.9% below the total through July 2010.
- The large miscellaneous revenue is primarily insurance payments received from PE to offset the excess fuel costs caused by the Crystal River plant being offline.
- Net income of \$4,158,502.
- This may diminish some in the last two months as we pass on the NEIL refunds to customers.
- We are on track with our goals for repaying monies borrowed from other funds by the end of FY 2013.

Communications

Ms. Howard provided copies of upcoming City publications and discussed articles relevant to the UAB. She also provided dates for events regarding the opening of the City's new Community Center.

Ms. Howard reported that she had developed and presented to the Environmental Review Board a Communication Plan to establish a timeline of information to go out to the public regarding environmental issues.

Ms. Howard mentioned that the City is partnering with Save My City to launch a new, free Smartphone application that uses GPS to show shoppers and diners what real time deals are being offered near them in Winter Park.

Utility Billing

Ms. Margraf reported that the utility statements will have a new look and the city is planning to

upgrade the meter reading software. They wanted to wait to do this until all the meters were installed.

11:50 pm - Chairman Seidel left and Vice Chairman took over

Electric Report

Mr. Hotard presented a PowerPoint presentation that included the July reliability summary, and August “monthly % change kWh consumption” and “moving total 12 month graphs. Mr. Reker went through the graphs and answered questions.

The presentation also included the fuel adjustment, fuel rate comparison 1,000 kWh residential customers, bill comparison between WPE, and other municipalities for July.

Mr. Hotard introduced for discussion the WPE Conservation Program Update. He reviewed the handout, which included, the FY 2012 budget proposal that includes \$350,000 for a conservation program, the recommendation that WPE contract with PEF for Energy Audit services and adopt/implement PEF’s rebate program as WPE’s program, the reasons to adopt PEF’s program, policy issues to be considered by the UAB and a tentative schedule for implementation.

Mr. D. Smith spoke in support of the conservation proposal. He believes in offering incentives to identify problems but does not feel money should be used to implement changes.

Ms. Lindsey said that she does not feel the conservation program should offer any retroactive rebates. The Board agreed with her comment. She is also concerned that the program is offering too many rebates, incentives and should start out smaller and grow as resources become available. She commented that piggy backing off the PEF program is a good idea. She also commented that she is against net metering.

Ms. Johnson remarked that the program could be used to help people find out what they needed to improve.

After additional discussion, mixed opinions were expressed about rebates.

Customer Feedback

ADJOURNMENT

Vice Chm Reker adjourned the meeting at 1.40 p.m. Next meeting date October 5, 2011

Respectfully submitted,

Debbie Wilkerson

Recording Secretary