

## Utilities Commission Meeting August 24, 2020

**Participants** Chair William Biedenbach, Vice Chair Jack Holcomb, Secretary-Treasurer Lillian Conrad, Assistant Secretary-Treasurer James Buddy Davenport, General Manager Joe Bunch and General Counsel Thomas Cloud. Absent: Commissioner Rick Hawes.

### Consent Items — unanimously approved

- A. Minutes of UC Meeting of 7/27
- B. The Palms Phase 4 Granted & Accepted Third Party Easement
- C. Ratification - ITB 27-20- Sugar Mill Drive Reclaimed Water Main Relocation Project granted to Haven Construction for 1650 LF on Sugar Mill Drive, just north of SR44
- D. ITB No. 25-20 - Annual chemicals/water & wastewater
- E. Camera Truck Purchase Fleet Replacement Plan
- F. ITB No. 28-20- Wood pole inspection and treatment
- G. Supplemental Funding FY2020- Pole inspection & replacement (backlog) - External contractor support.
- H. Amendment to UCNSB Purchasing Policies & Procedures Manual (Bid requirement exclusion for Retirement Plan Record Keeper & Benefit Services). Expense ratios on pension plans are very high and this change to a single record keeper allows a cost savings of \$106,000.
- I. Developer's Infrastructure, Capacity and Inspection Agreement with Stewart Mitchell for SR 44 PUD. Mr Davenport asked why we do not require payment prior to UC votes. Mr Bunch explained that the City Commission reviews the plan that the UC tentatively approves, with ownership taken after "final inspection." From that point the UC collects fees over a 10-year period. UC Counsel Cloud noted that new "agreement" language is forthcoming.

Note - this PUD involves 5.38 acres at the NE corner of SR44 & N Glencoe Rd. The first tract is for vehicle inventory parking for the Chevy dealership (hence Holcomb recusal). The second tract is a future parcel for yet to be determined development.

- J. Mobile Substation Rental & Installation for Smyrna Substation (Duke Energy Florida LLC). A 5 week "turnkey project" meant to prevent power outages to many customers during UC equipment upgrades. The required special transformers and other equipment would cost millions to purchase. Total rental cost is \$400,000.

### General Manager's Report

**Financial Status** July 2020 month-end reflects a net asset change of \$1.1M and July YTD month-end reflects net assets increase of \$2.0M in.

**Balanced Scorecard and Enterprise Metrics** - *Electric Reliability* was the only metric in the "red". It was adversely affected by more afternoon thunderstorms during July that caused a higher number of customer interruptions.

**Mutual Aid Invoice - Hurricane Dorian** 100 utility workers from Omaha, NE came to assist with anticipated damage from Dorian. When the storm threat ended, the crew returned to Omaha, but did not invoice the UC until last month, well past the time limit for "possible but not certain" reimbursement from FEMA. The UC is not *legally* obliged to pay since receipt is well past the 90 days limit; *morally*, however, a reasonable amount should be paid since the UC requested the assistance. Thus, **a request to negotiate a more reasonable cost than the \$150,000 invoiced was unanimously approved.**

### **New Business**

**Healthcare Renewals FY2021- unanimously approved** Medical provisions will increase due to uncontrollable medical costs. The loss ratio was 126%. The UC will stay with the current provider (FL Healthcare) with an anticipated 19% rate increase, capped at 20% for 2021. The decision means that each enrollee will see a net increase between \$0 and \$37 per pay period.

### **Commissioners**

As Chair Bill Biedenbach steps away, each commissioner stated how grateful they each were for his passion, leadership, counsel, time and energy during the last 9 years.