

## **New Smyrna Beach Utilities Commission Meeting March 27, 2023**

**Participants:** Chair - Davenport, Commissioners Hawes, Conrad, Smith, GM – Bunch General Counsel – Cloud, Executive Manager/Clerk D Simmons

### **Quarterly Employee Recognition Presented by Chairman Davenport**

NSUC Support Services is instituting a new Quarterly Employee Recognition process to recognize employees who have worked to improve their skill sets, education and/or positions. Five employees were the first recipients for their accomplishments in achieving higher degrees in education, earning licenses and certifications from the State of Florida and promotions to the next level. They are Michael Cardell, Joshua Tew, Gage Fisher, Anthony Carulli, and Frank Sharp

Immediately following, the regular meeting was called to order:

### **Safety Message** Sunshine 811 – Call Before You Dig.

All residents and contractors are encouraged to call 811 when doing any work in the Right of Way. To remain safe, NSB Utility workers will come to the proposed construction site and mark the location of underground utility lines.

### **2022 Comprehensive Financial Report:**

The Fiscal Year 2022 Annual Comprehensive Financial Report( ACFR) was presented by the senior auditing manager, Mr. Matthew Ganoë CPA,. He stated that the audit went well and all Process Controls with financial bearing were well documented.

### **Approval of Consent Items:** 5 items were presented and were approved unanimously.

- a) Minutes of Regular NSBUC Meeting Held 2-8-2023 and the Special Meeting, Final Public Hearing and Regular NSBU Meeting held 2-27-2023 were approved.
- b) Ratification – Granted and Accepted Third Party Utility Easements (6)
- c.) Renewal - ESRI Small Utility Enterprise License Agreement (SU-ELA)
- d.) Ratification – I-95 & Pioneer Trail Interchange (FDOT Project No. 436292-I-52-01)  
Joseph Bunch, GM-CE and Dan Hale, Civil Engineering Manager, provided information relating to an email from a resident. There was concern expressed in an email for funding of future construction of a water main for Pioneer Trail. The concern revolved around harm to the environment and carbon emissions. Mr. Bunch and Mr. Hale concluded after some discussion that the building of this would not contribute to the writer's concerns, FDOT has already approved the project. Approval of the water main was approved unanimously.
- e.) Proclamation – declaring April 2023 Water Conservation Month

### **General Manager's Report – J Bunch/E Chavez**

#### **A.) Financial Status February 2023**

February statements reflected a change in net assets of approximately \$.3 million due to milder weather (Fall & Winter) contributing to lower usage and increased Purchase Power impacts. Year over year electric consumption is 1.5% lower driven by alternating warmer and cooler temperatures. Purchase power was higher by 2% with water consumption slightly lower. February Capital Expenditures were approx. \$3.7 million for Major projects and approx.\$3.4 million for Annual Projects.

- a) Feb YTD 2023 Operating Income / (Loss). The Feb loss of \$.07 million \$1.2 million greater than Feb. '22 driven by increased expenses (primarily purchased power and operating expenses), lower electric/water/wastewater/reclaimed usage partial offset by increased revenue9 updated fuel cost and customer growth.
- b.) Under/Over Fuel Cost Recovery Reserve – with the under-recovery position in a downward trend, the target is to be \$5.0 million in the over recovery position.
- c.) Key Performance Indicators (KPI) highlight that the numbers are headed in the right direction.
- d.) The cost of Natural gas has decreased from Feb 2021 to Feb 2023 due to the milder weather and commodity prices.

**B.) Informational Presentation – Wastewater Process Methane Reuse**

Capturing methane off of wastewater treatment plant was researched. Methane can be produced with the construction of a different type of plant. NSBUC currently turns wastewater into reclaimed water in one facility. It would be costly to build and maintain a new facility for the process given the size of the community.

**Commission Counsel's Report – General Council - T. Cloud**

Summary Status Update of Florida Legislation – HB 1331 and SB138. Mr. Cloud strongly hopes that these two pieces of Legislation do not go forward because they would take away from NSBUC the authority to control rates and propose to impose rates determined by other utility companies.

**Time for Commissioners**

2023 FMEA (Florida Municipal Electric Association) Annual Conference – The Vinoy St. Petersburg. July 18<sup>th</sup>-20<sup>th</sup>. Agenda and details to follow. Chairman Davenport urged the members to attend. He found the past conference to be very informative and worthwhile.

**Commissioner's Comments:**

Commissioner **Conrad** expressed her approval of the audit especially that the result showed no surprises and were as expected.

Commissioner **Smith** thanked the staff for their research into his request last month. (IE. Methane gas)

Commissioner **Hawes** asked about the use of wastewater and reclaimed water. Reclaimed water is a by product of wastewater treatment and Mr. Bunch explained that due to revenue associated with these two processes, keeping these two terms separate is preferred.

Chairperson **Davenport** thanked Ms. Debbie Simmons for her diligence and attention to detail in the preparation for the monthly agenda. It makes it easier to reference the details of the supporting agenda documents. He was also pleased to receive the monthly City Development Activity Reports. He was amazed at the size and scope of all the new development currently on going and proposed. He finds this report extremely eye opening and helpful.

Meeting Adjourned