

New Smyrna Beach Utilities Commission Regular Meeting April 24, 2023

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

Safety Message by Vernon Steele "5 Safe Driving Principles:

Mr. Steele outlined the five principles that will ensure better drivers. SMITH SYSTEMS, who does a lot of driver training, has identified 5 principles/Keys as follows:

Key 1 Aim high in steering – Look through car ahead.

Key 2 Get the big picture – What is behind you and to the left and right.

Key 3 Keep your eyes moving – check all mirrors every 6 seconds. Don't fixate.

Key 4 Leave yourself an "out" – Plan an escape route if you must stop short.

Key 5 Make sure they see you – Lights always on. Try to make eye contact at intersections so people know you are there. Try to stay out of blind spots.

Approval of Consent Items: 4 items were approved unanimously.

- a) Minutes of Regular NSBUC Meeting Held 3-27-2023.
 - b) Project Update – Lift Station No. 5 Reconstruction
 - d.) Ratification - Manhole 72-02 Replacement and L/S. No. 73 Improvement Project
 - c.) Ratification – Granted and Accepted Third Party Utility Easements (14).
- Commissioner Smith had a question for staff if the third-party contractor who reviewed the requirements was licensed. Julie Couillard confirmed that all contractors were licensed.

General Manager's Report – J Bunch/E Chavez

Financial Status March 2023 – E. Chavez

March statements reflected a change in net assets of approximately \$1.3 million due to milder weather and increased Purchase Power costs. Earnings are up driven by a more favorable interest rate environment. Electric consumption year over year is 1.4% lower. FYTD Water consumption is slightly lower, improvements from previous months.

- March 2023 FYTD capital expenditures approximately \$5.1M Major and \$4.3M in annual projects. Major projects include:
- Lift station #3 Upgrade Project, Lift Station # 12 Replacement, Line 17 Rebuild, Glencoe Wells (#2 & #3) upgrade, Airport Static, 5th Street Bridge, and Glencoe Water Treatment Plant Improvement.
- Annual project spend included: Gravity sewer lining, tools & equipment, and new business electric and water installation.

FY 2023 Capital Forecast is \$22.3M verses a Budget of \$35.7M

- Updated forecast due to supply chain constraints resulting in continued material delays. This will continue into the foreseeable future.
- No bids were received for certain wastewater projects and were rebid.
- AMI and WAMS vendor selections underway resulting in a shift to FY 24 from FY23
- Shifts in FY23 capital spend are incorporated into FY24-FY33 capital budget.

March '23 operating loss of \$0.6M is attributable to increased expenses, (primarily increased purchase power and operating expenses), lower electric, water, wastewater/reclaimed usage, partially offset by increased revenue, (updated fuel cost adjustment and customer growth), Total FYTD electric KWh sales are 1.4% lower than PY driven by milder weather and the hurricanes. The March 2023 Under-Recovery balance is trending lower than target.

1st Half FY2023 Balanced Scorecard and Enterprise Metrics – J. Bunch

- Key Performance Indicators (KPI)
 - Safety and Risk - all 3 metrics are in the green
 - Electric Reliability – Best 1st half year performance on record.
 - Water Resources – Metrics are green for the month and FYTD, except for Gross Water Loss, which is a timing issue. The trend is normal.
 - Customer Service, and Materials Management are Green. Cost goals are on target, Human Resource head count is under budget by 15 and actively recruiting and Information Technology metrics are green FYTD and yellow for March.

Builder Developer Activity Summary – J. Couillard

- There is declining trend in new single family utilities accounts that justifies the current housing decline and developers' reluctance to develop new residential subdivisions.

Informational Response – Planning for E.V. Charging – J. McMurray

- Commissioner Smith provided an article on "Planning for On-Street Charging Infrastructure. It discusses a plan for installing EV charging along streets (Parallel parking) of central town activities. NSCU coordinated with the city to for suitable locations to install 10 charging ports (2 ports at 5 stations located around town. 8 ports are operational with the final two to be installed by September '23.
- The city's initial plan was to install these at parallel [parking spots but found out that installation in parking lots provided more centralized locations.
- Based on projections by 2030, the city will require about 200 Level 2 public EV chargers.
- The current plan is a pilot enabling the NSBU to learn about EV charging behavior.
- Coordination with the National EV Initiative and currently working with a consultant to secure FDOT funding for additional stations.
- A suggestion was made by City Commissioner L. Martin to look at installing Electric Bike charging stations on Flagler Ave.

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

Summary Update of Florida Legislation – HB 1331 and SB138. These died in committee.

No Old or New Business

Possible Other Business – Time for Commissioners

Mr. Bunch reviewed the agenda for the joint NSCU/City Commission meeting planned for Thursday April 27th.

Meeting Adjourned