



J. DAVENPORT, CHAIRMAN
R. HAWES, VICE CHAIR
L. CONRAD, SECY.-TREAS.
J. SMITH, ASST. SECY.-TREAS.
L. KELLY, JR., COMMISSIONER
T. CLOUD, GENERAL COUNSEL
J. BUNCH, GENERAL MANAGER/CEO

AGENDA**
REGULAR MEETING OF THE
UTILITIES COMMISSION,
CITY OF NEW SMYRNA BEACH, FLORIDA
TO BE HELD MONDAY, APRIL 25, 2022,
AT 2:00 P.M. 200 CANAL STREET, DEBERRY**
ROOM, 3RD FLOOR, NEW SMYRNA BEACH, FL

(COVID PROTOCOLS – MTG. APPTS., MASKS OPTIONAL)

RESULTS OF UC MEETING

ROLL CALL

I. Executive Session – Closed Attorney-Client Session

PUBLIC NOTICE

TAKE NOTICE HEREOF THAT IN ACCORDANCE WITH SECTION 286.011(8), FLORIDA STATUTES, THE UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH, WILL GO INTO ATTORNEY/CLIENT SESSION IMMEDIATELY AT THE BEGINNING OF THE REGULAR U.C. MEETING TO BE HELD ON MONDAY, APRIL 25, 2022. THE BELOW ATTENDEES WILL RETIRE TO THE 2ND FLOOR EXECUTIVE CONFERENCE ROOM TO CONDUCT THE CLOSED SESSION.

ATTENDEES

UTILITIES COMMISSIONERS (FIVE):

- 1) CHAIRMAN JAMES DAVENPORT
- 2) VICE CHAIR RICHARD HAWES
- 3) SECRETARY-TREASURER LILLIAN CONRAD
- 4) ASST. SECRETARY-TREAS. JAMES SMITH
- 5) COMMISSIONER LAWRENCE KELLY, JR.

IN ADDITION TO THE FIVE U.C. COMMISSIONERS, EXPECTED ATTENDEES TO THE ATTORNEY/CLIENT SESSION ARE:

- 6) THOMAS CLOUD, GRAY ROBINSON, P.A.
- 7) JACK KIRSCHENBAUM, GRAY ROBINSON, P.A.
- 8) FRANK MARI, BELL & ROPER, P.A.
- 9) MICHAEL ROPER, BELL & ROPER, P.A.
- 10) JOSEPH BUNCH, UCNSB GM-CEO
- 11) CERTIFIED COURT REPORTER, SOUTHERN REPORTING COMPANY

THE REGULAR U.C. MEETING WILL RECOMMENCE AFTER COMPLETION OF THE ATTORNEY-CLIENT SESSION.

THE UTILITIES COMMISSION WILL NOT TAKE ACTION IN THE ATTORNEY/CLIENT SESSION, BUT MAY TAKE ACTION CONCERNING SETTLEMENT NEGOTIATIONS AND STRATEGY RELATING TO LITIGATION EXPENDITURES IN OPEN SESSION.

(NO FURTHER ACTION TAKEN DURING RECOMMENCED REGULAR U.C. MEETING)



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Pledge / Invocation

Safety Message by Brandy Keehn: Cybersecurity Paramount to Utility Industry -- FMPA “Behind the Switch” Video (I.T. DIRECTOR PROVIDED INTRO. AND CLOSING REMARKS FOR THIS FMPA VIDEO. EXPLAINED VARIOUS ASSESSMENTS AND CYBERSECURITY GRANT OPPORTUNITIES UCNSB ACQUIRED OR ARE CURRENTLY PARTICIPATING WITHIN. ALSO MENTIONED VARIOUS TRAINING EXERCISES AND MUTUAL SUPPORT ACTIVITIES STRENGTHENING UCNSB'S CYBERSECURITY AND MITIGATION OF ASSOCIATED RISKS. GM-CEO COMMENDED THE I.T. DIRECTOR'S BUSINESS RELATIONSHIPS AND ONGOING EFFORTS WHICH HAVE PAID OFF FOR UCNSB AND ITS CUSTOMERS)

1. Agenda Changes, Additions and Deletions (PULLED CONSENT ITEM 3-j FROM CONSIDERATION – DEVELOPER'S AGREEMENT NOT EXECUTED PRIOR TO MTG.)

2. Public Participation

***3. Approval of Consent Items (APPROVED CONSENT ITEMS 3-a, 3-b, 3-e, 3-g, & 3-i) (COMMS. SMITH PULLED ITEM 3-c, COMMS. HAWES PULLED 3-f & 3-h, AND CHAIRMAN DAVENPORT PULLED ITEMS 3-d & 3-k FOR DISCUSSION. AFTER DISCUSSION ALL ITEMS APPROVED AS SUBMITTED)**

- a. ✓ Minutes of Regular U.C. Meeting Held 3-28-22 (*Annotated Version*) (*U.C. and State Requirements*)
- b. ✓ Granted and Accepted Third Party Utility Easements (2) – J. Couillard (*U.C. and State Requirements*)
- c. ✓ Ratification – Supplemental Funding for Clarifloc Polymer at Wastewater Reclamation Facility-WRF (Polydyne, Inc.) – S. Heil (*U.C. and State Requirements*)
- d. ✓ Approval of Award – RFP No. 05-22 – Agent of Record for Employee Benefits (Risk Management Associates, Inc.) – E. Chavez (*U.C. and State Requirements*)
- e. ✓ Approval – Acceptance, Termination and Release of Easement Rights (2165 Turnbull Bay Rd. and 2155 Turnbull Bay Rd.) – J. Couillard (*U.C. and State Requirements*)
- f. ✓ Ratification of Budget Increase – Turnbull Bay Road Line Reconductoring Project (Pike Electric, LLC) – J. Couillard (*U.C., State, & Federal Requirements*)
- g. Project Update – Annual Contract for Gravity Sanitary Sewer Rehabilitation (BLD Services, LLC) – J. Couillard (*U.C., State, & Federal Requirements*)
- h. ✓ Award of RFP No. 11-22 – Well Assessment and Rehabilitation Services (Thompson Well & Pump, Inc.) – J. Couillard (*U.C., State, & Federal Requirements*)
- i. ✓ Award of ITB No. 13-22 – Pole and Padmount Transformers – and Request for Two-Year Purchase Orders – V. Steele (*U.C., State, & Federal Requirements*)
- j. ✓ Developers Agreement – Village Center East (Collier Luna Bella Lane, LLC) – J. Couillard (*U.C. and State Requirements*)
- k. ✓ Developers Agreement – The Palms at Venetian Bay, Phase 6 (Palms Land Holdings, LLC) – J. Couillard (*U.C. and State Requirements*)



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RESULTS OF UC MEETING

4. General Manager's Report – J. Bunch

- a. Financial Status – March 2022 – E. Chavez **(DIRECTOR OF FINANCE PRESENTED MARCH 2022 FINANCIAL PERFORMANCE. MARCH 2022 FYTD CHANGE IN NET ASSETS APPROX. \$1.5M. INCLUDES \$0.5 MARK TO MARKET ADJUSTMENT, FAVORABLE POSITION DRIVEN BY INCREASED REVENUES (WATER RESOURCES) AND CAPITAL CONTRIBUTIONS, OFFSET BY LOWER ELECTRIC CONSUMPTION DUE TO Milder WEATHER AND INCREASED PURCHASED POWER COSTS – AT \$64.44/MWh COMPARED TO \$52.18 LAST YEAR, PLUS INCREASED OPERATING EXPENSES. CAPITAL EXPENDITURES AT \$9.8M - \$5.5M IN MAJOR AND \$4.3M IN MINOR PROJECTS. MARCH 2022 AT AN OPERATING LOSS OF \$0.5M, COMPARED TO LAST YEAR'S \$2M LOSS, SO AN APPROX. \$1.5M IMPROVEMENT. DRIVEN BY SAME FACTORS FOR CHANGE IN NET ASSETS AND THOSE OFFSETS, PLUS CONTINUED CUSTOMER GROWTH. INCOME BEFORE CAPITAL CONTRIBUTIONS, MAINLY CASH, ABOUT A \$0.7M LOSS VS. \$1.3M LOSS PRIOR YEAR. INCLUDED A SLIDE FOR THE FPPCAC – AGENDA ITEM 7-a., EXPLAINED ENERGY AND FUEL PRICES HAVE DIRECT IMPACT ON UC'S COST OF PURCHASED POWER. UC'S PURCHASED POWER COST CURRENTLY AT \$64.44 PER MWh, ALMOST \$14 HIGHER OR 27.5% HIGHER THAN PROJECTED IN FY22 DURING RATE STUDY. MOTION TO APPROVE INCREASE TO FPPCAC MADE AT CONCLUSION OF THIS PRESENTATION – APPROVED \$4.25/1,000 kWh CHARGE, EFFECTIVE 1ST BILLING CYCLE IN 5-2022)**
- b. Quarterly Submission of Balanced Scorecard and Enterprise Metrics – for March 2022 – E. Chavez **(SUBMITTED – NOT DISCUSSED)**
- c. ✓ Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (Cogsdale Corporation – *sole source vendor*) – E. Chavez **(APPROVED)**
(DIRECTOR OF FINANCE PRESENTED UCNSB CUSTOMER EXPERIENCE TRANSFORMATION. INDICATED NEXT STEPS WILL INCLUDE A UC CUSTOMER-FOCUSED WEBSITE REFLECTING REFRESHED BRAND – NSBU (EXPECTED 7-2022), SILVERBLAZE CUSTOMER SINGLE SIGN-ON PORTAL, LIVE AFTER NEW WEBSITE (7 OR 8-2022), AND THEN INTEGRATION OF THE OUTAGE MANAGEMENT MODULE - OMS (7 OR 8-2022). GM-CEO POINTED OUT WEBSITE ENHANCEMENT LISTED AS PROGRAM 4 ON UC'S MODERNIZATION ROADMAP WITH ESTIMATION OF \$100,000. AT CONCLUSION OF PRESENTATION AND DISCUSSION, COMMISSION APPROVED OVERALL PROJECT FOR SILVERBLAZE CUSTOMER SERVICE PORTAL, WEB API'S, AND NEXUS VIEW SOFTWARE FROM COGSDALE, W/IMPLEMENTATION AND TRAINING, FOR A TOTAL AMOUNT OF \$120,650 (REOCCURRING ANNUAL MAINTENANCE AND SUPPORT FOR SOFTWARE - \$50,250)

5. Commission Counsel's Report – General Counsel

6. Old Business

- a. ✓ Approval – Transmission Line Repairs (Static Wire) – J. Couillard and V. Steele **(APPROVED)** **(DIRECTOR OF ELECTRIC OPS. PRESENTED AN UPDATE: TRANSMISSION LINE MATERIAL CONDITION CORRECTIVE MEASURES. AFTER PRESENTATION AND DISCUSSION, COMMISSION RATIFIED EMERGENCY PHASE 1 REPLACEMENT OF STATIC WIRE – APPROX. 4,500 FT. AT \$237,384.15, AND APPROVAL OF PHASE 2 – APPROX. 23,960 FT. AT \$372,209.67; WITH OVERALL PROJECT BUDGET OF \$750,000)**



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RESULTS OF UC MEETING

6. Old Business (cont.):

b. Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 – J. Bunch (GM-CEO PROVIDED A SLIDE OF JT. MTG. TOPICS, THOSE PREVIOUSLY MENTIONED BY U.C. COMMS. TO DISCUSS SHOWN IN RED FONT, FOR INITIAL DISCUSSION PURPOSES. THE CITY'S WASHINGTON STREETScape PROJECT BRIEFLY DISCUSSED. CITY WILL BE PROVIDING SOME ARPA FUNDS TOWARD DESIRED WATER/SEWER IMPROVEMENTS. CITY WILL ALSO BE PROVIDING DIFFERENTIAL IN COST FOR REPLACING EXISTING ELECTRIC OVERHEAD INFRASTRUCTURE WITH UNDERGROUND ELECTRIC FACILITIES. SEPTIC TO SEWER – UC WILL WATCH ASSOCIATED ACTIONS BETWEEN CITY AND COUNTY RE: THEIR INTERLOCAL AGREEMENT (*NOTE – AMENDED ISBA APPROVED BY COUNTY – SOUTH BEACH AREA REMAINED IN COUNTY*) AND WILL MOVE TOWARDS DETERMINATION OF AVAILABLE GRANT DOLLARS FOR THE TOP TWO PRIORITY SEPTIC AREAS DETERMINED IN MEAD & HUNT STUDY – AQUA GOLF AND SILVER SANDS. RE: AFFORDABLE HOUSING, MENTIONED BY CITY COMMS. HARTMAN, G.C. CLOUD WILL PROVIDE LEGAL MATRIX FOR WHAT UC IS AUTHORIZED TO PROVIDE IN FUNDING FROM RATE REVENUES. COMMS. SMITH REQUESTED GM-CEO DEVELOP A LETTER BACK TO THE CITY COMMS. RE: THESE 2-24-22 JOINT WORKSHOP TOPICS AND TODAY'S ASSOCIATED FOLLOW-UP DISCUSSION RESULTS)

7. New Business

- a. ✓ Approval – Modification (Increase) to Fuel and Purchased Power Cost Adjustment Clause (FPPCAC) – T. Beyrle & E. Chavez (APPROVED - \$4.25 CHARGE PER 1,000 kWh EFFECTIVE FIRST BILLING CYCLE IN MAY 2022. CURRENT FPPCAC IS CREDIT OF \$3.98/1,000 kWh) (*NOTE ONLY – MOTION TO APPROVE THIS ITEM TOOK PLACE UNDER AGENDA ITEM 4-a.*)
- b. ✓ Evaluation Determination – RFP No. 12-22 – Auditing Services – E. Chavez (APPROVED EVALUATION COMMITTEE COMPRISED OF THREE UC COMMS. - CONRAD, HAWES, AND KELLY, FOR RFP NO. 12-22 – AUDITING SERVICES. EVALUATION OF PROPOSALS TO BE PERFORMED INDIVIDUALLY. THEN EVALUATED RECOMMENDATION (TALLIED ELECTRONICALLY) WILL BE BROUGHT BACK TO THE ENTIRE COMMISSION DURING A PUBLIC MEETING FOR APPROVAL AND/OR NEXT STEPS)

8. Possible Other Business - Time for Commissioners

- a. ✓ FMEA Annual Conference – The Breakers, Palm Beach, FL – July 12-14, 2022 – J. Bunch (COMMS. HAWES, CHAIRMAN DAVENPORT AND COMMS. SMITH INDICATED INTEREST IN ATTENDING THIS CONFERENCE. COMMS. KELLY EVALUATING. CONFIRMED UC STAFF PLANNING TO ATTEND, THE GM-CEO AND DIRECTOR, SYSTEM OPS.)

(COMMS. KELLY COMMENDED EFFORTS BEING MADE TOWARD OBTAINING AND STRUCTURING GRANT OPPORTUNITIES. INDICATED THE IN-HOUSE SUCCESSFUL EFFORTS ARE EVEN BETTER)

(COMMS. CONRAD ALSO COMMENDED I.T. DIRECTOR'S EFFORTS TOWARD GRANT OPPORTUNITIES. ADDED AT SOME POINT MAY WANT TO QUANTIFY BENEFITS RECEIVED. COMMS. CONRAD BRIEFLY COMMENTED ON ATTENDING CITY'S WORKSHOP RE: ARPA FUNDS. CITY STILL DETERMINING SPEND DETERMINATIONS. GM-CEO INDICATED HAS BEEN COMMUNICATED UCNSB CAN ASSIST)

(CHAIRMAN DAVENPORT COMPLIMENTED EXECUTIVE STAFF FOR ASSISTANCE PROVIDED FOR SOME CUSTOMERS MOVING BACK TO NSB. GM-CEO COMMENDED CUSTOMER SERVICE FOR THIS EFFORT)