



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, MAY 23, 2022,**  
**AT 3:00 P.M. 200 CANAL STREET, DEBERRY**  
**ROOM, 3<sup>RD</sup> FLOOR, NEW SMYRNA BEACH, FL**

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

## RESULTS OF UC MEETING

### Pledge / Invocation

**Safety Message by Vernon Steele – TRAFFIC SAFETY FOR ELECTRIC UTILITY WORKERS (DIRECTOR, ELECTRIC OPERATIONS, PROVIDED A PRESENTATION ENTITLED T&D TRAFFIC CONTROL IMPROVEMENTS. PHOTOS INCLUDED DEPICTED IMPROVEMENTS IN SIGNAGE AND AN ARROW LIGHT TRAILER TO PROVIDE ENHANCED PUBLIC AND PERSONNEL SAFETY IN ELECTRIC WORK ZONES)**

### ROLL CALL

#### 1. Agenda Changes, Additions and Deletions

#### 2. Public Participation

#### \*3. Approval of Consent Items (APPROVED CONSENT ITEMS 3-a, 3-b, 3-d, 3-e, & 3-f)

(COMMS. HAWES PULLED ITEM 3-c, FOR DISCUSSION. AFTER DISCUSSION, ITEM 3-c. APPROVED AS SUBMITTED)

- a. ✓ Minutes of Regular U.C. Meeting Held 4-25-22 (*Annotated Version*) (U.C. and State Requirements)
- b. ✓ Approval – Cost Sharing Agreement for Washington Street Streetscape Project – City of New Smyrna Beach – J. Couillard (U.C., State, & Federal Requirements)
- c. ✓ Budget Ratification – North Atlantic Water Improvements Project and Approval – Cost Share Agreement Between UCNSB and City of NSB – J. Couillard (U.C., State, & Federal Requirements)
- d. ✓ Approval – Continuing Professional Service Agreement – RSQ 07-22 – Grant Research and Writing (Recommend Award to The Balmoral Group, LLC) – J. Couillard (U.C., State, & Federal Requirements)
- e. ✓ Ratification – Award of ITB No. 13-22 – Pole and Padmount Transformers (Awarded to Gresco Utility Supply) – V. Steele
- f. ✓ Approval - Interest on Customer Deposits (Annual) – E. Chavez

#### 4. General Manager's Report – J. Bunch

a. Financial Status – April 2022 – E. Chavez (DIRECTOR OF FINANCE PRESENTED APRIL 2022 FINANCIAL PERFORMANCE. APRIL 2022 FYTD CHANGE IN NET ASSETS ABOUT \$1.8 MILLION, WITH \$0.5 M MARK TO MARKET. PURCHASED POWER AT \$64 PER MEGAWATT HOUR WHICH IS 23% GREATER THAN PRIOR YEAR. CAPITAL EXPENDITURES AT \$11.3 MILLION-\$6.4 M IN MAJOR PROJECTS, \$4.9 M IN ANNUAL PROJECTS. OPERATING INCOME AND LOSS, LAST YEAR, 4-2021, AT A \$2.4 M LOSS, NOW AT ABOUT \$400,000. DRIVERS, INCREASED REVENUES FROM WATER AND RECLAIMED, BUT SLIGHTLY LOWER ON ELECTRIC BECAUSE OF Milder WEATHER. WILL SEE THAT TURN AROUND IN HOTTER WEATHER. SLIGHTLY HIGHER INCREASED DEPRECIATION AND AMORITIZATION. TWO PIECES FOR PURCHASED POWER – UNDER-RECOVERY ENDING IN APRIL AND THEN AN INCREASE. PURCHASED POWER NET OF \$2.2 M BENEFIT, BUT A \$2.5 M PURCHASED POWER INCREASE YEAR OVER YEAR. ALSO POINTED OUT CONTINUING TO HAVE STEADY GROWTH IN UCNSB CUSTOMER BASE -



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## RESULTS OF UC MEETING

### 4. General Manager's Report – J. Bunch

- a. Financial Status – April 2022 – E. Chavez (cont.)  
 1.9% INCREASE IN ELECTRIC, 1.8% IN WATER, 1.1% IN WASTEWATER, AND 8.6% IN RECLAIMED WATER) (GM-CEO THEN DISCUSSED A FEW SLIDES TRACKING U.C. FIELD OR DEVELOPER-DRIVEN ACTIVITY. EXPLAINED IN 2019 ALL ELEMENTS OF THIS PROCESS PEAKED OUT IN TERMS OF VALUE. ALSO HAD SIMILAR PEAK IN "STARTS" WHICH THEN DROPPED OFF IN 2020. COMPLETIONS - INSTALLING METERS AND OBTAINING CO'S, PEAKED IN 2020. THE TIME FOR WHEN A BUILDER APPLIES FOR METER(S) AND GOING THROUGH TO COMPLETION, HAS MORE THAN DOUBLED. PROBABLY DUE TO MATERIALS AND RESOURCE CHALLENGES. AT THIS POINT, DEVELOPMENT FRONT-END ACTIVITY HAS WANED, AND BASED ON HISTORICAL ACTIVITIES, STARTS AND COMPLETIONS MAY NOW ALSO FALL OFF BUT HASN'T HAPPENED IN A NOTABLE AMOUNT AT THIS POINT IN TIME. ALSO POINTED OUT RESIDENTIAL DOMINATES UCNSB DEVELOPMENT ACTIVITY, IN VOLUME AND DOLLARS) (CHAIRMAN DAVENPORT REQUESTED INFO. TO BE PROVIDED TO COMMS. RE: UPCOMING / PLANNED DEVELOPMENT ACTIVITIES. CITY OF NSB DEVELOPMENT REPORT TO BE PROVIDED AND UCNSB ENGINEERING WILL INCLUDE SOME LOS ON PENDING DA'S IN THE GM REPORT)
- b. Presentation – Solar Power Update – T. Beyrle (DIRECTOR, SYSTEM OPS. PROVIDED PRESENTATION RE: UPDATE/RECAP OF FMPA PHASE II SOLAR PROJECT, COMMERCIAL OP. EXPECTED BY END OF 2023, U.C. COMMITMENT 10 MW, PRICE AT \$28/MWh, APPROX. 5% OF TOTAL CURRENT ANNUAL POWER SUPPLY. PROJECT MAY BE DELAYED DUE TO US DEPT. OF COMMERCE INVESTIGATION INTO SOLAR PANEL TARIFF MATTERS. ADDITIONAL PROPOSED SOLAR PROJECT NOW ONGOING, FMPA PHASE III. TWO TO FIVE SITES, DUKE AND FPL INTERCONNECTIONS, INCLUDES OPTIONS FOR CO-LOCATED BATTERY STORAGE AND POTENTIAL FUTURE INSTALLATION. COMM. OP. EXPECTED BY END OF 2026. IF U.C. PARTICIPATES, EST. 5-10 MW RANGE, EST. \$34/MWh COST CEILING VS. UC AGGREGATE SUPPLY COST OF APPROX. \$65 YTD. U.C STAFF ANALYZING POWER SUPPLY NEEDS, RECOMMENDATIONS EXPECTED AT 6-27-22 REGULAR UC MTG. ALSO MENTIONED FINAL REPORT RE: SOLAR CAPACITY ON U.C.'S WESTERN UTILITY COMPLEX SITE FORTHCOMING.
- c. Introduction – Josef Grusauskas, Director of Water Resources and Heather Carrizales, Manager, Human Resources – J. Bunch (BOTH EMPLOYEES INTRODUCED TO COMMISSION AND PROVIDED SHORT BIO'S)
- d. 2021 Consumer Confidence Report (CCR) – Water Quality Report – J. Grusauskas (available online at <https://www.ucnsb.org/wqr> or call 386-427-1361 for a paper copy) (DIRECTOR, WATER RESOURCES, PROVIDED A COPY OF U.C.'S 2021 WATER QUALITY REPORT, AKA CCR. EXPLAINED THIS REPORT WILL BE DISTRIBUTED ELECTRONICALLY TO CUSTOMERS THIS YEAR. A NOTE WILL BE DISPLAYED AT THE BOTTOM OF UTILITY BILLS FOR THREE MONTHS. CUSTOMERS MAY REQUEST A PAPER COPY IF DESIRED. MENTIONED THE CURRENT, ONGOING CHLORINE WATER SYSTEM FLUSH, PLANNED TWICE PER YEAR, MAY BE ADJUSTING SCHEDULE TO AVOID HOLIDAYS WHEN POSSIBLE. ALSO BRIEFLY DISCUSSED PLANNED CIP WATER PLANT IMPROVEMENTS)



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### 5. Commission Counsel's Report – General Counsel

- a. Informational Presentation - Use of U.C. Revenues for Affordable Housing (G.C. CLOUD PROVIDED PRESENTATION IN RESPONSE TO U.C. COMMS.' REQUEST ON 3-28-22 - FOLLOW-UP DISCUSSION ON ITEMS FROM JT. CITY / U.C. WORKSHOP HELD 2-24-22. SUMMATION – NO CONSTITUTIONAL, GENERAL LAW OR SPECIAL ACT GRANTS AUTHORITY OR POWER TO U.C. FOR THIS PURPOSE. EXISTING BOND COVENANTS PERMIT REVENUE USE ONLY FOR SYSTEM\* PURPOSES. \*SYSTEM BEING SERVICES AND UTILITIES U.C. PROVIDES) (CHAIRMAN DAVENPORT REQUESTED THIS LEGAL DETERMINATION TO BE FORWARDED BY G.C. CLOUD TO CITY ATTORNEY AVALLONE, AND WILL BE A FOLLOW UP TO THE PREVIOUS 5-3-22 LETTER PROVIDED TO THE CITY COMMISSION)  
 (LEGAL DETERMINATION FORWARDED TO CITY ATTORNEY BY G.C. CLOUD ON 5-23-22)

### 6. Old Business

### 7. New Business

- a. ✓ Scheduling of Public Hearings, with FPSC Electric Rates Submittal (Street Lighting and Electric Vehicle Charging) – E. Chavez (AUTHORIZED SCHEDULING OF TWO PUBLIC HEARINGS FOR TWO PROPOSED ELECTRIC RATES FOR 6-27-22 AND 7-25-22, PRELIMINARY AND FINAL RESPECTIVELY, AT 3:00 PM PRIOR TO REGULAR U.C. MTGS. ON THOSE DATES, AND FOR G.C. CLOUD TO SUBMIT THESE RATES TO THE FLORIDA PUBLIC SERVICE COMMISSION FOR THE REQUIRED RATE STRUCTURE REVIEW)
- b. Presentation – Electric Vehicles and Infrastructure / Preparing for the Future – J. McMurray (DIRECTOR, STRATEGIC PROGRAMS, PROVIDED A PRESENTATION REGARDING E.V.'S AND INFRASTRUCTURE. DISCUSSED U.C.'S CURRENT E.V. AND ELECTRIFICATION STUDY. COVERED KEY POINTS INCLUDED IN THE STUDY, COMPLETION ANTICIPATED FOR 7-22. THE STUDY WILL PROVIDE RECOMMENDATIONS FOR DEVELOPMENT OF A LONG-TERM COMMUNITY APPROACH. DISCUSSED U.C.'S ONGOING E.V. CHARGER PILOT PROGRAM, COMMENCING AT ADVENTHEALTH NSB. ADDITIONALLY, THE CITY OF NSB PROVIDED TEN PRIORITY CHARGING LOCATIONS. DESCRIBED CHARGING PAYMENT APPS. AND RELATED MANAGEMENT DATA ANTICIPATED. SHELL RECHARGE CHOSEN AS U.C.'S VENDOR, ANTICIPATING CHARGER DELIVERIES BY 10-22)

### 8. Possible Other Business - Time for Commissioners

(COMMS. SMITH INQUIRED ABOUT STATUS OF U.C. CONSERVATION PROGRAMS. DIRECTOR OF FINANCE PROVIDED INFO.) (CHAIRMAN DAVENPORT INQUIRED ABOUT STATUS OF RELOCATING U.C. FLEET FACILITY FROM CITY'S SWOOPE SITE. GM-CEO PROVIDED CURRENT STATUS) (CHAIRMAN DAVENPORT ALSO INDICATED WHEN UCNSB IS MOVING FORWARD ON LOCATING FUNDING FOR SEPTIC TO SEWER PROJECTS, COUNTY COUNCILMAN D. ROBINS SHOULD BE INCLUDED. GM-CEO INDICATED ALSO SEN. WRIGHT AND COUNTY PERSONNEL. WILL GET INFO. FROM CONSULTANT ASSISTING W/GRANT WRITING, AN ITEM APPRVD. TODAY, AND THEN CIRCLE BACK AND REACH OUT)