

*[ANNOTATED VERSION\*]*

*[\*Near verbatim/detailed version of minutes posted on NSBU website – nsbufl.com]*

MINUTES OF A PRELIMINARY PUBLIC HEARING AND A REGULAR MEETING OF THE NEW SMYRNA BEACH UTILITIES, HELD MONDAY, JANUARY 23, 2023, AT 3:00 P.M., AT 200 CANAL STREET, NEW SMYRNA BEACH, FLORIDA  
*(NOTE – THIS REGULAR NSBU MEETING WAS HELD ON-SITE)*

Preliminary Public Hearing RE: NSBU’s Consideration and Declaration Concerning Two New Public Utilities Regulatory Policies Act (PURPA) Standards – (1) Demand Response and Demand Flexibility and (2) Electric Vehicle Charging Programs:

Chairman Davenport called the Preliminary Public Hearing to order. All of the NSBU Commissioners were in attendance as follows:

Commissioner James Smith  
Commissioner Lillian Conrad  
Chairman James Davenport  
Commissioner Richard Hawes  
Commissioner Lawrence Kelly, Jr.

Others in attendance at this time were as follows: J. Bunch, General Manager/CEO; E. Chavez, Vice President/CFO; V. Steele, Director, Electric Operations; J. Couillard, Director, Engineering; J. McMurray, Director, Strategic Programs; J. Grusauskas, Director, Water Resources; J. Michel, Interim Director, I.T.; M. Spellers, Sr. Help Desk Technician; L. Green, Help Desk Technician; H. Carrizales, Sr. Mgr. H.R./Support Services; D. Wood, Sr. Mgr., C.S. & Communications; E. Fisher, Communications Mgr./PIO; W. Henry, T&D Supervisor; D. Simmons, Exec. Mgr./ Recording Secretary; General Counsel Thomas Cloud, Esquire – Gray|Robinson Attorneys at Law; Lisa Martin, NSB City Commissioner, and Dawn & David Whiteley, Lorraine Sharp, Laura Rossiter, and an unidentified woman, as members of the public in attendance on site.

Mr. Cloud then read the title of the proposed Resolution for this matter. Stated Resolution No. 2023-01, a Resolution of the Utilities Commission, City of New Smyrna Beach, Florida, Declaring the Commission’s Intention with Regard to the Requirements of the Public Utilities Regulatory Policies Act (PURPA), Supplementing NSBU Resolution Nos. 2-08 and 1-09, Rescinding All Resolutions, or Portions Thereof, in Conflict Herewith and Providing for an Effective Date.

There were no comments for or opposed to NSBU’s consideration and declaration regarding the two new PURPA Standards.

Chairman Davenport then closed the Preliminary Public Hearing, this public hearing concluded at 3:02 p.m.

**Regular NSBU Meeting Held 1-23-23:**

After concluding the Preliminary Public Hearing for consideration of two new PURPA standards, Chairman Davenport called the Regular Meeting of the New Smyrna Beach Utilities held on January 23, 2023 to order.

Commissioner Hawes led in the Pledge of Allegiance and Commissioner Kelly provided the Invocation.

**Presentation of Certificate for Completion of Meter Technician Certification Program from Northwest Lineman College to Brady Benishek:**

After a slight delay, allowing Mr. Brady Benishek additional time to arrive from the field, Chairman Davenport then presented this Certificate. Mentioned that Mr. Benishek's father had worked for NSBU about 33 years and explained a little about what this Meter Technician Certification Program offers. Those in attendance applauded and a photograph was taken of Chairman Davenport and Brady Benishek and posted on NSBU's Facebook.

**Safety Message by Julie Couillard – Preventing Slips, Trips, and Falls:**

Ms. Couillard then provided a You Tube video, produced by Ally Safety entitled "Preventing Slips, Trips, and Falls". Explained similar videos were displayed during the Engineering Manager's bi-weekly meeting. Added it was focused on business but also applicable at home.

**Roll Call:**

After conclusion of the safety message, Chairman Davenport requested a roll call to be taken and all of the NSBU Commissioners remained in attendance as follows:

Commissioner James Smith  
Commissioner Lillian Conrad  
Chairman James Davenport  
Commissioner Richard Hawes  
Commissioner Lawrence Kelly, Jr.

Others in attendance at this time were as follows (same as during preliminary public hearing): J. Bunch, General Manager/CEO; E. Chavez, Vice President/CFO; V. Steele, Director, Electric Operations; J. Couillard, Director, Engineering; J. McMurray, Director, Strategic Programs; J. Grusauskas, Director, Water Resources; J. Michel, Interim Director, I.T.; M. Spellers, Sr. Help Desk Technician; L. Green, Help Desk Technician; H. Carrizales, Sr. Mgr. H.R./Support Services; D. Wood, Sr. Mgr., C.S. & Communications; E. Fisher, Communications Mgr./PIO; W. Henry, T&D Supervisor; D. Simmons, Exec. Mgr./Recording Secretary; General Counsel Thomas Cloud, Esquire – Gray|Robinson Attorneys at Law; Lisa Martin, NSB City Commissioner, Dawn and David Whiteley, Lorraine Sharp, Laura Rossiter, and an unidentified woman, as members of the public in attendance on site.

Chairman Davenport then recognized City Commissioner Lisa Martin and thanked her for being in attendance.

(1) Agenda Changes, Additions and Deletions:

Chairman Davenport asked Mr. Bunch if there were any agenda changes, additions or deletions.

Mr. Bunch stated there was one addition, add-on agenda item 4-d., which is Mr. McMurray's going to give a quick update on the NSBU electric vehicle charging installations.

(2) Public Participation:

Chairman Davenport then announced public participation and indicated there was a member of the public in attendance who wanted to speak – Mrs. Dawn Whiteley. Requested her to come to the podium and limit comments to three minutes please.

Mrs. Whiteley came to the podium and stated her name, her husband's name David Whiteley, and their address – 2071 Marsh Harbour Drive, New Smyrna Beach. Mrs. Whiteley provided the Commissioners with handouts and expressed their concerns with one of the proposed routes for the NSBU Reliability Grid Project. Stated this was the route along Turnbull Creek, explaining it was an environmentally sensitive and historically significant area, are concerned about the environmental impact of this project. Also indicated in 2018 over 70% of NSB residents voted in favor of issuing \$15 million in General Obligation Bonds to protect natural areas and wildlife habitat. Her property was chosen along the creek, along with over 100 other properties, for its environmental sensitivity. Then thanked the Commission for their time and consideration.

At the conclusion of her comments, Mr. Bunch explained this project is an extension between the Airport Substation near Turnbull Bay and Field Street which is off S.R. 44. Mentioned a Public Workshop had been held about two weeks ago and Mrs. Whiteley's comments today would be included with the feedback being gathered for an ultimate selection of a route. Added between now and May there will also be at least one Public Hearing for determination of a recommended route based on the consultant's, staff, and customer comments.

Chairman Davenport thanked Mrs. Whiteley for her comments and added NSBU meeting dates are posted on our website.

Mr. Bunch added that Mrs. Ellen Fisher, NSBU's Communication Manager, is emailing those who have expressed an interest in the project and attended the Workshop, will make sure that Mrs. Whiteley's email is added to that list.

(3) Approval of Consent Items:

Chairman Davenport then confirmed that none of the Commissioners wished to pull any of the items from the consent agenda for discussion.

(3) Approval of Consent Items (cont.):

Commission Action:

Commissioner Conrad then stated okay, I make a motion to approve the consent items a. through f.; specifically a motion to approve item 3-a. Minutes of Regular NSBU Meeting Held 12-15-22, approve as submitted; item 3-b. Ratification – Granted and Accepted Third Party Utility Easements (Zaxby’s and Jimmy Hula’s), ratify acceptance of two third party granted utility easements – Zaxby’s Restaurant on S.R. 44 from Courtland of New Smyrna, LLC, and for Jimmy Hula’s Restaurant on Canal St. from Peacock Farm Supply, LLC; attached to this agenda item and hereby submitted to the Commission; item 3-c. Approval – Developer’s Agreement – Cordova (aka Village Center East), approved the DA for Cordova by Collier Luna Bella Lane, LLC and authorize the GM/CEO or his designee to execute this document when contingencies are met; item 3-d. Approval – Award of RFP No. 22-22 Annual Pump and Motor Repair Services, approve the issuance of three annual service agreements (1-yr. w/option to extend up to 3 1-yr. terms) to Florida Armature Works, TAW Power System, Inc. and Southeast Pump Specialist, award under RFP No. 22-22 for Pump and Motor Repair Services, and authorize the GM/CEO or his designee to execute all documents associated with this matter; item 3-e. Approval – Vacation of Easements – 602 N. Peninsula Avenue, approve the vacation of two utility easements located on 602 N. Peninsula Avenue, described in agenda item summary and depicted in attachments, and authorize the GM/CEO or his designee to execute any additional documents associated with this matter; and item 3-f. Project Approval – Annual Hydrogeological Services (FY23 thru FY26), approve continuance and approval of these services to Kimley-Horn and Associates in a total amount of \$200,000 (to be issued annually in amounts of \$50,000.00 for FY2023 thru FY2026), and authorize the GM-CEO or his designee to execute all documents associated with this matter.

Commissioner Kelly stated second.

Chairman Davenport asked Mrs. Simmons to please call the roll.

Commissioner Conrad’s motion then passed unanimously on a roll call vote.

(4) General Manager’s Report:

Chairman Davenport then moved on to the next item, the General Manager’s Report.

Mr. Bunch asked Mr. Chavez to come forward and cover the financial results for December.

(4-a) Financial Status – December 2022:

Mr. Chavez came to the podium and provided a presentation on the December 2022 Financial Performance Results. Stated this month’s results reflected a change in net assets of about \$0.5 million, which was lower than the prior year (December 2021), primarily driven by increased purchased power and operating expenses, slightly less capital contributions. And offset by increased revenue, rates, customer growth and the updated purchased power adjustment.

(4-a) Financial Status – December 2022 (cont.):

Indicated interest earnings were up to \$0.2 million and December electric consumption was up substantially when compared to the previous month's trend. Purchased power also heading in the right direction - \$69.74 per MWh, about \$8.50 higher than budget but already down from the month before of \$73.53 per MWh. Capital expenditures for the month were about \$2.3 million, \$1 million in major projects and \$1.3 million in annual projects. Natural gas spot price in December at \$5.53 per MMBtu and hovering around \$4.00 per MMBtu currently in January. Expecting to remain lower in the next couple of months based on recent price for gas commodity. FPPCAC Recovery Reserve also heading in the right direction, was \$2.4 million at the beginning of the fiscal year, now \$1.9 million in December due to the increased purchased power versus the prior year. Continuing on the current path, should ideally see that trend continue downward.

Mr. Chavez continued with his presentation and stated staff will be starting the budget process next month and will be placing additional rigor on the operation and maintenance expenses as well as the capital spend in relation to bond funds and other items. Overall the team is doing a great job.

Commissioner Hawes inquired that due to increasing costs if Mr. Chavez was seeing anything from a customer's standpoint, issues or challenges that people are having in paying their bill.

Mr. Chavez stated no, don't see from our collections' standpoint, remaining consistent in over 99% in the 30-day category. NSBU's Customer Service staff provides payment plans and also assist in finding payment assistance if needed.

Chairman Davenport shared a recent customer compliment, was told that NSBU was one of the best run organizations in town related to communications of operations and hurricanes and restoration of utility services.

Mr. Chavez thanked Chairman Davenport and stated it's a really good effort by the team and NSBU has implemented a number of different customer-centric communications programs. Implemented SilverBlaze recently, just went live, and Mrs. Danielle Wood, Customer Service Manager will be presenting more information on this in February to the Commission.

(4-b) 1<sup>st</sup> Quarter Balanced Scorecard and Enterprise Metrics – for December 2022 and 1<sup>st</sup> Quarter Reliability Performance Summary:

Mr. Bunch introduced this first quarter presentation and stated this was an update on the First Quarter Fiscal Year 2023 Key Performance Indicators or KPI's, covering October 1 through December 31. Indicated that a number of the members of the leadership team would be presenting their areas of business during this presentation. Also added as a reminder to the Commission and those in attendance, staff meets regularly to review their KPI performance, comparing ourselves to industry, best practices and peer utility benchmark data to drive targeted performance and also where to make investments. In addition, this supports NSBU's Vision, Mission, and Values, and the Modernization Roadmap. Which is the portfolio of projects to move NSBU from where we were several years ago to where we'd like to be as a utility and will be continuing to deliver further coordinated improvements.

(4-b) 1<sup>st</sup> Quarter Balanced Scorecard and Enterprise Metrics – for December 2022 and 1<sup>st</sup> Quarter Reliability Performance Summary (cont.):

Ms. Heather Carrizales, Sr. Manager, Support Services presented the Safety & Risk and Organizational Capacity metrics. Mrs. Danielle Wood, Sr. Manager, Customer Service & Communications presented the Customer Service and Billing & Collections metrics. Mr. Josef Grusauskas, Director, Water Resources presented the Reliability for Water Resources. Ms. Julie Couillard, Director, Engineering then presented the Electric Reliability KPI's, Reliability Projects and Preventative Maintenance Programs, as well as the semi-annual Reliability Performance Summary.

During these presentations, Commissioner Kelly commended the Customer Service team for keeping it very personal with the NSBU customers, a very nice thing for our NSB community as a whole.

Commissioner Smith commended the Water Field Ops. crew for their work efforts on repairing a water main break which occurred on Thanksgiving Day on Florida Avenue; stated they did a great job, and he was impressed.

And within her business area presentation portion, Ms. Couillard explained that NSBU was now realizing reliability improvements from the planned investments into the Electric Reliability Improvement Plan (ERIP), and other reliability projects and preventative maintenance programs – had the best SAIFI and SAIDI first quarter metrics on record! Additionally, outage impacts from recent hurricanes (Ian and Nicole) were drastically reduced due to the ongoing system improvement projects.

Commissioner Smith inquired about electrical undergrounding and discussion ensued regarding a historical program in Venezia, current costs for undergrounding, and planning for selective undergrounding by NSBU in the future.

Commissioner Conrad inquired about status of the city's Washington Street Project and Ms. Couillard provided a short update.

Mr. Bunch then provided the closing comments for the first quarter KPI's and semi-annual reliability performance summary, which depicted all areas of the NSBU business areas are doing very well in the first quarter of fiscal year 2023.

Upon conclusion, Commissioner Hawes stated the metrics are a communications tool, not just for Commissioners but to the NSBU Team, puts all on the same page and direction going forward. Added this is also a quality measure of how we're doing, are we hitting our marks, helping our customers or not. This ties into everything else being done and is a really important piece of what NSBU is doing.

Chairman Davenport added good job.

Mr. Bunch stated thank you, we appreciate that feedback.

(4-c) Requested Update (Verbal Rpt.) – Transformer Outage at Springhill Suites by Marriott (512 Flagler Ave.) and FMEA 2022 Restoring Communities Award to NSBU:

Mr. Bunch then stated we had a question at last month's meeting about an outage in the Flagler Avenue area and he asked Mr. Vernon Steele to come up and talk a little bit about that.

Mr. Steele, the Director, Electric Operations, came to the podium and provided a verbal report regarding the transformer outage in response to Commissioner Smith's previous inquiry. Explained that the root cause had been a bird making contact with wires and blew a fuse feeding approximately eight businesses on Flagler Avenue and Atlantic. The outage was restored quickly and the crews added some insulated wire during the repair. Will also be adding a bird discourager at this location and similar locations to prevent perching and assist with prevention of additional outages.

Mr. Steele also announced that NSBU received the 2022 FMEA Restoring Communities Award, for the fifth consecutive year, awarded for participation in the Mutual Assistance Program. The Award is provided for those systems that provide, as well as receive, assistance. Explained this program was critical to municipalities with electric services for the restoration of their services after storms. NSBU recently received assistance after Hurricanes Ian and Nicole. Added that for these two recent storms, 175 companies from 23 states helped to restore electric utility services, municipal partners from all over the country helping out.

ADD-ON (4-d) Informational Update on E.V. Charging:

Mr. Bunch then stated that John McMurray would now give a little quick update on our electric vehicle charging in the community.

Mr. McMurray, Director, Strategic Programs came to the podium and provided a presentation and status update on five NSBU E.V. charging stations (each site will have a dual port charger, two E.V. vehicles can charge at same time). These stations will be located at Advent Health, Live Oak Cultural Center, Coronado Civic Center, City Hall Annex, and Faulkner Street. This presentation included the addresses and pictures of these sites.

Chairman Davenport confirmed there would be payment via credit cards.

Mr. McMurray commented there are multiple ways to pay, Shell makes it easy to pay them and we make it easy to pay us.

Discussion also ensued regarding the public status of these E.V. charging sites and where these sites will show up on maps and websites.

At conclusion of this update, Mr. Bunch indicated to Chairman Davenport that was all for the General Manager's Report.

(5) Commission Counsel's Report – General Counsel:

Chairman Davenport then moved on to item number 5. Commission Counsel's Report.

(5-a) Scheduling Request – Special NSBU Meeting for GM-CEO Merit Reward Determination – FY2022 Performance:

Mr. Cloud indicated there was just one item, under Mr. Bunch's contract, there's an annual review. Then requested for a motion to approve the scheduling of a Special meeting, right before next month's Regular Meeting, at 2:30 p.m. for a merit reward determination by the Commission for the GM-CEO's FY2022 performance, in accordance with his contract.

Commission Action:

Commissioner Smith stated so moved; specifically a motion to approve the scheduling of a Special NSBU Meeting on February 27, 2023 at 2:30 pm, for a merit reward determination by the Commission for the General Manager/CEO's FY2022 Performance, in accordance with his NSBU employment contract dated 8-22-22.

Commissioner Kelly seconded this motion.

Chairman Davenport confirmed there was no further discussion on the motion and requested Mrs. Simmons to call the roll.

Commissioner Smith's motion then passed unanimously on a roll call vote.

Chairman Davenport confirmed with Mr. Cloud that the Commissioners would be getting additional documentation in an email to review prior to the Special Meeting.

(6) Old Business:

Chairman Davenport then confirmed no Old Business items to consider at this time.

(7) New Business:

Chairman Davenport moved on to New Business, item 7-a., stating the title of this item.

(7-a) Ratification – Cooperative Purchasing Agreement for UKG's Human Resources Information System (HRIS) – (U.S. Communities Government Purchasing Alliance Master Agreement Ref. No. 18221):

Ms. Carrizales came to the podium and provided a presentation and discussion regarding the implementation of a Human Resources Information System (HRIS). Explained existing H.R. processes for recruitment, onboarding, time and absence, payroll, human capital management, performance appraisals, training management, benefits enrollment, and separations. All are manual, paper-based, and inefficient. Then compared to the benefits of an HRIS, explaining the numerous benefits that will vastly improve all of these existing H.R. processes. Also explained additional intangible ROI on this investment – H.R. staff becomes more strategic, less data entry, will support accountability among both employees and managers, provides reporting capabilities for numerous requirements, and becoming electronic in these processes in lieu of paper. Also explained the selection process for Kronos SAAShr, Inc. (UKG Company) which included demos and various employees' review – UKG unanimously



(7-a) Ratification – Cooperative Purchasing Agreement for UKG’s Human Resources Information System (HRIS) – (U.S. Communities Government Purchasing Alliance Master Agreement Ref. No. 18221) (cont.):

selected by all parties involved. Also provided the attributes of this company plus integration capabilities, is a cloud-based system, as well as their references and security - certified compliances.

Commissioner Kelly inquired about length of this agreement and costs.

Ms. Carrizales stated a three-year agreement with options to renew as long as the governing Co-op Purchasing Agreement remains in effect. Also confirmed the \$12,000.00 is a one-time set-up fee only, just to configure everything.

Commissioner Kelly commented he believed a new HRIS will save time, it’s night and day for Controllers and CFO’s with the information access. However, employees may need some reminding of what is on their dashboards.

Ms. Carrizales concurred, there will be some change management involved, all being done in paper becomes electronic, and what you used to call H.R. for will now be at their fingertips in their dashboard.

Commissioner Conrad commented she thought the price was very reasonable.

Commission Action:

Commissioner Hawes stated so moved; specifically a motion ratifying participation in a governmental cooperative purchasing program and the implementation of a Human Resources Information System (HRIS) from Kronos SAAShr, Inc. (a UKG Company), through the U.S. Communities Government Purchasing Alliance – Master Agreement Reference No. 18221. (Annual rate of \$49,245.60 plus one-time set-up fee of \$12,000.00 – approved as an ongoing Modernization Project)

Commissioners Conrad and Kelly simultaneously seconded this motion.

Mrs. Simmons confirmed the first and second on this motion and Chairman Davenport then confirmed there was no further discussion desired on the motion.

Commissioner Hawes’ motion then passed unanimously on a roll call vote.

Chairman Davenport commented about timing, long overdue, wish it had been done in 2018.

Mr. Bunch explained staff held off, in 2019 actually, because prior company under consideration was a very big company. Prior to implementation, they weren’t willing to do test data. Discovered they were actually too big for NSBU, it was not the time to go into that contract. Held off about three years, saved some money, and now is the time to move forward and with this other company.

(7-a) Ratification – Cooperative Purchasing Agreement for UKG’s Human Resources Information System (HRIS) – (U.S. Communities Government Purchasing Alliance Master Agreement Ref. No. 18221) (cont.):

Chairman Davenport stated excellent job, and then thanked Ms. Carrizales.

(8) Possible Other Business – Time for Commissioners:

Chairman Davenport asked for any comments, items of business from Commissioners.

Commissioner Smith thanked staff for providing information on the Marriott outage issue.

Chairman Davenport commended staff for their presentations during today’s meeting. Also commented it was a night and day difference in reporting quality when compared to 2018.

Commissioner Hawes made a motion to adjourn this meeting and Commissioner Kelly seconded.

There being no further business to come before the Commission, the Regular U.C. Meeting closed at 4:42 p.m.

APPROVED:

ATTEST:

  
\_\_\_\_\_  
CHAIRMAN

  
\_\_\_\_\_  
SECRETARY-TREASURER

These minutes were formally approved by the Utilities Commission at their February 27, 2023 meeting.