Utilities Advisory Board Regular Meeting

Agenda

December 7, 2021 @ 12:00 pm

Virtual

welcome

Agendas and all backup material supporting each agenda item are accessible via the city's website at cityofwinterpark.org/bpm and include virtual meeting instructions.

assistance & appeals

Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's Office (407-599-3277) at least 48 hours in advance of the meeting.

"If a person decides to appeal any decision made by the Board with respect to any matter considered at this hearing, a record of the proceedings is needed to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." (F.S. 286.0105).

please note

Times are projected and subject to change.

agenda	time
1. Call to Order	
2. Consent Agenda	
a. Minutes for October 12, 2021	1 Minute
b. Minutes for October 26, 2021	1 Minute
3. Staff Updates	
a. Electric Utility - Dan D'Alessandro	5 Minutes
b. Water & Wastewater Utility - David Zusi	5 Minutes
c. Performance Measurement - (attachment only)	5 Minutes
d. Financial Report October 31, 2021 - Wes Hamil	5 Minutes
4. Public Comments (for items not on the agenda): Three minutes allowed for each speaker	
5. Non-Action Items	
a. Broadband & Smart City Ad Hoc Committee – Paul Conway	5 Minutes
b. Update on Hiring Consultant to Address Governance by the UAB - Dan D'Alessandro	5 Minutes
6. Action Items	
a. Undergrounding Service Lines - Option F Projections - Wes Hamil	20 Minutes
b. Approval of Meeting Dates & Tentative Agenda Topics - Michael Poole	10 MInutes
7. Board Comments	
a. Energy Efficiency Audits in 2021-2022 Budget	10 Minutes
8. Adjournment	
a. UAB Work Session - January 11, 2022 UAB Regular Meeting - January 25, 2022	1 Minute

Utilities Advisory Board

agenda item

item type Consent Agenda	meeting date December 7, 2021
prepared by Karen Hood	approved by
board approval	
strategic objective	

subject
Minutes for October 12, 2021

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:
UAB Minutes 10122021-Draft3.pdf

Utilities Advisory Board Special Meeting

Draft Minutes

October 12, 2021 at 11:00 a.m.

Virtual | Winter Park, Florida

Meeting called to order

Michael Poole called the meeting to order at 11:00 a.m.

Present

Michael Poole (Chair), Paul Conway, Mary Dipboye, Fred Guitton, Leon Huffman, Linda Lindsey, Jack Miles

City of Winter Park Staff

Dan D'Alessandro, Director of Electric Utility

Justin Isler, Operations Manager

Michael Passarella, Engineer Electric Utility

Wes Hamil, Director of Finance

Vanna Lawitzke, Chief Accountant

Absent

Karen Hood, Recording Secretary

Action Items

Strategy and Messaging for Raising Electric Rates to Ensure Undergrounding of Total System – Wes Hamil presented the Underground Service Lines Data Sheet. The presentation included multiple options for funding the service line undergrounding and refunding customers who have already paid to have their service line undergrounding. There was a healthy discussion on numerous scenarios – charging all customers the same (both residential and commercial), do refunds go to the address or the customer (assuming customer moved), and many other scenarios. The Board consensus was to apply rate increases to residential customers only and refund all customers (including residential building permits) who have paid for undergrounding $1,000 to the residence's occupants. Staff will prepare options and a cash flow timeline for discussion at the next meeting.

Jack Miles said he wanted the record to show that he knew what the UAB voted on and what they did at the UAB Board Meeting of September 28th. He said it seemed like it was "jammed down" our throats. We have no facts on the costs and no idea how many services are undergrounded, none of the facts around it. We made a recommendation to do something, yet there are programs in place. If people want to be underground, they can do so by paying $25 per month (their responsibility), and he doesn't know why it is optional? He said there are many options to look at. Is this a ratepayer issue or a property owner issue? He believes it is a property owner issue, and there should be more discussion. He stated if the vote has been done, that's fine, but he believes the half-cent per kilowatt-hour increase is a big mistake. Chair Michael Poole reminded Mr. Miles that he participated in the service undergrounding discussion at the last UAB meeting and voted for the funding increase.

The Board will continue the discussion at the next regularly scheduled meeting.

Adjournment

Chmn. Poole adjourned the meeting at 11:53 a.m.

Respectfully Submitted,
Karen Hood
Recording Secretary
Approved ___________________

Utilities Advisory Board

agenda item

item type Consent Agenda	meeting date December 7, 2021
prepared by Karen Hood	approved by
board approval	
strategic objective	

subject

Minutes for October 26, 2021

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:

UAB Minutes 10262021-Draft1.pdf

Utilities Advisory Board
Draft Minutes

October 26, 2021 at 12:00 p.m.

Virtual | Winter Park, Florida

Meeting called to order

Chmn. Poole called the meeting to order at 12:00 p.m.

Present

Michael Poole (Chair), Paul Conway, Mary Dipboye, Linda Lindsey, Jack Miles

City of Winter Park Staff

Dan D'Alessandro, Director of Electric Utility

Justin Isler, Operations Manager

Michael Passarella, Engineer Electric Utility

David Zusi, Director of Water & Wastewater Utility

Jason Riegler, Asst. Director of Water & Wastewater Utility

Wes Hamil, Director of Finance

Vanna Lawitzke, Chief Accountant

Vanessa A. Balta, Sustainability Program Manager

Guest

Navid Nowakhtar, FMPA

Craig Shepard, Leidos

Absent

Fred Guitton

Leon Huffman

Karen Hood, Recording Secretary

Agnieszka Tarnawska, Sustainability Specialist

Approval of minutes

Minutes for September 28, 2021 – Paul Conway suggested an amendment to the minutes under Action Items, Paragraph B; the word ***government*** should be ***governance***. Motion made by Paul Conway and seconded by Mary Dipboye to approve the minutes as amended from the September 28, 2021 meeting. Motion carried 5-0.

Minutes for October 12, 2021 – Discussion ensued, and it was decided there would be a summary added stating there was a consensus of the direction of where the board was headed. We will send the amended minutes out to the board ahead of time for their review and comments.

Staff Updates

A. Water & Wastewater Utility – David Zusi discussed residential septic tank conversions and possible incentives on the impact fees. Comments were made, and a discussion ensued. Chmn. Poole will work on arranging for a presentation to the UAB regarding the new Tyler system and what it will do for the utility departments.

B. Electric Utility – Dan D'Alessandro reported the Electric Utility met the eight-mile goal this year. He then discussed his monthly report. Questions were asked and answered.

C. Performance Measurements – report was attached.

D. Financial – Wes Hamil reviewed and discussed the financial report. Questions were asked and commented on.

Citizen Comments

None

Non-Action Items

A. Update on Hiring Consultant to Address Governance by the UAB – Chmn. Poole reported Dan D'Alessandro would be presenting a timeline and process to move forward with hiring a consultant at the next UAB meeting.

B. Broadband & Smart City Ad Hoc Committee – Paul Conway gave UAB an update on Ad Hoc Committee. Questions were asked and commented on.

Action Items

A. Undergrounding Service Lines – Wes Hamil presented six options to fund the remaining lines to be undergrounded. The consensus of the UAB at the last meeting was to go with option F. A lengthy discussion took place. Staff will prepare cash flow projections that include all costs and expenses using those revenues from option F as a basis. Wes Hamil will present projections at the next UAB meeting.

B. Timeline for Updating Electric Cost of Service Study and Addressing Time of Use Rates – Wes Hamil presented a timeline beginning November 2021 through May 2022. Discussion ensued, and there were questions about the criteria and assumptions used in the previous Cost of Service Study. Chmn. Poole suggested the UAB have a work session in January focusing on the Cost of Service Study assumptions.

Discussion Items

None

Board Comments

Mary Dipboye asked in what context and what way as a Board want to take a look at electrification of transportation and what load implications that has for the utility? Where and when can we look at this? Chmn. Poole responded, saying we need to put that into the Board's planning conversation and add it to the calendar.

Adjournment

Chmn. Poole adjourned the meeting at 1:32 p.m. Next meeting is December 7, 2021.

Respectfully Submitted,
Karen Hood
Recording Secretary
Approved ___________________

Utilities Advisory Board

agenda item

item type Staff Updates	meeting date December 7, 2021
prepared by Daniel Dalessandro	approved by
board approval	
strategic objective	

subject

Electric Utility - Dan D'Alessandro

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:

DEC MTG DD-Electric Utility Oct21.pdf

Monthly Electric Utility Update 11/01/21

Miles of Undergrounding performed

- Project G: 4.12 miles (100% complete)
- Project J: 1.9 miles (3% complete)
- Project L: 7.2 miles (5% complete)
- Project Q: 1.85 miles (72% complete)
- Project R: 4.31 miles (28% complete) Commission approved advancement

TOTAL so far for FY 2022-   0.7 miles

OH/UG Budget update

2022 Undergrounding budget = $6.4M

- FYTD = $93K

Total Project Review

- Total Citywide Project Miles- 127.5
- Total Miles Completed- 87.9
- Percentage Completed- 68.9 %
- Total miles remaining- 39.7

Notes of Interest

- We extended an offer to a lineman candidate and it was accepted. We are now only one lineman short.
- The Commission directed the Utility to move project R up to facilitate the Progress Point improvement and trail as well as mitigate reliability issues in the Mead Garden area.
- Initial ranking has been completed and oral presentation/final rankings are scheduled for 11/9 for our solar awning installation at the compound warehouse.

Issues/Concerns

- Materials are going up exponentially (especially anything resin based like conduit) and the lead-time is extending.

2022 Goals

- Zero personal injuries within work group
  - We had an employee injure his shoulder requiring light duty
- Zero controllable vehicle accidents within work group
  - We had an employee hit a semi-truck box with our back-lot dolly he was bringing home from Tampa.
- Complete 8 miles (to include stretch goal) of underground conversions on the projects as designed
  - Projects R, J, Q & L
- Identify and complete areas with poor reliability for targeted undergrounding advancement (stretch goal of 2 miles) Project "Q" and "L" are our first targets.
- We will utilize targeted overtime with Heart crews to accomplish the additional 2 mile stretch goal
- Negotiate and secure a 2nd interconnection with OUC (Obviously depends on appropriate deal)

- ➢ Green indicates goal has been met
- ➢ Red indicates goal will not be met
- ➢ Orange indicates still underway

Utilities Advisory Board

agenda item

item type Staff Updates	meeting date December 7, 2021
prepared by David Zusi	approved by
board approval	
strategic objective	

subject

Water & Wastewater Utility - David Zusi

motion / recommendation

background

alternatives / other considerations

fiscal impact

Utilities Advisory Board

agenda item

item type Staff Updates	meeting date December 7, 2021
prepared by Peter Moore	approved by
board approval	
strategic objective	

subject
Performance Measurement - (attachment only)

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:
Utility PM Dec2021.pdf

Utility Monthly Performance Measurements

The Utility Advisory Board identified performance measurements for the Electric and Water Utilities. These are activity and profitability measures used as management tools to set baseline performance measures to be reviewed monthly to implement strategies for improved performance on those baselines. This report organizes the performance measurements by service type.

Water Sewer Utility

Service Type	Measure	Goal	July	Aug	Sept	On Target
Environment	Count of Rebates Processed		4	3	7	
	Total MWh generated from Aloma solar system	>15 MWh	17.41	15.55	14.69	Near Goal
Operational	Average % Water meters reporting	>98.50%	97.56%	97.96%	TBD	Near Goal
	Count of Wastewater Incidents	0	0	0	0	Met Goal
	Wastewater Incident Overflow in 1,000s Gallons	0	0	0	0	Met Goal
	Water pumped compared to CUP allocation	<12.4 mgd	10.29	10.35	9.93	Met Goal

Both

Service Type	Measure	Goal	July	Aug	Sept	On Target
Customer Service	Call Abandonment Rate		28.00%	26.90%	29.80%	
	Number of disconnects for non-pay		202	161	195	
	Utility Billing Call Average Wait Time		9:25	8:59	9:21	
	Volume of calls to City Utility Billing		5680	6162	6128	
Financial	Accounts receivable/billed revenue – FYTD	<10%	6.64%	6.45%	6.88%	Goal Met
	Average cost of purchased power per kWh - FYTD	<$0.05	$0.0458	$0.0463	$0.0472	Goal Met
	Average revenue per kWh – FYTD	>$0.10	$0.1050	$0.1056	$0.1094	Goal Met
	Bad debt expense/billed revenue – FYTD	<0.25%	0.11%	0.19%	0.19%	Goal Met
	Debt service coverage ratios - W&S - FYTD	>1.5	2.66	2.66	2.64	Goal Met
	Debt service coverage ratios - Electric - FYTD	>1.5	3.89	3.85	3.91	Goal Met
	Percentage of utility accounts receivable over 60 days outstanding		2.84%	3.44%	3.04%	
	Utility accounts receivable over 60 days outstanding		$177,818	$208,343	$206,181	

**Technical issues in our call reporting system caused no collection of data during system interruption. Working towards resolution.*

Index Key- the monthly data text is colored green when the change from the previous month is an improvement, and red when it is not. The On Target column is highlighted comparing the most recent monthly data to the Goal: Red if below, Yellow if Near, Green if Above.

Electric Utility

Service Type	Measure	Goal	July	Aug	Sept	On Target
Efficiency	Rate Comparison to Duke	<100%	81.9%	82.6%	83.3%	Met Goal
	Rate Comparison to State Avg	<105%	96.2%	96.7%	97.5%	Met Goal
	Solar Net new metering Customers		1	0	0	
Financial	Rolling 12 month kWh	407 (FY21)	426,043,017	424,588,881	422,033,827	Met Goal
Operational	Heart of Florida United Way Emergency Utility Assistance Program: Assistance provided to customers		$1,270	$1,670	$2,637	
	Heart of Florida United Way Emergency Utility Assistance Program: Available balance		$65,839	$61,039	$58,402	
	Heart of Florida United Way Emergency Utility Assistance Program: Number of customers approved for assistance		5	5	10	
	Underground System Complete (%)		68.00%	68.24%	68.30%	
Reliability	CAIDI		118.06	113.89	111.3	
	L-Bar		104.6	125.5	72.6	
	L-Bar Rank to Peers (12 mo rolling)	Top 5	16th/23	15th/22	13th/21	Below Goal
	Outage Occurrences		19	13	11	
	SAIDI		6.1	1.0	0.7	
	SAIDI Rank to Peers (12 mo rolling)	Top 5	5th/23	6th/22	5th/21	Met Goal
	SAIDI Sum	< 19 Annually	36.9	34.70	34.00	Below Goal

**FMPA and FMEA data often lag 1or2 months.*

Translation Table

L-Bar	*Measures the average length of a single outage*
SAIDI	*Measures the average frequency of momentary interruption events for the average customer*
KWH	*Kilowatt hour*
CUP	*Consumptive Use Permit*
YTD	*Year to Date*
MWh	*Megawatt hour*

Utilities Advisory Board

agenda item

item type Staff Updates	meeting date December 7, 2021
prepared by Wes Hamil	approved by
board approval	
strategic objective	

subject

Financial Report October 31, 2021 - Wes Hamil

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:

DEC MTG WH-UAB Financial Report - December 2021.pdf

Financial Report

For the Month of October (8% of fiscal year lapsed)   Fiscal Year 2022

Since we only have one month of data and we are working on closing fiscal year 2021, I am returning to the previous format for this report. For our next meeting, we will return to the more in depth report that includes balance sheets and income statements.

Water and Sewer Fund

Water sales are 1% above budget and sewer sales are 4% above budget. Expenses for the month of October were 6% below budget. Expenses for the first month of the fiscal year are 20% below budget. The largest variances are in chemicals and personnel costs due to vacant positions.

Electric Services Fund

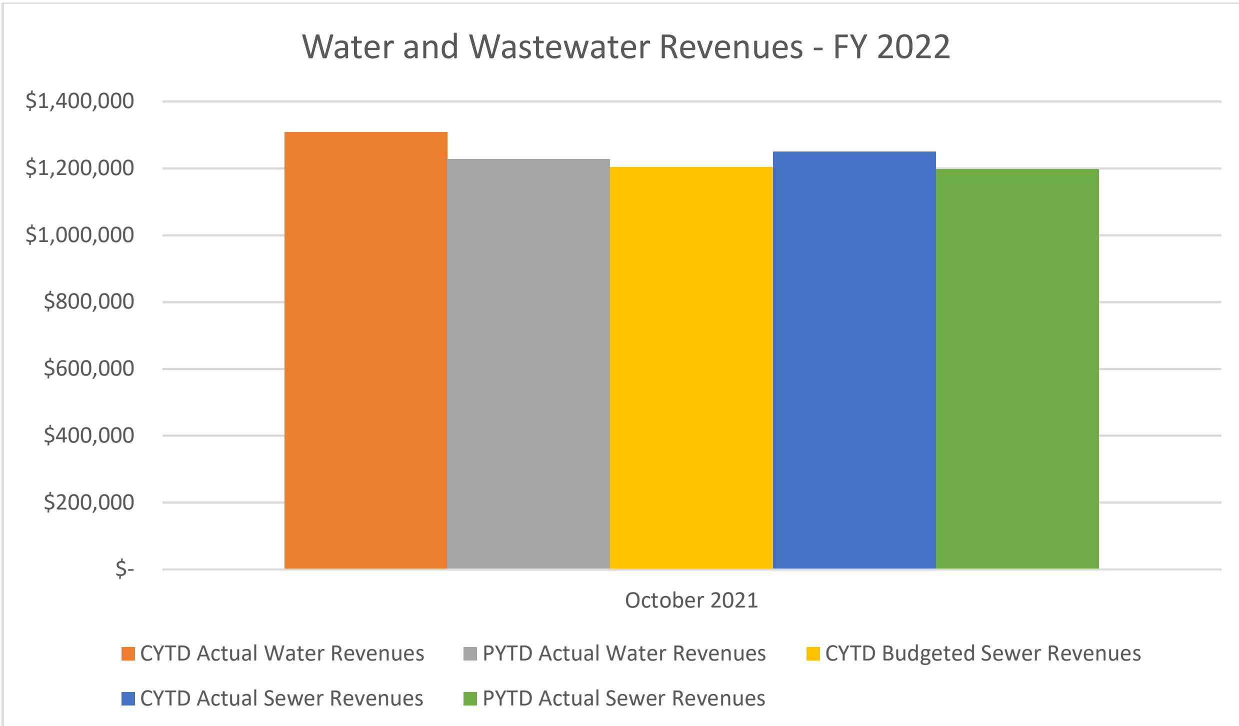
Sales in terms of kWh are 9.4% above our budget, which is based on annual consumption of 418,000,000 kWh. The increases are in both residential and commercial usage. The usual factors of increasing customer accounts, greater heating/cooling degree days, and more days between meter reads do not seem to be material factors in this increase. We will continue to monitor but, better more sales than less.

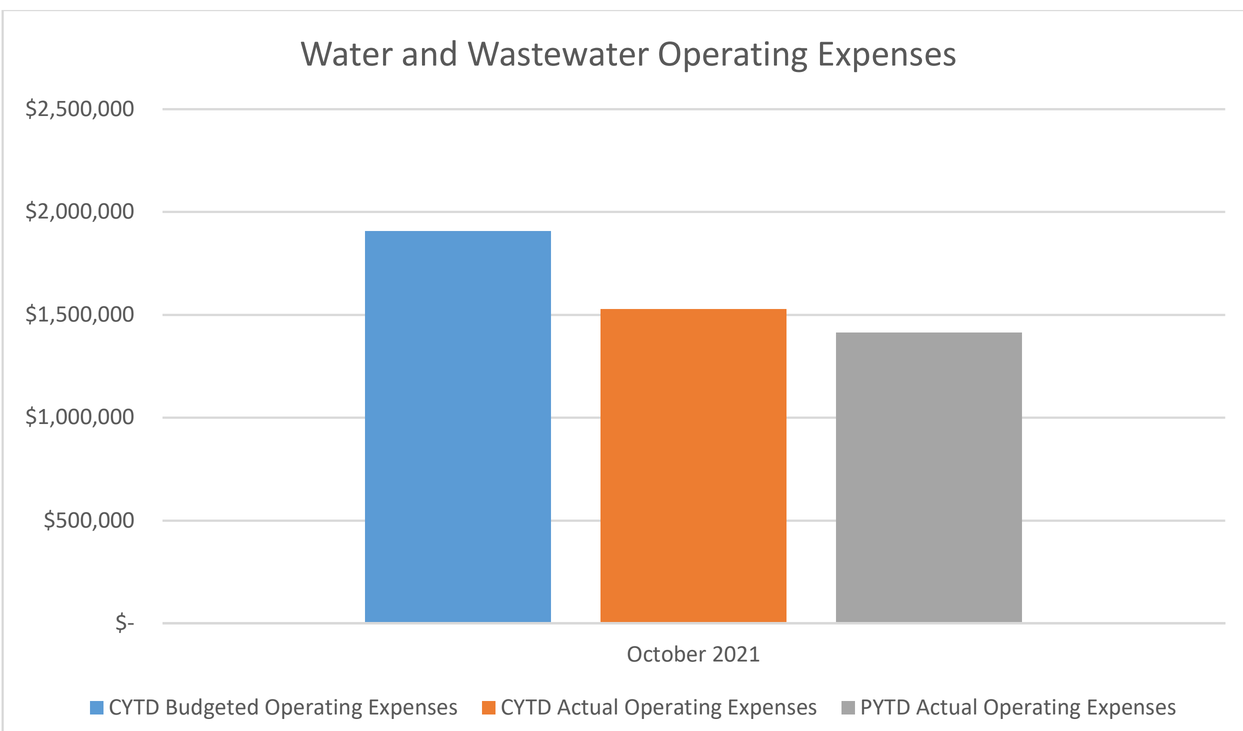
Electric operating expenses are 28% greater than budget and this is due to higher than projected fuel costs. Fuel costs for the month of October were 193% of October 2020 fuel costs, even though the total kWh purchased was 2% less in the current year.

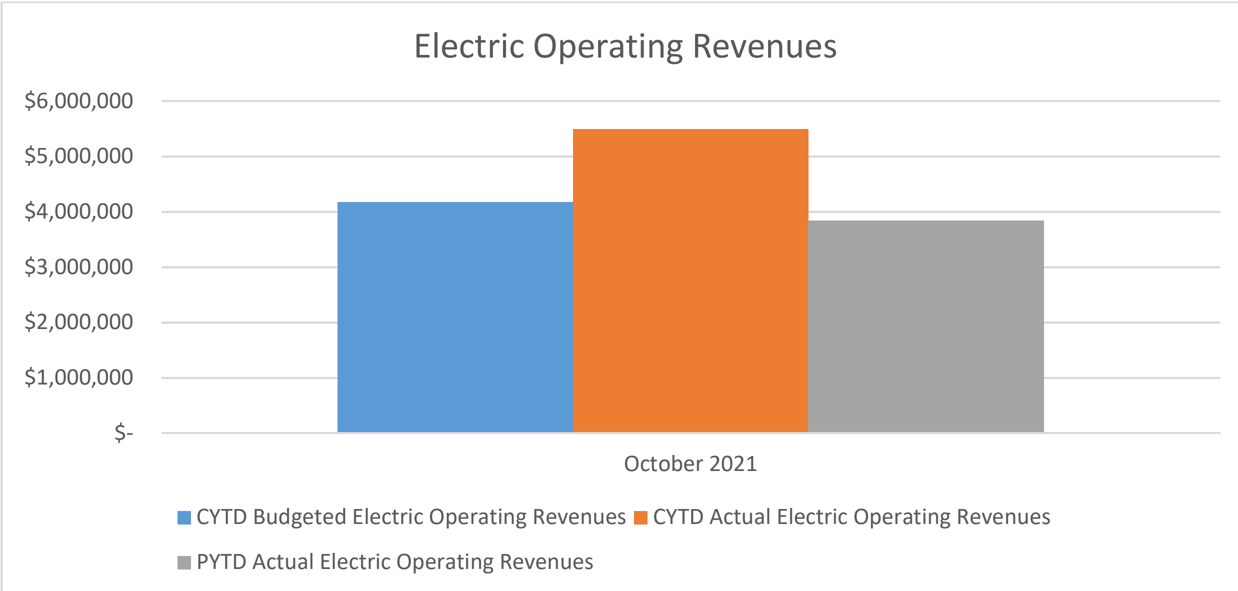
Fuel rates were increased for the third time in 2021 effective October 1. The October rates were 32% higher than the September 1, 2021 rates and 91% higher than the rates in place January 1, 2021. The higher rates resulted in an over recovery in fuel costs for October of $395,830 to bring the current balance in the fuel cost stabilization fund to a positive $121,807. We will likely adjust rates again January 1, 2022 with a target of reaching a fuel cost stabilization fund balance of $745,000 at September 30, 2022. We extended the time to reach our 2021 target to smooth the impact customers.

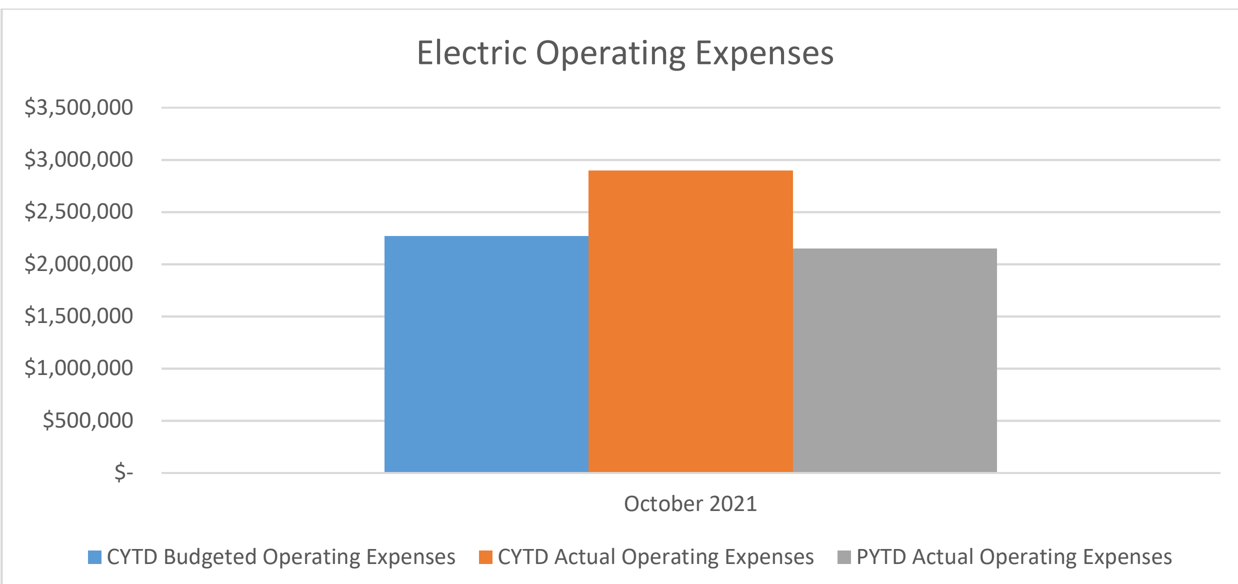
If you review the fuel and non-fuel purchased power costs lines on the first page of the electric statement, you will see the impact of recent fuel cost increases as well as the decreases in non-fuel costs resulting from the City’s current contracts with FMPA and OUC.

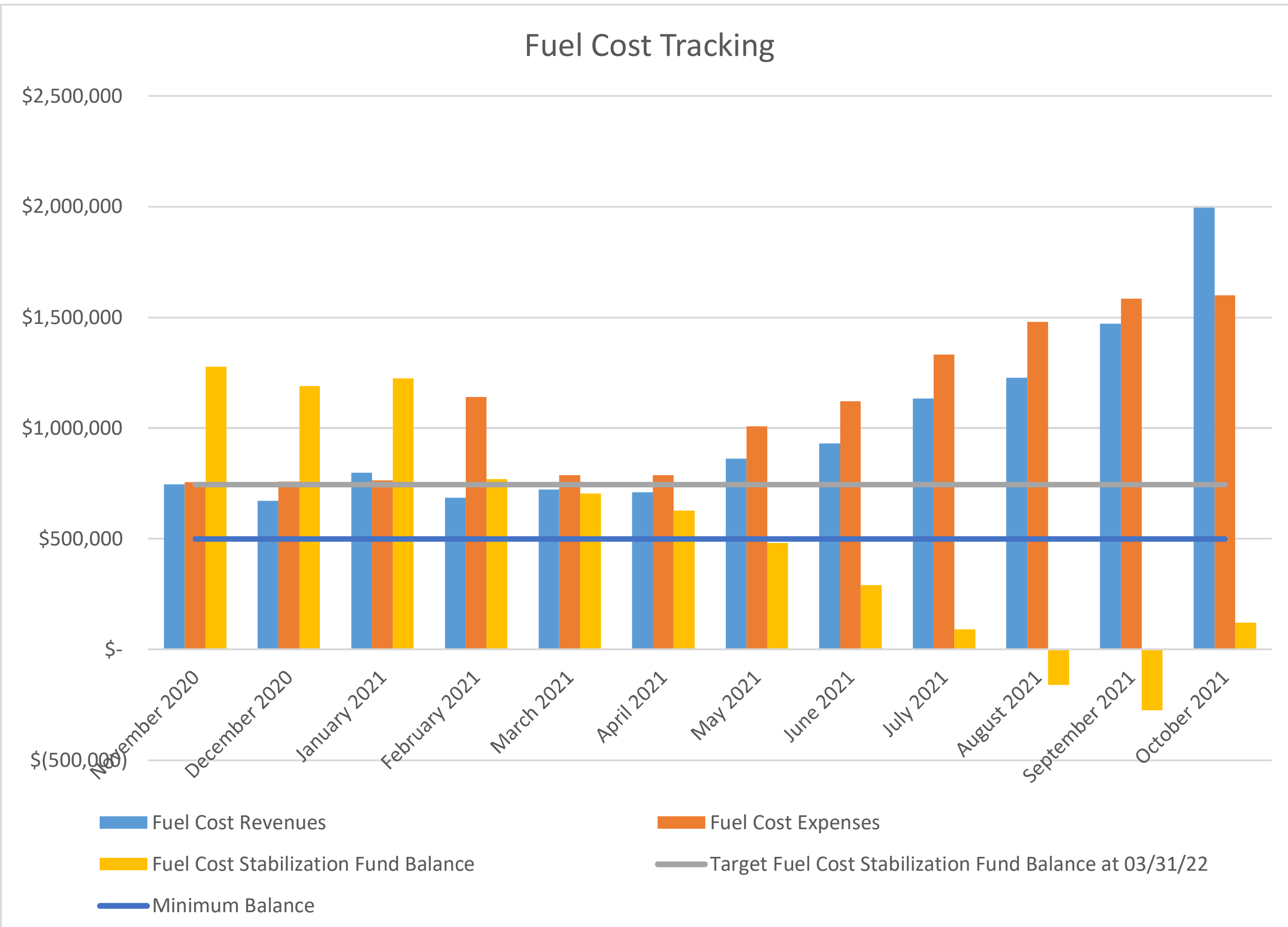
The very positive bottom line for October of $1,376,898 is due to both the over recovery in fuel costs and the large sales/purchases in kWh ratio. October’s typically have high ratios because we are paying for power from October 1 to October 31 and billing customers for usage than largely occurred in the warmer month of September. This ratio turns around as we transition from spring to summer.


Water and Wastewater Revenues - FY 2022
$1,400,000
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$-
October 2021
CYTD Actual Water Revenues
PYTD Actual Water Revenues
CYTD Budgeted Sewer Revenues
CYTD Actual Sewer Revenues
PYTD Actual Sewer Revenues


Water and Wastewater Operating Expenses
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
October 2021
CYTD Budgeted Operating Expenses
CYTD Actual Operating Expenses
PYTD Actual Operating Expenses


Electric Operating Revenues
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
October 2021
CYTD Budgeted Electric Operating Revenues
CYTD Actual Electric Operating Revenues
PYTD Actual Electric Operating Revenues


Electric Operating Expenses
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
October 2021
CYTD Budgeted Operating Expenses
CYTD Actual Operating Expenses
PYTD Actual Operating Expenses



Fuel Cost Tracking
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
$(500,000)
November 2020
December 2020
January 2021
February 2021
March 2021
April 2021
May 2021
June 2021
July 2021
August 2021
September 2021
October 2021
Fuel Cost Revenues
Fuel Cost Expenses
Fuel Cost Stabilization Fund Balance
Target Fuel Cost Stabilization Fund Balance at 03/31/22
Minimum Balance

WINTER PARK WATER AND WASTEWATER METRICS
October 31, 2021

	FY 2022 YTD Actual	FY 2022 YTD Budget	FY 2021 YTD Actual	FY 2021 Actual	FY 2020 Actual	FY 2019 Actual
Operating Performance:						
Water and Irrigation Sales (thousands of gallons)						
Sewer - inside city limits	88,451	84,583	80,908	1,047,617	1,042,266	1,011,909
Sewer - outside city limits	79,692	74,167	72,686	882,851	864,206	875,441
Water - inside city limits	136,017	125,000	123,262	1,648,611	1,648,234	1,570,520
Irrigation - Inside City	44,036	48,750	40,364	580,604	600,301	597,526
Water - outside city limits	106,813	102,917	99,681	1,210,095	1,183,691	1,191,314
Irrigation - Outside City	8,327	9,583	8,328	111,360	113,192	113,481
Total	**463,335**	**445,000**	**425,229**	**5,481,139**	**5,451,890**	**5,360,191**

	FY 2022 YTD Actual	FY 2022 YTD Budget	FY 2021 YTD Actual	FY 2021 Actual	FY 2020 Actual	FY 2019 Actual
Operating revenues:						
Sewer - inside city limits	$ 600,487	592,859	$ 574,872	$ 7,141,100	$ 6,870,798	$ 6,578,659
Sewer - outside city limits	648,652	618,182	622,330	7,393,490	7,225,392	6,904,201
Water - inside city limits	802,793	818,899	734,783	10,069,865	9,977,058	9,311,730
Water - outside city limits	505,631	511,043	491,943	6,183,057	5,959,849	5,715,448
Other operating revenues	144,238	153,000	136,443	1,661,154	1,773,249	1,774,573
Total operating revenues	**2,701,801**	**2,693,983**	**2,560,371**	**32,448,666**	**31,806,347**	**30,284,611**
Operating expenses:						
General and adminstration	136,863	179,993	100,474	2,053,421	2,081,314	1,935,137
Operations	841,595	1,187,877	870,098	12,618,517	12,567,762	13,048,300
Wastewater treatment by other agencies	548,888	538,554	443,256	5,785,392	5,316,122	5,114,188
Total operating expenses	**1,527,346**	**1,906,424**	**1,413,827**	**20,457,330**	**19,965,198**	**20,097,625**
Net Operating income	**1,174,455**	**787,559**	**1,146,543**	**11,991,336**	**11,841,149**	**10,186,986**
Other sources (uses):						
Investment earnings	(7,539)	2,000	(27)	(68,345)	222,203	446,431
Miscellaneous revenue	2,269	1,667	2,433	67,481	22,698	19,899

WINTER PARK WATER AND WASTEWATER METRICS
October 31, 2021

	FY 2022 YTD Actual	FY 2022 YTD Budget	FY 2021 YTD Actual	FY 2021 Actual	FY 2020 Actual	FY 2019 Actual
Transfer from Electric Fund	-	-	-	462,000	-	-
Transfer to Renewal and Replacement Fund	(328,343)	(328,343)	(162,521)	(1,950,252)	(1,630,789)	(2,096,335)
Transfer to General Fund	(217,810)	(217,810)	(212,318)	(2,547,821)	(2,546,941)	(2,446,548)
Transfer for Organizational Support	(6,720)	(6,720)	(6,542)	(78,506)	(77,650)	(77,354)
Transfer to Capital Projects Fund	(17,708)	(17,708)	(20,625)	(247,500)	(207,500)	(351,538)
Other Capital Spending	-	(8,333)	-	(503,049)	(181,995)	(169,358)
Debt service sinking fund deposits	(279,994)	(369,249)	(403,592)	(4,542,229)	(4,846,491)	(5,176,360)
Total other sources (uses)	**(855,846)**	**(944,497)**	**(803,193)**	**(9,408,222)**	**(9,246,464)**	**(9,851,163)**
Net increase (decrease) in funds	**$ 318,609**	**(156,938)**	**$ 343,350**	**$ 2,583,114**	**$ 2,594,685**	**$ 335,823**
Debt service coverage	**4.18**		**2.85**	**2.64**	**2.44**	**2.09**

WINTER PARK ELECTRIC UTILITY METRICS
October 31, 2021

	FY'22 YTD Actual	FY'22 YTD Budget	FY'21 YTD Actual	FY'21	FY'20	FY'19
Technical Performance						
Net Sales (kWh)	43,148,382	39,404,774	37,482,939	422,030,246	422,834,590	425,487,483
Average Revenue/kWh	0.1267	0.0930	0.1009	0.1094	0.1019	0.1098
Wholesale Power Purchased (kWh)	37,950,772	36,666,667	38,735,696	436,785,335	437,181,072	439,804,052
Wholesale Power Cost/kWh	(0.0611)	(0.0425)	(0.0418)	(0.0472)	(0.0432)	(0.0591)
Gross margin	0.0655	0.0505	0.0591	0.0622	0.0587	0.0507
Sold vs. Purchased kWh Ratio	113.70%	107.47%	96.77%	96.62%	96.72%	96.74%
Revenues and Expenses Directly Related to Sales of Electricity:						
Electric Sales:						
Customer charges - residential	206,160	205,280		2,462,541	2,462,962	2,232,225
Customer charges - commercial and public authority	44,754	45,093		539,682	543,319	499,223
Demand charges	256,663	233,048		2,888,674	2,866,683	2,694,021
Street Lighting	31,507	31,427		346,463	377,120	380,733
Non-Fuel kWh charges	2,928,864	2,305,902	2,986,267	28,851,999	27,749,383	28,308,084
Fuel	1,996,875	845,518	794,505	11,084,886	9,091,571	12,623,109
Purchased Power :						
Fuel	(1,600,227)	(845,518)	(825,991)	(12,348,554)	(9,057,266)	(12,616,487)
Non-Fuel	(474,766)	(457,090)	(519,364)	(5,589,752)	(6,708,454)	(9,916,779)
Transmission Power Cost	(243,912)	(256,934)	(272,429)	(2,695,659)	(3,139,275)	(3,468,020)
Net Revenue from Sales of Electricity	**3,145,918**	**2,106,725**	**2,162,988**	**25,540,279**	**24,186,043**	**20,736,109**
Other Operating Income (Expenses):						
Other Operating Revenues	6,673	26,367	56,595	452,717	255,681	319,801
General and Adminstrative Expenses	(163,227)	(190,865)	(107,254)	(2,151,878)	(2,100,245)	(2,011,213)
Operating Expenses	(413,554)	(514,772)	(424,645)	(5,366,492)	(5,421,884)	(5,721,815)
Total Other Operating Income (Expenses)	(570,108)	(679,270)	(475,303)	(7,065,654)	(7,266,447)	(7,413,227)
Net Operating Income	**2,575,810**	**1,427,455**	**1,687,685**	**18,474,626**	**16,919,595**	**13,322,883**

WINTER PARK ELECTRIC UTILITY METRICS
October 31, 2021

	FY'22 YTD Actual	FY'22 YTD Budget	FY'21 YTD Actual	FY'21	FY'20	FY'19
Nonoperating Revenues (Expenses):						
Investment Earnings	(6,043)	(3,167)	12,806	(53,289)	(35,720)	(386,874)
Principal on Debt	(260,417)	(260,417)	(250,833)	(2,915,000)	(2,915,000)	(2,670,000)
Interest on Debt	(136,370)	(138,245)	(145,591)	(1,800,557)	(1,854,026)	(2,218,854)
Miscellaneous Revenue	2,269	987	2,433	80,855	36,910	22,635
Proceeds from Sale of Assets	-	2,083	273	11,815	55,398	25,886
Contributions in Aid of Construction (CIAC)	-	41,667	1,312	308,597	264,227	479,648
Residential Underground Conversions	4,705	7,500	2,900	118,090	92,280	68,245
Capital (including the costs of improvements paid for by CIAC revenues)	(75,769)	(248,139)	(142,194)	(1,452,007)	(1,058,970)	(2,174,625)
Reimbursement of Hurricane Irma recovery costs	-	-	-	-	356,943	
Reimbursement of Fairbanks Distribution Line Costs	-	-	-	29,881	2,092,676	1,333,048
Undergrounding Fairbanks Distribution Lines	-	-	-	(176,271)	(3,260,841)	(1,333,048)
Undergrounding of Power Lines	(417,878)	(533,333)	(480,424)	(5,585,470)	(4,171,735)	(3,851,032)
Total Nonoperating Revenues (Expenses)	**(889,503)**	**(1,131,064)**	**(999,320)**	**(11,433,357)**	**(10,397,857)**	**(10,704,970)**
Income Before Operating Transfers	**1,686,307**	**296,391**	**688,365**	**7,041,269**	**6,521,738**	**2,617,913**
Operating Transfers In/Out:						
Transfers from Water and Sewer Fund	12,872	12,872	12,363	148,360	181,995	188,431
Transfer to Water and Sewer Fund	-	-	-	(462,000)		
Transfers to General Fund	(301,468)	(202,336)	(190,041)	(2,470,947)	(2,376,904)	(2,577,382)
Tranfers for organizational support	(9,354)	(9,354)	(9,651)	(115,817)	(123,198)	(126,258)
Tranfers to capital projects	(11,458)	(11,458)	(11,458)	(137,500)	(132,500)	(99,615)
Total Operating Transfers	**(309,409)**	**(210,277)**	**(198,787)**	**(3,037,904)**	**(2,450,607)**	(2,614,824)
Net Change in Working Capital	**1,376,898**	**86,114**	**489,578**	**4,003,365**	**4,071,131**	**3,089**
Other Financial Parameters						
Debt Service Coverage	6.48		4.29	3.91	3.38	2.59
Fixed Rate Bonds Outstanding	50,020,000			53,030,000	55,945,000	56,595,000
Fuel Cost Stabilization Fund Balance:						
Beginning Balance	(274,023)		1,320,208	1,320,208		
Fuel Revenues	1,996,057		793,104	10,754,323		
Fuel Expenses	(1,600,227)		(825,991)	(12,348,554)		
Ending Balance	121,807		1,287,321	(274,023)		
Current year change in fuel stabilization fund	**395,830**		**(32,887)**	**(1,594,231)**		

Utilities Advisory Board

agenda item

item type Non-Action Items	meeting date December 7, 2021
prepared by Daniel Dalessandro	approved by
board approval	
strategic objective	

subject

Broadband & Smart City Ad Hoc Committee – Paul Conway

motion / recommendation

background

alternatives / other considerations

fiscal impact

Utilities Advisory Board

agenda item

item type Non-Action Items	meeting date December 7, 2021
prepared by Daniel Dalessandro	approved by
board approval	
strategic objective	

subject

Update on Hiring Consultant to Address Governance by the UAB - Dan D'Alessandro

motion / recommendation

background

alternatives / other considerations

fiscal impact

Utilities Advisory Board

agenda item

item type Action Items	meeting date December 7, 2021
prepared by Wes Hamil	approved by
board approval	
strategic objective	

subject

Undergrounding Service Lines - Option F Projections - Wes Hamil

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:
DEC MTG WH-Undergrounding Service Lines - December 8 2021.pdf

Undergrounding Residential Service Lines

At the October 26 UAB meeting, the Board chose to fund undergrounding residential electric service lines from an increase in rates that would only be applied to residential customers from April 2022 through December 2026. The Board further chose to refund $1,000 to all customers who had previously paid to have their service line placed underground either by itself or via the building permit as part of a home construction or renovation. Currently, residents pay for undergrounding their service lines in the following scenarios:

1. Customer requests undergrounding of their service line while the City is completing an undergrounding project in their neighborhood. In this case, the customer pays $1,000. Customers can choose to pay the $1,000 up front or pay as little as $25/month until a total of $1,000 has been paid. If the City is not working on a project in the customer's neighborhood, the fee is $3,000.
2. Residents substantially renovating their homes or building a new home are required to have their service line underground. The fee is $3,000 or actual cost if their service is over 400 amps.

Costs to be funded:

	No. of Units	Price per Unit	Total Cost
Undergrounding residential service lines	3,762	$2,000	$7,524,000
Refund $1,000 to all customers who paid for undergrounding while project was underway in their neighborhood	563	$1,000	$563,000
Refund $1,000 to residents who paid to have their service line underground as required during new home construction or substantial renovation	898	$1,000	$898,000
			$8,985,000

Generating $8,985,000 in additional residential electric revenue over 4.75 years will require an extra penny per kWh from April 2022 to December 2026. Based on current rates this would increase a 1,300 kWh/month customer's bill by $15.49 or 8%.

For context, the City has had to significantly increase its fuel cost recovery rates recently to keep up with the rising price of natural gas. The monthly electric bills for a 1,300 kWh residential customer have increased by $31.14 (or 19%) since January 1, 2021. If natural gas prices were to decrease, fuel cost recovery rates could be reduced. Fuel costs are a pass through to the customer.

Projected future cash flows from the additional revenue and refunds are included in the tables below:

Option A – Process all refunds up front

	Calendar 2022 (April – December)	Calendar 2023	Calendar 2024	Calendar 2025	Calendar 2026	Total
Additional revenue	$1,418,684	$1,891,579	$1,891,579	$1,891,579	$1,891,579	$8,985,000
Refund customers undergrounding lines during projects	($563,000)					($563,000)
Refund residents undergrounding lines as part of home construction or renovation	($898,000)					($898,000)
Underground service lines	($1,188,000)	($1,584,000)	($1,584,000)	($1,584,000)	($1,584,000)	($7,524,000)
Total	($1,230,316)	$307,579	$307,579	$307,579	$307,579	$0

Option B – Refund $25/month

	Calendar 2022 (April – December)	Calendar 2023	Calendar 2024	Calendar 2025	Calendar 2026	Total
Additional revenue	$1,418,684	$1,891,579	$1,891,579	$1,891,579	$1,891,579	$8,985,000
Refund customers undergrounding lines during projects	($126,675)	($168,900)	($168,900)	($98,525)		($563,000)
Refund residents undergrounding lines as part of home construction or renovation	($202,050)	($269,400)	($269,400)	($157,150)		($898,000)
Underground service lines	($1,188,000)	($1,584,000)	($1,584,000)	($1,584,000)	($1,584,000)	($7,524,000)
Total	($98,041)	($130,721)	($130,721)	$51,904	$307,579	$0

The advantage of option A is it would be a one-time administrative task and be complete. The disadvantage would be the negative cash flows in the early years.

Option B also has negative cash flows in the beginning years but, is smoother.

Some points the Board may wish to consider in developing any recommendation to the City Commission include (some of which have already been discussed):

1. The fees paid during construction were likely paid by contractors and the property owner may or may not be aware they were ever paid.
2. Some of these payments go back as far as 2012 and many of these properties will have changed ownership since that time.
3. If we choose to process the refunds over time, it is very likely we will be giving part of the credit to one customer and the remainder to another customer as ownership of properties changes hands. This assumes we want to credit a total of $1,000 to the property for which the fee was paid.
4. Some neighborhoods contributed to the cost of having their power lines put underground as part of the PLUGIN (putting lines underground in neighborhoods) program prior to the City beginning undergrounding from rate revenues in 2013. They are not receiving a refund.
5. If a location's utility service is in a tenant's name, we will likely want to make a single payment to the property owner.
6. Staff recommends we continue charging those who want to underground their service line apart from a project or as part of a home construction of renovation since it will be taking our resources away from our current project areas. If that is the case, we may not want to refund those who paid via the building permit or we will have an inconsistent practice for those undergrounding scenarios.
7. The 3,762 residential service lines to be underground is for lines in projects that are either in progress or have not yet been started. The overhead lines remaining in projects that have already been completed would be underground after 2026 using funds that were formerly for the undergrounding program.
8. The City's federal lobbyist recently brought to staff's attention that the Department of Energy would have new energy grants available as a result of the Infrastructure Investment and Jobs Act. This funding can be used for preventing outages and enhancing the resilience of the electric grid which includes undergrounding electric equipment. It looks like this would require a 50/50 match. If so, we may be able to use this funding for not only these residential service lines but, a portion of the undergrounding program. Staff is pursuing learning more about this funding opportunity, which may negate the need for an increase in rates to fund undergrounding of service lines. The Board may wish to table this item until more information regarding energy grant possibilities is available.

Utilities Advisory Board

agenda item

item type Action Items	meeting date December 7, 2021
prepared by Karen Hood	approved by
board approval	
strategic objective	

subject

Approval of Meeting Dates & Tentative Agenda Topics - Michael Poole

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:

DEC MTG MP- Winter Park Utility Advisory Board Monthly Meeting Plan 2022 draft.pdf

DRAFT

City of Winter Park Utility Advisory Board
Monthly Meeting Plan

January 11	(1) Work session on Electric Utility Cost of Service Study
January 25	(1) Discuss marketing & communications plan for Electric, Water & Wastewater (2) First Quarter YTD Financial Review
February 22	(1) Review draft Electric Cost of Service Study
March 22	(1) Approve Cost of Service Study and rate recommendations to the City Commission (2) Review draft of five-year capital improvement plans for Electric and Water & Wastewater capital projects
April 26	(1) Review draft financial Budgets for Electric and Water & Wastewater (2) Review Hurricane Disaster Recovery Plan (3) Second Quarter YTD Financial Review
May 24	(1) Recommend Proposed Electric, Water & Wastewater budgets to the City Commission (2) Consider updating water and sewer rate model or outsourcing a rate study to address operating expenses and capital requirements of the utility.
June 28	TBD
July 26	(1) Third Quarter YTD Financial Review
August 23	TBD
September 27	TBD

DRAFT

October 25	Fourth Quarter YTD Financial Review
November	Canceled
December 6	TBD

Potential Topics

1. Customer Service
    - Current capabilities
    - New capabilities
        - Timeline

2. Water and Wastewater
    - Cost of Service Study
    - Review of area served
    - Septic Tank conversion to utilize existing service lines
    - Septic Tank
        - New lines
        - Funding
    - Sustainability
        - Programs to encourage customers conservation

3. Electric
    - Power supply sources and contracts
    - Providing electric service to all areas in the City
    - Sustainability
        - Programs to encourage customer conservation
        - Programs to encourage renewable energy

Utilities Advisory Board

agenda item

item type Board Comments	meeting date December 7, 2021
prepared by Daniel Dalessandro	approved by
board approval	
strategic objective	

subject
Energy Efficiency Audits in 2021-2022 Budget

motion / recommendation

background

alternatives / other considerations

fiscal impact

Utilities Advisory Board

agenda item

item type Adjournment	meeting date December 7, 2021
prepared by Karen Hood	approved by
board approval	
strategic objective	

subject

UAB Work Session - January 11, 2022
UAB Regular Meeting - January 25, 2022

motion / recommendation

background

alternatives / other considerations

fiscal impact