Utilities Advisory Board
Regular Meeting Minutes

June 23, 2026 at 12:00 PM

City Hall Commission Chambers
401 S. Park Avenue

Present
Kathryn Sutton, Dr. Katherine Johnson, Todd Weaver, Terry Hotard, Alison Yurko, Leon Huffman (Virtual).

Absent
Christopher Warshaw

Staff Present
Director of Water and Wastewater Utilities Jason Riegler, Director of Electric Utility Jamie England, Director of Finance Wes Hamil, Electric Utility Operations Manager Miguel Cruz, Electric Utility Engineer Manager Mourad Belfakih, Integrated Resources Program Manager Lisa Vedder, Utility Services Manager Ann Newhouse, Administrative Coordinators Genie Brown, Theresa Bledsoe, and Millie Jovanovic.

Guests Present
Craig Shepard -Project Manager Leidos (Virtual), Ben Pauluhn -President OPTIMUS.

1. Call to Order

Chair K. Sutton called the meeting to order at 12:00 p.m.

2. Approval of Minutes

Chair K. Sutton comments about the April meeting minutes. 1. Michael Poole was in attendance for the meeting. 2. Minor editorials to be provided after the meeting.

Motion made by the majority at once to approve. Motion carried unanimously with an approved vote.

a. Minutes of April 28, 2026

3. Public Comments: Three minutes allowed for each speaker

4. Action Items

a. Approval of FY 2027 proposed utility budgets and rate increases

Wes Hamil provided "Proposed Utility Budgets for FY 2027." First budget hearings begin in September.

Terry Hotard questioned on page 9 of the report why sewer costs are higher inside city limits. Wes responded that outside the city limits more customers are on septic than sewers.

Wes also advised: 1. Water and sewer main upgrades personnel are included in the costs of upgrades. 2. Confirmed customers that have sewer availability are charged a sewer availability fee on their utility bill if not changed over two years from sewer being available. 3. Confirmed no new irrigation meters are offered to residents.

Follow-up questions for Wes Hamil, responses later provided to the board by email.
In response to the two questions the UAB had regarding the budget and rate presentation, I offer the following:

Why are the budgeted "Other Operating Revenues" in the Electric Fund so much higher than the actual revenues of FY 2025 and 2024? We have different reasons for both years.

FY 2024 included the write-off of $539,702 in accounts receivable from closed accounts. This was unusually high because it included receivables going back to 2022. Post-conversion to our current billing system, our efforts had to be on the billing cycles with little time for cleanup work on closed accounts. In FY 2024, these write-offs were caught up. For FY 2025, the write-offs were only $76,300.

For FY 2025, the "Other Operating Revenues" were low for another reason. When customers have high bills or are experiencing financial hardship, we will allow them to pay those balances over six to twelve months using a payment arrangement. At the time the payment arrangement is entered into, the balance to be paid off is removed from the account and creates a negative charge to an "Other Operating Revenues" account. As one sixth or one twelfth of the amount is added to the customer's bill over the ensuing months, this "Other Operating Revenues" account is credited. By the end of the payment arrangement, the impact to the account is zero. At any given point in time, however, the balance could be added to or subtracted from electricity revenues. For FY 2025, the net effect was a reduction in revenue of $274,679. In contrast, the net activity in FY 2024 increased revenues by $143,424 and the net effect in FY 2026 to date is a $54,923 increase in revenue.

Why are there two personnel lines in the summary of budget changes for Electric? This was the result of an excel mistake by me. On my source data tab of the spreadsheet, I had a space at the end of "Personnel "for some of the accounts. The FY 2027 proposed budget for Personnel Costs is $3,966,228, compared with the FY 2026 budget of $3,359,095. This represents an increase of $607,133, or 18.07%, reflecting the additional funding allocated for personnel costs in FY 2027.

5. Non-Action Items

a. EV / Parking Charger Follow-up — Gloria Eby and Ben Pauluhn

Ben Pauluhn, President of Optimus, presented the EV/Parking Charger Update. Gloria Eby of CWP Sustainability was unable to attend. The presentation included a review of charging station performance data from May 2025 through May 2026, along with current information for June 2026.

Chair Kathryn Sutton inquired about utilization percentages compared to revenue and session counts reported for the charging stations. Mr. Pauluhn explained that current load factors are approximately 2–3% for Level 2 chargers and 11–12% for charging hubs. He noted that Level 2 charger utilization remains very low and that Optimus would like to see utilization increase to approximately 15%.

Dr. Katherine Johnson asked why payments to the city are made in arrears. Mr. Pauluhn explained that the delay allows time for data collection, point-of-sale reconciliation with vendors, quarterly reporting to Sustainability and Utility staff, ACH billing, and auditing of charging session and electricity usage data. He also noted that Optimus currently pays 100% of the operating expenses.

Todd Weaver asked whether Optimus provides a nationwide charging station map. Mr. Pauluhn stated that Optimus does not have its own application but noted that drivers can use PlugShare, an open-source charging station locator app.

Mr. Pauluhn reported that additional DC Fast Charging stations are planned for the Event Center and Cady Way locations. He also advised that a private contract has been executed for a DC Fast Charging station at a restaurant on South Orlando Avenue. He further indicated that a new rate schedule is being developed and requested the opportunity to provide annual updates to the Utility Advisory Board each June. Chair Sutton agreed to this proposal.

Alison Yurko excused herself from the meeting at 12:47 p.m. due to a court appointment. No further questions.

b. Electric Cost of Service and Rate Study — Craig Shepard

Electric Cost of Service and Rate Study Presentation

Craig Shepard, Project Manager with Leidos, presented the Electric Cost of Service and Rate Study via Zoom.

Craig provided an update to the Electric Cost of Service and Rate Study, including an overview of the net energy metering (NEM) policy for customer-owned solar review effort, and reviewed the draft five-year financial projection. He advised that, at the time, power supply costs may change due to upcoming contract renewals.

Chair Sutton noted that, according to the printed reports provided, the proposed FY2027 projections do not match the proposed CWP budget and asked whether the figures would be adjusted once the numbers are confirmed. Wes Hamil confirmed that the numbers would match.

Chair Sutton also asked what is driving the significant increase in projected costs for FY2028.

Craig explained that the increase is primarily due to power supply contract changes with the Florida Municipal Power Agency and the Orlando Utilities Commission, along with rising personnel costs and increased material costs.

Chair Sutton questioned why the projected increase is substantial in FY2028 but then decreases to approximately 5% and 2% in subsequent years.
Craig explained that the projections are based on annual costs versus revenues and are averaged over the five-year projection period.
Craig also complimented the city for having advanced metering and a team capable of collecting demand information, noting that many smaller municipalities do not have these capabilities.

Chair Sutton asked about the timeline for customer education and outreach referenced on page 29 of the presentation. Craig advised that an educational workshop with the Commission and UAB is scheduled for July 23, 2026. Following the workshop, public education and outreach are planned for August or September.

Dr. Katherine Johnson expressed concerns regarding storm impacts and referenced recent activity in California where customers were unable to sell excess kilowatt-hours (kWh) back to the utility. Craig responded that these topics will be addressed during the upcoming customer education efforts, including a customer survey and discussions regarding future net metering options. He stated that CWP supports solar energy and is pursuing a phased approach toward meeting its Green Energy Goals.

Terry Hotard asked how many NEM customers currently exist within the city. Staff responded that there are more than 200 NEM customers, and that number continues to grow. It was also noted that the current NEM policy, customers receive the full retail electric rate for power injected to the grid. Future discussions are planned regarding revising the retail rate structure.

Mr. Hotard also asked about historical plug-in charges. Wes Hamil explained that those charges were discontinued in 2015 and had been in effect from 2005 through 2015. In response to a follow-up question, staff confirmed that the current retail NEM policy was established in 2014.

Discussion then turned to tree trimming. Terry Hotard asked whether tree trimming costs would decrease as more overhead electric lines are converted to underground service. Dr. Katherine Johnson suggested that the City adopt a tree canopy policy. Jamie England noted that many overhead backlot distribution lines remain in service. Wes Hamil explained that the Electric Department is responsible for maintaining vegetation around overhead electric lines, while Parks and Recreation manage the remaining forestry activities through its Forestry budget.

Todd Weaver asked about the difference between Avoided Cost vs. Retail Rates in NEM. Wes responded that retail electric rates are the rates customers pay for electricity delivered by the utility. These rates include not only the cost of wholesale power, but also the costs of operating, maintaining, and improving the electric system, such as transmission, distribution, customer service, billing, and other utility expenses.

When a NEM customer generates more electricity than they use and exports that excess energy to the City, the utility avoids purchasing that amount of electricity from another power supplier. The primary cost the utility avoids is the wholesale cost of buying power, commonly referred to as the **avoided cost**.

Because the utility still incurs the costs of operating and maintaining the electric system, excess energy exported by the customer is typically compensated at the avoided cost rather than the full retail rate. In other words, the customer is paid for the value of the electricity they generate that replaces power the utility would have otherwise purchased, but not for the additional costs embedded in the retail electric rate that continue to support the operation of the utility.

Terry Hotard asked in regarding the "Plug-In Program" from 2005. Charges were placed on customers' bills. Wes advised these were all paid off. Chair Sutton advised will continue discussions on undergrounding each month.

c. Renewable Portfolio Goals Feasibility Update — Lisa Vedder

Integrated Resource Planning (IRP) and Energy Planning Presentation
Chair Sutton welcomed Lisa Vedder and invited her to assist the Board in understanding the City Commission's vision for the proposed ordinance. She also requested that her presentation include information on how the ordinance relates to renewable and non-carbon energy sources.

Ms. Vedder explained that the current ordinance does not include nuclear energy in its definition of renewables. She noted that renewable energy sources vary in their capabilities and that solar and wind generation must be integrated with a firm energy source to ensure system reliability. She also advised that the city does not currently have biomass or resources in its portfolio, however these technologies are included in the ordinance as renewables.

Chair Sutton asked about the Integrated Resource Plan (IRP). Ms. Vedder explained that it is a comprehensive, long-term roadmap used by utility companies to balance electric demand with supply while minimizing costs and meeting environmental and regulatory goals.

Ms. Vedder stated that the City's IRP is scheduled to be updated around 2029 and referred the Board to page 41 of the agenda packet.

Director England advised that the city can achieve its renewables targets. However, the associated costs are not yet known. He explained that during the coming year, Ms. Vedder will engage a consultant to assist with the process. This will include bids for power supply. This process will determine the market cost of different supply portfolios. He added that the anticipated electrical demand associated with proposed data centers as well as regional growth are creating capacity shortage concerns and increasing forecasts of costs. Director England noted that there are currently no discussions regarding developing new nuclear energy plants in Florida withing the next five to ten years.

Dr. Katherine Johnson asked whether new energy technologies and emerging innovations would be considered as part of the planning process. Ms. Vedder confirmed the same.

Chair Sutton requested that the Board be kept informed throughout the planning and negotiation process. Director England responded that all information available to the public would be shared with the Board.

Todd Weaver referred to page 36 of the presentation regarding interconnections and asked whether cities could partner together to construct a solar generation facility.

Director England and Ms. Vedder responded that municipalities cannot construct generation facilities within another utility company's service territory.

Chair Sutton requested a follow-up presentation before the consultant commences negotiations. Ms. Vedder confirmed that the consultant would present the supply procurement plan to the Board prior to releasing the Request to Negotiate.

Leon Huffman thanked Ms. Vedder for what he described as the best and most comprehensive presentation he has seen during his service as a Board member.

6. Staff Updates

a. Electric Utility - Jamie England

Director Jamie England provided April and May updates in printed attachments during the meeting. The meeting running over in time, advised the following upcoming key items.

The meeting with AnswerNet in a few weeks for Utilities will include Director Clarissa Howard from Communications and Director Jason Rieger of Water and Wastewater Utilities regarding changes from ENCO being purchased by AnswerNet. New outage reporting will be discussed and added to the city website with a decision tree for residents to select.

Chair Kathryn Sutton requested that a drop-down for Crossing Walk Lights be included in the decision tree menu.

Dr. Katherine Johnson questioned the decision to not include Water and Wastewater Utilities. This will be added to the discussion for the decision tree (Amended on July 28, 2026).

The Board requested these items be added to the July Agenda.

Monthly Electric Utility Update - April 2026

Monthly Electric Utility Update -May 2026

b. Water & Wastewater Utility – Jason Riegler

Director Jason Rieger from the Water and Wastewater Utilities Division advised the new Water Quality Report has been published to the city website.

Director Riegler met with the St. Johns River Water Management District regarding the Consumptive Use Permit renewal application. An extension to the district's request for additional information was accepted and is due in August.

c. Performance Measurement – Wes Hamil

Utility Monthly Performance Measurements

Director Wes Hamil provided Utility Monthly Performance Measurements in attachments for the meeting.

Some items were addressed during Mr. Hamil's presentation of the proposed budget for FY27.

Attachment of report measurements were provided at the meeting as well as proposed budget.

d. Educational Campaign – Clarissa Howard

July bill insert provided by Communications Division and copy was included in Agenda Packet.

7. Board Comments

8. Upcoming Agenda Items

Chair Kathryn Sutton recommended an update and further discussion for FY2027 projection does not match the proposed budget. Requested to have proposed budget adjusted once numbers are received. Also, confirm what is driving the increase for FY2028. Confirmation required is this was for the EV/Parking Charger or the Cost-of-Service Study discussion.

Agenda Section 5. c -Renewable Portfolio Goals Feasibility Update
Chair Kathryn Sutton recommended that before new contracts are signed, the UAB board can review portfolio goal with a consultant and team (Amended on July 28, 2026).

Agenda Section 6. a - Staff Updates
Chair Kathryn Sutton and Dr. Katherine Johnson recommended adding a review of the new website link to report outages for both Electric and Water & Wastewater Utilities. Chair Kathryn Sutton requested to have street crossing walks added to the drop-down list (Amended on July 28, 2026).

9. Adjournment

The meeting adjourned at 2:00 p.m.

Respectfully,
Milijana Jovanovic