



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 TUESDAY, OCTOBER 26, 2021,
AT 3:00 P.M. 200 CANAL STREET, DEBERRY
ROOM, 3RD FLOOR, NEW SMYRNA BEACH, FL

(COVID PROTOCOLS – MTG. APPTS., MASKS & TEMP. PRE-SCREENINGS)

RESULTS OF UC MEETING

Pledge / Invocation / and Safety Message by Brandy Keehn : Cybersecurity Awareness Month – 10-2021
(DIRECTOR OF I.T. EXPLAINED OCTOBER WAS NATIONAL CYBERSECURITY AWARENESS MONTH, STARTED 18 YEARS AGO BY DEPT. OF HOMELAND SECURITY. IT STAFF EFFORTS THIS MONTH TO RAISE AWARENESS: COORDINATED WITH MONSTERS AS LAST DAY OF MONTH FALLS ON HALLOWEEN. UTILIZED VAMPIRES (PHISHING, VISHING), ZOMBIE'S (VIRUSES, MALWARE), WEREWOLVES (INSIDER THREAT, LOCKING, PROTECTING DEVICES), AND FRANKENSTEIN (PRIVACY, UC & CUSTOMERS' DATA). ASSOCIATED FACTOIDS – 91% OF SUCCESSFUL DATA BREACHES START WITH A PHISHING ATTACK. UC HAS PERFORMED 75 SIMULATED PHISHING TESTS THIS YEAR. PHISH CLICK RATE FROM 3 YRS. AGO WAS 27%, THIS MONTH UC AT LESS THAN 1%. 84% OF UC EMPLOYEES HAVE COMPLETED SECURITY AWARENESS TRAINING THIS YEAR. SECURITY AWARENESS TRAINING IS WEEKLY, MONTHLY, AND AS NEEDED FOR REINFORCEMENT. IT STAFF CONTINUOUSLY DEVELOPING WAYS TO IMPROVE AND TIGHTEN SECURITY CONTROLS TO ADDRESS THESE EVER-EVOLVING THREATS)

ROLL CALL

1. **Agenda Changes, Additions and Deletions** (GM-CEO INDICATED CONSENT ITEM 3-b. S/B REMOVED FROM CONSIDERATION – DEFERRING PROJECT VIA EQUIPMENT MAINTENANCE TO SUPPORT UPCOMING REPLACEMENT BY PILOTED WATER SOFTENING PROCESS; AND A REVISION TO THE DA ON CONSENT ITEM 3-e. – CORRECTED LLC FOR PROPERTY OWNERSHIP)
2. **Public Participation**
- *3. **Approval of Consent Items** (APPROVED W/EXCEPTION OF ITEM 3-b. - PULLED, AND REVISED ITEM 3-e.)
 - a. ✓ Minutes of Regular (Reorganizational) U.C. Meeting Held 9-28-21 (*Annotated Version*)
(*U.C. and State Requirements*)
 - b. ✓ Purchase – IMS A-758 Lime Slaker System for Water Treatment Plan (Glencoe) – Single Source Purchase (Integrity Municipal Systems, LLC) – T. West (*U.C. and State Requirements*)
 - c. ✓ Assignment of Work – Pike Electric, LLC, Asplundh Tree Expert, Co., and Osmose Utilities Services, Inc. (Continuing Services Contracts) – V. Steele
(*U.C. and State Requirements*)
 - d. ✓ Developer's Agreement – Ocean Gate PUD, Phase 2 (Ocean Gate Commerce Center, LLC) – J. Couillard (*U.C. and State Requirements*)
 - e. ✓ Developer's Agreement – Hyatt Place New Smyrna Beach (Waterside "8" LLC) – J. Couillard (*U.C. and State Requirements*)
 - f. ✓ Developer's Agreement – Greenlawn Manor (The Housing Authority of City of New Smyrna Beach, Florida) – J. Couillard (*U.C. and State Requirements*)
 - g. ✓ Project Approval – Lift Station No. 7 Reconstruction (CHA Consulting, Inc. f/k/a Reiss Engineering) – J. Couillard (*U.C., State & Federal Requirements*)
 - h. ✓ Project Approval – Lift Station No. 16 Reconstruction (CHA Consulting, Inc. f/k/a Reiss Engineering) – J. Couillard (*U.C., State & Federal Requirements*)
 - i. ✓ Project Approval – Lift Station No. 40 Reconstruction (CHA Consulting, Inc. f/k/a Reiss Engineering) – J. Couillard (*U.C., State & Federal Requirements*)



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*3. **Approval of Consent Items (Cont.)**

- j. ✓ Red Flag Identify Theft and Prevention Program – Annual Update Report - E. Chavez
(U.C. State & Federal Requirements)
- k. ✓ Phase Two Access Control – Continuance of Security Project (Genea Energy Partners
Inc. – Single Source Vendor) – B. Beck (U.C. and State Requirements)

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

- a. Financial Status - September 2021 (Preliminary/Unaudited) – E. Chavez (PRESENTED AND DISCUSSED SEPTEMBER 2021 FINANCIAL PERFORMANCE SLIDES. MENTIONED NUMBERS WERE PRELIMINARY, AS OF FYE AT END OF SEPT. THEN AUDIT OCCURS, WILL REFLECT ACCRUALS AND OTHER THINGS, AND WILL BE FINALIZED, ALBEIT THIS IS A PRETTY GOOD REPRESENTATION. SEPT. YEAR TO DATE UC HAS A CHANGE IN NET ASSETS OF APPROX. \$7.4 MILLION. DRIVEN BY INCREASED REVENUE [USAGE AND VOLUMES] AND HIGHER CAPITAL CONTRIBUTIONS, COMPARED TO PRIOR YEAR. ON CAPITAL SIDE, SEPT. 2021 FYTD CAPITAL EXPENDITURES APPROX. \$15.9M - \$8.2M MAJOR PROJECTS AND \$7.7M ANNUAL PROJECTS. MENTIONED THIS SPEND LEVEL WAS ACCOMPLISHED EVEN THRU COVID AND OTHER ASSOC. CHALLENGES DURING THE PAST FY. PRIOR FYE LOSS OF \$1.4M, COMPARED TO 2021 FYE \$700,000 LOSS. HAD SUBSTANTIAL INCREASE IN REVENUE - \$2.1 MILLION AND HAD INCREASED PURCHASED POWER, OPERATING EXPENSES, AND DEPRECIATION AND AMORTIZATION. CUSTOMER YR.-OVER-YR. GROWTH AND INCREASE IN VOLUMES/USE CONTINUING; EXPECTED TO CONTINUE FOR FORESEEABLE FUTURE. AFOREMENTIONED HIGHER CAPITAL CONTRIBUTIONS WERE ABOUT \$1.5M, ALSO EXPECTED TO CONTINUE. MENTIONED DEVELOPMENT AND IMPLEMENTATION OF A MAJOR PROJECTS SCORECARD. WHOLESALE PURCHASED POWER POLICY TO BE PRESENTED AT NOV. COMMS. MTG., AND INVESTMENT POLICY AT NOV. OR DEC. COMMS. MTG. CONFIRMED CAPITAL EXPENDITURE PROJECT SPEND TRENDING UP EVERY YEAR AND WILL CONTINUE SUPPORTED BY ONGOING IMPROVEMENTS)
- b. FY2022 Strategic Goals, FY2021 Organizational Accomplishments, and September 2021 Enterprise Metrics – J. Bunch (PRESENTED AND DISCUSSED 2021 FYE ENTERPRISE METRICS; REACHED 98% OF ALL METRICS GREEN FOR THE YEAR. THE TWO METRICS NOT REACHED WERE MINOR IN TERMS OF BUSINESS. ONLY ONE MINOR OSHA INJURY, NONE ON ELECTRIC SIDE OF BUSINESS, AND ZERO DAYS AWAY FROM WORK DUE TO INJURY. NO ADDITIONAL PREVENTABLE MOTOR VEHICLE BACKING INCIDENTS SINCE JUNE AND PRIOR INCIDENTS ONLY MINIMAL DAMAGES AND NO RELATED PERSONAL INJURIES. ALSO MENTIONED WATER LOSS IDENTIFICATION AND RECOVERY WILL BE IMPROVED WITH SMART METERS. CURRENTLY BASED ON AVERAGES, WIDE VARIABILITY MONTH TO MONTH DUE TO ONE MONTHLY READ AND BILL GROUPINGS. POINTED OUT CONTINUED EXCELLENCE IN CUSTOMER SERVICE – REACHED A 98.26% OF ALL BILLS BEING 30 DAYS OR LESS IN ACCOUNTS RECEIVABLE AND UNCOLLECTIBLE REVENUE, AS PERCENT OF BILLED REVENUE, AT .13% FOR FY2021. EXTREMELY GOOD COMPARED TO INDUSTRY BENCHMARKS. ALSO COMMENDED DIRECTOR OF IT FOR KEEPING CYBERSECURITY TRAINING FRESH) (VICE CHAIRMAN HAWES AND CHAIRMAN DAVENPORT COMMENDED UC STAFF FOR THE PRIDE SHOWN IN WHAT THEY DO AND UC EXEMPLARY, ONGOING SAFETY RECORD) (GM-CEO DID NOT REVIEW 2021 ACCOMPLISHMENTS AND 2022 GOALS IN DETAIL; OFFERED TO ANSWER ANY ASSOC. QUESTIONS AT THIS MEETING OR NEXT; AS DESIRED. CONCLUDED BY STATING FY21 WAS AN EXCELLENT YEAR FOR EXECUTION AND CONTINUATION OF THE STRATEGIC AND IMPORTANT ITEMS COMMENCED)
- c. Electric Reliability Improvement Program (ERIP) – J. Couillard, V. Steele (DIRECTOR OF ENGINEERING AND DIRECTOR OF ELECTRIC OPERATIONS PRESENTED AND DISCUSSED THE ERIP. PRESENTATION PROVIDED HISTORY, GOALS, AND BENCHMARKS TO IMPROVE UCNSB SYSTEM-WIDE ELECTRIC RELIABILITY PERFORMANCE AND CUSTOMER EXPERIENCE. ALSO PROVIDED STATUS UPDATES ON ERIP PROGRAMS, ONGOING AND PLANNED, FOR VEGETATION MGMT. DISTRIBUTION & TRANSMISSION LINES (YR. 1 - 60% OF SYSTEM CLEARED), PROTECTION AND CONTROL DEVICE COORDINATION, SECTIONALIZING EQUIPMENT - TRIPSAVERS & RECLOSERS, NEW FEEDER CONFIGURATIONS, NEW STANDARDIZED EQUIPMENT AND DESIGN STANDARDS, AND STANDARDIZED MAINTENANCE PLANS – TRACKING AND REPORTING. IN ADDITION, DISTRIBUTION AUTOMATION,



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RESULTS OF UC MEETING

- c. Electric Reliability Improvement Program (ERIP) **(Cont.)**
SCADA INTEGRATION, TIED WITH SMART GRID, AMI AND TELECOM STRATEGIES. WORKING TOWARD REAL TIME KNOWLEDGE AND SYSTEM OPERATIONAL CONTROLS. PRESENTED AND CONCLUDED WITH 3-YR. PERFORMANCE HISTORY AND IMPROVEMENT TARGETS. REALIZED IMPROVEMENTS TO DATE: CAIDI IMPROVED 39% OVER HISTORICAL AVG.; SAIDI IMPROVED 38% AND MOMENTARY INTERRUPTIONS REDUCED BY 28%.)
- d. Modernization Projects (Update) – J. McMurray {w/various other Directors} (DIRECTOR OF STRATEGIC PROGRAMS PRESENTED AND DISCUSSED UCNSB'S MODERNIZATION PROJECTS. PRESENTATION PROVIDED THE MODERNIZATION HISTORY, GOALS, PLAN FOR ELECTRIC AND WATER MODERNIZATION AND ASSOCIATED PROJECT TIMELINES – ELECTRIC 2021-2027 AND WATER 2021-2026. EXPLAINED TELECOM STRATEGY TO SUPPORT THESE PROJECTS; EXAMPLE FOR AMI - 55k METER READS PER MONTH WILL INCREASE TO 161M. ALSO PRESENTED AND EXPLAINED NUMEROUS, ENABLED BENEFITS WITH THE PLANNED ADVANCED METERING INFRASTRUCTURE [AMI] AND SMART GRID – E.G. EFFICIENCY, CONSERVATION, OUTAGE & SYSTEM MANAGEMENT, ADVANCED BUSINESS ANALYTICS, AND NEW CUSTOMER SERVICE OPTIONS. PREPARING UC CAPABILITIES FOR DISTRIBUTION ENERGY RESOURCES, ELECTRIFICATION, AS WELL AS WATER RESOURCES' LONG-TERM SUSTAINABILITY. MODERNIZATION PROJECTS WILL ALSO ENSURE ONGOING FUTURE SAFE OPERATIONS AND AS MENTIONED ABOVE, REAL-TIME AUTOMATED SYSTEMS MANAGEMENT)

(COMMS. SMITH INQUIRED ABOUT MORE INFO. RE: ELECTRIC EQUIPMENT ON POLE – COULD ASSIST WITH NOTIFICATIONS. GM-CEO INDICATED UC HAS SOME CAPABILITIES NOW, WILL HAVE A LOT MORE IN A COUPLE OF YEARS. IN THE MEANTIME COMMS. CAN CALL GM-CEO FOR NORMALLY QUICK RESPONSES; IF UNKNOWN, WILL ALSO INFORM) (COMMS. KELLY INDICATED UC NEEDS TO BE READY – RECENT AUTO INDUSTRY INFO. INDICATES 50% OF VEHICLES WILL BE EV'S BY 2025)

(GM-CEO ALSO ANNOUNCED A DIRECTOR TRANSITION – DIRECTOR, WATER RESOURCES – THOMAS WEST, TAKING A JOB OPPORTUNITY IN CA. THANKED TOM FOR HIS EFFORTS. INTRODUCED SCOTT HEIL, WATER PRODUCTION SUPERVISOR, BECOMING INTERIM DIRECTOR)

5. Commission Counsel's Report – General Counsel

(G.C. CLOUD REPORTED THE CITY ATTORNEY CONTACTED HIM REGARDING THE DRAFTED INTERLOCAL AGREEMENT FROM 9-2020. INDICATED COMMENTS WOULD BE FORTHCOMING, MAY HAVE SOMETHING TO RESPOND TO BEFORE THE NEXT UC MEETING. ALSO MENTIONED A RECENT SUSPECTED PHISHING EMAIL RECEIVED AT UC WHICH ULTIMATELY RESOLVED AS LEGITIMATE, BUT RECOMMENDED CONTINUED SUSPICION FOR EMAILS FROM FEDERAL AGENCIES. ALSO ALERTED COMMISSION TO RECENT PROPOSED SENATE BILL, NO. 280, WOULD REQUIRE ALL LOCAL GOVERNMENTS TO INCLUDE BUSINESS IMPACT STATEMENTS WHEN ADOPTING ORDINANCES. MAY BE A CARVE OUT FOR PROPRIETARY OPERATIONS; WILL KEEP UC AWARE OF STATUS OF THIS PROPOSED BAD LEGISLATION)

6. Old Business

7. New Business

8. Possible Other Business - Time for Commissioners

(CHAIRMAN DAVENPORT W/B FORWARDING CUSTOMER BILLING MATTER TO GM-CEO) (COMMS. CONRAD MENTIONED UPCOMING WORKSHOP AT BRANNON CENTER 2-6 ON THURSDAY (10-28), CITY ECONOMIC DEVELOPMENT ADVISORY BOARD SUMMIT, PLANNING & VISION INFO., SUGGESTED COMMS. MAY WANT TO ATTEND. GM-CEO INDICATED UC WILL HAVE TWO UC STAFF MEMBERS ATTENDING – MGR., NEW BUSINESS AND PIO) (VICE CHAIRMAN HAWES THANKED UC STAFF FOR PROFESSIONAL PRESENTATIONS AND INFO. PROVIDED SINCE BEING ON COMMS. – VERY INFORMATIONAL, WELL LAID OUT AND MEANINGFUL)