



J. HOLCOMB, CHAIRMAN  
J. DAVENPORT, VICE CHAIR  
L. CONRAD, SECY.-TREAS.  
R. HAWES, ASST. SECY.-TREAS.  
J. SMITH, COMMISSIONER  
T. CLOUD, GENERAL COUNSEL  
J. BUNCH, GENERAL MANAGER/CEO

AGENDA\*\*  
REGULAR MEETING OF THE  
UTILITIES COMMISSION  
CITY OF NEW SMYRNA BEACH, FLORIDA  
TO BE HELD MONDAY, NOVEMBER 23, 2020,  
AT 3:00 P.M. 200 CANAL STREET, DEBERRY  
ROOM, 3<sup>RD</sup> FLOOR, NEW SMYRNA BEACH, FL

## RESULTS OF UC MEETING

[Pledge / Invocation / and Safety Message: Holiday / Lighting Safety – Tim Beyrle\*]

[SAFETY MESSAGE INADVERTENTLY SKIPPED – WILL RECOMMENCE NEXT UC MTG.]

### ROLL CALL

1. Agenda Changes, Additions and Deletions
2. Public Participation (Virtual Viewing & Limited On-Site w/ Appt.)
- \*3. Approval of Consent Items (APPROVED ALL CONSENT ITEMS AS SUBMITTED)
  - a. ✓ Minutes of Regular U.C. Meeting Held 10-26-20 (*held on-site w/limited public via appts.*)  
(*U.C. and State Requirements*)
  - b. ✓ Update to Compensation Program Policy – B. Pitcher (*U.C. and State Requirements*)
  - c. ✓ Ratification of Supplemental Funding and Approval of Additional Funding for Outsourced Utility Locates – T. West (*U.C. and State Requirements*)
  - d. ✓ Granted and Accepted Third Party Utility Easements – River Deck, LLC / Sams' Family Limited Partnership LLP, Series 1 and Series 2; Starbucks / JDBS Winter Springs, LLC; Ocean Way Village, Lot 1 / Dal-Ter Properties, LLC; and Circle K / Circle K Stores, Inc. – J. Couillard (*U.C. and State Requirements*)
  - e. ✓ Modification and Substitution of Parties to Developer's Agreement (DA) and Joinder and Consent of Property Owner to DA as Amended – J. Couillard (*U.C. and State Requirements*)
4. General Manager's Report – J. Bunch
  - a. Financial Status – October 2020 – E. Chavez (**DURING PRESENTATION CFO INDICATED OCT. 1<sup>ST</sup> MONTH OF FY, CHANGE IN NET ASSETS ABOUT \$0.5 M WITH LOWER CAPITAL CONTRIBUTIONS. CAPITAL EXPS. \$0.6 M - \$0.4 M IN MAJOR PROJECTS AND \$0.2 M IN ANNUAL. MENTIONED SMYRNA SUB. PROJECT UP AND RUNNING. CUSTOMER GROWTH 2% ELECTRIC, 2.6% IN WATER AND 3.5% WASTEWATER. OPERATING INCOME COMPARED TO 2019, DOWN TO \$411,000 FOR OCT. WITH OPERATING INCOME EXPENSE FLAT. ALSO REPORTED ON STATUS OF RATE STUDY, FY2020 AUDIT FIELD WORK COMPLETED – NO SUBSTANTIAL FINDINGS OR ISSUES, AT&T JT. POLE AGREEMENT, AFTER U.C. APPROVAL TODAY WILL NEED CITY ORDINANCE APPROVAL, AND ASSET RETIREMENT ACCOUNTING FOR THE UC ASSETS PURCHASED BY EDGEWATER WILL OCCUR DURING NOVEMBER**)
  - b. Balanced Scorecard and Enterprise Metrics – October 2020 – E. Chavez (**KEY PERF. INDICATORS MAINLY GREEN EXCEPT SAIFI AND SAIDI. DURING OCT., A HIGH FREQUENCY OF ELECTRIC OUTAGES DUE TO VEGETATION. A NUMBER OF IMPROVEMENT INITIATIVES HAVE ALREADY COMMENCED IN THIS AREA BUT WILL TAKE TIME TO CATCH UP**) (CHAIRMAN HOLCOMB CONFIRMED U.C. RCVG. UP-TO-DATE UTILITY INDUSTRY ALERTS RE: CYBER THREATS)



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## **RESULTS OF UC MEETING**

### **4. General Manager's Report – J. Bunch (CONT.)**

c. Presentation – Utility Rates Comparison – J. Bunch **(GM-CEO PROVIDED A PRESENTATION ENTITLED: “WATER AND ELECTRIC RATES, HISTORY AND PEER COMPARISONS”. EDUCATIONAL, INFORMATIVE PRESENTATION CONTAINED RECENT HISTORY OF U.C. ELECTRIC AND WATER RATES, ALONG WITH EXTERNAL PEER RATE COMPARISONS. U.C.’S MISSION CONNECTED TO RATES – “...TO OPERATE AND MAINTAIN INFRASTRUCTURE THAT PROVIDES ESSENTIAL, RELIABLE UTILITY SERVICES TO OUR COMMUNITY”. HISTORICALLY, U.C. RATE INCREASES HAVE BEEN VERY MODEST. LAST WASTEWATER AND RECLAIMED WTR. INCREASE IN 2012, 8 YRS. AGO. LAST ELECTRIC RATE INCREASE, NOT SINCE 2006 (14 YRS. AGO). CUMULATIVE INFLATION SINCE 2006 -29.16%. U.C. DEFERRED CAPITAL PROJECTS BETWEEN 2012-15, AND HAS MANAGED OPERATING EXPENSES BUT PAID ASSOCIATED INCREASED BUSINESS COSTS FROM AVAILABLE FUNDS- I.E. CASH & CASH EQUIVALENTS AND R&R FUND. FUTURE RATES WILL INCLUDE A STRATEGY TO BALANCE THE USE OF CAPITAL WHILE ALSO BUILDING/ MAINTAINING TARGET LEVELS OF BOTH CASH ON HAND AND R&R FUND. RATE STUDY RESULTS / RECOMMENDATIONS EXPECTED DURING 1<sup>ST</sup> QUARTER OF CY2021. PREL. STUDY NOS. INDICATE CONTINUED MODEST INCREASES) (CHAIRMAN HOLCOMB STRESSED CLEAR, CONCISE PUBLIC COMMUNICATIONS RE: ANY INCREASED INVESTMENTS OR RATES W/B PARAMOUNT)**

**5. Commission Counsel's Report – General Counsel (ATTNY. CLOUD REPORTED NO ONGOING LAW SUITS AGAINST U.C. ALSO PROVIDED STATUS OF U.C. RATE STUDY AND SOME HISTORICAL DETAILS RE: MUNICIPAL PEERS' RATES LISTED IN THE COMPARISONS; SOME W/LARGE ACQUISITION COSTS INCLUDED IN THEIR RATES)**

### **6. Old Business**

a. ✓ FY2021 Strategic Goals – Formal Commission Approval – J. Bunch  
*(U.C. and State Requirements)* **(GM-CEO PROVIDED FY2021 STRATEGIC GOALS TO U.C. COMMISSION DURING 10-26-20 U.C. MTG. FOR REVIEW. GOALS FORMALLY APPROVED DURING TODAY'S MTG. AS SUBMITTED.)**

### **7. New Business**

a. ✓ Joint Pole Use Agreement Between UCNSB and AT&T Florida – E. Chavez  
*(U.C. and State Requirements)* **(AT&T JT. POLE USE AGREEMENT APPROVED BY UCNSB – INCLUDES A RATE OF \$33.25 PER POLE. DUE TO LENGTH OF AGREEMENT, CITY OF NSB ORDINANCE APPROVAL REQUIRED, WHICH ENTAILS TWO CITY COMMS. MTGS. PRIOR TO THIS AGREEMENT BECOMING EFFECTIVE)**

**8. Possible Other Business - Time for Commissioners (COMMS. SMITH INQUIRED ABOUT AGING INFRASTRUCTURE REPLACEMENTS IN CONNECTION WITH FUTURE RATES. GM-CEO CONFIRMED AND STATED SEVERAL PRO-ACTIVE MAINTENANCE PLANNING PROGRAMS HAVE BEEN IMPLEMENTED, AND THE REMAINING ONES WILL BE DEVELOPED FOR IMPLEMENTATION THIS FISCAL YEAR)**