



W. BIEDENBACH, CHAIRMAN  
J. HOLCOMB, VICE CHAIRMAN  
L. CONRAD, SECY.-TREAS.  
J. DAVENPORT, ASST. SECY.-TREAS.  
VACANCY, COMMISSIONER  
(Officers Appt. 9-23-19)  
T. CLOUD, GENERAL COUNSEL  
J. BUNCH, GENERAL MANAGER/CEO

**AGENDA\*\*\***  
**VIRTUAL WEBEX MEETING**  
**REGULAR MEETING**  
**OF THE UTILITIES COMMISSION**  
**CITY OF NEW SMYRNA BEACH, FLORIDA**  
**TO BE HELD TUESDAY, MAY 26, 2020, AT 3:00 P.M.**  
**200 CANAL STREET, DEBERRY ROOM, 3<sup>RD</sup> FLOOR**  
**NEW SMYRNA BEACH, FLORIDA**  
Webex Meeting Number/Access code: 791 380 880  
Phone +1-510-338-9438

**RESULTS OF UC MEETING**

**Facilitator – Provide Virtual Webex Meeting Instructions** – Director of Central Services/B. Pitcher

**Pledge of Allegiance and Invocation** – Chairman Biedenbach

**ROLL CALL**

**1. Agenda Changes, Additions and Deletions**

- 2. Public Participation\* (Virtual)** -- \*Facilitator – Director of Central Services – B. Pitcher  
(*Virtual Meeting Viewing Instructions and Public Participation Options Posted on UCNSB website – [www.ucnsb.org](http://www.ucnsb.org) and on the doors at 200 Canal Street, includes public participation form w/Webex call-in number and additional U.C. staff contact info.*)

**\*\*3. Approval of Consent Items (APPROVED)**  
**(ITEM 3-c. PULLED FOR DISCUSSION BY COMMS. DAVENPORT. AFTER DISCUSSION, ITEM APPROVED AS SUBMITTED)**

- a. ✓ Minutes of Public Hearing and Regular U.C. Meeting Held 4-27-20 (*held via Webex Mtg. No. 791 380 880*) (U.C. and State Requirements)
- b. ✓ ITB No. 22-20 – Electric Transformers (Polemound and Padmount) - (Recommend Awards to Gresco and Wesco) - M. Mines (U.C. and State Requirements)
- c. ✓ Project Approval – 5<sup>th</sup> Street Bridge Replacement and Including Amendment No. 1 to Contract 1 Between DRMP, Inc. and UCNSB – J. Couillard (U.C. and State Requirements)
- d. ✓ Ratification of Emergency Repair – South Riverside Drive Force Main Replacement Project (Force Enterprises Inc.) – J. Couillard (U.C. and State Requirements)

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

a. Financial Status – April 2020 – E. Chavez (CFO PROVIDED AN ELECTRONIC FINANCE PRESENTATION PRIOR TO THE MEETING AND DISCUSSED. IN APRIL THERE WAS A NEGATIVE CHANGE IN NET ASSETS OF \$0.2M, WITH A YTD OF A POSITIVE CHANGE IN NET ASSETS OF \$1.2 M REALIZED. YTD CAPITAL SPEND OF \$6.0 M FOR APRIL COMPRISING OF \$2.5 M ANNUAL PROJECTS AND \$3.5 M MAJOR PROJECTS. OVERRECOVERY OF FUEL AND PURCHASED POWER CONTINUING, DRIVEN BY LOWER THAN BUDGETED COST \$41.77 PER MWh – \$17.16 OR 14.6% LOWER THAN PRIOR YEAR. APRIL WAS A HOTTER MONTH WITH BOTH; MORE COOLING DAYS AND LESS HEATING DEGREE DAYS COMPARED TO 2019. YEAR OVER YEAR CUSTOMER GROWTH ALSO CONTINUING – ELECTRIC SALES UP 3.5%, COMMERCIAL 2.8%, WATER 2%, WASTEWATER 4.3% AND RECLAIMED WATER 12.4%.



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**RESULTS OF UC MEETING (page 2 of 3)**

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

a. Financial Status – April 2020 – E. Chavez (cont.)

CFO ALSO PROVIDED A BOND UPDATE WITHIN HIS PRESENTATION. THE UC ENTERED THE BOND MARKET ON 5-21-20 – SERIES 2020 BONDS. A TOTAL OF \$644M IN PURCHASE OFFERS WERE RECEIVED ON THE U.C.'S \$70M PAR VALUE – OVER 9 TIMES OVERSUBSCRIBED VS. PAR VALUE. UC OBTAINED OVERALL OUTSTANDING FINAL ALL-IN TOTAL INTEREST COSTS OF 2.76%. THIS RATE SAVES OVER \$1.0M ON FINANCING COSTS ASSOCIATED WITH REFUNDING THE EXISTING UC BONDS - APPROX. \$0.3M IN ADDITIONAL SAVINGS OVER PREVIOUS ESTIMATE. AND DUE TO THIS HISTORICALLY LOW RATE, THE UC WILL ALSO SAVE MILLIONS IN FUTURE AVOIDED FINANCING COSTS COMPARED TO RECENT AND HISTORICAL RATES. THE 2.76% LOW RATE WAS APPROX. 0.6% LOWER THAN RATE DISCUSSED IN LATE 2019.

CFO ALSO INCLUDED IN HIS PRESENTATION THE INFO. RE: FY2021 BUDGET. EXPLAINED THE 2021 CIP REFLECTED 2<sup>ND</sup> YEAR OF NEW/ENHANCED CAPITAL BUDGETING METHODOLOGY - DETAILED PRIORITIZED RISK ASSESSMENT INCORPORATING MASTER ENGINEERING PLANS, PROJECTED GROWTH, EXPECTED USAGE, AND PLACEHOLDERS FOR ELECTRIC AND WATER SYSTEMS MODERNIZATION. ALSO EXPLAINED UC MANAGEMENT CONDUCTED SEVERAL O&M AND CAPITAL CHALLENGE SESSIONS TO ENSURE COST-EFFECTIVENESS AND IDENTIFICATION OF EFFICIENCY IN OPERATIONS AND COSTS REDUCTIONS WHEN POSSIBLE. BUDGET KEY POINTS INCLUDED: FY2021 BUDGET REFLECTS UPDATED DEBT COSTS ASSOCIATED WITH SERIES 2020 BONDS. 2021-2030 10-YR CIP BUDGET IS \$180.8M – INCLUDES \$19.0M MODERNIZATION PROJECTS FOR 2021-2026, AND TO BE REVISITED ANNUALLY UPON FINALIZATION OF THESE STUDIES. FY2021 BUDGET REFLECTS APPROX. \$1.9M OF ELECTRIC RELIABILITY IMPROVEMENT PROJECTS OVER A 3-YR. PERIOD. PLANNING IS ALSO UNDERWAY FOR ADDITIONAL LONG TERM, PRIORITIZED ELECTRIC RELIABILITY AND RESILIENCY PROJECTS. REVENUE PROJECTIONS, APPROX. 1.8% HIGHER THAN LAST YEAR'S BUDGET, WERE BASED ON ACTUAL AND FORECASTED CUSTOMER CONSUMPTION AND UTILIZING CURRENT APPROVED UTILITY RATES. APPROVED 2020 RATE STUDY IS ONGOING, EXPECTED COMPLETION THIS FALL. OPERATING EXPENSES ARE BUDGETED TO DECREASE BY APPROX. 2.1% FROM PREVIOUS YEAR'S BUDGET. HISTORICALLY, ANNUAL BUDGETS HAVE TYPICALLY INCREASED 3% TO 6% OVER A PRIOR YEAR'S BUDGET. U.C. IS FOCUSING ON PROVIDING RELIABLE AND SUSTAINABLE UTILITY SERVICES IN A COST-CONSCIOUS MANNER. OPERATIONAL STAFFING LEVEL IS BUDGETED AT 180, SIX FTE'S LESS THAN PRIOR BUDGET HEADCOUNT OF 186. REDUCTIONS ALSO ACHIEVED THROUGH CENTRALIZATION OF TECHNOLOGY AND STANDARDIZATION FOR APPROPRIATE COST CONTROL AND OPTIMIZATION.

DIRECTOR OF ENGINEERING ALSO PRESENTED SOME OF THESE FY2021 BUDGET SLIDES, RE: CAPITAL PROJECTS, COVID -19 IMPACTS ON FY2020 PROJECTS, AND ADDITIONAL FY2021-2030 CAPITAL BUDGET KEY POINTS. CFO CONCLUDED THE BUDGET PRESENTATION BY REMINDING MODERNIZATION ROADMAP AND PROJECT PORTFOLIO WILL BE PRESENTED IN AN UPCOMING COMMISSION WORKSHOP.

AFTER FY2021 BUDGET PRESENTATION, A MOTION TO APPROVE FY2021 BUDGET AND CIP PLAN FY2021-2030 AND RESOLUTION NO. 2020-08 TOOK PLACE IMMEDIATELY. ACTION RESULTS DEPICTED BELOW UNDER AGENDA ITEM 7-a.

b. Balanced Scorecard and Enterprise Metrics – April 2020 – E. Chavez



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

c. COVID-19 Customer Billing – Collection Processes – E. Chavez and D. Wood  
(CFO PROVIDED A HIGH -LEVEL SUMMARY OF NEXT STEPS FOR CUSTOMER BILLING AND COLLECTION PROCESSES. JUNE AND JULY WILL BE UTILIZED AS TRANSITION MONTHS. THE UC'S COMMITMENT IS TO WORK WITH ALL CUSTOMERS PROACTIVELY. A DETAILED PLAN WAS DEVELOPED TO SUPPORT REASONABLE PAYMENT PLANS, PREVENT WRITE-OFFS, AND ENABLE CONTINUANCE OF UTILITY SERVICES)

d. FL PSC Hurricane Preparation Workshop – UCNSB Presentation – J. Bunch  
(GM-CEO BRIEFLY DISCUSSED THE PROVIDED SLIDE DECK IN THE AGENDA PACKAGE. INDICATED THAT FMEA HAD REACHED OUT AND REQUESTED UCNSB REPRESENT THE MUNICIPAL UTILITIES IN FLORIDA AT THIS ANNUAL PSC HURRICANE PREPARATION WORKSHOP, HELD ON 5-19-20. EXPLAINED THE FOCUS OF THE U.C.'S PRESENTATION WAS OUR PREPARATIONS AND PLANS USING PLAYBOOKS, LEVERAGING A COMMAND STRUCTURE, THE COMMUNICATIONS AND RESPONSES PROVIDED TO OUR CUSTOMERS, AS WELL AS THE POSITIVE FEEDBACK RECEIVED FROM OUR CUSTOMERS)

(GM-CEO ALSO MENTIONED A SUCCESSOR TO THE U.C.'S RETIRING DIRECTOR OF WATER RESOURCES WAS SELECTED – TOM WEST, AND PROVIDED A FEW CAREER / EXPERIENCE DETAILS)

**5. Commission Counsel's Report – General Counsel**

a. ✓ Restated, Amended Communications Site Lease Agreement - SpectraSite Communications, LLC dba American Tower Corporation – T. Cloud (APPROVED – BETTER FINANCIAL PROVISIONS WERE NEGOTIATED FOR THIS COMMUNICATIONS LEASE, PRIMARILY BY CFO. DUE TO THIS LEASE AGREEMENT'S TERM/LENGTH\* (\*OVER 4 YEARS), IT WILL TAKE EFFECT UPON APPROVAL BY CITY OF NSB COMMISSION) (GENERAL COUNSEL ALSO INDICATED PROGRESS IS CONTINUING ON JOINT USE AGREEMENT WITH AT&T AND WILLIAMSON BLVD. ROAD RIGHT-OF-WAY AGREEMENT)

**6. Old Business**

**7. New Business**

a. ✓ Consideration of U.C.'s FY2021 Budget and Capital Improvement Plan FY2021-2030 – Proposed Resolution No. 2020-08 – E. Chavez and J. Couillard (U.C. and State Requirements) (PRESENTATION, DISCUSSION, AND APPROVAL OCCURRED UNDER AGENDA ITEM 4-a.) (APPROVED – FY2021 BUDGET AND CIP PLAN FY2021-2030 VIA UCNSB RESOLUTION NO. 2020-08; AS REQUIRED, FINAL, FORMAL ADOPTION OF U.C.'S FY2021 BUDGET PENDING CITY OF NSB COMMISSION APPROVAL BY ORDINANCE – USUALLY OCCURS DURING SEPTEMBER. PUBLICATION OF FY2021 BUDGET (COMBINED SYSTEM PAGE) WILL BE DURING MONTH OF JUNE)

**8. Possible Other Business - Time for Commissioners**

(COMMS. CONRAD COMMENDED THE EMAIL COMMUNICATING “RETURN TO NORMAL” PLANS – VERY WELL WRITTEN – EMAIL WAS FORWARDED FROM THE GM-CEO, CFO, AND CUSTOMER SERVICE MANAGER)

(COMMS. DAVENPORT COMMENDED THE GM-CEO AND CFO FOR STRONG FINANCIAL REPORTING AND FOR PROVIDING A CLEAR UNDERSTANDING OF SAME. ALSO STATED WHOLE TEAM SHOULD BE CONGRATULATED)