

**MINUTES
CITY OF LAKE WORTH BEACH
ELECTRIC UTILITY CITY COMMISSION MEETING
CITY HALL COMMISSION CHAMBER
TUESDAY, MARCH 30, 2021 - 6:00 PM**

The meeting was called to order by Mayor Resch on the above date at 6:01 PM in the City Commission Chamber located at City Hall, 7 North Dixie Highway, Lake Worth Beach, Florida.

ROLL CALL: Present were Mayor Betty Resch; and Commissioners Sarah Malega, Christopher McVoy, Kimberly Stokes (via zoom) and Herman Robinson. Also present were City Manager Michael Bornstein, City Attorney Christy L. Goddeau and Deputy City Clerk Melissa Ann Coyne.

PLEDGE OF ALLEGIANCE: led by Commissioner Christopher McVoy.

AGENDA - Additions/Deletions/Reordering:

There were no changes to the agenda, however Melissa Ann Coyne, Deputy City Clerk, announced that the staff report and resolution for Consent Item B read Level 2 charging station but should have read Level 3 charging station.

PRESENTATIONS: (there is no public comment on Presentation items)

A. Electric Utility Update given by Ed Liberty, Electric Utility Director

Mr. Liberty spoke about the state of affairs when he arrived in 2017. He iterated that the EU was experiencing declining performance with frequent outages and poor reliability due to decades of infrastructure decay and aged critical assets beyond useful life. He said that the costs were increasing while trying to achieve rate parity, there was a high rate of staff turnover with expired labor contracts and wages below market rates, a lack of knowledge about various issues including the power contracts, costs, reliability and best management practices, plus Federal regulatory non-compliance and resultant penalties. He reported that the turn-around began by establishing priorities with projects defined and quantified, staff and leadership buying in, engineers and contractors selected and financial cleanup before capital could be raised through bond sales. He listed the structural initiatives that were undertaken to improve the electric system performance including the restructuring of staff roles, developing multi-year capital investment plans, significantly improving the wholesale power contracts, developing a clear strategy for generation assets to reduce costs and achieve the lowest CO2 emissions in Florida by 2025 and improving customer service processes. He discussed the operational initiatives undertaken to improve reliability such as increased preventive maintenance and preemptive repairs, deterring animal contact with poles, conversion of circuits to higher operating voltages, improved storm response, replacement of aged critical components and implementation of a six-day workweek. He displayed the growth in the system load and increase in peak demand, indicating the growth in customers and usage. He detailed the SHRIP (system hardening and reliability improvement projects), explaining that the West 13 circuit ranked as the poorest

performing of all the circuits; upgrades were planned over three phases with phase 1 complete and phases 2 & 3 in design for construction this year. He gave examples of projects that were undertaken using City resources and highlighted the looping and voltage conversion projects to reduce the load on the aged 4kv circuits and harden the north and southeast areas of the system. He ended with the growing concerns about the increased failures of direct-buried underground conductors installed in the 1970s which affected multiple substations and power plant feeders and would all need to be replaced.

Mayor Resch thanked Mr. Liberty for his presentation.

Commissioner Malega inquired about receiving commercial usage data. She expressed concern about how to include all the residents to receive information. She asked how the EU consumers were made aware of the City-owned energy (COE) website.

Mr. Liberty replied that the COE page was available directly or through the City's website as well as being listed on all emails and on signage. He stated that residential and commercial usage was tracked on a monthly basis and during the pandemic the residential increased while the commercial decreased. He said that he would provide the requested data.

Commissioner McVoy thanked Mr. Liberty for the detail provided and the work being done. He appreciated that safety was stressed over speed and supported the use of City staff as much as possible. He expressed concern about voltage spikes that blew out customers' electronics and asked how often the AMI was read and if the data was used in outage responses. He stated that he was looking to separate the electric and water utility bills as well as change the design to resemble an FPL bill to make the comparison easier.

Mr. Liberty stated that the energy was stepped down through three regulated phases, the voltages were examined and rebalanced and the voltage conversion would alleviate the issue. He replied that the AMI was read on an hourly basis and was used to manage outages. He said that the ideas regarding the billing design would be vetted to make the bills more understandable.

Commissioner Stokes said that she was impressed with the ongoing projects and looked forward to learning more.

Commissioner Robinson opined that Mr. Liberty's management style was proactive rather than reactive and said that he had negotiated the contracts in a very positive manner for the City. He said that customer service had stepped up and asked if there was a deadline for the billing change. He inquired about incentives for commercial accounts and said that the positive side of the EU needed to be emphasized because of incorrect perception.

Mr. Liberty responded that the deadline would be in one year; the billing information had to be extracted from and supported by the billing system. He stated that there were economic incentives, but the commission needed to learn about the cost of service in order to give direction. He said that there would not be rate increases as he preferred having decreases in costs. He iterated that the EU staff was very hard on itself when there were outages and wanted to do better for the customers.

Commissioner McVoy left the meeting at 7:33 PM and returned at 7:35 PM.

Mayor Resch stated that the EU had never been better in 40 years of being a customer and the City needed to get the facts out about the great job the EU was doing. She asked how much was still owed in unpaid bills due to the pandemic.

Mr. Liberty answered that all of the data was tracked and would be provided at an upcoming meeting.

City Manager Bornstein stated that the City was researching the ARPA fund to see if it could be used for lost income.

Commissioner McVoy said that it would be important to know what the perception of the EU was in the community regarding outages, voltage spikes and rate parity to build understanding.

Commissioner Malega said that she would advocate for education regarding the bills and that commercial rates were putting the city behind. She stated that business owners were not allowed to use their security deposit to pay for their bills to get them caught up.

Commissioner Stokes said that there should be a conservation campaign for customers to upgrade their homes to make them more efficient, which would lower their bills.

Mr. Liberty said that the data was used and there was an energy conservation team to analyze what was being used in the home, like thermostats that did not work or how long the pool pump would run. He stated that there was a very small difference between FPL rates and the City's, but FPL would be raising their rates in the near future. He explained that the EU paid for many things that other utilities charged for.

Discussion ensued about the perception that LWB had high electric bills.

PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS AND CONSENT AGENDA:

Deputy City Clerk Coyne stated that there were no public comments submitted online.

Sy Kane asked if the City would be interested in a public-private partnership using IPMVP (International Performance Measurement & Verification Protocol) technology.

APPROVAL OF MINUTES:

Action: Motion made by Commissioner Malega and seconded by Commissioner McVoy to approve the following minutes:

A. February 23, 2021

Vote: Voice vote showed: AYES: Mayor Resch and Commissioners Malega, McVoy, Stokes and Robinson. NAYS: None.

CONSENT AGENDA: (public comment allowed during Public Participation of Non-Agendaed items)

Action: Motion made by Commissioner McVoy and seconded by Commissioner Robinson to approve the Consent Agenda.

- A. Professional Services Agreement with NAES Corporation for North American Electric Reliability Corporation (NERC) compliance support services
- B. Resolution No. 12-2021 – Ratification of Florida Department of Environmental Protection Electric Vehicle Charging Infrastructure – Phase 2 Grant Application

Vote: Voice vote showed: AYES: Mayor Resch and Commissioners Malega, McVoy, Stokes and Robinson. NAYS: None.

PUBLIC HEARINGS:
There were no Public Hearings on the agenda.

UNFINISHED BUSINESS:
There were no Unfinished Business items on the agenda.

NEW BUSINESS:

- A. First Amendment to the Purchase Agreement with ABB DE Inc., for magnetically actuated 38kV outdoor vacuum circuit breakers

Mr. Liberty explained that the amendment was for breakers to allow for continuity of supply and were less susceptible to failure from a short circuit.

Comments/requests summary:

- 1. Commissioner Stokes asked for clarification of the amendment and expressed concern if the technology was brand new.

Mr. Liberty responded that the contract was necessary to buy breakers as needed at a specific price in the future. He said that the technology was new to LWB, but not new to the industry.

- 2. Commissioner McVoy asked if the breakers were DC activated.

Walter Gill, Electric Utility Assistant Director, replied affirmatively.

Action: Motion made by Commissioner Robinson and seconded by Commissioner McVoy to approve the First Amendment to the Purchase Agreement with ABB DE Inc., for magnetically actuated 38kV outdoor vacuum circuit breakers.

Vote: Voice vote showed: AYES: Mayor Resch and Commissioners Malega, McVoy, Stokes and Robinson. NAYS: None.

- B. Task Order No. 7 with E.C. Fennell, PA, to complete engineering design for the 6th Ave South Circuits 0601, 0602 & 0604 Storm Hardening and Voltage Conversion

Mr. Liberty explained that three circuits needed to be designed by an engineering firm to work together to interconnect and work for the conversion. He said that the substation would need to be redesigned and constructed while the circuits were constructed.

Comments/requests summary:

1. Mayor Resch asked if the item was related to the one previously approved.

Mr. Liberty answered that it was.

Action: Motion made by Commissioner Robinson and seconded by Commissioner Malega to approve Task Order No. 7 with E.C. Fennell, PA, to complete engineering design for the 6th Ave South Circuits 0601, 0602 & 0604 Storm Hardening and Voltage Conversion.

Vote: Voice vote showed: AYES: Mayor Resch and Commissioners Malega, McVoy, Stokes and Robinson. NAYS: None.

- C. Task Order No. 8 with E.C. Fennell, PA, to complete engineering design for the 6th Ave South Circuit 0603 Storm Hardening

Mr. Liberty said that the task order was separate so that the budget could be managed.

Action: Motion made by Commissioner McVoy and seconded by Commissioner Malega to approve Task Order No. 8 with E.C. Fennell, PA, to complete engineering design for the 6th Ave South Circuit 0603 Storm Hardening.

Vote: Voice vote showed: AYES: Mayor Resch and Commissioners Malega, McVoy, Stokes and Robinson. NAYS: None.

- D. Third Addendum with Level One LLC

Mr. Liberty stated that the current bill printer was unwilling to do a short term extension of the contract, but the one-year extension would allow the EU time to redesign the bill.

Comments/requests summary:

1. Mayor Resch said that the work would not be done at the last minute.

Mayor Resch asked if there were any public comments. No one from the public commented.

Action: Motion made by Commissioner McVoy and seconded by Commissioner Robinson to approve Third Addendum with Level One LLC.

Vote: Voice vote showed: AYES: Mayor Resch and Commissioners Malega, McVoy, Stokes and Robinson. NAYS: None.

ADJOURNMENT:

Action: Motion made by Commissioner Malega and seconded by Commissioner Robinson to adjourn the meeting at 8:10 PM.

Vote: Voice vote showed: AYES: Mayor Resch and Commissioners Malega, McVoy, Stokes and Robinson. NAYS: None.

Betty Resch, Mayor

ATTEST:

Deborah M. Andrea, CMC, City Clerk

Minutes Approved: April 27, 2021