

**MINUTES
CITY OF LAKE WORTH
ELECTRIC UTILITY ADVISORY BOARD
MEETING
June 1, 2016 – 6:00 PM**

The meeting was called to order by Lisa Maxwell on the above date at 6:00 PM in the City Hall Conference Room, located at 7 North Dixie Highway, Lake Worth, Florida.

1. ROLL CALL:

Present were members: Lisa Maxwell, Ibrahim Chalhoub, Caroline Clore, Peggy Fisher, and Roger St. Martin.

Noah Tennyson was absent for the roll call. Noah Tennyson joined the meeting at 6:05 p.m.

John Borsch, the Electric Utility Director and Board Liaison, was also present.

2. PLEDGE OF ALLEGIANCE:

The pledge of allegiance was led by Peggy Fisher.

3. AGENDA – Additions/Deletions/Reordering:

There were no additions, deletions or reordering on the agenda.

4. PRESENTATIONS:

Staff introduced John Ragone to the Board by stating he is a business consultant hired to create an RFQ to attract qualifying companies that will help develop a five year (5) business plan for Electric Utility.

John Ragone has been in business for over 25 years and held many roles as Business and Lead Developer, Project Manager, Director of Business Development to now owning a family business. His business helps provide development and financial services to the power industry. He has negotiated major projects agreements, developed financial models to secure long-term institutional financing, marketing plan for a solar firm, evaluated gas pipeline contracts to support assets, amongst other major projects. Mr. Ragone stated that he met with John Borsch and the City Manager earlier today and had a better understanding of the scope of work to complete the RFQ for the Electric Utility business plan.

A lengthy discussion ensued.

Peggy Fischer asked staff what is Electric Utility's most current need in the RFQ process, especially now that the City's purchasing power agreement with Orlando Utilities Commission will expire.

John Borsch responded Electric Utility still has a one year extension for purchase power agreement with Orlando Utilities Commission and Walter Gill is developing a three year purchase power agreement with two optional years of extension. Staff also mentioned that the purchase power agreement is another opportunity that will be develop further in the business plan.

EUAB asked John Ragone to provide an overall idea of the scope of work.

John Ragone responded that once provided with the information on City's current asset, any mini-business plan the City may have, along with other information staff provides, the basis for the scope of work can be developed and may help the City decide whether to build or sell.

Caroline Clore asked about Staff's thought on the use of the City's natural gas line.

Staff responded anything the City owns is an asset with a value and can be used in number of different ways to benefit the City and this will be explored further in the business plan. Staff is currently reviewing contract with Florida Public Utilities for the use of gas line.

EUAB requested copy of the contract between the Florida Public Utilities and the City of Lake Worth to discuss in the next EUAB meeting.

EUAB asked John Ragone what is the time frame for the Business Plan.

John Ragone stated it will take about sixty days (60) days to have an internal business plan and scope of work.

BOARD COMMENTS:

- A. The Board complimented John Borsch on article written about the street lights in the Palm Beach Post, and that the article was very informative and that many residents had also compliment John Borsch for the street lights.

Caroline Clore participated in the prepaid program staff meeting. The Board member stated this is a positive tool for residential and business customers in maintaining the electric bill cost down.

EUAB asked about the 26kV conversion.

Staff responded presentation has been submitted to City Manager and is waiting for City Manager to add to the Commission Agenda. Staff is working on adding the 26kV on the June or July agenda.

5. PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS:

There was no public participation of non-agendaed items.

6. APPROVAL OF MINUTES:

A. EUAB Minutes 05.04.16

Action: The motion was made by Peggy Fisher to approve the minutes and seconded by Ibrahim Chalhoub.

Vote: Unanimous

7. UNFINISHED BUSINESS:

A. Willdan Financial Services - Economic & Financial Valuation Update

Staff stated Willdan Financial Services committed to having the report completed by the end of the month. Staff together with Willdan will review report and provide copy of report to EUAB in the next meeting.

8. NEW BUSINESS:

A. Purchase of four (4) new 55' trucks for Electric Utility

John Borsch reported currently the Transmission & Distribution division have three trucks that have been red tagged due to safety issues. The cost to repair would exceed the value of the vehicle.

The four (4) new 55' bucket material handling trucks will be purchased through the National Joint Powers Alliance's [NJPA] competitive solicitation process and purchase agreement with Altec Industries, Inc. at a price \$220,453 each not to exceed \$881,812.

A lengthy discussion ensued.

Action: The motion was made by Roger St. Martin to recommend the purchase of four (4) new 55' material handling bucket trucks from Altec Industries each costing \$220,453 for a total amount of \$881,812 and seconded by Peggy Fischer.

Vote: Unanimous

9. BOARD LIAISON REPORTS AND COMMENTS:

- A. John Borsch will attend the Village of Palm Springs next council meeting scheduled June 9th to provide an update of current capital improvement projects.
- B. Staff announced the Power Plant Manager, David Mulvay retired after 33 years of service with City and temporary replacement will be hired to assist staff while a new Power Plant Manager is hired for Tom G. Smith Power Plant.

10. ADJOURNMENT:

The meeting was adjourned at 7:07 pm.



Lisa Maxwell, Chairperson

ATTEST:



Sughey Moreno, Executive Secretary

Minutes Approved: June 1, 2016

A digital audio recording of this meeting will be available in the Office of the City Clerk.