

**MINUTES
CITY OF LAKE WORTH
ELECTRIC UTILITY ADVISORY BOARD
MEETING
August 3, 2016 – 6:00 PM**

The meeting was called to order by Ibrahim Chalhoub 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: Ibrahim Chalhoub, Peggy Fisher, Caroline Clore, Steffanie Mayo and Noah Tennyson.

Lisa Maxwell was absent for the roll call.

George Guirguis, City of Lake Worth Engineer, was present.

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

2. PLEDGE OF ALLEGIANCE:

The pledge of allegiance was led by Roger St. Martin.

3. AGENDA – Additions/Deletions/Reordering:

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

4. PRESENTATIONS:

There were no presentations on the Agenda.

5. PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS:

There was no public participation of non-agendaed items.

6. APPROVAL OF MINUTES:

A. EUAB Minutes 07.06.16

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

Vote: Unanimous

7. UNFINISHED BUSINESS:

A. Willdan Financial Services - Economic & Financial Valuation Update

Board Liaison provided final draft of the Willdan Financial Service - Economic & Valuation to the Board. Staff stated the graphic design changed but numbers remained the same. Report will be presented to Commission for review in September 2016.

B. Purchase of digital radios with Radio One

Last meeting staff proposed two way radio system which provides a reliable and efficient radio; network functionality and two way radio communication system for the Electric Utility. Board members had concerns on Radio One being a sole source provider and Motorola as the supporter of the system. Today, staff informed the Board that a new committee of City Assistant Directors, will evaluate the product, services and future development of the technology.

Staff stated the City's Internal Auditor, Kenneth Oaks was brought to do an independent evaluation at the recommendation of the Board to address issues with the Motorola/Radio One Project. Many aspects will be reviewed and further developed by the team spear heading the project.

Peggy Fisher commented that through conversation, a volunteer from the State highway patrol stated his company currently sells two way radios to the City. Board member explained the Board was not informed of the current purchase of radios and had major concerns on Electric Utility staff not providing full disclosure to EUAB.

EUAB commented City entrusts Board with providing a collective advice on Electric Utility matters, however, the lack of information makes this difficult.

Staff stated that once information is received, presenting the information to the EUAB is of utmost importance. Board Liaison stated that important information is never intentionally kept from the Board, staff wants to remain transparent and involve the Board in all the decision making in Electric Utility.

Lengthy discussion ensued.

8. **NEW BUSINESS:**

A. The purchase, installation and engineering of three protective relay panels for the Hypoluxo Station.

City Engineer, George Guirguis stated Hypoluxo Station is the single location that the City ties to the bulk electric system at 138 kV. The station

is owned by the City and operated by FPL per contractual agreement. FPL has approached the City to upgrade its end of the transmission line protective devices at Hypoluxo station. FPL is introducing new breakers that will split the current transmission line in half (Quantum) and due to the new line configuration, the transmission line will not be adequately protected with current legacy protective devices.

The Electric Engineering department is currently receiving quotes for both equipment procurement, installation and commissioning. So far the estimated maximum cost to upgrade the legacy protective relays is \$230,000. The advantages to the upgrade include satisfying current technology that supports the City of Lake Worth Transmission Operator (TOP), provide adequate protection with future system modification, faster processing and fault isolation, among many other advantages.

Lengthy discussion ensued.

Action: Peggy Fisher recommended the purchase, installation, and engineering of three protective relay panels for the Hypoluxo Station in the amount not to exceed \$230,000 and seconded by Roger St. Martin.

Vote: Unanimous

9. BOARD COMMENTS:

A. Peggy Fisher spoke about the Commission meeting August 2nd. Board member stated the Commission decided the Prepaid Account Management System, Software and Implementation with Excleron Software, LLC should be addressed in a Commission workshop. Commission was adamant about approving program and wants to explore the topic in depth.

EUAB questioned the utility disconnection process.

Staff stated the City sends out final disconnect letters to residents that have not paid their utility bill for a period of 45-60 days.

Board stated the previous Electric Utility Director was advised to reduce this time.

Staff stated this request was not presented to Commission by previous Electric Utility Director.

Lengthy discussion ensued.

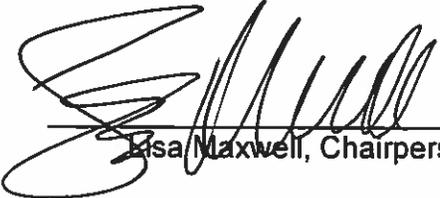
10. BOARD LIAISON REPORTS AND COMMENTS:

A. Staff reported the Florida Reliability Coordinating Council (FRCC) imposed

- a \$70,000 fine to Electric Utility on violations dating back to 2013. Electric Utility currently working with FRCC on a mitigation plan and an extension for testing unit 2 (GT2) to prevent future fines.
- B. GT1 is 95% completed on trenching, however unit 1 has an electrical cable that connects to the transformer and one of the phases is faulty and beyond repairing. Electric Utility currently working on unit, the expected cost is \$230,000.
 - C. An evaluation of GT2 was conducted and it was found that in the gas turbine the bleed valve were not opening and closing correctly. Parts were ordered over the weekend, they were installed and testing were conducted on both units.
 - D. Electric Utility revenue is \$1M to \$2M and are currently \$400K to \$500K under budget. Funds will be utilize for storm hardening, new poles, better system in case of hurricanes.
 - E. Electric Utility staff is working with City of Lake Worth Water Department to purchase reverse osmosis unit to reduce cost of acid usage and chemicals used to treat water for running the generation units.
 - F. Board Liaison reported the preliminary results from Burton and Associates show the Electric Utility's surplus can support the three months reserves needed to reject a rate increase. Staff asked Burton and Associates to develop a long term rate curve to provide residents future rate expectations.
 - G. Electric Utility hired Paul Nicholas, as the new Engineering Manager. Mr. Nicholas is the City's sight engineer through the Siemens project and he worked alongside staff for eight months before being hired. Engineering Manager will help development of Electric Utility 5 year Business Plan.
 - H. Staff reported Siemens project - all building lights are complete, tentatively all cobra head lights has been installed throughout the City, and all decorative lights have been ordered.
 - I. Staff is currently addressing residents' concerns on the brightness of street lights and the Automated Metering Infrastructure (AMI) meters causing health problems.
 - J. John Borsch stated foundation for the solar panels will commence tomorrow. Electric Utility currently paid over \$18,000 is permitting fees. Staff would like to build an observatory for residents, and students to learn about solar energy.

11. ADJOURNMENT:

The meeting was adjourned at 7:19pm.



Lisa Maxwell, Chairperson

ATTEST:

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a horizontal line extending to the right.

Sughey Moreno, Executive Secretary

Minutes Approved: August 24th, 2016

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