

**MINUTES
ORLANDO UTILITIES COMMISSION
November 10, 2020
2:00 P.M.**

Present:

COMMISSIONERS:

Cesar E. Calvet, President
Britta Gross, First Vice President
Larry Mills, Second Vice President
Gregory D. Lee, Commissioner
Buddy Dyer, Mayor

Clint Bullock, General Manager & Chief Executive Officer
Jan Aspuru, Chief Operating Officer
Mindy Brenay, Chief Financial Officer
W. Christopher Browder, Chief Legal Officer
Linda Ferrone, Chief Customer & Marketing Officer
Manju Palakkat, Chief Transformation & Technology Officer
Latisha Thompson, Chief Employee Experience Officer
LeMoyne Adams, Luz Aviles, Wade Gillingham, Jenise Osani, & Ken Zambito,
Vice Presidents
Nanci Schwartz, Recording Secretary

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The November 10, 2020 Commission Meeting was held in person and virtually via WebEx.

President Calvet asked Jill Rainford to provide the moment of reflection.

President Calvet asked Andres Burgos to lead the Pledge of Allegiance to the Flag.

The Commission Meeting was called to order at 2:09 P.M.

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On a motion by Commissioner Gross, seconded by Commissioner Mills and unanimously carried, the reading of the minutes of the October 13, 2020 Commission Meeting was waived and the minutes were approved.

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Latisha Thompson provided a presentation on Military Makeover/Veteran's Day observances. Ms. Thompson stated that earlier this year, OUC veterans had the opportunity to apply to be part of a show called "Military Makeover: Operation Career". Maggie Burdette, Navy veteran, and Andres Burgos Ortiz, Marine Corps veteran, were selected and shared their experience of transitioning from military to civilian careers. Ms. Thompson also participated in this segment, and shared how OUC values its veteran employees and strives to be a place where veterans can use their military skills in a civilian job. The segment aired on Friday, November 6th, on Lifetime TV, and will air again on Thursday, November 12th at 7:30 A.M. Ms. Thompson shared a teaser video of the segment. She thanked Ms. Burdette and Mr. Burgos for their service and for sharing their stories to make this such a great piece.

Ms. Thompson also announced that OUC will be recognizing veterans at the 2020 Veterans Day Flag Ceremony. The ceremony will be live streamed from Stanton Energy Center starting at 11 A.M. while adhering to all COVID-19 safety protocols. A link on OUC360 will be available for all OUC employees to view the ceremony live from their devices. Even in the midst of a pandemic, OUC is committed to honoring all those who have served, and those who continue to serve.

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Clint Bullock asked LeMoyne Adams to provide a presentation on Affirmative Item A-8 regarding the final segment of the Southeast Pipeline Project for the Boggy Creek Road North Water Main Installation Project. Mr. Adams provided a brief overview of OUC's approximately 200 square mile water service territory. In 2010, as part of the water master plan, there was a major focus on the Southeast area of the water service territory. At that time, there was only one 20 inch water main primary feed to the Southeast Repump Facility. Once water arrives at the facility, it is stored in a one million gallon storage tank, treated, and repumped to customers. Commercial customers in that area include Lake Nona, Medical City, portions of the Greater Orlando Aviation Authority, and the Amazon distribution facility. As a result of the master plan, the Boggy Creek Road North Water Main Installation Project was developed to satisfy long-term demands and growth in the Southeast area, increase reliability and use OUC's water supply from Sky Lake Water Treatment Plant, and fully meet fire flow requirements. The project is divided into two phases. Phase 1 was completed in 2017 by internal water distribution crews, and consisted of the installation of 12,600 feet of 20 inch water main as well as interconnection with Orange County Utilities. Phase 2 was divided into three segments, and Phase 2A is the final segment currently requesting approval, to be completed in December 2021. Phase 2A includes the installation of 3,410 feet of 20 inch water main. Once Phase 2A is completed, it will provide for a second water source into the Southeast Repump Facility, ensure OUC can meet fire load requirements, and provide necessary capacity to

meet current and future water demands in the Southeast area of the service territory.

President Calvet asked for clarification about the interconnection with Orange County Utilities. Mr. Adams explained that OUC entered into an agreement with Orange County. The interconnection is metered and bi-directional, and is able to provide service to OUC and Orange County during an emergency scenario.

Commissioner Mills inquired if that was the first interconnection. Mr. Adams confirmed it is not the first emergency interconnection.

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President Calvet presented the Affirmative Items for approval. On a motion by Commissioner Lee and seconded by Commissioner Mills, Affirmative Items A-1 through A-17 were approved as follows:

1. Ratification of the fuel procurements to the most responsive and responsible bidders in August 2020 in the aggregate amount \$12,112,542.77 as follows:

NATURAL GAS PURCHASES:

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|-------------|------------------------------------|----------------|
| August 2020 | ConocoPhillips | \$1,136,778.45 |
| August 2020 | EDF Trading | \$2,362,386.36 |
| August 2020 | Infinite Energy | \$ 505,265.05 |
| August 2020 | Macquarie Energy | \$ 287,550.00 |
| August 2020 | Mansfield Power & Gas LLC | \$ 187,369.31 |
| August 2020 | Municipal Gas Authority of Georgia | \$ 543,585.00 |
| August 2020 | Southwest Energy. L.P. | \$ 351,598.55 |
| August 2020 | Southwestern Energy | \$ 128,710.70 |
| August 2020 | Tenaska Marketing Ventures | \$1,350,216.59 |
| August 2020 | Texla Energy Management, Inc. | \$ 719,309.30 |

COAL PURCHASES:

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|-------------|---------------------------|----------------|
| August 2020 | Crimson Coal Corporation | \$3,142,916.99 |
| August 2020 | Foresight Coal Sales, LLC | \$1,396,856.47 |

2. Approval of RFP #4900 – Contract award to Airgas, Inc. d/b/a Airgas USA, LLC, the lowest, most responsive, and responsible supplier, to provide cylinder gas supply and delivery services in the amount of \$333,155.69. The contract term is three years with two one-year renewal options;
3. Approval of a Purchase Order to Greenman-Pedersen, Inc. to provide environmental consulting services for the Consumptive Use Permit Renewal Project in the amount of \$198,597.44;
4. Approval of the Electric Distribution Construction Estimates for Phase 2 of the Holden Avenue Road Expansion Project required for the

relocation of electric overhead facilities to a new underground manhole duct-line system along Holden Avenue in the aggregate amount of \$1,479,663.68;

5. Approval of the Electric Distribution Construction Estimates for the Lift Station 2 Force Main Project in the aggregate amount of \$2,706,571.21, which includes installation of a new underground manhole duct-line system and electric distribution facilities along Weber Street. Approval of a Purchase Order to Tetra Tech, Inc to provide the permitting for dewatering and effluent management for the project in the amount of \$150,012;
6. Approval of Change Request No. 1 to the Electric Distribution Construction Estimate for the South Orange Avenue Electric Infrastructure Project for final engineering and construction support necessary to complete the manhole duct-line system in the amount of \$3,790,664.01, increasing the total project cost to \$3,893,264.01. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Dewberry Engineers Inc. d/b/a Dewberry Bowyer-Singleton in the amount of \$150,040 to provide final engineering design and construction services, increasing the total Purchase Order amount to \$245,040;
7. Approval of a Lighting Construction Estimate in the amount of \$1,175,459.68 for construction, administration, and inspection costs for the Orlando Tennis Centre. Approval of a single source Purchase Order to Musco Lighting, LLC to provide construction management and construction services for the Orlando Tennis Centre in the amount of \$1,003,442;
8. Approval of a Purchase Order to Cathcart Construction Company – Florida LLC to provide construction services for Phase 2A of the Boggy Creek Road North Water Main Installation Project in the amount of \$1,378,316.72;
9. Approval of Change Request No. 1 to the Water Distribution Capital Expenditure Estimate in the amount of \$353,186.73 for additional construction services necessary for the Waterfront Estates Subdivision Rebuild Project, increasing the total project cost to \$1,844,482.73. Approval of a Purchase Order to Cathcart Construction Company – FL, LLC to provide construction services for the Waterfront Estates Subdivision Rebuild Project in the amount of \$1,289,359.50;
10. Approval of a Purchase Order to Keyrus USA, Inc. for professional services supporting the delivery of Meter Data Roadmap use case solutions for a period of 27 weeks in the amount of \$384,180;

11. Approval of a sole source Purchase Order to AT&T Mobility to provide cellular devices and services from January 1, 2021 through August 11, 2024 in the amount of \$2,982,586;
12. Approval of an OUC initiated scope change and conforming Change Order No. 3 to Open Text Inc. in the amount of \$83,506.25 for Documentum annual software maintenance and support from December 22, 2020 through December 21, 2021, increasing the total Purchase Order amount to \$314,108.78;
13. Approval of RFQ #4923 – Contract award to Vermeer Southeast Sales & Service Inc., the lowest, most responsive, and responsible supplier, for two 3 Reel 5th wheel trailers in the amount of \$123,172. Approval of RFQ #4931 - Contract award to Tampa Forklift Inc., the lowest, most responsive, and responsible supplier, for one 22,000 pound forklift in the amount of \$119,585;
14. Ratification of an OUC initiated scope change and conforming Change Order No. 2 to Building Maintenance Services, Inc. in the amount of \$20,892 for janitorial services through October 31, 2020, increasing the total Purchase Order to 1,833,884. Approval of an OUC initiated scope change and conforming Change Order No. 3 to Building Maintenance Services, Inc. in the amount of \$373,749 to continue providing janitorial services through July 31, 2021, increasing the total Purchase Order amount to \$2,207,633;
15. Ratification of an OUC initiated scope change and conforming Change Order No. 3 to The Doctors Center Health Services in the amount of \$280,000 for COVID-19 related emergency medical screening services through October 31, 2020, increasing the total Purchase Order amount to \$1,055,000. Approval of an OUC initiated scope change and conforming Change Order No. 4 to The Doctors Center Health Services in the amount of \$745,000 to continue providing COVID-19 related emergency medical screening services through March 31, 2021, increasing the total Purchase Order amount to \$1,800,000;
16. Authorization for the General Manager & CEO to execute the Release of Easement for Stephen Riesen, for property located west of Taft Avenue and south of Wilson Avenue; and
17. Approval of a Capital Expenditure Estimate for the Stanton Energy Center Combustion Waste Storage Area Cells 1 and 2 Closure Project in the amount of \$1,707,592.97. Approval of a Purchase Order to Ardaman and Associates, Inc., a Tetra Tech Company, for engineering and design services for the closure of the Combustion Waste Storage Area Cells 1 and 2; and quality assurance for the landfill microspike

liner and geocomposite layer for the closure of Cell 1 in the amount of \$800,000. Approval of a sole source Purchase Order to Agru America, Inc. to provide the landfill microspike liner and geocomposite layer required for the closure of the Combustion Waste Storage Area Cell 1 in the amount of \$857,592.97.

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President Calvet asked if there were any comments for New Business Item 1 regarding the Commissioner nomination. The City of Orlando Nominating Board submitted three candidates for consideration of the position currently held by Gregory D. Lee, whose term expires December 31, 2020.

Commissioner Lee announced a conflict of interest, inasmuch as this matter considers his own appointment. He stated that he will refrain from the discussion and not vote on this item, per Florida State Statute, in that no member of a municipal council should vote on a motion regarding their right as a member.

Commissioner Mills moved to enable Gregory D. Lee, an OUC customer and qualified elector, to succeed himself as a Commission member, as is allowed by the Charter of the Commission, and that his name be submitted for consideration as the Commission's nomination to the Orlando City Council for election to serve a term of four years, effective January 1, 2021. Commissioner Gross seconded the motion and it was approved on a vote of 4-0. Commissioner Lee abstained from the vote.

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Commissioner Gross stated that the Finance Committee (Committee) conducted its regular meeting on October 20, 2020 in person and virtually via WebEx pursuant to the provisions of Section 286.011 and Governor DeSantis' Executive Orders 20-51, 20-52, 20-69, and 20-114 in an effort to control the spread of COVID-19 and to ensure the health, safety, and welfare of the community.

The Committee reviewed the quarterly Energy Risk Management and Investment and Debt reports for the 12-month period ending September 30, 2020.

The Committee also reviewed the results of the 2020A Series Revenue Refunding Bonds transaction and the five-year extension of the Series 2015B Standby Bond Purchase Agreement.

The Committee approved five-year extensions for Bryant Miller & Olive; Greenberg Traurig, LLP; and Public Financial Management to continue providing financing team services through December 31, 2025.

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Mindy Brenay shared preliminary results from the October 2020 financial statement with a slight decline from budget for both water and electric revenues, including St. Cloud. The key driver for the decline is related to water revenues, which has been more impactful than originally anticipated in the budget process. Wholesale electric energy and other revenues were slightly ahead of budget due to mutual aid hurricane support provided to peer utilities in Louisiana. Overall, revenues were consistent with the initial month of the Fiscal Year 2021 Operating Budget.

Commissioner Mills inquired about reimbursement for OUC's mutual aid assistance, and noted that the general public is not aware this mutual aid is reimbursed. Ms. Brenay stated the work is billed at cost in accordance with the terms of OUC's mutual aid agreements. President Calvet and Mr. Bullock also added that the support for these assignments are voluntary in nature and employees are not mandated to travel.

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Mr. Bullock asked Luz Aviles to provide an update on customer programs. Ms. Aviles stated that OUC continues to make great progress in providing assistance through customer programs. Power Pass has continued to see a slight growth thanks to approximately \$7,000 in credits given since the previous Commission Meeting. Project CARE has provided almost \$2.5 million in assistance to customers, while the Small Business program has almost reached \$1.3 million in assistance. Both programs are close to reaching the maximum dollar amounts allocated. After the October Commission Meeting, 232 small business demand customers were approved for assistance and received credits on the accounts. More targeted communications will be sent to this customer group in the future. OUC continues to monitor the application rates and potential federal government stimulus funding. Depending on these actions, there may be a future agenda item to provide additional funding for these programs.

Ms. Aviles stated that the LIHEAP Program has provided approximately \$1.72 million in assistance, while pay plans and payment arrangements continue to provide customer relief. Many customers tend to complete their pay arrangements in fewer installments than prearranged. Ms. Aviles also gave a summary of disconnect/reconnect activities for the previous week.

Commissioner Gross asked for a summary on the percentage of customers who were reconnected. Ms. Aviles stated that the percentage of customers reconnected within the same day has gone down a few percent, and there is a team looking into this.

Commissioner Mills asked for clarification regarding disconnects and OUC's communications over the previous months. Ms. Aviles stated that originally, OUC undertook a phased approach with a higher number of communications at first,

and is now mostly at normal operations regarding the number of communications sent prior to a disconnection, which is approximately three to four. Ms. Aviles also noted that OUC was reconnecting customers with a larger balance threshold, but that dollar amount has now returned to normal.

Commissioner Gross and Commissioner Mills urged staff to look at how returning to normal operations has affected the number of customer disconnects and reconnections.

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The Recording Secretary polled virtual public attendees for any comments under the General Appearances portion of the meeting agenda.

Michael Cohen, an OUC customer, spoke about OUC's Electric Integrated Resource Plan report and solar energy.

Raquel Fernandez, an OUC customer, spoke about OUC's Electric Integrated Resource Plan.

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Mr. Bullock asked Linda Ferrone to provide an Energy Efficiency 2020/2025 Commitment update. Ms. Ferrone explained how energy efficiency aligns with OUC's Connected 2025 strategies involving customers, employees, and community.

Ms. Ferrone reminded the Board that in August 2019, OUC committed to a conservation goal of 1 percent of retail sales in 2020. She discussed OUC's focus on local solutions specifically designed for OUC's customers.

Ms. Ferrone explained how the Florida Public Service Commission (FPSC) set OUC's Florida Energy Efficiency Conservation Act (FEECA) goals as .02 percent of sales. FEECA goals include specific customer-facing energy efficiency programs such as rebates and incentives and lighting projects. OUC also recognizes additional behavioral programs and corporate sustainability.

Ms. Ferrone discussed OUC's conservation commitment in 2020 and 2021. She stated that OUC has beat its 1 percent of retail sales goal for 2020 by achieving 1.62 percent. In 2021, it is anticipated to be 1 percent of retail sales. This reduction is due to the completion of a city-wide LED Lighting Program, a six-month gap in the Home Energy Report Program during a new request for proposal process, and the reduction of the Stanton Energy Center upgrade contribution. OUC continues to beat the FEECA goals by a wide margin.

Commissioner Gross inquired if there is concern about losing ground on energy efficiency behavioral program progress if and when the COVID-19 virus has been

contained. Ms. Ferrone stated that there is a targeted push campaign regarding the FEECA goals. OUC is confident that goal can be reached. Ms. Ferrone added that there is uncertainty due to COVID-19, and that from a behavioral standpoint, there has been an uptick in the Power Pass Program. It is anticipated that this conservation will continue.

Commissioner Gross asked if there is a possibility to increase the goal above 1 percent. Ms. Ferrone stated future projections require technological changes in order to achieve the same energy conservation goals. For the near future, there are plenty of opportunities for energy efficiency. While 1 percent does not sound impressive, she noted that OUC exceeds the state average of .16 percent of retail sales, the Southeast average of .31 percent, and the national average of .71 percent.

Mr. Bullock added that the City of Orlando continues to be progressive on new building codes and OUC continues to be focused on older homes. As new homes become more energy efficient, this can affect OUC's goals in the future. He also noted the important role the LED Lighting Program has played driving energy efficiency within the City.

Ms. Ferrone noted that the most difficult part of the energy efficiency programs is assisting low-income and rental customers. OUC has 51 percent of residential customers living in rental properties, and 36 percent of residential customers earn less than \$35,000 per year. She summarized the Efficiency Delivered and Multifamily Programs, and discussed the improvements made on homes in the Empowerment Zone. She also summarized new measures to the Efficiency Delivered Program in 2020, provided a typical customer savings example, and discussed expansion plans for the program.

Commissioner Mills asked who drives the multifamily unit improvements - OUC, landlord, or renter. Ms. Ferrone answered that it is OUC reaching out to the owner. This becomes difficult when landlords do not live in the area.

Commissioner Lee asked who recommends the best Efficiency Delivered Programs for customers. Ms. Ferrone responded it is a combination of auditor and vendor, while the homeowner makes the final decision.

President Calvet noted the possibility for small business customers to recoup efficiency costs over a multi-year lease. Ms. Ferrone stated that the small business program has different considerations than the residential program.

Ms. Ferrone stated that OUC plans to invest \$30 million in energy efficiency and conservation efforts by 2030. OUC has made a commitment to a 2021 conservation goal of 1 percent of retail sales. OUC will initiate an in-depth study of energy efficiency and water conservation programs to further optimize results,

beginning in 2021. Also in 2021, OUC will implement further enhancements to Efficiency Delivered.

Mr. Bullock announced that OUC will hold a workshop at 2:00 P.M. on November 17, where members of the public can learn about OUC's Clean Energy Roadmap Recommendation, a critical step in finalizing the Electric Integrated Resource Plan (EIRP). After a presentation on the recommendation, attendees will have the opportunity to provide comments to the Board for consideration prior to the vote to adopt the plan. No official action will be taken at the workshop.

Ms. Ferrone stated that information on the workshop is located on-line at OUCroadmap.com. The meeting will take place virtually via WebEx and in person at Reliable Plaza. Because of COVID-19 precautions, public attendance is limited with seating available on a first-come basis, and COVID-19 protocols will be adhered to. Ms. Ferrone provided details about in-person attendance and public comments, as well as opportunities to provide comments via WebEx and email.

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Mr. Bullock stated that for more than 24 years, proceeds from the OUC Charity Golf Tournament have benefited nonprofit organizations within the community that work tirelessly to improve the lives of Central Florida residents. Since the inaugural event in 1995, the tournament has donated more than \$788,000 to benefit 51 local agencies. Since the health and safety of all remains a top priority, it has been decided to move the Annual Charity Golf Tournament from November to Saturday, February 20, 2021. The tournament will be played at a new location, Shingle Creek Golf Club. OUC's focus for this year's employee giving campaign and golf tournament are on organizations that are advancing diversity, equity, and inclusion in the community. This will be a great opportunity to continue to support community partners, especially during these times.

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Mayor Dyer had no comments.

Commissioner Gross praised Ms. Ferrone's presentation and the reminder of the importance of energy efficiency. She congratulated OUC's veterans and commended the organization for employing so many veterans. She is looking forward to the EIRP Public Workshop.

Commissioner Mills applauded the commitment and effort on the conservation goals, specifically the proactive efforts toward rentals and project developers. He thanked Ms. Brenay for the financial report. He is looking forward to the EIRP

Public Workshop. He praised OUC for employing so many veterans and the community focus.

Commissioner Lee thanked Ms. Thompson and Ms. Ferrone for their presentations. He appreciated Ms. Ferrone's comments on the issues with FEECA comparison. He commended the LED Lighting Program. He is looking forward to the EIRP Public Workshop. He thanked the other Commissioners for his nomination and re-appointment.

President Calvet echoed prior comments. He is glad to see the Service Award recognitions. He hopes OUC is able to return to in-home energy audits and he commented on the challenges with increasing energy efficiency in multi-family housing and other rentals.

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President Calvet adjourned the meeting at 3:43 P.M.

President

Secretary