

**UTILITIES COMMISSION,  
CITY OF NEW SMYRNA BEACH, FLORIDA**

**Proclamation**

**July 2009**

**WHEREAS, the Utilities Commission, City of New Smyrna Beach, Florida, was duly created and validly existing under and by virtue of Chapters 67-1754 and 85-503, Laws of Florida, as the governing body of the utility system of the City of New Smyrna Beach, Florida; and**

**WHEREAS, the Utilities Commission employed Robert J. Rodi as the General Manager/CEO in July 2005; and**

**WHEREAS, Robert J. Rodi has provided and continues to provide exceptional knowledge, insight, and expertise to the Commission in this position; and**

**WHEREAS, Robert J. Rodi has initiated, completed, and continues to provide, numerous professional and technological advancements, strategies, objectives, and goals for the benefit of the Utilities Commission, as well as our community, and**

**NOW, THEREFORE, BE IT PROCLAIMED BY THE UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH, FLORIDA, AS FOLLOWS:**

**The Utilities Commission does hereby express our appreciation and unanimous support to Robert J. Rodi for his dedication, tireless efforts, and exemplary job performance during this time period.**

**The Utilities Commission previously and currently recognizes Robert J. Rodi deserves a monetary merit reward but due to the continuing financial and economic crisis, and per his recommendation, will forego this reward to a future date.**

The Utilities Commission hereby formally acknowledges Robert J. Rodi's accomplishments on our behalf, a listing is attached in "Year End Review" (6-15-09).

IN WITNESS WHEREOF, DATED July 20, 2009.

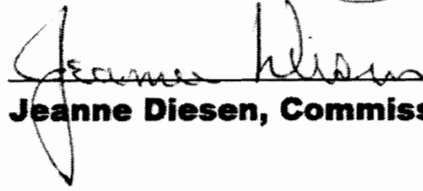
BY:

  
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**Walter Allen III, Chairman**

  
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**William Reynolds, Vice Chairman**

  
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**William Hall, Secretary-Treasurer**

  
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**Oscar Zeller, Asst. Secretary-Treasurer**

  
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**Jeanne Diesen, Commissioner**



A Year in Review  
Summary Items, July 2005 to July 2009  
(July 2005 to July 2008 previous entries retained;  
current update from July 2008 to June 2009 on pages 5-7)  
(Random order, partial listing)

- Developed and published UC Strategic Initiatives detailing Vision, strategic plan, strategies, objectives, tactics, and goals.
  - Initiated or completed formal studies on telephone, electric, water, wastewater, reuse, healthcare, Spill Prevention Control & Countermeasure (SPCC) rule, and cost of service.
  - Exit from cell phones and prepaid completed June 2006.
  - Exit from telephone business effective all states by 8-1-06 (9-1-06 for Tennessee).
  - Exit from cable business formally approved and exit targeted for 10-1-06.
  - Implemented selective retire-rehire program.
  - Implemented info systems back-up storage and effective firewall.
  - Evaluated WAV master plan for water supply potential and publicly conveyed perspectives, pros, and cons of Interlocal agreement e-mail on 5-17-06 and presentations on supply issues on 5-22-06 and 7-17-06.
  - Terminated Lightning Protection Program provided through Progress Energy with carry – over for existing customers.
  - Terminated contract with 5G Wireless for non-performance.
  - Publicly presented growth infrastructure impacts upon utility systems and water needs on 6-19-06.
  - Completed Water CUP application with increase to 8.33 mgd in 2012.
  - Developed and posted RSQ for water harvesting concept March 2006.
  - Developed and presented 5 and 10 year integrated O&M/CIP budget for 2007 incorporating water and generation strategies during March, 2006 workshop.
  - Developed and implemented ERU Developer's agreement addendum 7-06 to pay for external infrastructure for new developments.
  - Completed special, extensive forensic audits of financial and business practices ordered by the Utilities Commission, NSB.
  - Completed UC cyber audit of systems and digital security review.
  - Initiated alternate water source and energy production concept.
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- Conducted focus groups with our customers and incorporated key findings into our Strategic Initiatives.
  - Upgraded essential medical customer process and procedures.
  - Incorporated hurricane storm surge, fire risk information, growth forecasts, and study results into the UC's 2007 -2016 CIP.
  - Updated and jointly published 2006 Hurricane Preparedness Guide.
  - Initiated Field Street Substation transformer addition to relieve load.
  - Initiated new UC health insurance selection process and determination completed 7-06.
  - Financial reports produced one month earlier for more accurate reviews.
  - Growth/tracking maps created for system and development impacts.

- Initiated electric reliability goals and performance reported monthly.
  - Cleared Cassadaga 115kV line of undergrowth which jeopardized the circuit and created a fire threat (never was trimmed or cleared since construction in 1988).
  - Instituted lineman refresher and apprentice training with MEAG instructor.
  - Formalized document retention, information management, and e-mail policy and support through annual training.
  - Conducted special meeting on 9-8-06 on energy supply issues resulting from hurricane impacts to fuel and electric transmission supplies.
  - Conducted energy and water supply workshop 10-13-05.
  - Completed 2006 budget and CIP—CC approved on 10-12-06 and UC on 10-17-05.
  - Completed UC administration building security system 4-06.
  - UC workshop on held 12-7-06 on green technologies and UC 2006 Strategic Initiatives.
  - Updated and executed licensing agreements for existing software.
  - Initiated weather and water leak sealing of UC admin building to avoid potential loss of the building due to known water leaks and the potential for mold infestation.
  - Formalized UC contract authorization process.
  - Initiated vehicle allowance program.
  - Initiated Avian Flu countermeasures risk management and response plan.
  - Implemented City and UC joint use of DeBerry Room.
  - Revise UC Agenda format and protocols.
  - Resolved 10<sup>th</sup> Street utilities relocation avoiding ~\$250,000 costs.
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- Tentative FP&L 230 kV substation commitment to UC near existing New Smyrna Substation at I-95.
  - Secured TECO 2-year 10MW must take power contract ending 12-07 and a 1-year non-firm 20-40 MW power contract ending 12-06.
  - Completed new budget process in compliance with City Ordinance 19-05.
  - Initiated policies determination and review process.
  - Completed wage and Health benefits negotiations with local 2088.
  - Secured contracts for routine and emergency workforce to manage growth or emergency impacts for the UC electric and water utilities.
  - Implemented timber foresting of fire-damaged timber and selective existing stock harvesting on UC I-95 area property (~\$12,000 as of 7-24-06).
  - Initiated and implemented appropriate work dress protocols.
  - Recovered over 2 years of back payments for county for fire hydrant maintenance, ~\$21,000 performed by the UC water group.
  - Recovered back payments as a result of meter and system accuracy review initiative recovering ~\$240k in last 12 months.
  - Resolved consent order regarding reuse water discharge with FDEP through a study of the actual effects in the zone where the water enters the river avoiding potential costs ~\$500k.
  - Completed reuse pond construction and obtained operating permits which will provide about 15 million gallons of reuse when the pond is full.

- Completed over 100 public information requests and over 1,000 document research requests.
  - Maintained level of payments to the City even after shut down of high-loss Telecom and cable operations effective September 1, 2006. FY 2006=\$3.665 million, FY 2007=3.671 million, and FY 2008 currently forecasted at \$3.7 million.
  - Some Telecom contracts included various penalty and royalty provisions for termination. No litigation has occurred and over \$3 million in royalty payments were avoided.
  - Settled predecessor action litigation, which had serious multi-million dollar exposure for direct and punitive damages.
  - Implemented Addendum concept under the UC policy that existing customers should not pay for growth infrastructure investment. \$15 million realized to-date of the over \$50 million (NPV) for new growth infrastructure, which is approaching the value of the UC's total existing senior debt. This approach will mitigate future costs for current and to-be customers alike. Aside from new investment, the UC's future debt liability will drastically diminish in a few years compared to previous methodologies.
  - \$43 million dollar UC cost-avoidance achieved due to the redefinition of WAV.
  - \$186 million dollar UC cost-avoidance achieved due to the transition to a different alternative water plan.
  - Active development of two R&D projects which may secure sustainable electric and water resources for our customers as an outcome from a formal Renewable Energy RFP.
  - Secured a new 5-year firm 25 MW power contract with Progress Energy resulting in minor, but net savings over the previous and expiring 15 MW PE contract.
  - Completed street light inventory to calculate accurate costs and asset logging.
  - Implemented the Great Plains 9.0 financial systems and new Enquesta customer system, which allow credit card and internet payments and the capability to implement a quantifiable performance measurement and incentive system.
  - Developed a new pole attachment agreement for non-cable requestors; draft of cable provider agreement is in process.
  - Developed Interim Net Metering Rider for renewable generation to address load reductions and encourage private renewable generation sources.
  - Updated Strategic Initiatives for 2008.
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- Implemented water and power conservation, efficiency, and education programs with modest first year success and sponsored a Green Fair in NSB, which is promoted as the largest to date in Florida.
  - The 2008 Triennial Report is in final draft for release in August 2008 (Res. 28-78 requirement).
  - Completed \$10 million financing package for critical existing water system infrastructure upgrades and system deficiency corrections, which will also reduce pumping costs.
  - Initiated water infrastructure restoration projects involving the 3<sup>rd</sup> St. million gallon potable tank, a 20" low pressure transmission line, and new pumping systems at Smith and Glencoe locations inclusive of the upgrade of emergency generation systems at Glencoe.

- Coached off-site stock storage and consolidated inventory process for transformers, poles, conduit, and water/wastewater piping to reduce costs and appropriately match inventory needs.
  - Completed corrections to electric system high-priority deficiencies regarding the Field Street substation, distribution circuit partial upgrades, and voltage deficiencies in the south beach area.
  - Corrected marginal south beach area water quality performance issues and developed new methodology for low-flow area applications supported by DEP and VHD.
  - Evaluated current nuclear generation options being promoted related to future supply and cost exposure.
  - Initiated validation review and correction of AC/water heater load management program and equipment.
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- Designed and implemented new position descriptions, performance evaluations, competencies, and a succession planning system, all of which continue to evolve to meet organizational needs.
  - Coached improvements in: new employee recruiting, orientation, health and accident prevention processes; DOT, FMLA, and HIPAA regulatory adherence; and the development of an accident prevention manual and risk management analyses.
  - Implemented Shigo method of vegetative clearance, which is a high-production method also beneficial to the tree and results in significant reduction in re-growth for subsequent trimming cycles.
  - Coached the completion of a new principal agreement and supplemental agreement affecting UC employees represented by Local 2088.
  - Instituted changes to Personnel Practices to update provisions including IRS compensable rulings.
  - Reduced vehicle fleet and cell phones as determined by need and application.
  - Initiated PURPA declaration provisions and provided for appropriate actions to manage system impact exposures.
  - Initiated and implemented PSC required storm hardening standards and field upgrades.
  - Initiated and completed the new 18" beachside forced main project.
  - Coached expeditious repairs to the Turnbull Bay and Islesboro tornado damaged areas.
  - Coached expeditious repairs to the 30" forced main pipe failure.
  - Coached upgrade and implementation of the new UC web-site.
  - Initiated conversion of previous selective paper-form-approval process to a intranet web-based system.
  - Completed repairs to the UC's monopole communications tower.
  - Tendered MOU to protect LDR buffer provision while protecting significant UC asset infrastructure investment by using easements for selective geographical areas where road widening and other disruptive conditions could reasonably be expected.
  - Removed diseased live oak in COB parking lot, planted two 8" live oak trees, and upgraded beds and window containers with drought tolerant plant displays and plant identifiers.
  - Initiated SPCC plan and evaluations to affect regulatory compliance for all UC facilities.

- Initiated customer-comment tracking and improvement/resolution system.
  - Relocated personnel on UC first floor areas to afford improved customer contact and confidentiality needs and privacy and relocated engineering to the second floor area to enhance technical engineering discussions, which include financial arrangements.
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**Current update listing from July 2008 to June 15, 2009**

(Random order, partial listing)

- Implemented Interim Net Metering Rider tariff as a voluntary measure with Florida Public Service Commission to appropriately encourage small renewable generation from a variety of technology sources.
- Sponsored the Green Fair, which was the first-ever green building materials fair in Florida and which was attended by an estimated 7,500 persons on September 7 and 8, 2008.
- Replace the Avaya phone system with a Cisco system, thus providing greater security and cost-effective equipment.
- Successfully completed full contract negotiations with Local 2088, resulting in a 3-year principal agreement with wage reopeners in years two and three.
- Introduced energy and water conservation and efficiency programs which were effective in accomplishing net reductions in electric and water consumption.
- Completed the 2008 triennial report with satisfactory results to satisfy UC Resolution 28-78.
- Completed the subaqueous river mapping and marking survey to facilitate dredging requirements and asset mapping.
- Secured river outfall easement on AOB site (former wastewater treatment plant site) and secured the UC legal existence opinion (a change to UC charter language can only be accomplished via a legislative act).
- Worked through the 500-year flooding and events of tropical storm Fay.
- Completed the P-2 experimental artificial potable water circulation loop to maintain water quality in low-use areas and to reduce water system flushing—results approved and endorsed by Volusia Health Department and FDEP.
- Completed the new 1 million gallon effluent storage tank at the water reclamation plant and met a permit compliance requirement. Tank will be used as temporary storage for reclamation water and also used to avoid river outfall discharge of fresh water into saline river water.
- Completed *Chloramines to Chlorine* disinfectant program which improved the water quality performance of the potable water system and significantly reduced the routine flushing requirements to maintain the system.
- Completed the replacement to the Glencoe emergency generation back-up system including new protective schemes and auto-start capability.
- Completed water and wastewater pump pressure electric consumption efficiency the program resulting in estimated savings of \$250,000 annually. The UC water and reclamation water operations are the UC's largest electrical customer.

- Implemented the Red Flag compliance rules and policy requirements in support of customer privacy issues.
- Completed the fourth revision to the UC's Strategic Initiatives for 2009.
- Completed the review and determination of PURPA related standards and held public hearings.
- Completed the installation of the new one million gallon potable water storage tank beachside on 3<sup>rd</sup> Avenue increasing fire protection and reliability for the north beach area.
- Provided renewable energy and alternative water technology information for Senator Webster's legislative action group and the Governor's Energy and Climate Commission Office.
- Completed a reorganization of records retention and records management system including Sunshine compliance, open records, and fulfilling public records requests.
- Introduced KPI performance reporting at the enterprise and division levels. Line-of-sight measures identified through individual employee involvement and participation.
- Completed restoration of the second failure of the UC's 30" forced main. Conclusions to date indicate improper installation techniques and lower grade materials as the root cause. A mitigation plan has been developed and awaits approval by the FDEP. Due to the nature of this issue, investigation continues.
- Implemented a formal transmission and distribution wood pole inspection and identification program.
- Completed a MOU with Horizon Energy to pursue a 36 MW renewable energy plant for UC consumption through a to-be negotiated Purchase Power Agreement with a future option to purchase the plant.
- Completed the installation of an aquifer recharge system on the UC I-95 property using reclamation water rather than discharging to the river outfall and which also environmentally protects the Mosquito Lagoon.
- Completed a firm five-year purchase power agreement with Progress Energy Florida effective 1-1-09 with net favorable terms.
- Implemented an in-house Electrical Operations electrical skills training apprenticeship program.
- After nearly three years of preparation and tactical actions, implemented the UC's succession planning system which incorporates new position descriptions, annual performance reviews of all employees, identified and applied competencies for the respective positions, goals and objectives, and necessary training for employee planned succession. This system is currently being applied in Electrical Operations due retirements of several employees in leadership positions.
- Completed the upgrade and installation of the Financial, Human Resources, and Accounting with Great Plains 10.0 systems and have scheduled the mid-July replacement of the underperforming Enquesta Customer Service and Billing system with Cogsdale version 10.0.
- Revised and updated a pole attachment agreement to provide accurate rates and consistency among telecommunications users.
- Completed the draft of a new Purchasing Policies and Procedures Manual scheduled for July 2009 Commission approval presentation.

- Completed the EPICUS bankruptcy litigation \$3.7 million award to the UC whereby the UC has only received approximately \$40,000.
- Maintained the UC's alternative water supply project status with SJRWMD and developed the UC's concurrency monitoring system for adoption in the City's Comprehensive Plan.
- Established wireless high-speed communications links from the UC's communications tower to the Glencoe Water Plant and to the I-95 Water Reclamation Plant.
- Managed a second 500-year flood event during the May unnamed storm which deposited over 20 inches of rain in the service area over a three day period.
- 2008 water efficiency programs reduced water use to 98 gpd/person potable consumption, reclaiming 70% of potable as effluent and redeploying 90% of treated effluent for non-potable reuse.
- Successfully completed the new NERC/FRCC Reliability and Enforcement Audit and its corrective actions, averting \$500,000 in penalties. All transmission operators are nationally certified.
- Implemented the formal policy review processing system incorporating a standardized format and organizational approval process which is administered through the Controller's Office.
- Completed a draft, functioning-pilot Economic Value-Added financial (EVA) measure which discloses a positive value and stable trending of UC financial performance even in the current deteriorating UC sales environment.
- Completed a \$20.5 million short-lead-time refinancing and water project funding initiative at reduced overall costs while maintaining a 2020 senior debt-free plan.