

City Commission Workshop
September 11, 2018
5:30 pm

Mayor Mortimer called the workshop to order at 5:30 pm.

Members present included Mayor Mortimer, Commissioner Chastain, Commissioner Nugent, Commissioner Waters and Commissioner Woods. Also present were City Manager Bob Milner and City Attorney Dan Sikes.

Mayor Mortimer turned the workshop over to Mr. Milner. Mr. Milner wants the commissioners to hear what Florida Municipal Power Agency proposes regarding contracting out line crew services. The city will still own and maintain the vehicles and other equipment. Mr. Milner introduced Jacob Williams the General Manager and CEO of Florida Municipal Power Agency. Mr. Williams thanked the mayor and commissioners for inviting him to speak. The goal of FMPA is to provide low cost, reliable and clean power to its member cities so they can provide the same to their customers. Mr. Williams said FMPA is made up of 31 member cities who are the owners of FMPA. He said 21 of them buy power from FMPA including the City of Starke. Mr. Williams explained that Florida Municipal Electric Association is the legislative arm of the electric utility and they provide the hurricane response throughout the State of Florida. Mr. Williams said 80 percent of their electricity comes from natural gas generation, 15 percent comes from 2 coal-fired plants in Orlando and 5 percent comes from the Port St. Lucie nuclear plant. Commissioner Chastain asked about possible lower electric costs in October. Mr. Williams said FMPA is starting a program that will lower costs for higher cost cities. Commissioner Nugent asked about fixed costs. Mr. Williams said the fixed cost represents interest. Mr. Williams said the City of Starke has value in the utility we operate. He said there is a general fund transfer from the utility fund. Mr. Williams said local crews allow you to have faster restoration of utilities. He said cities with their own electric utilities had power restored 1 day sooner than cities with outside power sources following Hurricane Irma.

Mr. Williams introduced Mr. McCleary the Manager of Member Services Development for FMPA. Mr. McCleary thanked the commissioners for the opportunity to speak. He said there is difficulty in hiring and retaining utility employees. Mr. McCleary said National Labor Statistics show an 8 percent decrease in the number of people entering the work force. He said he could trouble shoot our system but it would take longer because he is not familiar with the system. Mr. McCleary said we need a system improvement plan to know we are on the right path. Mr. McCleary said the work being done on the Call Street substation is going to be of value to the city. Commissioner Waters asked if our line crew would be employed by FMPA. Mr. McCleary said their intention is to hire the foreman, 2 linemen and 3 apprentices that are employed by the City of Starke. Mayor Mortimer asked if the benefits our employees have would stay in place if they were hired by FMPA. Mr. McCleary said they would. Mayor Mortimer asked how many other cities FMPA has this arrangement with. Mr. McCleary said none. Mayor Mortimer asked how this came about. Mr. McCleary said because the city is having difficulty retaining lineman in this competitive market. Commissioner Chastain asked how many employees FMPA

would provide. Mr. McCleary said 1 foreman, 2 linemen and 3 apprentices. Commissioner Chastain asked how much the cost would be for the 6 workers. Mr. McCleary said \$850,000 per year. He said last year's cost was \$596,000. Commissioner Chastain asked if the city would still be responsible for the equipment. Mr. McCleary said yes. Mr. Milner pointed out that there would be no reduction in cost to our customers. Mayor Mortimer thanked Mr. McCleary and Mr. Williams for coming.

There being no further business, the meeting was adjourned at 6:21 pm.