MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, JANUARY 19, 2016 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Chairman Michael A. Perri, Jr.; Vice Chairman Glynda Cavalcanti; Secretary Daniel M. Delulio; Deputy Secretary Darryl Thomas-Bey; Mayor Linda Hudson; and Nick Mimms, Ex-Officio Member/City Manager.

Others present: Clayton W. Lindstrom, Director of Utilities; Amy Shevlin, Acting FPUA Attorney; Nina Penick, Director of Financial Services; Timothy E. Perkins, Director of Water and Wastewater Systems; Paul Jakubczak, Director of Electric & Gas Systems; Evelyn I. Walker, Director of Shared Services; and Jason Van Hoffman, Communication Manager.

The meeting was called to order by Chairman Perri.

Opening Prayer by Carol Johnson of FPUA Human Resources.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

A motion was made by Mayor Hudson, seconded by Ms. Cavalcanti, and unanimously carried to approve the Minutes of the Regular Meeting of December 15, 2015.

A motion was made by Ms. Cavalcanti, seconded by Mr. Delulio, and unanimously carried to approve the agenda as presented.

A motion was made by Mayor Hudson, seconded by Mr. Delulio, and unanimously carried to approve the Consent Agenda items.

1. POA 16-18A: Approve the purchase of a 2016 Ford Explorer in the amount of $30,834.74 from Sunrise Ford Company of Fort Pierce, Florida.
2. Approve Certification of Financial Responsibility for Plugging and Abandonment of the Water Treatment Plant Deep Injection and Monitoring Wells.
3. Bid No. 15-05: Approve Amendment Number 1 to the Generator Maintenance Contract with Genset Services, Inc., of Pompano Beach, Florida, to increase the not-to-exceed contract amount from $12,389 to $30,000 annually, contingent on receiving the required Certificate(s) of Insurance.
4. Bid No. 15-01: Approve Amendment Number 1 to the Janitorial Services Contract, with United States Service Industries, Inc., of Bethesda, Maryland, to modify the scope of work and increase the not-to-exceed Contract amount from $125,482.17 to $146,265.60, effective February 2, 2016.

The following were letters of appreciation were read:

1. A letter was received from William Armstead of the Boys and Girls Clubs of St. Lucie County thanking FPUA employees for their generous donation of gifts and supplies for Christmas.
2. An email was received from Daniel Retherford of St. Lucie county Facilities, Parks, and Recreation thanking Javy Cisneros of Electric & Gas Engineering and Chris Crumbley of Water Distribution for their eagerness to assist them in the water issue at the jail.
3. Cards were received from Natalie's Orchid Island Juice Company to Eileen Snoberger, Marie Causey, Shelia Parnell, and Lori Battipaglia of Customer Service and Jason Hoffman of Communications thanking them for their excellent communication during their gas outage.

John Tompeck, Gas Ops & Energy Services Manager, gave an update on the Low Pressure Incident of December 2015 and a Detailed Analysis with recommendations for system improvements. He said FPUA lost pressure on the system on the afternoon of December 12 and that pressure was mainly on the north side. The south side was isolated, which resulted in the loss of service to about 2,400 customers. After staff found out FPUA was losing pressure, everybody was assembled in the Gas Ops room about 4 p.m. An analysis was done to see where pressure was being lost and they sent people in the field because the system is all manual. Once it was figured out where they were losing pressure, an estimation was made as to where they could isolate the system and that was done about 8 p.m. It is when the 2,400 customers were affected. At that time, they started locking off the effected part of the system. This was to lock off the meters so they could not be turned on and was done from December 12 to December 15. There was a partial system restoration on December 13 where we could get gas to the hospital and also down Okeechobee Road west of 37th Street. On December 15, we were able to get gas to the downtown area. The system was repressurized December 16 and once that was done and there was no air in the system, the restoration was started at noon on December 16 and was finished at noon on December 19. Approximately 2,400 meters were done in about three days. Mr. Tompeck said looking back he believes we could have done a little better job with locking them off faster because that process is simpler and it took almost as long as turning them back on. He said there were about 60 people in the field, which included our mutual aid partners from FPU, Clearwater, Leesburg, Florida City Gas, TECO Peoples Gas, and Mears Construction who is FPUA's contractor. All of those workers were required to be "operator qualified", which means they had to have a significant amount of training to do this kind of work. FPUA was fortunate that a lot of these people had worked at the St. Lucie outage on Mother's Day so they all knew exactly what to do. The root cause of the outage was fairly straightforward where we had a valve that provided gas to the City from the South Gate Station that was left closed, but should have been opened. It is exactly why we did not have gas to the system, but staff did a more detailed investigation to see why that valve was not opened. A root cause analysis was done and staff took a look at what actually happened. The breakdown was the operational process of restoring gas from the gate station. We went back to look at how electric does their dispatching and locking out of breakers. Their verification process is much better than the Gas Department's verification process. There was a procedure for exactly how to make sure restoration of the gas

from the gate station is done properly, but the procedure is not as good as it should have been to make sure there was no operational error. There was operational error and staff did not open the valve. There is a 6" line that is going to the City, but it was not effectively a 6" line because it goes down to 2" along Midway Road. Staff had just turned off gas for the North Gate Station because they were doing some maintenance. The worst part is this an operation that has been done dozens of times over a number of years and it is not unusual to shut one of the gate stations down while working on the other one. Either one of FPUA's gate stations can handle the system flow. The bottom line is we starved the system because the 8" valve was not opened on the South Gate Station before we shut off the North Gate Station for maintenance. Mr. Tompeck said the correction action is not just specific to this specific incident, staff has looked at some other things as well to be sure we are covering the issue. He said the Gas Meter Technician (GMT) and the Gas Distribution Mechanic (GDM) were on site and they are being retrained and re-certified. Even though this is a simple process that has been done dozens of time before, we made a decision that any work at the gate station will be hands-on supervised by either the Gas Ops Manager (John Tompeck), Gas Ops Supervisor, or the Gas Distribution Foreman as a backup. It is really disturbing that something that is as routine as this and it is not done properly. This caused us to go back and look at our procedures to make sure one of the three are there supervising and verifying all the valves are lined up correctly and are ready to go. Another thing we are creating is a written switching procedure, which will include the different types of verification that electric dispatch does as well. Staff is looking at the feasibility of installing a simple SCADA system that can provide real time information on system status. Mr. Tompeck said when they started losing pressure, staff did not know where they were losing pressure or when. He said there is no remote pressure reading, which means staff has to go out and stick a pressure gauge on a part of the system or go to the charts, which are at the extreme ends of the system. Some research has been done and a couple of vendors have spoken with staff about getting some remote pressure indication that can feed to the SCADA. If we had this, staff would have been warned much earlier when the pressure was starting to fall on the north end of the system. We could have limited the amount of the system that needed to be taken down and maybe even caught it quick enough that none of the system would have been taken down. It is relatively an in expensive fix. Another thing FPUA is trying to do is establish and interconnection point with Florida City Gas. Our line and their line are about 5' apart down the south side of the system and this connection point would be a benefit to both systems. It would be a bigger benefit to Florida City Gas because they only have one gate station so when they lost their gate station on Mother's Day, they had nothing. If they had this interconnection, they may have been able to save part of their system at least. Staff is in contact with Florida City Gas and are going to start the engineering. Mr. Tompeck said he does not know if the interconnect of a 4" line would have saved the system, but it would have given them more time and delay and they could have saved a larger part of the system. A report was sent to the Public Service Commission (PSC) on January 5. The cost of the outage is not known yet because we are still waiting on the mutual aid invoices. We have only received one invoice so far, but before that came in, we had spent about $93,000 so far. Staff has been getting some calls and is looking at the potential of restitution options to see what would be reasonable or fair. The Board's packet contains the PSC report and another document is the detailed analysis and recommendations. Those are recommendations that are

not just for gas outages, but they cover any kind of outage or problem FPUA may have. It has been 10 years since the hurricanes and staff knew what to do then, but some of those people have changed and have not had the experience of a major outage. There were some positives in terms of getting used to that kind of emergeny with this issue. In the details, staff is also looking in terms to the engineering associated with the gas system, we are looking into other ways of isolating the system. Because of the way the system was built over 60 years, those are a lot more difficult to come up with isolation schemes.

Mayor Hudson asked if the lock off had to be done because of safety.

Mr. Tompeck said that is correct.

Mayor Hudson said that absolutely had to be done.

Mr. Tompeck said it is a regulation.

Mayor Hudson said we are fortunate and errored on the side of extreme safety that we had no disasters. She heard that a lot of customers were unable to be reached because of bad phone numbers.

Mr. Tompeck said bad phone numbers and the numbers on the houses were wrong. He said they could have done better on the lock off because the skill set for lock off is different than the skill set for turning on the meters. If FPUA had done some remedial training of our staff, we could have had more people locking off meters. That is one of the recommendations in our report.

Mayor Hudson said one of the reasons she is asking is because if anybody is watching this, they need to understand a lot of what we did was a process and the reason it took time was because staff was doing everything they could and as fast as they could. She said there were obstacles in our way and some of them was night time, bad phone numbers, house numbers, etc.

Mr. Tompeck said the police were extremely helpful because we had some irate dogs and customers.

Mayor Hudson asked if by restitution if a customer was not on line for five days, obviously they will not be charged for any gas usage. She asked if the over and above options is what FPUA is looking at.

Mr. Tompeck said that is correct.

Mr. Mimms asked if FPUA or a representative from FPUA could make a presentation to the City and discuss the incident and the corrective actions moving forward from this point.

Mr. Lindstrom said that can be done.

Mr. Mimms said he sees the list of system improvements and asked if that is going to be built into the capital improvements budget for this fiscal year or the upcoming fiscal years.

Mr. Lindstrom said it will be.

Mr. Bey asked if after looking at the situation that we just had and he wondered about what happened in Port St. Lucie on Mother's Day and started thinking about other vulnerabilities there may be like a car or potential breakdown as we had last month. He said we may have a weakness at the North Gate Station where a car accident like what happened at Port St. Lucie could cause a similar problem. Should FPUA include in our corrective measures a hardening of the North Gate Station as a further means of trying to prevent that kind of incident?

Mr. Tompeck said staff has started taking a look at the North Gate Station because it is very close to the street on Angle Road. The line that supplies the City is right inside the gate so there is the potential that someone could go off the road and wipe out the North Gate Station. The South Gate Station is in a different situation where it is approximately 200 yards from the Road. When you think something is impossible to happen, it has a way of happening. A tractor trailer coming off the turnpike could wipe out the Florida Gas side of the station. Staff will look into putting in some ballads at the North Gate Station to protect it a little bit more. We do have the redundancy if the North Gate Station gets knocked out and the South Gate Station is operating, we will have enough gas to supply the system. We have isolation valves on both sides so it can be isolated fairly easily.

Mr. Delulio asked for an overview where staff is at on the training program.

Mr. Lindstrom said prior to this incident, staff had identified by department what we considered training opportunities. He said staff has developed a 3-year plan to train all of our employees, office personnel, as well as field personnel on technical administrative schemes and programs. That was in the process of being implemented prior to this and all this does is spell out the actual need for more technical training, which is included in our training program.

Mayor Hudson asked if FPUA expects to hear back from the Public Service Commission.

Mr. Tompeck said he knows they have received the report and may say nothing or may come back with some questions. He said FPUA has their annual audit in September or October and they may come in and review the operating qualification records to make sure everybody that worked was qualified. They have a wide range of things they can do.

Mr. Perri said he notices there is activity out there at the South Gate Station this past week and asked if they are making modifications to it.

Mr. Tompeck said they are not making any more modifications. He said it had been sand blasted and painted and some of the stands were taken up to the North Gate Station to paint and they are bringing them back. There is some general cleanup to wrap up the job.

Mr. Bey asked what can be done about some of the safety and code issues identified at some of the customer's homes. He asked what could be done or put in motion so our job is easier when we come to a problem such as this.

Mr. Tompeck said he does not have the answer to that. He said we normally do not go into the customer's home unless they are changing their appliances or if they have a problem. Some of the homes staff had not been in for many years and when we walked in there were code or safety violations that were red-tagged and fixed. If we do not go in, then we do not know what they are doing and we cannot do a surprise inspection. These are things staff would pick up if we went to turn the gas on or off or change out a hot water heater. Most of the cases were leaking piping or the hot water heater not vented properly. Mr. Tompeck said if staff does not go there on a call, we would not know.

Mr. Bey asked if this is an issue that might be dealt with city inspections or the building department.

Ms. Cavalcanti said they would have to have pulled a permit.

Mayor Hudson said she does not believe city staff can go into somebody's home because that would be a privacy issue.

Mr. Mimms said if they are a private home owner they could have the same appliances and setup for many decades and we would not know.

Ms. Cavalcanti asked if when they buy an appliance, does FPUA have to install it or can they put it in themselves.

Mr. Tompeck said they can install it themselves. He said we are not crazy about them lighting off their own gas appliances, but some of them do.

Mr. Lindstrom said this is an opportunity to educate our customer base of the potential hazards and to look for things and understand if there is any questions whatsoever on a leak or vent situation they can call FPUA. He said we will evaluate that and come to their residence at no charge whatsoever. We can make sure their installation is safe. This can be done with some educational material perhaps in a bill stuffer.

Ms. Cavalcanti said it would be real nice to have that in a brochure for when they turn on their electricity or gas as a new customer. She said as a renter or new homeowner, you do not know what you are getting into. It would be a great time for FPUA to take care of that.

Mr. Lindstrom said Mr. Hoffman is making note of that as we speak.

Bo Hutchinson, Principal Engineer for Water/Wastewater Engineering, presented the Midway Road Widening Project and said this segment of the project runs from 25th Street to the Turnpike. The utility work for this project was broken down into two phases and the major work was done in the first phase by our unit price contractor back in FY 2014. The remaining deflections are being performed by the roadway contractor through an Interlocal Agreement with St. Lucie County. The deflections are performed when the storm drain is installed so staff does not have any control over the timing of that work. It is necessary to bring the remaining funds from FY 2015 forward to this fiscal year to complete the work when the roadway contractor does the storm drain work. Mr. Hutchinson said we also have a portable water interconnect with Port St. Lucie that is currently located at the intersection of Midway Road and 25th Street that has to be moved to facilitate the roadway widening project as well. This project has been on the radar for several years, but had never moved forward because the final drainage layout for the area had not been finalized until recently. It is finalized now and there simply is not enough room to reconstruct this interconnect in that area. We have located an alternate and better location a little bit further to the west close to Christensen Road. The roadway is under the control of the roadway contractor so we solicited the price from them to construct the new interconnect. The price was surprisingly good so staff is requesting approval of $65,000 for the roadway contractor to construct the new interconnect under the existing Interlocal Agreement with St. Lucie County. The existing Interlocal Agreement does allow additions such as this with no amendments necessary. An additional $15,000 is requested for staff time and overhead, bringing the total not to exceed amount to $190,000.

Mayor Hudson asked if the $110,000 was budgeted this year.

Mr. Hutchinson said yes it was and we are bringing it forward.

A motion was made by Ms. Cavalcanti, seconded by Mr. Bey, and unanimously carried to approve POA 14-20: a) use of contingency in the amount of $190,000, to fund FY 2016 Midway Road Widening Project (25th Street to Turnpike) costs not incurred in FY 2015 and additional costs to relocate the potable water interconnect with Port St. Lucie, and b) additional funding, payable to St. Lucie County, in an amount not to exceed $65,000, to relocate the interconnection.

James Carnes, Environmental Engineer for Water/Wastewater Engineering, presented the project for acidization of the Mainland Water Reclamation Facility's Deep Injection Well 1. He said FPUA operates two Class I, non-hazardous Deep Injection Wells at the Mainland Water Reclamation Facility and Treasure Coast Energy Center (TCEC). The injectate for deep injection well consists primarily of cooling tower blow-down water from the TCEC and leachate from the St. Lucie County Baling and Recycling Facility. In recent months, FPUA has documented increasing

operating pressures of this well. It is believed to be representative of clogging of the injection zone; therefore, staff has enlisted CDM Smith to assist us with this problem by providing some engineering, subcontracting, project oversight, and reporting services needed to develop an acidization procedure and engage a licensed well driller to perform the necessary rehabilitation service. Mr. Carnes said FPUA was informed by TCEC or Florida Municipal Power Association that they are anticipating two power plant shutdowns at TCEC during 2016; a Spring Outage scheduled for the period of 2/27/2016 - 3/12/2016 that we are requesting approval to perform this acidization procedure. There is one in the fall, but that is earmarked for the 5-year Mechanical Integrity Testing required of these wells every five years. FPUA plans to equally share the cost of this maintenance with FMPA and St. Lucie County Bailing and Recycling Facility in the amount of $74,200 each. Staff is requesting approval of two items associated with this agenda item: the use of contingency funds in the amount of $42,197 to cover FPUA's unbudgeted contribution of the acidization procedure as well as Specific Authorization CDM 16-01 in the amount of $222,589 to perform the engineering services related to this deep injection well acidization.

A motion was made by Mr. Bey, seconded by Ms. Cavalcanti, and unanimously carried to approve POA 14-53: a) use of contingency in the amount of $42,197 to fund the unbudgeted portion of FPUA's contribution toward the Acidization of the Mainland Water Reclamation Facility's Deep Injection Well (DIW) IW-1, and b) Specific Authorization CDM 16-01 with CDM Smith, Inc., of Cambridge, Massachusetts, in the amount of $222,589, to perform the engineering services related to the DIW Acidization, contingent on receiving required Certificate(s) of Insurance.

Nina Penick, Director of Financial Services, presented the Rate Comparisons for the month of November 2015. She said this is November's comparison of residential electric rates compiled by the Florida Municipal Electric Association (FMEA). The graph displays municipal electric utility bills in the State of Florida for usage of 1,000 kWh and FPUA's relative position as compared to the other municipal electric utilities in the State of Florida. FPUA has not changed relative position since October and remains 21st from the right on this comparison. At $111.84, FPUA's electric rates for 1,000 kWh are below the All Requirements Project (ARP), Investor Owned Utilities (IOU), and Municipal averages. Mrs. Penick said FPUA is displayed in blue to show where we would be with the $1 reduction in the PCA, which was effective on January 1. At $110.84, FPUA would move two positions to the left assuming nobody else moves. Since October, five utilities have increased their bills and eleven have decreased their bills and none of them were greater than $10. The 2,500 kWh comparison displays FPUA's position and it has gained one position since October and is now 18th from the right on this comparison. At $282.30, FPUA's electric rates for 2,500 kWh are below the Municipal and IOU averages. The blue bar shows where FPUA would be with the $2.50 per 2,500 kWh reduction in the PCA effective January 1. At $279.80, FPUA would move two positions to the left. The table displayed is November's comparison of residential electric, water, and wastewater rates as compiled by staff and it shows the comparison for Fort Pierce, Port St. Lucie, St. Lucie County, and Vero Beach utility bills. We have made a slight change to this comparison to show Vero Beach, but outside the City in Indian River County, which is the City's electric. The amounts reflected in this table includes any

applicable franchise charges, which is generally outside the city, as well as gross receipts, which is for all, and utility taxes, which is generally inside the city; whereas the FMEA comparison does not include those taxes and recoveries. This comparison reflects the $1 decrease in FPUA's PCA. Port St. Lucie's total bill shown on this comparison is 2.1% more than FPUA. St. Lucie County's total bill is 3.6% more than FPUA's and Vero Beach's electric bill including that Indian River County franchise fee is 10.9% higher than FPUA's. This is an information only item and no action is required by the Board.

Ms. Cavalcanti asked if we are going to get Stuart and Martin County numbers.

Mrs. Penick said they are in the process of evaluating changing the way they are doing their billing and we need to wait until after the dusts settles. She said it would better if that is talked about off line.

Mrs. Penick presented the Status Report on the Electric Power Cost Adjustment (PCA) for December 2015 and updated projections through September 2017. She said the PCA is the mechanism by which FPUA recovers power costs from our customers that are in excess of the $79.52 base power cost, which is included in the base rate. The cost of power purchased from Florida Municipal Power Agency (FMPA) for the month of December was billed to FPUA at the rate of $61.41 for 1,000 kWh. It was a decrease of $7.37 as compared to the month of November. The over-recovery from the customer for the month of December totaled $557,393 so the cumulative over-recovery is $6,693,239 as of December 31, 2015. The chart displays the projected amount of the PCA over-recovery using two different options for the Board's consideration. The projections of FPUA's power cost are prepared by Public Resources Management Group, which in turn are based on the projections prepared by FMPA. The red line predicts the projected PCA over-recovery if the PCA were to remain at the -$6, which is where it is right now and the green line predicts the projected PCA over-recovery if the PCA were to decrease $1 on February 1 to -$7, which is Staff's recommendation. The blue line in the middle of the chart is intended to draw attention to the projections that are as of December 31, 2016, which would be 12 months into the future. Looking back to projections for the month of December 2105 over the prior eleven months at the 50% confidence levels, those projections turned to be out an average of 24.5% higher than the actual rate billed. The projections to the right of the blue line are being presented because the information is available; however, those projections have historically been even higher than the projections made only twelve months into the future. Mrs. Penick said when costs are high, the over-recovery decreases over time so we need to continue to watch it each month to be sure we do not go into the negative numbers. Since last month's forecast, FMPA's estimate of the price of purchased power for the upcoming twelve months has increased 1%; however, due to the amount of the current over-recovery and historical trends, staff is recommending and requesting approval of a PCA decrease in the amount of $1 per 1,000 kWh from -$6 to -$7 per 1,000 kWh, effective February 1, 2016.

Mr. Delulio said if the Board had an option of -$8 PCA, then it would probably put us at $3.5 million over-collected at the blue mark.

Mrs. Penick said that is a fair statement.

Mr. Delulio said what we are doing here is reducing $1 and we are still going to be way above our comfort level one year from now. He said although we may have some cold weather coming. He just hopes we are not being too conservative.

Mayor Hudson asked if the 24% was higher than the projected.

Mrs. Penick said the projected amount they said we were going to be charged was an average of 24.5% more than what it actually turned out to be. She said FMPA's projections are very conservative. Even in the 12-month time frame forget about beyond the 12 months.

Mayor Hudson asked if that was beyond.

Mrs. Penick said it was within the 12 months; it was within the last 11 months.

Mr. Delulio said FMPA is being conservative and FPUA is being conservative on top of that.

Ms. Cavalcanti said it is very painful when we start having to increase the PCA so that is why she will move to approve staff's recommendation. She said if we had to go the other way quickly, which had to be done in the past, it was very painful.

Mr. Delulio said we can gradually bring it down in the future if we have to.

Mayor Hudson said we can monitor it every month.

A motion was made by Ms. Cavalcanti, seconded by Mr. Delulio, and unanimously carried to approve a decrease to the Power Cost Adjustment of $1 per 1,000 kWh from -$6 to -$7 per 1,000 kWh, effective February 1, 2016.

Mrs. Penick presented Resolution No. UA 2016-01, the Corporate Authorization with Seacoast National Bank of Stuart, Florida. She said this resolution is a housekeeping item and is tied to the change of Mrs. Penick's last name because she got married on January 1st. There was a resolution very similar to this in April when Mr. Lindstrom came on Board. In order to change the signatures on the bank accounts we need to go through the process of asking the Board to approve Resolution No. UA 2016-01, which is a Corporate Authorization with Seacoast National Bank of Stuart for our main accounts.

A motion was made by Mr. Bey, seconded by Mayor Hudson, and unanimously carried to Adopt Resolution No. UA 2016-01, the Corporate Authorization Resolution with Seacoast National Bank of Stuart, Florida.

Mr. Lindstrom said the two items that were questions on the ITS report at the last meeting have been addressed. He said we now have a counter on the number of hits and we also have a question and answer page.

Mr. Lindstrom said the Mayfield Bill has passed the first Committee, but with an amended version to it. He said it is down to two items with an additional reporting function and required by FMPA and the second piece is that all Members of FMPA's Board be elected officials. That would greatly impact this utility, but it still has two committees to clear before it goes to the floor. As of today, there has been no action on the companion Senate Bill.

Mr. Perri said the Committee that passed it was only by one vote.

Mr. Lindstrom said it passed 6 to 5 and there were two members who were not present. He said the indication to our Lobbyist is those two members were opposed to the Bill. One of them wanted to vote on it because he said it has no business whatsoever in the State and it was a local issue. It does merit to continue the watch. Mr. Lindstrom thanked Mayor Hudson for the letter she wrote to our Representative and Senator; those go a long way.

Mr. Lindstrom said the Board has before them a list of Association Industry Conferences and there may be more to come about. His recommendation for discussion is that perhaps the Board choose among yourselves one out of State conference to go to so only one representative is sent to each conference at the most. That is exclusive of the annual FMEA/FMPA meeting, which will be held in Orlando this year and he strongly recommends as in the past each and every one attend. If you could review the ones on the list that you would like to go to and let Mrs. Mazzarella know so she can start making reservations.

Mayor Hudson said with the Sunshine Law she does not know if we can do that among ourselves. She asked if they were to choose one out of state, there is only one.

Mr. Lindstrom said so far there is only one, but rather than send a multitude of members, only one can represent FPUA at the out of state ones.

Mayor Hudson said she agrees.

Mr. Delulio said for the APPA conference, Mike Perri is FPUA's liaison on the Policy Maker's Committee.

Mr. Perri said that is correct.

Mr. Delulio asked if it would be a natural that Mr. Perri would attend the APPA one in Phoenix.

Mr. Perri said it is required that he attend it.

Mr. Delulio said Mr. Perri would go there to work, but he would go to play.

Ms. Cavalcanti said then Mr. Perri is our representative on that one.

Mr. Perri said it is a five-state region the Policy Maker's Committee represents that he serves on.

Mr. Lindstrom said he is not asking for a commitment at this point, but it is a recommendation that can be discussed further.

Mr. Bey said for the record if Mr. Delulio believes getting up at 7:30 or 8:00 in the morning to go to meetings and seminars is play, he stands to be corrected.

Mr. Delulio said he learns a lot at the meetings.

Mr. Lindstrom reminded the Board Members that the next meeting on February 2 will be at 6:00 p.m. and will be a public hearing concerning our proposed water rates. He said Mr. Perkins will be heading that meeting because he will be in Tallahassee for some legislative issues with FMEA.

Ms. Cavalcanti said she has been hearing on the news about the Flint, Michigan water issues and would like to know how we know that we do not have those problems. She thought they said they had old pipes there full of lead and iron and that may sound like us.

Mr. Lindstrom said that is part of the presentation at the next meeting, but Mr. Perkins can brief you on it.

Tim Perkins, Director of Water and Wastewater Systems, said the event in Flint, Michigan was caused because the City was in financial disarray and put under a manager appointed by the Governor. As a cost cutting measure to save $4 million a year, they changed from using the City of Detroit's water supply to using the Flint River, which has a total different chemistry. Mr. Perkins said he is shocked and believes the director of the State Regulatory Agency has already resigned due to this issue. There should have been significant testing done on the corrosively of the water. They still have lead water mains in service in parts of the northeast and the Midwest and Michigan is one of those areas. With the other water, the minerals in that water had plated out on the mains and the lead main was not in contact with the water. When the new water source was utilized the new water dissolved that coating, exposed the lead to the water, and several months passed where there was elevated lead levels in the water. It was consumed by the customers. Lead is particularly hazardous to children both for developmental issues, for brain

development, and impacts on their organs. Mr. Perkins said the reason FPUA does not have to worry about that is because they are a surface water supply, which is a much more aggressive water and FPUA has a groundwater supply, which is less aggressive. We do not have lead components in our system and none of our pipes are lead. The only lead in our system is in the plumbing of the customers and that is nominal. FPUA feeds corrosion inhibitors in our plant every day and monitors the water quality closely. Lead is not an issue for us. FPUA has sampled 25 homes selected throughout the system three times over the past two years to monitor for lead and copper in the customers water at their tap. The goal for lead is zero, the maximum contaminant level requires that 90% of customers sampled have lead levels below 15 parts per billion; FPUA has consistently met those limits. We have not made any process changes that would affect water corrosively negatively and our water process is focused on providing a water that is non-aggressive to our plumbing and distribution system.

Ms. Cavalcanti said she thought the water in our big tanks was tested, but wondered about our pipes.

Mr. Perkins said that is why we go out into the homes because FPUA does not control what is in the home. He said there could be homes out there for 50 years and we would not know what their internal plumbing is. The EPA did a good job on this because they passed a regulation that makes you have to provide a water that will not dissolve those materials even when it gets into the plumbing system. That is what fell apart in Flint, Michigan is someone in control worried about water and not about public health and safety.

Mr. Lindstrom said that even prior to the Flint, Michigan incident, Mr. Stephens has been asked to give a full report of all the chemicals and additives we put into the water, the reasons why, and if there are any alternatives. It will be part of the presentation at our next meeting.

Mayor Hudson said she noticed on the consent agenda we bought some vehicles from Sunrise Ford and she appreciates us using a local automobile agency that is now in the City of Fort Pierce.

Mr. Bey said he wanted to thank all the employees and staff that worked hard and went above and beyond the call of duty during our outage. He understands there was a lot of long hours and tenuous situations.

Mr. Perri said they did an excellent job and he went out in the field about a half a day himself to observe what they were doing. He said he got no negative responses from the people they were trying to help and they were really glad to see us. They seemed to understand the cause for the delay was the safety issue. We went by the numbers and turned everything off and then had to turn it back on. The help from out of town were very good and he got to talk to a lot of them. Most of them have been through this before in Port St. Lucie and it was a monumental task and they did a real good job. Mr. Perri said he is proud of our people also.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN