MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, APRIL 3, 2018, 4:00 P.M., CITY COMMISSION CHAMBERS.

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

Others present: John K. Tompeck, Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney; Nina B. Penick, Director of Financial Services; Bowdoin G. Hutchinson, Director of Water/Wastewater Systems; and Javier Cisneros, Director of Utility Support Services.

The meeting was called to order by Chairman Daniel DeIulio.

Opening Prayer was by Richard Mutterback of Water/Wastewater Engineering.

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 set agenda.

A motion was made by Ms. Cavalcanti, seconded by Mr. Bey, and unanimously carried to approve the Minutes of the Regular Meeting of March 20, 2018

A motion was made by Ms. Cavalcanti, seconded by Mr. Bey, and unanimously carried to approve the Consent Agenda items.

1. Approve budget transfers totaling $192,691 to cover the City Distribution for FY 2018, based upon FY 2017 Adjusted Gross Revenue.

2. POA 16-14: Approve the purchase of eighteen Panasonic Toughbooks in the amount of $68,513.94 from QuestingHound Technology Partners, LLC of Deerfield Beach, Florida under GSA Contract Number GS-35F-0143R.

3. Bid No. 18-32: Approve the Award of Bid for the purchase of two (2) Switchgear, in an amount not to exceed $34,445.32 from Stuart C. Irby Company, of Jackson, Mississippi.

A letter was received from City of Vero Beach Mayor Harry G. Howell, III, thanking the FPUA Board for their time and consideration put forth in order to help the citizens of Vero Beach and Indian River County.

Mr. Tompeck said the first item today is a revision to the compensation plan for the Treasure Coast Energy Center.

Ed Leongomez, Plant Manager at the Treasure Coast Energy Center (TCEC) presented the item for the compensation plan for the employees at TCEC. He said this is his favorite topic, Treasure Coast Energy Center and the people that work there. TCEC is a critical power generation asset for the All Requirements Project (ARP). The ARP is an FMPA project that provides wholesale power to municipal electric utilities in Florida including FPUA. The plant is a highly automated, a highly efficient combined cycle unit, and a $250 million asset that is operated and maintained by fifteen employees under contract to FMPA. Mr. Leongomez said it is so critical to the ARP that one day the unit is down can costs up to $100,000 to $150,000 in additional power costs to the ARP. He said the original TCEC staff came from the King Plant and there are about 18 of the 20 folks that were working there who transitioned to the TCEC during the construction. They were available to receive training from the original equipment manufacturers, which is a huge benefit and unbelievably specific training that had to do with the equipment they were going to be operating ultimately. The next phase that would go through commissioning the different equipment, going through the different systems actually operating the equipment, and then getting into the actual unit acceptance testing. Of the 18 that came over, 14 of the most qualified employees were selected. Of those 14, six of the original remain and for Mr. Leongomez it is hard for him to believe this unit of TCEC went commercial May 31, 2008. This group has been producing consistently good results for almost a 10-year period. Unfortunately, we do not have all those folks so he has had to come up with a different kind of plan because they did not have the original training and selection method available anymore. He needed to come up with a different way to do it because the costs of errors are so high. Unforced errors are huge and they try to get those unforced errors as an employee through operations or maintenance that is performing a task that causes the unit to go off line unnecessarily. When they were planning Plant B, it was recognized the lean staffing TCEC had at the plant did not allow them to train with the employees they had. Those employees are working and they are not available to train somebody that is not experienced enough that needs to know a lot of information to be able to get the job done. Mr. Leongomez said it became apparent fairly quickly Plan B had a little bit of something that was not considered and that was highly experienced employees out there in the market and if we look only at Florida Municipal Power Plants are compensated 5% - 10% higher than with the compensation plan TCEC has. He said that compensation plan was a carryover from the King Plant Compensation Plan, which was appropriate for its day, but it considered a very low technology 125 megawatt collection of units. Plan B had to morph a little bit and staff created a Plan B.1. Every good plan has an objective and the objective for this plan is to attract and maintain highly qualified employees. This sounds good and everybody has that as their mantra to maintain employees. We would follow our primary Plan B method, which was to get the

applicants that have the specific power generation experience. That is huge because Mr. Leongomez said he cannot train a person that does not know anything about power plants, but he can show a person that knows about power plants and has done this work before how to operate this plant because they have operated a very similar plant someplace else. He said the value of those folks is they help us get our safety, and achieve the regulatory requirement compliance, which is huge. Even though we only have stated the value of reliability goals, those two other aspects are huge with this and is the big money. We have the value and the costs is to restructure these position ranges to match the market. We are not talking about the investor-owned utility market, he is talking about the Florida Municipal Power generation market. Part B helps you attract those candidates and Part C helps us maintain the folks we want to keep because we have either trained them or verified they are trained to do this type of work. Some of the Plan B.1 issues are the cost, Item B.1.C immediately increases operating cost approximately $50,000 for salaries and overheads. Ultimately the costs to FPUA and the ARP is about $0.009/1,000kWh and is the wholesale side of the rate that gets impacted. The mitigation to the Plan B.1.C costs is the value. These folks we bring in are the folks who help us achieve the safety goals, helps us meet regulatory requirement compliance, and reliability goals. As stated earlier, an experienced employee can helps us avoid that unforced error which would result in a 2 to 3 times the salary increase cost per avoided incident. In conclusion, TCEC is a critical ARP asset and also for FPUA, and experienced and knowledgeable employees help us meet our goal. He said one avoided unforced error is big money to the project and the salary costs for TCEC are directly covered by FMPA with the indirect cost to FPUA being the increase in the rate of a very small amount. Mr. Leongomez said Mr. Tompeck asked him to show a table for the TCEC salary bracket changes showing the comparisons before and after. Essentially, the upper side of the rate the employees are being paid was not changed. This particular approach will achieve part of the goal, which will put him in the position where he can offer employees a hirer starting salary than the previous salary bracket would.

Mayor Hudson asked if he had an approximate cost of what this would be in five years. She said there is an immediate cost of $50,000 and wanted to know five years from now.

Mr. Leongomez said he did not have that information with him now.

Mayor Hudson said this is borne by FMPA, but FMPA will be charging us more because of that.

Mr. Leongomez said it will be a slight increase in the wholesale rate.

Mayor Hudson asked if that will be for other companies too.

Mr. Leongomez said it will be for all ARP participants.

Mayor Hudson said then this will be shared with the ARP companies.

Mr. Leongomez said it would. He said to her point, Mr. Williams wanted to say something about that.

Jacob Williams, General Manager and CEO of FMPA thanked the Board for the opportunity to address this. As Ed said, this plant in the fall when we had our Board meeting here, we toured the plant and everyone understood this plant provides about 30% of all the electricity for FMPA's members. It is actually a plant that performs in the top 10% of the country in terms of availability and that is because of Ed and his team. This is not as compared to other municipal plants, this is compared to all the gas fired plants including FPLs around the country. It is a well-run facility. Our Board knows if it is not available and running, they are going to lose far more than getting everyone paid up to market so they are quite happy in paying market to get the kind of performance . It is a no brainer for the Board to do that. They are quite happy in doing this so you can keep and maintain a high quality staff, as you go through the natural turnover Ed talked about you are going through right now. Mr. Williams said they are very supportive of this and the Members are quite happy to take this on because they want the high performance plant.

Mr. Perri said he has known for some time we have been underpaying our employees and it is about time we came up and towed the line. He said mainly because of the competition and its need to get quality people on board. The ramifications of having employees that are not in tuned to that process could be catastrophic and really raise the cost of our rates in the long run. It is very important we have the best qualified people and pay them as much as we can to attract them.

A motion was made by Mr. Perri, seconded by Ms. Cavalcanti, and unanimously carried to approve Treasure Coast Energy Center Compensation Plan B.1 with an effective date of April 2, 2018.

Mr. Tompeck said the next item is an aerial tour of the IWRF and is a presentation Dominic Lane has shown at one of our internal staff meetings.

Dominic Lane, Operations Supervisor at the Water Reclamation Department gave an Aerial Tour of Island Water Reclamation Facility (IWRF). He said they did an aerial tour of the IWRF using drone footage and he will be outlining their treatment process from the beginning to the end. He will be starting with an overall look at the property located at 403 Seaway Drive at the base of the south bridge. Some basic information of the plant itself that is currently out there now, the construction was completed in 1983, but there has been a wastewater treatment facility on the island ranging back to the 1950's. At the south end of the property is where the old package plant used to be located and then the plant was renovated and expanded to its current 10 MG capacity. The plant features a preliminary treatment system with primary aeration, secondary clarification, disinfection, and if needed de-chlorination. Mr. Lane said FPUA is permitted by the Department of Environmental Protection for a 10 MG annual average daily flow. He said we can exceed that in the short term he believes we can do 11.5 MG as a peak monthly flow. The

headworks are displayed now where the preliminary treatment will begin and basically consists of screening out any inorganic materials that will not be able to be treated by the activated sludge process in the plant. The plant is a conventional activated sludge plant, which means we are treating wastewater with a biological floc which is composed of bacteria and protozoa. The headworks is where flow enters the plant. The 16" brown pipe that is going up the side of the structure and then it has an n-shaped fitting at the top that dumps the water from our Lift Station A into our headworks. This is the highest structure on the plant and the plant basically runs on gravity from this point. From this structure we will do our mechanical screening of any rags or inorganic materials, sticks, or anything that may find its way down a drain or a toilet that we will not be able to treat. The wastewater does not spend much time here, it goes through our automatic bar screen where all the inorganic material is going to be filtered out, dumped on the conveyor belt, and that all falls into the small dumpster on the bottom right of the screen. That will be carted out to the landfill. Also on this structure on the left the two brown mechanisms are going to be your grit classifiers. Shown now is the grit remover and they are the pista grit chambers. After the primary screening, the waste stream will enter these chambers through the pipes on the left side of the screen and will make their way through this round structure which encourages the slow vortex. The slow vortex in that tank will encourage any sand or grit to settle to the bottom. We do not want to treat any grit in our plant because it is untreatable by our bacteria and it also can cause damage downstream to any pumps or impellers. We want to get as much of it removed as possible in this structure. All the grit settles to the bottom where a pump will come on in a cycle and will pump the thickened grit slurry up to our headworks and the grit screws will further dewater it and dump it into another dumpster to be carted off to the landfill. We are now entering our primary treatment and after the inorganics are removed, wastewater is going to pass into our aeration basins. We introduce air to activate our bacteria in order to encourage the oxidation of any carbonaceous biological matter or nitrogenous matter that may be in the waste stream. We are able to choose which of our aeration basins we want to place on line using our aeration splitter box. Air is introduced through a course bubble diffuser using a 200hp electric motor that is feeding a roots styled blower. The tank is capable of holding 1.2MG and we have a total of three of these tanks, two of which are generally in operation on any given day. Generally there is about 2.5MG of what we call mixed liquor under air. We are returning some of our sludge from our clarifier tanks back into these aeration basins. The tank displayed is empty and has been drained and cleaned. We try to get as much dissolved oxygen into our mixed liquor as possible. The more oxygen we can introduce, the more active our bacteria is and the results are better downstream when we try to separate our solids from our liquid effluent. After primary aeration is complete, the average molecule will spend anywhere from 10 to 12 days in the aeration basin and will move on to our clarifier splitter box. This is our secondary treatment and we are able to choose either of the four 400,000 gallon clarifiers and on any given day we are operating two of these tanks. We always have extra capacity in case of an overflow, or a high flow scenario, or problems downstream with pumps and we are not able to dispose of our effluent. We like to keep at least anywhere between 1 million to 1.5 million gallons available in case of that. After the aeration basins, it is a very stirred up environment and we are going to move into a more still clarification tank where the solids are encouraged to settle to the bottom, leaving the clean clarified effluent to go over the weirs of the tanks where it will

move down to the next state of treatment which would be disinfection. The wastewater enters in the middle of the tank and it will move through the drum to encourage the solids to move down to the bottom and not out towards the perimeter of the tank which is where we want our clarifier effluent to move to. Mr. Lane said the two clarifiers 2 and 3 are on the west side of the plant and in the middle of the screen are the return activated sludge pumps. He said displayed is the effluent as it makes it way over the weirs and into the outfall that sends it down to the chlorine contact chamber. The surface of the clarifier is very still and we try not to disturb it as much as possible because the stiller the environment is, the better sludge settling we will get in the tank and the higher quality effluent we will get going over the weirs. We want this to be as clear as possible so we meet or exceed any of our FDEP required effluent parameters. The sludge from the bottom of the tanks, a large portion is returned back into the aeration basins to continue feeding our primary treatment. We have to maintain that population of bacteria at a certain level so some of our sludge is wasted. Our operators pull some sludge off the bottom of the tanks and do calculations every day to determine how much needs to be wasted and then we pump some of the sludge into our CleanB System where it will be treated with chlorine dioxide, turned into Class B bio solids, dewatered with our centrifuge, dumped into the trailers, and will be carted off to land application sites to be used as fertilizer. The final stage of treatment is disinfection in our Parshall flume, which is where we measure our total plant flow. There is a level transducer there and it measures the height of the water column and tells us how much flow we have going through the plant. The average daily flow of the wastewater treatment plant is around 5MGD so we are at about 50% of our capacity under normal conditions. Storm conditions can make that flow level sometimes double. At the partial flume is where we introduce our 12% concentrated sodium hypochlorite, which is basically bleach. It is introduced into the waste stream at that point and the nature of this tank encourages a 30-minute contact time. Mr. Lane said after 30 minutes, we have to maintain a .5mg/L chlorine residual in order to stay compliant with our FDEP regulations. The waste stream will make its way down to the end of the tank and back again, and then down to the end where it will finally end up in the wet well. We have four contact chambers, one of which we use and these are the last steps in case of a pump failure in the injection well pumps, and this would be the first tank that fills up. It is usually a safety cushion in case we have any kind of problems with our pumps or if we have to perform any maintenance, we are able to back fill these tanks a little bit. We keep as much capacity here as we possibly can. From the wet well, we also pull some water out of that injection wet well with the pumps. Those fill up the brown hydro pneumatic tank and we use some of that water effluent irrigation on our property as well as to wash down hoses and seal water to cool the seals at some of our pumps. We are able to reuse some of our water because we maintain that .5mg/L chlorine residual. The deep injection well pumps are 6MG each capable of pumping and when all four are on line are able to get about 16.5MGD to 17MGD down our injection well. This is where the final disposal of our effluent occurs. The pumps pull from the wet well at the end of the chlorine contact chamber and these are our most important assets. We rely on these to keep the waste stream flowing down our injection well and keep it from overflowing out of our river outfall. Our injection well pumps are powered by four variable frequency drives and are activated and controlled by a level transducer with a backup manual float system. At the south end of our plant is our injection well which is a Class 1 injection well with a 24" steel casing set at a depth 2,770' below the

surface. That 24" pipe goes down 2,700 feet and the injection zone for that well is between 2,770' and 3,315' below the surface. Our permitted capacity for that well is 14.92 MGD and will be where the majority of our treated effluent will end up. It is pumped past the Floridan Aquifer and into the Oldsmar limestone zone, 3000' below the surface. We are permitted once every five years to do a mechanical integrity test of our well, which involves taking the well apart, removing the valves, testing the well casing up to a pressure of 150psi, and a television inspection of the well casing to be sure there is no cracks where we may be leaching effluent into the aquifer. Also on this area of the plant will be our monitoring wells so our operators are required to sample once a month from our monitoring wells. There is a well inside of a well and one is at a depth of about 900' and the other one is about 1,800' and those are in our Floridan Aquifer. We sample those to make sure there are no nutrients or anything from our injection well or from our effluent making their way up into the drinking water level aquifers. Mr. Lane said that is basically the plant from the beginning to the end. He said the main purpose of the plant is to reduce the chemical biological oxygen demand of our effluent. We want to encourage as much flocculation as possible for better separation downstream and the highest quality effluent we can.

Attorney Koblegard asked where the ducks are.

Mr. Lane said the ducks are wherever they want to be.

Attorney Koblegard asked if the drone scared them away.

Mr. Lane said they were not afraid of the drone. He said the drone was at a height where they were unaware of it.

Attorney Koblegard said it is a very attractive site.

Mr. Bey asked at what percentage of capacity the plant is operating at this moment.

Mr. Lane said anywhere from 45% to 55%.

Mr. Bey asked if we are still encouraging organized tours of the plant.

Mr. Lane said we accept tours not on a regular basis, but they are not opposed to that.

Mayor Hudson if Mr. Lane has any security problems with people approaching from the water.

Mr. Lane said it was a concern in the past, but staff has put in a perimeter fence and that has kept people off the property. He said if people are pulling up in boats and are standing on the seawall, that is something that could still be happening, but they are not actually able to enter the property any more. The fence was installed about 5 to 6 years ago when operations went from 24 hours a day to 12 hours a day. Every building is secured with a security system.

Mayor Hudson said you have new neighbors so do you have any problems with your new neighbors.

Mr. Lane said there has not been any complaints yet and their main job is to produce the best quality of effluent they can and with the least amount of odor possible. He said we have not had an odor complaint since the neighbors moved in next door at the RV Park.

Mayor Hudson said thank you and that this was very impressive. She asked if Mr. Lane did the drone or managed the drone.

Mr. Lane said he did.

Ms. Cavalcanti said it was a really good presentation.

Mr. Perri said this operation is something like the electrical operation. He said people have no idea what we go through to make this happen, just like they do not have any idea when they click that switch what we went through to make that happen. It is very interesting and perhaps you could maybe do this presentation to a few schools throughout the year and educate the younger people so they would have an idea of just what it takes to live in this world.

Mr. Lane said it is not something many think about when they flush the toilet or turn on the sink what happens at the end of that journey.

Mayor Hudson asked where Mr. Lane shows this video.

Mr. Lane said he only made it recently on short notice and it has been shown at the FPUA internal staff meeting and here.

Mayor Hudson said it is very impressive.

Ms. Cavalcanti said one thing she thinks would be interesting is to have something like this at the energy center and have them going inside where you pay your bill. She said you would not have to watch it the whole time, but you would get an idea of what you are paying for. She does not know if there is a place for it. There are some places where you go in and they have something like that.

Mayor Hudson said that would be a good idea.

Mr. Tompeck said we have to get back to the reality of the financial operating results for January 2018.

Mayor Hudson asked Mrs. Penick if she had a drone.

Mr. DeIulio asked if we are flushed with cash.

Nina Penick, Director of Financial Services, presented the Financials Operating Results for January 2018. She said FPUA is four months into the fiscal year and we were able to get these closed quite quickly and efficiently and she is pleased to produce those results to the Board. The year to date increase in net position, after the distribution adjustment we make each month, was up about $125,000 from last year, but very consistent from last year. The operating income was up only $379,000 because we did have capacity reductions approved by the Board. The larger one was in November and in January, which totaled $1.3 million, almost $1.4 million. FPUA's electric operating revenues, the bars represent the revenue with the scale on the left and the consumption has the scale on the right. There was less consumption and less revenue in FY 17, but it has bounced back in FY 18. The revenues were down 4% from FY 16 to FY 17, but back up 3% from FY 17 to FY 18. The consumption was down 3% from FY 16 to FY 17, but back up 4% from FY 17 to FY 18. The water system revenues were up 7% from FY 16 and FY 17 and up another 2% from FY 17 to FY 18. Those capacity reductions helped bolster that because it certainly was not the consumption. Although the consumption was up 5% from FY 16 to FY 17 it was down 3% from FY17 to FY 18. At this point the increases in revenues really are not a result of any kind of rate increase, the last rate increase was back in 2016 of 3%. The Wastewater System had quite a bump in FY 18 in operating revenues in which $1.2 million was as a result of the collection of those guaranteed revenue charges. Mrs. Penick said she believes some of it is also is a result of discontinuing the credits we were providing for bulk water wastewater service. Although our consumption was basically flat, the gallons billed were up 5% from FY 16 to FY 17, but they were flat FY 17 to FY 18. The big bump in revenue was a result of the other two items, it was not a result of increased gallons billed. The natural gas side, we see positive results, the revenues were up 1% from FY 16 to FY 17 and up another 3% from FY 17 to FY 18. The consumption from FY 16 to FY 17 was actually up 12% and up another 5% from FY 17 to FY 18. It was not a result of the gas contract customers. Mrs. Penick said she was always telling the Board it was the big impact, but the contract consumption was down and that actually resulted in the 3.5% decrease in contract revenue. She said the gas system is definitely holding its own. The operating income and debt service has nothing exciting to see except because of the increases in the operating income, we are going to see increased debt service coverage numbers. The debt service coverage ratio for the 12 months ended January 31, 2018 is 3.38 and is double the 1.25 that is required by FPUA's bond covenants. This is an information only item and no action is required from the Board.

Mr. Tompeck said he has a couple of real quick items. He said the Strategic Planning session is set for April 30 at IRSC and hopes everybody will be able to attend. We have some exciting new ideas to share with all the attendees. He will be meeting with Mark McCain of FMPA next week to finalize the agenda and the presentations and will be sure you have them beforehand.

Mr. Tompeck said the City Commission approved the amended budget and the audit of the CAFR last night so we are in the position and will be transferring the distribution to the City in the next few days.

Mr. Perri said he had a question about the Memorandum of Understanding the Board requested be on the City Commission agenda, he does not think it ever got there.

Mrs. Cox said she had the document and thinks Mr. Mimms was supposed to be meeting with Mr. Tompeck about it as well.

Attorney Koblegard said we are having to bring it back to this Board because there was one phrase in the last paragraph that was not picked up in the one the Board approved. He said it is going to come back to this Board for a second approval.

Mr. Tompeck said that is exactly right and it was the sentence about the 6%.

Attorney Koblegard said it is about the City getting 6%, which we agreed to earlier. He said it was his fault and should have caught it before that meeting. We had so many different versions of it that the one we picked was not the final one and is the reason for the hold up.

Mr. Perri asked if this was in relation to giving the land back.

Attorney Koblegard said the only thing that is different from the one the Board approved is the City wanted to put in there when we sold the property, the City would get their 6% based on the gain on the sale of the property. He said that is exactly what the Charter says so that was not a problem they had, Mr. Koblegard said it was his fault it was not in there before.

Mayor Hudson said it is what the Board intended.

Ms. Cavalcanti said right.

Attorney Koblegard said Mr. Mimms said as soon as he got it, he will put it on the agenda for the City Commission's approval.

Mayor Hudson said it has to come back to this Board first.

Attorney Koblegard said it was his fault.

Mr. Bey said he would like to respond to a memo he received this morning written by one of the Commissioners that was concerning the letter John Tompeck had written to Mr. Tipton, the County Administrator. He said the memo from the Commissioner.

Mr. DeIulio said the City Commissioner.

Mr. Bey said the City Commissioner and that Mr. Tipton is County Commissioner.

Ms. Cavalcanti said the County Administrator.

Mr. Bey said the County Administrator and the memo he received was from a Fort Pierce City Commissioner and he went back and reread the letter again that Mr. Tompeck wrote and it seemed from reading the Commissioners memo that he had read a totally different letter. Mr. Bey said this is with all peace and love and kumbaya and can we all get a long, he is encouraged we are going to have the Strategic Planning session that is long overdue that the City and FPUA start talking and thinking strategically on the same page. He thinks when we write memos and things we need to be a little bit more sensitive and a little more exact about what we are commenting on. Mr. Bey said he thinks the memo, in his opinion, was kind of out of place and inappropriate. He said he supports John's letter and the letter written was basically asking for information from the County on how we should proceed with this proposal. We can all get along if we just be a little more exact and be a little more kind with our memos.

Ms. Cavalcanti said in our creation of a regional water and sewer treatment authority, she is wondering that we have the City Commission involved and the County Commission is involved, shouldn't the Utilities Authority Board also be involved in any of this. She is throwing this out for discussion.

Mayor Hudson said we are the ones that have the information and work closely with it and she thinks so. She said what happened is the City was pursing an annexation primarily something about having an annexation MOU and sent it to the County. The County responded with a little bit about annexation, but mostly about a regional utility. In her conversations with the Commission and with the management of FPUA, FPUA needs to be at the table and needs to be able to say factual things about what we have in terms of what our system is, how it serves its customers, and we have the facts. Mayor Hudson said we should absolutely be involved.

Ms. Cavalcanti said something that concerns her is we have, from her understanding and talking to Mr. Tompeck, we have put $22 million into our facility out west of town for the potential wastewater treatment plant and then all of a sudden that may be moved without our position on it being stated at a meeting with everybody there. She is concerned it would be a huge waste of money for our ratepayers, especially on the wastewater side. We should have a seat at the table.

Attorney Koblegard said he would recommend if the Board sees fit to make that request that Mr. Tompeck write a letter to Nick Mimms and Howard Tipton and ask that we be allowed to attend and be a participating partner with the City and the County in that meeting.

Mr. DeIulio, Mr. Bey, Ms. Cavalcanti, Mr. Perri and the Mayor Hudson all agreed.

Mr. Perri said we have been at this since 2013 where we asked the County for some information and we just never got it. He said now it is in writing and maybe we will get it, but we definitely need to be involved because we are the biggest player here. We have more skin in the game than anybody else, more assets, more people, and more everything. Mr. Perri said he cannot help it if it ruffles a feather or two, but we are an autonomous group and he thinks some people need to read the definition of that.

Mr. DeIulio told Attorney Koblegard that he had one question in regards to our Charter. He asked if we are kind of required to participate in something like this because it is our asset that is involved.

Attorney Koblegard said we are not required, but the County and the City cannot make us spend money. He said they cannot direct us to go into a regional facility without a referendum. For us to be there and answer questions and show what we have available today to serve and basically what the County does not have today to serve is important for that information to come from the County. We of course would be more than happy to send them every bit of information we have and have offered to do that before. This is a good time to try and get everything on the table with all three Boards sitting there to analyze the entire situation and see what it looks like.

Mayor Hudson said bottom line too is this is about growth of the City and this is the most important asset we have in terms of annexation as well as growth. She thinks us being there and reassuring them we are in this in terms of helping with that growth. This is a positive thing as opposed to a knocking or competitive thing. It is a positive thing for growth and she thinks the County is interested in helping the City grow and one of the reasons behind them wanting the WWTP up at the airport has to do with something that has not totally taken into account what our plan has. What we have to do is say this is where we are and they have to say this is where we want you to be. Mayor Hudson said honestly, she thinks it can be positive for the County and positive for our ratepayers, and positive for us. She thinks if we go into it saying we want to accommodate what you want to do, but you have to understand this is what we have and you have to tell us what you have. Let's see how we can work this out so it is positive for both, positive for the County, and for the City, and the UA.

Mr. Perri said on that note, the County wants to grow north and they had a perfect opportunity about 10 years ago when Harbor Branch wanted to give them $1 million to put a line up to their property. He said they kept FPUA out of the loop and they did not tell us anything about it. They messed around and could not provide that for Harbor Branch and Harbor Branch built their own facility. They say to not ruffle any feathers, but they are the feather rufflers as far as Mr. Perri is concerned. He said they have been in that posture for years and he does not think any of them have gotten out of it. They are trying to get the tail to wag the dog and as far as he is concerned, it is not going to work.

Mr. Bey said his final comments on this is that he wanted to go on record saying he supports the growth of the City and the growth of the County. He said if this regionalization thing is good for our ratepayers and it is good for the people in the County who are paying utility fees, then he is all for it. We are going to have to go about this thing in a proper manner in order to make it happen, that is his position.

Mayor Hudson said she would like to keep an open mind.

Ms. Cavalcanti asked if we needed a motion for this.

Attorney Koblegard said he thinks you should.

Mayor Hudson said we have consensus.

A motion was made by Ms. Cavalcanti, seconded by Mr. Bey, and unanimously carried for FPUA to invite ourselves and to authorize John Tompeck to send a letter to Mr. Mimms and Mr. Tipton to ask that FPUA be at the table for these discussions.

There being no further business, the meeting was adjourned.

ATTEST:

_____ _____

SECRETARY CHAIRMAN