MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, JULY 5, 2016 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Acting Chairman Daniel M. Delulio; Deputy Secretary Darryl Thomas-Bey; Mayor Linda Hudson; and Linda Cox, Acting Ex-Officio Member/City Manager.

Others present: Timothy E. Perkins, Acting Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney; Nina Penick, Director of Financial Services; Paul Jakubczak, Director of Electric & Gas Systems; and Thomas A. Fryar, Acting Director of Shared Services.

The meeting was called to order by Acting Chairman Delulio.

Opening Prayer by Jason Mittler of Electric & Gas Engineering.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

Mr. Delulio asked to set the agenda.

A motion was made by Mayor Hudson, seconded by Mr. Bey, and unanimously approved to excuse Michael A. Perri, Jr. from this meeting as he had a medical procedure.

A motion was made by Mayor Hudson, seconded by Mr. Bey, and unanimously carried to approve the June 21, 2016 minutes.

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

a. Excusing Glynda Cavalcanti from the Board Meeting today.

b. Budget transfer totaling $40,000 for emergency repair of Lift Station A pump and a sewer line inspection camera.

c. POA 5425: The Long-Term Support Agreement with Advanced Control Systems, Inc. (ACS), of Norcross, Georgia in the amount of $119,408 for the support and maintenance of the Supervisory Control and Data Acquisition (SCADA) system and the Precision Real-Time Information System Manager (PRISM) Historian for a three year period from May 1, 2016 through April 30, 2019.

d. Agreement with Florida Tourism Industry Marketing Corporation, dba Visit Florida (Visit Florida), of Tallahassee, Florida, for a matching grant of up to $5,000 awarded

to the Manatee Observation & Education Center (MOEC) for the period of July 1, 2016 through June 15, 2017 and authorize the Director of Shared Services to sign the online Agreement as the authorized signer for the MOEC.

e. POA 15-49: The budget transfer of $53,501 and the Contract with Crom, LLC dba Crom Engineering and Construction Services (CECS), of Gainesville, Florida in an amount not to exceed $146,352 for the rehabilitation of the 1 million gallon water storage tank at the Water Treatment Plant. This Contract will commence upon written Notice to Proceed and end by December 31, 2016, contingent on receiving the required Certificate(s) of Insurance.

Jann Widmayer, Manager of the Manatee Observation & Education Center (MOEC) gave an update on the MOEC. She said this year, the Manatee Observation & Education Center is celebrating its 20th anniversary as St. Lucie County's first not for profit environmental education center. The idea and inspiration became reality in 1996 and was the cornerstone of revitalization efforts in Fort Pierce. Situated on Moore's Creek and the Indian River Lagoon, manatees gathered in the creek outside MOEC's doors originally due to the warm water output from the Henry D. King Power Plant. While the plant is no longer there, the Manatee Center continues to be a place for manatees and visitors to gather. In the past nine months, the MOEC has educated over 35,000 visitors and documented more than 372 manatees in Moore's Creek. Since opening in 1996, over 850,000 visitors have enjoyed all that MOEC has to offer. The Manatee Center demographic information shows that 6% of visitors are from the local four-county area, 28% are from throughout Florida; 54% are national visitors, and 12% international. Ms. Widmayer said not only is the MOEC increasing tourism to Fort Pierce and enhancing economic development, the MOEC is certainly fulfilling its mission to promote understanding and responsible actions for the protection of the Treasure Coast's fragile ecosystems and their inhabitants. She said since its inception, Fort Pierce Utilities Authority has provided administrative oversight of the MOEC and continues to support the MOEC in so many ways. Protecting and enhancing the environment is a core principle for FPUA and strives to be good stewards through their support of environmental education, conserving natural resources, protecting fragile ecosystems, and developing innovative solutions. The MOEC generates income for operational expenses through a variety of means such as donations, sponsorships, memberships, grants, educational programming, and partnerships with Treasure Coast Manatee Foundation and Swampland Boat Tours. Sales in the Vanishing Mermaid Gift Shop represents a significant portion of revenues. The MOEC has three full time and two part time staff members. It would be next to impossible to educate all of our visitors and school students without our compliment of 120 volunteers, affectionately known as our ManaTeam. On a daily basis they assist in the office and the gift shop. They greet visitors, educate, interpret displays, and help with care of our exhibits and animals. Inside the Center, there are fresh & salt water aquaria, interactive displays, touch tank, and theatre room where visitors learn about the center and manatees. There are also interactive computer games and a children's eco discovery area. Outside the education continues. A manatee mural lets you see how you measure up to a life size adult and juvenile manatee. Manatee waterway signs familiarize visitors with those they will see throughout our waterways, a monofilament recycling

bin informs visitors how to properly dispose of fishing line, and the dangers it poses to wildlife. There is our butterfly memorial wall, photo opportunities, and informative signs along the walkway and around the building. Ms. Widmayer said best of all, Moore's Creek offers the opportunity to see a manatee in its natural habitat. From the annual NatureFest environmental festival to quarterly, monthly, and weekly events, to daily programs offered at the center, the MOEC promotes their mission of environmental education offering a diverse range of programs. Just recently, MOEC completed the first of three summer camps offered this year. Each week of summer camp offers campers a diverse range of experiences from water safety to unique animal encounters; visits to local natural areas such as Oxbow Eco Center, Savanna's Preserve, exciting outdoor adventures to Adams Ranch, and Florida Oceanographic are highlights for the campers. This year we are partnering with Anglers for Conservation to offer their Hook Kids on Fishing Program where each camper learns basics about fishing and the goal to create a new generation of angling stewards. MOEC camps offer a great experience! The Manatee Center not only offers a host of programs, but also participates in many events within the community. From beach and waterway cleanups to hosting Interns and Alternative Spring Break Students, we are involved in continuing to offer experiences and spread the message of environmental education. This could not be done without the support of our MANATEAM of over 120 volunteers. They provide experience and help that is invaluable. They are definitely a voice within the community and share our passion to fulfill our mission. The MOEC is truly living its mission. Two years ago the MOEC had some updates to help better represent our commitment to conservation. To conserve energy, indoor and outdoor LED lighting was installed throughout the Center for energy conservation. Even our aquariums boast LED lighting. High efficiency plumbing fixtures, self-tapping faucets, and an instant water heater were installed in an effort to conserve water. Outside there is a waterscape that uses reclaimed water and a solar panel that powers a battery used to light the steps to the observation tower at night. All of the benches are made from recycled plastic. We inform visitors about these upgrades as we educate them about conserving our valuable natural resources. Each one of us can do our part. In light of some of the issues we face today, we should remember a quote from writer Wendell Berry that "the earth is what we all have in common and it is our responsibility to protect it". This an information only item and no action is required from the Board.

Mayor Hudson asked if there was a decline in the number of manatees hanging around.

Ms. Widmayer said it varies from year to year and from the very beginning there has been a decline. She said every year 400 to 600 manatees are seen and those are the only ones counted. During the summer the MOEC used to be closed totally and now are only open three days in July, August and September. Throughout the year staff is there seven hours a day. These are manatees observed.

Mayor Hudson asked who the counter was.

Ms. Widmayer said there are volunteers that do that. She said they watch for manatees and watch for visitors to come inside.

Linda Cox asked if the summer programs were all full.

Ms. Widmayer said the first one is over and it was full. She said the second one is totally full and the third one has a few spots left so if anyone is interested contact her.

Nina Penick, Director of Financial Services, presented the April 2016 Financial Operating Results. She said there has been a year to date increase in net position after the distribution adjustment that was done specifically in the month of April, which is the month the distribution was paid. The increase in net position was about $1.3 million, but it was down about $1.3 million from the same time the year before. It was primarily the result of the decrease capital contributions. Overall, the operating income was down $247,000 and the operating expenses were up more than the operating revenues were up. As a result there was a decrease in operating income, which was primarily a result of depreciation expense that increased about 7% this year over last year. Another contributing factor was the low pressure incident. FPUA's electric operating revenues decreased slightly 1% from 2014 to 2015 and that was a result of the decrease in our electric rates. We have had increasing consumption since then with a 1% increase in consumption between 2014 and 2015 and another 5% increase from 2015 to 2016. That is very noteworthy because we have not seen this in many years. It resulted in a 3% increase in revenues from 2015 to 2016. Mrs. Penick said the water consumption increase was 1% from 2014 to 2015 and another 1% from 2015 to 2016. She said the operating revenues from 2014 to 2015 were up 4% and between 2015 and 2016 they were up another 3%. The wastewater operating revenues are up steadily 2% from 2014 to 2015 and another 2% from 2015 to 2016. The gallons billed were up 2% from 2014 to 2015 and another 1% from 2015 to 2016. The natural gas system had an 8% increase in revenues from 2014 to 2015, but dropped 5% from 2015 to 2016. The gas consumption was up 9% 2014 to 2015 and down 10% from 2015 to 2016. This is a result of the gas contract consumption, which was down 16% and it resulted in a 12% decrease in the contract revenue. Our operating income and debt service ratios are still very strong. Our debt service ratio for the twelve months ending April 2016 was 2.58% and that is more than double the 1.25 required by FPUA's bond covenants and our equity covenants as well. This is an information only item and no action is required from the Board.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN