MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, SEPTEMBER 17, 2019, 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Vice Chairman Glynda Cavalcanti; Secretary Daniel DeIulio; Deputy Secretary Charlie Frank Matthews; Mayor Linda Hudson; and Nick Mimms Ex-Officio Member/City Manager.

Excused: Chairman Darryl Thomas-Bey

Others present: John K. Tompeck, Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney; Barbara Mika, Acting Director of Financial Services; Paul A. Jakubczak, Director of Electric & Gas Systems; Bo Hutchinson, Director of W/WW Systems, and Javy Cisneros, Director of Utility Support Services.

The meeting was called to order by Vice Chairman Cavalcanti.

Opening Prayer was by Larry Lammers of Electric & Gas Engineering.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

Chairman Bey asked if anyone would like to add or remove anything from the agenda.

A motion was made by Mayor Hudson, seconded by Mr. Matthews, and unanimously carried to approve the set agenda.

A motion was made by Mr. Matthews, seconded by Mr. DeIulio, and unanimously carried to approve the Minutes of the Regular Meeting of August 20, 2019.

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

1. Excuse Darryl T. Bey from this meeting as he is out of town.

2. Approve POA 19-27: Award of Bids for the purchase of heavy duty truck parts to Ramar Enterprises of Broward Inc. dba L&L Distributors, of Pompano Beach, Florida, Rechtien International Trucks, Inc., of Miami, Florida, and Total Truck Parts, Inc. of West Palm Beach, Florida, in an amount not to exceed $60,000 annually ($20,000 each) for the period of September 4, 2019 through September 3, 2020, with four one-year renewal options.

3. Approve Bid No. 19-25: Award of Bid and Contract for the installation of chiller tees with taps at the Energy Services Center located at 1701 South 37th Street, Fort Pierce, Florida, to and with Farmer & Irwin Corp., of Rivera Beach, Florida, in an amount not to exceed $5,000. This Contract will commence upon written notice to proceed and end on or before 60 days from date of Notice to Proceed and acceptance by FPUA, contingent on receiving the required Certificate(s) of Insurance.

4. Approve Budget Transfer Request in the amount of $32,245 and payment of $50,520.66 to the Florida Municipal Insurance Trust, of Orlando, Florida, for liability deductibles related to the settlement of three claims.
5. Approve POA No. 19-21: Amendment No. 1 to the sole source CROM Maintenance Service Contract with CROM, LLC dba CROM Coatings and Restorations, of Gainesville, Florida, to increase the not to exceed contract amount from $80,000 to $130,000 annually.

6. Approve POA 16-60: Contract with Raftelis Financial Consultants, Inc., to provide a Wastewater Plant Relocation Conceptual Analysis, in an amount not to exceed $100,000.

7. Approve POA 16-07: Amendment No. 2 to the Uniform Rental Contract with Unifirst Corporation of Wilmington, Massachusetts, to increase the not-to-exceed contract amount from $39,000 to $47,200 annually, an increase of $8,200.

8. Accept proposal and approve RFP No. 19-41: Contract for Substation Barbed Wire Fencing Repair and Replacement at various FPUA facilities, from and with A Great Fence, LLC, of Port St. Lucie, Florida, in an amount not to exceed $60,130. This Contract will commence upon written Notice to Proceed and end on or before sixty days from the date of the Notice to Proceed and acceptance by FPUA, contingent on receiving the required Certificate(s) of Insurance.

9. Approve POA No. 14-53: Amendment No. 1 to Specific Authorization No. GT 18-03 for the Savannah Repump Rehabilitation with Globaltech Inc., of Boca Raton, Florida, to add to the scope of work, increase the Contract amount by $198,650 from $930,890 to $1,129,540, and to extend the Contract end date by 180 days.

10. Accept RFP 19-68: Proposal and approve the Contract for a Mobile Work Order Management Solution with SpryPoint Services, Inc. of Charlottletown, Prince Edward Island, Canada, in an amount not exceed $66,730. The Contract for implementation will commence on September 18, 2019 and end upon final completion of the implementation and written acceptance by FPUA. The annual subscription shall commence following implementation and will have unlimited annual renewals with annual cost increases not to exceed 4% of the previous year's cost.

11. Approve POA 18-01: Amendment No. 3 to the Generator Leak Repair at the Energy Services Center with Cummins Inc., of Columbus, Indiana, to increase the not-to-exceed contract amount from $34,571.85 to $76,803.17, an increase of $42,231.32, contingent on receiving the required Certificate(s) of Insurance.

12. Approve POA 17-15: Piggybacking on the contract renewal with the City of Fort Pierce RFP No. 2016-028 and the Engagement Letter with DiBartolomeo, McBee, Hartley & Barnes, P.A., of Fort Pierce, Florida, to provide professional auditing services. The services are for the year ending September 30, 2019, in an amount not to exceed $47,880, contingent upon receiving the required Certificate(s) of Insurance.

Barbara Mika, Finance Controller, presented the electric purchases for resale from Florida Municipal Power Agency. She said staff is requesting approval for the electric purchase for resale from the Florida Municipal Power Agency of Orlando, Florida in an amount not to exceed $46,000,000 for FY 2020. The table included in the agenda packet shows the actual and projected costs for electric purchases for resale for the past five years. The projection for FY 2020 is based upon projections from Public Resources Management Group with the information available at that time. The projected rate per Megawatt hour is $80. Mrs. Mika asked the Board keep in mind the request is based upon the approved budget and will only be spent for the electric purchases as billed. She said staff is asking for approval from the Board for Electric Purchases for Resale from the Florida Municipal Power Agency of Orlando, Florida in an amount not to exceed $46,000,000 for FY 2020.

Mayor Hudson asked if it was in the budget.

Mrs. Mika said it is.

A motion was made by Mayor Hudson, seconded by Mr. Matthews, and unanimously carried to approve Electric Purchases for Resale from Florida Municipal Power Agency, of Orlando, Florida, in an amount not to exceed $46,000,000 for FY 2020.

Mrs. Mika presented the natural gas purchases for resale from Florida Gas Utility. She said the item being brought to the Board for approval is for Natural Gas Purchases for Resale from Florida Gas Utility of Gainesville, Florida, in an amount not to exceed $1,900,000 for FY 2020. The table included in the agenda packet shows the historical actual and projected natural gas costs. The projections for FY 2019 and 2020 were prepared by staff. As in the previous item presented this request is for the approved budget and will be spent for Natural Gas purchases only as billed. Staff is asking for approval from the Board for the FY 2020 Natural Gas Purchases for Resale from Florida Gas Utility of Gainesville, Florida in an amount not to exceed $1,900,000.

A motion was made by Mayor Hudson, seconded by Mr. Matthews, and unanimously carried to approve Natural Gas Purchases for Resale from Florida Gas Utility, of Gainesville, Florida, in an amount not to exceed $1,900,000 for FY 2020.

Josh Gang, Finance Risk Program Manager, presented the renewal quote from Florida Municipal Insurance Trust (FMIT) through Florida League of Cities. He said the item is seeking approval of the renewal quote from FMIT and the Florida League of Cities for our Insurance Policies for Fiscal Year 2020. This covers our Property Worker's Compensation, General Liability, and Auto coverage. The total premium for FY 2020 is increasing approximately 9% overall and this was an expected increase. This is due to a number of factors, including: for the property, FMIT property rates increased 12% for FPUA. This was due to the higher cost of FMIT's property reinsurance coverage program related to hurricane damage in recent years from Michael and Irma. In addition, Workers' Compensation coverage went down this year because our actual losses for the 3-year period used for the experience modification factor were lower compared to the prior renewal period. The general liability increased due in part to FMIT changing the formula for the general liability experience modification used to calculate the rates. They are using a five-year period for losses instead of three years. That along with the litigation claims related to our EPL policy and general liability claims in recent years has led to an increase of 25% for this plan year. For FPUA's auto coverage, it increased 20% because we have some additional vehicles, some new vehicles purchased also, and we lost a very good year and picked up a poor experience year with one significant accident. Mr. Gang said staff recommends the Board accept the FMIT renewal quote and approve funding of $742,805 for the policy premium for the plan year.

Mayor Hudson asked if there are 242 vehicles covered in this policy.

Mr. Gang said that is correct.

Mayor Hudson asked if those are all owned by FPUA.

Mr. Gang said that is correct.

Mayor Hudson asked how many employees we have.

Mr. Tompeck said 284.

Mayor Hudson said then almost every employee has a vehicle and asked if she is making the correct correlation.

Mr. Tompeck said that is correct. He said it is not only vehicles, it is also equipment.

Mr. Gang said also trucks and trailers.

Mr. Tompeck said trucks, trailers, and backhoes.

Mayor Hudson said it is things you do not drive to and from work.

Mr. Gang said there is some trailer mounted equipment, the equipment has a license plate because it is on a trailer. He said it is only used when needed.

Mayor Hudson said okay she's got that. She asked about the sewer line backup initial cleanup expense endorsement and asked for a little bit about it.

Mr. Gang said not off the top of his head, he will have to do some research on that.

Mayor Hudson said she was curious about that particular coverage so maybe at some time he can talk about it.

Mr. Gang said he will do some research and get it out to the Board.

Mayor Hudson asked if the property insurance is a 20% increase.

Mr. Gang said that is correct.

Mayor Hudson asked if it was due to the hurricanes mostly.

Mr. Gang said there was a significant increase in the property re-insurance market. He said several large entities pulled out of the market and that caused the re-insurance at FMIT. Their re-insurance program increased significantly so they passed on some increases. In addition, one item that is of some importance is that FMIT issues a premium rebate every year and due to these property costs and it is generally based on the property rates they rebate some years ago. They stopped that for 2018-2019. They intend to bring it back at some point, but for last year and this year, they are going to discontinue it for now.

Ms. Cavalcanti asked if that is for the hurricane.

Mr. Gang said yes directly due to property losses.

Ms. Cavalcanti said it is essentially wind storm that has increased.

Mr. Gang said between Irma and Michael there were some significant losses.

Ms. Cavalcanti said and Hurricane Matthew.

Mr. Gang said yes, also Matthew there are some significant losses they are absorbing. He said it is an unavoidable reality of being here and the storms we have seen. Luckily we dodged a bullet recently with Dorian.

Mayor Hudson asked if we are generally happy with FMIT.

Mr. Gang said absolutely so far. He said there is some discussion that we may put an RFP out there and see what else is available, but we have to go through ramifications. There is some real value added things they bring to the table for FPUA in the terms of they do all of our litigation cost. They absorb all of those cost and do a very good job in handling that through the law firm they engage.

Mayor Hudson said she also understands they have cyber security coverage with this coverage.

Mr. Gang said they do and we do. He said we also have some added things like wind driven rain they cover, which no other policy he is aware of covers. They cover property out in the open that generally property policies do not cover. It is very centric towards municipalities.

Mayor Hudson said because it is affiliated with the Florida League of Cities.

Mr. Gang said correct.

Mr. Matthews said when you talk about vehicles, in all the 200 vehicles, he asked if they are all covered by insurance. He asked when they are not covered like when they are put in abandonment.

Mr. Gang said they would come off the policy at the point when we are no longer covering them and are looking to dispose of them in some fashion.

Mr. Matthews asked if FPUA has a system to notify or put it on a list when they come off the insurance.

Mr. Gang said as long as they are registered with a plate, FPUA is going to maintain insurance.

Mr. Matthews asked if we possibly have five or six vehicles that may be parked under a tree for a month or two.

Mr. Gang said he does not believe so.

Mr. Tompeck said every year FPUA does a vehicle auction of vehicles that are taken out of service and that is when the assets are taken off the books.

Ms. Cavalcanti said even if they are not tagged and are parked, FPUA still has to insure them because if someone stole it, you have to have insurance. She said that is her understanding from her agent.

Mr. Gang said correct.

Ms. Cavalcanti said even if it is parked and not being use, then it would have to be insured.

Mr. Gang said as far as he knows that is correct.

Ms. Cavalcanti said maybe everything is plated, but her understanding is you still have to insure it.

Mr. Tompeck said we do not have that many. He said most of the departments have maybe an extra vehicle or two at the most in case one breaks down they have a backup. We do not have a lot of vehicles laying around collecting dust.

Mr. DeIulio asked if the equipment FPUA has whether it is plated or not is covered under insurance as long as we own it.

Mr. Gang said correct. He said the auto coverage is only for things that require a plate that can be driven or a trailer that requires a license plate. There are some trailers that do not require a license plate, they are still going to be covered under our policy.

Mr. Matthews said going to properties, he asked if FPUA is covered for properties like something we lease.

Mr. Gang said yes and for MOEC for example that we lease from the City, we would be covering it to an extent under our policy.

Mr. Matthews said sometimes it gets to be a conflict when you talk about what we own and what we lease and we are still paying as if it is owned, when we do not really own it.

Mr. Gang said if we are required to maintain it and do the upkeep through the lease, then we are required to carry the insurance. He said otherwise we would not be insuring it.

Mr. Tompeck said he just received a mysterious text from somebody in the audience about the sewer line cleanup expense you asked about. He said it is to cover us in case the sewer backs up into somebody's house.

Mayor Hudson asked if that has to be FPUA ascertaining fault.

Mr. Tompeck said we would take a look at it, but just in case it is FPUA's fault, the insurance covers us for that.

A motion was made by Mr. DeIulio, seconded by Mr. Matthews, and unanimously carried to accept renewal quote from Florida Municipal Insurance Trust through Florida League of Cities for property, workers' compensation, general liability, and automobile liability insurance coverage effective from October 1, 2019 to September 30, 2020, and approve funding of $742,805 premium.

Mr. Tompeck said as information for the Board, Josh was notified on Monday that he passed the Florida Bar exam.

Ana Johnson, Business Development Officer, presented Fort Pierce Utilities Authority's (FPUA) Business Development Blueprint. She said the presentation is FPUA's Business Development Blueprint and expands on our vision and relationship with our strategic partners. As you are aware, FPUA is your utility provider; however, we go far beyond this, we are an advocate for growth, employment, education, and community development. As an organization that is committed to delivering the best possible service and care to our customers, while delivering reliability and affordability, it is of the utmost importance we adopt a position that makes sense. This is why FPUA has employed a proactive and cohesive approach to development in the City of Ft. Pierce and St. Lucie County. FPUA Development serves as a direct point of contact for all parties involved in seeing a project through to fruition. From due diligence to beyond closing processes, we serve our customers with a level of responsiveness and care that is critical to the customer's, the City's, and our success. FPUA is important because we serve as the catalyst for utility delivery between our partners and customers in the City and County during the development process. We have found more efficiencies are being experienced and customers and developers are feeling more encouraged and motivated to continue their growth within our City.

Ms. Johnson said FPUA is important because we are an advocate for all involved. She said when referring to our team it is with reference and respect to each engineering division at FPUA, our Customer Service Department, our Commercial Liaison, the customers seeking growth, the partners funding and developing the concepts, contractors, designers, as well as those who advocate with FPUA for economic growth, such as the City , County, and EDC of St. Lucie. This also includes her role as FPUA's direct point of contact so in the event a mistake is made, you can blame her. We do this by delivering critical information at the early stages of the development project and many times during the due diligence phase. As part of FPUA's due diligence, we maintain a proactive position and are consistent with involvement from an early stage which creates a level of preparedness that allows the customer and developer to obtain critical information that facilitates forward progress. With FPUA having taken on an assertive position in the development process, it only made sense to refocus our vision toward the encouragement of relationships, our involvement, the growth of this fantastic City, and the continuous cultivation

of that and those who we already serve. We did this by adopting and employing a more proactive and customer and developer friendly position. FPUA is part of an intricate network of partners and advocates working with purpose towards the same goals. We are proud of the position we have earned right beside our strategic partners, the City of Fort Pierce, St. Lucie County, and St. Lucie EDC. We are increasingly involved with the technical review committees for the City and the County. Often times, developers will call Ms. Johnson directly and she assists them with the scheduling of utility pre-design meetings to help them with project progression and to help avoid delays during the plan review stages.

Ms. Johnson said FPUA's Business Portfolio is a relatively new concept she created as a comprehensive tool. She said it is engineered to encompass high level estimations for Capital Improvement Charges, deposits, and meter fees. It also includes comments from FPUA Engineers and Customer Service Departments that assist with detailed procedures. This allows for the streamlining of information and straight forward communication. Customers previously received this detailed information at different stages in the process and from different departments and at different times. This made communicating a daunting task for all parties involved. Sometimes confidentiality comes into play and it limits the information flow and the delivery as well. As you can imagine, the feedback now being received has been quite positive and this is a direct result of this portfolio delivering, the process, and the contents. With our brand well displayed and our team communicating so efficiently, we have been able to save developers and engineering groups as well as FPUA time, money, and a multitude of steps. All of this while clearly delivering the message we genuinely care about their desire to work and grow within the City of Ft Pierce and our community. The portfolio pages include estimates for a large multifamily development. Additional comments are made available throughout the document as seen in the hard copy in your board packet. Displayed is a short list of some of the previous completed and delivered portfolios. Some are related to multi-family developments while others are commercial and business related. The King Plant portfolio for example is being delivered to acquiring parties at an early stage and the document will likely be modified several times before reaching its final state. However, it is our distinct honor to work directly with our strategic partners as we assist in the development of this amazing site. We know the delivery of this document will effectively and efficiently serve all involved.

Ms. Johnson said FPUA's presence is critical at the table, FPUA breathes life into the incentives and opportunities when seated with the City of Fort Pierce and St. Lucie during project discussions. The need for representation by FPUA at meetings, ground-breakings, ribbon-cuttings, and so on, is evident and will only encourage the positive impact that our vision, branding, and proactive approach brings. It is with great pride in fact, that I sit before you today, and with even greater conviction, that this message is delivered. Ms. Johnson said she is honored to have been afforded an opportunity to be a part of this incredible leadership team. She said FPUA is visible and attractive with an eye-catching logo and are placed among our larger players. Our universal message is clear to our developers and partners, we are #CommunityProud. Ms. Johnson said she is often invited and in attendance to openings and groundbreakings and looks forward to many more. FPUA was present for the Aquaco Farms grand opening which is an

amazing display and will be an incredibly exciting electrical utility user going forward. The ultimate objective is to nurture the process from the "From the Cradle to the Afterlife". Our job here at FPUA is truly never done. Meter placement and billing is just the beginning of the next phase in the process. With continued monitoring and communication with business owners and account holders within the City of Ft Pierce, we can ensure that the gears of what we do internally and externally continue to turn smoothly. Beyond this, our customers know we are there for them and we will always be there when they need us. By doing this, we are nurturing healthy and strong relationships with stakeholders, customers, more and more developers, as well as our strategic partners. The redefinition of our focus is transparent, where we are invested in the relationships we develop. We are committed to staying involved and helping our City grow and want new customers to come. We want existing ones to stay and by doing this we will help the City of Ft Pierce as well and with utility infrastructure with it. FPUA passionately promotes economic incentives from Natural Gas to Electric Economic Incentive Rates, and we will continue to encourage these many benefits, as customers are determined eligible and for as long as the options are available and approved by the Board. Our brand will be on the forefront of all that we deliver and do and it will remain memorable and will without question make a positive impact simply via its favorable presence. Ultimately, the relationships we develop will reciprocate on multiple platforms, one hand helping another after another, the message will carry on that Ft Pierce truly is the most wonderful place to live and work and FPUA, the most efficient and reliable utility they have ever worked with. Ms. Johnson thanked the Board and said she looks forward to answering any questions she hopes the Board has.

Mr. Matthews said Ms. Johnson put a great plan together, is very thankful, and it was very impressive.

Ms. Johnson said thank you.

Mr. Matthews said he would like to see a stakeholder like Indian River State College and asked if there is any reason they did not get included.

Ms. Johnson said generally speaking when she comes to the table, she does not usually see them there. She said it is not that we do not consider them a stakeholder of course, it is just that during the development process, generally our partners are usually with the County and the City during planning and development. They are definitely on FPUA's radar.

Mayor Hudson said big customers.

Ms. Johnson said they are as a customer absolutely someone we work with and work very efficiently with them.

Mayor Hudson said we work with the college in terms of feeding into the careers here at FPUA.

Ms. Johnson said absolutely, we have multiple large organizations that have partnered with the college in an effort to create training programs so they can place students and graduates.

Mayor Hudson asked what Ms. Johnson finds as the biggest stumbling block for economic development specifically with FPUA.

Ms. Johnson said she thinks the hardest part from a utilities standpoint especially coming into this role about a year and a half ago, is trying to bridge the gap in the communication between the City, County, and the Utility. She said we are doing a good job and improving, but that has been the most challenging point.

Mayor Hudson said so you have to work at that all the time.

Ms. Johnson said absolutely.

Mayor Hudson said if a customer comes in, what did they have the biggest problem with in terms of an FPUA policy.

Ms. Johnson said as far as policies, she thinks communicating the meaning and the numbers on a high level for an example like Capital Improvement Charges. She said it is usually because those numbers are a little on the higher side depending on the magnitude of the development. Once we deliver that message and the portfolio is very helpful in that respect, if we are able to deliver that very early on, it is not as shocking.

Mayor Hudson asked if that has to do with impact fees and capital improvement charges.

Ms. Johnson said yes.

Mayor Hudson said a lot of entrepreneurs and private businesses really object to impact fees and she knows that is something they complain about. She knows the County's impact fees are higher than the City's and she wondered if Ms. Johnson encountered that objection from customers.

Ms. Johnson asked if she means relative to County versus Utility or County versus City.

Mayor Hudson said in general.

Ms. Johnson said unfortunately they have encountered that a few times. She said in most cases just so you are aware, you can see in the back of your portfolio, some rebate information has been included. That incentivizes the process so it helps FPUA to be able to offset some of the impact a little bit for the incoming customer. Once we learn what type of project they are interested in developing and have the additional information we need, we can often create a more creative solution to maybe help them gain some traction on their project, especially when numbers are in question.

Mayor Hudson said right and asked if Ms. Johnson is dealing with bigger companies for the most part as opposed to smaller ones.

Ms. Johnson said she deals with the whole gambit. She said they have seen everything from K3 schools come through to grocery stores to little mom and pop restaurants, and then larger organizations like Pursuit and Maverick Boats.

Mr. Matthews said he sees we talked about the site plan and asked how long Ms. Johnson envisioned to take to get it off the ground like for funding and the whole works.

Ms. Johnson said from start to finish it depends on the magnitude of the project. She said the site plan engineering would be designed professionally and hired by the entity looking to develop. A lot of times they will come to the table in the due diligence phase before those drawings are even done. They are just looking for early stage information usually, but it can take a while.

Mr. Tompeck said the next item is the one we discussed a little bit in the past about giving the Board a presentation on AMI prior to you actually seeing the contract.

Paul Jakubczak, Director of Electric and Gas Engineering and Josh Gang presented the Advanced Metering Infrastructure (AMI) project. Mr. Jakubczak said he and Mr. Gang are going to give the Board a better understanding of what AMI is and a little bit into the process we are currently involved in. As Mr. Tompeck has mentioned, we have given you roughly the 50,000-foot view and are going to bring you down a little bit to about a 30,000-foot view. We talked before as to what is Advanced Metering Infrastructure and is called in the industry AMI, which is a two way communication between every meter out in our system. This is going to require all electronic meters or modules being installed in our system. Some of the things we are looking at is improving efficiencies and some real time information from a customer's standpoint. Mr. Jakubczak said he will show the Board a picture-wise view because a picture is worth a thousand words. He said right now we are reading each meter once a month so that is twelve reads per year. He said AMI will allow FPUA to read it more effectively and more efficiently in more intervals. The next picture shows you what that picture will look like based on 60-minute reads or 8,760 reads per year. What we are looking at for some of our meters is going down to 15-minute intervals on the electric side, which will give you roughly 35,000 reads per year. That will be a lot of data, but the data will be useful to the utility as well as the customers.

Mayor Hudson asked if one meter at twelve reads a year means a person goes out and reads the meter.

Mr. Jakubczak said that is the way FPUA is doing it right now. He said the picture on the far right is what we will be doing once the infrastructure is completely in place and being able to read that every 15 minutes.

Mayor Hudson asked if that is without going out there.

Mr. Jakubczak said without going out there. He said that does not mean we will still not be going out there just to make sure the infrastructure and meters are reading correctly. We will have a plan in place to be able to do that periodically to spot check to make sure everything is working the way it is supposed to. Some of the benefits to FPUA as we are reading these meters all the time or if we have an outage, we are going to know before the customer calls in. We are going to be able to possibly notify the customer that we know their power is out and have crews in route to improve our reliability numbers. Some of the other things we are looking at as well has to do with the EOC. We just recently went through this exercise with Hurricane Dorian and one of the questions we always get asked by the EOC is if we can send the people back home out of the special needs shelter. Right now we can tell you the circuit is on, but we cannot tell you if the house is on. Eventually once this is all put together, we will be able to tell you the house is on so they can release people more efficiently and effectively from those types of shelters. One of the other things we are going to be looking at is more effectively controlling our losses in our system. That means the potential of lower rates because we do not have to pay for energy we are purchasing, but not able to sell. A couple of months ago we had a gentleman here that was out of town and had a very large water bill because he had a leak, we would be able to notify him or he would be able to look on his own account and see there is a leak and his meter is running. He can have someone go out and look at it before someone comes in and says he has a $500 or $600 bill because his meter or infrastructure leaked. It will allow FPUA to do more pro-active maintenance on all of our systems, water, gas, and electric because of this additional data we are going to be pulling from the field. Some of the additional benefits FPUA will be able to do is remote disconnects and re-connects, same day turn-ons. He said a customer comes in, signs up, pays their deposit, and we will be able to push that button and they can go home and let us know if they have any questions. Unfortunately we see tampering and this will help us to be a little bit more pro-active with tampering. As soon as the meter tilts for tampering or someone pulls it off or tries to mess with it, we will know about it and start going out there and start doing our investigation. One of the other things we are looking at doing as well because we have to go and visit every single location, we are going to look at customer service inspection programs. We can actually inspect the meter sockets and the infrastructure we are using as our cash register to be able to make repairs ahead of time to help reduce the potential of issues in the future.

Mr. Jakubczak said some of the benefits to our customers, we touched a little bit on the meter base inspections, so as we go into all of these, we are going to have a check list. We are going to look to see if the wires are still good, are the lugs hot, or is there anything broken inside the meter socket. If there is, we will have a program worked out with some local electricians and we have already worked out some issues with the City and the City Inspection Department to be able to help the customers out in changing out these meter sockets at little to no costs. We are also going to be a little more pro-active with our customer service and be able to notify customers if their usage is a little higher and is there something that has changed before they get the 30-day bill. Maybe a week goes by and they had the grandkids in or someone comes in and leaves the

TV on or decide to put a little space heater in that will continue to run. We will be able to work with the customers on these types of issues before their 30-day bill shows up. Payment plans potentially in the future will be looked at, pay as you go is something that is really far out there now, but it is similar to your Sunpass where you put money on it and then they send a text or email telling you your balance is low. That is kind of what this will be so we could have a customer that would pay $20 and they would get a text or email saying your balance is low and you have $5 left. You might want to put some more money in there before you run out and your power goes off. Time of use is something that is big on the west coast for people that have a lot of usage right now and there may be some intrigue in this in the future, but it is an option. The other thing FPUA can look at is flexible billing schedules. Since we are constantly reading these meters, if you get paid on the 15th of the month, we may be able to change your billing cycle so you get your bill on the 15th of the month and is due then instead of being due on the 1st. Now you will not have to wait until you get the pink notice saying your bill is due and you have to pay it and are looking at late fees. We may have the ability when we get into the AMI section. Some of the other things we will be doing for the customer side is we will have a customer portal. The customer will be able to monitor their usage and see how they are doing, how are they tracking based on previous usage. It will take a little while to populate that so they can see it on a daily basis, but it will be beneficial to them to be able to control their own energy usage. Mr. Jakubczak said he always says they will be in charge of their own destiny. He said as we try to explain it in the customer service world, it is going to be easier for them to see the picture of how their usage is going up and down to be able to determine if they can increase their temperature so their a/c is not running all the time. Are there are different things they can do to be able to lower their bills. The trending analysis, leak detection sooner than 30 days, we have already discussed, same service we have already discussed, and these are some of the benefits we see coming to the customers. We have a big benefit for the same day service is for the renters or the apartment complexes, they have a lot of move in and move outs and it is a lot easier for them to come in and request for a turn-on and we can push a button and away they go.

Mr. Jakubczak said right now we are looking at a system-wide implementation, part of it has to do with a lot of communication infrastructure we have to put in in order to read the different meters. He said we are doing a mesh type network which is the vendor we have chosen and if you think about mesh, think about fishing with a fishing net instead of a fishing line. We will be able to collect a lot of data as you go through the system. Unfortunately on the electric side, we are going to have to replace all the meters, which we have built into the cost of this as well. On the water and gas side, we are looking at exchanging modules; however, as we purchase new meters we are already going to have the modules installed. That is going to benefit us in the future as we have a plan for the future of the installation of the system. It has been about one year since we have gone through this process, we sent out the comprehensive specifications and developed and sent out Q3 of 2018. In Q4 of 2018 all the bids were received and evaluated. Through that evaluation process FPUA chose Honeywell/Elster as the selected vendor and we are currently in negotiations with them on a contract with assistance from Black & Veatch. Some of the implementation schedules and these are just schedules right now until we get a signed contract, we will begin infrastructure in FY 19/FY20. It is looking more like it will be FY20 since

this is the last meeting of FY19, he does not think we are going to get it all approved and started before then. Electric will be started right away in FY 20 and will take a four or five-year process to get it all install. Partially because we do not want to hit everyone with an upfront costs and it is going to take a while to install the 53,000 meters or modules we have throughout our entire system. Mr. Jakubczak said with that he will turn it over to Josh to talk a little bit about the contract and legal side of it.

Mayor Hudson asked if there is going to be a cost to the customer.

Mr. Jakubczak said there will not be a cost to the customer, we are building this into our rates right now. He said until we have the true cost we are not 100% sure of where that will be, probably looking at anywhere from $8 million to $9 million total price tag for this. This is something we have in the budget and have gotten a shot in the arm from the sale to FPL for the transmission line. That is going to be the seed money to get us started with a lot of the infrastructure costs so all this stuff is going to collect this data and send it back to our system. All of that is going to be absorbed by the shot in the arm money we collected last year.

Mayor Hudson said the customer is not going to get a bill for this, but it is going to be built into the rates.

Mr. Jakubczak said yes.

Mr. Gang said his end of the contract negotiations have been an ongoing process and has been going on for several months. He said the team that is working on this from FPUA is Paul, Nancy Palka, Thomas Parker, Craig Crawford, Andrew Byrd, Tom Fryar, Eric Meyer, myself, and John Tompeck has been there to help us all out. We have had assistance and consulting from Black & Veatch. The contract components we have been negotiating include an overall Smart Grid Solution Agreement and there is System Components and Software Agreements that are exhibits and fit in with that. The Board will see it once we get done with the negotiation fields and for approval. Included with that is a Statement of Work and then a Service Level Agreement to guarantee the services uptime and performance levels. That is a piece we are negotiating heavily currently at the moment and trying to make sure it provides FPUA with an eaffective well managed system. Mr. Gang said the advanced deployment, we are negotiating a pilot period so we do not turn around and release this one time and try and build it out for the entirety of the City or service territory. He said that will start off with a kick-off and planning meeting and we will develop an implementation schedule hand in hand with the vendor, and then we will have this pilot period, which will last from the time the contract gets signed up to about eight months is the overall goal. Hopefully we will be able to get that done more quickly. There is a set up and deployment of their HEMS, which is the Honeywell EnergyAxis Management Services System. Then from there we move on to the installation of electric meters, water and gas modules for the pilot, a series of milestones and testing that go along with that. It is all tied to the Service Level Agreement. Once we have system acceptance and testing, we move on to a full deployment and that will be a tiered structure and a planned roll out as Paul explained. That is

the Smart Grid Solutions Agreement, which will include the General Contract and Conditions, commercial and legal terms anything from pricing to termination to increases, FPUA standard terms and conditions, insurance and risk allocation, warranty and limitation liability, and an overall system life cycle. It is a 6-year agreement that we are looking at right now and this project is ongoing well beyond that so we want to insure there is a system life cycle with this and parts and pieces remain available and compatible with the system. There is data use and retention because we will be gathering a lot of data on all of our customers and we want to be sure the data is protected and stored in the system correctly.

Mr. Gang said the System Component Agreements includes the HEMS agreement, which are the core system components, a cloud based system, which is in a secure environment and hosted by the vendor. He said there is a two-way communication between the HEMS system and meters. There is also the field infrastructure and communication equipment that is scattered throughout the system and is everything from hung on the wires to each individual meter, communicates from meter to meter, and then there is backhaul and other communication pieces as well as handheld devices that our teams will have so they can go out and check the meters, reconfigure them, and program them. There is some programing over the air as well that can occur. It includes analytics and reporting, the utility portal and the customer portal package, our client billing integration, and then support, and disaster recovery and business continuity. There is a field and meter sense agreement and that is part of the hardware, software, and system maintenance. Mobile applications, installation, configuration tools are all components to it along with the data collection and backhaul.

Mr. Gang said one big piece is our Statement of Work (SOW) and that is a description of the entire implementation program, the planning, the functionality, configuration, the reporting and compliance pieces, system testing and acceptance, utility portable, and we have tried to explain as much as possible and lock all of that down so we know what we are buying and our vendor knows what they are delivering. The utility portal and the customer portal are big pieces, and the utility portal is FPUA's interface with the system and our customer interface with the system. The consumer portal is the flip side of that, it is the customer view into the system and they can look at everything from their use this year compared to last year, the times of their use, and it gets to a pretty granular level depending on what we configure and gives them access to view. The Service Level Agreement has designated service levels and system performance so the system testing and validation is a crucial piece to that pilot and is all tied around the Service Level Agreement in assuring there is a 98% depending what the line item is for system performance. There is a reporting and incident resolution in which we will have the ability to track that through the system so we will know when it was reported and how quickly we got to it and how many times we had to send somebody out if it was more than once. There is evaluation and corrective actions on the flip side and that is with the vendor. Mr. Gang said the corrective action feature is very important because if the vendor is having problems with their system they have to tell FPUA how they will solve the problem going forward and not repeat and have the system down or pieces of the system not functioning properly. He said that is the rundown of the contract and the negotiations to this point and would be happy to answer any questions.

Mr. Matthews asked where Honeywell is located.

Mr. Gang said they are nationwide.

Mr. Jakubczak said their main office is in Raleigh, North Carolina. He said the data centers are in Arkansas and Texas. They have systems deployed through the entire US, different sizes and different magnitudes.

Mr. Matthews asked when you talk about contacts, are we going to include something with the language for the customer saying they will not be passed the costs versus the rates they are being charged.

Mr. Gang said FPUA's contracts are with Honeywell directly so FPUA will be paying Honeywell. He said there is not going to be any fees the customers will be paying to Honeywell. He hoped that answered Mr. Matthews' question.

Mr. Matthews said that is what he is asking, he does not want a hidden agenda where the customer will later be faced with a surprise of help to pay for that cost.

Mr. Jakubczak said there is no hidden cost for this as the Mayor had asked, all the cost associated with this will be built into the rates. He said we will actually be working with the customer to help avoid cost. When we get ready to pull the electric meter and find out the meter socket is bad, right now we would tell the customer the meter socket is bad and it is their responsibility to get an electrician to fix it and work with the City to get a permit. FPUA is actually offering to be able to assist in that process and in the cost to be able to make it a smooth transition for the customer. Also to help them to prevent a fire or an issue with their electric service going into their house.

Mr. Matthew asked if we are going to have one of the surprises and has staff thought about it to do a collection agreement. He said now he sees the collections are very high in his opinion and asked if there is going to be a contract or agreement set where collections will not go out so far. He said if a customer got behind and got cut off because they did not pay the bill, how will FPUA handle it.

Mr. Tompeck said that is handled on normal rate resolutions, it does not have anything to do with this.

Mr. Matthews said it will still be going through the new system there ought to be some consideration for collections to be dealt with in the new system.

Ms. Cavalcanti said it is just the way the meter is read, it is not going to be a change in collection.

Mr. Matthews said if a customer gets cut off or moves, they will do it with the new system.

Mayor Hudson said it looks to her and she may be wrong, but this will be able to head a lot of that off perhaps. She said FPUA will have continual information to try to help the customer.

Mr. Jakubczak said exactly and what staff will be able to do is work with the customers. He said if the customer does not pay his bill, one of the things we had thought about and is in the potential thought process of this, if the customer gets cut off, one of the things they always have to pay is the deposit. We may look at eliminating the deposits and switching them over to a pay as you go so now the customer is responsible to make sure he does not have to come up with the $200 or $300 deposit to get a service back on, but he has to be diligent enough to be able to maintain a balance in that account to keep the lights on. That is something we have looked at for the future and right now we are going to keep our same resolutions going we have for collecting and paying. As the Mayor stated, this is just collecting all the meter information so the customer will have more information to either lower their bill, adjust their bill, or adjust their life styles. Mr. Jakubczak said we are also going to be able to help the customer saying we are seeing their usage is a little high compared to last time and give them some things that may be able to help them in the future. He said we always get a lot of calls right before the weather hits where they are getting the 90 degrees forever. That first time it goes from 80 degrees to 90 degrees and everybody cranks up their air, they should expect a higher bill. Some people kind of forget that sometimes so we are here to help them, but cannot do that now with our current system because we are only reading each meter once a month. This is going to allow us to read it every 15 minutes on the electric side and every hour on the water and gas side.

Ms. Cavalcanti asked if it is also so the old meters have pretty much become obsolete and we are being forced to change to the smart meters, kind of like using a calculator versus a computer.

Mr. Jakubczak said there is nothing wrong with a calculator, he still has one on his desk. He said the industry is moving towards an AMI type system and that is one of the reasons we are looking at what we are doing. Our current way we are reading with our handhelds and not have to go to each meter, but be able to walk by and get that radio signal back and forth. They are no longer playing nice with the rest of the systems out there so either you go with their system or you do something similar to what we are doing. We are changing out our entire infrastructure for the future.

Mr. DeIulio asked what the time frame is.

Mr. Jakubczak said it is five to six years for full deployment and a lot has to do with the costs. He said we do not have the personnel to be able to change 53,000 meters in one year, we would have to hire contractors. It would increase the cost as well. We will do it as a deployment across the 5-year period and you will see some of that coming up in next year's budget. You will see the money going towards the AMI deployment on the water and gas side as well as a continuation on the electric side.

Mayor Hudson said she knows we chose Honeywell for good reason and asked if there is any advantages of some of their other customers. She said this is very detailed and is very impressed and it is hard to ask a question. Does FPUA have to do everything from scratch or is there any benefit from some of their other customers in their contracts.

Mr. Jakubczak said we have benefited from other customers and contracts. He said we have reached out to customers and some of the process flow changes we are going to see within FPUA itself is we are going to start scheduling field trips. We will visit a utility that has already implemented some of this stuff to find out what were their growing pains and how can we learn from that going forward. One of the biggest changes we have already talked with Mr. Cisneros has to do with who will have the capabilities to be able to push that button and when will we do that to be able to reconnect and disconnect customers during our normal business operations.

Mr. Tompeck said we are also fortunate that we were able to hire Black & Veatch to help us because they have experience with AMI.

Mr. Mimms said he thinks this is a spectacular program and thinks this will definitely reduce the digital divide that some of our community experiences. He asked if the infrastructure associated with this implementation that will take four, five, six, or seven years, however long it takes, will the infrastructure allow the customer to enhance their capability of connectivity or is this specifically for FPUA's purposes.

Mr. Jakubczak said the easy answer is yes. He says because the way the infrastructure is going to work because we do not have fiber everywhere, we are going to be using cellular to communicate to what they call a gate keeper. They basically collect everything and send it back to Honeywell and FPUA as a whole. As we do the cellular we will transition to fiber because it is a lot more secure and a lot more structurally sound than a cellular signal. As we start pushing out fiber further because of this deployment, it is going to help with the Smart City Solution as we move forward. That is an ancillary service that this is going to supply to the City and to FPUA. Another thing FPUA has the capabilities at looking at in the future is what the call a HON network or a Home Automation Network. This will give the capabilities of that network within the homes to be able to hook up to an energy automation system inside a house. They would be able to see how their usage is going, where do they need to adjust or turn off lights, and those types of things in the future. FPUA is not looking at that right now, but it does have the capabilities and a lot of these systems do. Mr. Jakubczak said one of the things they also looked at and is not a part of this, but has the capability which goes into what Mr. Mimms is talking about with the communication. He said distribution automation is a system that heals itself based on field conditions. It will be able to automatically restore power to the greatest number of customers based on where it senses the outages. It is a future thing we will look at, but as we all know we have to crawl before we walk and before we can run.

Mayor Hudson said very impressive.

Attorney Koblegard said as Paul and Josh have said, this is a very complicated negotiation and agreement. He said you have to take your hats off to them because they have done a tremendous job among others. They are still working on it, but they have gotten Honeywell to agree with some of the changes that are very important to FPUA. They have done a great job.

Ms. Cavalcanti said thank you to both of them.

Mrs. Mika presented the Bill Comparison for the month of July 2019. She said she is presenting the monthly update on the comparisons of municipal electric rates in the State of Florida and of the local Treasure Coast utility bills for July 2019. The first graph displays the comparison of residential electric rates for 1,000 kWh of consumption for the month of July for the 13 municipal utilities in the State of Florida that are members of the "All-Requirements Project". As members of the All-Requirements Project, these municipalities benefit by operating as part of a larger group of cities through lower operating costs and the affordability of highly efficient power generation. In the graph it is easy to see where FPUA ranks among the 13 ARP participants. FPUA now has the 6th lowest rate of this group and our position has shifted one to the right due to a rate decrease by the City of Starke. The blue bar represents where FPUA would rank including the approved decrease in the PCA which became effective on September 1st.

Mayor Hudson said if everybody remains the same.

Mrs. Mika said yes everybody else remains the same, it is all relative, we will see next month. She said the next graph displays the July comparison of Florida residential electric rates for that same level of consumption and includes all of the municipal utilities in the state. The data for all these graphs has been compiled by Florida Municipal Electric Association (FMEA). FPUA's July bill for this level of consumption remains unchanged at $111.84. Our standing among the other municipalities in this graph has shifted by one position to the right since this data was last presented. In this bigger picture, with all of the municipal utilities, it displays the relative position for FPUA including the $3.00 reduction in the PCA. The averages for the ARP and the Municipal Utilities are slightly lower in July from last month. The IOU average has increased by $1.41 due to an $8.00 rate increase by Gulf Power. FPUA's rate for the month of July for 1,000 kWh consumption remains below all three of the group averages shown in the graph. Mrs. Mika said the next graph presents a similar comparison of municipal utility bills within the State of Florida for the consumption of 2,500 kWh. In this comparison, FPUA's July bill remains unchanged since June at $282.30 and our standing and ranking remains the same as back in June. The averages for this level of consumption for all three of these groups reflect the same changes that were noted on the 1,000 kWh bill. ARP and the Municipal Utilities averages have both fallen off slightly in July while the IOU average increased. FPUA's rate for the 2,500 kWh bill remains below all three of these group averages for the month of July. The table displayed is the July comparison of the average residential utility bills on the Treasure Coast. The comparison includes the bills for electric, water, and wastewater services that a residential customer with average

consumption would have experienced if they resided in one of these service territories. These figures include all of the applicable taxes and fees and have been verified to actual or historical bills. In this comparison, electric services are provided by FP&L for all bills except for the first column for Fort Pierce which represents customers within FPUA service territory that live inside city limits. There have been no changes to any of these local service billings. This comparison for July bills is exactly the same as was presented for June. This item is for information only and requires no action on your part. However, if you have any questions Mrs. Mika said she would be happy to address them.

Lois Wolfe, Human Resources Manager presented the Cost of Living Adjustments (COLA) for FPUA employees. She said she is requesting approval for FPUA employee raise increases for FY 2020. These increases have been included in the approved FY 2020 budget and we have a two-part program, a cost of living increase of 2% that is an amount of $319,265 for the cost of living increase with $25,296 of that amount included in the $319,265 is for Treasure Coast Energy Center (TCEC) increase, which is a pass through. We are reimbursed by FMPA for those costs. We have included in the table before the Board is the benefit costs for the cost of living increase, which is $80,551 with $6,382 of that representing the TCEC benefit costs. That is made up primarily of the retirement and FICA costs. The total on that is $399,816 with $31,678 of that being TCEC which is a pass through.

Mrs. Wolfe said the second half of the proposed rate increases once again replicates our last year plan for a performance and improvement program that will dedicate another 2% with the same numbers for FPUA employees $319,265 and representing the same amounts as under the COLA for TCEC as well as the benefit costs. She said in review the performance and benefit plan which really worked very successfully last year and was very well received. Same type of program with the evaluation process and we have separate evaluations for staff performance and another one for our management performance. Those criteria have been reviewed by leadership of the organization and what will happen is similar to last year. These will be completed by the individual Department Heads in conjunction with their other leadership levels from supervisors to insure we have the highest level of objectivity in the evaluation and then it goes from there through another validation process from Department Head up to Director and ultimately to the Director of Utilities for approval on those incentives. Same process similarly with the management team, separate interview criteria goes from Department Heads to Director to Director of Utilities and the Director of Utilities approves any incentive for the Directors.

Mrs. Wolfe said the approach in our wage increases have allowed us to begin to catch up with the market and remain competitive with the market. She said we had our compensation consultant in again to look at market survey data both in the public and the private sector. He has identified target rates and made appropriate adjustments and this allows us to really remain competitive within the market place. Particularly in a time when our unemployment rate is so low and there is such competition for skilled labor, we really have to look in terms exactly the makeup of our employees at FPUA, all of which are very highly technically skilled in a lot of areas.

Our engineers, our technicians, everything from finance and support services right down to the employees that are responsible for maintaining our systems, especially with the technology that we are facing in the future. We are looking for approval to move forward and implement this plan, again all figures have been included in the budget and already approved in the budget. She said she would be glad to answer any questions the Board may have.

Mayor Hudson said everybody gets 2% and over and above that they could get 1% or 2% or something in between.

Mrs. Wolfe said the maximum anyone can get is 5% so under the COLA it is 2% as we have always done consistently base on a bracket percentile. She said it is a very minor adjustment, someone could get a 1.9% and someone else may get 2.2% based on where they fall within their salary range. That is the standard in implementing the cost of living increase. Beyond that, once the performance evaluation forms are submitted on a spreadsheet that does not allow any one individual to get above a total 5%.

Mayor Hudson said that would be 2% plus 3%. She said she remembers something about a one-time payment that does not go into the wage and asked if that is part of this.

Mrs. Wolfe said that is correct, but the difference this time is the majority of employees will continue to get that as a lump sum increase. She said there are a smaller percentage of employees that fall below what the compensation consultant has identified as the target rate. The average community of pay for that position and the proposal is those employees that get much a smaller percentage, would get that increase as an hourly increase to bring them up to or as closer to the target.

Mayor Hudson asked if most of the performance improvements employees raise increases.

Mrs. Wolfe said most of those are lump sum payments as was done last year. She said right now it is an estimate of about 87 employees that would be eligible if they were awarded a performance incentive they would get that based on an hourly adjustment.

Mayor Hudson asked if it was fair to say that the increase is really 2% for COLA and then the wage increase is over and above that.

Mrs. Wolfe said the cost of living increase will be just about an average of 2%.

Mayor Hudson said that goes to everybody.

Mrs. Wolfe said that goes to everyone across the board based on that bracket percentile. She said the larger segment will get a lump sum just as we did last year in the pay after December 2nd.

Mayor Hudson asked if that will go into their pay.

Mrs. Wolfe said no that is a lump sum payment, which is exactly what we did last year. She said the only difference this time with the goal of getting people a little closer to that target rate, which is what one of goals has been over the years is to make that an hourly percentage increase. The person that gets a 2% COLA and then maybe is awarded an additional 1.5% of a performance based on good positive performance is going to get that 1.5% of an hourly increase.

Ms. Cavalcanti asked if that is 87 people.

Mrs. Wolfe said that is 87 people as of right now.

Ms. Cavalcanti asked if that is based on the Parilla study that said these classes of people are under paid, so to speak, they are not in their target range.

Mrs. Wolfe said they are the ones that were identified as being under target. She said that was a recommendation from our compensation consultant because we have been trying over the years to correct that problem of people being appropriately positioned around their range.

Ms. Cavalcanti asked if the other 180 employees are getting the performance based bonus.

Mrs. Wolfe said correct as a lump sum.

Ms. Cavalcanti said nobody gets more than a 3% added.

Mrs. Wolfe said no one would get a total more than 5%, so basically yes there is that little percentage difference. She said someone may get because they are already a little be lower in their bracket so a 2.2% so they can only get the additional no more than 5%. Quite frankly the 5% has really got to be the star performer that person really has to have top scores in every area on that rating scale. Those parameters are pretty strict or pretty high standards.

Mayor Hudson said Mrs. Wolfe said this program has been successful and asked how she would know or how does she measure it.

Mrs. Wolfe said certainly from feedback. She said they were a little bit concerned last year.

Mayor Hudson asked if they were shy.

Mrs. Wolfe said no and actually quite frankly individuals were really very pleased with it. She thinks maybe off the top of her head one of the best things she can say is if you look in terms of how many people do you have on performance improvement plans. She said right now we have one person that is on an extended probation. FPUA does not have a lot of individuals that have been on performance improvement, but a few throughout the year. Right now we are only at

one and she believes people are focused this year because they know what the criteria is. Quite frankly she thinks we do have a wonderful team and people come in and are committed and are doing their best. It is really nice to be able to reward them at appropriate and different levels based on the level of continuous consistent performance and dependability.

Mr. Matthews said we probably do not want to stay to 7:00 or 7:30, but there are some real questions. He said the first one he would like to know is who makes the decision for that employee to get that 5% percentage max.

Mrs. Wolfe said it starts with the Department Head meeting with the foreman or supervisors in that department collectively to rate that employee. She said obviously the foreman or supervisor or team leader those that are there with that employee evaluating them every day. They collectively agree on the individual line item ratings. Then once that is agreed upon within the department, it goes to the appropriate division director who reviews it and then the division director and the department head sit with Mr. Tompeck before it is finally approved.

Mr. Matthews said he is looking at the recommendations and asked if there are some employees in October getting a raise and then some others in December.

Mrs. Wolfe said the cost of living increase will be affective at the beginning of the fiscal year of October 1, which is the same that we have done in the past. She said the performance improvement would not be issued until the pay period beginning December 2nd. If someone is one of the 87 approximate employees due for that is a salary increase it would become effective on December 2nd. Those getting a lump sum are going to see it in the pay check that pays out in that two-week period.

Mr. Matthews said if you have a new hire and they were still on probation, he asked if they would not get anything until they come off probation.

Mrs. Wolfe said new hires must be off probation by October 31st in order to get the increase. She said anyone that comes off probation after October 31st is not eligible.

Mr. Matthews asked if all the 2% would include the employees regardless of where they live.

Mrs. Wolfe said yes.

Mr. Matthews asked about the employees that are getting ready to retire.

Mrs. Wolfe said they would as well be eligible, we do not exclude anyone except the new hires that have not completed the probationary period by that time line.

Mr. Matthews asked if there are any employees that get extended because their evaluation was not too good and get an extended time. He asked if they would be considered when they get off that extension.

Mrs. Wolfe said FPUA currently has one employee that is on an extended probation and they would get it if and when they successfully complete the extended probation.

Ms. Cavalcanti said if they were evaluated for it though. She said they would not necessarily get the incentive.

Mrs. Wolfe said right.

Ms. Cavalcanti said if they are on probation she would assume they are on probation because they are not doing something right. She doubts they are going to be evaluated for that extra 2%.

Mr. Tompeck said that is exactly correct.

Mr. Matthews said what if someone gets a promotion where would they fall in the shot.

Mrs. Wolfe said if they got their promotion before October 1st and they moved into a new pay grade obviously with a promotion, they would be placed at that pay rate. She said as of October 1st their 2% would be issued to them based on that bracket percentile along with everyone else. If they got promoted after October 1st, their 2% COLA is based on their existing rate, they get the 2% and then get their promotional increase after that and go to the new rate.

Mr. Matthews said that person would get more than 2%.

Mrs. Wolfe said it would be a matter of 2% on a higher rate if they were promoted before October 1. She said that 2% cost of living increase is being calculated on their pay rate as of September 31st.

Mr. Matthews asked what 2% means in terms of dollars.

Mrs. Wolfe said it can be anywhere from $0.40 to $1.50 or $1.80 depending on the rate that person is at.

Mr. Tompeck said he thinks it is important to point out as well that we are talking about a pool so if a department has a 2% pool, they are going to be looking at their employees and how many of them can get a 3% raise without lowering somebody else to a 1% raise for that pool. He said there is an evaluation process here that you go through where only a very few select group of people will be getting up to the 5%.

Mayor Hudson said you are rating on the curve. She said she has a question for Mr. Tompeck and asked if from his standpoint, she said she met with Mr. Tompeck because she looked at all the performance improvement, he had a chart and she met with him. She asked from Mr. Tompeck's standpoint if this has been a success.

Mr. Tompeck said he thinks so, it was a new program last year so we have done some tweaking to make it a little bit easier for the evaluators. He said the checklist that we will be using this year will be a little bit easier for them. Mr. Tompeck said he thinks it has been successful.

Mayor Hudson said it is like a three-page document.

Mr. Tompeck said it is at least a two-page document and it takes a little bit of time for the managers.

Mayor Hudson said it is a lot of paper work for some of the managers to do. She asked if the people that report to Mr. Tompeck have had positive feedback.

Mr. Tompeck said the feedback has been good and when they developed the checklist, we have an internal committee, the Compensation Classification Committee, and that group really developed the program. He said they have been going step by step through it so it has been a team project and not just an individual initiative.

A motion was made by Mr. DeIulio, seconded by Mayor Hudson, and unanimously carried to approve an overall average 2.0% Cost of Living Adjustment for employees, in an amount not to exceed $319,265 for fiscal year 2020 effective October 1, 2019 and a Performance Incentive Plan not to exceed $319,265 effective December 2, 2019.

Mr. Tompeck said the next item is the FPUA Director and Attorney compensation package for possible action by the Board, there is not staff recommendation.

Mayor Hudson said we have to separate these if you remember rightly and vote on them separately. She said would like to request the attorney be done first and she has to abstain from that and will abstain from the discussion with the Board's indulgence if that could be done first.

Ms. Cavalcanti asked for discussion on the attorney's compensation.

Mr. Matthews said he has a question and a concern. He said he knows we all go through this in some time of life even himself, but when he looks at the absentees of the attorney and then looks at today we are looking at a raise and wonders where its fairness. He knows he cannot help that he was ill, but then also the fairness on how we do we get the satisfaction to get a vote for an increase for a raise. Mr. Matthews said he sits next to the chair so he knows that person has represented here from another counsel, but his concern is how long we award absentee

regardless of what the situation is. He said this is his concern not that and did not say he was not going to vote. It is like we represent the taxpayers and the ratepayers and he does not know how long it was an absentee, but he knows it has been for a while.

Ms. Cavalcanti said she will answer a little bit on that. She said first of all she thinks when a person has an illness, they get excused and she thinks the work was done and there has been times when the work has been done way far and above anything we were ever billed for. She remembers some very specific instances. An illness is one thing and it was covered, the work was definitely covered by his staff. Perhaps Mr. Koblegard was not present at some of the meetings, but his staff was and she does not think we ever missed a beat in terms of the legal representation, we had every board. Ms. Cavalcanti said she thinks what Mr. Koblegard would probably be in favor of, but is not certain, he would be happy with his cost of living increase. She said that is all we have given him for many years and that is the same cost of living increase that the employees get and social security gives you, so to speak. It is keeping up with inflation and she believes he knows the math on that. We should not judge him that he was away on vacation, he had an illness and that is her take on it.

Mr. Matthews said he recognizes it could happen to him, but he was bringing it up because it was a concern to him.

Ms. Cavalcanti said she agrees that it is a concern, but we did not miss a beat. She said we had very adequate counsel here for us.

Mr. DeIulio asked if we are suggesting Mr. Koblegard receive a 2% pay raise or cost of living adjustment and asked about the performance adjustment.

Ms. Cavalcanti said she thinks it is up to Mr. DeIulio because he will be making the motion she can't.

Mr. DeIulio asked if it is his position to decide.

Mr. Tompeck said yes it is.

Mr. DeIulio said considering that Mr. Koblegard has done work well beyond what we would have expected in certain times that even in light of the fact he has had some illness, we should consider a 2% PIP in addition to the cost of living adjustment.

Ms. Cavalcanti asked if that is his motion.

A motion was made by Mr. DeIulio to approve a 2% performance incentive pay and 2% cost of living increase for Attorney Koblegard. Ms. Cavalcanti passed the gavel to Mr. DeIulio and seconded the motion.

Mr. Matthews said he wants to catch an un-readiness for the vote.

Ms. Cavalcanti asked him to repeat what he said.

Mr. Matthews said he is raising an un-readiness in order to vote. He said you made the motion and you seconded it, is that right.

Ms. Cavalcanti said she seconded it.

Mr. DeIulio said Ms. Cavalcanti handed him the gavel and seconded it.

Mr. Matthews said at that point, he needs to ask a question.

Ms. Cavalcanti asked a question to Mr. DeIulio.

Mr. Matthews said not to him to her.

Ms. Cavalcanti said Mr. DeIulio is the Chair for this second.

Mr. Matthews said to Mr. DeIulio, as Chair, that 2% needs to be separated out of his motion. He said if Mr. DeIulio is saying give a bonus and asked if that is what he was saying.

Mr. DeIulio said it is not a bonus, it is a performance incentive, similar to what the other employees are qualifying for.

Mr. Matthews asked and the 2%.

Mr. DeIulio said 2% for the cost of living plus 2% performance, similar to what other employees of the utility can qualify for. He said Mr. Koblegard is an employee of the utility.

Mr. Matthews said he believes the motion that was made and seconded was because you thought he had done a pretty good job of the past.

Mr. DeIulio said he has been on the Board for eight years and Mr. Koblegard has done a fine job over the years he has been on the Board.

Mr. Matthews said he is ready to vote.

Those voting for approval were Mr. DeIulio, Mr. Matthews, and Ms. Cavalcanti. Mayor Hudson abstained because she has a conflict of interest because Mr. Koblegard is her brother-in-law. The motion passed.

Ms. Cavalcanti said the next item is for our Director of Utilities.

Mr. Matthews said he has a simple question and said he has no problem giving someone a raise, but thinks we should not put the cart before the horse. He said we need to give him an evaluation. With that it can be done at any given 15 or 20 minutes by this Board, it can be done by passing out questions, give it a point system and put the questions down as necessary. He spoke to the Director himself and one category is anytime you evaluate a Director or City Manager, there is something about whether or not they have a relationship with the citizens or in this case the ratepayers. If there is a complaint, has the complaint been answered satisfactorily? The other question is based on vision of the individual, do their ideas fit the job description of what we want as a job description for the Director. If he follows the job description, then it will automatically speak that the raise will come. Mr. Matthews said he does not have any quarrels with the qualifications of the individual, he is saying he does not know where he has been in his time of life with the last company he worked for, you got a raise before an evaluation that just did not happen.

Mayor Hudson said one of the things she appreciated is that Mr. Tompeck sent the Board an email and told them about his accomplishments. She read them and agrees with them and that he has many of the things we have accomplished and FPUA has accomplished. She appreciates his leadership and that he stepped in a difficult time, worked hard in his first year, and continues to work hard and foster leadership in the staff, and she appreciates his leadership. Mayor Hudson said she has a philosophical problem and she talked to Mr. Tompeck about this, with the Director getting any bigger percentage than the staff. She is going to be comfortable in a 4% increase range.

Mr. DeIulio asked if that is the 2% cost of living and 2% PIP or something thereabout.

Mayor Hudson said yes in this particular case, it is going to be a salary increase as opposed to a lump sum payment.

Mr. DeIulio asked if it was a %.

Mayor Hudson said yes.

Mr. DeIulio said that seems fair.

Mr. Matthews said that one day this Board has got to follow our own philosophy of life and he has nothing against the Director himself. He said we need to put in order to have an evaluation, we just do not function that way as a company. We owe that to the individual, a yearly evaluation, we give all the employees an evaluation.

Mayor Hudson said what she prefers to do and she understands what Mr. Matthews is saying, but she talks to Mr. Tompeck all year long and lets him know all the time what she likes and does

not like. She said he has passed out the form before for us to fill out, but since everything is a public record in government that can be taken and misinterpreted. She would much prefer a one on one conversation or we are doing it right here. Anybody gets to say right here what they don't like or what they think he needs improvement on. We get to say it right here and it happens to the guy sitting right next to her Mr. Mimms every year too. It is done in public and the performance is done in public and people say what they think needs improvement and what they think they are doing really well. She is very comfortable in this setting talking about it and also very comfortable in talking on a daily basis with Mr. Tompeck.

Mr. Matthews asked if there is a specific job description for our director.

Ms. Cavalcanti asked Lois if we do.

Lois said we do.

Ms. Cavalcanti said we do and she asked Lois to please give that to all Board Members. She is going to reiterate what the Mayor said that Mr. Tompeck listed what he has done, what he has accomplished and she thought what he has accomplished is numerous items and has benefited this Utility Authority greatly. Ms. Cavalcanti agrees with the Mayor that she is not comfortable with giving more of a raise than the rest of the staff is getting. She knows last year we gave a large raise to Mr. Tompeck and that was because we wanted to get him in line with what Mr. Lindstrom was making and she was the one that made that motion. At this point it needs to be more in line with what the rest of the staff is getting and she is not making any motion because she can't.

Mayor Hudson said she will make a motion once the discussion is over.

Mr. Matthews said he would like go over one more item. He asked if by next meeting if he can get the job description.

Lois said yes.

Mr. Matthews said he did not have a problem with what he read and what Mr. Tompeck accomplished. He said his problem is that we need to take one of these meetings as an item agenda and evaluate whoever sits in that position. If we do not start doing that, we will see ourselves in some kind of dilemma later because that helps the individual. He said if he was working at the head of job, he would want to know how he was doing with the people he serves. It is good through the evaluations and no one is above that system. He is prepared to vote, but he is prepared to get it right too as we move throughout this process of evaluating our Executive Director. Friendship has nothing to do with it and he would be the first to say he has no problem with the things he calls Mr. Tompeck to do. We are leaving out a category as an umbrella of this whole company and everybody ought to get an evaluation, janitors, truck drivers, technicians,

everybody, department heads, and everybody. So if you have a person that has files to know if they will get challenged. Mr. Matthews said he is prepared to vote.

A motion was made by Mayor Hudson, seconded by Mr. DeIulio, and unanimously carried to approve a 4% increase for the Director.

Mr. Tompeck thanked the Board Members.

Mr. Tompeck said the next item is Resolution U.A. 2019-05, a resolution for Fort Pierce Utilities Authority in appreciation of the services of Dan DeIulio. He said on behalf of staff he would like to congratulate and thank Dan for his service on the Board and his service to the City. Dan has shown great regard for FPUA's customers and support for FPUA employees. He has monitored the budget preparation process over the years and developed an excellent understanding of that process. Mr. Tompeck said from his standpoint Dan has always provided sound advice and was receptive to his questions and suggestions. He has been a voice of reason over the years and he will be missed. Mr. Tompeck thanked Dan for a job well done.

Ms. Cavalcanti said thank you.

Mayor Hudson said thank you.

Mr. Tompeck asked Mrs. Mazzarella to read the resolution.

Mrs. Mazzarella read the resolution as follows:

RESOLUTION U.A. 2019-05
A RESOLUTION OF FORT PIERCE UTILITIES
AUTHORITY IN APPRECIATION OF THE SERVICES OF
DANIEL M. DEIULIO

WHEREAS, DANIEL M. DEIULIO has served as a Member of Fort Pierce Utilities Authority from October 1, 2011 until September 30, 2019; and

WHEREAS, Mr. DeIulio served as Chairman of the Board from 2013 to 2014 and again from 2017 to 2018; and

WHEREAS, during his eight years in office, Mr. DeIulio has devoted many hours of service to Fort Pierce Utilities Authority and its customers; and

WHEREAS, Mr. DeIulio has been a great source of inspiration, counsel, support and wisdom for the Director of Utilities; and

WHEREAS, Mr. DeIulio has served with great distinction and has always displayed a compassioned sense of moral integrity and vision when addressing both customer and employee-related issues; and

WHEREAS, Mr. DeIulio has at all times ably represented the positions and interests of Fort Pierce Utilities Authority in its dealings with other governmental and private entities.

NOW, THEREFORE, **BE IT RESOLVED** by Fort Pierce Utilities Authority of the City of Fort Pierce, Florida, in Regular Session assembled, that on behalf of the Board Members of Fort Pierce Utilities Authority, the people of the City of Fort Pierce, and Fort Pierce Utilities Authority Department Heads and Staff, hereby acknowledges with a deep sense of gratitude the services of **DANIEL M. DEIULIO** as a Member of Fort Pierce Utilities Authority.

BE IT FURTHER RESOLVED that a copy of this Resolution be presented to **DANIEL M. DEIULIO** and spread upon the minutes of Fort Pierce Utilities Authority as a permanent record of their appreciation.

ADOPTED this 17 day of September, 2019.

A motion was made by Mayor Hudson, seconded by Mr. Matthews, and unanimously carried to adopt Resolution U.A. 2019-05, a Resolution of Fort Pierce Utilities Authority in appreciation of the services of Daniel M. DeIulio.

Mr. DeIulio said he would like to say a quick thank you. He said he would like to thank the Mayor and the City Commissioners for appointing him to this position eight years ago, it has been an honor to serve. He thanked all the employees in the Utility including his fellow Board Members for the privilege of working with them all these years. Clearly he can see why the Utility is a wonderful place to work and why it is such an integral part of the community, it is the hard work and dedication of the employees and the backing we get from the community, our rate payers. He wished everybody the best of luck.

Mayor Hudson said come back any time and speak in public comment.

Mr. DeIulio said he will be with his wife next time.

Mr. Tompeck said we have already took a picture of Dan and his electric meter lamp earlier on and also the framed resolution. He said when it signed and reframed, we will get it back to Dan.

Mr. Tompeck said he has a couple of issues and two are related to our Board Policies and Procedures. He said the latest revision goes back to December of 2016. The first item is his signature authority that is currently limited to $25,000. This number has not been changed in at least 20 years and is low just based on inflation. All expenditures over $25,000 are required to have Board approval and this includes budget transfers, new projects, and post budgeted project

requests. These items normally appear on the consent agenda unless they are over $200,000 or an unusual item that needs presentation. Mr. Tompeck said he thinks we can streamline the process a little if the Board agrees to raise his spending limit to $50,000. He said there are no Charter requirements that would limit the spending authority of the Director. The other quick note is this will not affect contracts, all contracts regardless of value must be signed by the Board because that is a Charter requirement.

Mayor Hudson said you probably want some kind of motion to approve that and we probably cannot do that tonight because it was not on the agenda. She said maybe it should be at the next meeting or some time.

Mr. Tompeck said he was going to try and coerce the Board to do it tonight, but if we have to do it at the next meeting, we can.

Mayor Hudson asked Mr. Koblegard for advice.

Attorney Koblegard said we use to be able to do that, but based on the new Sunshine Law it has to be on the agenda.

Mr. Tompeck said the second item is also related to the Board Policies and Procedures. He said he mentioned that we intend to ask the Board approval to raise the water and natural gas rate by the PSC Index. Since this is a rate change we will need to hold a Public Meeting, which will probably occur in November. Over the last few years we have had these rate meetings at 6:00 p.m. rather than our normal 4:00 p.m. regular meetings. The original intention of the later meeting was to make it more convenient for our customers and allow more input and comments. The last several times we have done this, nobody has come to the 6:00 meeting. Mr. Tompeck said there is no Charter requirement for the timing of the Board Meetings and at the Board's pleasure we can leave these meetings at 6:00 p.m. or move them back to our regular scheduled time of 4:00 p.m.

Mayor Hudson said 4:00 p.m., she votes for 4:00 p.m.

Mr. Matthews said the question should be to the attorney, should that be an agenda item?

Attorney Koblegard said yes it should be.

Mr. Tompeck said he will bring it back to the next meeting.

Ms. Cavalcanti asked if it had to be an agenda item because the normal meeting is at 4:00 p.m.

Mr. Tompeck said the Board Policies and Procedures that we have in house require the change from 6:00 p.m.

Ms. Cavalcanti said ok, put it on the agenda.

Mr. Tompeck said he has mentioned this to a couple of you that we have an opportunity to increase our participation in the second FMPA Solar Project. He said currently we have told FMPA we were interested in participating at the 10 MW level. We can increase our participation by 5MW to the 15MW level and when we combine that with the original 3 MW we have from the first solar project that would bring us up to 18 MW, which makes us about 18% renewable. Mr. Tompeck said he thinks that is a good number for us. The pricing on the second solar project is more favorable than the first project and will probably be in the $25 per MWh range. The formal documents will be coming to the Board for approval and would like to get a feel that everybody is okay with increasing it from 10 MW to 15 MW.

Mayor Hudson said she is in agreement for increasing the solar participation.

Mr. Tompeck said the last item is a brief on Hurricane Dorian in which we had a total of 33 outages and affected about 2,100 customers. He said that was not all at the same time, which was the good news. The longest outage was 90 minutes and that affected 127 customers and it had to do with a tree falling across power lines. We do not have any solid numbers on cost incurred in the preparation for the storm, but we do have some preliminary estimates. They are going to run up into the $350,000 range and a lot of that has to do with the mutual aid we had onsite ready to go in case. They came here from Alabama and Illinois, stayed a couple days, and went home.

Mayor Hudson said they went home.

Ms. Cavalcanti said a vacation.

Mr. Tompeck said they are getting paid.

Mr. Matthews asked if FPUA went anywhere to assist.

Mr. Tompeck said we did not go anywhere, we did not get any request for assistance. He assumes in the near future, we will probably get a request for our neighbors to the east, but they have to have houses before they have electricity.

Ms. Cavalcanti asked if we get reimbursed from FEMA for mutual aid even though were not federally declared.

Mr. Tompeck said that was the next thing he was going to say. He suspects the mutual aid that was not used, we will not get reimbursed for. We will probably get reimbursed for some of the emergency protective measures we took before the hurricane. Barbara Mika is looking into that with FEMA and also Amy Zubaly is the FMEA Director is looking at it on behalf of the all the Florida

Municipal Utilities. There is a reasonable chance we will get some of it back, but not a chance we will get all of it back.

Attorney Koblegard asked if anyone got a copy of Gail Bradford's email yesterday.

Ms. Cavalcanti said she did not.

Mr. DeIulio said he received a copy.

Attorney Koblegard said the Mayor has a copy. He said if you look at the first paragraph and asked if John has told you it has been continued.

Mr. Tompeck said Gail has not let him know yet. He said he sent this to the Board and he has to get the Board to use their FPUA email addresses.

Ms. Cavalcanti said she needs Tom to come over since they moved their office, she cannot get on it.
Attorney Koblegard said what she is saying here is that she is trying to have all the depositions of the Board Members moved to October, but has not accomplished that yet. He said if you look at the last part, it says pre-deposition conferences scheduled for later this week. He is assuming she has not scheduled a conference with anyone.

Ms. Cavalcanti said she will be gone.

Mayor Hudson said she is scheduled for pre-deposition on Thursday and a deposition on the 23rd. She was told it is moving to October from the email.

Attorney Koblegard said they have not agreed to that yet and is what he wanted to point out. He said right now it is still on for the conference and the deposition for next week. Dan he thinks said he has not been contacted.

Mr. DeIulio said not through his emails at the office.

Ms. Cavalcanti said she has not been contacted and will be out of town. She is leaving on Thursday.

Attorney Koblegard said Darryl is not here and he is on there too.

Mr. Tompeck said he will try and get a hold of Gail tomorrow. He said Suzanne Houston is her legal assistant and she did send out individual emails to Mayor Hudson and is guessing Dan and Glynda did not get one.

Mr. Delulio said maybe he got one and did not realize it.

Attorney Koblegard just wanted to point out it is still on until we hear.

Mayor Hudson said okay, whatever.

Attorney Koblegard said she will be trying to contact you for a meeting sometime later this week. He thanked the Board for his raise.

Mayor Hudson said thank you to all the employees for this year.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE
Hudson Linda	Fort Pierce Utilities Authority
MAILING ADDRESS	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:
100 N. US #1	☑ CITY ☐ COUNTY ☒ OTHER LOCAL AGENCY
CITY: St. Lucie — COUNTY	NAME OF POLITICAL SUBDIVISION: Fort Pierce
DATE ON WHICH VOTE OCCURRED: September 17, 2019	MY POSITION IS: ☒ ELECTIVE ☑ APPOINTIVE both

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also MUST ABSTAIN from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * * * * * * * * * * * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * * * * * * * * * * * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Linda Hudson, hereby disclose that on September 17, 20 19:

(a) A measure came or will come before my agency which (check one or more)

___ inured to my special private gain or loss;

___ inured to the special gain or loss of my business associate, _____;

✓ inured to the special gain or loss of my relative, Rupert Koblegard, FBN A Attorney;

___ inured to the special gain or loss of _____, by whom I am retained; or

___ inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Payment for services

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

September 17, 2019
Date Filed

Linda Hudson
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.