MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, OCTOBER 15, 2019, 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Vice Chairman Charlie Frank Matthews; Secretary Darryl Thomas-Bey; Deputy Secretary Frank H. Fee, IV; Mayor Linda Hudson; and Johnna Morris, Acting Ex-Officio Member/City Manager.

Excused: Chairman Glynda Cavalcanti

Others present: John K. Tompeck, Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney; Nina B. Penick, 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 Matthews.

Opening Prayer was by Carol Wilson of Human Resources.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

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

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

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A motion was made by Mr. Bey, seconded by Mayor Hudson, and unanimously carried to approve the Minutes of the Regular Meeting of October 1, 2019.

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

1. Excuse Glynda W. Cavalcanti, Chairman from this meeting because she is out of town.

2. Approve POA No. 14-11: Budget Transfer Request in the amount of $75,000, for additional funding for wastewater residuals processing at the Water Reclamation Facility by BCR Environmental Corporation, of Jacksonville, Florida.

3. Ratify the sale of 23 vault transformers and 1 pole-mounted transformer, which were deemed obsolete.

4. Approve the Federally-Funded Subaward and Grant Agreement with the State of Florida, Division of Emergency Management, of Tallahassee, Florida for reimbursement of costs related to Hurricane Irma (DR4337).

5. Approve Bid No. 18-61: Additional funding for the purchase of enclosures and handholes from Electric Supply of Tampa, Inc. dba Electric Supply, Inc., of Tampa, Florida, to increase the not-to-exceed amount from $43,692 to $115,086 annually.
6. Approve POA 13-72: Sole source Purchase Order payable to the City of Fort Pierce in the amount of $98,043.32 for FPUA's contribution to the City's roadway reconstruction efforts associated with Avenue A and Avenue B from 7th Street to 8th Street.

7. Approve POA 20-01: 1) participating in the Master Intergovernmental Cooperative Purchasing Agreement with National Intergovernmental Purchasing Alliance Company dba OMNIA Partners and Public Sector and/or Communities Program Management, LLC dba U.S. Communities, and 2) Contract with Graybar Electric Company, Inc. of Clayton, Missouri, for the purchase and installation of a new Galaxy VS 50kW Uninterruptible Power Supply and associated electrical work in an amount not to exceed $176,600.

8. Approve Post Budgeted Project/Budget Request in the amount of $60,000 to replace a portion of force main that has failed on South 25th Street.

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An email was received in the Customer Service Department from Mr. Mathew Saxton of St. Lucie County Schools complimenting Sean Denman of Water Distribution for his exceptionally helpful assistance at Fort Pierce Central High School.

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Pete Tesch, President of the Economic Development Council (EDC) of St. Lucie County, Inc. gave a presentation on FPUA's partnership with EDC. He said the EDC has a wonderful economic development partnership that exist in this community, specifically with the St. Lucie EDC and FPUA and local governments, and business and education partners. Some discussion items will be about outcomes and results with working together trying to create jobs and improve the physical assets of this wonderful community. He said he will talk about some recent projects and very briefly about their strategic planning efforts and working with FPUA going forward. Mr. Tesch said for the Board and the audience, the EDC is a 501C6 Corporation and what they call a private public partnership in that they have both public and private investment in their organization. He said they have contracts with the local governments to do economic development and also have investment in the EDC by virtue of the business community. EDC has some of the best community and business leaders in the community that are running the Board of Directors. Mr. Tompeck serves on the Board as well as many in government education and businesses, there are 25 Board members. There is a staff of 4 ½ and the budget has grown

significantly over the last five years, currently looking at a budget of $925,000 for 2020. Mr. Tesch said they started out with about $450,000 and mostly that is private sector like businesses investing in the EDC. He said their mission is to help create quality employment opportunities for the community and their vision is to have a durable robust economy for St. Lucie County. Thanks to FPUA for helping make that happen.

Mr. Tesch said on results and outcomes, they have worked with a third party economic research firm, the Economic Strategy Center out of Atlanta to do an economic impact analysis and return on investment. He said they did it for 2015 – 2017, 29 EDC assisted projects of businesses that were either created and retained that helped create over 2,800 jobs, $32 million in capital investment, and $194 million in new income. The same economic impact study for 2017-2019 will be done. In 2018, the EDC helped create 659 quality new jobs in the community, $24 million in new payroll, and $53 million in capital investments. Some of those firms are Maverick Boat Group, Pursuit, TAMCO, Oculus Surgical, ABC Medical, and others. Last year we talked about being able to secure state and local government grants coming back to the community and that number was $9.62 million, working together to bring resources to our area. EDC does not create new jobs, businesses create the jobs, but working together and having a pro-business environment, government working together with businesses, making sure they have plenty of property, infrastructure, and making sure they get through the permitting regulatory process that helps create jobs. The table displayed is a preliminary number looking at results and outcome for 2019 and working with all kinds of different businesses, new expanding, and relocating, that preliminary number is 1,031. Lots of job creation in his opinion in economic renaissance when they look back just five years ago when they still had the yoke of double digit unemployment and the attitude amongst the business community was not optimistic. We have a lot to be thankful for and this economic expansion is helping our residents and citizens do a little better and improve and prosper, we have a lot more work to do.

Mr. Tesch said he told Mr. Tompeck he would keep this short so he has a lot of pictures. He said they are blessed to have Pursuit Boats now that they are acquired by Malibu International, a 221,000 sf facility, $20 million in capital investment, and 200 high wage jobs. EDC was very pleased to work with FPUA on utilities for this project. Maverick Boat Group is another one and this company has 125,000 sf and it took them eight months to build the facility. In January of 2018 was the ground breaking and August 1st they pumped out their first boat. Working with St. Lucie County, getting the site plan approved, and then getting the building permit, shows we can operate and react very quickly. Going to the south part of the county in Port St. Lucie, City Electric Supply is just about finished and they have moved in a 411,000 sf manufacturing and distribution center. Oculus Surgical had their groundbreaking and they will go right next door for a 50,000 sf eye device manufacturing operation. An important issue with the City of Port St. Lucie and Southern Grove is they have almost 1,200 acres of industrial property to contend with. They are very focused on what is the best way to get new and expanding businesses there so we have been working with the City of Port St. Lucie on a pricing strategy since they have acquired 1,200 acres. We need to be competitive in trying to fill that, the expansive set of property three miles

along I-95 having that industrial property in a pad-ready fashion that is ready for business is key on their minds.

Mr. Tesch said they were delighted to be able to work with FPUA on Natalie's Orchid Island on their expansion to keep them in the community. He said they have the former Mueller Building on DiGeorgio Road, a 55,000 sf facility, which is a textbook example of us working together to secure almost $2 million from the Florida Job Growth Grant Fund and the Governor's office about one year ago. It was great to work with John's staff, particularly Bo Hutchinson took a leadership role in making this grant happen. Not only are we helping the business, but the entire area of about 37 parcels that could take advantage of having water and sewer there. This is something EDC wants to continue working with FPUA with regards to securing grant funds and getting industrial property up and ready to accommodate economic expansion in our community. Mr. Tesch said another great project is Lawnwood Regional Medical Center where they have announced $100 million capital investment expansion. He said there has been preliminary meetings with the City of Fort Pierce as well as FPUA. We really want this to happen, it is a catalytic project. Kings Landing is another catalytic project that is going to make downtown even better and he knows the Mayor feels this way. EDC has been working with the developer to see what they can do to help in regard to making this a reality. Port of Fort Pierce is another example of critical economic development efforts and we know that Derecktor has ordered the world's largest crane that is coming from Italy and coming to the Port of Fort Pierce. Derecktor seems to be very pleased with their conversations with the City of Fort Pierce and FPUA in terms of their physical expansion. Hundreds of jobs will be available both directly and indirectly with the yacht refitting industry. Cleveland Clinic is coming to the Treasure Coast and EDC is working with the City of Port St. Lucie, the Lerner Research Institute of Cleveland Clinic, and an Australian Bio-Medical Research facility to occupy the former VGTI building. Mr. Tesch said another great economic engine is Treasure Coast International Airport and the focus on aviation and aerospace, a 37,000 sf hanger soon will be vertical where we can attract companies in the maintenance rehab and overhaul sub-industry sector of the aviation industry. He said it is really an industry sector that is very much in demand now.

Mr. Tesch said some of the key issues going forward and it is hard to believe our 2015 economic development strategic plan is almost to an end in 2020. He said we picked all the low hanging fruit with regard to planning our work and working our plan. We have shown with working together we can help create jobs and create prosperity, but now the real work begins. We have to keep competitive and who knows what economic conditions we will be in the near future. Key elements of economic development initiatives is readiness of key business parks, continued marketing and prospect development of St. Lucie County, the currency of economic development is talent and workforce readiness, and most important is how to help our small business owners and foster entrepreneurship and innovation. One thing he would like to focus on is the St. Lucie corridor initiative and the continued readiness of industrial parks. When EDC thinks about the expansion of FPUA's territory and providing a solid rate of return, they believe that commercial and industrial development are the ways to make that happen. In the north part of the county

and FPUA territories, how can we make sure we are ready to go 100% in terms of having pad-ready industrial sites? Mr. Tesch said they are so happy to be working with Mr. Tompeck and his staff on these issues. He said right now they are working on infrastructure and utilities planning in terms of key industrial properties and then how they can make everything ready to go in terms of conceptual site plan, virtual spec buildings, fostering other investor and development relationships here in the county so we can get people to invest and open businesses. EDC's highest priority is working with the Board from a leadership perspective in 2020 on how to make it happen and put together an effective action plan to make this happen because the economy is definitely needed to have these type of things for our continued growth. Mr. Tesch thanked the Board and said he would be happy to answer any questions. He said the Board has been so kind to allow him to come before them and he is looking forward to closing out this year and also a productive 2020.

Mr. Bey said after reviewing this, he said he is happy with the fact it seems like there is a balance of projects going throughout the County, Port St. Lucie, and Fort Pierce and that is a good thing and thanked Mr. Tesch. He asked what kind of economic impact this will have particularly on Fort Pierce.

Mr. Tesch said one issue is job creation does not stop at the county line or at the city limits. He said as an example a Maverick Boat Group and Pursuit are technically outside the City of Fort Pierce. However, they are creating hundreds of jobs so our residents are being able to take advantage of those new job opportunities as well as the indirect effects of other businesses being able to provide goods and services to them. There is a direct economic impact in job creation, capital investments, and indirect business activity as a result of some of those projects we mentioned.

Mayor Hudson said it is also important that EDC works in collaboration with Work Force, Career Source, the college, and the high schools. She said Mr. Tesch has done a lot of working with them to make sure we have people who fill those jobs and they do not have to bring those people in from other places. The collaboration has been really excellent in terms of the educational facilities.

Mr. Tesch thanked the Mayor and said they are doing their next skills gap study, which is just about completed. He said they will probably release it at the end of the year, it is a comprehensive, exhaustive surveying of local companies. If we do not have the necessary people with the right skill sets, we are not going to be able to expand, talent development is crucial here. Our second manufacturing boot camp was in June and in 2018 we had 18 graduating seniors that were immersed in a week long manufacturing setting with our local manufacturers and learned that industry sector. At the end of that session on Friday, we had a signing day where there were 15 to 20 employers. In 2019, we had 23, which was really touching in that in each class there were two or three homeless students. It was very hard to handle, but we're happy to report that about 60% of the young people that went through the boot camp are still currently employed.

One young man has bought a car and is saving money to put money down on buying a house. Mr. Tesch said it chokes him up and that 63 is just a drop in the bucket, but those are 63 lives that were touched and half of them are gainfully employed. He said those are the kinds of things the Mayor mentioned that provide partnerships, working with various academic institutions like our schools, employers, etc. It makes lives better.

Mr. Matthews said he has a couple of concerns, but first he wanted to congratulate Mr. Tesch for coming this far, it has been tremendous. He is concerned by the part we miss when talking about when companies come into the community and that is the application process. One is equal opportunity and following the Civil Rights Act and those kind of things. Those companies are kind of given a little pep talk about what you would like to see and do and not have our lawyers running and trying to stop plans later.

Mr. Tesch said finally employers are being more creative and flexible. He said for example, things like boot camps and job fairs in Lincoln Park is amazing to see the type of individuals that are coming out and working together. Through the partnership mode and also companies being more flexible populations that have not engaged in employment or economic prosperity may have a chance now. We want to continue to work in that vein.

Mr. Matthews said another thing he is concerned about is we have some old sites in the north part of the county. He asked if we could ever take a chance to look at it to see if it could be converted to encourage companies to set shop up north.

Mr. Tesch said absolutely and he mentioned EDC has been working with Mr. Tompeck's staff on key locations and one area they are looking at is I-95 and Orange Avenue. He said they are working with developers and property owners in that area to see how they can provide infrastructure and get the planning in a way that makes those properties desirable. That kind of goes to his point about us working together in planning for the future on industrial and commercial sites.

Mr. Matthews said he thinks one of the future projects that should be thought of is the developer talent bank. He said so often we have people saying they cannot find a welder and if we locked down on a talent bank we can put our hands on 6 to 10 that would be unemployed. Especially a lot of people are getting ready to leave town because they cannot find anything.

Mr. Tesch said that is right and if you know a great welding instructor, they would like to know one. He said they could use an extra one at the college. In getting facilities and instructors, there is a great demand for welders.

Mayor Hudson said in the north part of the county she is on the TPO and they are improving the roads up there. She said with Kings Highway and the connection between the airport and I-95

and the Turnpike, all of that road improvement, all of the improvement between the Port and the airport, and I-95 and the Turnpike will also help the north part of the county.

Mr. Tesch said it is a beautiful thing Mayor from an economic development standpoint.

Mayor Hudson said when the roads are done it will be a beautiful thing.

Mr. Tompeck said he wanted to thank Pete and his staff. He said we have really developed a very good working relationship and things are going well.

Mr. Matthews asked when they meet.

Mr. Tesch said they have their Board meetings once a month, the third Thursday of the month. He said also they have their EDC lunches and the next one is Tuesday, November 5th. The Polycom Corporation is giving an economic development scorecard and he would love to invite the Board and anybody from FPUA that would like to come. It will be at the IRSC Pruitt campus in St. Lucie West at 11:30 a.m., Tuesday, November 5th. He will get with Mr. Tompeck to issue the Board an invitation, see there is a free lunch too.

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Rachel Tennant, MOEC Manager, presented the Manatee Observation and Education Center (MOEC) update. She thanked the Board for having her back again and said she always looks forward to the annual updates of the Manatee Center and on the behalf of the Manatee Center staff. We enjoy this opportunity to show off a little bit. The MOEC is very proud this year to have been selected as the Best Tourist Attraction of the Treasure Coast for the 2019 calendar year so we are still advertising this pretty heavily. It was something that was voted on so the Indian River Magazine readers and the public were able to vote for the MOEC and we are very proud of it and excited. In addition to that, last month the MOEC also won the Best Original Design for Cans for A Cause. The volunteers and staff put this together in the Manatee Center Exhibit Hall and it is for Hunger Action Month with the Treasure Coast Food Bank and all the different businesses in downtown Fort Pierce could participate. They would collect cans and put them on display in some sort of design. Our display was a manatee in honor and memory of Snooty who was the longest living manatee in captivity.

Ms. Tennant said for FY 19 the Manatee Center had 56,845 visitors and students reached through the Manatee Center education programs, events, and visits to the center. This is a 20% increase over FY 18 and the bulk of this increase is because of increased participation in events. We have been out in the community quite a bit more this year over the prior year participating in local Fort Pierce events as much as they possible could. Our roving naturalist volunteers spotted 334 manatees in Moore's Creek this year, including a manatee released at the Moore's Creek ramp. This was a very big deal and there were tons of people, an estimate of approximately 250 people came to watch this manatee be released in Moore's Creek. He was collected at Moore's Creek

swimming around unable to submerge. Volunteers called the FWC and visitors and spectators called FWC and they came and picked him up. It was a big ordeal because they had a hard time getting him into the net because he was afraid. It was very interesting to see how they sent scuba divers into the water to help get him out and a month or two later they brought him back. We were told in advance so we could communicate with the public and let them know that FWC was returning and Miami Sea Aquarium.

Ms. Tennant said they also protected the Moore's Creek Manatee Zone which is hard to believe that was just earlier this year. She said FWC was considering removing the manatee protection zone status of Moore's Creek and we very quickly mobilized to look at the data we have been collecting all this time on manatee counts. We collected hundreds of signatures from concerned citizens who did not want that to change and everything was submitted. There was only a two-week turnaround time and in the end FWC decided they were not going to change the manatee protection zone status of the Creek. Moe the Manatee mascot was returned to the MOEC and this was last year's end of year campaign with the Twelve Days of Christmas and the Giving Tuesday Campaign. Expanded partnerships and event participation and have been working very closely with the St. Lucie County Boys & Girls Club to try and get more events and bring education to Boys & Girls Clubs of St. Lucie County. The Firefighter Comeback Challenge came back for a second year in a row and we worked closely again with the Treasure Coast Sports Commission to make this event successful. The Manatee Center hosts a Family Day alongside the Firefighter Comeback Challenge and last year we had 250 visitors to the Manatee Center on the day of the Firefighter Challenge and this year we had 650 visitors to the Center on that day. It was a big jump and we are pretty happy about it.

Ms. Tennant said MOEC has renewed its Florida Department of State Grant and are approved for two more grants. She said grants and fundraising has been a priority and the Florida Department of State Division of Cultural Affairs is their ongoing grant. We try to renew it every year and have had three successful grants with them and are in a third grant with them now. MOEC has been awarded $7,133 for this year and were approved for $69,500 for next year. The big jump there is because the MOEC has had three successful grants with them at this point and are able to now to ask for more funding than we have before. The caveat is the amount they get is contingent upon the amount the budget of Florida State budget puts toward these grants. Each year the MOEC has been able to receive $25,000 and this year we are receiving $7,133 and last year received $1,570. We will only get a fraction of the $69,500, but it will be larger than what they have seen, which is exciting. The other thing about this year's grant of $69,500 is the feedback they have received from the Department of State panelist, the judges who reviewed our application, was phenomenal. We were number three in the list of applications where they rank us and we received our first score of 100. The feedback received is they were very happy to see the kind of surveys we have been doing and the focus on the accessibility. MOEC also received a grant from the Florida Humanities Council for $5,000, which is a matching grant. This grant is focusing on exhibit hall updates so MOEC is bringing some exhibits about community history into the exhibit hall. It is something the City of Fort Pierce has talked about in some of their strategic

planning. We will also update some of the exhibits that are there to talk a little bit about the history of development and the history of the environment to the lagoon. A little bit of funding was pulled in from Honoraria from the eco-evenings program we are doing with the Fort Pierce Yacht Club for the second year. The third grant MOEC has now is the VisitFlorida grant which is via the Treasure Coast Manatee Foundation. The grant is given to them and it is to develop and print a joint annual report for the Manatee center and the Manatee Foundation. This will be the first of its kind from MOEC and will give us an opportunity to talk about calendar year 2019 and the impact MOEC has had. Since it is the first one, we are going to expand a bit and talk about our impact over the years. Ms. Tennant said they continue to see growth in financial and programmatic support from the Treasure Coast Manatee Foundation (TCMF) in addition to that grant. They have sponsored the Boys & Girls Club 8-week curriculum twice. She said this 8-week curriculum is something we developed in-house and meets all Sunshine State Standards for 4th and 5th grade kids. We go to the Boys & Girls Club, April who shown in the picture displayed, is the MOEC Education Coordinator, and she goes to the Club each week for 8 weeks in a row and runs the program. We do a pre-test and a post-test so we can track their progress and see how affective the program is. We went to Garden Terrace last year and now we are in the Lawnwood Club and are talking with Boys & Girls Club to expand this. They are seeking to include MOEC in some of their grants so they can help expand us and bring us to different clubs as well. When the TCMF sponsors this, it is $1,000 which is the standard price we would charge to have this kind of program 8 weeks in a row for the number of hours we spend there each week. TCMF also sponsored the Manatee Summer Camp for the second year in a row and this is to help pay for the bus. The facility is not very large, we are an adventure camp, and we bring the kids to all different museums, parks, and outdoor activities. The biggest expense we have for this program is transportation, the bus and the bus driver. The photos show some of the kids painting the manatees that were on the fish fence at Main Street.

Ms. Tennant said TCMF also installed hand-painted bamboo garden signs during the work day at the MOEC butterfly garden during their annual work day in September. She said during the work day they help clean up the property just before October because it is when MOEC is open for season. The garden signs show the different types of plants. They will be hosting the reception for the monthly Eco-Evenings series with the Fort Pierce Yacht Club, which is our second time in a row. There will be a six-part series and beer and wine will be served so it will be a network event as well as presentations, every third Thursday. TCMF will also co-host a Mermaid Sip-n-Shop at the Manatee Center in December where the Manatee Mermaid Gift Shop will take over the exhibit hall so folks can come and shop for the holidays.

Ms. Tennant said the education program saw just under 5,000 school children through paid programs this year and 63 summer campers. She said there were four summer camps this year and they added a fourth. The ages were changed a bit so that the fourth summer camp is half day camps for the younger kids since the full day camps were a little bit difficult for the younger kids. We continue to operate as an Education Center run almost entirely by volunteers. There are 186 active volunteers, averaging 1,100 volunteer hours total per month of volunteer time

donated to the Manatee Center. The Department of State Grant judges were really impressed with our accessibility initiative as the volunteer program is intentionally accessible. We seek to include anyone that is interested in volunteering at the Center and reached out to Arc to see about working with them in the Exhibit Hall. We work with families and our youngest volunteer is 8 years old, he comes with his sister, and they volunteer with their mom. The whole idea is this is an educational thing to be volunteering with us and the judges were very impressed by this. The total volunteer hours at the center was 12,972 recorded in FY 19. This is a lot of time dedicated to environmental education and community outreach in Fort Pierce.

Ms. Tennant said MOEC is #CommunityProud and are seeking their partnerships and do it very actively. She said the Fort Pierce Yacht Club's Eco-evenings series this year is has six presentations starting this Thursday through March, every third Thursday. The theme this year is entitled, "Our IRL Waters: From the Smallest of Particles to the Vastness of Space". We will start talking about algae, red tide, and the smallest of particles in our water, some micro plastics and will end this year with a presentation by a NASA scientist teaching about the future of our water in our planet and in space. We are hoping to bring the National Firefighter Combat Challenge back again. MOEC worked with Grace Education Center, which is just across US 1 on Avenue D and they are a summer camp program that trains their summer campers with on the job training and they are treated as interns by their counselors and taught interviewing skills, how to run the Manatee Center, how to speak well when speaking to the public, how to present yourself, and they are given evaluations. They are able to earn rewards that will help them buy school supplies at the end of summer. MOEC was just a partner or host for Grace Education Center to bring their summer campers to give them on the job training. We had 14 campers that came with their counselor and came twice a week for a month and then once a week. The Manatee Center is hoping to bring them back again next year because it was really fun for us. In the Boys and Girls Club the curriculum and also the Fishing for Futures which has been cancelled twice because of the hurricanes is going to be hosted in April 2020 alongside the Boys and Girls Club. It will be a family day at the Manatee Center, free admission, extra activities, and also the Fishing Tournament that will be hosted by the Boys and Girls Club as a fundraiser.

Ms. Tennant said they are watching for the Florida Department of State General Support Grant for 2020-21. She said the proposal was submitted and preliminarily approved for up to $69,500. Staff is preparing another budget to turn in the next couple of days for Lunch & Learn to help to bring in Honoraria so we can bring in different speakers for the program, which is free every second Friday. Also, staff is working on another grant for the Florida Fish & Wildlife Conservation Commission for a design update of the 800-gallon fish tank in the center. It is a lionfish grant so right now that tank is a predator community tank and we are talking about changing it to invasive native tank so the lionfish will be on the invasive side. Membership online registration was finished today and we have been working with the IT Department on this and should be able to go live within the next couple of weeks. We can then build up our membership program and take registrations on line. We are preparing to fundraise to add retractable shades to the outdoor classroom pavilion, which will effectively be adding a second classroom space and outdoor

reception area to the Manatee Center. Right now when we have education programs come to the center, we close one half of the Manatee Center to the public and we open free admission, which is not ideal. We are hoping this will help alleviate some of that. Ms. Tennant said she also realized that she did not have Halloween on here, which is what we are doing right now. She said the Halloween Bash is on Thursday, October 24th. Two years ago we had 250 people come to the party, last year we had 700 come, and so we are preparing for a bigger event this year. It will be from 6 p.m. to 8 p.m. next Thursday.

Mayor Hudson said the Manatee Center is known the world over and we forget what a little gem it is. She said they have volunteers who promote from all over the world and who promote it all over the world so it is no wonder it is a number one tourist attraction.

Mr. Matthews said he would like to see it tie in Harbor Branch as a partnership.

Ms. Tennant said they have been talking with Smithsonian and a little bit with Harbor Branch to try to pull in the more scientific stuff. She said a lot of the speakers that are coming for the Eco-Evening series are Harbor Branch FAU professors/speakers.

Mr. Bey said great work.

Mr. Matthews said he said that last year so he has to say something different and said "keep on".

Attorney Koblegard said it also showed the advantage of renewing the 25-year lease with the City.

Mayor Hudson said yes it does, absolutely. She does not think anybody is going to have a problem with that.

Mr. Matthews thanked Ms. Tennant and said a job well done.

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Lois Wolfe, Manager of FPUA Human Resources and Kathleen Meola of Relation Insurance presented the 2020 Employee Benefit Plan Overview and recommendations. Mrs. Wolfe said they are here to present recommendations and overview for FPUA's calendar year 2020 benefit program for FPUA employees. She said FPUA is seeking approval of the overview recommendations as prepared by Relation Insurance, our Executive Consultant Kathleen Meola and her staff. Included in that are the administrative fees through Florida Blue for administrating our self-insured program, which this year will include the addition of telemedicine services as well as the administrative fees for our dental plan, approval of our Medicare agreement, which provides insurance benefits to our retirees, as well as the addition of two new voluntary benefits we are looking to add to the voluntary benefits Cancer Guardian and LifeLock. Mrs. Wolfe said

Kathleen is going to give a brief overview of each of those agreements and recommendations that we are seeking approval tonight.

Ms. Meola said she is going to review the 2020 Employee Benefit Overview and recommendations, which is in the Board packet. She said starting with the medical administration, FPUA is under a four-year agreement with Florida Blue, who is the claims administrator for FPUA's self-insured medical plan. Per the agreement, the fees will increase to $65.05 per employee per month starting January 1, 2020 and that works out to be an increase of just over $6,000 for the year based on current enrollment. The next items are Stop Loss related which came before the Board at the October 1st Board meeting, but as shown on the bottom of page 1, when combining the Stop Loss and the administrative fees for the program, the overall increase and expected cost is about $866,000. That represents a 16.8% increase and it is due to medical trend, which is the over inflation in the healthcare good and services from one year to the next year and that represents about 10.5% of that number. We also have large claims experience that has been high over the last two years and higher overall plan utilization, so there are other things that are driving the 16.8%.

Ms. Meola said as outlined in the middle of page 2 of the Board report, the current funding of the plan sits at about $4.7 million. She said that is below the expected plan cost of $5,140,000. Relation and staff are recommending that we move funding more towards the expected plan level over the next two to three years. In addition to the increases just mentioned, the 16.8%, we are recommending an additional contribution towards this initiative making the overall increase to funding to 23%. As always, we caution this may not be sufficient funding based on the unpredictability of future claims, but that would be moving more towards the expected plan costs. Staff would continue to monitor the claim trends and consider change amendments if and when warranted. The funding rates that are shown in the middle of the sheet, the proposed would be effective January 1, 2020. How that correlates to the employee contributions are shown towards the bottom of the page. It is recommended the 23% be shared equally between FPUA and the employees at the same contributions split as it is today. Ms. Meola said the pre-paid to the employee for the employee only coverage would increase $3.13 per pay, employee + spouse would increase $26.34, employee + children $21.24 per pay, and employee + family $44.13.

Mayor Hudson said in the box above the current is $826 and proposed is $979. She asked if that is for everything for the employer paid and the employee paid.

Ms. Meola said that is correct, it is the total monthly amount for all contributions. She said the employee portion is shown on the bottom.

Mayor Hudson asked if it is part of that figure.

Ms. Meola said that is correct. She said as Lois mentioned, they are suggesting Telemedicine be added to the program effective January 1st. Telemedicine is provided through Teledoc, which is a partner of Florida Blue, FPUA's claims administrator. This will allow members 24/7 access to virtual care for their non-emergency acute medical conditions. The cost per visit for the service is $42, which is far less than a primary care or urgent care visit they would spend today. Out of that $42 the members would be responsible for a $10 co-pay and to have access to the service, our administrative costs through Florida Blue would increase by $2 per employee per month. The dental administrative fee, we were under a renewal by Florida Combined Life, which comes up on January 1st. They have offered an increase to $6.33 per employee per month, which is a 4.67% increase guaranteed for two years. It is suggested the current funding and contributions for dental remain the same for 2020 so you can see the current and proposed are identical in this area which is also self-insured. The Employee Assistance Program is under a rate guarantee with Aetna Resources for Living through December 31, 2020. The Flexible Spending Account has a change in administrator from TASC to Medcom, which was brought before the Board on September 17th. The Board approved that change from the vendor which was TASC. Life, AD&D & Long Term Disability coverage is guaranteed from a premium standpoint through December of next year. However Florida Combined Life's sister company, which is USAble out of Arkansas will be taking that over effective January 1st and a new application for coverage will be coming before the Board for signature in the coming months. For vision, FPUA is with EyeMed as the vision carrier and they have agreed to extend our current premiums and benefits for an additional 48 months and that will take us through December 31, 2023.

Mrs. Meola said for the Voluntary Worksite Benefits, which are the individual policies that are 100% employee paid. She is recommending two additional products to become effective January 1st. The first is called Cancer Guardian and that is an innovative first of its kind policy which provides genetic cancer screening services, cancer support services, on-line dialog of medical records, and DNA testing post a diagnosis. They are also suggesting adding identity theft coverage through US Enrollments who is the provider of all the voluntary benefits today. A market solicitation process was done for identity theft coverage and out of four proposals that were reviewed, Life Lock is the recommendation. Life Lock provides not only the identity theft protection to restore someone's identity if it is ever stolen up to $1 million, but also the pro-active monitoring, 24/7 life member support, dark web monitoring, and additional other services that are included as listed in the agenda item. We would like to continue to offer the BlueMedicare programs for the retirees that are 65+. This is a premium that is paid in full by the retiree and due to the experience, we are seeing a small increase in premiums this year. There are three plans offered with both medical and prescription coverage and one prescription standalone that will be decreasing by 11.6%. The increases range from 3% to 5% depending on the plan the retiree enrolls in. That is basically all of the different changes for the employee benefits program for 2020. Mrs. Meola said in summary, we are requesting the Board approve adding Telemedicine's services through Florida Blue, renewing the BlueMedicare Agreement through Florida Blue for the retiree coverage for 65+ retirees and their spouses, adding the two new voluntary worksite benefit offerings of Cancer Guardian and Life Lock, accepting the two-

year agreement to renew the dental administration services through Florida Combined Life, and increasing the funding rates and employee contribution percentages as discussed. She would be happy to answer any questions and knows that was a lot of information in a short amount of time. Her subject matter is not as exciting as the Manatees unfortunately.

Mayor Hudson said it is disappointing that there is a 23% increase, but if it is required, that is a big increase.

Mrs. Meola said we went about seven or eight years with no increase at all so she thinks we are making up for some of that now. She said in addition to the inflation health care still sits at that double digit number we unfortunately have to incur like the rest of the country, 10.5% with doing nothing is a big number to start with, but she agrees.

Mr. Matthews asked if when it comes to the 23% and then you say it is at $3 and this has been added up, and then you say the employees will split. He said the employees will be paying more if you are giving them $3 and whatever other figure, it will not be an even split.

Mrs. Meola said it is not an even split, but is based on the same percentage split that exist today. She said as an example, FPUA picks up about 96% of the employee only costs so applying that same percentage to the new rate causes the employee only to go up that $3.13 per pay.

Mr. Matthews said another concern of his is when we talk about retirees and he asked if that is based on 30 years or age 65.

Mrs. Meola asked if he was talking about how someone qualifies for the retiree coverage.

Mr. Matthews asked what is called the years of service for the retirees.

Mrs. Wolfe said in order for them to be eligible to even pick up the Medicare coverage, they would have to be 65 or older whether they are employed or not employed.

Mr. Mathews asked what would happen to the one that has their service time in, but not 65.

Mrs. Wolfe said if they retired before 65, they would stay on our self-insured plan at the total plan cost until they reach 65. She said at 65 then they would go onto the Medicare plan.

Mrs. Meola said in order to be eligible for BlueMedicare, they have to be Medicare eligible and have parts A and B so that would be the difference there.

Mr. Matthews asked if there were any employees being punished because they had a little bit more sickness than anyone else in the workplace.

Mrs. Meola said no sir, all employees are charged the same amount depending on if their covering themselves, themselves and a spouse, or themselves and children and a spouse. She said regardless of your medical conditions or how you use the plan, everyone pays the same contribution.

Mrs. Wolfe said she would add to that she receives absolutely no information whatsoever about individual employee utilization of the plan. She said it is an aggregate report that basically gives them numbers, high claims information, but nothing specific to the employee or dependents.

Mr. Matthews asked if Mr. Tompeck had anything to add.

Mr. Tompeck said he did not have anything, but we need a motion.

Mr. Fee asked for some additional insight on the Cancer Guardian agreement and asked what exactly is the coverage, how does the employee take advantage of it, and is there any additional cost to the employee.

Mrs. Meola said it is a brand new product that just hit the market here within the last year or so. She said everybody has been asking for some type of program that would screen your body and screen your genetics before you have some type of medical condition appear. This is one of those products that kind of meets that criteria for cancer. It basically test your genes to see if your genes are pre-disposed to a listing of many cancers and then based on the results of that screening, if you do have markers, they provide those support services to help you kind of maneuver through the medical program or system to get those addressed. If you actually do get diagnosed with cancer that is present in your system, an invasive cancer, they have support tools that include second opinions that are looked at from Duke University to having an actual oncology nurse accompany you to your first cancer appointment. It is pretty broad and it assists those that may be diagnosed with cancer as they have the benefits program, but also those that just want to know if they have any pre-disposition to getting cancer in the future.

Mr. Fee asked if this was a fee for service or is it an actual benefit.

Mrs. Meola said it is an individual benefit policy that will be offered on a group basis, they would pay a monthly premium for the coverage depending on if they want to cover themselves, themselves and a spouse, etc. She said then they would have access to all the services provided under the program.

Mr. Fee said the premium would be outlined to the employee at a later date.

Mrs. Meola said yes and that is how it works with all of our voluntary benefits. She said it depends on their age and who within their family they want to cover, they get an individual premium. We actually have enrollment counselors that come on site during open enrollment to meet one on

one with the employees to talk about all of those benefit offerings and what it would look like from an expense standpoint to them. The first of those would be occurring on November 6th and several days with that one to two week period. They get to meet with a licensed insurance agent and they can talk directly with about those programs.

Mr. Matthews asked if they are limited with how many times they can use the counselor benefit.

Mrs. Meola said the genetic testing is a one-time thing so it would look at your genes so you only have to have it one time in your life. She said you basically know if you have that pre-disposition. Obviously if you are exposed to other things like smoking or environmental factors that is different than your gene makeup, but the services offered with the platform outside of the testing are available as long as they have the policy, as many cancers their family is diagnosed with during that time.

Mr. Matthews if there would ever be a time in life where an employee did not use any insurance because they had good health that year get a bonus the next year.

Mrs. Meola said not that she is aware of, but you never know.

Mr. Matthews asked her to think about that.

Mrs. Meola said they have this thing called HIPPA that always works against us with those kind of things.

Mr. Matthews said he is just trying to save employees some money in their pay periods.

Mrs. Meola said until they get sick.

Mayor Hudson said save the rate payers money.

A motion was made by Mr. Bey, seconded by Mayor Hudson, and unanimously carried to approve POA 18-17: (a) The 2020 Employee Benefit Plan Overview and Recommendations prepared by Relation Insurance Services of Florida, Inc., of Stuart, Florida. (b) Payment of administrative fees to Blue Cross and Blue Shield of Florida, Inc. dba Florida Blue, of Jacksonville, Florida, in the amount of $65.05 per employee per month estimated to be $221,690.40, based upon enrollment of 284 members, subject to enrollment fluctuations for the period of January 1, 2020 through December 31, 2020, with a rate guarantee for two years through December 31, 2021; and payment of an additional $2.00 per member per month, estimated to be $6,816.00, based upon enrollment of 284 members, for telemedicine services for the period of January 1, 2020 through December 31, 2020. (c) The BlueMedicare Group Master Agreement with Blue Cross and Blue Shield of Florida dba Florida Blue, for the provision of Medicare Supplement plans to the retirees of FPUA. The premiums for the plans are fully paid by the retirees of FPUA, and are not expected

to exceed $45,000 annually. The term of this agreement is January 1, 2020 through December 31, 2020, with unlimited automatic one-year renewal options. (d) The Administrative Services Only (ASO) Dental Administration Fee Structure with Florida Combined Life Insurance Company, Inc., of Jacksonville, Florida, for a not-to-exceed amount of $23,500 annually, based on a rate of $6.33 per employee per month, through December 31, 2021. (e) The Cancer Guardian Employee Master Application with Wamberg Genomic Advisor, Inc. of San Diego, CA 92122, to add a voluntary worksite benefic offering effective January 1, 2020, for genetic cancer screening, support and associated benefits, with the full cost of the premium to be paid by the employee. (f) The LifeLock Employer Benefits Agreement with Symantec Corporation, of Mountain View, California, to add a voluntary worksite benefit offering effective January 1, 2020, for identity theft protection, with the full cost of the premium to be paid by the employee.

Mayor Hudson said she would like to thank Mrs. Meola for the very professional presentation and said it is very telling that the company is paying 96% of the employees' health care. She said that is a very valuable benefit that we should not lose sight of it. It is a very precious thing in this day and age.

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Barbara Mika, Finance Controller, presented the bill comparison for the month of August 2019. She said this is the monthly update on the comparisons of municipal electric rates in the State of Florida and of the Local Treasure Coast utility bills for the month August 2019. The first graph displays the comparison of residential electric rates for 1,000 kWh of consumption for the month of August for the 13 municipal utilities in the State of Florida that are members of the "All-Requirements Project" (ARP). The members of the All-Requirements Power supply project benefit by operating as part of a larger group of cities and through the economies of scale they experience lower operating costs and the affordability of highly efficient power generation. In this graph we can see where FPUA ranks among the 13 ARP participants. Our August rates at $111.84, depicted with the yellow bar, ranks FPUA with the 6th lowest rate of this group. Also presented in this comparison, by the blue bar, is the relative position that FPUA would hold with the $3 per kWh approved PCA decrease which went into effect on September 1st.

Mrs. Mika said the next graph displays the August comparison of Florida residential electric rates for that same level of consumption and includes all of the municipal utilities in the State of Florida. The data for all of the graphs has been compiled by Florida Municipal Electric Association (FMEA). FPUA's August bill for this level of consumption remains unchanged at $111.84 while our standing among the other municipalities in this graph has shifted by one position to the right. The single position shift is a result of some of the extreme rate changes that some municipalities have implemented, they are generally not long lived. These changes do also impact the average rates for these different groups. All of the three averages for the ARP, the Municipal Utilities and the Investor Owned Utilities are slightly lower in August than they were in July. Mrs. Mika said in this comparison, which includes all 32 municipal utilities, the very positive relative position for FPUA effective with the September 1st rate adjustment is shown in blue. FPUA's rate for the

month of August for 1,000 kWh consumption remains below the ARP and the IOU averages shown in the graph, it remains competitive with the Municipal average and we are hopeful the September update will bring us below that average as well.

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. She said in this comparison, FPUA's August bill remains unchanged since July at $282.30; however, our standing has shifted by one position to the right. 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 comparison. There were several cities with significant percentage rate decreases in the 9% to 10% range in August which have an impacted these averages. The Board received an update when you arrived here today for this table and displayed before you is the August 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. The only change to these local service billings for August was to the electric bills from FP&L in which they have eliminated the fees for storm charges on their bills. The debt associated with the storms from 2004 – 2005 has been paid off so those charges to their customers has gone away. This has resulted in an average bill reduction of approximately $1.50 for those customers. This item is for information only and requires no action on your part. However, if you have any questions she said she would be happy to address them.

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Mr. Tompeck said the next item is requesting Board approval to accept the recommendation of Counsel to settle all claims in the lawsuit of Walker vs. FPUA and Michael Perri for no more than $700,000. He said this case was originally filed as a whistle-blower complaint back in September of 2017 against FPUA and a slander and defamation case against Mike Perri who was a Board Member at the time. Record production and some depositions were taken in 2018 and early 2019. In June of 2018, Walker filed a charge of discrimination on the basis of sex and retaliation with the Florida Commission on Human Relations. In June of 2019, the Florida Commission on Human Relations determined that there was no reasonable cause to believe that discrimination or age or sex based retaliation had occurred. In an effort to settle the case, mediation was held in September of 2018 which resulted in an impasse on all issues, it was not successful. Since July of 2019, additional depositions have been scheduled, postponed, and rescheduled for later this month. Gail Bradford was contacted by Walker's attorney on the possibility of settlement and authorization was received from the Florida League of Cities for a settlement amount for all claims up to $700,000. It is the opinion of staff and Mr. Koblegard that it is in our best interests to settle the case. The $700,000 will be paid by the League and FPUA is responsible for the $25,000 deductible under our policy. The settlement document will release us and Mike Perri

from all claims in the suit and require Walker's signed release with a non-disparagement/no public comment provision. Not accepting Counsel's recommendation could leave us vulnerable to future legal and settlement expenses in excess of our deductible. Mr. Tompeck said he is recommending that we go ahead and accept the recommendation of the counsel and let them settle the case.

Mr. Matthews asked Attorney Koblegard how long it would take from the time after tonight to finalize the agreement.

Attorney Koblegard said if the Board approves it tonight, the other side has approved it, it is just a matter of the attorneys drawing up a settlement agreement and filing that, and then it is over.

Mr. Matthews asked if it puts the utilities in a position to be guilty.

Attorney Koblegard said no it does not.

Mr. Tompeck said he talked to Gail Bradford and we will have a chance to look at the settlement agreement.

Attorney Koblegard said for over a year or more they were stuck with $1 million plus and would not budge off that. He said that after discovery of all the Board Members and others, without having to go any further into that, this makes it a very good settlement offer. He thinks he discussed that with the individual Board Members in the past.

Mr. Matthews said he needs a motion for approval of the recommendation.

A motion was made by Mayor Hudson, seconded by Mr. Bey, and unanimously carried to approve recommendation of Counsel (Gail Bradford of Dean Ringers, Morgan and Lawton, P.A., retained by the Florida League of Cities to defend FPUA in this matter) to settle all claims in the lawsuit of Walker, Evelyn vs. Fort Pierce Utilities Authority, a local municipality, and Michael Perri, Jr., an individual (Case No. 2017-CA-001577) for no more than $700,000.

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Mr. Tompeck said the Public Service Commission completed their yearly natural gas pipeline evaluation on September 27th. No violations or deficiencies were identified. One recommendation was noted concerning some rust and peeling paint at the gate stations and both gate stations will be repainted in the near future.

Mr. Tompeck said the AMI contract is being finalized and will be on the agenda for the November 5th meeting. He said he will try to get a copy out to the Board in advance of the normal meeting agenda so you will have more than the normal time to review, since it is a complex contract.

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Mayor Hudson said she would like to add that there was a big presence of Fort Pierce Utilities Authority volunteers at Friday Fest because of celebrating Public Utilities Week. She said there was lots of real positive comments about that and thanked everyone.

Mr. Matthews said Mayor Hudson stole his thunder and must have seen his notes. He said on behalf of the Board we did adopt a Resolution 2019-06 and he would like to say to all Department Heads he was very impressed and thinks the public was too. It was a job well done.

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There being no further business, the meeting was adjourned.

ATTEST:

DEPUTY SECRETARY

CHAIRMAN