MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, NOVEMBER 21, 2017, 4:00 P.M., CITY COMMISSION CHAMBERS.

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

Others present: John K. Tompeck, Director of Utilities; Amy Shevlin, Acting FPUA Attorney; Nina B. Penick, Director of Financial Services; Paul Jakubczak, Director of Electric & Gas Systems; Bowdoin G. Hutchinson, Director of Water/Wastewater Systems; Lois A. Wolfe, Human Resources Manager; and Judith A. Widmayer, Community Relations Manager.

The meeting was called to order by Chairman Daniel DeIulio.

Opening Prayer was by Alice Ladomirak of the Treasure Coast Energy Center.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

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

A motion was made by Mayor Hudson, seconded by Ms. Cavalcanti, and unanimously carried to approve the Minutes of the Special Meeting of November 2, 2017.

A motion was made by Mr. Bey, seconded by Ms. Cavalcanti to approve the Minutes of the Regular Meeting of November 7, 2017. Those voting approval were Mr. Bey, Ms. Cavalcanti, Mr. Perri, and Mr. DeIulio. Mayor Hudson abstained because she was not at the meeting.

Mr. Perri requested Item 6, "Approve the Emergency Assistance Agreement with the Virgin Islands Water & Power Authority, of the US Virgin Islands, to provide electrical mutual aid", be pulled from the consent agenda for discussion.

Ms. Cavalcanti said she has a question on that item also.

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

1. POA 18-27: Approve the sole source purchase of Lime Slaking Equipment in an amount not to exceed $149,900 from Integrity Municipal Systems LLC of Poway, California.

2. Approve of no change to the Purchased Gas Adjustment (PGA), September 2017.

3. Approve appointment of Craig Crawford to the position of Gas Operations Superintendent, Gina Morris to the position of Customer Service Manager, Rachel Tennant to the position of Manatee Observation and Education Center (MOEC) Manager and Jann Widmayer to the position of Community Relations Manager.

4. Approve the payment to the City of Sturgis, Michigan in the amount of $72,431.53 for Mutual Aid assistance after Hurricane Irma.

5. Approve the payment to Marquette Board of Power and Light of Marquette, Michigan in the amount of $85,544.44 for Mutual Aid assistance after Hurricane Irma.

7. POA 18-13: Approve Agreement for Administrative Services Only Dental Administration Fee Structure with Florida Combined Life Insurance Company, Inc. for a not-to-exceed amount of $21,998 annually, based on a two-year renewal rate of $6.05 per employee per month, from January 1, 2018 to December 31, 2019.

8. POA 18-17: Approve the Amendment to Administrative Services Agreement with Blue Cross and Blue Shield of Florida, Inc. dba Florida Blue, of Jacksonville, Florida for medical health plan administrative services for a not-to-exceed total of $206,546 annually. The term of this Amendment will be from January 1, 2018 to December 31, 2021.

9. RFQ 18-24: Accept quote from and approve Contract for construction of the Island Water Reclamation Facility (IWRF) Canopy Building with Richard K. Davis Construction Corp, of the City of Fort Pierce, Florida, in an amount not to exceed $58,916, for the period of November 22, 2017 through March 31, 2018, contingent upon receipt of the required Certificate(s) of Insurance.

Mr. Perri asked how many vehicles are being sent over there.

Mr. Jakubczak said they are sending one bucket truck, one digger, one pickup truck, a pull trailer, and an air compressor.

Mr. Perri asked how many employees we are sending.

Mr. Jakubczak said we are sending four employees. He said the current plan is rotate them in and out of the Virgin Islands every two to three weeks depending on work load they have there and we do not want them to get burned out when they come back to work for us.

Mr. Perri asked the estimate of time the equipment will be there.

Mr. Jakubczak said if this is approved tonight, the barge will leave out tomorrow and it will be a two to three day float. He said FPUA employees will not leave until Friday, which would get them there the same day the truck shows up or a day early. According to the gentleman from the Virgin Islands, they will be in orientation the first day going over safety rules and job briefings.

Mr. Perri asked if Mr. Koblegard has looked at the agreement.

Ms. Shevlin said he has and that she spoke with him before she came to the meeting today.

Mr. Perri asked who guarantees the payment. He said he is a little concerned because Puerto Rico is bankrupt and he has no idea what kind of financial shape St. Thomas is or where ever it is going.

Mr. Jakubczak said the Virgin Islands are in much better shape than Puerto Rio. He said the way we have worked and structured this with Amy Zubaly with FMEA and the Florida Contingency is that all billing will go through Tallahassee. Tallahassee will bill to the Virgin Islands and we will get our payments distributed from Tallahassee. According to the contract, they have to pay us within thirty days of submission of invoices.

Mr. Perri said that is all he has except in Section 5 under line 2 it refers to 10 and he believes it should be referred to 11, and believes that is a typo.

Mr. Jakubczak said yes through all the different lawyers that have looked at this throughout the State and in addition to them other utilities are using the same structure of agreement from South Carolina, Missouri, and Louisiana, they all missed that and he will have them make that correction.

Ms. Cavalcanti asked if this is similar she is assuming to the mutual aid FPUA had with Michigan when we have a hurricane.

Mr. Jakubczak said that is correct. He said the only difference in this is that we as a group to make it easier for billing purposes with FEMA as well as with the Virgin Islands, we created a single rate for Florida and that is the way it will be billed. For every hour that is worked as well as every hour the truck is out there, for instance when they leave tomorrow morning, if approved, we will start accumulating the time they are leaving our facility. According to our agreement, it is 14 hours per day we will be billing for those vehicles as they are in route and then the 12 to 14 hours as they are being used in the Virgin Islands. We will have multiple reports and pictures as well as other stuff too as our guys are progressing out there. Just to give everyone an update, some of the numbers that have come out recently as far as the amount of restoration efforts in the Virgin Islands, St. Croix only has 17% of its power restored, St. Thomas has 43%, and St. Johns has 38%. Mr. Jakubczak said he believes the overall number for Puerto Rio is around 43% to 45%.

Ms. Cavalcanti said they have been out about six weeks.

Mr. Jakubczak said that is the sad part, it is coming up on two months they have been without power. He said our crews will be protected, they are going to be staying on a cruise ship that is docked in St. Croix and the equipment will be looked over by guards on a nightly basis. They will be eating on the ship, so they will be taken care of while they are there.

A motion was made by Ms. Cavalcanti, seconded by Mr. Bey, and unanimously carried to approve the Emergency Assistance Agreement with the Virgin Islands Water & Power Authority, of the US Virgin Islands, to provide electrical mutual aid.

Pete Tesch, President of the Economic Development Council (EDC) of St. Lucie County, Inc. did a presentation on partnership with EDC. He apologized to the Mayor, Nick, and John for having to listen to this fascinating report again. Mr. Tesch said he very much appreciates the investment and partnership EDC has with FPUA and the City of Fort Pierce. He said a lot of great things have happened from an economic development perspective in the last two years. Mr. Tesch said he will be talking very briefly about the partnership in the EDC, the business attraction, retention, and expansion efforts, and some of the trends they are seeing that have an impact on our economy and where we are going to go in 2018. He said the EDC is a public/private partnership, a 501C6 and has a budget of about $850,000, with about 60% of that being from the private sector. The public sector, our local governments provide economic contracts to do business retention, expansion, and attraction. Their mission is to help provide quality employment opportunities for the residents and families of St. Lucie County. They do that by business expansion, workforce readiness, and acting as a resource broker or business advocate for the community. They have a 25-member Board of Directors with Dr. Ed Massey the President of Indian River State College being their current Chairman. It is a great organization and staff to help with economic development and job growth. Mr. Tesch said economic development is all about partnerships and they work with both the public and private sectors to help do that. He said the strong working relationship they have with the City of Fort Pierce and also FPUA as they go through some of the projects they have worked on, he will talk about the collaboration and coordination they have with your staff as well as the City staff in helping to grow business and create jobs. Florida is a large state and has become a global leader in job growth. If it were a sovereign country it would be the 16th largest economy in the world. Currently the gross state product is just below $1 trillion at $839 billion and is really an economic powerhouse if you look at it not only in a national and global level and that impacts our economic development efforts. Mr. Tesch said St. Lucie County is strategically located in the south central portion of the state and is an equal distance from Miami and Orlando. He said given the cost competitiveness, the lack of property, and the overall cost of doing business, St. Lucie County, Fort Pierce, and the City of Port St. Lucie are in an advantageous position to further diversify its economy by bringing in a new business and helping expansion of existing ones. The state has seen a lot of economic diversification in terms of aviation aerospace, manufacturing, distribution and logistics, business and professional services, IT, and also the life sciences. This has had a dramatic effect on our

economy and it also indirectly impacts what we are doing here. St. Lucie County is experiencing strong population growth with close to 300,000 people at a median age of 43 and workforce over 131,877. Their unemployment rate has dropped to 4.2% and last night at the City Commission meeting we were talking about what the dramatic decrease in the unemployment rate and what that means for our families. Just a few years ago when Mr. Tesch came on board, there was close to 10% unemployment so at 4.2, a lot of people and their families that are impacted now they have more gainful employment. The average earnings per worker is at $36,728. We do not have time to go into all the positive activity in our key economic indicators and would be happy to provide this. They keep this information handy on development, employment/income, and taxes/revenues all have very strong pronounced and robust growth. One area they are concerned about is the average earnings per worker and that is the reason they do what they make sure there are quality, sustainable jobs in the community and the families have compensation that is owed to them. Labor and commuting patterns, they had a study done by the Department of Economic Opportunity. A lot of their workforce hops in the car and drives someplace else every day to go to work. They could have such destinations as Martin County, Palm Beach, and even Miami Dade and the reason why they do this is to seek a better paying job. The average earnings per worker in St. Lucie County is 82.5% of Florida. There is definitely a need for us to improve our earnings capability. Mr. Tesch said he will talk about some of the projects they have worked on in the City of Fort Pierce, unincorporated St. Lucie County, and the City of Port St. Lucie, we are one community. He said there has been some great activity in the manufacturing sector and other industry sectors here in 2017. One is Builders FirstSource, which is a very large construction materials manufacturer and are going to re-occupy a manufacturing plant on Kings Highway. There will be approximately 40 new jobs because of this. This morning they went to the County Commission and approved an assistance package for Pursuit Boats that will bring 43 new jobs, 14,000 square foot new manufacturing operations, and about $2.5 million of capital investment. Precast Specialties is from Pompano Beach and has moved to a new location on Selvitz Road that will bring 300 jobs and $8.5 million in capital investments. Currently they have 35 employees and are in a very aggressive mode to hiring new people. Radical Cosmetics are located right down the road on 2nd Street and a very close collaborate effort with FPUA and the City of Fort Pierce to get the old former PAL building filled. He drives by it every day and it is really going to be a magnificent manufacturing operation. There will be about 50 jobs and about $1.75 million of capital investments. Maverick Boats is in unincorporated St. Lucie County and they are building a 125,000 square foot new manufacturing facility and 100 net new jobs for the community. Tattoo Yachts is a small trailer sailor out of California via Martin County and they have set up on Hammond Road and will employee about 49 people in the construction of their boats. Mr. Tesch said that just recently they worked very closely with the County and the City of Port St. Lucie on the City Electric Supply, which is a great project, $38 million in capital investment, 222 jobs retained and 50 new jobs for this project that will go in the Tradition Commerce Center. He said ABC Medical is a back office operation for medical supplies and the service of that. They moved their corporate headquarters here to St. Lucie County this year in the acquisition of three different companies in Michigan, Texas, and California. Having 35 corporate administrative jobs here in the community is really a great trend. Over the last 18 to 24 months, EDC has worked 19 projects with both new and expanding industries and those 19

companies will create 1,540 jobs and a total of $68 million in capital investment. About 350 of those jobs are within the City of Fort Pierce and then another 240 with the some of the companies he mentioned that are close by the City of Fort Pierce and get their utilities from FPUA. There has been a lot of job creation in just the last 18 months that we will see reflected in the statistics in 2018. Mr. Tesch said EDC is very anxious to work with the City of Fort Pierce and St. Lucie County in the Port of Fort Pierce. He said the Mega Yacht and Yacht Refitting industry sector offers a lot of opportunities for job creation and capital investment. The Treasure Coast International Airport is another hub of potential economic activity working across the nation in looking at maintenance rehab and overhaul companies. Basically working on different types of aircraft and working with the County on their new hanger for the MRO industry is something that is very high on their priority list. Last night he talked about how the EDC could be more involved with the City on small business and community development looking at establishing business improvement corridors and the general downtown area. Mr. Tesch said they are also excited about the Peacock Art District, having a local art's agency and working together on arts and culture is certainly a very viable strategy for economic development and lends itself well to the beauty and the authenticity of downtown Fort Pierce. He thinks it is a very cool initiative and does not know how much electricity they would burn, but it would sure make the area even more vibrant than it is. Some of things he talked about last night that he thinks are really critical going forward, is that we are really excited working with the Chamber of Commerce and Treasure Coast Builders Association on the Development Review Task Force with the City. This would also include FPUA and has been done with St. Lucie County as well as the City of Port St. Lucie. This is going through with a lot of different development experts going through the various departments like Planning & Zoning, Building Department, Engineering, Legal, and of course Utilities. How can we make it even more user friendly and customer service oriented to expedite the permitting and regulatory process? It is great to implement these for projects that we just spoke about, but how do we make this just as affective for the small business owner and the small development investor making sure we have great customer service for all. They are very excited working with Nick on this and his staff and also with FPUA. Mr. Tesch said he mentioned all the great job creation efforts and one thing that is a trend concerning to him is that many of their employers are finding a tightening labor market and are complaining about the lack of skilled workers in our area. He said this coincides with some of the job creation activity they have had in manufacturing, health care, and skilled trades. Last year, EDC initiated the Treasure Coast Skills Gap Study where they actually hired a consultant and interviewed over 100 companies in these industry sectors to get what they need in terms of their future workforce needs. They were really excited because they had many businesses, trade associations, the college, and others that supported this and helped finance it. There is a Workforce Readiness Taskforce that is not only in St. Lucie County, but is broadening to the Treasure Coast region because we are all intertwined from a talent development perspective. There are some great things we all need to work on together and one of them is with Indian River State College and their quest to fund the Treasure Coast Advanced Manufacturing Center. The college is seeking another $14.5 million to complete this state of the art facility, which by the information they have gathered through the Skills Gap Initiative, really shows the industry sectors and the skills mentioned manufacturing, HVAC, automotive technology, welding, electrical systems, and construction are sorely needed. Having

a facility like this on a regional basis will help alleviate that, it is a key issue for this Workforce Readiness Task Force. Mr. Tesch said working with the school system, EDC, Indian River State College, Career Source Research Coast, Boys and Girls Club, St. Lucie County Education Foundation, and the School System, they put together a scholarship partnership. He said the goal is modest, but it is to raise $100,000 over three years and to provide 36 scholarships in manufacturing, health care, and the skilled trades for young enterprising students that want to further themselves. There are some great careers in those three industry sectors and it is amazing whether you are in aviation, health care, or a CNC machine operator, you could literally make a six-figure salary right here in Fort Pierce and St. Lucie County. A modest goal, but taking the world of work and putting in the world of classroom and having more subsidized relationships, apprenticeships, internships, and all those things are really important to continue on. The leaders on the links is a golf tournament and the proceeds for that go to a portion of those scholarships and that is on December 7 and 8. The Schools Gap Initiative are many things the EDC is working on, but with the training center, the internships, the apprenticeships, scholarships, boot camps, reality education and soft skills development are all part of this great effort. They are really excited about this and it is a little bit different than the typical economic development, but talent development and workforce readiness is the currency, in Mr. Tesch's opinion, for economic development for the 21st century. He said the Board has been most patient to listen to him and said if there is any time for questions or comments, he will do his best to answer them. He really appreciates the partnership with the Board and FPUA and wished them and all the families of FPUA a very Happy Thanksgiving.

Mr. Tompeck said there is a very interesting case, he thinks is worth talking about. He said a couple of years ago FPUA brought gas to Islamorada Brewery on 25th Street and we developed it to pursue other opportunities along the way. Those opportunities have all panned out, we have gone to Pursuit and they have switched to gas in their new addition. Maverick is just down the street and we are prepared to move our gas main out there and the Board has already approved that. Hopefully in the not too distant future, Tattoo, which is not too far away will also become a customer. Mr. Tompeck said that is a part of what we are doing here and what we certainly want to do even if it happens to be outside our electric area, we are still looking at water and gas opportunities.

Mr. Bey asked what externships are.

Mr. Tesch said they are opportunities for guidance counselors or teachers to come in the workplace and learn about what is state of the art. He said as an example they had several guidance counselors from many of the schools two weeks ago toured four manufacturing plants. Their eyes were really wide open so while that was just a tour, externships provide academic professionals opportunities in the workplace.

Mayor Hudson thanked Mr. Tesch for choosing Fort Pierce to live in, he is a resident of Fort Pierce.

Mr. Tesch apologized and said he forgot to mention he was very proud to be a resident of Fort Pierce and a rate payer too. He said it is very disturbing what happened in the Virgin Islands and Puerto Rico. Considering the potential of the damage of that storm, he was without power for less than 48 hours so he and his family thanks FPUA.

Mr. Tompeck said the next item is looking for Board approval to decrease the Power Cost Adjustment (PCA) by $2, from $4 to $2 affective December 1, 2017. He said he hopes this is a popular one.

Mayor Hudson said they better enjoy it while you can.

Nina Penick, Director of Financial Services, presented the status report on the Electric Power Cost Adjustment (PCA) for the month of October 2017 and updated projections through October 2018. She said the PCA is the mechanism by which FPUA recovers the power costs from our customers that is in excess of the $79.52 base power cost, which is included in the base rate. The cost of power purchased from Florida Municipal Power Agency (FMPA) for the month of October was billed to FPUA at the rate of $62.84 for 1,000kWh, a decrease of $6.49 as compared to September. The over-recovery from the customers for the month of October totaled $940,228. The cumulative over recovery was about $3,150,977 as of October 31, 2017. The graph before you depicts three PCA options. The projections are prepared by Public Resources Management Group (PRMG), which in turn are based on projections prepared by FMPA. Since last months' forecast, FMPA's estimate of the price of purchased power for the upcoming 12 months decreased 2.2% going in the right direction. Each of the lines represents what the over recovery would be if the projections are correct. The red top line represents what the over recovery would be if there was no change to the PCA and we left it at $4. You can see there, it would bump the over collection over the $4 million in the near term and long term 12 months out, which is our planning horizon, we would be up around $5 million over collection 12 months down the road. The green line represents a $3 decrease in the PCA in April 2018 and at that point it is a middle of the road option. As a result, the over collection would bump a little bit over $4 million in the next couple of months, but that would bring the over collection in the 12-month planning horizon to only about $4 million. The recommended option is represented by the blue line on the bottom, which is a $2 decrease affective December 1. This option keeps the over recovery below the $4 million ceiling in the near term and then it will allow it to return to that level at the end of the 12-month planning horizon. Mrs. Penick said these are options presented for the Board's consideration, although staff is recommending the $2 decrease on December 1. She said because of the significant improvement in the recent actual results as well as the decreases in the projections, staff is recommending a decrease to the Power Cost Adjustment of $2 per 1,000kWh, a decrease from $4 to $2 per 1,000kWh, effective December 1, 2017.

<u>A motion was made by Mayor Hudson, seconded by Mr. Bey, and unanimously carried to approve a decrease to the Power Cost Adjustment (PCA) of $2 per 1,000kWh, from $4 to $2 per 1,000kWh, effective December 1, 2017.</u>

Mrs. Penick said this item is something FPUA has wanted to do for a very long time, but at this point, we are in a position to deposit funds into a special account known as a Rate Stabilization Fund (RSF). This is something our bond resolution provides for and we have had that bond resolution out a lot lately. We thought this is something we really do need to do. The intent of this RSF is to minimize the need to adjust the power cost adjustment (PCA) to the customer when we get close to the $1 million minimum and that often happens in the summer months when an increase in the PCA really impacts our customers the most. It is intended to soften any kind of rate changes that would need to be made at a bad time of the year. Mrs. Penick said staff is asking the Board to designate $1 million to create this rate stabilization fund and we will only be allowed to use it if the Board so approves. She said these funds may only be used or transferred out of the RSF upon approval by the FPUA Board. We want to establish this fund for the benefit of our customers.

Mr. DeIulio said even with that fund, you do not plan to use the money within the next year.

Mrs. Penick said we do not anticipate the need for it.

Mr. Tompeck said he likes the idea of establishing this fund because it gives us some flexibility if we should have a one or more polar vortexes and that could really cripple us in one month. He said this acts as a buffer for that because we hate to be giving back $2 now and then have a cold front in January that wrecks the gas prices for a short period of time and it jumps up. This would really act as a buffer and the graph Nina showed in the last presentation did not include that $1 million. If the Board approves it, in the future we would show that as the buffer above so the Board would know what is there and where we are.

Mr. DeIulio asked if that would be separate from the PCA and always kept separate.

Mrs. Penick said yes unless we need to use it.

Mr. DeIulio asked if once we use it, does it get co-mingled with the PCA with the over collection.

Mrs. Penick said it would still be separated out and we would keep very close track of what we have used. She said if we have to use it, we will replenish it one way or another. We will determine how to do that at the time and it depends on the circumstances as to whether it is a short term bump or a long term bump. We may have to increase the PCA, but maybe we could do it at a less sensitive time of the year, either in the shoulder months of spring and fall or in the winter time.

Mr. DeIulio asked if it has any effect on the money we transfer to the City this year.

Mrs. Penick said it would not. She said we would not recognize any more or less revenue as a result.

Mr. Perri said back when we had $54 in the PCA, how far would that $1 million go in a scenario like that.

Mrs. Penick said it is about one year's worth. She said $1 on the PCA each month is about $40,000 a month in the winter time and about $50,000 a month in the summer. She said on the chart, you can see the difference between the $2 decrease and no decrease in the course of one year that is $1 million difference so that is $2.

Mr. Perri said he just wondered if $1 million is enough and maybe it should be $2 million.

Mrs. Penick said it equates to about $2 in the PCA.

Mr. Perri said if the PCA went wild, then that would not last very long.

Mrs. Penick said it would not.

Mr. Perri said we might keep an eye on it and adjust it in the future.

Mr. Tompeck said we are just sticking our toes in the water at this point and may want to adjust it up if it proves to be beneficial for us.

Mr. DeIulio asked if the fund gets closed out each year and then renewed or once the money is in there is it in there year to year.

Mrs. Penick said it would be carried forward each year.

Mayor Hudson asked what the policy is now. She asked if we have a policy where we do not want it to go below a certain time.

Mrs. Penick said the minimum is $1 million and the maximum is $4 million.

Mayor Hudson said then we are just establishing the minimum or setting aside the minimum

Mrs. Penick said yes, but this is intended to cushion it just a little bit more than that.

Mrs. Cavalcanti said it is an avoidance of having to raise the PCA at critical times.

Mr. DeIulio said we are still going to maintain that same range of comfort.

Mrs. Penick said yes and as he said a minute ago, we are going to keep that separate from the PCA, but you will see colored lines on the chart next month.

Mr. DeIulio asked if the rate stabilization funds are common with other utilities.

Mrs. Penick said yes, but she does not have anything to back that up. She said it is something that was provided for in our bond resolution and it seemed like something we really ought to take advantage of.

Mr. Tompeck said several of the FMPA members have rate stabilization funds, KUA for one.

Mr. Perri said Kissimmee has one and he thinks Ocala has one. He believes there are a couple more that have them.

Ms. Cavalcanti said she thinks it is a good idea.

Mr. Mimms said just a question procedurally, when a projected power cost adjustment presentation is made by staff and there is a request to raise the PCA to a certain amount, then will there be an accompanying request to utilize the rate stabilization fund for that amount or will there be a choice.

Mrs. Penick said it would be in lieu of raising the PCA. She said we will either raise the PCA to the customer or utilize these funds. If it is really bad, it could be both, but she does not think we ever want to get into that position. We have quite a range between the $1 million and the $4 million and we want to stay within that range and do not want to have to have a knee-jerk reaction when it gets to low, we can forego an increase to the customer and utilize these funds instead temporarily.

Mr. Mimms said his follow up question is a couple of months ago there was a request or forecast to raise the PCA for $1 for the next 12 months. He said if that happens, then the rate stabilization fund will be exhausted within a couple of months. What happens if it is exhausted if it is chosen to be used?

Mrs. Penick said we would have to end up having to raise the PCA to the customers, it just delays the problem.

Mr. Mimms said then the fund goes away.

Mayor Hudson asked if we eliminate the fund.

Mr. Mimms asked if the fund would be replenished.

Mayor Hudson said it would be wiped out possibly.

Mr. Tompeck said we would take a look at replenishing the fund. He said there is a lot of what if situations and it is hard to analysis each one of them, but that is something we would look at. It is really a question as to what is beneficial to the customer on how to use some of our unrestricted cash and we think this is one good way to do it.

Mayor Hudson said she would hate for this to become so sacred we would never want to dip into it, but she would also hate to see it be so easy. She said we have to have the right approach to using this. We need to get some experience with it.

Ms. Cavalcanti said she thinks Nina made a good point because what she was saying is a lot of times we have had to raise the PCA. She thought we raised it $1 for three months in a row and not for 12 months.

Mayor Hudson said it was a forecast, we did not do it yet.

Ms. Cavalcanti said it hit as she recalls in June so rather than having it hit us in June, we could dip into this and then put the PCA up in November. She said November people use a lot less electric than they do in June or July. To her, that is what this is doing.

Mayor Hudson said that makes sense to her and she just wants to make sure that is what we do.

Mr. Bey said he thinks it is a great idea because it shows our customers we are trying to keep the rates low for them. He said if we anticipate the fund diminishing, then we just replenish it so we always have a way of reducing the blow with respect to raising the rate or the PCA.

Mr. DeIulio said if the fund gets down to zero, then all of a sudden our over collection is $5 million, is there a scenario where we transfer money from the over collection back to the fund or is it just a one way deal.

Mrs. Penick said it will go both ways. She said it will not get transferred or co-mingled, it will just allow us another $1 million, a little bit extra of wiggle room to allow it to go that much lower.

Mr. Tompeck said he would hope we would not let the stabilization fund go that low if we had that much in over collection.

Mr. DeIulio said that could be something that comes up six months or a year later. He said if the fund is down to zero and then one year later the over collection is way over the $4 million, is there any way we can replenish that fund with those monies or does it always come out of the operating account.

Mrs. Penick said she believes this is intended to be sort of like a loan fund to the PCA so that we do not have to charge the customers if we think the increase we are having to pass along is only

going to be temporary, that it would recover. She said we are not going to contribute the money into the PCA unless we need it. If we do not need it, the rate stabilization fund will not be at zero. We will always replenish this rate stabilization fund whether it be in one month or six months or however long it takes.

Mr. DeIulio said it would be with operating account funds.

Mrs. Penick said yes.

A motion was made by Mayor Hudson, seconded by Ms. Cavalcanti, and unanimously carried to approve the designation of $1,000,000 to create a Rate Stabilization Fund.

Mr. Tompeck said he added this item to the agenda to give the Board an opportunity to discuss the Charter Review Commission (CRC). He said he has had a chance to sit with each of the CRC members individually with the exception of Gloria Johnson and has sat with each Board Member individually to discuss some of the issues. For background to the discussion, he said he would like to review some the main issues: Autonomy of FPUA – The CRC has been reviewing putting FPUA into the City as a department under the leadership of the City Manager. Selection of the Director of Utilities (DOU), there has been some discussion about the City Commission selecting the DOU. Selection of FPUA Board Members, there has been several different methods of selecting Board Members being discussed. FPUA Distribution to the City, the percentage amount and what is included in the transfer is being discussed. The use of FPUA unrestricted cash, the amount of unrestricted cash and how that cash may be used by FPUA or transferred to the City has been major discussion issue of the CRC. Mr. Tompeck said before he opens up the discussion, he would like to give the Board his views on some of the issues, which he thinks most of you already know. He believes strongly in the autonomy of FPUA not being a City department. Making FPUA a City Department would surely hurt our customers, since it is probable that any unrestricted cash would be used for non-utility purposes. There is a strong probability that capital projects and renewals and replacements would also be adversely impacted. These issues would inevitably lead to increased rates and likely violate our Bond Covenants. Selection of the DOU by the City Commission would likely lead to a political appointment whose allegiance would be to the City Commission rather than the utility and would not benefit our customers. A utility experienced executive is required to run FPUA. He is neutral on the method of selection of Board Members. His only request is the Board Members meet minimum requirements of education and experience so they are able to understand, review, and decide on some of our complex utility issues. In terms of the City Distribution, we feel the PCA/PGA should continue to not be included in the calculation since it is intended to cover monthly fluctuations in the price of purchased electric and gas and is strictly a pass through expense. We agree that should the PCA/PGA be at a high level for an extended period of time like it was several years ago, it is reasonable to modify the rates. We do not feel the Distribution percentage should be changed since this will have a direct impact on rates and requires bondholder approval. Mr. Tompeck said we feel FPUA should make the decisions on the amount of unrestricted cash and how that cash can be used

for the benefit of the utility system and its customers, while also working to benefit and grow the City. He said to that end, we are working on a plan for the use of unrestricted cash, which he will bring back to the Board in the very near future. So with that background and his two cents' worth, he would like to open up the discussion to get the Board's views and provide him with any direction for input to the CRC, he welcomes that.

Mayor Hudson said she would like to encourage this group and individuals to monitor the CRC and the discussions. She thinks they are videotaped.

Mr. Mimms said they are not videotaped, but recorded.

Mayor Hudson said they are audiotaped and you can attend the meetings because they are open. She wanted to encourage and said when the CRC gets materials, this Board should get the materials the CRC is getting so this Board can know as much as possible of what is going on. To that end, she wanted to add to what Mr. Tompeck said, last week she met with the auditor for FPUA and he had prepared a document that he presented to her about unrestricted funds. Mayor Hudson said she believes he also presented that to the last Charter Review Commission. She believes it is in the best interest of each Board Member to meet with him. This Board has three people that work for this company, Mr. Tompeck, the Attorney, and the Auditor. The Auditor works for you and she thinks you need to have the same information that she has so she would like to ask whoever is appropriate to set up the meetings with Mr. Hartley so he can present the paper and information. She thinks it is critical for each Board Member to understand because she now has it and the CRC has had it, and this Board has not had it and she thinks it is only fair. If you are willing to do it, she would like to see that happen and she thinks this Board needs to be exposed to everything the CRC is getting. If you can attend the meetings, then attend them. Mayor Hudson said she has not attended the meetings yet, but they are open for anybody to attend.

Mr. Tompeck said one of the things he has been thinking about that he is going to do at the next CRC meeting, which he believes is after the first of the year, he is going to request FPUA do a little presentation. He said at the presentation he will include a discussion on the unrestricted cash and FPUA's plan for using unrestricted cash. We will also talk a little bit about some of the projects staff thinks are appropriate from a utility standpoint that will work to the benefit of the City as well. Mr. Tompeck said Mr. Mimms sent him the strategic plan that recently went through and staff has been looking at the planning portion of that. He said Mr. Hutchinson is seeing where we can make extensions to the water and wastewater system, which is one sure way to benefit the City. We are also looking at a pilot project that we want to bring back to the Board to discuss as another way of helping to build the City. Individually, he talked to the Board about some of the work FPUA can do right now, which would benefit the eventual relocation of the WRF and he wants to go through the details of that with the Board. That is kind of the presentation staff wants to give the CRC so they truly understand how much unrestricted money we have, what the basis of 90 days, 60 days, or 120 days is, and understand specifically the way we think we should be using that money to benefit the utility and benefit our customers. We think there is an

intersection between benefitting the utility and benefitting our customers and also helping grow the City. Mr. Tompeck said he will go through that with the Board Members prior to the next CRC meeting.

Mr. Perri said he has attended a couple of the meetings and is rather disturbed about some of the things that were said at the meeting. He said comparing Fort Pierce with Port St. Lucie is not appropriate by any stretch of the imagination. Port St. Lucie has about five times the square miles that the City of Fort Pierce has and he thinks that is an inappropriate comparison. What Port St. Lucie does has no bearing on what the CRC should be discussing as far as he is concerned. Mr. Perri said there were some remarks made about why we had so much money was to give our employees a 3% raise. He guesses the person that made that statement forgets the City's 11% raise across the board some years ago. They will tell you that was because of pressure from the unions, but the higher echelon got a $10,000/year plus raises when that happened so that was kind of a suffuse. Mr. Perri said he is with Nick in that we like to grow, but he looked at the past statistics and in 1960 we had 25,000 people, 1970 - 29,000, 1980 – 33,000, 1990 – 36,000, 2010 – 41,000, 2016 the estimate is 45,000. He said we are growing and he thinks the Utilities Authority helps grow as much as anybody else so he agrees we need to grow, but we cannot grow all on utility dollars.

Ms. Cavalcanti asked Mr. Tompeck if he would email her and maybe other Board Members his two cents' worth notes because she thought it was well stated.

Mr. Tompeck said that is no problem and he is going to include some of this in the presentation to the CRC in a more polished form.

Ms. Cavalcanti said the only other point she would like to make is to piggyback on what Mr. Perri said and that is her concern is that if we give a higher distribution to the City, we are not elected, so it is very difficult for City Commissioners to say I want an increase in the millage rate, it is very unpopular. She said it is real easy for them to say the Utilities Authority should give us more money, but what that does to FPUA as a Utility Authority is puts pressure on us because there goes another expense that we will then have and it keeps pressure on us then to be able to not have to raise rates. She is concerned about that and we are not elected and she wants to throw it back on the City Commissioners and say, well why don't you raise the millage rate, which she does not want that either if she is real honest. Ms. Cavalcanti said she is just concerned looking out for the Utilities Authority, she compares us and asks for the comparisons to Vero and Stuart and every month when she looks at them, she sees a significant difference. She is concerned about higher distributions going to the City from a Board that is not elected so it looks like the Utilities Authority is not doing their job when in fact what is going on is we have no choice if we have to have a higher distribution.

Mr. Perri said the CRC might be a good thing, but he thinks they need to be cautious because he takes the position if it is not broke, don't fix it. He thinks our Charter works pretty good the way it is. The Utilities Authority was created to separate the City from the Utilities Authority and keep

the City from taking the Utility Authority money and spending it where it should not be spent. Years ago prior to 1972 when the Utility Authority was created the City had all of that money and apparently somebody thought that was not the right way to do it and that is one of the reasons they created the Utilities Authority.

Mayor Hudson said she thinks it is really critical to identify if there is unrestricted monies that would be spent on something other than, there is a perception that there is a lot of cash in the Utility Authority that is sort of stockpiled and considered surplus. She said to her it is important to identify if that is true and if it is true, then this Board needs to be told first and why it is and what that is about. The second thing is if that is true, what is the legitimate purpose for that money? She thinks that is what, she has not been at the meetings, but she thinks that is what is being banded around at the CRC. That is why it is important that this Board meet with the auditor and understand just exactly what has been reported in our CAFR every year, so it is not a secret or hidden. It is important this Board understand where this is coming from and what is identified so we can deal with what are facts as opposed to emotion. The City Commission did ask for the CRC to review all of those things and she has heard the conversations have gone on all over the map. Mayor Hudson said it is the CRC that is talking about many of these things as opposed to the City Commission.

Mr. Perri said that is true, but as he understands it, our Bond Covenant does not allow us to use that money for anything except the Utility Authority. He said it is almost a moot point in his mind's eye if that is so.

Mayor Hudson said exactly so we need to be told that or see it in black and white, don't you think. She said we need to know that and so does the CRC and so does anybody else.

Mr. Bey said if we have restricted and non-restricted funds that means the non-restricted funds can be used for purposes that are in line with the City and FPUA coexisting as a unit in the City of Fort Pierce. He asked if that is correct.

Mr. Perri said if the Bond Covenants says not, then that is not correct, that is what he just said. He thinks our Bond Covenants say that all of our money whether we call it restricted or not restricted, all of our money can only be used for the Fort Pierce Utilities Authority. You cannot be a drunken sailor and spend it all around the place when somebody needs it. It belongs to the rate payers, it does not belong to the City of Fort Pierce, it belongs to the rate payers. That is where that money came from.

Mr. DeIulio asked if there is a stockpiling of money or a surplus of money.

Mr. Tompeck said he hates that term stockpiling.

Mr. DeIulio said he understands and if that was the termination of that to be true, his guess would be the first item of discussion would be to provide a rebate to the customer for that money. He said wouldn't they be entitled to a rebate or a reduction of rates.

Mr. Tompeck said that is our interpretation that it is the customer's money. He said we continue and we always will have a lot of pressure on rates. He said it is to our benefit and our customer's benefit that we do everything we can to keep those rates down. What he thinks may be misunderstood here and Mayor Hudson touched on it, is what is the unrestricted money and how much there really is. You hear numbers $27 million, $25 million, and then you subtract out the working money you need whether that be 60 or 90 days. Once you have done that, he has asked Mrs. Penick to come up with a simplified slide that everybody can understand because what Mr. Hartley put together for the CRC was something you would expect an accountant to put together, it was not simple.

Mayor Hudson said we have two people on here that will understand it.

Mr. Tompeck said exactly right, but he would like the Board to understand exactly what there is there and what we think we should spend it on and how much we think we should keep in case, he is about to tell them next what was spent on Hurricane Irma that will come from unrestricted cash. We need to have a balance on how we spend that unrestricted cash and obviously we want to spend it for the utility service that best benefits the City. We have a lot of things we can do and every project we look at, we will see if it benefits the city and we will prioritize them if we can as to what benefits the City the most as long as it serves a utility purpose.

Mr. Bey said when he first heard the CRC was first established and of course the idea was we want some money from you guys came up. He thought here we go again the stockpile of money we have that is just sitting over there that we could just say here is $12 million, here is $20 million, go do whatever you want to do with it. He then thought that is not a good idea. For some reason and hopefully he is right, he gets a sense that the City Commission may seriously be trying to grow and if they are trying to grow, he is saying they are not going to grow just on our dollar, but as citizens and players and partners in this community, let us see how we can get together and grow and benefit some of the dollars may have or some of the projects we may have that could help the City. As the City grows, there is infrastructure, there is utilities, and things we can do as a business, as a partner to help the City grow. To say the City is going to grow solely on the dollars of FPUA, he does not think is right. Mr. Bey said he agrees with Mike that this is money that came from the rate payers and all of that has to be taken in to consideration. He has been doing a lot of thinking about this and that is what you may smell burning in the community. He said he would really be in favor of having a meeting with our Board and the City Commission and try to talk this thing out and see where we are going. We may be able to save this CRC a lot of time if we do that. If we are talking about reviewing the Charter, there are some other things that we may want to take a look at as well that may be beneficial to the City and to the growth of the City with number one being term limits. Right now it seems the CRC is solely focused on FPUA, but if we are going to take a look at the Charter, there are some other things we can lump in there that

the City might be able to benefit from as well. Mr. Bey said these are some of the things we need to think about. He said he agrees with John about these tentative recommendations and the UA needs to stay autonomous to run this company, we need to pick our Director, and he agrees on the Board Members. There has been a move to get someone from District 1 in here and we should look at that. He highly recommends that we try to set up a meeting with the City Commission and ask what it will take to make this happen. It will save time and money.

Mayor Hudson said she thinks it will also show a gesture of support, which would be important for this Board to do because the City Commission feels like the FPUA is part of its family. She said we are all family and are all in this together, it is part of the City, and is part of the growth of the City. There has been a bit of a contest, competitiveness, or some kind of pulling apart in terms of a bunker mentality on both sides and she thinks it would be a really strong gesture for this Board to just exactly something like that to say yes, we understand we are part of the City and we want to help the City grow to show our support. Mayor Hudson said truthfully that does not happen, it happens at the staff level, she thinks because different staff members are like on the Economic Development team. She thinks our staffs are working together all the time, but this Board and our Commission, there is no real understanding between the two that the other is really pulling its weight, and thinks that would be a good thing for us, a good gesture.

Mr. Bey said he thinks as partners, we need to have a joint strategic planning session or even if we have our own strategic planning, we need to have a strategic planning session with the City so everybody knows where everybody is going and we have a goal we are trying to reach together.

Mr. Tompeck said that was discussed at the last CRC meeting.

Mr. Bey said he missed that meeting.

Mr. Perri said as far as the Utility Authority helping the City grow, he indicated how it has grown since 1960 and wondered if anybody seriously thinks that the Utility Authority did not have anything to do with that growth. He thinks they helped the City and they have been helping the City since day one and FPUA is part of the City. The Utility Authority does their part in helping the City grow and they have been in the posture of doing that forever.

Mayor Hudson said she totally agrees, she is just talking about a little bit of interaction as opposed to silos.

Ms. Cavalcanti said she looks at it a little differently and where she would like to come from is what joint projects we can work on together with the City. She thinks there are plenty and South Beach that was redone over there is a perfect example.

Mr. Tompeck said that is the why he is in the process of reviewing the City's strategic plan and the areas they are thinking about annexations and that kind of thing. He said if we can get water and wastewater service there, it would certainly help that and we are looking at that in detail.

Mr. Perri said we have always been open to that policy. He said we have tried aggressively to put in service and annex. He said he signed an annexation agreement when he lived off Airport Road on Scenic Avenue in 1964 and they finally got water there about six or seven years ago when he first got on this Board they finally got annexed into the City. He signed the agreement in 1964 and they finally became contiguous.

Mr. Mimms said he has heard the Board's comments, Mr. Tompeck's comments, and he completely understands the desire to have a joint meeting of the minds. He said as City Manager, he works for the City Commission and this group of individuals that serves on this Board is appointed by the City Commission. He believes the strategic vision and the mindset and strategies should all be intertwined with each other. The City Commission has a very comprehensive and wholesome view of the entire operation of the City of Fort Pierce. On the Utilities Authority Board, it is very concentrated, it is focused on utilities, focused on providing services, and the basis of life for our residents and our businesses. As a City Commission and as this City Commissioner can tell you, we talk about a little bit of everything. Mr. Mimms said he believes it should be more focused, whereby he believes this Board should make recommendations to the City Commission whereby we include the vision of FPUA with the whole comprehensive view of the City of Fort Pierce. He thinks we can definitely work together and he is going to have a meeting with Mr. Tompeck on how we can bring this to reality. We have not been working together as long as he has been working in the City Manager's office, we have not been sitting down and determining the strategic visions of these two entities and we need to do so. If we do not align we shall not grow in a smart and feasible manner. We are going to get together, he is sitting here and Mr. Tompeck is here, and he thinks this Board wants to work and get this Utility to grow the right way. We have a lot of issues in front of us as a community, we are talking about annexation and we are talking about how we are going to serve the fringe areas of our community. St. Lucie County is trying to grow their utility tremendously and Mr. Mimms thinks we need to look at all the areas of our economic growth. He believes FPUA is the number one economic development engine of the City of Fort Pierce and we have to work together. As appointed officials of the City Commission, he wants to let the Board know it is definitely a responsibility to make some sound and technically recommendations that helps the City thrive. Our community is at stake and we need this Board to help them make those decisions.

Mayor Hudson asked where we go from here and asked Mr. Tompeck if he will make the appointments with Mr. Hartley for the different Board Members.

Mr. Tompeck said he could certainly do that if they all want to meet with him.

The Board members all agreed they would like to meet with him.

Mayor Hudson said she thought that would be important.

Mr. Bey asked how we go about setting up this meeting if the rest agree it necessary with the City Commission so we can be on the same page.

Mr. Tompeck said he does not have any difficulty setting that up, but he needs a little bit of time to formalize some of the ideas staff has been looking at in terms of the projects we want to pursue that we think will serve a utility purpose and also help grow the City. He said if you can give him a week or two to come up with some of that. What he would like to do is to bring it to our Board first to look at or he could do it off line.

Mayor Hudson asked if Mr. Tompeck could work with Mr. Mimms to find the most suitable time for that. She asked if that is doable for this Board to meet with the City Commission.

Mr. Mimms said his personal opinion in thinking about this particular situation and the fact this is an appointed board, just like the Planning Board, and Keep Fort Pierce Beautiful, and typically you do not have meetings with the elected body and an appointed Board. He said he will place this before the City Commission and determine if they would like to meet with FPUA in a joint session.

Ms. Cavalcanti said the other thing Mr. Mimms said is he would like us to present some ideas to him so maybe we as a Board could come up with a strategic plan for ideas for going forward with the City rather than bothering the City Commission.

Mr. Mimms said it is not bothering the City Commission.

Ms. Cavalcanti said she means we would start with that from our Board's perspective, here is what we would like to do. She suggested like seeing south of Parkway paved and how can we jointly do that in those neighborhoods. She said she knows that is City paving, but we are the utilities under there.

Mayor Hudson said it could be a joint project.

Ms. Cavalcanti said there are projects she would like to see taken care of and she does not know if they are on our list or not. She thinks that one actually was, she knows Wendell was on the list. She remembers at one point on 7th Street they were not going to give the residents paved streets because they did not pay enough property taxes.

Mayor Hudson said it was also a storm water project in that area near Georgia Avenue.

Mr. Mimms said they talked about a MSTU to be developed to do some storm water and roadway improvements, but that did not pan out.

Ms. Cavalcanti said she looks at Edgartown and north of it as an example, great plan for the City and FPUA working together. She would like to see that for a lot of other areas in our City.

Mr. Mimms said to respond to that, when they do their CIP, they formulate it after many weeks of discussion with the strategic planning, whether it is a moderator or a City Commission. We break our CIP into different elements whether it is parks, building, facilities, or transportation and we can do the same thing and have a utilities component. If we can bring this all together and have the same unique vision, it works. Mr. Mimms said he believes having recommendations or having a plan from this Board moving forward on an annual basis, would help the City of Fort Pierce tremendously.

Ms. Cavalcanti said that is what she would like to do then and rather than it being a joint meeting. She said if the Board is in agreement we will come up with projects we would like to see and said Mr. Tompeck discussed one with her that she thinks is a great idea.

Mr. Tompeck said there are a few of them and if you could give us a little time to put that together to make sure we have some accurate costs estimates.

Mayor Hudson said she would like to also strongly recommend that this Board attend the CRC or reach out to the people that are on it if you have ideas or concerns and talk to them. She said they have had three meetings now and Mr. Tompeck and Mr. Mimms are there. She said Mike has gone to at least one she heard.

Mr. Bey said he has been to one.

Mayor Hudson said she went to the one where the public comment was and she strongly encourages the Board to keep up with what they are discussing and the materials they are getting. She said if you want to meet with them individually or individual Commissioners because this conversation is about this operation so we need to be a part of the conversation.

Mr. Tompeck said he is expecting the revised FPL/Vero Beach sale documents that are supposed to be here today. He understands them well enough that he can send them to you for review. As soon as he receives them, he will send them out and it may take you a while to get through them. Mr. Tompeck said he is going to send a roadmap so they can get through them. The intention is for us to go through those resolutions on the December 19 Board meeting and he will also provide the Board some additional details at our first meeting. The second meeting in December we can get either Jacob Williams or Jody Finklea, their counsel, to come down and help talk us through it. They are complicated documents.

Mayor Hudson asked if that is when we will vote.

Mr. Tompeck said yes and if for some reason we are not ready, then we are not ready. He said we will tell FMPA not yet we need more time to digest them. They understand how complicated the documents are and of course we are one of only two utilities that actually have to review all four of them. We have interest in Stanton, Stanton II, St. Lucie Project, as well as the All Requirements Project. Only FPUA and Kissimmee have all four of them to review. There is a lot there and they have been reviewing them the last several weeks and going through the Vero and FPL attorneys. Mr. Tompeck said he will give a little description to go with each one of them and he will describe what he thinks is the easiest way to review the documents.

Mr. Tompeck said we are about finished with the cost of Hurricane Irma and it looks like the final tab is going to be about $1.5 million. He said that includes all the mutual aid invoices and there are a couple of small items being worked on, but that is what the cost will be. All of those costs came out of unrestricted cash.

Mr. DeIulio asked what amount is reimbursable.

Mr. Tompeck said he is not sure the exact percentage, but most of it is. He said obviously that reimbursement will not be quick.

Mayor Hudson asked if we have gotten our reimbursement from Matthew.

Mr. Tompeck said we are still waiting on reimbursement from Frances and Jeanne.

Mayor Hudson said okay then.

Mr. Tompeck said we are close on Frances and Jeanne.

Mayor Hudson said on the consent agenda like for the people that came down from Michigan, it says it is budgeted on the cover sheet. She asked how we know to budget those agreements.

Mr. Tompeck said just that the cash is in the budget, we did not budget a specific line item for it. He said it indicates that we do not have to come back with a budget revision.

Mayor Hudson said sometimes there are line items referred to and sometimes there are not in cover sheets. She did not want to take time know, but maybe sometime we can go over where it was really budgeted.

Mr. DeIulio said it might be contingency money.

Mrs. Penick said we plan to get the money back so it is not a budgeted expense because we expect to get the money back.

Mayor Hudson said it says budgeted.

Mrs. Penick said it is not coming out of our pocket as an expense. She said it is temporarily, but in the long term we will get it back.

Ms. Shevlin said she wanted to give a brief update on the case involving Mr. Lindstrom. She said unfortunately Mr. Lindstrom's counsel has been experiencing a serious health crisis. He has been hospitalized and we have agreed to grant an extension and have agreed to grant two extensions so far because of the ongoing health issue. She received notification this morning from him that he is meeting with Board Certified trial counsel to take over his case load. Ms. Shevlin said she is expecting shortly that a substitution of counsel at which point we will continue with the case and will be in communication with whomever is going to take over the new case. She said for now the extension has been granted by the court and we are waiting to see what happens now. She wished everyone Happy Thanksgiving.

Mr. Mimms said he has two compliments he would like to give to FPUA. He said the first compliment is the fact that the City of Fort Pierce and FPUA had a joint Thanksgiving luncheon and our staff and employees came together at the Riverwalk Center and integrated quite nicely. We had a good time, ate good food, and he saw Keith ate a lot of food. He said we had a good time and our staffs worked together quite well and had the opportunity for that fellowship and bond and intend to continue that. Mr. Tompeck was there serving the string beans and Mr. Mimms said he was serving turkey and ham.

Mr. Mimms said he noticed a pavement deficiency one day at the intersection of Maple and Oleander. He said within the next 24 to 48 hours FPUA had a crew out there and resolved the issue and the pavement has been patched. FPUA did a fantastic job and their responsiveness was excellent and said he is proud to say FPUA is here in our community.

Ms. Cavalcanti said she has gotten a text and she would like to read it. She said it states: "please mention customer service wait time is five plus minutes always it seems, just hung up from hold." She would appreciate if someone could check on customer service and how long the wait times are on it.

Mayor Hudson asked if that is real time and just happened.

Ms. Cavalcanti said it happened during the meeting.

Mr. Perri asked if any of the All Requirements Projects voted on the Vero contract yet. He said he knows Jacob is going visiting to explain the documents or has he gotten any votes yet.

Mr. Tompeck said he believes today may be the first ones and believes it may be Ocala. He will send the complete schedule with a list of all the Cities and when they are voting.

Mr. DeIulio said he wishes all the employees and rate payers Happy Thanksgiving and get those ovens working, keep that electricity going.

Mayor Hudson asked "not the Board Members?"

Mr. DeIulio said also the Board Members and run the ovens as much as you can and turn the a/c way low.

Mr. Perri said not to eat too much turkey.

Mr. Bey said Happy Thanksgiving.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN