MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, DECEMBER 1, 2020, 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Chairman Glynda Cavalcanti; Vice Chairman Charlie Frank Matthews; Deputy Secretary Frank H. Fee, IV; Kristina Gibbons; and Mayor Linda Hudson *(via telephone).*

Others present: John K. Tompeck, Director of Utilities; Barbara A. Mika, Director of Financial Services; Paul A. Jakubczak, Director of Electric & Gas Systems; and Bo Hutchinson, Director of Water/Wastewater Systems; Javier Cisneros, Director of Utility Support Services; Joshua P. Gang, Director of Regulatory Affairs.

The meeting was called to order by Chairman Glynda Cavalcanti.

Opening Prayer was by Christelle Myrick of Water Distribution.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

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

A motion was made by Mr. Matthews, seconded by Mr. Fee, and unanimously carried to approve the Minutes of the Regular Meeting of November 17, 2020.

A motion was made by Mrs. Gibbons, seconded by Mr. Matthews, and unanimously carried to approve the Consent Agenda.

1. Approve the following recommendations to maintain an orderly progression of officers in future years: Mr. Charlie Frank Matthews, Chairman; Mr. Frank H. Fee, IV, Vice Chairman; Ms. Glynda W. Cavalcanti, Secretary; Mrs. Kristina Gibbons, Deputy Secretary; and Mrs. Linda Hudson, Mayor/Member.

2. Approve no change to the Purchase Gas Adjustment.

3. Approve Post Budgeted Project/Budget Request for Sunset Beach - Planned Urban Development in the amount of $65,000.

4. Bid No. ITB21-03: Approve 1) the award of PO contracts for the purchase of Conduit Bore Pipe with three vendors: i) Electric Supply of Tampa, Inc. dba Electric Supply, of Tampa, FL; ii) Gresco Supply, Inc., of Forsyth, GA, and iii) Wesco Distribution, Inc., of Pittsburgh, PA in an

amount not to exceed $30,000 each, annually, for the period of December 1, 2020 through November 30, 2021 with four one-year renewal options, and 2) award the initial order in an amount not to exceed $31,467.36 to Gresco who had the lowest bid.

5. Approve Amendment No. 1 to the Advertising Agreement with Indian River Magazine, Inc., of Fort Pierce, Florida, to change add placement from the Sunrise Theater Playbill 2020 to the Treasure Coast Business Magazine Winter Issue January 2021.

6. Approve Amendment No. 1 to Specific Authorization No. RE 19-02 with Reiss Engineering, Inc., of Winter Springs, Florida, to extend the contract end date from 300 days after Notice to Proceed to upon completion and acceptance by FPUA.

Ms. Cavalcanti and Mr. Matthews switched positions with Mr. Matthews now being the Chairman and Ms. Cavalcanti the Secretary.

Mrs. Mazzarella read the following letters of appreciation into the record:

A letter was received from Gary Porter of the Treasure Coast Food Bank thanking FPUA and FPUA employees for their contribution and as a Shift Sponsor of the 2020 Pack the House event.

A card was received from Will Armstead, CEO of the Boys & Girls Club of SLC thanking FPUA employees for participating in the Virtual Chili Cook-Off to help raise over $100,000.

An email was received from Kara DangVu thanking Shelia Parnell of Customer Service for her wonderful an very professional customer service in coordinating utilities for her property.

An email was received from Gary F. thanking Kevin Parris, Maurice Bacon, Brandon Richardson, Dan Tillman, Crosby Gore, Jennifer Krip, and Ken Maxwell of the Electric Department for restoring their power in the middle of Tropical Storm Eta.

An email was received from Melody Brand thanking William Gray of Customer Service for going above and beyond to help Mrs. Repp get her power turned on.

Mr. Matthews said to certainly pass our thank you on to staff.

Mr. Tompeck said the first item is a presentation by Mr. Pete Tesch, President of the St. Lucie County Economic Development Council (EDC) on FPUA's partnership with the EDC.

Pete Tesch, President of the Economic Development Council of St. Lucie County, Inc. and FPUA partnership with the EDC. He said it is a pleasure to be in front of you. Of course what would a discussion be without a PowerPoint presentation. Thank you for your time and as John mentioned we're grateful for the partnership that we have. Your investment in the EDC and the public private partnership that we have is helping rebuild and sustain our economy and create quality jobs. He would like to give a brief overview of our work together over the last tumultuous 12 months and talk a little bit about our projects and then also where we will go in the future. So obviously the investment that you all make in the EDC is very important and he would like to share with you some of the things that we're doing to get return on investment as well as the type of projects in terms of new and expanding businesses. Just a little bit about the EDC, we are happy to celebrate our 20th year as an independent entity. Our mission is to help create jobs and our vision is to have a sustainable vibrant economy here in St. Lucie County and Ft. Pierce. We're a 501-c-6 public, private partnership, along with Mr. Tompeck on the Board. We have about 30 business leaders that help run the EDC. Over the last few years, we've been successful in growing the budget of the EDC with regard to private sector investments and memberships. Currently out budget is about $1 million and we have contracts and arrangements with the City of Ft. Pierce, the City of Port St. Lucie, St. Lucie County, FPUA, and others. It's a team effort with regard to helping grow the economy.

Mr. Tesch said one thing about trying to measure our mission and looking at how we go about helping new and expanding businesses, we try to look at the bottom line. He said we have the National Community Development Services and their National Strategy Center looking at the economic research behind the 25 new and expanding businesses that came to St. Lucie County and created over 3,000 jobs in 2018-2019. The return on investment was $121.50 and then for every dollar invested with regard to assistance and incentives returned over $30 for every dollar to our municipalities and taxing districts. Looking at 2019, 1,200 new jobs and 802,000 square feet of absorbed or new construction. Some of those businesses are A-1 Roof Trust, Accel International, AquaCo, Cleveland Clinic Learner Research Institute, Pursuit, and others. Obviously COVID and the disruption that it caused had a tremendous impact on job creation and so what we are doing together as a partner is very important as we go forward in trying to reconfigure some of our industry sectors particularly tourism and hospitality.

Mr. Tesch said it is pretty amazing the last time he came in front of you is probably 14 months ago. He said Pursuit Boats just announced their new expansion, exciting that they've built 181,000 square feet of new facilities, 200 new jobs, and 400 existing jobs. We're very proud of this company and the boat manufacturing industry here in St. Lucie County. Another project is the Amazon delivery station DVD-1 over at the Kings Highway Industrial Park. This is a last-mile delivery system for amazon and they came to the county just recently. They took an existing facility of 60,000 square feet and they probably have 500 full-time jobs and all together with part-time jobs 1,500. We're very proud of Natalie's Orchid Island obviously, it's iconic brand here in Ft. Pierce. We're really proud of working with John's staff on securing a Florida job growth grant fund of well over a million dollars a year or so ago to facilitate their expansion. A long with

keeping Natalie's here in the community, being able to get the necessary infrastructure, lift station, water and sewer systems to supply this particular industrial park is very good team work in his opinion. Looking down at the south part of the county, having the Cleveland Clinic take the former VGTI, the Vaccine Gene and Therapy Institute and turning it into the Florida Research and Innovation Center. This is in collaboration with the Learner Research Institute out of Cleveland and the Cleveland Clinic. That facility is 107,000 square feet and 50 new high wage, high skilled jobs for the City of Port St. Lucie. Tamco opened their new facility there in Tradition, definitely working with the City and the County on their 411,000 square foot new facility. Accel International is beginning the site planning process also in Tradition, they are a wire and cable manufacturing company. They do a lot of things for the aviation, IT, and medical device industry sectors. If you look at the cable that charges your cell phone, Accel International may have made that. They will build a 150,000 square foot facility there off I-95 and create 125 new jobs. Sansone Group is in the southern part of Southern Grove and is called Legacy Park Tradition. Mr. Tesch said he brings this up because they have purchased 300 acres and plan to do built to suit and speculative buildings almost to 3 million square feet over several phases. This is a great addition to the community, creating all kinds of jobs. In fact Sansone Group, along with the City of Port St. Lucie and St. Lucie County will be presenting project Denny which is a 245,000 square foot logistics project next week. We're really excited about some new job creation.

Mr. Tesch said he would like to focus a little bit on Kings Highway. One of the areas they are looking to do more development is on Kings Highway in the northern part of the county. He said along with Treasure Coast International Airport, Kings Highway, Treasure Coast Research Park, this is really a hot area for manufacturing and distribution. Being able to have the infrastructure and utilities there at the site working with John's staff is really critical to future economic development efforts. This kind of gets him into the last part of the presentation and talking about these things that are important for economic growth, particularly in the post COVID-19 environment and economy and he would like to focus on the readiness of key business parks. He mentioned about Sansone Group, what is very critical is we're starting to see tremendous interest from national, industrial, and commercial developers in St. Lucie County and Ft. Pierce. Before we were an unknown commodity, but because of the lack of industrial property and the cost of doing business in South Florida and the fact we're gaining critical mass, as a commercial area, we're starting to see this interest. For example, we have the Silverman Group looking at Crossroads Commerce Park building a 1.1 million square feet of build to suit and speculative space. We also have the Ashley Capital and they are out of Atlanta and Detroit. They are looking to purchase property on Kings Highway to do industrial logistics and manufacturing, as well as he has shown the Thomas Produce site which is also conducive for industrial and commercial areas.

Mr. Tesch said when he came last year, one of their challenges is because there's such an interest in the area, but we don't have existing facilities. He said almost all buildings, all the way from what we consider Class A commercial space to basically junk, is gone. Now we have the opportunity to attract new businesses in different industry sectors as well as keep the precious industry we have here. Again looking at Kings Highway, Treasure Coast Research Park, Treasure

Coast International Airport, St. Lucie Boulevard that area is just right for development and now with the potential addition of facilities coming out of the ground we're very optimistic for 2021. Hopefully, we can get 2020 out from behind us and really look at 2021 as a time and an opportunity to attract new employers and keep the ones we have. Having an unemployment rate of 7.1%, there is still a lot of families and residents out there hurting, working on workforce readiness, training service providers, our school systems and trying to get people and businesses to reconfigure, restructure, and get back to work is a high priority both professionally and personally. A lot of good things going on and we still have a lot of challenges. Mr. Tesch thanked the Board and said he appreciates the time before them and if there's any questions from the Board or the Mayor, he would be happy to address some of them best he can.

Mr. Matthews said he has two concerns, first of all we did a half cent approval for taxes in the area. He asked Mr. Tesch if they are planning a major role in trying to have thoroughfares cut into where most of these Industrials might want to build or anything like that.

Mr. Tesch said that's a great question Mr. Chairman and especially with the development of these potential commerce parks, one issue is transportation and mobility. He said how do we get workers from point A to point B safely. That is a little bit beyond his responsibility or level of intelligence, but working with the City, the County, and UA it is like how do we make sure we have the proper infrastructure to support the right commerce park and to make sure they are safe and efficient and economically reliable transportation to get our workers from point A to point B. That is a concern of ours and we would like to work with all of partners more closely on that especially with these bigger developments.

Mr. Matthews said his second question is when he first got involved with public life, they used to talk about soft businesses coming to Fort Pierce. He said he used to wonder what difference did it make because they still have to follow certain regulations. As a member of the Community Development Board, we were able to take a building that was called pad building and turned it into a business and they do cosmetics there. He is just looking at maybe you can't get a company to do it because you can't find the space, but you might be able to find a company that can come in here and do some of not cosmetics, but something of that nature that will employ 50, 60, 70, or 100 people.

Mr. Tesch said that is a great example and we are really proud of that project. He said the CEO of Radical Cosmetics, we worked with him back in 2016 and it's a great textbook example both with the City of Ft. Pierce and also the UA working together. He does not know if any of you had been in that building previously, but it wasn't in the best shape. FPUA staff and the City of Ft. Pierce really worked diligently to get all through the permitting and regulatory process on that. It's a cool story and there is probably close to 100 people that work there now and right in downtown Ft. Pierce. Hopefully they sell a lot of cosmetics for Christmas.

Mr. Tompeck said the next item is an update on electric disconnects and COVID-19 relief efforts and Javier Cisneros will make the presentation.

Javy Cisneros, Director of Utility Support Services, said he will provide a December 1, 2020 update for electric service disconnects. He will start off with what we have done in the recent past and efforts to date to help our customers avoid disconnects. As mentioned, he would like to review the efforts we made to help the customer avoid disconnects. We have waived late fees and penalty fees through December 31st. The total to date as of Monday is around $573,888 we've waived for our customers. He had a discussion with Mr. Tompeck earlier this week and we will be waiving the reconnect fee of $35 for anybody who gets disconnected and then gets reconnected which is a $35 per transaction and will be waived in the month of December. We've had a power adjustment reduction of $2 per 1,000 per kilowatt hours from April through October. The FPUA COVID relief of $200,000, to date we've approved $132,248 of payments to our customers. We continue to work with the County for the Cares Act. All of the residential individual assistance applications have been issued payments as of November 6th so those customers will now be on the list, but the commercial customers we just received last Wednesday late and we're reviewing it in great detail. There are people still waiting, a large majority of the people on the list are still waiting for payment. We'll work with the commercial customers on the list to avoid disconnect. The automatic payment plan we did in August and we have had about a 72% success rate meaning the people on a payment plan are continuing to follow up with their payment plan in addition to their payment. That's a good number and a really positive program. We originally were around $1.58 million and we're down to $1.4 million so the liability has been reduced there because of what we believe is the success rate of the program. We've had 69 good-faith payments to date and that means those people who have made good faith payments will avoid disconnects in the month of December. That also still makes them eligible for the FPUA COVID hardship affidavit. Just because they made a payment doesn't mean they come off the list they are still eligible if they were on the cut list.

Mr. Cisneros said we have Saturday hours from 8:00 to 12:00 for the drive-through and calls. He said this Saturday was our first Saturday that we were open. We did have 12 drive-thru customers and 22 calls and of those 34 transactions, we had nine customers who made payments to avoid disconnect. Today is our official first day of disconnect, we are on a three-day schedule Tuesday, Wednesday, and Thursday. We didn't disconnect the week of Thanksgiving and that is why today is the first day and we will not disconnect the week of Christmas. We are doing the Friday before door hangers. The Friday before the week you're scheduled for cut, you will get a door hanger and if there's any residual door hangers that we have pending, we will do that on Monday. Just in case we get backed up, we are giving an automated call to the customer three days prior to their scheduled cut and then two days out we'll give them a personal call.

Mr. Cisneros said the FPUA COVID-19 sponsorship, we dedicated $100,000 to Mustard Seed. They have issued 205 vouchers for $68,000 and 14 vouchers are pending for a little over $4,700. We dedicated $50,000 to the ALPI organization and they've approved 100 vouchers for just over

$29,000 in payments. They have three vouchers pending for $884. FPUA hardship affidavits of $50,000, which is the amount we dedicated to FPUA handling applications internally. We approved 131 vouchers for just over $34,000 and we still have some vouchers we have not processed because they are not on the cut list as we discussed at the last Board meeting. The idea there is to minimize the number of customers that are eligible for cut. The information is there to download the form and you can also call the FPUA hotline for assistance and a customer service representative will help you fill out the application. The guidelines for the hardship affidavit are pretty straight forward, you have to fill out the application in full, give us some indication you lost or had reduction in your work hours due to COVID, or that your utility consumption increased by 10% because you had to take in any additional folks, or you've had any kind of income loss due to child care for COVID, or any other type of medical expense related directly to COVID.

Mr. Cisneros said in summary, disconnects as of 2:00 today, we've actually made 32 cuts. What he would like to mention is last week we issued 89 door hangers for today's cuts and of the 89, we had approximately 57 customers who paid prior to their disconnect. That's about a 64% success rate and is an important number we should really focus on. Tomorrow we'll know what the numbers are and December 1st, 2nd, and 3rd, all of those door hangers went out last week. The original cuts for December 2nd, tomorrow, were 87 and then as of today around 2:00 we have 50. You can see that on Thursday, we had originally 87 and we're down to 51. That's the update on the disconnects for nonpayment. As of right now we're expecting to resume normal operation on January 11th, which means we reinstate the fees we have waived, will go to a normal disconnect schedule for Monday through Friday, and our staff will go back to normal staffing schedules for our normal work week. That's the latest update and Mr. Cisneros said he would be happy to answer questions you may have.

Mr. Matthews asked if the Mayor was still with us.

Mayor Hudson said she was.

Mr. Matthews said he already had two people and he ran into R Duke Nelson yesterday at the City Commission and he grabbed him by the hand and would not let him go. He said Duke wanted to know why the lines were so long at the drive. It was good to hear that from him because it shows people are coming in. He asked if staff has ever thought about doing a second drive.

Mr. Cisneros said we actually are working on that and are in the middle of developing it. He said we have a signed contract from the last Board Meeting for our vendor to do another kiosk, it will be a drive-thru kiosk. It will be in the same plaza the drive through is in now, but in a different building. We will have two lines available, the Kiosk and then you have a drive-thru with a person you can deal with.

Mr. Matthews asked what's the last hour we have over there now, 5:00 or 5:30?

Mr. Cisneros said 5:00 and yesterday, we extended it a little to 5:15 or 5:20 to take care of the cars in the drive through line.

Mrs. Gibbons asked if the Kiosk at the entrance is open 24 hours.

Mr. Cisneros said yes it is. He said the Kiosk are open 24 hours and we also have other locations you can pay. You can pay online, several locations throughout the county like Dixon's on 25th Street, Seacoast Bank, CVS, or 7-11. At those locations, you have to have recent bill. We have at least 10 or 11 forms of locations as a way to pay their bill. The kiosk that is at 206 is available 24/7 and the new Kiosk will be available 24/7 as well.

Mr. Fee asked when a customer makes a request to be reconnected, in order to get the reconnection fee, what is their payment obligation to get reconnected?

Mr. Cisneros said they would have to pay their currently past due bill which is the a one month bill to get off the 60 day cut list which is two months past due. He said it depends on whatever their oldest bill is.

Mr. Fee said they pay one month's bill and as to the remaining months payment plan?

Mr. Cisneros said, no, we are past the payment plan program now so we had to stop the program at some point. He said so now effectively we will more towards the normal operation as we work prior to COVID.

Mr. Fee said if they are 3 months behind when they are cut off and then they ask to be reconnected, three months has to be paid?

Mr. Cisneros said a minimum of two months would have to be paid.

Mr. Fee asked if we are waiving the last month.

Mr. Cisneros said no we are not waiving it. He said to get on the cut list you would have to not pay for two months. He said you have 30 days then another 30 days and then that automatically puts you on the cut list. If you were three months behind, you would pay two months. It's possible that you could come up on the cut cycle again as soon as the meter is read and the bill is sent, the clock starts.

Mr. Tompeck said the next item is an information presentation on the 2020 NERC by Eric Meyer.

Eric Meyer, Acting Supervising Engineer for the Electric & Gas Engineering Department, said he is here to discuss FPUA's electric utility regulatory compliance overview for 2020 with NERC, also known as the North American Electric Reliability Corporation. He said this presentation has been recently edited for clarity with respect to your current packets. Before beginning our review, he said he would like to recap FPUA's authority structure for electric utility regulatory compliance. FERC, which is the Federal Energy Regulatory Commission, is an independent regulatory body within the US Department of Energy and acts as the highest level of energy regulation within the United States. In 2006, FERC designated NERC to be its Electric Reliability Organization (ERO) for the United States. Essentially, NERC is responsible for developing regulatory standards that electric utilities across the country must adhere to. NERC's jurisdiction includes users, owners, and operators of the bulk power system across parts of North America, which serves nearly 400 million people through the United States and Canada combined. SERC, also known as the SERC Reliability Corporation, serves as FPUA's regional entity with delegated authority from NERC for the purpose of proposing and enforcing reliability standards within the SERC region which is the Southeastern United States. Orders for audits or requests for information will typically come from SERC. FPUA has assembled a NERC Compliance Team with a member from each applicable department for regulatory compliance; these being Electric & Gas Engineering, Electric T&D Construction, ITS, and Risk Management.

Mr. Meyer said to determine FPUA's regulatory compliance scope and the enforced standards we must adhere to with NERC, we must register our electric utility based upon several factors. The first is the physical ownership of energized elements by voltage rating, the second is the operational capacity of energized elements by voltage rating, and the third is the ownership and operation of large electric generation. Under current FPUA electric assets owned, we are registered as a transmission owner, meaning we own transmission lines, and a distribution provider, meaning we distribute electric service directly to customers from our transmission system. FPUA does not own or operate any electric generation assets as the Treasure Coast Energy Center is owned and operated officially by FMPA and FPUA does not operate any transmission lines at 100 kV or above. FP&L acts as our transmission operator for our 138 kV transmission and substation assets. Each year, NERC updates standards on a quarter-by-quarter basis to ensure industry standards are being applied to the electric utility industry at large. For the year 2020, NERC updated eight standards which is roughly 4% of their total 98 enforced standards. However, FPUA only had two standards which applied directly and they were both related to cyber security and critical infrastructure protection. A big focus has been pushed this year from NERC regarding cyber security, as threats to the power grid across the country are increasingly done by using phishing and malware attacks. The NERC standards updated this year ensure that if a third-party needs to access our protection and monitoring systems, several steps must be taken to ensure the device being connected is not infected with malware and that the user of the device does not have bad intentions of harming our utility. In 2020, some utilities across the country have been attacked with security systems breached causing bad actors to operate the electric facilities however they wish. FPUA has taken cyber security very seriously and accept that cybercrime is a real threat to the health and well-being of our electric power grid.

If an emergency issue arises during the year as it relates to electric service continuity, NERC will issue NERC alerts via our regional entity SERC. For 2020, FPUA received two NERC alerts: one for Coronavirus Disease Pandemic Contingency Planning and one for securing the United States Bulk-Power System. The Coronavirus alert consisted of recommended actions from NERC that utilities can take to respond to the pandemic and to create plans for contingency should the pandemic increase to affecting personnel within the utility. Fortunately, FPUA has maintained continuous electric service throughout 2020 and has not had electric operations negatively impacted by the coronavirus. For the next alert, an executive order from the President of the United States was issued on May 1st that required electric utilities to replace any major pieces of equipment manufactured by foreign adversaries of the United States. FPUA determined that there were no major pieces of equipment on the system manufactured by any foreign adversaries and that no replacement of equipment was required. The relationship between FERC & NERC consists of working in collaboration on future concerns through white papers, which designates possible issues or areas of improvement on the horizon for electric utilities. FERC and NERC will typically inquire about comments from utilities for white papers, which helps them gauge whether the white papers are useful or not. Some of the notable white papers issued this year include: Cybersecurity Incentives Policy, which provided possible solutions on cost recovery if invested in cyber security above the minimal requirement; Identify Supply Chain Vendors, which advised possible techniques in identifying manufacture origin in devices in computers for network connections; Cyber Plan for Response & Recovery, the Cyber Incident Report & Response Plan requirement was reviewed and commented on by NERC & FERC. These organizations determined that having this plan is very important for the health of the utility; once a cyber-attack occurs, the scope of the restorations can be difficult to assess. FPUA maintains an incident response plan that is reviewed annually for gaps and areas for improvement.

Mr. Meyer said the year 2020 has been challenging and difficult in many ways, but FPUA has been able to maintain electric service continuity and safeguards to protect against cyber-attacks to the power grid. NERC has focused very hard on the growing threat of cyber-attacks and we anticipate that this ever-changing issue will be monitored and improved upon by FPUA in the years to come. FPUA will be diligent in monitoring the manufacturing origin of equipment purchased for the power grid on future bids and RFP's as threats to the grid may come in physical form as well. FPUA is also reading the NERC & FERC white papers to determine if any benefit to the utility can be made by implementing suggestions posed by these organizations. FPUA stands committed to maintaining regulatory compliance with NERC and will continue to monitor NERC alerts so we can provide the highest quality service for our customers.

Mr. Tompeck said the next item is an information item on the AMI update and Paul Jakubczak will make the presentation.

Paul Jakubczak, Director of Electric and Gas Systems said he is happy to present an update on our AMI system and AMI deployment. He said if you remember, it's been about a year since he came

to Board and got approval to move forward with this. He will give an update as to where we are at. For those of you that have forgotten the AMI infrastructure is advance metering infrastructure, it's a two-way communication between head-end equipment, basically computer servers and the meters out in the field. Basically the two-way improves our efficiency and also provides for real-time information. This also constantly communicates with the meter out in the field so it provides the real-time information. Some of the benefits we see for FPUA is knowing what is out there and what is going on before the customer calls. If there is an outage, the meter will tell us it's out of power before the customer will call us. It also will provide us a better relationship with the EOC during a hurricane. One of the issues when you have a special needs shelter, is in order to release the individuals in the special needs shelter, they need to know if they have power in those houses. Currently, we don't have that capability, but this system will allow us to do that. It will allow us to get deeper into the data which will allow us to look at our system more from an engineering analysis perspective to look at losses, look at problems, or potential problems in our system. It also will allow us to do leak detection. Right now if you have a leak on a water meter, you won't know about it for 30 days until you see the higher bill. This will allow us to see that on daily basis and we will get into a little bit of that in the future here. Also allows to us do remote disconnects and reconnects and also do same day turn ons. Just an example, with today being the first of the month we had 62 orders to complete in addition to all the disconnects from the COVID portion of it. Once the system is implemented, we will be able to do that in the field in matter of minutes instead of having to send five guys out to take care of all of those. It also will help with tamper protection. Right now we don't know about tamper protection, unless we see the lights on in the house that we know is supposed to be turned off or when the meter readers go out there and see the seals cut. It will automatically allow us to be able to notice that and we will be able to work better in our revenue protection. It also will help us since we have to visit all 53,000 devices, it allow us to take a look at everything and make sure it's all up to snuff the way it's supposed to be, make sure there's no issues in the meter sockets, no leaking, water meters, and so on.

Mr. Jakubczak said we talk about some of the benefits to our customers and talked a little bit about the meter based inspections and the water meter inspections. He said we are looking at being more proactive with customer service. We'll be able to talk to customers when we see a potential of a high bill. We're also going to be looking at reclassifying some of our meter readers as customer service technicians to be able handle this improved customer perspective. We're also looking at doing, in the future, a pay as you go program so the customer can put $20 a week on their bill and they don't have to worry about coming up with $100 a month at the end of the month as they start to see the bill get up there and their balance drop down, they can add money to that. We're working on a customer service portal and we talked a little bit about this and Tom Fryar did a great job when he did the presentation on the new web site. We're working with Silver Blaze to be able to put out more information so the customer will be more in charge of what they can do and what their bills will be able to do.

Mr. Jakubczak said our current deployment, right here is a map of where all the electric meters have been installed now. He said you will see right now we're showing 2000 meters and these are scattered all over the place because we continued to install electric meters for replacements. When a meter goes bad, we replace it with an AMI meter instead of buying a different meter and having to replace that in the future, so we did get a little bit proactive on that. Out of that 2000 meters, about half of those are in the advance deployment area. If you look on the displayed map, you can see where the advance deployment area is in the southern portion of where our service territory is. It starts around Gator Trace and goes south and also we pick up the southern portion of the water territory out on the beach, which is from Repump 2 to the county line. The next slide shows all the water meters that have been installed. As you can see on the far right-hand corner, you see those blue meters there, that's the portion of the beach we need to pick up and normally we have to drive all the way out there to be able to pick up and now we will be able to sit in the office and pick these up as they move forward. This slide is the gas side and they've done some similar to what the electric has done. As they get to where they need to replace a meter or service a meter, they will put the module on there to be prepared when we get ready to do our advanced deployment or the next phase for deployment. Currently we have 95% of the meter infrastructure deployed for the advance deployment. That means the meters and modules have been installed and changed out. Right now we are reading about 60% of all those meters that are out there and part of that is because of the gatekeepers and repeaters. We will get into a little bit of that as to why we're not 100% with those in a second. Current read percentages you can see that electric is 99.5%, water 52%, and gas 62% and that is the same thing because that infrastructure is not in there to get all those meters put in there. To date, we are reading about 900 accounts which equates to probably about 1,400 total end points and a lot of that is in the Gator Trace area, south, and also on the beach. We're also able to disconnect and reconnect from the office, currently we have done that a couple of times. We had one account today that was actually a move in and move out that we are able to read from the office instead of sending crews out.

Mr. Jakubczak said some of the acquired benefits we've learned so far, we have to visit every single location in our service territory, water, gas, and electric to be able to change the modules and meters. We have had 20 leaks detected, 15 on the residential side, 5 on the commercial and we have gotten a hold of the customer to let them know we detected a leak on the system. We will work with them so they can get their plumbers out there to repair the leaks before they have to pay for additional water usage. To date, if you remember, one of the things we talked about on the electric side when we put this together is every single meter that we looked at, if we felt it was bad or potential for hazard, a loose lug in there or the meter base so rusted it would fall off the house, we took it upon ourselves to replace that at no cost to the customer. To date we've had a total of eight and will continue this program as we move forward with total deployment. One of the benefits from an hourly standpoint, the 900 accounts we are currently reading would take about 23 man-hours because of the way they are set up and scattered out. Currently we can do that within minutes, all we have to do send the file up, press the button, and wait for the meter reads to come back. When we talk about the data and the hourly data, the

daily data that we can bomb back, displayed a snapshot of a daily consumption of the electric on the left and the water is on the right. This is a single customer out in Gator Trace and it allows us to look deeper into this to help the customer to determine usage pattern and the easiest one he can come up with without getting into all the details is looking at the water usage on the right-hand side. Chances are they are probably not using that much water at 2:00 and 3:00 in the morning, unless they come home and shower or filling up a pool, he thinks it may be irrigation. They may be running their sprinklers at night or early in the morning and this may be a chance for to us look at them and say maybe you would benefit from having an irrigation meter so you won't get charged those sewer charges or different things that we can help them with. If you look at the one on the left with the electric, between 6:00 and 9:00 in the morning people are getting ready for work and school and then maybe around noon to 4:00 maybe this is all part of home schooling. That is why there is usage between that period at the end of the day at 6:00 everyone comes home, they turn the air on, the TV and lights, then it slowly dissipates from there. This is some of the data we will work with and training Customer Service Representatives as well as our Customer Service Technicians to be able to talk to customers to help them understand the usage pattern and to adjust and drop down their billings. Another acquired benefit we have from here is outage detection. The map displayed is green and that is what we like to see. If we do have an outage and when the meter reports back, it will turn red and we'll be able to click on the meter and find out when it went out and how long it was out. This will help when we get customers that call in the next day and says their power was out for this period of time, we can look at this and say you may want to check some of your breakers because we're not seeing anything. One thing we are working on now is the integration of this system into our outage management system. When a meter shows up it automatically goes into dispatch so they do not have to have another screen set up, it automatically tells them we are reporting an outage, you may want to take a look at this.

Mr. Jakubczak said we like to say this is overcoming opportunity not obstacles. He said here is some of the reasons and some of the things of why we're not 100% done in the advanced deployment area. We ran into some permitting delays a little bit with the state, but more on the County's side of it and we think we finally worked through those processes to make sure we can get our poles permitted in their right-of-way. We have to install repeaters and gatekeepers outside of the electric territory as well and we are working through that especially on A1A and that is why you see some of those meters picking up because we are using a solar repeater. Every location that we do not have an electric meter in our electric service territory, we have to have an account set up, which is a $30 minimum monthly charge plus very minimal usage. We are trying to avoid that a little bit, it is coordination with FPL. Material delivery he said he is not sure if this is COVID-related or not COVID related, but we just placed an order for the next area of deployment and we are looking at the end of December or middle of January for delivery on some of this material. One of the things that is interesting on here and he knows Andrew Byrd from the Water Department would find this interesting, we did find the meter lids from the water side of it, when we got rain, they floated up and washed away. They were holding on by the wire going down to modules for meters. Since that time we have worked with suppliers to be able to

get a lid that will lock down or be heavy enough to not float away when we get the rain we do here. The COVID-19 delays, one of the things we did is hold off a little bit on our deployments and that's because a lot of kids working and doing home schooling. The worst thing you do is go there at 9:00 in the morning to get ready to take a test and you have to pull the meter for the ten-minute power outage and now their sitting there trying to explain to the teacher why this is happening.

Mr. Jakubczak said the next steps as you look at the map, it shows the next area of deployment. He said when we started looking at the next area of deployment, we started looking at what routes do we have that we read right now manually, take the longest, and take the most amount of time to get through and this is what was decided. Basically it will take the entire South Beach, all the way around, go over the bridge, and it will go from US-1 to the Indian River Lagoon down to about the Gator Trace area. That will tie in the advanced deployment area and the next phase of this. As you can see, we're looking at about almost 11,000 meters and modules to be changed out. If you remember when we originally put this together, we were looking at a 5-6 year deployment; however, that may change based on some potential debt refunding we're looking at doing. If we do, we will accelerate this to three-year cycle so we may have to employ some additional outside help to make sure the meters and the modules get installed in time. Some of the other things and already we talked a little bit about some of these, is the meter outage management integration with the current outage management, part of that will go into a customer portal. We are hoping, once this integration is complete that if you have one of these meters on your house and you lose power, it's going to automatically tell us you are out of power. Also it is going to be able to send you a text message or something saying we know you are out of power and we are working on the restoration and moving forward from there. We also will be working like we talked about with Customer Service Reps as well as our internal staff to make sure they can work with customers to understand their usage pattern to be able to lower bills. Internal process changes, we've been doing this meter reading and reading this way for years and years and of course there's going to be some changes to that. When you don't have meter readers going out there, billing schedules and those type of things can change. Overall it will be providing us quite a bit of efficiencies as we move forward.

Mr. Jakubczak said of course everyone wants to know about the financials and where we are with financials. He said the original contract was $7.6 million and that was with Honeywell/Elster. We had Amendment 1 for $35,000 and that was to integrate their Outage Management System with our Outage Management System. The next item on the agenda is Amendment 2 and that is $294,000 for a total contract of $7.9 million, almost $8 million. To date we've got two purchase orders out there, the first for the advance deployment area which is $908,000 and then Phase 2 is about $1.8 million. If we stay on the same five-year schedule, we are looking at about another $5.2 million over those following four years. Mr. Jakubczak said he would be happy to answer any questions the Board may have.

Ms. Cavalcanti asked how well does this hold up in a hurricane, like you were talking about post with the solar and all that.

Mr. Jakubczak said from what we're being told and what we're seeing as long as the poles are in the ground, we are good. He said we are using a decorative concrete pole instead of a wood pole since we have to install everything on our own poles. We are storm hardening it as best we can, with the solar repeaters, which we will bring up here in a second, once the sun comes back out those solar repeaters will start to work again. We don't have to worry about outages from say in the FPL territory.

Ms. Cavalcanti asked if the solar repeaters would get ripped off.

Mr. Jakubczak said they are not supposed to. He said we were very specific that we told them it was in a coastal area with a lot of salt spray and high winds and they designed it accordingly.

Mr. Matthews asked if he is saying the meters are weather proof and hurricane proof and everything.

Mr. Jakubczak said the water meters have been proven they could work under water so we are good there.

Mr. Fee said except the lids float.

Mr. Jakubczak said the lids float, but it's still good, it's like a bobber.

Mr. Matthews asked if they can detect if someone is tampering with the meter from the office.

Mr. Jakubczak said yes, the meters are set if they are tampered with, it will send an alert to the office. He is not saying that we'll be able to catch the tamperer red-handed, but we'll know there's something going on with that meter. A lot of them are tilt tampers so there's a switch to tell if it goes beyond a certain way or the voltage doesn't look right on the electric side. Same thing on the water side, reverse flow, those type of alarms come through on daily basis. We've got people stationed right now to be able to look at all those reports when they come in.

Mr. Matthews said in the Lincoln Park area, he asked roughly how many meters we have changed over.

Mr. Jakubczak said in the Lincoln Park area, we haven't gotten to that area yet in our deployment schedule, but he knows we have changed some meters out there. If you look at the electric meter map, as you can see we've changed meters all over the place. He can't give you the specifics but can get that information if you need it.

Mr. Matthews said his other concern it our weatherization program goes in and does some things to make certain the person has a pretty good house after the insulation is installed. He asked if that can be picked up that something better from the weatherization program has been improved there, opposed or not. He said if we got a customer running $300 or $360 in the light bill and we go in with the weatherization program and after that, would that meter be able to say good about that.

Mr. Jakubczak said what the meter will be able to show and he scrolled to a slide and said if you look at the item on the right, let's just say that was electric usage, we did it on daily basis instead of hourly basis like now. What we would have the possibility of seeing is those first two purple bars going up, that could be prior to anything being done at the house. The bars after that could be showing you the benefit of what you did after that, depending on what the benefit is. It does have that capability to be able to tell you what day you did something and that's the benefit of this system. One of the things we always get is why is my bill so high. We will be able to pull up the account and say you know what, on Saturday or Sunday it looks like you used 10,000 gallons of water, what did you do. They may said I forgot I filled my pool on that day. Then you will be able to get the customer to think about different ways to approach things, especially with the efficiency as well on the water side, gas side, and electric side.

Mr. Matthews asked if the billing cycle will be the same.

Mr. Jakubczak said nothing in the bill cycle will change, it will be the 28-day read cycle. He said the other thing with this is it allows the customer, let's say that people get paid on the 15th, we will in the future be able to change their billing dates and cycles to be able to bill on the 15th. We will be able to read it sooner than waiting for the meter reader to get everything processed through.

Mrs. Gibbons said first of all, you said about 10 minutes and is guessing that's how long it would take to put the meter in.

Mr. Jakubczak said we assume about 10 to 15 minutes and normally it's quicker than that. Because we're doing the voltage checks, looking at the inside of meter base, we looking at some of the wiring to determine if it needs to be fixed, we give ourselves 10 to 15 minutes. We take a before picture and after picture to make sure we're looking at everything. If anything doesn't look right, the guy changing the meter will bring it back and we will review and determine if we really need to change out that meter base or not.

Mrs. Gibbons said she is guessing there will be some communication with the homeowner prior to that.

Mr. Jakubczak said yes, every homeowner is given door hangers, knock on the door, and we make appointments to make sure the people know we're in those areas and changing out meters. We

try to coordinate with all three divisions, water, gas, and electric so we do it on the same day. It's just a matter of the numbers and the amount of time it takes for each to be done.

Mrs. Gibbons said the other thing is going to be in relationship to the last presentation about cybersecurity and asked if FPUA is doing anything extra with the cybersecurity.

Mr. Jakubczak said everything when this contract was put together, there's a large section in there about cybersecurity to make sure they are up with the latest standards. He said the company we're using has two different data centers that go through, if he remembers right, a level five security check and that's beyond him, it is an IT thing. They've got so much security built in there and there is really no true way to hack the system, so to speak, that he has heard of or seen. Some of this technology has been out there for about 10 years now.

Mrs. Gibbons asked if we have heard of that happening anywhere else.

Mr. Jakubczak said no, not at all.

Mayor Hudson left the meeting via telephone at 5:02 p.m.

Mr. Tompeck said we are going to go ahead and pick up with the next item which is requesting approval of Amendment 2 to the AMI Elster contract and Paul will make that presentation as well.

Mr. Jakubczak said he is here to request approval of Amendment 2 to the Elster Solutions contract for $294,869.91 from $7,687,411.05 to $7,982,280.96 and this is for two things. One is for the replacement of the existing repeaters that were in the contract to a new repeater that has more range. That more range means we may be able to spread them out more and means we may have to have less out in the field. The second is the solar repeaters and they will be a reat benefit for us especially when we get further out into the county areas that will be a little bit more difficult to get FPL to correspond. He is requesting approval for Amendment 2 for Elster Solutions for the AMI contract in the amount of $294,869.91.

Mr. Matthews asked if FPUA has had experience with them.

Mr. Jakubczak said we currently have 20 solar repeaters in the system now, which are working exceptionally as well as some of the upgraded repeaters. They shipped us a couple to try out and they seem to be picking up a lot further. They originally said about an 800-foot range and we are seeing they are picking up almost a mile.

Mr. Matthews asked what type of warranty is on them.

Mr. Jakubczak said he beliefs we bought an extended warranty to go through the entire portion of the contract which is five years. He said he believes it's a one-year warranty and we purchased an extended warranty for five years

A motion was made by Ms. Cavalcanti, seconded by Mrs. Gibbons, and unanimously carried to approve POA 18-40: Amendment No. 2 to the Smart Grid Solutions Contract for Advanced Metering Infrastructure with Elster Solutions, LLC, of Raleigh, North Carolina, to add Solar Repeaters, upgraded Electric Repeaters, and associated line items to the pricing list in Exhibit E, and to increase the contract price by $294,869.91 from $7,687,411.05 to $7,982,280.96.

Mr. Tompeck said the next item is approval of an award for unit price contracts for water/wastewater underground utilities and James Carnes will make the presentation.

James Carnes, Supervising Engineer for Water/Wastewater Engineering, said traditionally the annual unit price contract was necessary for the continuation of contract services to install, repair, and replace water and wastewater facilities for FPUA. Recently, FPUA added water and wastewater expansion projects to its strategic plan and the need to have additional contractors has become necessary to effectively complete these projects. With that in mind, the Invitation to bid was uploaded to DemandStar on August 7 and was received by 849 vendors. Twenty-three vendors requested specifications with five responding and on October 8th, FPUA submitted a best and final offer to the five responding vendors. Four of the vendors accepted the best and final offer and one did not. A recommendation is being presented to the Board to accept the best and final offer bids from MasTec North America Inc., Southern Underground Industries Inc., Hinterland Group Inc., and Johnson-Davis Inc. Mr. Carnes said furthermore, staff is recommending Mastec receive a contract for $1.5 million and the remaining three companies receive a contract for $1 million each. The additional $500,000 for MasTec is required to handle emergency and planned capital work for Water Distribution and Wastewater Collections. Staff recommends approval of the Award of Bid and Agreements for the Unit Price Contracts for the installation of Water/Wastewater Underground Utilities with the following four firms for a total amount not to exceed $4.5 million: MasTec North America Inc. for $1.5 million, and Southern Underground Industries Inc., Hinterland Group Inc., and Johnson-Davis Inc., for $1 million each. The initial term of this agreement will be from October 1, 2020 to September 30, 2021, with four one-year renewal options.

Mr. Matthews asked if he understands you are having all the contracts dated the same.

Mr. Carnes said yes.

Mr. Matthews said he just wanted to make sure.

Mrs. Gibbons asked if there are PO's associated with this or is it just having the funds available.

Mr. Carnes said these are PO's, we just do not have any allotted budget monies to them, we have to pull all the projects out of the blanket project codes we have and bring it to the Board for approval for each of the individual projects.

A motion was made by Ms. Cavalcanti, seconded by Mr. Fee, and unanimously carried to approve Bid No. 20-50: Award of Bid and Agreements for the Unit Price Contract for the installation of Water/Wastewater Underground Utilities with the following four firms for a total amount not to exceed $4,500,000: 1) MasTec North America Inc., of Coral Gables, FL in the not to exceed amount of $1,500,000 annually, and 2) Southern Underground Industries Inc., of Pompano Beach, FL, 3) Hinterland Group Inc., of Riviera Beach, FL, and 4) Johnson-Davis Inc., of Lantana, FL, in an amount not to exceed $1,000,000 each. The initial term of this agreement will be from October 1, 2020 to September 30, 2021, with four one-year renewal options.

Mr. Matthews asked if the Mayor is not voting.

Mrs. Mazzarella said she texted she was getting off the call at 5:00 p.m.

Mr. Tompeck said the next item is a request for approval of vehicle purchases for fiscal year 2021 and Javier Cisneros will make the presentation.

Mr. Cisneros said he is here to request approval of the purchase of seven new vehicles from Alan Jay Fleet Sales, Inc. of Sebring, Florida, totaling $308,737 under the Sourcewell, formerly National Joint Powers Alliance contract number 2019-120716-NAF. These vehicles are part of FPUA's capital budget plan for replacement in fiscal year 2021. Three of these vehicles will be CNG vehicles, compressed national gas vehicles that we utilize the current CNG station at the Energy Services Center. We will be replacing a 2000 F-150, 2008 F-150, 2008 Chevy Uplander, 2005 F-150, 2007 Ford Explorer and a 2008 F-350 with one F-150, two F-150, one F-450, one cargo van 350, and a new Ford Explorer. Mr. Cisneros said he would be happy to answer any questions you may have.

Mr. Matthews said he has two. He asked if we have drivers and operators for these seven vehicles.

Mr. Cisneros said yes sir we do.

Mr. Matthews asked how soon will these possibly arrive if we approve it.

Mr. Cisneros said that is a good question. He said they typically take a while and that's why it is important for us to approve this as soon as the new budget is approved. In the past, we get them

pretty close to September and it varies, but typically takes it takes six to nine months depending on when we issue the PO.

A motion was made by Mr. Fee, seconded by Mrs. Gibbons, and unanimously carried to approve POA No. 21-14: The purchase of seven vehicles from Alan Jay Fleet Sales, Inc., of Sebring, Florida, totaling $308,737, under the Sourcewell, formerly National Joint Powers Alliance, Contract No. 2019-120716-NAF.

Mr. Tompeck said he has one item. He said the FPUA Board Members received a memo from the City Manager on the 23rd of November on an unsolicited proposal for the wastewater plant from Aqualia. The memo contained a request from Aqualia on information they would need to develop a detailed proposal. The City Manager requested FPUA supply the information. As he mentioned at that the City Commission meeting on November 16th, we are not currently looking at a public/private partnership for this project. He thinks the timing is not appropriate since we'll be meeting on January 7th to discuss the path forward on relocating the WRF off the island. Based on the Charter, Section 169 A, we're under no obligation to participate in this evaluation and we're not bound to any City decision on the proposal. Staff recommends we do not do anything with this request and review it again after the joint meeting on January 7th. If for some reason what we decide or discuss going forward on the WRF location on January 7th goes upside down, then we can certainly go back and take a look at this proposal or start to provide the information for them developing a proposal.

Mr. Matthews said he will take the lead on conversation. He said he looked at and read it and went back and read it and believes that it is a little bit out of the league for the City Manager to be getting us involved so soon with this. Secondly, all your expertise is Utility Authority and that is not with the Charter. All our expertise is in Utility Authority and the City does not have the capability because they don't keep up with it on a regular basis. We have staff and we have the qualification to get any research to look at. Mr. Matthews said the last thing he wants to say is there is no players with any funds. He does not even know why they are worrying about it and thinks it should be put off until at least after the meeting in January.

Ms. Cavalcanti said it sounds okay to her.

Mrs. Gibbons said she agrees.

Mr. Tompeck said thank you very much and that is all he has.

Mr. Matthews asked if we need a motion.

Mr. Tompeck said he does not need a motion.

Mr. Matthews said he thinks Mr. Tompeck should answer him back in two lines rather than not answering back.

Mr. Tompeck said okay.

Mr. Fee said to refresh his recollection, isn't Aqualia a foreign based company?

Mr. Tompeck said yes they are and thinks they are in Spain and are looking to come into the United States and put some plants in. He thinks they are highly respected in Europe, it's not a fly by night company and does not want to give that impression.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN