MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, MAY 4, 2021, 4:00 P.M., CITY COMMISSION CHAMBERS.

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

Others present: John K. Tompeck, Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney, 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 Charlie Frank Matthews.

Opening Prayer was by Christelle Myrick of FPUA, Water Distribution.

The Pledge of Allegiance was recited.

Mr. Matthews said at this time Mr. Tompeck has something special for all of us.

Mr. Tompeck said thank you Mr. Chairman. We have a special recognition this afternoon. Back when Gerald Ford was President of the country Christelle Myrick started at FPUA. That was 45 years ago yesterday. This is an outstanding achievement! She represents our longest serving employee ever. She's outlasted nine Directors and I'm sure she'll out last me as well. Over 1,500 employees have come and gone since she started and as of today we have 117 employees who are under the age of 45. We want to congratulate Christelle for this remarkable achievement and wish you continued success at FPUA in the future.

Chairman Matthews and Christelle's Manager, Andrew Byrd, will make the presentation of the service award.

Mr. Byrd said it says Certificate of Appreciation. This certificate is proudly presented to Christelle Myrick staff assistant of Fort Pierce Utilities Authority, Fort Pierce, Florida for 45 years of continuous service from May 3, 1976, to May 3, 2021. It is through your commitment that our goal of providing our customers with economical reliable and friendly service in a continued effort to enhance the quality of our life in our community is being met. May your dedication continue to contribute to your professional growth and development with the company. Signed John Tompeck, Director of Utilities.

Ms. Myrick said thank you, thank you so much.

Mr. Byrd said you're more than welcome.

Mr. Matthews said on behalf of the Board, the Directors, staff, and your coworkers we appreciate you taking home this award.

Ms. Myrick said thank you. I just want to say thank you, thank you, thank you. I have two of my kids I raised since I've been employed with FPUA. FPUA has been so good to me including the Ft. Pierce City. I started out with the City of Ft. Pierce as temp employee and all 30 years it's just been a blessing. I thank God for allowing me to persevere and continue working for those many years. I thank God and I thank you all for having me this long. God Bless you. I also thank my Director, John Tompeck who he made sure that I be here for this. I thank him for that. I thank my Superintendent, Andrew Byrd who worked with me and always encouraged me and I thank God for them. Thank you.

The roll was called and a quorum declared.

A motion was made by Ms. Cavalcanti, seconded by Mrs. Gibbons, 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 Regular Meeting of April 20, 2021.

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

1. POA No. 20-01: Approve the Contract for the ESC Galaxy VS UPS Preventative Maintenance, with Graybar Electric Company, Inc. of Clayton, Missouri, in an amount not to exceed $60,168.75. The term of this contract is five years, beginning March 20, 2021, and ending March 19, 2026, contingent on receiving the required Certificates of Insurance.

Ms. Sabota read the following voice mail of appreciation into the record:

A voice mail was received by a customer, William Higgins, thanking Customer Service, Val Sirmons and her team members Wendy Tomlinson, Bobbie Plasencia, and Shelia Parnell for their professional courtesy and leadership.

Mr. Matthews said we are always glad to get letters of compliment or recognition for our employees, thank you. Mr. Tompeck will you lead us into new business.

Mr. Tompeck said thank you Mr. Chairman. The first item this afternoon requests approval of the $4.00 decrease in the PCA effective June 1 and Barbara Mika will make the presentation.

Ms. Mika said thank you Mr. Tompeck, Chairman Matthews and Board Members.

Good afternoon. I'm here today to provide you the information about the status of the March Power Cost Adjustment and the updated 12 month projections through March of 2022.

Power cost recovered from customer billings that are in excess of the $79.52 base power cost are accumulated and are credited back to the customer through the PCA adjustment. The cost of purchase power from FMPA for the month of March was billed to FPUA at a rate of $73.05 for 1,000 kilowatt hours. This was a decrease from the previous month of $1.72. In March, FPUA experienced an under recovery of our power costs from the customer of $367,000 bringing our over recovery to $3.1 million.

This chart tracks the cumulative monthly power cost adjustment, PCA over recovery in relation to the power cost adjustment levels going back to March of 2019 and projecting forward 12 months through March of 2022. The level of power cost adjustment is currently at negative $8 per 1,000 kilowatt hours that's represented by the dark blue line across the bottom. The last approved adjustment to the power costs was implemented on November 1, 2020. That was an increase of $3 from negative $11 to the negative $8 per 1,000 kilowatt hours.

On the top of this chart, the blue bars represent the actual monthly over recovery or the orange bars depict what the over recovery would be if all of our forecasts are correct. These projections were prepared by Raftelis financial consultants and were based on data forecasts from FMPA. Since February's forecast, FMPA's estimate of the cost of purchase power for the upcoming 12 months has decreased slightly just less than 1%.

This graph presents a comparison of three projections of power cost recovery trending through March of next year. Based upon the current forecast from FMPA, all three of these projection scenarios are favorable with two offering projected changes allowing FPUA to increase the amount of the power cost adjustment that we can return to the customer over the summer months. The gray line shows the path of the over collection with no change to the PCA and the projected impact for the next 12 months. The two additional scenarios which include changes to the PCA and reductions to the over recovery of our power cost are displayed for both a $2 and a $4 decrease. The PCA beginning in June with that adjustment returning to current level at the beginning of the next fiscal year. The green line shows what the $2 change would look like and the red line shows a $4 change. Since both of these scenarios will maintain a desirable level for the PCA either one is a sustainable option.

The current FMPA projections have our average cost per 1,000 kilowatt hours sold lower than the base cost through January of 2022. This allows us a few months to return some of the power cost savings before the expected increases in the late Fall. We will, of course, continue to evaluate the monthly projections that we receive from FMPA and report to the Board. Based on these assessments, it's the recommendation of staff to lower the power cost adjustment by $4 from

negative $8 to negative $12 per 1,000 kilowatt hours effective June 1 and continuing until forecasts indicate some other change is necessary.

If you have any questions or comments regarding this recommendation I would be happy to address them.

Mayor Hudson said I would like to acknowledge that Ms. Cavalcanti is the one who led us into this and I really appreciate it.

Ms. Cavalcanti said hopefully it works.

Mayor Hudson said it was kind of an obvious philosophical thing to give back whenever people were using the electricity the most. I appreciate that.

Mr. Matthews asked if there were any more questions from the Board?

A motion was made by Ms. Cavalcanti, seconded by Mayor Hudson, and unanimously carried to approve a decrease in the Power Cost Adjustment (PCA) of $4 per 1,000 kWh, from -$8 to -$12 per 1,000 kWh, effective June 1, 2021.

Mr. Tompeck said the next item is the Bill Comparisons for the month of March 2021. Michele Harris will make the presentation.

Ms. Harris said thank you Mr. Tompeck, Chairman Matthews, Mayor Hudson and Board Members. I am presenting to you today the monthly update and comparison of Florida municipal electric rates published by FMEA and the local Treasure Coast utility bills for the month of March.

This first graph shows the comparison of residential electric rates for 1,000 kilowatt hours of consumption for the 13 municipal utilities which are members of the All Requirements Project. They are displayed and ranked based upon their base bill amount. Our March rates at $108.84 shown with the yellow bar, ranks us with the fourth lowest in the group.

This graph displays the comparison for that same level of consumption, but includes the municipal utilities in the State of Florida. Our March bill at $108.84 ranks us the 11th lowest when compared to the other 31 municipal utilities. In March, while we maintained our rates for another month, 12 of the other 31 municipal utilities implemented rate changes. The overall impact of those rate adjustments, resulted in an increase of $0.23 cents for the ARP average and a $0.79 increase for the municipal average.

FPUA's rates for 1,000 kilowatt hours fall below all three averages, the ARP, the municipal and the IOU average.

This graph presents the similar comparison, but for 2500 kilowatt hours of consumption. Our March bill at $274.80 help us remain in the middle of this group. Again, for this level of consumption FPUA falls below all three averages, the ARP, the municipal and the IOU average.

This table displayed is the March comparison of the average residential bill on the Treasure Coast. FPUA's utility bill for all three services provided inside the city limits is shown in the first column in blue. All other bills in this table have electric services by FP&L and water/wastewater by the localities provider.

This comparison reflects the bills for average consumption of electric, water and wastewater services. There's been no rate changes to the March bill since the February comparison was presented.

This item is for information only, but I will be glad to address any questions you may have.

Mr. Matthews asked if there are any Board Members that have any questions? Appreciate it. Thank you.

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

Mr. Jakubczak said thank you Mr. Tompeck, Chairman Matthews, Members of the Board. I'm here to give you an update on our AMI project to the beginning of May of this year. The last update was in December and quite a few things have happened and we're pleasantly surprised at the progress we've made on this project.

For some refreshers, I'd like to talk a little bit about the AMI. It's a two-way communication between all the meters. It allows us to get data quickly from our customers and to be able to be proactive than reactive when there's information. It's also going to improve some of our efficiencies and allow us to get some real-time information. It will assist in outage detection and knowing the customer is out before they can call in, controlling losses on the engineering side, leak detection on the water side, remote disconnects, reconnects, and same day turn-ons for customers. Also tamper protection as we will be able to know as soon as you pull that meter that there's a problem. That has happened a couple of times.

We're also doing a check on every system that is on our system from the water side, gas side and electric side just to find out if there's problems out there that residents may or may not know about so we can go ahead and get them fixed.

Some of the benefits to our customers we talked about are meter based inspections. We're looking at being more proactive. Our customer service technicians will be able to go out and

meet with customers and discuss energy efficiency and talk about leak detection. Those types of items are in the works and will be done probably within the next 12 to 18 months as we progress further with this.

New options for payment, pay as you go. Maybe look at eliminating deposits and allowing the customers to control their own destiny with the amount and balance they have on their accounts. Maybe doing some flexible billing schedules. We're also working on a customer information portal so the customers can see some of their billing information going forward.

As I get into the next few slides. I want to give a big kudos to the water, gas and electric crews that are out there changing out the modules and meters. You will see why as we progress through this portion.

This is the map that I showed you back in December of 2020 as far as where we were at. A lot of this was pretty much just our little pilot area that we've done which is just south. If you take Gator Trace and go south, also the south portion of the island from where pump 2 is going south of the nuclear point. This is pretty much what we had before. The island is cut off a little bit on there. This is where we are at right now on the electric side per current deployment. We went from 7% in December to almost 20% and this was taken as of last week. What you will see there is there's a lot of red dots all over. The bigger red dots are our gatekeepers which basically collect all the information from the meters and the modules and transmit that back to the equipment so we can look and see what's going on either on the customer side or the utilities side.

On the water side we had roughly 4% and currently we're almost at 10%. That's a 6% gain in four months. I don't have exact totals for the modules, but there is quite a few modules out there. Gas went from about 3.8% all the way up to 15%. That's another big change there as well.

In our current deployment we're going to call this phase 2. Eighty percent of the reading infrastructure is currently deployed. Basically that's 100% of those gatekeepers which I talk about and about 70% of the repeaters. For some of the repeaters, were still running into a little bit of quality control issues and some issues dealing with FP&L and getting them hooked up on the south side. It appears we finally jumped over that hurdle and we were able to try to do a smooth transition there.

Our current read percentages are almost 100% on the electric side for those that have been deployed, 88.5% on water and 93-94% on the gas side. Currently, we're reading and billing almost 2,800 accounts for this out of our total I think there's a little over 40,000 total accounts that we bill.

We are also able to reconnect and disconnect from our office. We've done some batch disconnecting. When people haven't paid their bills we will be able to batch disconnect 30+ meters and then be able to restore those as the people come in and pay their bills.

Some of the acquired benefits that we've seen so far is leak detection. Where 1.38% for everything that's deployed we found a little bit over 1% leaks. The reason that this is important is normally if you had a leak at your property, i.e. a toilet was leaking or a hose. Someone turned the hose on outside to be funny. You probably wouldn't know about that until your bill showed up which is 30 days later. Now we're able to look at that and go out and find out what the actual problem is and work with the customers to let them know they have a leak and there's a potential to get a plumber and come take a look at what's going on in their system to try to save them some cost.

On the electric side, about 2.3% of electric services that we have visited needed some type of repair. If you remember when we did our original proposal that we would repair any of those services as we were out there as a service to our customer while working with the city and the county on the inspection process. We talked a little bit about the reading benefits. We can sit at the office, push the button, read the meters within minutes based on communication means. In the past it would take 23 hours based on getting a work order put together, sending out the crews, reading the meter, and bringing them back. Finding out to make sure the read was correct. As you can see there's a lot of good efficiencies right there.

We talked about this before....better resolution. Normally you would only see water usage every 30 days. It would be a lump sum total. This allows you to see daily half date intervals as far as how much water you are using. On the electric side, it's a little more granular and gets down to 15 minute intervals. If you decide to have that big party or put the heater on in the pool, you would be able to tell when you turn the heater on in your pool.

The other benefit we talked a little bit about was outage detection. This is an older map, but there's a lot more green dots on there. We can turn this to make this live for those that actually have the meters installed so we will be able to tell when their power is out and we can pick up the phone and say yes we know they are out. We're working right now with another company which you will hear about probably in the next meeting or the one after that. They will be able to communicate this information to the customers either through a text message or a phone call through an IBR system. More to come on that. I don't want to spoil the surprises. We're trying to put this package together to where we're going to be able to tell you that your power is out and we've got crews out for that.

Of course there's always opportunities to overcome and you know working with the state and the county on permitting of right-of-ways is never an easy task. We believe we've worked out all the bumps in the road with the county and the state was surprisingly easy to deal with on the right-of-ways. Counties are still a work in progress, but a lot smoother. One of the biggest concerns that we ran into was coordination issues with FP&L. As we were talking about some of the repeater locations, because we have services that are outside the electric territory, we need to install repeaters to pick up modules on the water and gas side. Dealing with FP&L and making sure we meet all of their requirements and schedule properly has been a little bit of a nightmare

and I'm so glad that we're a municipal system and we're a little bit more responsive to our customers than some of the other investor owned as well.

One of the things that we are starting to see and this is pretty much industry standard and everyone is seeing this across the board even if you're not into utility industry has to do with material deliveries. As we talked about our polls and repeaters that we need to install, and know we approved some polls, we're looking at anywhere from 90 to 120 days for delivery. We ordered 8 to get started. Those will not be here until mid-June. The bulk of the rest of them will be here sometime in July. Some of the other things that we're looking at are some of the solar repeaters. Again, another 90 to 120 days and our meter deliveries are up to the 60, 90 to 120 days as well. This is where the committee that has been put together to work on AMI's are working to make sure that we are properly prepared when we do our deployment so we're not waiting on material.

This is a map of our initial deployment area. If you take a line just north of Gator Trace and go south to about Rio Mar where we have our last gas customer and also on the southern portion of South Beach from the nuclear plant going south, this is that initial deployment area. Just to make sure the technology worked and we worked out the bugs and kinks with the modules which worked out well.

This is our current deployment area. Take that same line that was just north of Gator Trace and horse shoe it around all the way to the beach. Right now, like I said, we're fairly well deployed. Last week we had some signs put out there and we got rid of Indian River Drive. If you've seen all the accidents and stuff that happens on Indian River Drive we wanted to make sure that our meter readers didn't have to worry about backing in and out of driveways and pulling in with the traffic. So we took it upon ourselves to blitz that area on the electric water and gas side as well. Now we can push the button, read the meters and not have to send people out there unless there's a problem.

The next deployment area goes from the county line where our service territory ends and goes south to about Juanita and goes all the way over to I-95 and picks up Sheridan Plaza, the airport and some of those areas out west that are water and gas only customers. We will be installing more repeaters and stuff than having to deal with FP&L. Hopefully, we get more solar repeaters in place and not have to deal with them on the power side of it. That pretty much leaves a little bit in the downtown area, as well as from Juanita south and then going down 25th. There's little pockets and stuff to pick up the rest. After this deployment, we'll talk more on the budget side with some debt refinancing. If we don't, we're looking at probably being FY22 in this area here and then FY23 will be another big chunk and FY24 will be the closeout of the project. We will be able to fill in areas that have little pockets of customers here and there.

Some of the next steps that we're looking at we already talked about, the outage management. We talked about having this remote company be able to help that. We're looking right now to be

able to integrate the customer portal and release it to our customers. To be able to see it the third quarter of this year. We waited a little bit on that just so we had more meters and modules installed. It doesn't help to have one module installed and a customer come in and look at it and it's not their house. It's their neighbor's house. We didn't want to run into those issues. We're in the process of continuing to change our internal processes. To make sure that we are running as an efficient utility and making sure that we are providing the best service we can to our customers. We also talked a little bit about the efficiencies and more to come on that as well.

How much money do we have left to spend? We started under $8 million dollars. We've got $4.8 million left to spend based on the original five-year deployment schedule. If we do get into the debt financing and accelerating this there's a couple of extra costs that need to be put in there. Additional contractors to help finish the deployment in the time frame based on what the debt refinancing people and bond people need.

With that, I will be happy to answer any questions that you might have.

Mrs. Gibbons said I have a question. You were talking about Juanita being the next deployment area in pockets downtown. Will that area downtown be a part of that or....?

Mr. Jakubczak said downtown will be the phase after that. It will be phase 3 or phase 4. However you want to look at that. What we looked at is we try to base it on the number of meters and the amount of infrastructure that's needed to gather all those meters. Right now that horseshoe shape takes about 4,000 electric meters, it's around 2,500-3,000 water modules, and close to 1,000 or so gas modules. That all comes with cost. In order to keep our rates where they are at we need to budget accordingly to make sure we're in the ballpark.

Mr. Matthews asked any more questions?

Mayor Hudson said I have a question. Is there any extra benefit or special benefit in terms of hurricanes for having these installed?

Mr. Jakubczak said some of the benefits that we'll see through the hurricane is a lot of this is after we go through our initial assessment and start doing storm restoration what we'll end up doing is we will turn the system back on so to speak. We'll be able to turn that outage management portion back on to see maybe there was a street we didn't go down or we thought we got everyone, but there's a transformer that's out. It will help us through the restoration process as well. The other thing that this will truly help is during the release in the special needs shelter in order to release those individuals to go back to their homes, you have to prove that their utility services are back on. Right now we don't have that ability unless we send individuals that are working on the restoration to be able to verify that their houses have utilities back. With this we will be able to look on the screen punch a button and say yes they can send them out and start clearing the shelters maybe a little bit earlier as well.

Mr. Matthews asked anymore questions?

Mr. Fee said on the AMI financials, the remaining balance is pretty close to $4.8. Will that be enough to get the project completed without debt refinancing?

Mr. Jakubczak said it will. It will take a longer period of time to do. So we don't raise rates for this project which was one of the things that we first originally came to the Board for. We would absorb that through our normal budgeting assessment.

Mr. Matthews and Mayor Hudson said thank you.

Mr. Tompeck said the next item is an information presentation on the transformer replacement program and Eric Meyer will make the presentation.

Mr. Meyer said thank you Mr. Tompeck, Chairman Matthews and Members of the Board. Tonight I would like to present to you our first substation power transformer replacement at Savannah substation and provide you a brief update on the replacement programs progress and future outlook.

The power transformer converts electric energy from the transmission power grid down to the distribution system to be delivered to our customers. Each power transformer serves pockets of Ft. Pierce, which equates to roughly 2,400 customers per transformer. Ensuring the health and continued operation of these units is vital to our reliability; therefore, there are two power transformers in each substation to maintain emergency contingency and power availability. If we need to perform maintenance or experience an outage to one of the two transformers, we can switch the inoperable unit off-line and utilize the other transformer for continued service.

Initialization for this transformer replacement program began during our 2019 strategic planning sessions. Engineering staff suggested implementing a grid modernization plan to optimize our aging infrastructure with newer equipment for continued reliability. Some of our existing substation transformer units were experiencing signs of physical degradation and oil deterioration among other issues and were identified as necessary for replacement under our grid modernization effort. FPUA's transformer replacement program entails procuring one unit per fiscal year for 6 years. Our first replacement was completed in December of 2020 and subsequent units will follow in similar suit until 2025. We're noticing that the total costs for purchasing, designing and installation of these units is roughly $620,000 per unit.

As mentioned previously, our first installation was completed in December of 2020. On the screen is our actual schedule for this first unit. Our transformer drawings were delivered, reviewed and approved followed by a proposed schedule manufacturing dates, arrival dates and

targeted energization dates. It's important to know, the transformer schedule as the unit takes considerable time to manufacture. There's a 40-42 week lead time to be placed in line for the manufacturing of the transformer. After starting manufacturing through the coil process, the tanking process and the factory testing process, transformers can take one to two months to finish. Careful coordination is required as the old transformer needs to be removed before the new transformer arrives for off-loading. Crews will need to be scheduled to assemble the unit in the field followed by connecting the unit to the substation protection and energization systems. Fortunately, coordination was successful and staff was able to meet the targeted energization date within a matter of weeks.

For our next transformer, our goal is to follow the same schedule as the previous transformer installation. On March 16, 2021 the Board approved a scope change to modify the transformers impedance to make the unit more efficient. This fortunately didn't affect our initial schedule for delivery of unit to FPUA. A confirmed schedule from the manufacturer, ABB, has confirmed that they will be able to build, test, deliver and energize the unit by December of 2021.

Looking out from 2021 our proposed replacement units are shown as follows. The King, Longwood, Savannah and Causeway substations will be getting a new replacement transformer in the coming years. Most of the transformers are aging and are past their industry standard useful life of 25 to 30 years. The next transformer, King transformer number 2, is experiencing poor oil condition which warrants immediate replacement. Also, due to an emergency replacement in July of 2020, Savannah transformer number 1 is currently utilizing our spare transformer and will be replaced at the end of our program so that we can store the spare transformer in case we need it again. For the old units we replace we are keeping as spares in case they are needed in emergency situations. Similar to transformer number 1 of Savannah.

The first substation transformer arrived by truck to FPUA on December 4, 2020 and was off-loaded the same day. Since the transformer unit weighs approximately 31 tons as shipped our FPUA boom trucks are insufficient for off-loading and we, therefore, needed a crane to place on the pad. The old unit was picked up on a previous day and delivered to our main yard to be used as a spare in case it's needed. The substation is partially de-energized around where the transformer needs to be off-loaded to mitigate the possibility of an arc flash against one of the structures. The unit was carefully picked up by the crane and rotated to the pad for placement without issue. When the transformer unit is shipped it's not entirely put together and will need to be assembled after off-loading.

The picture to the left and the picture in the center of the screen show the large radiator fins that need to be connected to the unit. These radiator fins are used to cycle the mineral oil inside of the transformer which keeps the unit cool while large amounts of electricity are following through it. Especially in the summer time. If these radiator fins are not installed while the unit is energized the temperature inside will increase drastically causing irreparable damage.

The picture on the right side of the screen shows the transformer bushings being installed. The transformer bushings are used as the connection points to the substation to the transformer with wired connections. The bushings will not come previously installed due to their fragile construction. Damage to them can happen in transit and cause replacement bushings to be warranted.

The final step to transformer energization is the testing and commissioning process. In order to energize the transformer specific protection and monitoring systems need to be connected in order to ensure proper transformer operation. The systems allow FPUA to continually monitor the transformer voltages and currents as well as the internal temperature and pressure to protect the unit against external damage like animal contact or lightning strikes. Great care must be taken while wiring up the unit as a misplaced wire could cause major issues.

The picture on the left shows our lead substation technician, Steve Herdeman, working through the drawings to confirm transformer connections. The middle picture shows substation technician, Crosby Gore, wiring up the protection and monitoring systems in the control house and the picture on the right shows substation technician, Trent Eury, making the connections of the transformer.

Once the testing and commissioning of the unit is complete the transformer can be energized. The transformer was energized on December 17, 2020 with no major issues and is currently serving the southwest part of town. An issue occurred in January of this year with the unit tripping off-line. Upon review the issue was determined that two of the wires had been crossed. Upon fixing this issue, FPUA has not had any other problems since the unit was placed into service. The picture on the screen shows the unit fully assembled and energized.

I want to say a special thank you to our T&D and our Systems Operations Departments for helping and assisting in the coordination of this effort. It took all of our departments together to make sure this was as seamless as possible without many major issues. Only one minor issue we had in January was easily fixable. The unit is currently working and currently operating as expected.

With that I will take any questions you may have.

Mr. Matthews asked are there was any questions from the board?

Mrs. Gibbons said I have a question. What is the current maintenance of something like that verses the older ones that we have. Is it similar? I don't know what the maintenance schedule is on something like that?

Mr. Meyer said are you talking about the maintenance schedule on the transformers? We review them often to make sure there's no signs of major damage or anything like that. We monitor them to make sure the paint is good on them, they are not experiencing leakage, any pressure

issues and the internal temperature is good. We make sure we go through them monthly at the very least to ensure the proper operation.

Mrs. Gibbons asked do you change oil on them or just add oil?

Mr. Meyer said we have a company called Hartford Steam Boiler which we provide oil samples to. They provide us oil status updates on them. If they are very bad, in the case of King transformer number 2, they usually recommend replacement of those since the oil is not hard to replace with the volume of oil that's in there. That is what instigated part of our replacement program.

Mayor Hudson asked how long would these transformers last? Do they have a life time expectancy?

Mr. Meyer said the industry standard life expectancy is about 25 to 30 years. Some transformers that we have currently are exceeding that. Still operating, but we are finding out that they do have oil issues and structure issues which will warrant the replacement. Typically, yes, 25 to 30 years is standard.

Mayor Hudson asked the new ones don't have a longer life expectancy than the older ones?

Mr. Meyer said correct, they are usually about the same.

Mr. Matthews said I noticed when looking at the chart you had two that were 36 years old. Am I right?

Mr. Meyer said I believe so. Yes, two of them are 36 years old. The ones that we did replace, Savannah transformer 1 and 2 I think were respectfully 40 and 39 years old. So those were previously the oldest ones in the system. We have I think four of these currently over 30 years.

Mr. Tompeck said Eric you might mention one of the ways of planning out the health of a transformer something called dissolve gas analysis. You evaluate, analyze the gas and it tells you how the transformer is doing. It's like checking your blood, so to speak.

Mr. Matthews said okay, nothing else. Thank you.

Mr. Meyer said thank you.

Mr. Matthews asked Mr. Tompeck do you have anything for the Board?

Mr. Tompeck said just a couple of quick items Mr. Chairman. At the last meeting, I discussed an appropriations award of $425,000 for a sewer lining project on South Beach. This was the original estimate of the request which was being considered by the legislature. Thanks to the work of our grant writer, Amy Adams, and the perseverance and support by Senator Gayle Harrell and Representative Dana Trabulsy, the final appropriation bill approved $900,000 for the project, which is actually a little bit more than we had originally asked for. We really appreciate their help on this important project.

Just to bring you up-to-date over the last year or so we successfully received over $5 million in grants for our wastewater projects which will help us expedite repairs to our ageing infrastructure as well as initiating some new services and Fleetwood Acres.

The next item is we set up the joint city commission-FPUA board budget workshop for the 21st of May at 10:00 a.m. It should take about two hours. It will be in the War Room over at ESC. Hopefully, you received an invitation for the meeting this morning.

The last item is we're happy to announce that MOEC reopened this past Saturday and they had about 120 visitors over the weekend. It's nice to get closer to being normal, anyway.

That's all I have, Mr. Chairman.

Mr. Matthews asked Mr. Koblegard do you have anything for the Board?

Mr. Koblegard said there is nothing to report at this time.

Mr. Matthews asked any Members of the Board have anything?

Mayor Hudson said Mr. Chairman I want to call to you the information that is before you which is the celebration of the 100th year anniversary of the inlet. Lots of different things planned. The first being Friday Fest and then Saturday the boat parade and blessing of the fleet and then there's events throughout the month of May. So it will be a big celebration put on mostly by volunteers.

Mr. Chairman asked any more questions?

There being no further business, the meeting was adjourned at 4:48pm.

ATTEST:

SECRETARY

CHAIRMAN