

MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY,
TUESDAY, MAY 2, 2006, 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Chairman, Robert W. Summerhays, Jr.; Vice Chairman, Thomas K. Perona; Secretary, Darrell Drummond; Deputy Secretary, Pamela K. Cully; Mayor Robert J. Benton III; City Manager/Ex-Officio Member, Dennis Beach.

Others Present: Director of Utilities; Director of Electric/Gas Systems; Director of Water/Wastewater Systems; Director of Shared Services; Director of Corporate Services; Internal Auditor/Risk Manager; Community and Corporate Relations Manager; FPUA Attorney.

Chairman Summerhays called the meeting to order.

The Invocation was given by Pastor Billie Davis of St. Marks Baptist Church.

Mr. Frank Varella presented the Government Finance Officers' Association Distinguished Budget Award. We have received this award for about 12 years. It is an honor to receive this award. Maybe, 2% of the entire organization receive the award. He thanked the Board for their support and thanked FPUA accounting staff and Department Heads and support staff, because it truly is a team effort. Mr. Summerhays said this is a really important award. He commended Mr. Varella.

Motion by Mr. Perona, seconded by Mrs. Cully and unanimously carried that the items on the Consent Agenda be approved:

1. Approval of the Minutes of the Special Meeting of April 14, 2006.
2. Approval of the Minutes of the Regular Meeting of April 18, 2006.
3. Residential Electric Rate Comparison for the Month of March, 2006.
4. Purchased Gas Adjustment for Firm Gas Service for the period from May 1, 2006 through May 31, 2006.

The following letters of appreciation were noted:

1. A note was received from The Mustard Seed thanking FPUA for a contribution of \$188.89 from Project Care.
2. A note was received from Ralph and Jeanette Jennings thanking Mr. Boudreaux for including retirees in the company picnic.
3. A letter was received from Gloria Grimyser, President, Colonnades Association #2, expressing her appreciation for the assistance received from Joyce Easterday of the Billing Department for ensuring timely service reconnections.

Mr. Boudreaux introduced Mr. John Tompeck, who would update the Board on the construction for the Causeway Substation/Transmission Line Project with a brief power point presentation.

Mr. Tompeck advised the Board he is with the Power Generation group currently assigned to Electrical Engineering to monitor, on-site, the progress of the Causeway Project. He stated the first slide is a collage of all the current activities. We will be removing transmission poles and wire. That extends

from the King Plant substation, east on Backus, and north on Indian River Drive up to Seaway Drive. He showed the Board a picture taken from the bridge looking south on the substation. The circled area is the area where we're adding the new bay. Some of the foundation and pier work is visible. In the center of the picture are the two existing poles. One is currently a transmission pole. The other is a distribution pole. At the end of the project, both will be transmission poles and will carry lines 610 and 611. He displayed a close up picture of the foundations and piers in the new bay in the substation. These are very much like icebergs. About 90% of them are underground. Most are in excess of 12 feet deep. Some of the large ones are 25 feet deep based on the structural requirements of the project and wind loading. The next picture shows the containment area of the new power transformer pad. In addition to the new piers and foundations, they're also putting in a new seawall. He showed the Board a couple of pictures of that. In a lot of cases, based on construction, we're not able to pour concrete from the truck, so we have to have a pumper. He showed the Board a picture of this in progress. Next, he displayed a completed picture of the seawall. There are a couple of wires across it, and those are grounding wires for the substation.

Mr. Tompeck described the process used for installing the pole bases. It is a pretty intricate process. They will locate the pole, drill about four or five feet, and at that point they pretty much start to hit water. They will sink the caissons down about eight to ten feet, depending on the size of the caisson. They will continue to dig, and as they are digging out the mud, they will be adding water. With the water they add a mixture called supermud. Between the water pressure and the supermud, which almost is an elastic kind of material, it is able to hold up the sides of the hole, so it doesn't cave in before you have a chance to pour the concrete. The large poles on Second Street have a foundation about 25 feet deep. He showed the Board a picture of the actual installation of the pole as they are lowering it into the hole. We have parts of an old oil line still on Second Street, and when they were drilling for the foundation on Second Street, they struck oil. It cost about \$12,000 to take out the soil and the oil contact water. We have a standing contract with Cliff Berry and whenever we have a problem like this, we call them in, and they truck out the contaminated soil and contact water. He displayed a picture of a pole top. It is the top for one of the two poles right at the base of the bridge. That pole has since been installed. He displayed a picture of a completed pole along Second Street next to the pole to be removed. Before they remove the old pole, they transfer the transmission line and distribution line to the new pole. Subsequent to taking this picture, that pole has been removed. In addition, the contractor chipped out the concrete about two feet below ground surface.

Mr. Tompeck said the most difficult part of this project is the duct bank. The duct bank is essentially a trench that contains electrical conduit. The cost of the duct bank for this job is about three quarters of a million dollars out of the \$4.2 million budget. It is excruciating work. He showed a picture of a typical duct bank, but since last Wednesday, they have been putting in a duct bank across Indian River Drive. There are two major problems with putting in duct banks around here. Number one, the water table is so high, so you cut down about four feet and hit water. In addition, there are a lot of interferences in the ground. When you go across Indian River Drive there is an oil line, water line, storm water drain. The depth of the trench is about 13 feet deep. It is a constant problem to keep the water out. They have set up a dewatering system, which is running 24 hours a day. Even before we have a chance to pour the concrete, they have to put in portable sump pumps to keep the area clear. The construction of the duct bank was shown on the next slide. What we have going down Avenue E, across the Drive and up the street is a duct bank that has 8 six inch conduits and 2 four inch conduits. That duct bank is laid in the trench. It is covered with concrete, which is dyed, and in addition, there are about three feet of concrete put on top of that to dissipate the heat caused by the power lines. It is taking a long time to dig the duct bank. We should be finished with the cut across Indian River Drive by the end of the week. We will be digging up Avenue E between Second Street and Indian River

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Drive most of next week, and, then, we will be going up the drive to the base of the bridge. We think Avenue E will be relatively easy, because there is just one water line in there. Once we get out of the Drive, going up shouldn't be too bad either. There is another oil line on Indian River Drive that we checked to see if there is any oil, and we haven't found any.

Mr. Tompeck said Overland Contracting is the company doing the work. They are very good. They are a very professional company. They have the right people here in terms of Superintendents and Supervisors. They are doing a terrific job. Overall, they are in good shape on the schedule. In terms of the budget, we've been billed to date, \$550,000, which includes the work through the month of March. We haven't gotten the April bill, but he expects it will be in the ballpark of \$750,000. We are paying about \$165 per cubic yard for concrete. Each of those piers represents anywhere between 8 to 12 cubic yards of concrete, and there are about 60 piers. The foundation is in the substation. Just the price of one pier is well over \$1,000 for just the concrete.

Mayor Benton asked if the oil lines ran oil from the port to the plant years ago. Mr. Tompeck said yes. Most of those lines have been removed, others were capped. He thinks what we hit a couple of weeks ago was a line that had been previously cut and just a little bit of oil had leaked there. It is very heavy residual Bunker C oil. It doesn't go anywhere. It just sits in the soil.

One other item Mr. Tompeck said he forgot to mention was a question previously asked about the number of poles we were going to install, versus the number we are going to take down. We are installing seven poles along Second Street, two on Avenue E – one west of the railroad tracks and one east – and the two poles by the base of the bridge. By the time the project is over, we will have removed 31 poles. That includes all the poles on Indian River Drive and down Backus to the King yard. Mayor Benton asked what the new route is. Mr. Tompeck said it is across the river on the existing poles that are in the river. Those are both transmission poles, although one holds the distribution line today. Mayor Benton said on this side of the bridge, instead of along the Drive, we're going to Second Street. Mr. Tompeck said the lines come across the bridge and go underground at the two poles at the base of the bridge. That underground goes down Indian River Drive, east of the Drive, across the Drive and down Avenue E, all underground. It comes up on two poles, one on Second Street and Avenue E and the other one on the northwest corner. That one is already installed. There had previously been a duct bank installed in the road before this project started in anticipation of this project.

Mr. Perona said there is a lot of talk because of the City's emphasis on going underground, so in a project to change from overhead to underground, how much of the budget would be covered in developing the duct bank. Mr. Tompeck said in this particular case we are talking almost 20% of the budget is just for duct bank. We are talking about transmission here, and a transmission duct bank is different from a distribution duct bank, just from the standpoint of the heat that has to be dissipated.

Mr. Boudreaux said yesterday we were at a meeting, and he promised the City Manager and Commissioner Becht that he would get them some cost figures. Unfortunately, he was unable to get those figures until about 5:00 p.m. He did send them to Mr. Beach's office. Mr. Beach confirmed that he received them. Mr. Boudreaux said he thinks the total cost of the project on 25th Street for moving the power lines, which are distribution lines, was \$1.9 million to put the lines underground. Of that, he thinks about \$1.2 million was the expense for going underground. That gives you the difference in costs of putting an overhead line underground versus the cost of moving an overhead line to another overhead location. Mr. Summerhays said it cost \$800,000 just to move it, and another \$1.2 to underground it. Mr. Perona said he thinks the point there is it is really easy to say it is a nicer look and

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more aesthetic to put these things underground, and he thinks it is important for us to get a real good grasp of what we're talking about. It is big bucks. Mr. Tompeck said this especially true if you are in an area that has a lot of existing utilities. That makes it more difficult and more expensive.

Mr. Perona asked if the \$1.2 million includes pulling the wires. Mr. Boudreaux said yes. Mr. Perona said you would have to take that out of there to kind of get an idea of what the duct bank, itself, costs. He knows there's always an issue of who is going to pay for the duct bank. He wants to make sure we know what we're talking about when we're dealing with that. Mr. Beach said we think we've worked that out.

Mr. Boudreaux said he would like to clarify the scheduled dates for the two upcoming conferences. The APPA national conference is in June and the FMEA/FMPA state conference is in July. The dates are listed on the Agenda. If any Board Members have not made arrangements to attend, please contact Kenna to finalize any last minute details. The national conference will be held in Chicago, and Naples for the State conference.

There being no further business, the meeting was adjourned.

ATTEST:

Secretary

Chairman