

SUMMARY OF A SPECIAL MEETING OF THE FORT PIERCE UTILITIES AUTHORITY,
MONDAY, JANUARY 9, 2006, 10:00 A.M., SECOND STREET CENTER CONFERENCE
ROOM.

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.

Others Present: Committee Member, Louis I. Haynes; Director of Utilities; Mr. David Little of
Little & Associates.

The Chairman called the meeting to order.

Mr. Little explained that he is here today to meet with the Board and receive their input
regarding the characteristics they are looking for in a Director of Utilities and to review the
process.

Mr. Boudreaux explained that Mr. Little will be having lunch with him, today, and, afterwards,
Doug Giel will give him a tour of our facilities.

Chairman Summerhays expressed what he believed would be a concern of everyone present, and
that is that all internal candidates will feel comfortable applying for the position of Director of
Utilities. Mr. Little said it is his opinion that the Board should look internally for a candidate, as
well as, externally. An advertisement should be circulated, internally, and those applicants would
contact Mr. Little and be interviewed by him just as the external candidates will be. It has been
his experience in these situations that internal candidates usually apply and frequently do receive
the appointment. Chairman Summerhays stated it is important that we look internally. Mr.
Haynes felt the Board should give a personal interview to all internal candidates out of respect.
Mr. Perona agreed.

Mr. Little asked the Board what is important to them to look for in a new General Manager.

Chairman Summerhays feels a new Director will have to possess the ability to plan, and to deal
with people and the politics involved, as well as, understand what he is managing. Mr. Haynes
stated he believes it helps to have an engineering degree, but it is not absolutely necessary. Mr.
Perona feels he must be an able communicator. He should be able to protect the UA and run it
the way it is supposed to be run. It should be his first loyalty. A new director will have to be a
communications specialist. Mr. Drummond said right now we are in excellent shape. We don't
need someone to come in and get the organization in shape. We don't want it remodeled. Mrs.
Cully stated although we do not need someone who will head off in a different direction, we
should not overlook ideas this person may bring that might be an improvement.

Mr. Little asked how the Board will manage the new Director.

Chairman Summerhays said in the past the policy has come to the Board from the Director. The
Board will have to be more watchful of a new person. Staff has the expertise. The Board
Members are not technical experts in the utilities field. The Board is made up of businesspeople.
Mr. Drummond said the new Director will have to become familiar with what is policy. Mrs.
Cully said the Board will have to have more communications with each other and the new
Director than in the past.

Chairman Summerhays said the new Director must be willing and able to face the challenges
ahead, such as moving the Water Reclamation Facility from the island; decommissioning the

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power plant; the potential for us to purchase and run the St. Lucie County water/wastewater facilities; and hurricane restoration to name a few. Mr. Drummond said there is also the issue of undergrounding our electric utilities.

Mr. Perona said we do not want the new Director to sugarcoat problems. Don't cater to the Board, but report to the Board before it gets to the Press. Mr. Drummond said we want someone who will make decisions from a business standpoint and continue to run the UA as a business, not make decisions based on politics.

Mr. Haynes said the new Director will also have to become familiar with our history with St. Lucie County and the problems we have experienced regarding territorial issues.

Mr. Little asked the Board how they would like him to handle any media calls he may receive. They asked that he refer them to Mr. Boudreaux.

Mr. Little said it would be a plus if a candidate had experience working with boards or a municipal board. Some of the candidates coming from an investor owned utility may not have that experience. Mr. Summerhays said it would depend on the person's ability to plan for growth and all that is coming. It may be an important attribute, but he would not rule out a candidate from an investor owned utility. Mr. Boudreaux said our Mission Statement stresses economical and friendly service. The mission of a corporation is to make sure the Board and stockholders are happy.

Mayor Benton said he would like a candidate to be someone who would stay here for a while. He would suggest 5 to 10 years. The Board does not want to have to go through this process every three years.

It was agreed the Board would like Mr. Boudreaux's input when it comes to the internal candidates, since he has worked closely with anyone who may apply.

Mr. Little asked if the Board would prefer candidates from a certain geographical area. Mr. Summerhays said anyone who applies should be aware that our summers are brutal. It could be tough on someone from a cool climate. He also pointed out that someone with small children may have problems with our school system due to all the changes it is about to undergo. Mayor Benton pointed out the fact that we do have Indian River Community College here. You can get a four year degree there. There are branches of other colleges here, as well. He sees the future of our educational system only getting better as time goes on.

Mr. Boudreaux said someone from the southeastern section of the United States might be a better fit.

The Board discussed paying expenses for the final three candidates' wives to be brought to Fort Pierce and become familiar with the area. It is important that a candidate's spouse and family are agreeable to the move. Instances were reported where a particular appointment did not work out because the spouse and family did not like an area.

Mr. Little said he can facilitate the process as much as the Board would desire. He has sat down with Boards to review the final candidates' resumes. The Board expressed a desire to have Mr. Little do that for FPUA, as well.

Mr. Drummond said in order to be able to pass public scrutiny, we need to assure minorities are given the opportunity to apply and be considered. The Board agreed. Mr. Little said he would like to advertise on the APPA website and in APPA weekly, as well as The Energy Central. In this way, everyone interested will have the capability of viewing the request for applications.

Mr. Boudreaux stated he would like to retire at the end of July and by the first part of August. He will make himself available at the Board's discretion. An overlap of services was discussed and generally agreed upon that a two week period would be long enough.

Mr. Little was advised that a car allowance would be provided the new Director and would be preferable to providing a vehicle. Leave will be negotiated. Mr. Boudreaux currently has 30 days of vacation leave, annually. The Board said they would not like to see a new Director receive substantially more vacation leave than employees. A starting salary was discussed with Mr. Little. Mr. Boudreaux said our benefits package amounts to approximately 37%. The Director's position is also exempt from being a member of the Retirement System, but is not precluded from it. Mr. Boudreaux pointed out that the Board pays his contribution to the Retirement System. Mr. Little said that is definitely a plus for a new Director. The Board expressed the desire to have the new Director be a contract employee. The contract will be drawn up by the UA's Attorney and reviewed with the candidate, who may wish to have his Attorney review it, as well.

Mr. Little advised the Board in six weeks he will have approximately five resumes for the Board's review.

It was also agreed that background checks will be performed on the final three candidates. These will be conducted by either Mr. Little through another party or by the UA's Human Resources Department. Mr. Little will discuss with Doug Giel.

Mr. Perona asked if he could call Mr. Little direct if he had any follow up questions. Mr. Little said he could call him direct and he would make sure Mr. Boudreaux was made aware of it. The Board decided they would prefer to have all questions funneled through Mr. Boudreaux and that the Board be provided a summary so everyone can stay informed.

There being no further business, the meeting was adjourned.

ATTEST:

Secretary

Chairman