

MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, May 19, 2009, 4:00 P.M., CITY COMMISSION CHAMBERS

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

Others present: Director of Utilities, Director of Water/Wastewater Systems, Director of Shared Services, FPUA Attorney, Director of Finance, Communications Manager, and Purchasing Manager.

The meeting was called to order by Chairman Cully.

The Invocation was given by Rabbi Arthur Rutberg of Temple Beth El Israel.

The *Pledge of Allegiance* was recited.

The roll was called and a quorum declared.

Mr. Thiess requested that Item A-3 Resolution UA 2009-10: Allowing Liens to be Placed on Properties of Owners with Unpaid Utility Bills or Fees be pulled from the Consent Agenda for discussion.

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

1. Approval of the Minutes of the Regular Meeting of May 5, 2009.
2. Approval to piggyback FAU Agreement for laboratory services for the Water Reclamation Department from Harbor Branch Environmental Laboratories in an amount not to exceed \$80,000 for one year with four one-year renewal options.
4. Approval to piggyback FAU Agreement for laboratory services required by FDEP for Water Resources Department from Harbor Branch Environmental Laboratories in an amount not to exceed \$40,000 for one year with four one-year renewal options.

Item A-3. Resolution UA 2009-10: Allowing Liens to be Placed on Properties of Owners with Unpaid Utility Bills or Fees was removed from the Consent Agenda for discussion. Mr. Thiess said that this item is a resolution for setting up a procedure for placing liens on properties where a debt is owed to FPUA. This should have been on the regular agenda because it warrants some discussion. Mr. Bill Abramowicz, Customer Service Manager, will present the item.

Mr. Abramowicz said that we currently bill our customers on a regular basis and when we have situations after disconnect for nonpayment, we would eventually write those balances off. In the past, FPUA has experimented with three ways to lien a property from the utility standpoint. We would get a judgment against the property through the court system at which point we can attach a lien. We have done that in the past with limited success because of the amount of time it takes to go through the court. Secondly, through the property owner's approval, via a signature on a document when they are asking for service, we can lien the property at that point until complete payments have been made by the individual or contractors. The third mechanism is to have an Ordinance with the City for unpaid utility balances and that is what we are presenting to you today in the form of this Resolution, which Mr. Koblegard produced and we have reviewed.

Mr. Abramowicz said that one of the things that brings this to light, typically when we go to write off, we recover some of those balances and we do some transfer of balances prior to going to write off. If a customer has an active account of the same service class on an unpaid balance of residential, we can transfer that to another residential account. Our Resolutions, State Statutes, and the typical industry standards allow that. In the case of the inactive account charges that we are currently billing property owners for inactive services, at our Board workshop, we indicated according to the Board's decision that we did not want to transfer those business type balances of the landlords to their residential accounts, so we have not done that. We have also been instructed to not write them off at this point; however, we have some balances accumulated and some of those are on the books that we need to do something with. We can small-balance write them off so they do not actually go through the collection agency and they are not on our books any longer. However, there is no opportunity to recover in those cases, if nobody is working to try to negotiate the payment of the balance. Mr. Abramowicz said that the Resolution before you today is a common utility resolution; however, being that we are a separate authority from the City, many cities have these ordinances that allow a utility to lien a property for unpaid balances of the property owner. This has nothing to do with tenants that leave owing balances; we are not going to pursue a lien on the properties for unpaid tenant balances. This would be in owner-type situations with an unpaid balance at that location.

Mrs. Cully said she knows that this was discussed thoroughly in a workshop over six months ago and most of us agree this is what we want to do.

Mr. Perona stated that he believes it is a big part of our responsibility to make sure we exhaust everything we do to collect balances because those that are written off become the burden to the people that are paying for the services. Mr. Perona said he is happy to see that this is for a property owner that has a tendency not to pay. We do not need landlords coming to us to say that it was his tenant and not him. This is for people that have an account at that address and own the property. Mr. Perona asked a legal question, if it is true that the only remedy to this lien is 100% payoff that someone would have to pay the arrears at 100% and that is the only way we provide for a remedy to satisfy the lien.

Mr. Koblegard said that once the letter goes out, they would have to pay whatever the arrears may be, plus whatever costs we have involved at that point. This is the way it is set up at the time they make that payment, if they wait past the time period that is set up in the Resolution. The Board can always act as a review board and make a decision on a case by case basis. This does not take that right away, if the Board wants to consider that.

Mr. Perona said the reason he brought the question up is that this is not a form of a fine that we levy on somebody. These are actual costs that derive from the business that we are in. These are real monies that we are due and have not been paid. He does not want to get this confused with that. Mr. Perona would like to see this lien as something that stays in effect until it is 100% satisfied rather than be one that is up for review and negotiation.

Mr. Drummond said his concern is with all the items that we do now in order to try to secure these balances, those would not stop at this point if this Ordinance is passed. We would still utilize those and the lien would be the last option that would be available.

Mr. Abramowicz said that is correct and all the other options he mentioned are the easiest options for us and we do it on a daily basis. We are very good with our collections and recently have seen return check amounts that are recovered quite often prior to any of that being a write off. Mr. Abramowicz said he monitors the amount of time spent on recovery because if it is handed over to a collection agency immediately, they will be able to work it in a hard bill manor rather quickly. We understand sometimes customers do not get final bills because they have moved and we try to give the customer the benefit of the doubt. We send multiple letters to the location letting them know it is going to be written off. Those are the most successful forms with the least amount of work as compared to attaching a lien and trying to collect at a later date, which requires a little more work.

Mr. Drummond asked if there is a threshold with regard to when we would seek a lien. We would not want to lien the property for a \$50 unpaid bill.

Mr. Abramowicz said that has been discussed internally and a limit has not been set at this point. We are looking for an approval of the Board for the ability to set those parameters.

Mr. Drummond asked if it would then come back to the Board to say where those parameters will be. He is guessing there is a cost associated with creating the lien.

Mr. Abramowicz replied that there is a cost and he is anticipating that the parameter would be around the \$1,000 range and he had not anticipated coming back to the Board. If the Board would like him to, he could bring it back to the Board at a later date once an amount is established. There is cost effectiveness in placing a lien because there is a lot of work involved and we would exhaust all the efforts and make sure it is a high enough balance to pursue a lien and then go from that point.

Mr. Drummond said as one member of the Board, he would like to hear ahead of time what the staff has determined is the level they would feel comfortable with.

Mayor Benton said he agreed with Mr. Drummond.

Mr. Abramowicz said, in addition, this would need to go to the City Commission for an Ordinance after approval.

Mayor Benton said he would like to have that information before it goes to the City Commission because he would not want to lien someone for \$50 or \$100, but when you are talking about \$1,000 or more it is different. Mayor Benton asked if we know how much money is outstanding.

Mr. Abramowicz said it is a moving figure, typically during the month of inactive account charges, we are billing approximately \$75,000 a month and it appears the uncollectible is around the \$15,000 range. For the month of April it is higher because we have not collected all of those balances yet.

Mayor Benton requested when it comes to the City Commission to please have all those figures and information available,

Mr. Summerhays asked if there is a way to check and make sure that we do not have four or five properties all owned by the same person who might be \$250 a piece.

Mr. Abramowicz said that is a part of the collection process. We look at the accumulative balances when making contact and let them know what the full amount is. What we are dealing with now, in a lot of cases, is foreclosures, so it is a moving property owner that we are trying to collect from. To try and get a bill to them and collect it is difficult because they are a moving target to begin with. Mr. Abramowicz said there are hundreds of foreclosures they are billing and those are not collectible.

Mr. Koblegard pointed out that the Board received a revised Resolution that shows his final revision in paragraph (b) on the page 2, the last sentence was added "If the delinquency is not paid, FPUA Customer Service Manager may impose the lien without further notice to the property owner" and is different than what was in the agenda package.

Motion by Mr. Perona, seconded by Mr. Summerhays, and unanimously carried that Item A-3. Resolution UA 2009-10: Allowing Liens to be Placed on Properties of Owners with Unpaid Utility Bills or Fees be approved as written.

The following letters of appreciation were noted:

A letter was received from Warren Crittenden, Senior Project Manager for AECOM, praising the attitude and teamwork of Javier Cisneros, Water/Wastewater/Natural Gas Engineering GIS Manager, in making their project a success.

A note was received from Beverly Daley of the Family Support Committee for Habitat for Humanity, thanking Bill Abramowicz, Customer Service Manager, for his presentation on energy efficiency and conservation to their class for recipient families.

Mrs. Cully stated that we get these letters all the time and wondered how many other business organizations and companies get such great letters about their employees like this. It is nice to know people take the time to send a thank you or to let the people know that their employees are doing a good job. We thank our employees Bill Abramowicz and Javier Cisneros.

Mrs. Nina Hurtubise, Director of Finance, presented the status report on Electric Power Cost Adjustment Over/Under Recovery for April, 2009. Mrs. Hurtubise stated that our under collection from our customers of our power costs continued for the month of April and we had an under collection of \$458,000. This was expected, a little higher than what was projected, but in the vicinity of what was expected in the under collection for this month. There is expected to be another under collection in the month of May, but starting in June, we are expected to start going back the other way. We do expect to be back even in the month of September. Mrs. Hurtubise said she wanted to let the Board know how much in the hole we are.

Mr. Summerhays said the number is getting large and Mrs. Hurtubise replied yes and that it will be a little larger next month.

Mrs. Cully replied that at least we have some information that says what is going to happen instead of being surprised.

Mr. Thiess mentioned that a handout was given to the Board members prior to the meeting showing PRMG's projections going forward of the power cost adjustment. This is the one from last month. We were not able to get an updated one with the new figures plugged in, but we have highlighted the actual versus the estimated for April. This shows that we are about \$135,000 more under collected than was estimated and the number highlighted out to the right was last month's anticipation that we would be approximately \$1 million over collected by September. Hopefully, the ups and downs will come out in the wash and we will be somewhat close to the million dollars. We are fairly confident we are not going to eat up the entire million dollars that is projected for September. We may be somewhat under, but are optimistic we will be very positive by September.

Mr. Perona stated he would be thrilled to death when this Board gets back to talking about lowering the power cost adjustment again. We were on such a good track back in February. Hopefully, the Florida Municipal Power Association (FMPPA), in their wisdom, can start leveling these things out so it does not attack the local municipalities so bad.

Mr. Thiess said we did hit another glitch that added onto the power cost with the settlement that FMPPA had with FPL on the transmission use that added a few dollars on for about three months. We are optimistic that Murray Hamilton's projections will be

correct and we will recover that as we go into the fall. This was for information only, no action required.

Mrs. Hurtubise presented the Purchase Gas Adjustment (PGA) for Firm Service for the period from June 1, 2009 through June 30, 2009. She stated there is another \$0.05 decrease in the PGA. The current PGA is \$0.45/CCF and we will drop it to \$0.40/CCF for the month of June, with your approval. What this means, is the bottom line bill for a 13 CCF customer will decrease to \$32.84, which excludes taxes. The rate per CCF for up to 100 CCF, will decrease from \$1.65 to \$1.60. This is still slightly above what we are seeing on the chart before you of our current costs. The reason we did not lower it further is because we do not anticipate the gas cost to stay that low. We expect it to bounce up here in the next couple of months.

Mr. Perona stated that we do not want to raise the PGA and Mrs. Hurtubise agreed we do not want to raise it at all, at least not drastically. We would like to continue to drop it.

Mrs. Cully pointed out that if we look at where we were in last July, there definitely is improvement.

Motion by Mr. Summerhays, seconded by Mr. Perona, and unanimously carried to approve the Purchased Gas Adjustment for Firm Service for the period from June 1, 2009 through June 30, 2009 and until further notice at +\$0.400/CCF.

Mrs. Hurtubise presented the Quarterly Financial Operating Result for March 2009. She stated that our income before City Distribution, Capital Contributions, and Extraordinary Items is a very thin margin of \$240,000.00. Our Capital Contributions were about \$2.8 million, but that is way down from previous years and we do continue to experience decreases in all units billed across the board.

Mr. Drummond commented he believed it is important to highlight the item of \$240,000 because it is always the suggestion that we have extraordinary amounts of money and this is how thin it is.

Mrs. Hurtubise agreed it is a very thin margin, but we continue to hold our own. She stated she hopes there will not be any surprises such as hurricanes. Back to the units sold, as shown, they are decreasing. The line on the top is 2009, the line in the middle is 2008, and the one on the bottom is 2007. Percentage wise, this chart does not depict the largest decreases because electric does not look like it is down by very much, but it is down by 8%. This is for six months. Water is down 7%, wastewater is down 9%, and natural gas is flat, less than 1%. Operating Revenues are a little bit different story, but not entirely. The electric is up 12%, which sounds good on the outside, but the PCA was up \$5 million because of the power cost. If you take that out, that brings us down to a decrease of 3%. Water is flat even though we have had rate increases, the revenue is not dramatically increased. Wastewater revenue is up about 6% and natural gas is up about 5%. Now the PGA has been going down and it is actually down

\$32,000 from last year, which is wonderful because if we pay less, we want our customers to pay less, but that makes the revenue up 10.6% in gas. Our Debt Service continues to be strong at 2.5 times and very steady. We had quite a reduced change in Net Assets, with a decrease of \$9.4 million as compared to last year, but that includes Contributed Capital, which has decreased \$6.4 million. We have had no Grant Revenue this year, which we had last year and we have a brand new expense, the Other Post-Employment Benefits (OPEB) cost of \$1.3 million. Again these are for the first six months of 2009 as compared to 2008.

Mrs. Cully asked about the Government Accounting Standards Board (GASB), and if it is a government requirement. Mrs. Hurtubise explained that we adopted the GASB Statement #45 in Fiscal Year 2008, but it was at the very end of the year. We obtained an Actuary's Report and they indicated to us how much we were required to record as an expense each year, clearly an estimate, of what it is going to cost us in the future.

Mr. Summerhays stated that this is the Post Retirement Health Cost that we talked about two meetings ago.

Mrs. Hurtubise said the Contributed Capital, this year versus last year, is down. The significant piece of \$2.8 million that we did receive in Contributed Capital accounts for 94% of increase in net assets and that is where our income is coming from which is not spendable income.

Mr. Summerhays stated he understands the restricted and unrestricted assets and asked if everyone on the Board understood it. They all replied affirmative. Mr. Summerhays requested Mrs. Hurtubise have a short explanation sometime in the future to explain this to customers who may be watching. He is requesting about a 15-minute explanation to discuss this and try to make it as simple as possible to make sure our customers understand what we are talking about. We keep talking about this big chunk of money we cannot spend. Mr. Summerhays said he knows there are some City Commissioners that do not understand.

Mrs. Hurtubise said that \$2 million in non-cash is easy to explain because those are assets that are given to us and we cannot spend something that is given to us. The Cash Contributed Capital is something someone paid us to do for them and we have to spend it on what it was given to us for. The Capital Improvement Charges have to be spent on construction for new customers and we do not have a lot of new customers moving in these days. We have to hold the Capital Improvement Charges as restricted until such time as we are able to expend them appropriately. In the Rate Study and in the discussions of the rates in the past, one of our goals was to reassure that we did not dip below 30 days of operating cash. We were at about 42 days at the end of the fiscal year and we are now at about 38 days of operating cash. Our revenues are below budget due to lower unit sales, decrease in the Contributed Capital, and our investment earnings. Our expenses are about 1% over budget, which is almost not worth talking about, but when you consider we have the Other Post-Employment Benefits that we are over budget by \$1.3 million dollars because at the time we developed the budget, we did not know what that number was. Our depreciation is over budget by \$700,000, our

bad debts are over budget by \$109,000. We need to highlight the fact the reason we are only 1% over budget is because we have been holding the line on expenses. The biggest example is salaries and wages, they are \$462,000 under budget because of vacancies we have held and not filled and we are seeking cheaper alternatives. This is an information only item and requires no action.

Mr. Thiess commented on the 38 days cash, the under collection is subsidized by the unrestricted cash so that goes in the calculation of 38 days of cash. If we were not subsidizing the PCA under collection by \$1.2 million, we would show a lot more days of cash. As we go into the fall and knock out that negative balance, that goes back on the books as unrestricted cash. When we go to over collection, the over collection is restricted because it goes back to the customer. Nina replied that it still sits as unrestricted cash.

Mrs. Cully asked if in the past it was discussed that we would like a 60-day minimum. Mr. Thiess responded that we voted for 30 days for our budget this year to cut things to the bone to get through these hard economic times, going to 30 at the end of this year, maintaining 30, and then working our way back up to 45 to 60 days. Ninety days would be a very good goal in very good times with lots of customers, new growth, and new growth fueling the revenue engine. Realistically, we are not going to get to 90 in the economy like this. We will be happy to maintain 30 to 45 and moving it ahead as the economy improves and we have more development coming in to paying some of these costs and not just our existing customers.

Mr. Perona stated that some of the indicators such as the 43% of the assets that are financed and compared to other utilities that is not bad. When you start looking at Debt Service coverage being more than twice the minimum, there is an indicator that there is financial health in what we have going on. Even though our business is dwindling a little bit because of the economic cycle, we are still maintaining some financial solidity and that is a good indicator.

Mrs. Valerie Schulte, Supervising Engineer, of Water/Wastewater/Gas Engineering presented Bid 5740: Ditchdiggers, Inc., to increase their contract in the amount of \$2,151,756 for the construction of Sunland Gardens Phase II MSBU project.

Mrs. Schulte said staff is requesting the Board approve using our Unit Price Contractor, which is Ditchdiggers, for construction of the Sunland Gardens MSBU and approve the increase of \$2,151,756 to their bid for the annual water/wastewater unit price contract. She stated that the Board approved a contribution toward construction on October 21, 2003 of \$445,202 from FPUA and approved an Interlocal Agreement for the MSBU with the County on September 2005. This project has been in the works for a while and the County has finally approved it and is ready to transfer us the money shortly. Construction will begin and we have budgeted money for next year's budget also. We anticipate being able to expend this amount of money this year. It is a conservative estimate to make sure we have enough to finish the year.

Mrs. Schulte stated that the Unit Price Contractor has a good relationship with us, is familiar with FPUA standards, and has done excellent work on the other MSBU's that they have been in charge of. The cost and assessment is based on using the unit price contract when we did the Interlocal Agreement with the County. These were the lowest prices available at the time. If we were to go another route, such as bid it, FPUA, through the Interlocal Agreement, is responsible for any cost over what we estimated.

Mrs. Schulte said that Ditchdiggers is a local contractor, 48 of their 50 employees live in St. Lucie County and 36 of them live in the City of Fort Pierce. Staff is recommending that the Board approve the use of the Unit Price Contractor and increase their unit price bid for this amount of work.

Mr. Drummond asked if this is an extension of a bid that has been done already with Ditchdiggers through our bid process. Mrs. Schulte responded yes. Mr. Drummond also asked if the unit cost methodology is the same as the other MSBU's. Mrs. Schulte responded that he was correct.

Motion by Mr. Summerhays, seconded by Mr. Perona, and unanimously carried to approve an additional amount not to exceed \$2,151,756 to contract with Ditchdiggers, Inc., Bid 5740, for construction of Sunland Gardens Phase II MSBU project.

Mrs. Schulte presented Resolution UA 2009-11: Amending Guaranteed Revenue Charges (GRC) for Water and Wastewater Systems and Abandonment of Capacity Reservations. She said that this Resolution is amending Resolution No. 2008-13 concerning GRCs for the water and wastewater systems and abandonment of capacity reservations. Mrs. Schulte said the corrections are in red in the copies that the Board received and a lot of the corrections were formatting revisions to keep consistency within the Resolution. She stated the main change in this Resolution is an added option for failure to pay GRC's. There are a lot of developments that have capacity reservations right now and annually they are billed these GRCs. We are having a very hard time collecting them so we decided to write into this Resolution another option. We are reducing their capacity so that at some point in the future, if they can afford to go forward, they still have some capacity on the books, but it is a reduced amount and they will have to pay to get their additional capacity at the current rate. This would not hold them up from doing some phasing without having to go through the whole process again.

Mr. Thiess said that basically they would be taking funds out of their capacity from their Capital Improvement Charges (CICs) and paying off their GRCs. This allows us the flexibility to work with them if they need to extend it out beyond five years. He said the third sentence in Section I in the old Resolution has been removed that stated that if they went five years with an inactive account then they went right back to CICs and would assume that the capacity was abandoned. Staff decided that was not a good way to do it. Now if a residence or a business sits unoccupied with an inactive account, it just continues to accumulate the inactive account charges. It is not in a situation where in five years it goes back to new CICs. One example was the building right down the road that had seven years worth of inactive account and if we just access the

inactive account charges from the time they went into effect, which was 2007, it was only \$1,500. The way it was in the old Resolution, they would have had to pay full CICs. Staff took a second look at that and thought that was a little harsh, not illegal, but was harsh and decided to strike that sentence and continue to let the account collect the inactive account charges.

Motion by Mr. Perona, seconded by Mr. Summerhays, and unanimously carried to approve Resolution UA 2009-11: Amending Guaranteed Revenue Charges for Water and Wastewater Systems and Abandonment of Capacity Reservations.

Mr. Thiess mentioned the 13th Street project that the City is going to get the stimulus funds for presumably, if they ever come about. There is a moving target because the limits of the project keep changing so we have had to keep going back to the drawing board and redoing our cost estimate for the new project limits. Mr. Thiess said he believes our costs are in the ball park of about \$1.5 million on the new limits of 500 feet centered on Moore's Creek roughly and 13th Street between Georgia and Delaware and includes underground utilities in that area. Mr. Thiess has been working on a letter with our Chairman to lay out what our costs are and how much we will budget in this year. In our budget, we assumed we would get some help from the stimulus fund or Fort Pierce Redevelopment Agency (FPRA) on the undergrounding. What the letter will do is lay out the costs and send it to the FPRA and if they are able to share some of these stimulus funds, fine; we will factor that in there. From what Mr. Thiess has heard, the restrictions set by the State on the stimulus funds may preclude the stimulus funds being used for utilities. If that is the case, we will have to ask FPRA to help us out on the project. That letter should go out this week.

Mr. Drummond stated that some years ago when we were discussing the 25th Street project, we had a joint workshop with the City and spoke with terms of underground and he believes that an agreement was met with our projects going forward, we would certainly be happy to do it, but we agreed upon a 50% funding formula.

Mr. Summerhays and Mrs. Cully also recalled that 50% formula was agreed upon. Mr. Thiess said there are really two formulas that have been used. The 25th Street formula was done on a lot of projects such as Avenue D, Orange Avenue, Georgia Avenue, 25th Street, and several others. This is where the City put in the conduits and poured the concrete pads and FPUA put in the conductors and set the equipment. It is real close to a 50/50 split and that is what was done on 25th Street. The other formula we used on A1A was we funded an amount for an overhead to overhead location and the FPRA funded going from that to an underground configuration. Our share on that was less than 50/50, ours was \$1.8 million and FPRA spent \$5 to \$5.5 million after we reduced the price of the project so we had one-third as opposed to 50%. We have not proposed any amount on this one.

Mr. Drummond asked if A1A was a separate project because there were some different things going on. Mr. Drummond said he thought and perhaps we need to pull the minutes, but he recalls it was agreed that going forward it would be a 50/50 match.

Mayor Benton said he did not understand why time was being wasted on this project because when it was first discussed it was for the complete length of 13th Street, now we are talking about maybe 100 yards. Mr. Thiess said it is a pretty short segment, from Georgia to Delaware. Mr. Drummond thought Mr. Thiess said Moore's Creek. Mr. Thiess said no it was 500 feet centered on Moore's Creek that is one part, and then there is Georgia to Delaware.

Mayor Benton said this is not worthy of the inconvenience to the public and you are doing half of 13th Street and it has come to the point of why even dig the road up. Why put utilities underground for one block. Mayor Benton said he cannot make sense out of this.

Mr. Drummond said he thought we were talking about the entire length of 13th Street. Mayor Benton said he does not know how this will move forward and has not talked about it as a City Commission or the FPRA. The stimulus money is dwindling less and less and why even go there.

Mr. Recor wanted to caution Mr. Thiess and bring to his attention and the rest of the Board that he does recall the discussion about the 50% moving forward and it was at one of FPUA's strategic planning sessions or budget workshop a few years ago. The availability of funding from the FPRA is not something any of us can depend on any longer. Mr. Recor said they received a visit from Mr. Furst last night at their City Commission meeting hoping for a confirmation of the news they expected and it actually went in the other direction. He stated that it amounted to another \$750,000 hit to the General Fund last night. With that said, Mr. Recor said there was also some discussion about the Community Redevelopment Area and he is expecting the area is going to be hit the hardest again this year, which will result in less Tax Income Financing revenue for the next fiscal year. FPRA is not going to have the funding that it has had in the previous years to fund all the programs and services it has traditionally funded.

Mr. Thiess asked if the 13th Street is a viable project at this time. Mayor Benton said their engineering department had brought this to his attention as they were redefining the area. He said it is such a small portion of 13th Street; it just does not make sense to him to move forward. He questioned how many years before they have the ability to do the rest of this street.

Mr. Drummond said it stops being a stimulus and we have to find \$1.5 million. Mr. Summerhays said he does not know where we would find the money to go overhead to overhead on this particularly for a couple of blocks.

Mrs. Cully asked how many people would be involved. Mayor Benton said that it is such a small area. Mr. Thiess said he would get back with engineering and see where they are on the project. If the project is not going to move ahead, it probably is not worth looking into.

Mayor Benton said that he wanted the public to know that the stimulus money from day one, he had hoped that it would come straight from Washington to the cities and

counties. It is his understanding, talking to the City Engineer, that the money has gone to the State, but the Florida Department of Transportation is the one that has said this money cannot be used for putting in utilities. In any road work that is done, we will be dealing with tearing up utilities. Mayor Benton said it is set up for failure so the State keeps the money and does their pet projects. He said, unless some changes are made on the State level in the details, it does not appear that a whole lot is going to get done when the stimulus money comes through for the road work.

Mrs. Cully asked the Mayor if he knows someone in Washington that he can talk to. Mayor Benton said he is working with Washington and also with Tallahassee, but it is just not going anywhere.

Mr. Summerhays said that everybody has other interest right now. Mayor Benton said he feels that Washington felt it was easier to give it to the States versus letting the Cities and the Counties fight over it. Mayor Benton said the City had \$60 million worth of projects ready to go, but with all the details and fine print, it is not becoming reality. He said it has been brought to the attention of our Congressmen and Senators locally.

Mr. Thiess said that the Mayor made a Proclamation last Friday about casual attire for the duration till next September and proposed from the next meeting on that there would be no need for a jacket and tie and for the Board to dress according to the climate.

Mr. Drummond told Mr. Summerhays that he was happy to have him back. Mr. Summerhays responded that he was glad to be back, able to walk, stand, and all those strange things that he was not able to do for so long. Mr. Summerhays stated that he wanted to announce that we now have in Fort Pierce a really first class neurosurgeon and is totally amazed at how well his surgery went. He also said he got really good service from the hospital.

Mayor Benton said it was strange for him that Mr. Summerhays on one side of him and Mr. Recor on the other side of him have both met that neurosurgeon in the last few months.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN