

MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, APRIL 20, 2010, 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Chairman, Robert W. Summerhays, Jr.; Vice Chairman, Darrell Drummond; Secretary, Pamela K. Cully; Deputy Secretary, Michael A. Perri, Jr.; Mayor Robert J. Benton III (arrived at 4:08), and David Recor, Ex-Officio Member/City Manager.

Others present: William G. Thiess, Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney (left at 4:10); Nina Hurtubise, Director of Finance; Thomas W. Richards, Director Electric and Gas Systems; Levette Dixon, Communications Manager; Douglas W. Giel, Director of Shared Services; and Nancy Dallaire, Risk Manager.

The meeting was called to order by Chairman Summerhays.

The Invocation was given by Reverend Abner Bixcul of Oleander Church of God.

The *Pledge of Allegiance* was recited.

The roll was called and a quorum declared.

A motion was made by Mr. Drummond, seconded by Mrs. Cully, and unanimously carried to approve the following items listed on the Consent Agenda:

1. Approval of the Minutes of the Regular Meeting of April 6, 2010.
2. Approval to modify existing Agreement with Agricultural and Labor Program, Incorporated to allow for automatic annual renewals.
3. Approval to purchase InfoSWMM 8.5 and Info Water 7.0 Software (maintenance included first year), from MWH Soft Americas, in the amount of \$25,500.00. The term will be April 20, 2010 through April 19, 2011, with four one-year renewal options for maintenance, in the amount of \$4,800.00 per year, on terms that are mutually acceptable to both parties.

A thank you card was received from Parkview Baptist Church thanking FPUA employees for food donations.

A thank you card was received from First Baptist Church of White City thanking FPUA employees for food donations.

An email was received from SFC W. H. Swartz, Jr. serving in the US Army, thanking FPUA employees and specifically, Shari Franco of Human Resources, for the items that were donated and shipped to him overseas.

Mayor Benton arrived

Mr. Koblegard said that FPUA and FMPA had mediation with Midway Properties of St. Lucie County where the power plant is located and where FPUA's 25-acre piece is located. He said they have a plat before the City of Fort Pierce to incorporate that in with the City and it includes Energy Drive. The developer is responsible and has put Energy Drive in as completed. Mr. Koblegard said he is not sure if the landscaping is completed, but the responsibility for that and the signalization is on the developer. He said what they have asked is for FPUA to join the Property Owner's Association. Since we are not part of the plat and since we bought some time in the past our 25 acres, we do not have to join it if we do not want to. Mr. Koblegard said that he thinks it would be a neighborly thing to do and the protections for us are that any assessments going forward for the maintenance of the road or landscaping is divided on a per acre basis. Based on that, FPUA's share would be 13.1% and approximately 87% is going to be borne by the other people. If they are going to be picking up that large of a percentage, Mr. Koblegard said he does not think the fees would get out of hand. Additionally, FMPA along with FPUA are within a fraction of an acre of having 50% of the lands, so that if even one other lot owner agreed with us, we would control any of the meetings and anything that we decide to do going forward. On the road maintenance, it is about \$5,000/year. Mr. Koblegard said that we do not have that in writing, but that is what was represented to us by their engineers. He said what he is asking the Board to consider today is to agree to join the Property Owner's Association subject to working out a satisfactory contract going forward for the property owners of which we would be a member. We would still negotiate a contract and Mr. Koblegard said it would be brought back to the Board for approval. This is just a step forward if the Board thinks it is okay or appropriate for FPUA to join that group. He said that since we are there and we use the road, it seems reasonable to him. Mr. Koblegard said that he discussed this with Mr. Thiess and they met with the City and the developer, Mr. Lunsford, and the Staff is in agreement that FPUA should join.

Mr. Drummond asked what the contract would entail.

Mr. Koblegard said it would be on how FPUA would maintain the property going forward because each person owns its own parcel and would be doing their own business there. He said it is a typical Homeowner's Agreement, but it will be a Property Owner's Association. It will have boiler-plate language in it and the only expense that could be incurred is the maintenance on the road or the landscaping.

Mr. Drummond asked if it would speak to the cost that would be associated with being a part of the Property Owner's Association.

Mr. Koblegard said that the only thing that we would be agreeable to is maintenance on the road and the landscaping, period.

Mr. Drummond asked if there would be a cost for being a member of a Property Owner's Association.

Mr. Koblegard said not that he is aware of.

Mr. Perri asked if all of the five parcels that are on the map are owned by one individual.

Mr. Koblegard said that he believes they are owned by the developer and that he has only sold the property to FMPA. FPUA purchased our parcel earlier.

Mr. Perri asked if our parcel is at the end of the road, at the west end of their parcel.

Mr. Koblegard pointed FPUA's parcel out on the map.

Mr. Perri asked how they came up with 13.1%.

Mr. Koblegard said that they added up the usable acreage for each of the lots and our 25 acres compared with that and that is how the percentage was worked out.

A motion was made by Mr. Perri, seconded by Mrs. Cully, and unanimously carried to approve FPUA becoming a member of the Treasure Coast Business Park Property Owner's Association.

Mr. Koblegard left the meeting.

Mr. Thiess said that the next item is a combination of our routine item on the purchased gas adjustment (PGA) with a management plan for a rate stabilization fund.

John Tompeck, Gas Operations Superintendent, said that Staff is requesting approval of two items that he will present separately. He said the first item is the strategy for managing the PGA through a Rate Stabilization Fund (RSF). Back at the September 15, 2009 Board meeting there was a discussion of the Gas Supply Acquisition Project #2 (GSAP #2) refund. Mr. Tompeck said that some of the Board Members suggested that Staff evaluate/develop a rate stabilization fund for gas. The purpose of the fund is to stabilize the PGA to avoid large increases during periods of gas price instability. He said the objective of the stabilization fund is: to establish a floor for the reserve so that there is a fund to draw on for any sudden price fluctuations in the gas market; to establish a plan for handling the PGA in terms of how often it should be changed with the intent on limiting adjustment to two or three per year; and to the extent possible, flatten out the rate to help our customers in planning their expenses. Mr. Tompeck said that Staff recommends that the floor of the RSF be set at \$128,000, which was the refund from the GSAP #2. He said that since we are currently over collected more than the \$128,000, no more additional funding is being required for the fund. Up to this point, through our February actuals, we are about \$280,000 over collected. The nice part about this is that he knows some of the Board Members have been participating in the FMPA BMW group discussions on a rate stabilization program for the PCA. This is a

parallel kind of thing and the problem FMPA has is that they do not have the money to set up the fund because it is not easy to come up with \$30 million. Mr. Tompeck said this is obviously several orders of magnitude less than the PCA and it is nice that we have some money available in our over collections to actually fund this. He said that what is planned is to project the future PGA requirements by use of the sensitivity analysis, which will be performed monthly to include different scenarios of increases or decreases to the PGA at various time periods based on projections of usage, revenues, and costs. Mr. Tompeck said that he included a typical sensitivity analysis and methodology. He said that what is on the screen is the current sensitivity analysis based on the latest information we have. Based on this sensitivity analysis, they will bring the suggested PGA change to the Board at least two months in advance.

A motion was made by Mrs. Cully, seconded by Mr. Drummond, and unanimously carried to approve staff's recommendation for Purchased Gas Adjustment (PGA) management of the Rate Stabilization Fund methodology.

Mr. Tompeck said that based on the methodology that he previously described, they went back and reviewed the current situation to determine if an adjustment to the PGA is warranted at this time. He said that since the summer of 2009, when there was an over collection of a little over \$500,000, we have been steadily under-collecting. December through March, which were extremely cold months, our usage was up approximately 11% during that period. That resulted in our over collections being reduced in excess of \$200,000. Mr. Tompeck said that while the fund is still healthy, now is the time to look at the strategy options. The sensitivity analysis includes a couple of different scenarios. The longest graph is the base case and part of that is actual through February. The rest is forecast, and that is assuming that the PGA remains at \$0.25. He said they took a look at the upper line in the graph as if there was a \$0.10 increase in June 2010 and that curve is relatively flat and that shows that the collections are equal to the cost. We are not over collecting and we are not under collecting. If you put a \$0.10 increase in June 2010, that would bring us up to \$0.35, plus the \$0.33 that is included in our base rate so that is \$0.68. That is about what the weighted average cost of gas is running now. For the last three months it has been anywhere between \$0.68 and \$0.70. Mr. Tompeck said that number is a little bit higher than we think is necessary so we ran a couple of other cases. Case 1, the burgundy line, is a \$0.05 increase in June 2010 and a \$0.05 increase in February 2011. He said, in recognizing in what they are trying to do here is stay above the RSF floor, which is the red dotted line of \$128,000. They also ran a curve that is a \$0.10 increase in October 2010 and that is almost a flat line with the rate stabilization fund floor. Mr. Tompeck said that he also ran a case with a \$0.5 increase in June 2010 without making any modification early next year and that is the green line that goes well below the RSF floor. He said that Cases 1 through 4 meet the requirements to remain at or above the \$128,000 floor. Staff feels that Case 3 is higher than it needs to be and Case 4 is not as conservative as Case 1 and will require a larger PGA adjustment in October. Right now it is at \$0.10, but if our over collections increase more and become more than we expect, that could easily be a \$0.15 increase. Mr. Tompeck said that Staff is looking at Case 1 to be adopted and that is a \$0.05 increase in June 2010 and a \$0.05 increase in

February 2011. He said that at this time we are only asking for the \$0.05 in June and we will wait and see how our forecast works and request a separate approval for February at a later date, if required. The \$0.05 increase in the PGA will cost the average residential customer about \$0.65 a month. Mr. Tompeck said that the base case curve has a pretty steep slope at the moment and they are trying to slow it down a little bit without having to make a major change in the PGA a few months down the road. He said that we are in really terrific shape in terms of our gas supply and our gas costs. FPUA has done some hedging for 2011 already and the gas that we are paying \$7.30 for now, we will be paying \$5.74 in 2011. The market in general has been pretty flat even though the prices change every day, but there have not been any major ups and downs. Mr. Tompeck said that he feels pretty comfortable that, unless there is some catastrophic event, our actuals should be pretty close to these forecast numbers.

Mr. Drummond said that with the \$0.05 increase, we would still be under collecting based on what our current costs are.

Mr. Tompeck said that is correct.

Mr. Drummond said that for instance if there were a major spike in the cost of gas, how would the rate stabilization fund kick in? Would it make up the difference so that we would not have to come back and make an adjustment?

Mr. Tompeck said that is how they figure it would work. He said that if it went up to \$10 or \$14 like it was a couple of years ago, we would still have to make the adjustment to the PGA and would have to make it rather quickly. We have a little bit of a cushion here to work with so that if it were a minor spike we could live with it and try to stabilize the PGA so we do not have to raise it and torture our customers too much.

Mr. Drummond asked if there is a certain point where we would have another dash line so that if the increase of gas was above this mark then we would have to come back ahead of the projected February 2011.

Mr. Tompeck said that he has only been tracking this for a couple of months so far and January through March and even the first two weeks of March were a little cooler than usual. He said that January through March we used significantly more gas and we under collected more than we anticipated. We are back into a more normal cycle in terms of what we expect in terms of usage. It will be a little bit easier to predict. Mr. Tompeck said he will be bringing a sensitivity analysis every month unless there are any major changes, it would be brought back sooner. He said that he expects to see if fairly close to the curve.

Mr. Drummond said that he is very comfortable with the concept of the stabilization. He said it would be his concern that we do not artificially create \$128,000 as the base of what we would always have, that we would not use it to keep the rates stable. As long as we dip below the \$128,000 we all of a sudden start asking for an increase in rates to get it back to the \$128,000.

Mr. Tompeck said that is the decision that can be made at that time if another sensitivity analysis is run and they have some ideas of where the market is going, they can predict where they are going to be in three, six, or nine months. He said they can then decide how or if the Board wants to bring the fund back up to the full \$128,000.

Mr. Perri said that he is a little confused about the chart that is on the screen and the two charts that are in the Board packet because they are different.

Mr. Tompeck said that between the time that the agenda item was written up and today, he has received the actual collections for February. He said that the sensitivity analysis changes almost every day.

Mr. Perri said that Mr. Tompeck had mentioned the black line and it is a red line on the screen and he has a chart with a black line and a red line.

Mr. Tompeck said that in Case 1 on the screen the burgundy color line is the \$0.05 increase in June and \$0.05 in February, the long curve is the base case, and the darker blue line is the \$0.10 increase in June.

Mrs. Cully said that she is definitely for a rate stabilization fund and this as a good way to get started. She said she understands that if they see something totally unusual come up that Mr. Tompeck is watching it all the time and that he will let the Board know ahead of time. Mrs. Cully said that if we could keep it at the \$128,000 without having to dip too much into it, it would be wonderful. She said that she would like to know in a timely fashion if they have to dip into it so they can look at it again.

Mr. Tompeck said that they will run the sensitivity analysis once a month and will have a good idea of how things will be changing. He said the spot market price is something that they review every single day to see where that is going. They get a lot of weekly and monthly market reports from the American Gas Association and some of the other groups that give them a feel for what is going on in terms of how much gas is being produced, how much is being stored, and how many rigs are being put together. Mr. Tompeck said that it does not preclude some kind of catastrophic event, but it has given them a little bit of confidence over the least 6 to 12 months that we are in a stable condition for gas.

Mr. Summerhays said that he would like to see a sensitivity analysis every other meeting.

Mrs. Cully said they will probably see a more stable atmosphere through the summer, but when we get to the winter months this could concern us a lot even if we are hedging and getting a good price. Things could change next winter like it did a couple of years ago.

Mr. Tompeck said that for the month of May, gas is about \$4 and the prediction is that in the high heat months, which are December, January, and February, right now it is in

the \$5.50 to \$5.70 range. After that season is over, it goes back down to the \$5.40 or \$5.30.

Mr. Drummond said that Mr. Tompeck indicated that the reason the chart on the screen is different than the chart in the Board packet is that he has had a chance since the packet went out to adjust for the actuals. The Case 1, or do nothing scenario, that is in the packet said that we are looking at a potential \$200,000 deficit in the do nothing scenario, but the chart on the screen is just a little over \$100,000 deficit, so is it getting better.

Mr. Tompeck said yes that it is getting better because we had the February actual and we also went back and plugged in the latest NYMEX prices for gas. He said that had not been done for about a month and they have gone that far down; it is making that much of a difference.

Mayor Benton said that the differences between these charts is one month so maybe we should wait until next month to see how things are going before we look at an increase. If it changes that much, we might be breaking even.

Mr. Tompeck said the key thing here is that since July we have been under collecting about \$0.12 and even with this \$0.05 increase, we will still be under collecting \$0.05 to \$0.07. We still are not collecting what we are paying out.

Mr. Summerhays said to keep in mind that these are projections and when we get prices next week, they could change dramatically again. He said that we do have this long period where it just keeps eating into our over collection and it is time to take some action. If we get to July and we see that the prices have come down and it is reversed, we can always take it back.

Mr. Drummond asked what Mr. Summerhays suggestion was to seeing the analysis.

Mr. Summerhays said once a month, every other meeting.

A motion was made by Mr. Drummond, seconded by Mr. Perri, and unanimously carried to approve staff's recommendation for Purchased Gas Adjustment (PGA) increase by \$0.05/ccf from \$0.25/ccf to \$0.30/ccf effective June 1, 2010.

Nina Hurtubise, Finance Director, presented the power cost adjustment agenda item. She said that the last couple of months we have been looking at what FMPA has been charging us for power and what we have been charging our customers, the over/under. The preliminary numbers for March look very good and there was an over collection in the month of March of about \$186,000, so the over collection as of the end of March is about \$2.2 million. The amount FMPA is charging, although it was an increase for the month of March, we anticipated there would be an increase of that amount so that was good. Mrs. Hurtubise said that the predictability is what has been an issue historically and the dark line on the chart is the cost that we have been charged and what we are

charging the customers. As of March, it is almost exactly the same. On the screen is the chart that the Board requested last month and it is intended to demonstrate the projections that have been made for the month of March are actually higher than the actuals came in for both the 80% and the 50% confidences. The lower number at 80% confidence, which is what our rate consultant has been using, it came in at the all-in rate \$2.20 below and \$.089 below at the 50% confidence level. We have had a bit of a change in philosophy because of the change in the way FMPA is doing these projections and their accuracy. We are recommending a reduction of \$4.00 in the power cost adjustment. Mrs. Hurtubise said that what that means to our customers is that it will reduce a 1,000 kWh residential bill from \$143.84 to \$139.84 per month. She said that the projections that were provided to us from Public Resources Management Group (PRMG), who is our rate consultant, were provided to the Board in their packet. In almost each of the cases that were provided, we looked at a whole bunch of different possibilities as to whether we should look at 50%, 70% or 80% confidence and applying different percentages to FY 2010 versus FY 2011. It looks like at this point, assuming that FMPA's projections continue to be as accurate as they have been, that if we make this change to reduce the PCA to \$44 for 1,000 kWh, then we might be able to hold it through September 2011. If it is better than that, we will be back, but we did not want to jump too soon. Mrs. Hurtubise said that in March 2010, we are in the over collection situation right now, it was not that way one year ago. We were under collected about \$1.3 million, which led into a very difficult situation in the middle of the summer. She said that she very much appreciates the Board for their very conservative reductions in the PCA up until this point, but at this time we recommend the Board's approval of a decrease in electric power cost adjustment for the period of May 1, 2010 through May 31, 2010 and until further notice to \$44 per 1,000 kWh.

Mr. Thiess said that he put a legal size sheet of paper in front of each Board Member, which shows month by month and on the top row for 2010 in July and August it shows that we are going negative, but we are going \$200,000 negative instead of \$4 million like we did last summer. He said that we are trying to approach the equilibrium power cost adjustment and keep enough in the over collection so we do not have the radical swing that we had. Nobody was comfortable with \$4 million under collected because that was our cash reserves that we used to back that up. If the rates come in at 50% through 2011, we will be looking at another \$4, \$5, or \$6 reduction to hit our equilibrium power cost adjustment, which would take us down into the low \$130 and would be very competitive with the other municipals.

Mr. Drummond said that as he is looking at the projections we are anticipating in May, June, and July where we will probably be under collecting, but Staff is still going to be bringing those to us as they have in the past on a monthly basis. He said that he is still concerned that if these projections are at 50% and continue to hold, he does not want the aggregate over collection to grow. He is expecting it to come down and that is what is making it comfortable for him to not again reduce. If it continues to grow, he would hope that staff would come back very quickly and not wait until 2011 and recommend further adjustments down.

Mr. Thiess said absolutely and they will still be looking at this on a month to month basis and if they are tracking the 50% rates, he would estimate that it would be summer or fall where there would be a small adjustment. He said we would need to get a couple of months down the road, but in the summer it would be very nice because that is when our peak usage is and it would give our customers a break in the summer. This is a \$4 drop and we will probably make the next one in smaller increments as we get down to our equilibrium PCA to match expenses out 12 months.

Mr. Drummond said that is fine with him, but he wants to be clear that if he sees the bottom number continuing to grow, that will be the signal for him that we need to adjust the PCA again. He said he is still comfortable at the end of the day with that number coming down even to a smaller negative, but he does not want to see it continue to grow as we bring this number down.

A motion was made by Mr. Drummond, seconded by Mayor Benton, and unanimously carried to approve staff's recommendation to decrease the Power Cost Adjustment for the period from May 1, 2010 through May 31, 2010 and until further notice to \$44.00 per 1,000 kWh.

Mrs. Hurtubise presented the February 2010 Financial Operating Results. She said this is an information only item, but would like to keep the Board abreast of the financial condition of FPUA. For February 2010, our year to date increase in Net Assets actually went down from January as a result of our recording the transfer of the land from FPUA to the FPRA from the power plant. That hit our bottom line to the tune of about \$511,000 and that is the amount that the land was recorded on our books historically from 1972. There were no significant additions to that cost since then. We decide for ourselves what the value of that land is.

Mr. Summerhays asked if Mrs. Hurtubise is talking about the land where the old power plant was. He said that land was transferred to the City.

Mrs. Hurtubise said that the land was transferred to the FPRA minus the ice plant property and minus Lift Station A. She said it is as a non cash transfer, but it did affect our bottom line. There are some increases in Units Billed, but it is not across the board as it was last time. We are seeing some increases in Units Billed as compared to 2009 and that is a good thing for FPUA. We are seeing an improved cash position due to our conservative spending and the PCA over collection. The number that we were just looking at is money in our coffers so it looks better than it is because we owe it back to our customers and we will begin paying it back to them in the next couple of months. Mrs. Hurtubise said what also is effecting our cash position is that we have only spent about 8% of our Capital Budget so far this year. She said that we are 42% through the year and everybody is being very conservative in their spending. That is about \$6 million that we have not spent on account of not spending when we do not have to. However, anything could happen between now and the end of the year, plus there are probably some routine renewals and replacements that we should be doing, but are not

because of the “just in case” and because things are so very tight. Although things are doing very well, we will continue to watch just as we always do.

Mr. Drummond asked if the 8% of the Capital Budget not being spent is because of not moving forward with projects that the Board has approved.

Mrs. Hurtubise said that is part of it. She said we have just tried to hold the line on any kind of spending that we could possibly avoid. Normally we cannot do that very much on the operations and maintenance side, but on the Capital side there is some discretion that we can use in some of the projects.

Mr. Drummond said that he is a little curious because in the budget process we paired back considerably the Capital Budget and we were at bare bones. He said that he thought we had made the decision that these are the projects that we wanted to go forward with and now we have only gone forward with about 8% of them or is this timing issue?

Mr. Thiess said that it is a timing issue. He said that we did not have a lot of buffer in that budget or contingencies so what our departments typically do is they will cut back on their spending in the first part of the year especially on the renewals and replacements, things that they could potentially postpone into the next year if they had to. We are already at a minimum on the renewals and replacements so we cannot get by on that for very long, but the spending will increase when we get closer to September 30th because we will be confident that we do not need the money for an emergency. We do not mind running out of money on September 30th, but we do not want to run out on April 30th.

Mr. Drummond said so we are still planning to spend the Capital that the Board approved and it is not going to be that we are just holding the line.

Mr. Thiess said that is correct. He said there may some projects that the City pulls back on that we do not do. That happens off and on where projects are pulled back and new projects that may pop up. Mr. Thiess said that our departments are just being conservative and there will be an increase in spending and will get through most of the Capital Budget by the end of the year.

Mrs. Hurtubise said that also projects are funded by outside sources where those outside sources may have chosen not to move forward. She said this is not just rate-funded Capital, but all Capital. This is only through February and we are already into April. For Units Sold, this is what was described a minute ago that our electric Units Sold is up about 5%, but they are still down 5% from FY 2008. Water is up 7% from 2009 and about the same as it was in 2008. Wastewater is up about 1% from 2009, but down 8% from 2008. Natural Gas is down 2% and again down 2% from 2008. Mrs. Hurtubise said that on the Operating Revenue side, electric is showing a reduction in Operating Revenue of about 1%, however, the PCA is down about \$1.2 million. We have recovered this year from our customers about \$1.2 million less than we did last year because our costs were less than they were last year. If we take out the decrease

in the PCA, the electric Operating Revenues are actually up about 5%. Water is up about 5%, wastewater is down about 3%, and natural gas, although it is down about 1%, it is the same situation described with the PCA. If we take the PGA out, the natural gas Operating Revenues are actually up 6% based on sales. The Operating Revenue companywide is flat. The Operating Income and Debt Service for the last twelve months is a rolling twelve months. February 2010 is pretty consistent with December 2009. Our Debt Service Coverage is 3.01, which is very healthy and well above the 1.25 required by our Bond Covenants. It is very stable, relatively speaking. Mrs. Hurtubise said the big differences from 2009 to 2010, our year-to-date Operating Expenses are down about \$2.5 million and that is attributable to the Other Post Employment Benefits (OPEB) of \$1.1 million, which will reverse itself at the end of year. Our Purchases for Resale are down \$1.2 million and our employee's insurance is down \$350,000. Those are the largest single individual decreases, however, there are numerous smaller increases across the board that we have had. Unfortunately, our Capital Contributions are also down \$2 million from year-to-date last year and that is not a surprise.

Mrs. Hurtubise said that something was brought to her attention and she wanted to put out a public service announcement. She said that once a year we have to write a check to the State of Florida for unclaimed property. When customers do not provide a forwarding address, we cannot locate them after they have left our service and we have applied their deposit to their outstanding bill. If there is money remaining on their account, we have to send that money to the State. Mrs. Hurtubise said that it is that time of a year where she has to write the check to the State and she does not like having to do that. She would much rather write that check back to the customer. Mrs. Hurtubise is making an appeal that when customers leave our service, if they would please provide customer service with a forwarding address when they move. It is probably too late for many of those and once a year the State goes on a campaign to publicize this as well. She would like to encourage anybody and everybody to go to this website, fltreasurhunt.org. She said that anybody could have some sort of unclaimed funds where someone tried to provide you a refund of something and they could not get a hold of you. You never know what you might find. When leaving our service territory, please provide a forwarding address.

Mr. Drummond asked how many days of operating we are at right now.

Mrs. Hurtubise said we are at about 78 days.

Mr. Summerhays said that is a nice increase.

Mrs. Hurtubise said that it is extraordinarily high.

Mr. Drummond said that we were targeting 60 days.

Mrs. Hurtubise said that is correct and if we had paid out all the Capital that was planned through February and also this is before the City Distribution, which is about 18 days of Operating Cash, so that would bring it down to about 60 days. She said that is

where it would be most desirable. It is about another 10 days of Operation Cash that would drop if we spend all of the Capital money. Mrs. Hurtubise said that when she looked at the cash balances, which the Board will see next month, you will see those numbers for March, but those still will not include the City Distribution. The City Distribution was not done until April 6.

Mr. Drummond asked if it would be possible when Mrs. Hurtubise brings it back that they can see what the break out is and see exactly how many days of Capital and the City Distribution.

Mrs. Hurtubise said absolutely and she was running those numbers today. She saw that this was high and why is that.

Mr. Thiess said that the Avenue Q project is moving forward and the notice to proceed was issued to the contractor. A pre-construction meeting was held yesterday and if everything goes right they expect to be turning dirt out there in two weeks.

Mr. Summerhays said that the Attorney notified him that he did not have anything to share before he left the meeting.

Mr. Drummond asked if there was going to be any ground breaking ceremony for Avenue Q.

Mr. Thiess said that we do not have anything in the budget for it. He said that it has been awhile and a lot of the delays have been in other areas, other than ours.

Mayor Benton said four governments have been involved, the feds, the state, the county, and the city.

Mr. Thiess said there was a lot of red tape to cut through and the grant process, although it is worthwhile to have it because it is paying for a lion's share of this project, it took a long time to get all the issues resolved.

Mr. Perri said that he was kind of taken back about the power plant property going to the Fort Pierce Redevelopment Agency (FPRA). He said that it was state law that it had to go to the City of Fort Pierce, if they abandon it and that law was in place long before the FPRA.

Mayor Benton said the reason is because of the Brownfield cleanup and the FPRA just got a \$600,000 grant to clean the property up because it was in pretty bad shape. The FPRA had the ability to do that where the City did not. He said he does not know all the details. Once it is cleaned up, it will go to the City.

Mr. Thiess said the condition with the Brownfield thing is that any of the entities that were responsible for the contamination, which would include FPUA and the City, could not be the recipient of the grant, so the transfer was done to the FPRA as a separate entity to get the grant money.

Mr. Perri said that it seems like they are circumventing the law to him.

Mayor Benton said that it is \$600,000 that they did not have.

Mr. Perri said that he understands the rationale, but he does not know how you just do that when Statutes are Statutes.

Mayor Benton said with government and lawyers.

Mr. Thiess said that it passed legal muster because it went through both attorneys' offices.

Mrs. Cully said that since November, including this reduction we made of \$4.00, the PCA will have a total of \$10 reduction, which is wonderful. She said if we can keep it steady or even drop it more, it would be a whole lot better. She is glad that we can get it down that far from where we were in November.

Mr. Perri said that he had a call from Bill Yates a few days ago and he complimented the Gas Department. He said that they had a leak at the crematory and they were the johnny on the spot, there in a few minutes and got it taken care of. He wanted to thank everybody and he is not very good at writing letter.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN