

MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, JUNE 1, 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, and David Recor, Ex-Officio Member/City Manager.

Others present: William G. Thiess, Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney; Nina Hurtubise, Director of Finance; Thomas W. Richards, Director Electric and Gas Systems; Levette Dixon, Communications Manager; Evelyn I. Walker, Director of Shared Services; and Putnam Moreman, IV, Internal Auditor.

The meeting was called to order by Chairman Summerhays.

The Invocation was given by John Lee of Mount Olive Baptist Church

The *Pledge of Allegiance* was recited.

The roll was called and a quorum declared.

Ira Singh, Systems Analyst presented a plaque received from Toastmasters Club District 47 for the website design that she created for FPUA's Toastmasters Club. She said they won this award for the website competition held by Toastmasters International for the South Florida and Bahamas area. FPUA's Toastmasters Club was formed about six months ago and they have 20 members. Ms. Singh said that their club provides a platform for individuals to improve their public speaking, gain leadership skills, and build confidence. She said Toastmasters International has about 12,500 clubs in 106 countries around the world. Last month, FPUA's club entered into the contest along with 200 other clubs and they received second place, with Tampa placing first. Ms. Singh said it is with pleasure to present the plaque to the Board and she is very pleased that they won this year.

Mr. Summerhays congratulated Ms. Singh.

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

1. Approval of the Minutes of the Regular Meeting of May 18, 2010.
2. Approval of the 29th Street and Florida Avenue Water Main Replacement Project, budget transfer of \$87,000, and authorize the use of the Unit Price Contractor to complete the construction at a cost of \$81,000.
3. Approval of the budget transfer of \$30,000 from Project No. 634310610 (New Construction Water Mains) to the Midway Road - US-1 to 25th Street water project and a budget transfer of \$30,000 from Project No. 835210810 (New

Construction Wastewater Mains) to the Midway Road – US-1 to Midway Road wastewater project to begin preliminary design work.

4. Approval of the new AT&T Contract Service Arrangement Agreement and authorized Chairman or Vice Chairman and Secretary to execute.

A note was received from The Mustard Seed thanking FPUA customers for the amount of \$320.42 and Electric T & D in the amount of \$50.00 contributed through Project Care.

Nina Hurtubise, Finance Director presented the rate comparisons for the month of April 2010. She said that at this point, our power cost adjustment (PCA) was still \$48.00 and will be dropping for the month of May. Ms. Hurtubise referred to the displayed graph of the residential comparison of the electric rates as compiled by Florida Municipal Electric Association. She said the graph displays the municipal electric bills in the State of Florida for the usage of 1,000 kWh. FPUA's relative position compared to the other municipal utilities is now the fifth highest, which is one position lower than it was the previous month. We hope to see it improve significantly next month. Ms. Hurtubise said that since March, eleven utilities have increased their bills and ten have decreased their bills. Winter Park had an increase of \$14.99, Chattahoochee shows an increase of \$10.58, and Bushnell reflects an increase of \$10.00. Williston reflects a decrease of \$20.80 and there was an increase of \$18.10 in the month of March. There were two consecutive very large increases and they received some relief in the month of April. Quincy reflects a decrease of \$13.00, which offset the increase in March of \$11.90. Fort Meade reflects a decrease of \$11.30 and Green Cove Springs reflects a decrease of \$10.11. Ms. Hurtubise said the chart displayed shows the 2,500 kWh comparison with FPUA now the fourth highest and it went two positions to the right from last month. She said the local rate comparison of the residential electric, water, and wastewater was compiled by staff. This is the comparison of Fort Pierce, Port St. Lucie, SLC, and Vero Beach utility bills. Ms. Hurtubise said that the only difference between this particular comparison this month is that there was a decrease of \$2.00 in Vero Beach's bulk power cost. She said that in the newspaper there was an article about Port St. Lucie anticipating increasing their utility tax on electricity to 10% from 5%. Our utility tax is already 10% so we will be seeing that perhaps in the month of October. This is an information only item and no action is required of the Board.

Mayor Benton said that Ms. Hurtubise said that we would be seeing that in October and asked her to explain that.

Ms. Hurtubise said that is when they expect the utility tax increase to go in to effect on October 1st, Port St. Lucie's increase.

Mayor Benton said that he does not want anybody to think that it was FPUA that would be seeing that increase, it is Port St. Lucie.

Ms. Hurtubise said that is correct.

Ms. Hurtubise presented Resolution No. UA 2010-05, PNC Bank Master Resolution and Authorization for Depository Accounts and Treasury Management Services and requested the Board's approval. She said that this is a formality whereby the Board authorizes Mr. Thiess and herself to move forward with an investment in a bank that we have not invested with previously. This authorizes us to move forward with a money market investment that was quoted to us to yield approximately 0.35% interest which is not very good, but it was the best of three bids that were provided to us.

Mr. Thiess said that he wanted to point out that as bad as 0.35% sounds, the last CDARs that we did were 0.02%. He said that the short term investment situation out there is not too good at this time.

A motion was made by Mrs. Cully, seconded by Mayor Benton, and unanimously carried to Approve Resolution No. UA 2010-05, PNC Bank Master Resolution and Authorization for Depository Accounts and Treasury Management Services.

Mr. Thiess said that at the last meeting where Mr. Summerhays and Ms. Cully were absent, there was some discussion about the Citizen's Budget Advisory Committee participating in the review of FPUA's budget. He said that a lot has transpired since then and the first meeting is tomorrow morning at 9:30 in our office on 2nd Street. Mr. Thiess said that there is an agenda and that we have about three weeks before we have to get their input to have time to make the agenda for the first round of the budget. He said that there will probably be a meeting every week or whatever it takes to get the job done between now and the 23rd of June when we have to have the process finalized.

Mr. Thiess said also discussed at the last meeting was the procurement card use. He said that Mr. Barnes was here from City Purchasing. We are not ready today to bring that to the Board, but plan to bring it to the next meeting on June 15th. Mr. Thiess said that Mr. Barnes had a substantial list of back up information that he requested and we went through our records and provided him with the last of it today. He said that by the next meeting we should come up with some kind of conclusion on that whole process.

Mr. Drummond said that at the last meeting when we were talking about the Advisory Committee, it was suggested that we might need to come back after Mr. Koblegard had a chance to take a look at the City's resolution to see if we needed to amend that in any fashion. He asked if Mr. Koblegard had a chance to review the resolution.

Mr. Koblegard said that he apologizes, but he has not looked at it, but he will have an answer by tomorrow.

Mr. Thiess said that when he gets that word, he will get an email out to the Board Members. He said there will be one more of our Board meetings before the submittal of

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that report so, if there is some administrative cleanup that needs to be done, we can get it done between those dates.

Mr. Drummond said that the only overriding concern was that the resolution spoke directly to that committee reporting back to the City Commission and we want to be sure that they report back to our Board.

Mr. Perri said that is correct and he believes that was in our motion.

Mr. Drummond said that he is guessing that we have now entered the summer phase of casual dress.

Mr. Summerhays said that is correct.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN