

AGENDA ITEM 3-a

MINUTES OF A REGULAR MEETING OF THE UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH, FLORIDA, INCLUSIVE OF CLOSED EXECUTIVE SESSION, HELD MONDAY, APRIL 25, 2022, AT 2:00 P.M., AT 200 CANAL STREET, NEW SMYRNA BEACH, FLORIDA

(NOTE – CLOSED ATTORNEY-CLIENT SESSION AND REGULAR U.C. MEETING HELD ON-SITE. *HELD IN 2ND FL. EXECUTIVE CONFERENCE ROOM. REGULAR UC. MEETING HELD IN 3RD FL. DEBERRY ROOM)*

I. Executive Session – Closed Attorney Client Session:

Chairman Davenport opened the Regular U.C. Meeting to order and stated first thing we're going to do is take roll call. We're going to hold off on the pledge and invocation until we come back.

Roll Call:

A roll call was taken, all of the U.C. Commissioners were in attendance as follows:

Commissioner James Smith
Commissioner Lillian Conrad
Chairman James Davenport
Commissioner Richard Hawes
Commissioner Lawrence Kelly, Jr.

Others in attendance were as follows: J. Bunch, General Manager/CEO; D. Simmons, Exec. Mgr./ Recording Secretary; M. Spellers, Sr. Help Desk Technician; Laquavius Green; Help Desk Technician; General Counsel Thomas Cloud Esquire and Jack Kirschenbaum, both with Gray|Robinson Attorneys at Law.

Chairman Davenport stated okay, now then we're going to excuse ourselves and go into a secret session, second floor, Client-Attorney Executive Session.

Mr. Cloud stated Executive Session; adding we would recess this meeting.

Commissioner Smith then stated so moved.

Chairman Davenport stated we're going to recess the meeting, now we're going to go to the second floor. (This Regular U.C. Meeting recessed at approximately 2:02 pm.)

Recommendation of Regular U.C. Meeting:

After the Executive Session / Closed Attorney-Client Session concluded, the Commissioners came back to the third floor and Chairman Davenport recommenced the Regular U.C. Meeting (recommenced at approximately 3:01 pm). Then stated we're going to have an invocation by Commissioner Conrad please, and while standing we'll have the pledge by Commissioner Hawes, please lead that.

Recommencement of Regular U.C. Meeting (cont.):

Chairman Davenport indicated roll call had been taken at the beginning of the meeting, prior to the Closed Executive Session. All Commissioners remained in attendance:

Commissioner James Smith
Commissioner Lillian Conrad
Chairman James Davenport
Commissioner Richard Hawes
Commissioner Lawrence Kelly, Jr.

Others in attendance at this time were as follows: J. Bunch, General Manager/CEO; E. Chavez, Director, Finance/ CFO; J. Couillard, Director, Engineering; T. Beyrle; Director, System Operations; V. Steele, Director, Electric Operations; B. Keehn, Director, Information Technology; M. Spellers, Sr. Help Desk Technician; Laquavius Green; Help Desk Technician; E. Fisher, Community Relations Coordinator; D. Simmons, Exec. Mgr./ Recording Secretary; General Counsel Thomas Cloud Esquire – Gray| Robinson Attorneys at Law; and John Moss, a member of the public in attendance on site.

Safety Message by Brandy Keehn: Cybersecurity Paramount to Utility Industry – FMPA “Behind the Switch” Video:

Chairman Davenport stated the next thing we’re going to go to is our safety message by Brandy Keehn – Cybersecurity Paramount to the Utility Industry. FMPA “Behind the Switch” video. Thank you.

Mrs. Keehn stated thank you. Then asked Mrs. Simmons if she was going to play the video.

Mrs. Simmons inquired if she wanted to play first or wait (intro.).

Mrs. Keehn then made some opening comments and stated for the video, we got asked to participate with the video they’re doing with FMPA and it’s called “Behind the Switch”. And it shows or highlights how cybersecurity is such a huge part of the utility industry now and how it’s the backbone of all of the infrastructure. So it gives kind of, reiterated its called “Behind the Switch” and so it’s something they did. Unfortunately I’m going to be in the video too, which I’m so sorry, but after that I’ll kind of go into some of the things we’re doing. But it was a nice highlight of what we’re doing in the utilities industry.

After the video display concluded, Mrs. Keehn stated so I get passionate right, and I was seriously in too, but it was nice that they asked me to do it. And just to give you guys some highlights of the some of the things we’re doing right now, we do a risk-based approach for our cybersecurity. So we’re pro-active rather than reactive and we’re investing in testing, threat intelligence and prevention. With that we prioritize our security needs based on their relative levels of risk exposure, so we’re lucky enough to have a lot of opportunities with different partners. One of the newer ones is we’re working with EPA. Last year they worked with me on an on-site cyber risk assessment and I’m meeting with them quarterly to do a cybersecurity action plan in the water department. That’s something new, we usually focus more on the electric but right now I don’t know if you’ve seen in the news, the hundred days

Safety Message by Brandy Keehn: Cybersecurity Paramount to Utility Industry – FMPA “Behind the Switch” Video (cont.):

from the Presidential order for, it’s basically more on the water side now, the water infrastructure. So working with EPA, is going to kind of give us an advance on that, I think, but it’s very similar to what we’re doing in the electric industry.

Mrs. Keehn continued and stated we’re also working with the Department of Energy and they have provided the operational technology sensors that’s going to go on our SCADA, both electric and water. That’s another grant that we received, which is through FMPA and that was extremely helpful. We also may be able to get a grant with that one from the Department of Energy that will give us a NOC (network operations center) that will monitor 24/7 for us, free of charge for three years. That one they’re still up in the air about but they’re going to do some sort of grant for us for that but the reason that we’re doing that is we’re piloting for the Department of Energy and FMPA as their guinea pig. They’re going to see how well we do it, with writing the RFP, deploying the sensors ourselves, the whole beginning to end, and then they’re going to document that and they’re going to let other muni’s use our, kind of template to help them out. So then because we’re letting them use us as the guinea pig, we’re going to get that for free. And so that’s a neat opportunity that FMPA provided.

Mrs. Keehn continued, they also did a cybersecurity assessment on our IT and OT environment. That was another grant free of charge they provided for us recently. C2M2 is an assessment, a maturity model that they do, they did that right when we really started getting serious about cyber, so we got to benchmark where we are. And then from that we just try to increase what we’re doing in controls every year and we’re able to measure that. So that was another, that was really APPA (American Public Power Association). And then this week actually, we’re going to be working with Volusia County and they are sponsoring a state-wide cybersecurity exercise, it’s the first time that they’ve done that I believe in cybersecurity. So we’re going to be working with basically all of the Volusia County utilities and going through just what we would do if there were a cyber-attack and how communications would work and the order of that. And then last year we worked with Norwich University – NAURI, and that was something neat that we did, a tabletop exercise for them, for critical partners. So we included the hospital, the City of New Smyrna Beach, we had the police department, the fire department, but that was if something were to happen with our OT, SCADA system and the power went down or the water, what would we do and how would we communicate. So that was more kind of getting to know each other and then who says what within the communications fields.

Mrs. Keehn stated and then lastly, we do the risk reduction with our employee training and monthly phishing, vishing, and we also do smishing which is through phones and texts. So we try to keep our employees very well aware of what’s going on as well. So those are some of the things we’re doing to try to mitigate some of the costs, so we don’t see ourselves in the news, and we try to stay ahead of what we can. And then also do it under our partners, grants and opportunities. So cyber is also safety and security. She then offered to answer any questions.

Safety Message by Brandy Keehn: Cybersecurity Paramount to Utility Industry – FMPA
“Behind the Switch” Video (cont.):

Commissioner Kelly stated who applies for all those grants that you get, how do you, is that you or?

Mrs. Keehn stated yes, it's me, I work with the Department of Energy and Carter Manucy, he is FMPA, the gentleman that you saw. He's kind of my liaison within there and he'll let me know if things are happening and what I need to do. And really you just have to go for it and say yes, we're interested. So I just say yes to everything, if they're going to give it to us, I'll take it and you know we make it work. EPA, I saw something with WaterISAC that they were offering, EPA was offering utilities assessments, so I reached out to their point of contact and then they accepted us for the, it's sort of a pilot as well, so I've been working with their environmental engineer, so we're meeting quarterly. And so it seems like for the electric and water industry there's a lot of grants and money out there, if you just are persistent. And luckily with APPA and FMPA, they also help us, you know they let us know, they guide us in the right direction and advise us.

Commissioner Kelly stated yes, and because I would commend you on that. On a lot of boards people would come in with applications for grants and money and they just didn't have them filled out correctly so you couldn't help them at the end of the day. So I think it's really great that you put that together and do that and reach out and get it because there's plenty of money out there its just, you know, doing the correct stuff to get it.

Mrs. Keehn stated yes, thank you, and there is a lot of money, especially right now.

Commissioner Smith then asked did you happen to see the 60 Minutes, two weeks ago, not last Sunday but the prior Sunday. But they did a segment on cybersecurity and I can't remember, it was a lady, I thought she was with FEMA or possibly Homeland Security. And they're really, I mean it was really so scary I ready to jump off the balcony to say we're all going to die. Obviously, there's some pretty astute people who are working on the wrong side of the fence, but I don't know if you had any contact with FEMA or Homeland Security?

Mrs. Keehn stated well, I do work with FEMA and we also do trainings, some of our tabletops on the NIMS, we practice that within the organization.

Commissioner Smith stated right.

Mrs. Keen continued, and really the hurricane training and tabletop exercises, the way that they're doing cybersecurity is exactly the same way. It's if you had, it's just a disaster basically and you go through the same steps and it's the same sort of system, it's just on the cyber side. And luckily, we're part of a cyber mutual aid, similar for what they do for the electric industry when we have disasters, and they share resources. We signed an NDA with a cybersecurity fund for muni's, so hopefully never, but if something like that did happen, then we have the resources throughout the municipalities that participate in this, which is about 80% of them. And they'll fly their resources in or whatever we need to assist us for free and all we have to do, is similar with electric, is pay for their food and their stay. And everyone does that for each other, just as we have some high abilities and talents in here on the cyber

Safety Message by Brandy Keehn: Cybersecurity Paramount to Utility Industry – FMPPA
“Behind the Switch” Video (cont.):

side in my department, there’s a couple of gentlemen that are very advanced and it would be the same thing if we could help them and they contacted us, we would do the same for them.

Commissioner Smith stated do you think you’re more of a target because you’re small?

Mrs. Keehn stated I think that would be either, I mean I don’t think they look at that anymore, it’s where they can get in. So I think everyone’s vulnerable, small and large.

Chairman Davenport then stated Mrs. Keehn that’s an excellent presentation. I know I get it every day being in insurance, that’s one of our biggest fears in State Farm is being, someone getting into our customer base or shut us down. Great job. Will you keep your eyes open for a grant for utilities, if you will for sewer, for changing septic over to sewer lines.

Mrs. Keehn jokingly added and cyber tends to that, we’ll say and if, yes, I’ll look for that, very specific.

Chairman Davenport stated keep that in mind, we’re looking for that grant money.

Mrs. Keehn stated yes, you’ve got it.

Mr. Bunch stated I just want to make a note if I could, Mrs. Keehn is being a bit modest here, there’s a reason why they asked her to be in that video. It’s because her and the team are pretty far advanced, mature relative to a lot of peers, so part of that was trying to get some of the other utilities to do some of the assessments and things that she’s done. And then lastly several months back we mentioned one of the grants for operational monitoring, was about a \$350,000 grant, is because of her relationship with the guy that was in that video. By name he recommended us to APPA to get that grant, so her relationships have paid off in a lot of ways, so thank you Mrs. Keehn and your staff.

Chairman Davenport stated awesome Mrs. Keehn, reiterated great job, we appreciate what you do so much.

Mrs. Keehn stated thank you.

(1) Agenda Changes, Additions and Deletions:

Chairman Davenport then stated all right, number one on the agenda, any changes, additions or deletions.

Mr. Bunch stated one addition, Chairman and that would be item 3-j. (Village Center East Developer’s Agreement). Is that correct?

Ms. Couillard indicated we’re pulling that off.

Mr. Bunch stated pulling it off, yes, I’m sorry.

Chairman Davenport stated pull it, the developer’s agreement?

(1) Agenda Changes, Additions and Deletions (cont.):

Mr. Bunch stated yes, that one wasn't quite finished so it will likely come back next month.

Chairman Davenport stated okay, so we'll delete 3-j., anything else?

Mr. Bunch stated no sir.

Chairman Davenport stated okay, thank you.

(2) Public Participation:

Chairman Davenport then stated second item on the agenda, any public participation from anyone. Online, or the phone, or hiding out there somewhere.

There was no public participation at this time.

(3) Approval of Consent Items:

Chairman Davenport stated okay, move to the next one, number three, approval for consent items. Does anyone want to pull anything, Commissioner Smith?

Commissioner Smith stated I'll pull c.

Commissioner Hawes stated I would pull f. and h.

Chairman Davenport stated okay, I would pull d. and k. Commissioner Conrad and Kelly?

Commissioner Kelly stated I would pull k.

Chairman Davenport stated okay, so we've got c., d., f., h., and k., correct, to pull. Okay, so we're going to get a motion on consent items, on a., b., e., g., and i.

Commissioner Conrad stated I make that motion, if that's what you want; specifically a motion to approve item 3-a. Minutes of U.C. Meeting, approve as submitted; item 3-b. Granted and Accepted Third Party Utility Easements, ratify acceptance of two utility easements – granted to UCNSB for a Wendy's restaurant on S.R. 44 from Southport Construction Corp. and for Barracuda Bridge, a FDOT project from Board of Trustees of the Internal Improvement Trust Fund of the State of Florida, each attached to the item and as submitted to the Commission; item 3-c. Approval – Acceptance, Termination and Release of Easement Rights, approve this document as submitted for 2165 Turnbull Bay Road (parcel ID #734002050081) and 2155 Turnbull Bay Road (parcel ID #734002050082), attached to the agenda item and as submitted to the Commission; item 3-g. Project Update – Annual Contract for Gravity Sanitary Sewer Rehabilitation, informational agenda item (reallocation of \$1 million in approved, budgeted funds)–no action required; and item 3-i. Award of ITB no. 13-22 – Pole and Padmount Transformers, and Request for Two-Year Purchase Orders, approve the ITB award to various evaluated successful bidders for a two-year period, in an estimated

(3) Approval of Consent Items (cont.):

amount of \$1,600,000.00, to support securement of current pricing and lead times for UCNSB transformers and authorize the GM-CEO or his designee to execute all documents associated with this matter. Final order determinations will be brought back before the Commission for ratification.

Commissioners Smith and Hawes simultaneously stated second.

Chairman Davenport stated thank you. Mrs. Simmons if you would call the roll please ma'am.

Commissioner Conrad's motion then passed unanimously on a roll call vote.

(3-c) Ratification – Supplemental Funding for Clarifloc Polymer at Wastewater Reclamation Facility – WRF:

Chairman Davenport stated okay, item number c. ratification, supplemental funding for Clarifloc Polymer at Wastewater Reclamation Facility.

Commissioner Smith stated yes, I just didn't quite understand in reading it, whether they raised the price after we issued a purchase order, is that correct?

Mr. Bunch stated let me ask Ms. Couillard a question, are you familiar with this, if not I'll attempt to address it. I did read through it this morning. After Ms. Couillard indicated no, Mr. Bunch stated okay, so the basic issue is this was approved a couple of years ago as a multi-year PRE, purchase request, and there were approvals and had this been under \$75,000, I would have just signed off. So it's basically because it was over \$75,000, we're putting the adjusted PRE to the Commission for approval at \$77,000. But it's not, in light of things going on in the industry and as I understand reading this, it's not unreasonable and supplier chain engaged, and we actually negotiated the increase down slightly.

Commissioner Smith stated I guess the question I have is, it seemed like there was a purchase order that was approved and issued, and then they raised the price after we gave them a purchase order.

Mr. Bunch stated but it wasn't fixed price, so it was multi-year approval to utilize this vendor.

Commissioner Smith stated right.

Mr. Bunch continued, but it was an annual re-up of the price. So if we thought it was too high, we could have gone to somebody else but in this case, the supplier worked with Scott Heil and negotiated it down slightly and it came in at \$77,000. And I wished the rest of our cost increases were as relative amounts, we're seeing a lot more significant ones unfortunately.

Commissioner Smith stated okay, I'm good.

Mr. Bunch stated thank you.

(3-d) Approval of Award – RFP No. 05-22 – Agent of Record for Employee Benefits:

Chairman Davenport stated okay, next item was d., my question on this one is the agent of record for employee benefits - risk. I was looking at these scores and Risk Management Associates, that's Brown and Brown, right?

Mr. Chavez stated yes.

Chairman Davenport then stated I'm curious who were the evaluators?

Mr. Chavez stated myself...

Mr. Bunch requested Mr. Chavez to step up to the podium.

Mr. Chavez then restated myself, I can't remember who the other two, then added Mr. Beyrle. Not certain who the third one was, but it was three staff, I just can't remember the third one.

Chairman Davenport stated I was just curious.

Mr. Chavez stated oh, okay.

Chairman Davenport stated I like to know who's watching the store for us, you know, thank you. As long as you, I wanted to hear you in there, personally is what I wanted to hear. And I heard it, so thank you.

(3-f) Ratification of Budget Increase – Turnbull Bay Road Line Reconductoring Project:

Chairman Davenport stated okay, the next one, who, f.?

Commissioner Hawes stated that was mine. I was kind of curious about f. because I know we were asking for additional monies and I'm not sure if I totally understood the math, but it looked like we were sort of doubling the cost, but I may not have got that right.

Ms. Couillard stated that is correct.

Commissioner Hawes stated that is correct, okay.

Ms. Couillard stated so we're asking for an additional \$1 million. When we originally approved this project it was back in 2019 based on 2016 rates, and we've improved our design standards, so we're hardening now. We also, material, labor changes, as you know, have gone up. And we added vegetation management to the project, so we trimmed back to the edge of the new right-of-way.

Commissioner Hawes stated thank you.

Ms. Couillard stated you're welcome, that's it?

Commissioner Hawes stated that's it.

(3-f) Ratification of Budget Increase – Turnbull Bay Road Line Reconductoring Project (cont.):

Chairman Davenport stated but we did double this?

Commissioner Hawes commented yes, basically.

Chairman Davenport stated I was curious too about it.

Mr. Bunch stated she mentioned kind of subtly but the change in grade of construction, is it possible that took a good portion, in material costs?

Ms. Couillard stated yes.

Mr. Bunch stated what could you tell us, what that entails.

Ms. Couillard stated so the original design was along the road. The County has a project to widen the road, so we had to redesign it for that. Then we added larger, beefier poles so the increase in price there is almost double. But we're hardening them, so when a hurricane comes, we're expecting them to stay standing.

Chairman Davenport stated right, well, that makes sense. Okay, Commissioner Hawes, I appreciate that.

(3-h) Award of RFP No. 11-22 – Well Assessment and Rehabilitation Services:

Chairman Davenport then stated okay, and h.?

Commissioner Hawes stated that was also mine and the question I had, this is the well assessment and rehab.?

Ms. Couillard stated yes.

Commissioner Hawes continued, but I didn't see the cost and I felt well, maybe I just missed it or was there something?

Ms. Couillard stated this is actually a continuing services contract, to call on them as needed. So we had two other folks, we're adding another one to our stable so that we can spread across the three and also scheduling-wise, sometimes if its an emergency we need be able to go to all three and get a quote.

Mr. Bunch stated so within their bid, there are a number of different types of people and skills per hour.

Ms. Couillard stated yes.

Mr. Bunch continued, if we called upon them on a project, they would then give us a project specific cost using these labor factors.

(3-h) Award of RFP No. 11-22 – Well Assessment and Rehabilitation Services (cont.):

Commissioner Hawes stated oh, okay.

Ms. Couillard stated correct.

Mr. Bunch continued, and then staff would decide whether we use them or one of the others. And if it was over a certain amount we would come before you for approval. Does that make sense?

Commissioner Hawes stated yes, and I did see all of that; okay, thank you.

(3-k) Developer's Agreement – The Palms at Venetian Bay, Phase 6:

Chairman Davenport stated that was h., and then j.

Mr. Cloud interjected, was delayed.

Chairman Davenport continued, and j., we delayed that.

Mr. Cloud then added, it should be k.

Chairman Davenport stated and then k. is mine. I was curious on this one, on The Palms - 209 single-family homes in Venetian Bay. It said both parties have agreed to implement and install a Data Flow Systems' Symphony system which will manage the lift station (no. 79). My question here, are we, how much money are we putting into this?

Ms. Couillard stated so into this Symphony system, nothing. We're requiring that of the developer until we can get the new regional lift station up and running. They're also granting us the land for the regional lift station. So the only thing that we're paying for is the lift station of course, and then across 44, we're paying for the incremental costs to put in bigger pipe.

Chairman Davenport stated bigger pipe, that's what I thought.

Ms. Couillard stated this is the first time we've done this.

Mr. Bunch stated and the system, is that just, does the system just integrate in with our plant SCADA?

Ms. Couillard stated correct, yes, so that we can watch and monitor the lift stations that are out there currently.

Chairman Davenport stated thank you, good job Ms. Couillard.

Ms. Couillard stated you're welcome, thank you.

- (3-c) Ratification – Supplemental Funding for Clarifloc Polymer at Wastewater Reclamation Facility – WRF:
- (3-d) Approval of Award – RFP No. 05-22 – Agent of Record for Employee Benefits:
- (3-f) Ratification of Budget Increase – Turnbull Bay Road Line Reconductoring Project:
- (3-h) Award of RFP No. 11-22 – Well Assessment and Rehabilitation Services:
- (3-k) Developer’s Agreement – The Palms at Venetian Bay, Phase 6:

Chairman Davenport stated okay, so now we need a motion to get approval on items c., d., f., h. and k. (consent items pulled for discussion).

Commissioner Smith stated so moved; specifically a motion to approve item 3-c. Ratification – Supplemental Funding for Clarifloc Polymer at WRF, ratify an additional \$7,000.00 supplemental funding for P.O. No. 17755, to Polydyne, Inc. for a total amount of \$77,000.00, and GM-CEO authorization or designee’s execution of same; item 3-d. Approval of Award – RFP No. 05-22 – Agent of Record for Employee Benefits, approve and award RFP to Risk Management Associates, Inc. (Brown & Brown) for one year, with the option to renew for three additional one-year periods upon mutual consent; item 3-f. Ratification of Budget Increase – Turnbull Bay Road Line Reconductoring Project, ratify/authorize a \$970,000.00 budget increase for the total overall project to \$1,950,000.00 and approval of Pike Electric, LLC for associated construction work in the amount of \$1,021,838.00. Previous overall project authorization is ongoing for the GM-CEO or his designee to execute all documentation for this matter; item 3-h. Award of RFP No. 11-22 – Well Assessment and Rehabilitation Services, approve the award of this RFP and issuance of the Annual Service Agreement to Thompson Well & Pump, Inc. (copy attached to agenda item), and authorize the GM-CEO or designee to execute all documents associated with this matter; and item 3-k. Developer’s Agreement – The Palms at Venetian Bay, Phase 6, approve this developer’s agreement, by Palms Land Holdings, LLC, and authorize the GM-CEO or designee to execute this document when contingencies are met.

Commissioner Kelly stated second.

Chairman Davenport then requested Mrs. Simmons to call the roll.

Commissioner Smith’s motion then passed unanimously on a roll call vote.

- (4) General Manager’s Report:

Chairman Davenport stated okay, item number four on the agenda, the great General Manager’s Report.

Mr. Bunch stated okay, I’m going to ask Mr. Chavez to come to the podium and give us the financial status and results for March.

- (4-a) Financial Status – March 2022:

Mr. Chavez came to the podium and commenced his presentation for March Financial Performance - March 2022 fiscal year to date. So our change in net assets right now is about \$1.5 million. That includes a \$0.5 million mark to market (MTM) adjustment which we talked

(4-a) Financial Status – March 2022 (cont.):

about in last month's meeting. But the favorable results in the change in net assets is driven by increased revenue, increased capital contributions and then offset by some lower electric consumption, just because of the milder weather. Increased purchased power and that really, we're at \$64.44 (per MWh), so that's over \$12 higher than last year's price of \$52.18, and then of course increased operating expenses. Now on the positive side we do have water consumption, is higher, wastewater and reclaimed, so those continue to be but as the weather changes on the electric side we will see increased usage.

Mr. Chavez continued, if you go to the capital expenditures so we're at \$9.8 million - \$5.5 million in major and \$4.3 in annual projects. On the major projects spend we have the Reclaimed Pond, Electric Reliability Improvement Programs. So that's our continued effort to improve our electric reliability metrics. On the annual project spend, we have Gravity Sewer Lining which continues, the purchase of utility vehicles, and of course, the continued new business electric and water installations. So good story overall and as we go into the summer months, even better.

Mr. Chavez went to the next slide and stated so here, just a kind of a quick snapshot from an operating loss standpoint, currently we're at a \$0.5 million loss but a year ago prior we were at \$2 million; so about a \$1.5 million improvement. Which of course driven by, still at a loss but increased purchased power, operating expenses, lower electric consumption, but then it's offset by the increased revenues and the continued customer growth. On the customer growth side electric is 2% year over year, water 1.9%, wastewater 1.2%, and reclaimed 9.7%. So we're still seeing the continued trends that we have been over the last several months. Now what we will talk about in this, and I'll mention it briefly here, we're currently at the credit of the \$3.98 for the purchased power, in essence the give-back to the customers, but in the subsequent slide we'll talk about having to change that.

Mr. Chavez went to the next slide and stated on the change in net assets, so this slide the only difference from the prior slide is the capital contributions as well as the mark to market. So on the capital contributions we're about \$700,000 greater than the prior year and that consists primarily of cash. So we're still seeing the continued capital contributions and such, so good story. So if you look at it, we were at \$1.5 million change in net assets versus \$1.3 million of a loss in the prior year.

Mr. Chavez went to the next slide and stated okay, so as you've seen in the news, the energy and the fuel prices have a direct impact on the cost of U.C.'s purchased power. Purchased power for us is impacted by the cost of natural gas or nat. gas. FPL which provides the majority of our purchased power uses natural gas to run its generating units. So with the current geopolitical uncertainty, tight natural gas supplies and commodity fluctuations are impacting all energy products. When we did the rate study in 2020, the projected average cost of U.C.'s purchased power was \$50.56 (per MWh), the projected average at that time for 2023 to 2025, fiscal year 2023 to 2025 was \$49.21. So as we talked about a little on a couple of slides earlier, our purchased power price right now is \$64.44, so that's almost \$14 higher or \$27.5% higher than what we had projected for fiscal year 2022 during the rate study. So based

(4-a) Financial Status – March 2022 (cont.):

on our analysis and to maintain the targeted purchased power reserve of about \$5 million, we are recommending increasing the purchased power cost adjustment to \$4.25 per 1,000 kilowatt hours (kWh), effective with this first billing cycle in May. Now we know that we'll continue to monitor the energy markets but at the current time and based on the current pricing of purchased power, we believe its fiscally prudent to put this increase in. And of course as markets change and as the pricing changes we will adjust accordingly.

Commissioner Hawes stated so Mr. Chavez, on that \$4.00 per 1,000 kWh, or \$4.25, is it, how much does, like a household use? I don't have any flavor for 1,000 kWh.

Mr. Beyrle indicated that was the average.

Mr. Chavez stated yes, an average household uses about 1,000 kWh.

Commissioner Hawes stated okay, all right, so that's about right; okay, got it.

Mr. Beyrle added that's the standard, everybody compares it the same.

Mr. Chavez stated yes, and that's typically the way we look at it is per 1,000 kWh. So folks always, our peers look at it the same way, because that is kind of the average. Unless there's any other questions that's what we wanted to address today.

Mr. Bunch stated so are you seeking a motion to approve, a recommendation to move to \$4.25 (per 1,000 kWh) FPPCAC charge?

Mr. Chavez stated yes, I am, thank you.

Commissioner Hawes stated I would move that; specifically to approve a modification (increase) to the fuel and purchased power cost adjustment clause from the current \$3.98 credit per 1,000 kWh to a \$4.25 charge per 1,000 kWh, effective with the first billing cycle in May 2022.

Commissioner Conrad stated second.

Chairman Davenport stated Commissioner Conrad seconded that; call the roll.

Commissioner Hawes' motion then passed unanimously on a roll call vote.

Mr. Chavez then stated thank you.

Mr. Bunch additionally stated thank you.

(4-b) Quarterly Submission of Balanced Scorecard and Enterprise Metrics – for March 2022:

Mr. Bunch then stated let's see, next we will move Mr. Chavez to cover 4-c. because we're covering the scorecard and metrics on a quarterly basis, we won't do them this month, but we'll talk about SilverBlaze, the customer portal.

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View:

Mr. Chavez stated okay, thank you, and requested Mrs. Simmons to pull up the PowerPoint. So what we wanted to introduce, and this was identified during the roadmap work done by Quanta, a couple of years ago actually, is improving the U.C. customer experience. So as part of the U.C.'s Vision, Mission and Values to secure the long-term reliability and resiliency of the U.C.'s infrastructure, the U.C. consulted with Quanta (Technology) to perform a grid modernization study and resulting roadmap. So that roadmap was really what we introduced and you tentatively agreed in principle to proceed, it's kind of a multi-year plan on how to bring the U.C. into current standards, technology, and customer experience. So we presented that and received Commission approval to proceed in 2020 and then the approvals were reconfirmed in February 2022, when we had the new Commissioners added. So as part of that roadmap, Quanta identified 23 complementary programs to improve utility operations but also to enhance the U.C.'s customer experience. So the transformed U.C. customer experience would include a website enhancement and enable future tools such as a robust customer web portal, customer alerts including outage and restoration status, and with AMI data electric and water usage information, water leak notification and high usage alerts.

Mr. Chavez continued and stated so currently Cogsdale is our Customer Information System (CIS) provider, in essence all of the, our customer service reps., everything that we operate on is a Cogsdale product. That encompasses the billing, meter to cash, customer information and tracking, which seamlessly integrates into our financial statement, general ledger package Great Plains (GP). So right now we are a Cogsdale shop, we've been with them for several years and it works really well with our existing infrastructure. To maintain that integrated CIS system and leverage the existing technology platform, the roadmap recommended implementation of the Cogsdale SilverBlaze web portal. And that is fundamentally to transform the U.C.'s online customer experience. So SilverBlaze will provide a single sign-on for customers and provide one portal to integrate all current and future customer focused functions with advanced communications. So what that will be is we are implementing as part of the overall outage management, advanced metering infrastructure, we're going to put this in first. This single sign-on for the customers will be an easy way for our customers to access all of that capability with one sign-on. So you will, as we add the functionality in the next couple of years with AMI and all of the meter information, the experience for the customer doesn't change. We don't have to teach them how to log in again, we don't have to teach them on where to go for a new application. You log in once and you get the access to that functionality. The beauty of it is you put it in today and it just, you add that ongoing tools without any interruption of service. So after further review by the U.C., SilverBlaze was confirmed as the optimal solution to deliver an exceptional customer experience. That's what we're recommending, and we've seen it in use at other utilities.

Mr. Chavez went to the next slide and stated so just a quick, SilverBlaze is an advanced customer portal that integrates current and future modernization projects, applications with a single sign on. So if we could, we're going to play just a brief little video, there's two videos, this is the first of them.

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (cont.):

Upon conclusion of the video, Mr. Chavez stated so these tools are already available at many of the larger utilities and it really provides that all-in customer experience. In the future as we add in the AMI, that data will be available. So the usage data wouldn't be available today, but we're going to load it with the OMS. So Mrs. Keehn and her team have really identified a really good tool to help us grow in our functionality for our customers.

Mr. Chavez went to the next slide and stated so this is just a sample of our new website. The blue button on the left side of the screen, that would be the SilverBlaze portal. So the customer would sign on there and have access to, currently it would be the billing, the current options we have available. But the very first one that we would go with after this would be OMS and then eventually the AMI.

Mr. Chavez went to the next couple of slides and stated Customer Information Module, so this, the single sign-on, rich dashboard interface, interactive charting for the usage inquiries, usage report, compare your own usage to pay your bills year over year, and then similar account usage. So things that you would see in other systems.

Mr. Chavez went to the next slide and stated all right, so this one is an innovative tool that we got a demo of it a few weeks ago. But this is a video option that we would, as one of the options we could implement for our customers, to get kind of a personalized video. Then requested for this video to be played.

After experiencing technical difficulties, Commissioner Hawes commented did you say video or audio?

While Mr. Spellers was assisting, Commissioner Smith stated can I ask a question while we're waiting for technical issues.

Mr. Chavez stated of course.

Commissioner Smith stated what I don't see in here is any, and I may have missed it, which my wife says don't ask dumb questions, but I just can't help myself. I don't see anything in here where you can access the rebate program for upgrading air conditioning and some others.

Mr. Chavez stated there is, and its part of this and its really actually in the appendix. There are forms in the back, but we are going to be revamping the whole rebate program, but there are forms that we can tailor. Confirmed that with Mrs. Keehn and then added so that will be part of it. It is a pretty lengthy deck, but they are in the back, I can flip through it after the video.

Commissioner Smith stated okay.

Chairman Davenport stated do we have it set up Mr. Chavez where the utilities would purchase electricity back?

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (cont.):

Mr. Chavez stated yes, that would be net metering, so that's what we're also., we'll have a tariff, updated tariffs coming to you in May.

Chairman Davenport stated good, I was asked that yesterday.

Mr. Chavez stated we currently have a program but we're revamping it to leverage the technology, so it isn't so manual. But we have it, we have about 153 customers on net metering today, 153 out of 30,000.

Chairman Davenport stated and they're selling electricity back to us?

Mr. Chavez stated yes, and they get a credit.

Chairman Davenport stated how do I get to do that?

Mr. Chavez stated it is a pretty considerable investment to put solar on your home, that's kind of how that would work. Then the second video was displayed at this point.

After completion of the video, Mr. Chavez stated so this just gives you an example, it's one of the tools that this application would provide to us. So there's a mobile option, there is, mind you these are offered to everyone, but you know customers can determine which they want to select on. If it's simple enough of just getting your bill via email and logging in to pay, if you want to see some usage, as we have that data, that's all available. But of course, the customer service, the drive thru, all of that remains, this is just additional technology for our customers and to, in essence, improve that customer experience.

Commissioner Smith commented I've never seen so many people so happy looking and paying their bill.

Mr. Chavez stated well, that's what we want, we want happy customers, and then went to the next slide. Indicated this will be the first app, or first major app we put on SilverBlaze after SilverBlaze is implemented, which will be the OMS, the outage management system. So this is where you would have outage notifications, outage reporting. The whole goal of SilverBlaze is if we didn't put a customer portal in, as we added these new applications you would literally have a new log in. So no one wants to have six different log ins and passwords for your utilities, and that's where I think the key was. There's other types of items like this in the market but this is directly offered by the CIS system that we currently leverage so the integration should be smoother. We're going to do that over the next few months but Mrs. Keehn's team and Cogsdale will work that out.

Mr. Chavez went to the next slide and stated after OMS and AMI, so then that will be another increased functionality after, on this. Then went to the next slide and stated this is the mobile app they were referring to (in the video). So literally the way you would look out on your desktop, you can also see this on your phone, you know pay your bill, so really that functionality any which way you want to pay, this will allow you to do that.

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (cont.):

Mr. Bunch stated so is it safe to say that it's not going to say SilverBlaze, that it's going to look like us?

Mr. Chavez stated yes, its tailored.

Mr. Bunch continued, and everything that they touch is going to look like us and it will be seamless as they go back and forth from one area to the other.

Mr. Chavez stated yes, it will, it will be customized. The SilverBlaze will be, I mean it's even in here, everything will say U.C. Because this uses, different utilities as well, its tailored to that utility. Then went to the next slide and stated so this is one, and this is probably the last major slide, it's a conservation portion of the SilverBlaze module in the sense of it's called "My Savings". In essence it will highlight how you can better control your energy costs, timely, actionable, personalized content, how is your consumption versus your peers. So it will help to the extent that folks want to use that, how can I save money on my utility costs, and it will ask you for some basic data. Give you a proposal as far as based on your usage, what are your usage among your peers, those kinds of things; so give you tips.

Mr. Chavez went to the next slide and stated okay, so next steps, the new website, which Mrs. Fisher and her team, we're working on, to get that up and running which you saw a brief sample in the previous slide. That implementation date is July 2022. Once we get the new website up, we will implement SilverBlaze which will be July/August 2022. SilverBlaze will be that single sign-on portal, we will inform our customers of how to access that, and then after we install SilverBlaze then we'll go to the outage management system. That OMS module will then be integrated into SilverBlaze so this way then it starts that increased functionality. So what we want to ask for today is your approval to proceed with the SilverBlaze implementation. It's an agenda item, so I would, if you would approve a motion to...

Mr. Bunch stated the amount?

Mr. Chavez stated \$100,000.

Commissioner Conrad commented you almost forgot that?

Commissioner Kelly stated Mr. Chavez, how many forms of payment do we take, what types of payments do we take?

Mr. Chavez stated credit card, cash, check, ACH.

Commissioner Kelly stated do we bill for credit card use, do you know?

Mr. Chavez stated oh, you mean apply a surcharge?

Commissioner Kelly stated yes.

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (cont.):

Mr. Chavez stated we do not.

Commissioner Conrad stated so my recollection is that you did not have all those options seven months ago. I could not pay bills by an ACH transaction for a Homeowner's Association.

Mr. Chavez stated so maybe, well let me confirm on the ACH part, I thought we did, but I know credit card, check, cash.

Commissioner Conrad stated yes, that was easy.

Commissioner Kelly stated how many people use drive thru window, just curious, anymore?

Mr. Chavez stated I'll have to get back to you on the numbers. Substantial usage but I'll get back to you on the numbers.

Commissioner Kelly stated that was just a question.

Commissioner Hawes stated Mr. Chavez I think this is a really great big leap forward and a couple of the things that I thought kind of jumped out as you were talking is sometimes when you try to go to a more customer friendly platform, you have to change other things underlying. And what's nice is you're able to kind of slip it into a system you're already using for your G.L. and all that kind of stuff; it's a big deal. The second thing about this is this could, not immediately maybe but out over time, sort of change customer habits.

Mr. Chavez interjected ideally, yes.

Commissioner Hawes continued, my reason for saying that is I bought a hybrid electric, Toyota Highlander, about a year ago and it literally teaches me how to drive this crazy car. So that there are times, like the other night I was driving six miles back and forth from wherever to wherever, and I was going 52 miles to a gallon of gas on this thing and the reason is because you can see what you're up to. And so I'm positive out over time this is going to make people wiser about what they do. Whether they do it or not, another story.

Mr. Chavez stated exactly, because its giving folks that want to use those tools, the tools to analyze their usage; that's a really good point.

Commissioner Hawes stated and the other piece of this is the world has advanced rapidly. I'm sure Mrs. Keehn is well aware over the last few years in terms of all of this technology stuff and so people are getting more and more used to the idea of this, I don't even know what you call this kind of technology, it could be banking, investments, utilities or something else.

Mr. Chavez interjected well, that's a real good point, if you look at anything, if you go to your bank there's a single sign-on portal which then, for example I'm a Chase customer, you then

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (cont.):

can have access to credit cards, all the tools that it has with that single sign-on, and that's what this is modeled after.

Commissioner Hawes stated thank you.

Commissioner Conrad stated are you going to be able to integrate this with all of our customers at the same time, commercial, residential.

Mr. Chavez stated yes.

Commissioner Conrad continued by stating it's not differentiating at all by the kind of customer it is.

Mr. Chavez stated no, single.

Commissioner Conrad stated thank you.

Chairman Davenport stated Mr. Chavez how long has Cogsdale been, the corporation been in business?

Mrs. Keehn indicated from the audience and walked toward the podium stating Cogsdale has been with us about 18 or 19 years, they've been our CIS and they're also our VAR for our ERP. So they've been our partner for our ERP about two years, but they've been our CIS for about 18 years. And one thing that the video didn't show you is it also does multi-languages which is really neat. So if we have customers that speak in different languages, it will speak in their language, so they'll understand and be able to communicate with that. And it's actually business intelligence so the reason it's so neat that it's in our CIS system is because they know what services that the customer's already using so that the things that you see come up there, they won't come up if they've already been utilizing it. It's really based on each individual customer so it's very customized, it has all the business intelligence built in there. So it will just help them save more money on the things that they're not already utilizing through us. And so it's going to be a really neat tool for customer service because it's going to be like an onboarding, but it also could be an offboarding, they can make sure that they get that smooth customer experience all the way through. And again the whole language, that's a huge benefit for someone that doesn't necessarily speak English, or you know whatever language that they have, we can custom build that for them. So that's a really neat one too that I wanted to make sure you knew; but Cogsdale 18 years.

Chairman Davenport stated thank you.

Mr. Chavez stated and to Mrs. Keehn's point, we, which we did not talk about but as far as you know remote disconnect. So we don't have to, we'll save a truck roll because we can do, once AMI is implemented and our meters, you can have connect, reconnect, disconnect.

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (cont.):

Mr. Bunch stated just one other note, we haven't had a whole lot of pleasant surprises lately related to costs, so I'm going to take this opportunity to mention this one. The website portion upgrade, Mr. Chavez as I understand was actually free, is that correct?

Mr. Chavez stated yes, that's a very good point.

Mr. Bunch stated so what company is that – Muni-Link?

Mr. Chavez confirmed, Muni-Link, yes, thank you.

Mr. Bunch stated so they are upgrading the overall look of our website for nothing with the new template. And then two years ago when Quanta did the assessment for the roadmap, the dollars, dollar for dollar are the same, it was estimated \$100,000 then and it's coming in at \$100,000. And the actual slide from that deck is a few slides back, it says program 4 website enhancement, and the same people are involved now from Quanta as is Cogsdale and they quoted the same price for us; so that worked out well. Things have seemed to be in that 30%, 50% or 100% range here lately. So thanks to the team working with our consultants, (a) to select the right vendor and (b) delivering it at a good price.

Commissioner Hawes stated do we have a motion or do we need to do so?

Mr. Chavez stated we need a motion, yes. I'm not certain what the agenda item is, but...

Commissioner Hawes stated Commissioner Conrad, would you like to make the motion?

Commissioner Conrad stated I will make a motion that we accept the proposal for going to SilverBlaze that was exhibited in the presentation that Mr. Chavez presented; specifically a motion to approve an overall project for the SilverBlaze Customer Service Portal and Web API's and Nexus View software, implementation and training, for a total amount of \$120,650, (reoccurring annual maintenance and support for software - \$50,250), as a sole source purchase to Cogsdale Corporation, and authorize the General Manager/CEO or his designee to execute all documents associated with this project.

Commissioners Kelly and Hawes simultaneously seconded this motion.

Commissioner Conrad then added and its item 4-c.

Mr. Chavez stated thank you.

Chairman Davenport stated discussion, any discussion, Commissioner Smith? Commissioner Hawes? Commissioner Kelly, any discussion?

Commissioner Kelly stated I think it's great, a great addition.

Chairman Davenport then stated Mrs. Simmons, call the roll please.

(4-c) Presentation and Project Approval – SilverBlaze Customer Portal Project w/Web API's and Nexus View (cont.):

Commissioner Conrad's motion then passed unanimously on a roll call vote.

Chairman Davenport then stated thank you Mr. Chavez, great job. I think our customers are really going to enjoy this.

Mr. Chavez added, and you can use all of it or you can use some of it, it's at the customers' discretion, so that's a great thing.

Chairman Davenport commented we're coming into the 21st century here.

Mr. Chavez stated yes.

(5) Commission Counsel's Report – General Counsel:

Chairman Davenport stated okay, item number five on the agenda, Commission Counsel's Report – General Counsel.

Mr. Cloud stated I have nothing to report.

Chairman Davenport stated oh, mercy, thank you.

Mr. Cloud stated yes sir.

(6) Old Business:

(6-a) Approval – Transmission Line Repairs (Static Wire):

Chairman Davenport then stated item number six, Old Business, 6-a., Approval – Transmission Line Repairs, Static Wire.

Mr. Bunch stated okay, if I could ask, it looks like Vernon Steele's going to come to the podium for us.

Mr. Steele stated okay, so last month we came to you explaining, you know the condition of our static wires and had some issues with them, made some repairs. So this is just an update.

Chairman Davenport requested Mr. Steele to speak into the microphone just a little bit better sir, thank you.

Mr. Steele confirmed, how about now?

Chairman Davenport commented good, adding that soft voice of yours.

Mr. Steele stated so this is an update on the repairs we've made so far, also future repairs we plan to make on the static wire as a result of the outages that occurred last month. I want to

(6-a) Approval – Transmission Line Repairs (Static Wire) (cont.):

commend Commissioner Hawes for knowing exactly what a static wire is and does, excellent job. Then corrected, I'm sorry Commission Smith, I apologize.

Commissioner Hawes commented I thought you were just kidding me.

Due to technical difficulties, the commencement of the presentation was delayed, and Mr. Bunch commented it takes a village and at least a couple of I.T. folks to keep us rolling.

After the presentation commenced, Mr. Steele stated okay, so we can go to the next slide, slide 2, just a recap of the static wire related outages late last year. We had a high wind event that caused the static to come down on the Field Street transmission line and then back in March we had two back-to-back. One was a transmission line outage, the other a static line fell on the substation, so those were two extremely large outages, longer duration, affected a lot of the system.

Mr. Steele went to the next slide and stated so some corrective maintenance, we took a look and decided to replace the substation static wires at Field Street, and Airport and Smyrna Substations. Those are older static wires that are over the substation, they serve the same purpose as they do on the transmission line, just protect the substation from lightning. And then we, as part of the review of the events, we also planned to do some relay modifications as part of our upgrade work.

Mr. Steele went to the next slide and stated so we performed aerial drone patrols of the static wire found, you know, considerable corrosion throughout the line on the Airport line. Fortunately the Field Street line looks really good, but we do have significant corrosion on the Airport line.

Mr. Steele went to the next slide and stated so on the I-95 crossing in particular, that was on the Airport line where we found corrosion actually between the structures and the Interstate, so the weak part was actually over the Interstate.

Mr. Steele went to the next slide and stated so we implemented, we decided to go with a two-phase approach. The first one was to replace the static wire across I-95 due to the exposure to the public. So we decided to replace across the Interstate and as well as from the Interstate east towards Sugar Mill Drive, to get roughly 4,500 ft. of the static completely replaced.

Mr. Steele went to the next slide and stated so here you can see we shut down the Interstate with rolling roadblocks one night and replaced the static across the Interstate. I do want to comment we had staff on the clock, around the clock, to support any outage needs, switching, things like that. Our Pike contractor partners geared up to help us out and replaced the static and help us with the MOT. You know shutting down an Interstate takes considerable amount of traffic control, so they were able to help us out with that. It was a heavy lift in a very short period of time, but everybody did a great job.

Mr. Steele went to the next slide and stated Phase 2 will be to replace the remaining static on the Airport line, so all the way from Smyrna Sub. to the Airport Sub. at a not to exceed cost of

(6-a) Approval – Transmission Line Repairs (Static Wire) (cont.):

\$372,000. then we're working on material delivery and trying to get the work before the summer peak. So what we're requesting is a motion to ratify emergency Phase 1 replacement of the static wire, approximately the first 4,500 feet at \$237,000 and an approval of Phase 2, approximately 24,000 at a cost of \$372,000, for a total of not to exceed \$750,000, and authorize the General Manager/CEO and/or designee to execute the documents associated with this matter.

Commissioner Conrad stated I'll make a motion to use the language in our packet or in the handout, a motion to ratify Emergency Phase 1 replacement transmission static wire - approximately 4,500 ft. at \$237,384.15 and an approval of Phase 2 – approximately 23,960 ft. at \$372,209.67, with an overall Static Wire Airport Transmission Line Project budget approval of \$750,000 cap, and to authorize the General Manager/CEO or his designee to execute all documents associated with this matter.

Chairman Davenport stated I need a second.

Commissioner Conrad stated I do have a question though.

Chairman Davenport stated did we get a second, you made your motion or ?

Commissioner Hawes stated oh, I thought you seconded.

Chairman Davenport stated no, I didn't second, I said do I have a second?

Commissioner Hawes stated well, I'll second it then.

Chairman Davenport stated okay, now.

Commissioner Conrad stated okay, my question is it looks like it's about \$125,030 more to do approximately four times as many square feet, why? I'm assuming it's because you had to mobilize over I-95, but.

Mr. Steele stated yes, I mean the cost to do the rolling roadblocks on I-95 was roughly what, \$80,000. So, yes, it's considerable cost for all that traffic control. You know we had...

Commissioner Conrad interjected I just want to make sure it's enough money.

Mr. Steele stated yes, we had roughly 20 FHP officers, probably 40 to 50 contractors helping to direct traffic, so it was a heavy lift.

Mr. Bunch stated so for the remaining part, I assume a lot of it was along that transmission right-of-way. Is it easier to work along the roads in the remaining part compared to even the part that wasn't over 95, or is it about the same?

(6-a) Approval – Transmission Line Repairs (Static Wire) (cont.):

Mr. Steele stated so the cost of Phase 2 is going to be, a lot of the right-of-way is extremely wet, so we're going to have to do a lot of you know matting, building board roads to get the vehicles to the structures, so that's a lot of costs as well.

Mr. Bunch okay, but, so to Commissioner Conrad's point it would appear as though the second portion is less expensive.

Commissioner Conrad interjected per square foot or whatever.

Mr. Bunch stated yes, per foot and but we're asking for a total of \$750,000. Are there additional costs beyond what you have shown here that will increase it, I guess is the question. Or could we expect it to come in a good deal under \$750,000?

Ms. Couillard stated the additional above the Pike contracts is for internal labor, so our crews are also there and Engineering, and his management staff for the whole project. So that's why it's \$750,000, not just adding those two together.

Mr. Bunch stated okay, so there are additional.

Commissioner Conrad stated but it is enough?

Ms. Couillard stated yes, yes ma'am.

Commissioner Conrad stated okay.

Chairman Davenport stated what about, how much is the cost of a gopher tortoise survey? Here we are with these turtles again, I'm going to be in a FIND board meeting in about three weeks and these turtles are, they're costly, very.

Ms. Couillard stated yes, they are.

Chairman Davenport stated did you all find any?

Ms. Couillard stated we did, actually we did, we relocated what, thirteen of them.

Chairman Davenport stated how many?

Ms. Couillard reiterated thirteen.

Chairman Davenport stated thirteen at the average cost of how much?

Ms. Couillard stated that one was about \$30,000, for the survey and the relocations.

Chairman Davenport confirmed, for thirteen. They're charging us, I've got to find out who we're using.

(6-a) Approval – Transmission Line Repairs (Static Wire) (cont.):

Ms. Couillard simultaneously stated, I had another one where we found one.

Chairman Davenport stated yes, that's great.

Ms. Couillard indicated I can tell you. Added it's a requirement so we always build that in. For the I-95 crossing it was so wet that there weren't any, they don't like wet - wet.

Chairman Davenport stated so did I hear you correctly, that removed thirteen gopher turtles and the survey, the \$30,000.

Ms. Couillard indicated yes.

Chairman Davenport stated okay, because I'm going to call on that person, on the gopher turtle committee; its expensive.

Commissioner Kelly commented give me \$30,000, I'll move them for you.

Chairman Davenport stated we're paying about \$8,000 or \$10,000 a turtle.

Ms. Couillard stated wow.

Chairman Davenport stated yes, that's why I want to know what's going on.

Ms. Couillard stated I can send you some statistics if you like.

Chairman Davenport stated love it.

Commissioner Smith stated did you film the I-95 work?

Mr. Steele stated no, we took photos, like the one photo (in the presentation), we took some photos, but we didn't actually take any video, no sir.

Commissioner Smith commented, yes, it would make a good historical thing for what was involved in that, that seemed like a very, like you say, a very heavy lift and having it on film would have been nice.

Ms. Couillard stated it would have, but I think they we were moving so fast we didn't think of that.

Commissioner Smith then stated we've got to vote on this?

Chairman Davenport stated okay, yes, I'm just sitting here making notes about the turtles. No, we haven't voted on it yet. Any more discussion? Call the roll Mrs. Simmons please.

Commissioner Conrad's prior motion then passed unanimously on a roll call vote.

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22:

Chairman Davenport stated okay, Old Business, under item 6-b., Follow-Up Discussion – Items from the Joint U.C. Meeting and the City of New Smyrna Beach.

Mr. Bunch stated yes, this was our Joint Workshop and last month at the request of Commissioner Smith we wanted to come back together and discuss some of the topics that were talked about with the City. After confirming Commissioners had a paper copy of a slide listing the joint meeting topics, stated so there's a sheet of paper that says joint work and I highlighted three of the topics in red because I think they were the three that had a good deal of discussion and the others we also talked about. And then at the bottom there was an item that got added and I think Commissioner Smith wanted to bring back to this conversation or this table for conversation, was to do with affordable housing. So I'll suggest we start with the red items and then if anybody wants to talk about the other items, feel free to add at the end.

Mr. Bunch continued and stated so I believe we had some discussion on the Washington Streetscape Project. In a follow up meeting actually with the City staff, the City is offering to fund the differential between an overhead relocation and going underground which we will do with ARP funding. Is that accurate? So Ms. Couillard come up and please rectify if I made an error in statement there.

Ms. Couillard stated the ARP funding is for the sewer and water work, electric is not included in ARP. So the City will provide funding the differential if we move, we start with we will move overhead and then the underground costs, and they will pay the differential.

Commissioner Conrad stated and the City has some money that came from the state that is going to help to pay for that.

Mr. Bunch stated I think that is the ARP funding is that correct, or is it the other...

Ms. Couillard stated no, they have an additional funding from the state.

Mr. Bunch stated okay, got it.

Ms. Couillard stated I don't know how they're pursuing those funds.

Mr. Bunch stated so what do we think our total costs is, and what do we think the City will end up paying for through those two sources of funding?

Commissioner Conrad stated they don't know yet.

Ms. Couillard stated I have no idea.

Commissioner Conrad stated right.

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

Ms. Couillard stated I have to do the calculation, yes, but I think the whole project for the electric will be about \$2.3 million underground, it's the overhead piece I don't have in my head.

Chairman Davenport stated so the utilities, electrical is going to be going underground.

Ms. Couillard stated yes sir. That's not our standard so the difference gets paid for by either the developer or the City or.

Chairman Davenport stated right, that's what I was...

Mr. Bunch stated and Mr. Cloud as I understand it, can you cite Florida Statutes if a municipality tells somebody like us to relocate overhead to overhead, what our requirements are associated with that. I've asked you this question before so I assume you can school me on it.

Mr. Cloud stated right, there is a statute on it, I think it's 337.401, that deals with relocation. And if you have an easement typically, you can't be forced to pay for the costs of relocation. I think in this instance we're in City right-of-way.

Ms. Couillard stated correct.

Mr. Cloud continued, and so under those circumstances we can be required to pay the costs of relocation but there's a judicial decision from the late 80's involving City of Lake Mary, down in Seminole County, where they attempted to require undergrounding on the part of Florida Power Corporation. Circuit court granted and the appellate court reversed saying no you can't require undergrounding of an electric utility as part of a franchise agreement. So there's no franchise agreement in place here, there's no term for it so under the law as it exists today, undergrounding cannot be required by a city of an electric utility.

Ms. Couillard stated, and we do have a cost sharing agreement between us and the City that we edited it, I know Mr. Cloud sent it over to Mrs. Avallone (City Attorney) to take a look at, so we've agreed on what we would pay and what we would share. It's a lot going in on a small road, so a lot of coordination.

Mr. Bunch stated at a high level we're approximately sharing 50/50 in things like engineering costs, is that correct?

Ms. Couillard stated correct.

Mr. Bunch continued, a project manager who would soon, when they pick a contract, would do a turn-key sort of project management oversight; again there's a cost sharing. And then at some point you'll have cost estimates for the water, wastewater and electric, what we'll have to pay for, what's being paid for by the City, and that will be presented to the Commission for approval, is that correct?

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

Ms. Couillard stated yes, we'll bring all that and let you know all the details.

Mr. Bunch stated a lot of good discussions going on and there aren't any, there's no disagreement, everybody's working with good intentions and I think the City's reaching out to try to find additional money for the wastewater was very helpful to us.

Ms. Couillard stated yes.

Commissioner Smith stated is overhead an option because I'm looking at the existing poles and when I ride down Washington, I can slap them with my hand out the window. It doesn't even seem like.., it has to go underground doesn't it?

Ms. Couillard stated not necessarily, we could move it to the other side of the street and work with the City to get easements and those things.

Commissioner Smith stated there's more right-of-way on the other side?

Ms. Couillard stated a little bit, they're going to help us obtain easements, just even for the underground; it's so tight.

Mr. Bunch stated yes, if you think about what they're trying to accomplish with the street beautification or the streetscape. I think on Canal Street, I think prior to most of us being here they did a similar project there and they're trying to really upscale the appearance and undergrounding just honestly fits better.

Ms. Couillard stated yes, and they're trying to fix the traffic flow too, because there's accidents.

Chairman Davenport stated I have a designer friend that picked the Washington Street landscape apart. We were at City Hall one night, I was picking on some other things, he had some really good ideas. He said if they would just change the light post to this Buddy, look what it would look like. I'm going to get him to reach out to you and share that with you; it's pretty interesting.

Ms. Couillard stated sure.

Chairman Davenport continued, made sense too, I don't know what he's talking about, but it looked good.

Commissioner Smith stated I may go back to this one. You know one of the reasons that I wanted to talk about these things is I was hoping what we would do, on the ones that there's been action or proposed to be action, is send a letter back to the City to really indicate here's the status of the things we discussed. The point being just to build good camaraderie with the Commission. We didn't go to a meeting, listen to their concerns and forgot about it, you know, we've been looking at these things and here's the status of where we are. Not all these

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

items obviously but on the ones where we can you know update. Update the Commission and let them know that we've been thinking about it, you know that we take their comments to heart.

Mr. Bunch stated we can do that.

Chairman Davenport stated every time I see them, I'm telling them about Silver Sands. We've got to get involved and I think they're so tired of hearing that. I spoke to Senator Wright the other day and I had dinner with a Senator from Broward the other night, Broward County, at the Yacht Club, and I was telling her the same thing. She said we've got money for it, so I'll keep...

Mr. Bunch stated well, that's a good transition into the next item, if okay. Commissioner Smith we will, when we finish, we'll summarize by email what we think we agreed to and if there's any comments I'd suggest we send it back to Mrs. Simmons, but we can take action on that and send the final version of it and send it to the Commission.

Commissioner Smith stated I just think it's good to build...

Mr. Bunch interjected sure.

Commissioner Smith continued, you have done an excellent, staff and yourself, have done an excellent job building relations with the City and this would just be an extra added part to that.

Chairman Davenport stated, and let's put a plan together, Mr. Bunch. When I was speaking to Mr. Resheidat and over at meetings the other day, the Mayor was there. I said tell us the benefits to convince the people in Silver Sands and the money, let's come up with the costs and really, and Senator Wright says we're on board, and Danny Robbins, the County, they're on board. Because that's a huge problem down there, those septic tanks, just stinking up our river, that's all its doing, that's where it's going.

Mr. Bunch stated I agree, so the next red item and transition is we've got the septic to sewer projects. So that we met also with the City Manager and City Engineer downstairs about two weeks ago and where we are on that is agreeing to try to move these projects ahead through our Commissions. Now it gets a little interesting, as you cite, Silver Sands which is the second one on the priority list, is in the unincorporated area of the Volusia County. Ms. Couillard or Mr. Heil have had conversations with...

Ms. Couillard stated it was me.

Mr. Bunch continued, you did, had conversations with Volusia County. We have great relationships with them, they're saying love to help you, we'd love to work with you, we don't have any money. And that wasn't said disrespectfully.

Ms. Couillard stated yes.

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

Mr. Bunch stated on the other hand Aqua Court, which is in the City, the City said yes, let's work together on moving this ahead. So I think navigating that path forward gets a little interesting. Do we both work with the County and then try to seek funding through grants or such or do we separate with Silver Sands, recognizing it's in the County.

Chairman Davenport stated I suggested to the Mayor, like they did about 15 years ago when Vandergriff was the Mayor, that we try to come up, come up with a plan because I have several friends that live in that area, come up with a cost benefit of why its beneficial to annex into the City of New Smyrna. Show them how their taxes will be lower, they say they will be, and show them how our fire and police protection, bring them in, and by the same time work and get all this grant money, wherever we can find it and then possibly we'd get some from FIND too. I think the annex, you've got to go in my opinion and show, if I lived there and I know I tried to reach out to my good friend Mary Alice Myers today, she lives down there, to help me try to spearhead. I've told the Mayor I'd help spearhead it but give me something to sell to those people to let them know hey, you're getting something good here and we're trying to help you.

Mr. Bunch stated I agree but as it is today, by virtue of the prior interlocal agreement that the County and the City signed, it specifically states that if we bring on a customer septic sewer whatever it may be, water, they don't have to annex.

Chairman Davenport stated right.

Mr. Bunch stated now the City is in the middle of revisiting that Interlocal agreement with the County and the topic of the south beach area becoming part of the City I think is on the table. Now I'm not at that table, can't speculate where they'll land, and I don't know where the County sits or what their perspective is on the issue to be honest with you. So the purpose for this conversation, saying okay so absent those things being addressed, how do we want to try to move this forward at this point and...

Chairman Davenport stated I think independently, Mr. Bunch what you just said, the best way. In other words, Aqua Court's in the City and that's a whole different, that's going to be handled totally separate, I mean in a separate way.

Mr. Bunch stated yes, now we can try to work with the City and seek grant funding or work with the County and try to seek grant funding with Silver Sands separately or try to do them together with the County. And I truthfully don't know if there's a best way to approach it and if we want to try to undertake both of these concurrently or we say try to do one first and then tackle the other later. Adding, it's a pretty significant amount.

Commissioner Smith stated I don't think we can deal with the Silver Sands issue until the annexation issue is resolved. I think there has got to be a quid pro quo for the amount of effort that we would go to or the Commission would go to explore feasibility costs and design. And I think the quid pro quo, are you willing to annex, once that's resolved. If not, I think the issue's moot. That's my opinion, I think the quid pro quo we're going to provide these nice services, then come on in and be a part of the City.

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

Chairman Davenport stated well, we provide them all the way down to J.B.'s Fish Camp and what it's doing, it's just polluting the river, everyday it's getting worse and worse. And so I think it would behoove us to meet with Danny, our Councilman Danny Robbins and I'll make a call to him and try to get a meeting together and say give us some feedback here. But that's two separate things you know.

Commissioner Hawes stated I think I'm, if it were me, and I'm just, I think the Utilities Commission has to take a little bit of a backseat, we have to let the politicians sort of do their jobs. Not that we're, we can't, we don't have money we're going to give, we have to wait for our orders to come down. I don't know if that's accurate but that's kind of just listening how it seems.

Chairman Davenport stated I respectfully disagree and the reason I do, if somebody doesn't take charge and speak up, the politicians that's not high on their agenda and this river out here and the quality of the water is going down every day. And some things got to get done, I think I can do it better and I'm going to keep my mouth going and the Senators and the City and the County, hopefully we can get something done. But it needs to be like you said Commissioner Smith if they come in it needs to be a benefit to them where they see a win win.

Commissioner Smith stated right.

Chairman Davenport added, and then it's going to work.

Mr. Cloud stated typically cities will prepare a report, it's sort of a feasibility study although it's not always called that, that does an analysis of the alternative of inside the city versus outside the city. You know we don't have; the Commission has no power over annexation, the City Commission does. But Commissioner Smith you're right that logically the issue of annexation should be dealt with before the agreement to extend services and the talking points Mr. Bunch and Chairman Davenport that you're looking for, they can usually be put together as an analysis of you know what the trade-offs are in terms of taxes versus fees.

Chairman Davenport stated well, maybe we could just work on that Mr. Bunch, to get that part of that going.

Mr. Bunch stated we can do that; we can work with the City but again the annexation is going to be their issue. I guess my question is, it's kind of that egg versus the chicken thing, do we with the City and County try to move forward and see how much grant funding we can get independent of the whole annexation topic. Because there's this issue of a lot of money being available, more recently made available through the Federal government for all the things we're talking about and more. And you can get, you become a victim of analysis paralysis where if we don't act, potentially we miss the funding and the whole topic becomes moot.

Chairman Davenport stated absolutely.

Ms. Couillard stated yes.

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

Mr. Cloud stated well one City just got a check from the Governor about a month ago for \$6 million to replace their entire sewer system. So yes, there's money out there now and so yes, I agree with what Mr. Bunch has said, that the issue of annexation is going to be decided by the City and the County. It originally was in an Interlocal Agreement that was brokered by the VGMC years and years ago, things have changed since then, but they'll work that out. But the issue Chairman Davenport that you've raised about shallow groundwater pollution in the water bodies in Florida, is it's been with us since we've been alive, you and I in Florida. And it's got to be addressed, the money to do it is there now.

Mr. Bunch stated so just to add to that, last year in the City of Oak Hill got something like \$25 million for the same thing we're talking about and it's the Mosquito Lagoon ground water pollution getting rid of septic.

Chairman Davenport stated we need to do it now.

Mr. Bunch stated we can ask for the grants and if it comes back its going to cost, potentially cost the customers nothing or very little money that might help resolve everything else.

Ms. Couillard stated right.

Chairman Davenport stated exactly.

Commissioner Kelly stated I do think it's a great idea to Commissioner Smith's point, or Commissioner Hawes' point that the annexation thing the people's first response is no. I think to help the environment to Chairman Davenport's point, people are in on that, there's money out there to do it. Annexation is a totally separate subject, so you have to act from, I mean in my mind you act on one or the other and one is much more saleable than the other. Annexation is just a tough thing and in Volusia County it has not traditionally gone well over the years to try to get anybody to annex anything even if they benefit, they seem to hunker down with that, just my opinion.

Commissioner Conrad stated well, one of the things that I find interesting is that just to the south of Silver Sands all the way to the Canaveral Seashore is on City septic and water, and has been.

Chairman Davenport interjected and sewer.

Commissioner Conrad stated water, sewer, for that whole area, it was the only, and they're not annexed into the City, that's still County.

Chairman Davenport stated that's right.

Commissioner Conrad stated so we have a precedent set already for having provided those services where there is no annexation and I know we've been trying to eliminate that over the years. We were providing services to Edgewater for instance, and we stopped doing that after a period time where it made it effective to do that for both communities. So I still think that

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

we could look at what it would take to find money and what it would take to do it without annexation in the meantime, as long as we don't hire a consultant at \$30,000 or \$40,000 to spend a couple of weeks doing it. Now I don't know what staff availability is for that and I certainly don't want to recommend that we take our stretched resources and make them thinner, but it is something to consider rather than playing a waiting game.

Ms. Couillard stated so I have a couple of answers to that, one Mead & Hunt who did the study for us, also has a grant writing and research arm that we can use. And in May you're going to see that we have picked a grant writing company to come in and help us write grants, get money and manage those for everything, electric, water, wastewater, and reclaimed.

Chairman Davenport stated that's awesome.

Ms. Couillard stated so we'll have two resources for that, that we just don't have the capability in-house or the knowledge, we'll reach out to the best and they're not overly expensive.

Commissioner Conrad stated excellent.

Chairman Davenport stated that's good news.

Ms. Couillard stated we're trying.

Chairman Davenport stated excellent point Commissioner Conrad that you just brought up. I would like to ask one question though, going back up to the top, when is the 5th Street Bridge project planned to start?

Ms. Couillard stated so our work to get off of the bridge starts in a month or so.

Chairman Davenport stated, to finish it up or start?

Ms. Couillard stated to start. So we're going to take our stuff off, we're going to bore under the water and put in new. Then they're going to put in the temporary bridge and demolish the old one, build the new one; it's a long process.

Chairman Davenport stated but when is it planning to start, we're starting next month.

Ms. Couillard stated we're starting next month; we have to be out of the way first.

Commissioner Conrad stated approximately how long for our part?

Ms. Couillard stated I don't know, a month, it's not a lot.

Commissioner Conrad stated okay, somewhere before July 1st you're anticipating starting it.

Ms. Couillard confirmed, starting it.

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

Chairman Davenport stated what about the length of time to build it again please?

Ms. Couillard stated for us?

Chairman Davenport stated no, for the whole project, just curious. Was it a year, a year and a half?

Ms. Couillard stated something like that, I'll look at the recent, I'll show you the recent schedule; so I can send that.

Chairman Davenport stated thank you.

Mr. Bunch stated so just to paraphrase, we're going to kind of, we're going to take the "and" approach with septic to sewer project. We're going to work, watch what the City does with the County regarding the conversation on annexation, and we're going to try to work to move the process ahead to get grant money, potentially for one or both.

Chairman Davenport stated sounds great.

Mr. Bunch stated the item that we added at the request of Commissioner Smith was the bottom one, which was the additional topic brought up during the meeting and I can't remember if it was a City Commissioner, or it may have been a resident brought the conversation up.

Commissioner Smith stated it was a City Commissioner.

Mr. Bunch stated so, perhaps Commissioner Hartman, it was Commissioner Hartman yes, so there was conversation about that. And then Commissioner Smith you had some questions, did you want to bring them up?

Commissioner Smith stated yes, I was basically trying to, was wondering if staff had some thoughts on things that could, the Utilities Commission could do for the fees that they charge that would help reduce the costs for affordable housing. That's basically the concept, it's much more complicated obviously than the way I put it but the key I think is that the cost is not passed through to the eventual purchaser of property, I think it would basically destroy the concept of all. So I was just wondering if staff had some ideas on that and as something that we could respond to the Commission and say here's some things that you know we may be able to do with fees, as long as they're not passed through. Because having worked in the land development business we were experts about passing fees through, but this way how, what could we do to help the developer lower the per unit cost in housing. What ideas could we come up with to help do that, if it was an affordable housing project, could we reduce any fees that we charge on a normal project that's not an affordable housing, those kinds of things. I know it sounds confusing, but its more confusing in my mind and I just think that there's got to be things that, you know there's so much costs associated with utility creation and location and all that, what could we do. So I don't know, that's where I'm coming from.

(6-b) Follow-Up Discussion – Items from Joint City/UC Workshop Held 2-24-22 (cont.):

Mr. Bunch stated I guess probably a question better answered by General Counsel Cloud, but so we've got things like connection fees, capacity, capital connection fees and such, and customers' design, build, and then turn over infrastructure to us, how does that fit into things like rates and fees, and what's available to us to consider in response to the Commissioner's question about a reduced rate or something like that?

Mr. Cloud stated we have to be real careful about our cap. charges because you may recall within the last year or so we had to refund \$1.5 million because our predecessors put in place a unique system of setting capital charges and not in a good way. We have to be very careful. You know there's a bill setting on the desk of the Governor right now to declare open season on local governments for legislation that increases the costs of businesses. If we decrease for some, you know, arguably you've got to increase for others. I just, we have to be really cautious, I wouldn't want to do something unless we did a rate study specifically as to the capital charges. It's just something we need to be really cautious about. Affordable housing is a great thing and I sure do wish that the legislature would start using the money that is supposedly earmarked for affordable housing instead of you know borrowing it, which is a charitable description of what they've done the last few years with hundreds of millions of dollars that's supposedly earmarked for affordable housing. And it's a risky area for a utility to get involved in, any kind of discounted rate.

Commissioner Smith stated well, I think that on that issue then that should be part of our response. Legal matrix of confusion as to what we're capable of doing as a Utilities Commission, would that be what you would think?

Mr. Cloud stated yes.

Commissioner Smith continued, I'm sure our attorney could word that response very well, but I would think preparing and sending a response is important, even though it may not be what he was looking for.

Mr. Bunch stated okay, any other comments on that topic? Well, those were the three larger items that I just highlighted in red. Did anybody want to cover or think we need to revisit any of the other topics which are in the black text?

Chairman Davenport stated I think we're good with everything aren't we? Unless you want to talk about that hydrant flow testing again, you see them spraying out there; no.

Mr. Bunch stated this one involves the County; adding we're still working on that.

(7) New Business:

(7-a) Approval – Modification (Increase) to Fuel and Purchased Power Cost Adjustment Clause (FPPCAC):

Chairman Davenport stated so we're on item number 7. then, correct?

(7-a) Approval – Modification (Increase) to Fuel and Purchased Power Cost Adjustment Clause (FPPCAC) (cont.):

Mr. Bunch added thank you to Ms. Couillard.

Commissioner Hawes stated I think we did that one, didn't we.

Commissioner Conrad stated item 7-a.

Mr. Bunch stated did we approve the FPPCAC; then added yes, we did approve that. We approved 7-a. So that would take us to 7-b. for the Auditing Services – Efren Chavez.

Commission action on item 7-a. took place toward the end of item 4-a. Financial Status – March 2022, as shown above:

Prior Commission Action:

Commissioner Hawes stated I would move that; specifically to approve a modification (increase) to the fuel and purchased power cost adjustment clause from the current \$3.98 credit per 1,000 kWh to a \$4.25 charge per 1,000 kWh, effective with the first billing cycle in May 2022.

Commissioner Conrad stated second.

Chairman Davenport stated Commissioner Conrad seconded that; call the roll.

Commissioner Hawes' motion then passed unanimously on a roll call vote.

(7-b) Evaluation Determination – RFP No. 12-22 – Auditing Services:

Chairman Davenport stated 7-b., thank you.

Mr. Chavez stated okay, so for the Auditing Services what we did, and this was I believe before I started even in 2018. We need to select the auditor, but typically, staff is typically on the.., to the earlier question Chairman Davenport had as it relates to who is on the selection committee. So from our standpoint for auditing, I'm not allowed to be on the selection committee and typically internal staff is not. So what we can, the options that are out there is for the committee, for you as the Commissioners to be on the selection committee. You can select a sub-set to be on that selection committee, so as to not tie up all of your time, but in essence that would be what we're requesting. In addition, with one of the changes that we did in the last couple of years, it's not paper anymore, it's all electronic. So Purchasing would, if you're all five or a sub-set are selected, you would get a log-in to an automated tool that in essence you look at the submissions electronically, you could print them out if you'd like. You then make your selections, grade them all electronically with your own individual log-in. So it's pretty easy from your standpoint, there is no paper, you don't need to come here. And I believe one of the other options is allowing the presenters or allowing the bidders to, you know, come and make presentations or not, that's another option. So I may not be explaining it exactly, correctly, but in essence that's what we would ask for yourselves as Commissioners is decide how would you like to proceed.

(7-b) Evaluation Determination – RFP No. 12-22 – Auditing Services (cont.):

Commissioner Hawes stated do you, or has a set of criteria been established for what we might be looking for or is that something that the committee might do as well?

Commissioner Conrad stated there's an RFP for it.

Mr. Chavez stated yes, there's an RFP currently for it.

Commissioner Conrad stated so the statement of work is in there.

Mr. Chavez stated yes.

Commissioner Conrad stated and its going to be similar to the one that was used the last time we had an evaluation committee for selection of an auditor.

Mr. Chavez stated yes, that's all been done, now it's just a matter of selecting Commissioners.

Commissioner Conrad stated since you've already issued the RFP, to how many different service providers?

Mr. Chavez stated we put it out there but typically two, three, four may reply.

Commissioner Conrad stated and when's the due date for them to respond?

Mr. Chavez stated I believe within the next week, two weeks, it's short, it's coming up.

Commissioner Conrad stated I would make a motion to appoint an evaluation committee to evaluate the audit contract for the next period of time based on the criteria that is in the RFP and scope of work, and I would recommend that it be three of the five members of the Commission. And specifically, I would like to participate in that committee, but I would also like to nominate Commissioner Hawes, and Commissioner Kelly to be the third member of that committee. I think it has to be an odd number and I don't think it takes five; so that's my motion.

Commissioner Smith stated I second that motion.

Chairman Davenport stated okay, discussion.

Mr. Cloud stated I would just point out its going to be a Sunshine meeting.

Commissioner Conrad stated correct, it's all electronic, there is no interaction between the members.

Commissioner Hawes stated did you say you needed odd people or odd..?

Commissioner Conrad commented I guess that was the second person, that would be Commissioner Hawes.

(7-b) Evaluation Determination – RFP No. 12-22 – Auditing Services (cont.):

Mr. Chavez then commented that was a good one.

Chairman Davenport reiterated odd people, then added better watch it today. All right so, I've been pleased with Purvis and Gray company in the past, what they've done for us. So I think you have?

Mr. Chavez stated I have.

Chairman Davenport continued, glad you're on top of that. Can we call the roll Mrs. Simmons, we've got a motion and a second.

Commissioner Conrad's motion then passed unanimously on a roll call vote.

Chairman Davenport stated thank you for making that nomination, Commissioner Conrad. I appreciate you stepping up to the plate on that one. Adding we like our CPAs on this board.

Mr. Chavez stated I appreciate it as well, thank you.

Chairman Davenport stated thank you very much, that was great.

(8) Possible Other Business – Time for Commissioners

Chairman Davenport stated now we're at item number 8, is that correct?

(8-a) FMEA Annual Conference – The Breakers, Palm Beach, FL – July 12-14, 2022:

Mr. Bunch stated yes, we have the annual FMEA conference, which is Florida Municipal Electric Association. It's also attended by many of the FMPA members as well as FMPA staff. That is July this year, 12th through the 14th, being held in Palm Beach at The Breakers. I plan on attending because I'm on FMEA, I'm the Treasurer for that organization, and usually a couple of the staff attend as well. So I'll put that out there for consideration for the Commission as well.

Chairman Davenport stated well I enjoyed it; I really enjoyed these meetings. I feel like all of us give our time and energy and anybody that wants to go should be able to go. Since we get paid so much sitting up here and giving our time. You know, but I really did learn a lot, especially on that opening when they spoke about the electric and that whole day there we spent, it was very good on electric cars.

Commissioner Smith stated yes, it was.

Chairman Davenport stated so I'm putting my name there to go, so anybody else?

Commissioner Hawes stated I would also.

Chairman Davenport stated okay.

(8-a) FMEA Annual Conference – The Breakers, Palm Beach, FL – July 12-14, 2022 (cont.):

Commissioner Smith stated I agree with you, I learned a great deal at the meeting. I had to leave one day early because of an exam I was going to take but I'd love to go again.

Chairman Davenport stated anybody else, Commissioner Conrad?

Commissioner Kelly stated I probably need to go but I don't know if I'm going to be able to do that. Some of these acronyms still lose me here and there.

Mr. Bunch stated okay, and if you have a change of heart or mind or you want to go and you haven't indicated so, just get back to Mrs. Simmons, we've got time.

Commissioner Conrad asked, do they tape any of those sessions, are they available to listen to?

Mr. Bunch stated I haven't seen them.

Chairman Davenport I haven't seen a video.

Mr. Bunch continued, I don't recall them being taped but I know all the material, the presentation materials were made available.

Commissioner Conrad stated okay.

Chairman Davenport interjected it was very interesting, it really is interesting.

Mr. Bunch stated Mr. Beyrle or Mr. Chavez do you recall if they taped them, I don't recall that. I know they made the presentation materials available so we can make them available to the Commission as well. Okay, that is it for our items, thank you Chairman.

(8) Possible Other Business – Time for Commissioners (cont.):

Chairman Davenport stated that's it, yes sir. Commissioner Smith, anything to say for the good of the cause?

Commissioner Smith stated I think I've said enough.

Chairman Davenport stated Commissioner Hawes?

Commissioner Hawes stated I'm in the same boat, thank you.

Chairman Davenport stated Commissioner Kelly?

Commissioner Kelly stated nope, I just commend Mr. Bunch and the team on the grant things. I mean a lot of boards that I've been on, like I said I'm repeating myself, but they just, people never knew, to put grants together. There was always money available and had a hard time structuring grants, and somebody said they were paying a company to do a grant and that's a

(8) Possible Other Business – Time for Commissioners (cont.):

big business out there now is grant applications and stuff. But whatever we can do in-house is even better, so I commend you and the team on that.

Mr. Bunch stated thank you, Mrs. Keehn has been all over that for the cyber and great relationships have made that happen.

Chairman Davenport then stated Commissioner Conrad?

Commissioner Conrad stated well I usually don't have much to say at the end, but I do today. Mrs. Keehn, thank you so very much for all you do and someday somebody is going to quantify how much money you've brought in and saved us based on what you've done. I know it's a lot, thank you very much. Thank you, Mr. Bunch for allowing Mrs. Keehn to have those opportunities and bringing her on board and working with us. The second thing I'd like to say is I sat through the three-hour, or at least two and half hours of it, Workshop that the Commissioners had last Wednesday that started at 9:00 am in the morning. And the first hour and a half or so of that was dedicated to talk about what are we going to do with the ARP (ARPA) money. They have \$7.5 million of that money that's been received and they have not yet decided how they're going to spend it. And after they kicked it down the road again, they still did not come to any good conclusion about where they want to spend it. On the other hand there were a couple of items that kind of went to the bottom of the list and one of them is what we talked about earlier and that's the septic to sewer. So that was unfortunate in my opinion.

Mr. Bunch stated and we've also told them if they have problems finding places to spend that money, we will help them.

Commissioner Conrad stated I think a lot of people would like that opportunity.

Mr. Bunch stated we can, we can spend it.

Commissioner Conrad stated let's do it.

Chairman Davenport stated well, thank you for going, anything else, any other money you heard about over there?

Commissioner Conrad stated no, that's all, I'm done.

Chairman Davenport stated well I appreciate it. I just wanted to compliment Mrs. Simmons and Mr. Bunch, I had a situation, I got a phone call a couple of weeks ago and my good friends that had lived here were moving back and they had forgotten to turn their utilities on. So they switched over and they called, and you helped, Mrs. Simmons and Mr. Bunch, but they were great at service. And they wanted me, Woody and Nancy McKay, wanted me to pass that on, what great customer service and how welcome you made them feel to come back to town.

(8) Possible Other Business – Time for Commissioners (cont.):

Mr. Bunch stated that was Mr. Chavez' folks downstairs, they do a great job.

Chairman Davenport reiterated they do a great job, so, and thank all of our team members out there for what ya'll do, trust me it doesn't go unnoticed, and we really appreciate what you do so thank you. All right, anything else anybody? And thank you, Mr. Cloud. Meeting adjourned.

There being no further business to come before the Commission, the Regular U.C. Meeting closed at 4:48 p.m.

{NOTE – Effective at the U.C.'s 3-22-21 Regular U.C. Meeting, commencing with the minutes for Two Final Public Hearings and Regular U.C. Meeting Held 2-22-21, the Commission will start approving annotated minutes within the agenda package.}

These detailed, near verbatim minutes will still be prepared for reference, electronic searches, and will additionally be posted on the U.C.'s website – ucnsb.org.}