

CLERKS DULY NOTIFIED.....April 8, 2014  
LEGAL NOTICE PUBLISHED.....April 14, 2014  
AGENDA PACKAGES/CDS SENT TO MEMBERS .....April 8, 2014

**MINUTES**  
**FMPA BOARD OF DIRECTORS MEETING**  
**8553 COMMODITY CIRCLE**  
**ORLANDO, FL 32819**  
**THURSDAY, APRIL 17, 2014**  
**9:00 A.M.**

**MEMBERS PRESENT** Mike New, Alachua (via Phone)  
Bruce Hickle, Bushnell  
Lee Garner, Chattahoochee (via Phone)  
Danny Williams, Clewiston (via Phone)  
Fred Hilliard, Fort Meade (via Phone)  
Mike Perri, Fort Pierce  
David Beaulieu, Gainesville (via Phone)  
Ray Braly, Green Cove Springs (via Phone)  
Howard McKinnon, Havana  
Barbara Quinones, Homestead  
Roy Trotter, Jacksonville Beach  
Lynne Tejeda, Key West  
Larry Mattern, Kissimmee  
Clay Lindstrom, Lake Worth  
Patrick Foster, Leesburg  
Charles Revell, Mount Dora (via Phone)  
Bill Conrad, Newberry  
Matt Brower, Ocala  
Claston Sunanon, Orlando (via Phone)  
Michael Turner, St. Cloud (via Phone)  
Marc Oody, Starke  
Pilar Turner, Vero Beach  
Jerry Warren, Winter Park (via Phone)

**OTHERS PRESENT** Al Perry, Clewiston  
Bill Baldwin, Fort Pierce  
Grant Lacert, Kissimmee  
Greg Woessner, Kissimmee  
David Anderson, Ocala  
Larry Novak, Ocala  
Mark White, Purvis Gray & Company  
Helen Painter, Purvis Gray & Company  
Jonathan Nunes, Leidos Engineering  
Tim Zorc, Indian River County  
Roger Fontes, Retired FMPA

**STAFF PRESENT** Nick Guarriello, General Manager and CEO (via telephone)  
Fred Bryant, General Counsel  
Jody Finklea, Assistant General Counsel and Manager of Legal Affairs  
Frank Gaffney, Assistant General Manager of and Officer of Regulatory Compliance  
Mark Larson, Assistant General Manager, Finance and Information Technology and CFO  
Mark McCain, Assistant General Manager, Member Services, Human Resources and Public Relations  
Tom Reedy, Assistant General Manager, Power Resources  
Sue Utley, Executive Asst./Asst. Secy. to the Board  
Michelle Pisarri, Power Resources Secretary II  
Bud Boudreaux, Executive Consultant  
Rick Minch, Controller  
Sharon Smeenck, Member Services Manager  
Janet Davis, Treasury Manager  
Ed Nunez, Assistant Treasurer

### **ITEM 1 - CALL TO ORDER, ROLL CALL AND DECLARATION OF QUORUM**

Chairman Bill Conrad, Newberry, called the Board of Directors Meeting to order at 9:02 a.m. on Thursday, April 17, 2014 at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. The roll was taken and a quorum was declared with 23 members present representing 39.5 votes out of a possible 48.5.

### **ITEM 2 – Recognition of Guests**

Tim Zorc, Indian River County Commissioner.

### **ITEM 3 – PUBLIC COMMENTS (Individual Public Comments Limited to 3 Minutes)**

None

### **ITEM 4 – SET AGENDA (by vote)**

**MOTION:** Lee Garner, Chattahoochee, moved approval of the agenda as presented. Howard McKinnon, Havana, seconded the motion. Motion carried 39.5-0.

### **ITEM 5 – REPORT FROM THE GENERAL MANAGER**

- 1) CR3 Update
- 2) Vero Beach update

Pilar Turner, Vero Beach, made a request for information developed by FMPA and its consultants to arrive at \$52 million for FMPA to assume the cost of Vero Beach's power entitlement shares of Stanton, Stanton II, and St. Lucie entitlements for three years.

## **ITEM 6 – CONSENT AGENDA**

- a. Approval of Minutes – Meeting Held January 23, 2014**
- b. Approval of the Projects' Financials as of January 31, 2014 and February 28, 2014 and March 31, 2014**
- c. Approval of Treasury Reports as of January 31, 2014 and February 28, 2014 and March 31, 2014**

**MOTION:** Bill Thiess, Fort Pierce, moved approval of the Consent Agenda as presented. Lee Garner, Chattahoochee, seconded the motion. Motion carried 39.5-0.

## **ITEM 7 – ACTION ITEMS**

- a. Approval of Contract for Construction Manager for FMPA HVAC Renovation**

Sharon Smeenck gave a presentation on the highlights and milestones of the contract and schedule.

**MOTION:** Larry Mattern, Kissimmee, moved approval of the contract with Harper Limbach, LLC, in substantial form, subject to General Counsel's final review, for the Orlando office HVAC renovation project, with total project expenditure for Harper Limbach's work of \$857,015, and authorize the General Manager and CEO to sign documents for the same. Lynne Tejada, Key West, seconded the motion. Motion carried 39.5-0.

- b. Selection of an External Auditor for Fiscal Year End 2014 through 2016**

Barbara Quiñones, Homestead, expressed her caution about utilizing the same firm for seven years, even though Purvis Gray & Company is a good firm.

**MOTION:** Bruce Hickle, Bushnell, moved approval to accept the recommendation of the AROC to deviate from the Accounting and Internal Controls Policy and contract with Purvis Gray under the attached Audit Engagement Letter. Matt Brower, Ocala, seconded the motion. Motion carried 28.5-9. Alachua, Green Cove Springs, Homestead, Leesburg, and Vero Beach voted nay.

- c. Appointment of a Nominating Committee**

Chairman Bill Conrad, Newberry, stated the current Nominating Committee of Howard McKinnon, Havana, Charles Revell, Mount Dora and Matt Brower, Ocala are willing to serve again if appointed. Chairman Conrad asked for other nominations from the floor. There were none.

**MOTION:** Larry Mattern, Kissimmee, moved approval of the Board of Directors appointments to the Nominating Committee as follows: Howard McKinnon, Havana, Charles Revell, Mount Dora, and Matt Brower, Ocala. Pilar Turner, Vero Beach, seconded the motion. Motion carried 39.5-0.

## **ITEM 8 – INFORMATION ITEMS**

### **a. Annual Debt Report**

Ed Nunez, Assistant Treasurer, presented the Annual Debt Report.

George Forbes, Jacksonville Beach, stated that he would like to see in future debt reports how FMPA's debt ratio compares with other joint action agencies.

### **b. Discussion of Strategic Plan Action Plans**

Mark McCain started the discussion and asked for questions and comments from the Board.

Pilar Turner, Vero Beach, suggested that the survey should be sent to City Councils and local elected officials.

George Forbes, Jacksonville Beach, said it would be more helpful if the Strategic Plan focused more on the future and looked at things like how to get out of debt sooner than planned. Also, that demand side management may be necessary for the entire All-Requirements project in 5 years and to look at existing generation at the cities for spinning reserves.

Barbara Quiñones, Homestead, said she agreed with the comment from George Forbes on reducing the debt.

Matt Brower, Ocala, suggested focusing on tighter metrics.

Larry Mattern, Kissimmee, said he is satisfied with the survey. And more focus should be aimed at putting more money in the Agency for rate smoothing and to give comfort to our rating agencies, Moody's Investors Service and Fitch Ratings.

Barbara Quiñones, Homestead, suggested FMPA look into developing other projects for Members.

## **ITEM 9 – MEMBER COMMENTS**

Tim Zorc, Indian River County Commissioner, said he is trying to understand how the \$52 million payment for the Vero Beach entitlements is off the table.

Chairman Conrad stated this was the time for Member Comments and not the appropriate time for the Board to respond to Commissioner Zorc, unless a director wished to do so.

Fred Bryant, General Counsel, stated that if Commissioner Zorc would send an email with the information he wants, FMPA would get him the information he requests.

Howard McKinnon, Havana, said he certainly understands the situation with Vero Beach because he said the Members are in the same situations at home with different things. He said we all live in counties and cities and we understand. Also, he said that if Vero Beach wants the sale then he is for the sale—local control being what it is. But, our contracts are what they are. He also said, I'm not trying to debate anything, I'm just saying there's a process we have to go through with our bond holders and all the other parties involved. I know I am committed, and others are, to having a good open look at the sale of the Vero Beach system if we follow the process.

Commissioner Zorc said he didn't have the complete transcription yet from the Vero Beach Council meeting, but he said Mayor Winger said that more questions will have to be asked of FMPA. He said he will direct his public records request to the General Counsel's office.

Matt Brower, Ocala, requested that Fred Bryant copy the Board members on his response to Commissioner Zorc.

**ITEM 10 – ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:54 a.m.



Bill Conrad  
Chairman



Lynne Tejada  
Secretary

Approved: July 18, 2014

BC/LT/su

Seal

