

FPUA
COMMUNITY PROUD

**Update on FPUA Issues
City Conference Agenda
June 10, 2019**

Discussion Topics

- Water/Wastewater Bulk Service Agreement Amendment
- Lincoln Park Broadband Initiative
- City Connectivity and Security Project
- Weatherization Education Outreach Program (WEOP)
- Electric Rate Restructuring



Bulk Service Agreement Amendment Background

- Original agreement was signed in 2004 which established service boundaries, rates, capital improvement charges and other miscellaneous provisions
- Initial term was for 30 years (2034)
- County terminated the agreement effective April 2028 by giving 15 years notice in 2013
- County gave us a 5 year notice in 2005 of their intent to construct additional capacity
- On-going problems with the existing agreement resulted in discussion and ultimately this amendment to the agreement

Amendment Provisions

- Water Quality and Delivery Parameters at Bulk Meters
 - 2.0 ppm chlorine residual
 - 55 psi
- Rate Adjustments
 - Water increased from \$3.66 to \$4.71 per thousand gallons
 - Wastewater decreased from \$6.55 to \$5.09 per thousand gallons
 - Future rate adjustments tied to FPUA retail rate
 - Comprehensive rate study every 5 years

Amendment Provisions (Cont'd)

- Capacity Charges
 - Baseline established
 - Tied to actual consumption
 - Annual true-up on October 1st
 - Capital Improvement Charges will be half the County's CICs
 - \$1886.50 for water
 - \$1663.50 for wastewater
- Joint Wastewater Plant Relocation Feasibility Study
 - Not to exceed cost of \$200K equally shared by County and FPUA
 - Study performed by PRMG with outside engineering consultant



Summary of Amended Interlocal Agreement

- Approved by FPUA Board on April 16th
- Approved by the County on May 21st
- Amendment effective June 1, 2019
- WRF relocation study being scheduled

- Practical Implications of the new agreement
 - Increase in water revenue of ~\$500K/year
 - Decrease in wastewater revenue of ~\$90K/year
 - Residential customers will not be subsidizing bulk customers
 - Will lessen need for additional water rate increases
 - Established foundation for future conversation on joint activities



Lincoln Park Broadband Initiative

- FPUA is partnering with the City, County and Allegany Franciscan Ministries in this effort to revitalize Lincoln Park.
- This project is part of the Common Good Initiative, launched in 2014 by Allegany Franciscan Ministries, which is designed to mobilize communities towards better health and wellness through community engagement, a long-term commitment of resources, and increased collaboration of residents and stakeholders.
- FPUA will be using “smart city” technology. A Smart city is a municipality that uses information and communication technologies to increase operational efficiency, share information with the public and improve both the quality of government services and citizen welfare.



Lincoln Park Broadband Initiative

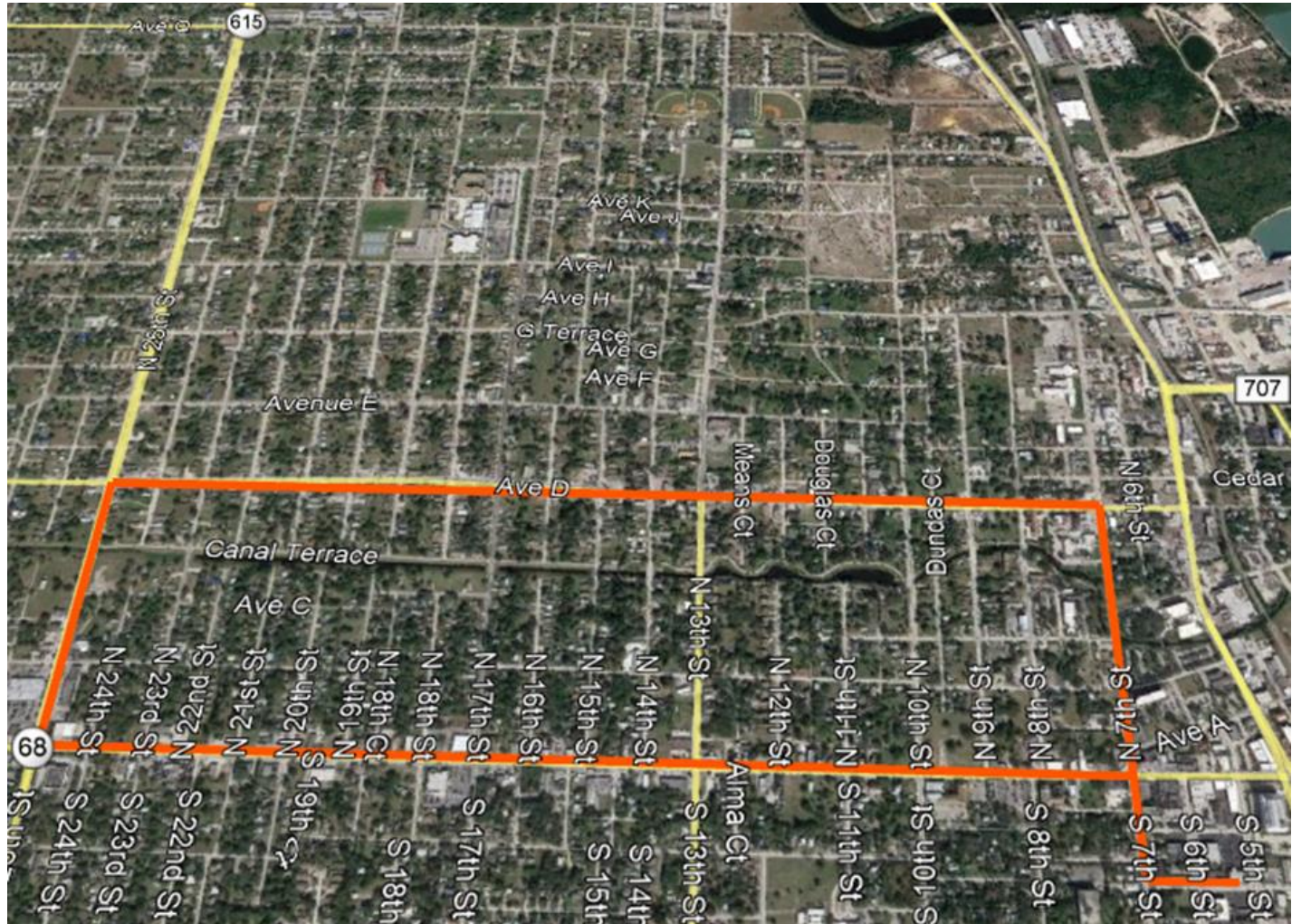
- This initiative will result in attracting new business, creating jobs and increasing employment.
- Meshes well with our strategic planning long term goal of making Fort Pierce a “Smart City” and expanding FPUAnet.
- 3 year project for full implementation
- Costs-\$1,250,000
 - FPUA-\$600,000
 - AFM-\$400,000
 - Fort Pierce-\$200,000
 - St Lucie County-\$50,000

Lincoln Park Broadband Initiative

Lincoln Park borders Avenue Q, US 1, Orange Ave and 25th Street.

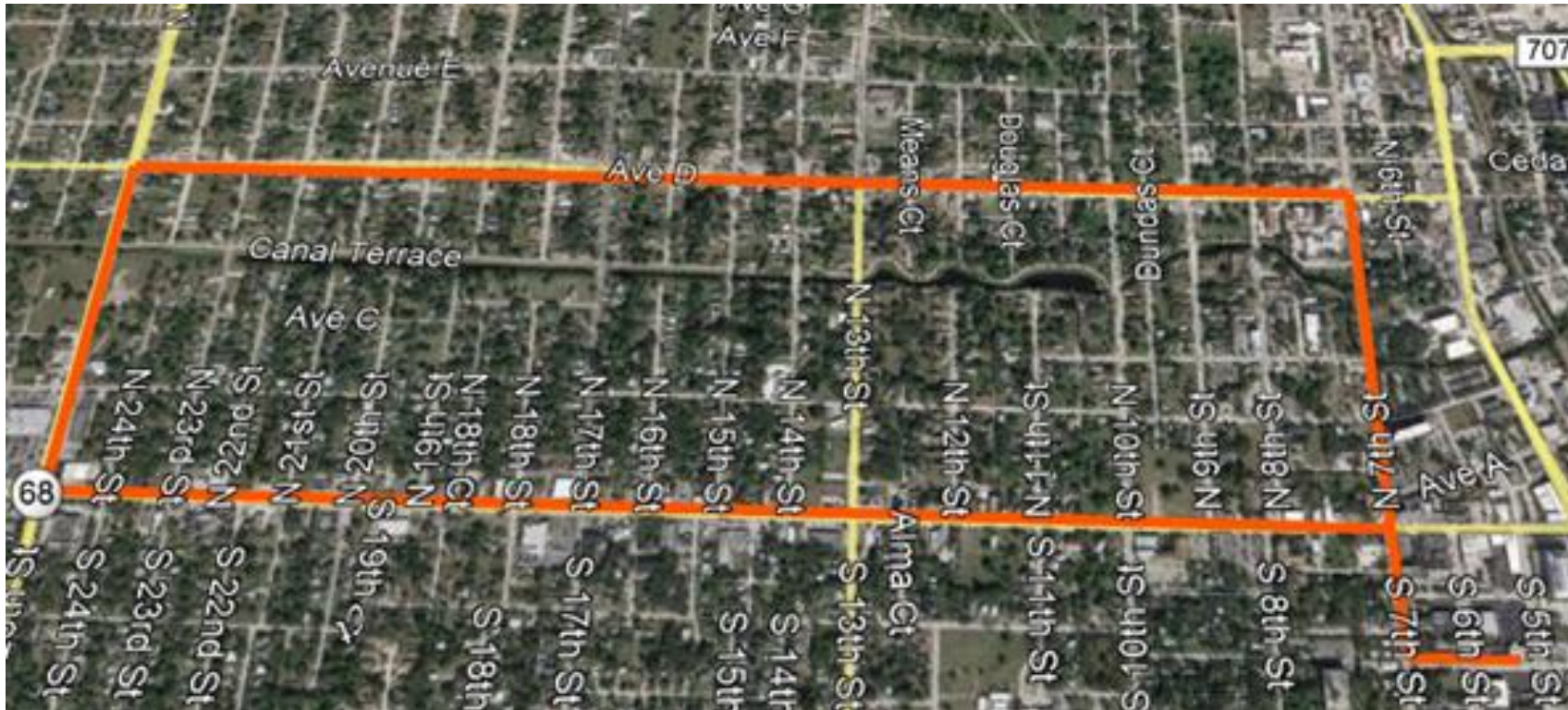
FPUA proposes a project scope of the area bordered by Avenue D, 7th Street, Orange Ave and 25th Street as shown in orange considered the “Business Corridor”.

Providing fiber optic cable in this area makes it “business ready” simplifying connectivity to new occupants. Features such as wireless and security sensors are being considered.



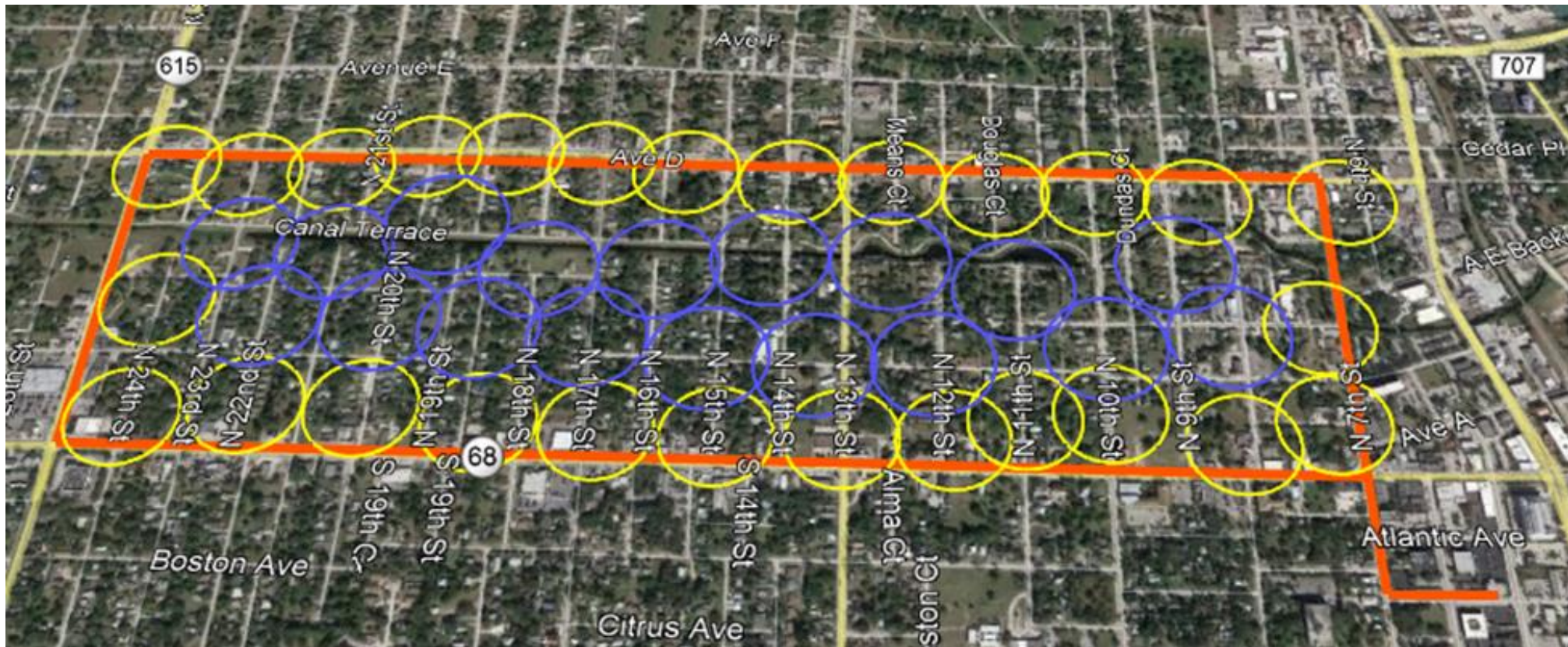
Lincoln Park Broadband Initiative-Phase 1

FPUA proposes a fiber optic cable loop in the phase 1 business corridor pictured below. This loop will be specific to this project and switched from the FPUA Admin Facility on South 6th Street. Access to the fiber cable itself will be provided on each street block resulting in low cost and rapid installations.



Phase 3 Residential Wireless

Filling in this area with additional residential WiFi access points indicated below in blue.



Lincoln Park Broadband Initiative-Next Steps

- Memorandum of Understanding in final stages of review. Needs to be approved by all parties prior to starting work.
- Preliminary engineering study underway-will be finalized after approval of MOU
- Need to hold stakeholder meetings to determine demographics of existing business and residential use as well as future forecasts of what the area will look like in years to come.



City Connectivity and Security Project

- Strategic Plan goal is to expand FPUA's fiber and wireless network
- Specific to this project, goal is to enhance City connectivity needs with high speed access and greater reliability
- Working with the FPPD, enhancing their headquarters connectivity with positive results in greater access speed to information
- FPUA will continue to partner with FPPD to further enhance connectivity and security
- Initial funding-\$220,000-approved by the FPUA board on May 21st.
- Implementation expected to be complete by January



KRA-FPUA Image-Weatherization Education Outreach Program (WEOP)

- Program initiated in 2013-Funded by FPUA and the City
- Funding has steadily increased from original \$75K/yr to current level of \$145K-future plans are to continue to increase funding
- Working with Centro Campisano Farmworker Center and SELF for work beyond our scope
- Extremely successful “grass roots” program that is lowering the cost of utilities to the people who need the help most

WEOP Services

- Funding Per Home \$5,000
- Services provided:
 - New water heater electric or gas \$1,900
 - Electric/plumbing code violation(s)
 - Exterior Doors: \$1,031
 - Door \$297
 - Plus Knob \$25
 - Labor \$600
 - Permit \$110
 - Window Panes Replacement
 - Sealing Window/Doors & Removal of security and screened doors
 - Insulation Upgrades \$600
 - No insulation for flat roofs

WEOP-Additional Services

- HVAC Tune Up
- Programmable Thermostat
- Electrical Work
 - Code Violations, exterior LED lighting
- Plumbing Repairs
- LED Bulbs 8
- Low Flow Shower Heads
- Faucet Aerators

WEOP Stats 2013-Present

Fiscal Year	FPUA Funding	City Funding	FPUA money spent	City Funding spent	Homes Completed	Avg \$/home
2014	\$55,000	\$13,331	\$14,033	\$13,331	9	\$3,040
2015	\$55,000	\$0	\$49,552	\$0	17	\$2,914
2016	\$55,000	\$20,000	\$35,771	\$20,000	22	\$2,535
2017	\$55,000	\$20,000	\$52,821	\$20,000	16	\$4,551
2018	\$100,000	\$20,000	\$91,718	\$20,000	24	\$4,654
2019	\$125,000	\$20,000	\$32,323	\$20,000	13	see note
	2019 is partial year to date					
Totals	\$445,000	\$93,331	\$276,218	\$93,331	101	

Electric Rate Restructuring

- Majority of costs for electric service are fixed costs
- Rates are currently structured based on variable costs
- Current rate resolution has no solar tariffs or solar subscription plan
- Current rate structure does not effectively capture fixed transmission and distribution costs for future solar or net metering customers

Electric Rate Restructuring

- Restructuring rate study by PRMG with assistance from FMPA
- Final product:
 - Higher customer charge
 - Lower variable usage charge
 - Solar tariff
 - Solar subscription rates
- The customer will see higher bills in the winter and lower bills in the summer
- Reviewing for rate reduction