



FMPA BOARD OF DIRECTORS AGENDA PACKAGE

October 21, 2021

9:00 a.m. [NOTE TIME]

Dial-in Info: 877-668-4493 or 650-479-3208

Meeting Number: 180 941 8163#

Password – 8553#

Board of Directors

Barbara Quiñones, Homestead –Chair
Lynne Tejada, Key West – Vice Chair
Larry Mattern, Kissimmee – Secretary
Allen Putnam, Jacksonville Beach – Treasurer
Rodolfo Valladares, Alachua
Bradley Hiers, Bartow
Vacant, Blountstown
Jody Young, Bushnell
Robert Presnell, Chattahoochee
Lynne Mila, Clewiston
Jan Bagnall, Fort Meade
John Tompeck, Fort Pierce
Tom Brown, Gainesville
Robert Page, Green Cove Springs
Howard McKinnon, Havana
Ed Liberty, Lake Worth Beach

Michael Beckham, Lakeland
Brad Chase, Leesburg
Vacant, Moore Haven
Steve Langley, Mount Dora
Mike New, Newberry
Joe Bunch, New Smyrna Beach
Bill Kaufman, Ocala
Claston Sunanon, Orlando
Vacant, Quincy
Keith Trace, St. Cloud
Scott Anaheim, Starke
Tony Guillen, Tallahassee
James Braddock, Wauchula
Vacant, Williston
Dan D'Alessandro, Winter Park

Meeting Location

**Florida Municipal Power Agency
8553 Commodity Circle
Orlando, FL 32819
(407) 355-7767**

MEMORANDUM

TO: FMPA Board of Directors
FROM: Jacob A. Williams, General Manager and CEO
DATE: October 12, 2021
RE: **FMPA Board of Directors Meeting - 9:00 a.m., October 21, 2021**
PLACE: Florida Municipal Power Agency
8553 Commodity Circle, Orlando, FL 32819
DIAL-IN: **DIAL-IN- INFO 877-668-4493 or 650-479-3208**
Meeting Number 180 941 8163# - PASSWORD – 8553#
(if you have trouble connecting via phone or internet, call 407-355-7767)

AGENDA

Chairperson Barbara Quiñones, Presiding

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***Also on the Executive Committee agenda.**

JW/su

NOTE: One or more participants in the above referenced public meeting may participate by telephone. At the above location there will be a speaker telephone so that any interested person can attend this public meeting and be fully informed of the discussions taking place either in person or by telephone communication. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or (888) 774-7606, at least two (2) business days in advance to make appropriate arrangements.

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

**Board of Directors Meeting
October 21, 2021**

**AGENDA ITEM 2 – RECOGNITION OF
GUESTS**

**Board of Directors Meeting
October 21, 2021**

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

**Board of Directors Meeting
October 21, 2021**

**AGENDA ITEM 4 – SET AGENDA (By
Vote)**

**Board of Directors Meeting
October 21, 2021**

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

**Board of Directors Meeting
October 21, 2021**

Bill Conrad Served 12 Years on FMPA's Board and EC

- Served six years as Board Chair, one as Treasurer
- Served 10 years on FMPA's Policy Makers Liaison's Committee, of which he is a founding member
- Strong advocate for public power, his community and country
- Former Newberry city commissioner and mayor, received APPA's Spence Vanderlinden Public Official Award in 2013
- Retired Lt. Col and flew Air Force Two during the Reagan administration



Mark McCain Achieves 35 Years with FMPPA

Leadership with Agency and Service to Members Significant

- FMPPA's longest-serving team member
- Hired in 1986 as Communications Specialist
- Has managed public relations, member services, public affairs and human resources efforts over 35-year career at FMPPA
- Public power advocate at the state and national levels, providing communication counsel
- Engaged with members and active with industry and professional associations to advance FMPPA's mission

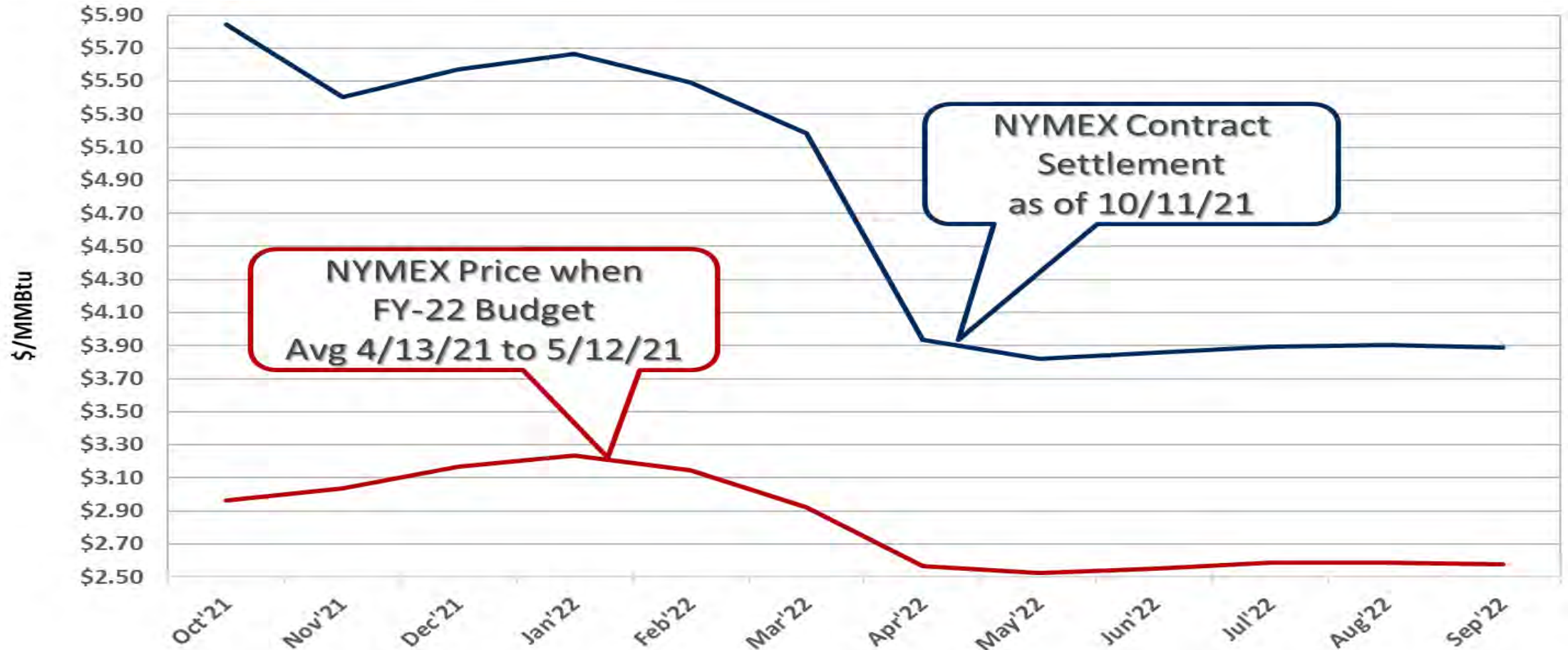


**Congratulations
Mark McCain
on 35 years of service**

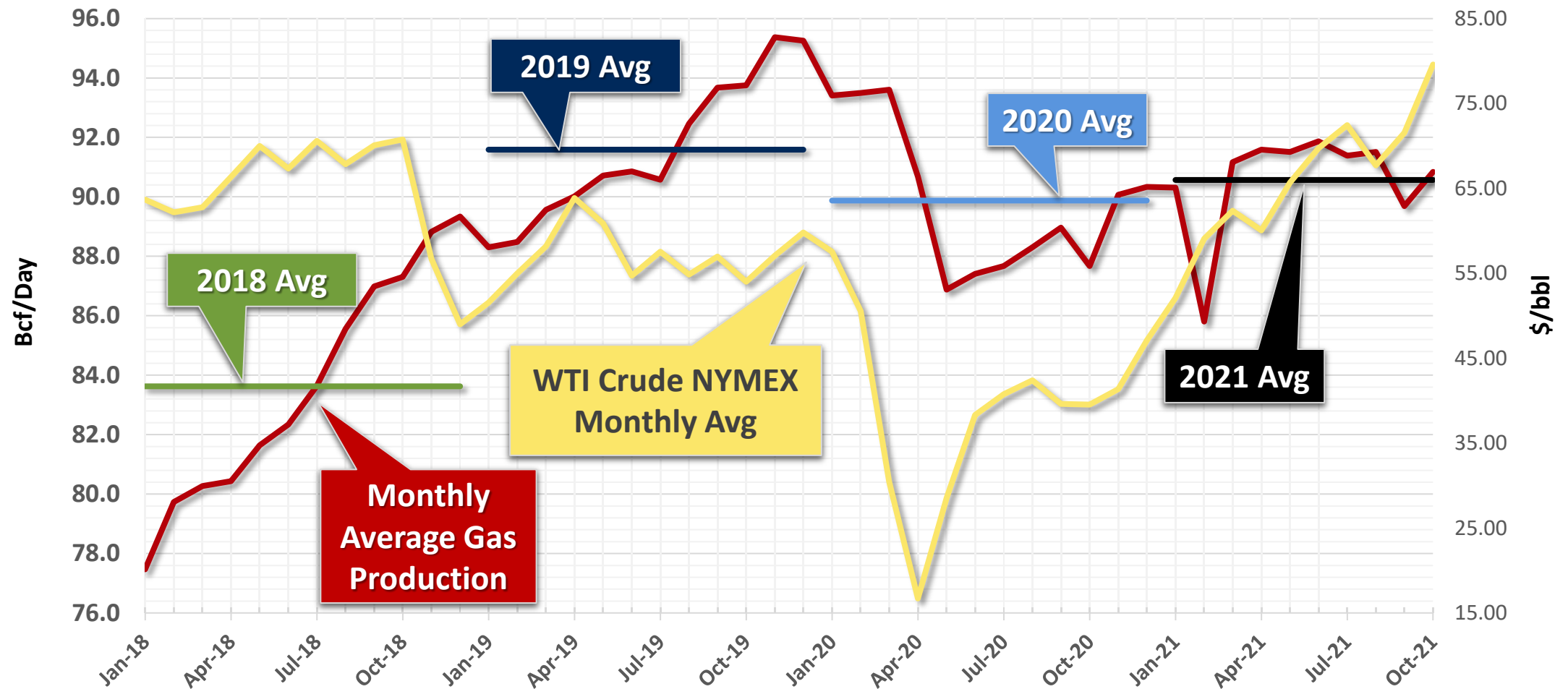
Fiscal 2021 Management Goals through Sept. 30, 2021

Goal	Status	Actual	YTD Actual	YTD Target	FY'21 Target	Comment
1.Safety	Lost-time Accidents	0	1	0	0	No lost-time accidents in September
	OSHA Recordables	0	1	0	0	
2.Compliance	Environmental	0	0	0	0	Working with Coast Guard and DEP on small oil leakage from Stock Island site. Source not positively identified. Drained nearest tank for inspection
	Financial	0	0	0	0	
	Regulatory	0	0	0	0	
3.Low Cost (\$/MWh)	Under \$70/MWh	\$78.82*	\$69.93*	\$69.99	< \$70.00	*Data estimate for September. YTD 2021 MWh sales 3.1% > budget. All-in costs ~\$.06/MWh (0.09%) < YTD target due to O&M (-8%), assigned project costs (-12%), A&G (-10%) < target Offset by net fuel costs 9% > target.
	Fuel	\$38.28*	\$26.39*	\$22.19	\$22.19	
	Non-Fuel	\$40.55*	\$43.53*	\$47.80	\$47.81	
4.Stanton I and Stanton II Decision from OUC to reduce power costs and emissions						Working with OUC on final timing decision of planned Stanton 1 & 2 retirement/conversion. Expect OUC Board's decision in December on timing.

FY 2022 NYMEX Contract \$1.88/MMBtu Above Budget

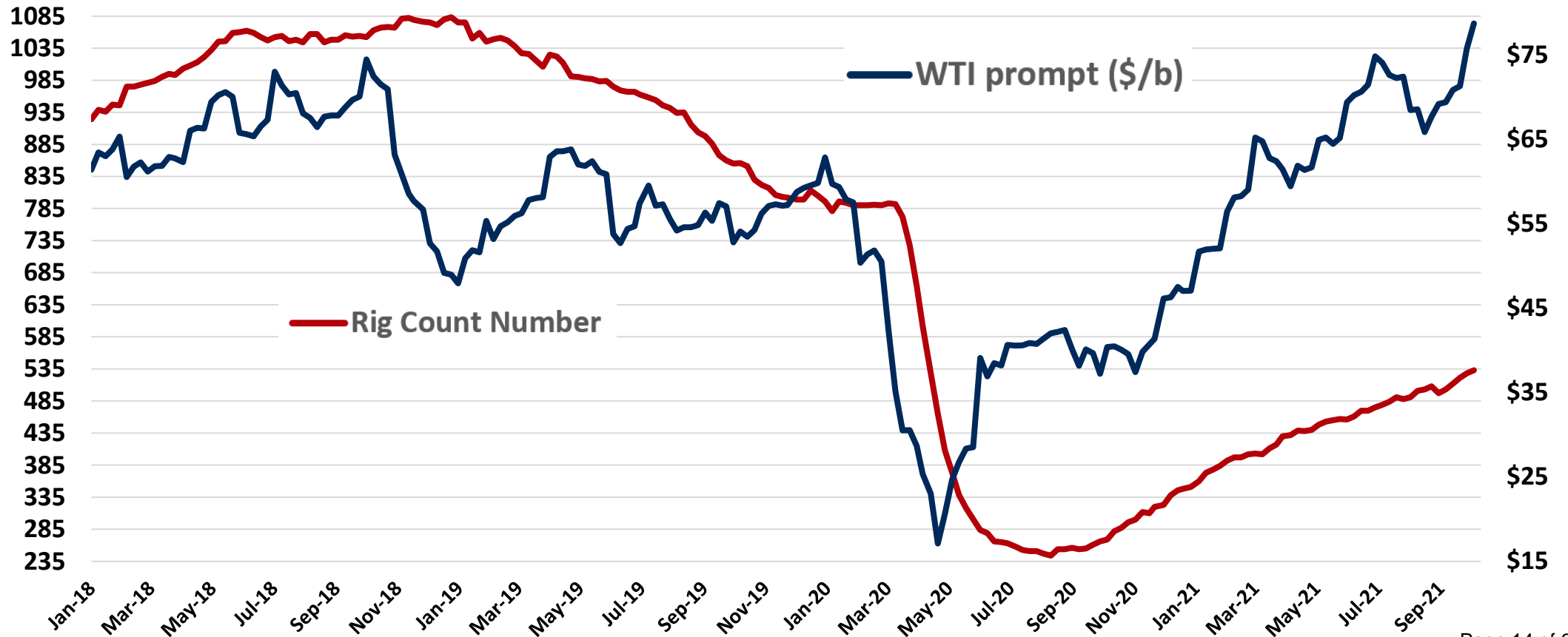


Natural Gas Production No Longer Following Oil Prices

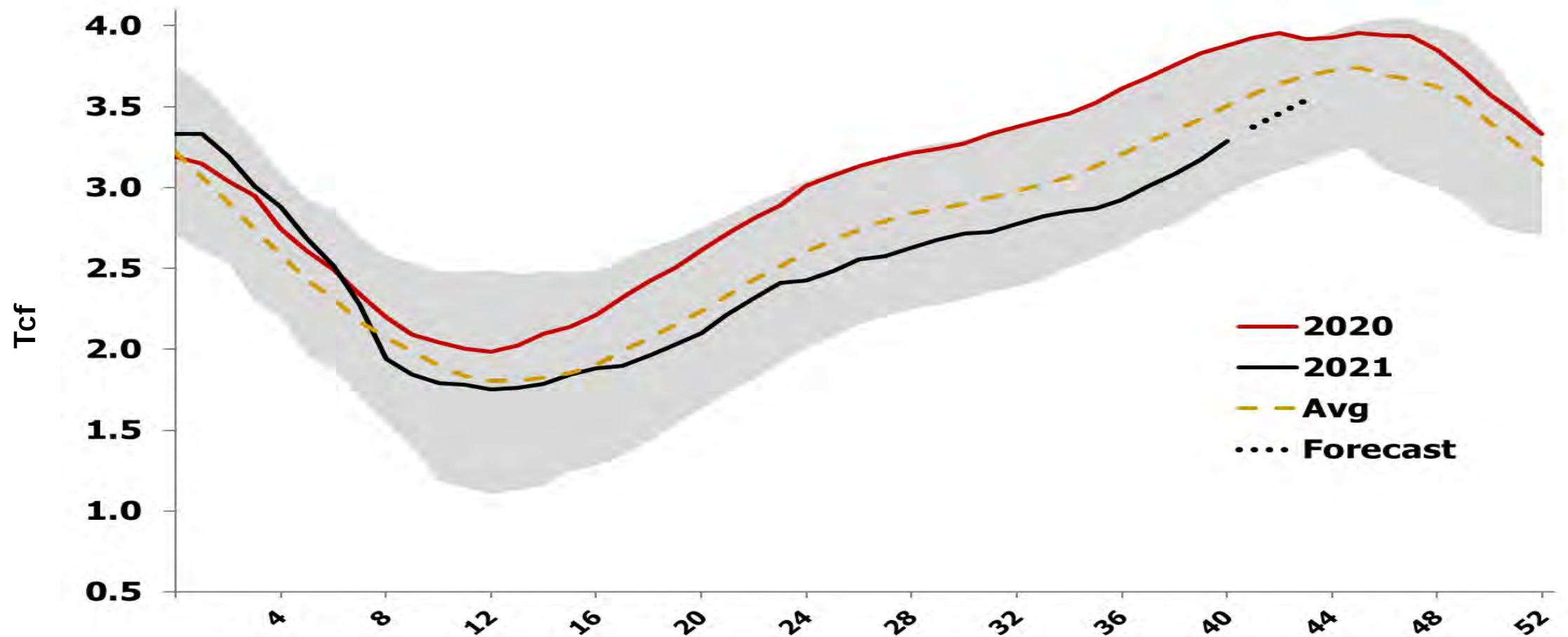


Rig Count Continues to Increase, Oil Prices Move Higher

U.S. Drilling Rig Count vs WTI Prompt



Gas Storage Inventory as of Week Ending Oct. 1



Roughly 35% of Natural Gas Burn Bought for Fiscal 2021

Value vs. Budget

- Locked in ~35% of annual burn at a weighted average cost of gas of \$2.55/MMBtu
- The fixed price purchases are roughly \$(0.212)/MMBtu lower than budget
- **The extended fixed price value is roughly \$4.0 million below budget**

Value vs. Market

Month	Purchase WACOG (\$/MMBtu)	FGT Zn3 Market Pricing as of 09/14/2021 (\$/MMBtu)	\$ Value or (lost opportunity) vs. Current Market (\$/MMBtu)	Extended Value or (lost opportunity) vs. Current Market
Oct-20	\$1.81	\$2.28	\$0.46	\$467,838
Nov-20	\$2.24	\$2.96	\$0.72	\$921,174
Dec-20	\$2.72	\$2.88	\$0.16	\$213,564
Jan-21	\$2.79	\$2.46	-\$0.33	-\$590,859
Feb-21	\$2.75	\$2.76	\$0.00	\$4,341
Mar-21	\$2.68	\$2.84	\$0.17	\$296,456
Apr-21	\$2.49	\$2.55	\$0.06	\$33,108
May-21	\$2.44	\$2.92	\$0.47	\$292,975
Jun-21	\$2.49	\$3.04	\$0.54	\$325,908
Jul-21	\$2.57	\$3.62	\$1.05	\$651,397
Aug-21	\$2.59	\$4.07	\$1.48	\$916,645
Sep-21	\$2.57	\$4.38	\$1.81	\$1,083,984

Total Extended Value vs. Current Market	\$4,616,532
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Goal	Status	Actual	YTD Actual	YTD Target	FY'21 Target	Comment	
5.Cyber Security	Breaches		0	0	0		
	Phishing tests		2.9%	3.4%	5% or <	5% or <	Two people clicked on link pretending to come from Google about a Chrome update
	Member assessments		0	4	4	5	Four assessments completed. Five assessments currently in progress.
6.Reliability	CC EAF		87.7%	93.1%	90%	90%	TCEC was in planned outage.
	SI black start and trans. backup		0	14	14	100%	
	SAIDI Reduction		0	6	10	10	Did not complete 10 efforts. Several projects currently being considered.
7.Member Services	Leadership member visits		14	88	75	75	
	Projects managed for members		5	23	20	20	NSB AMI, Moore Haven bank reconciliation, NSB invest port.folio mgmt., Starke YE financial statement, Bushnell RV park expan
8.Value of Muni	Member info updates		1	16	16	16	Alachua, Bartow, Chattahoochee, Clewiston, FPUA, GCS, Havana, Jacksonville Beach, KUA, Lake Worth Beach, Mount Dora, New Smyrna Beach, Newberry, Ocala, Wauchula, Williston
	Presentations Social media		0	11	10	10	Bartow, Chattahoochee, FPUA, KUA, LWB 2X , Leesburg, New Smyrna Beach, Newberry, Starke and Wauchula

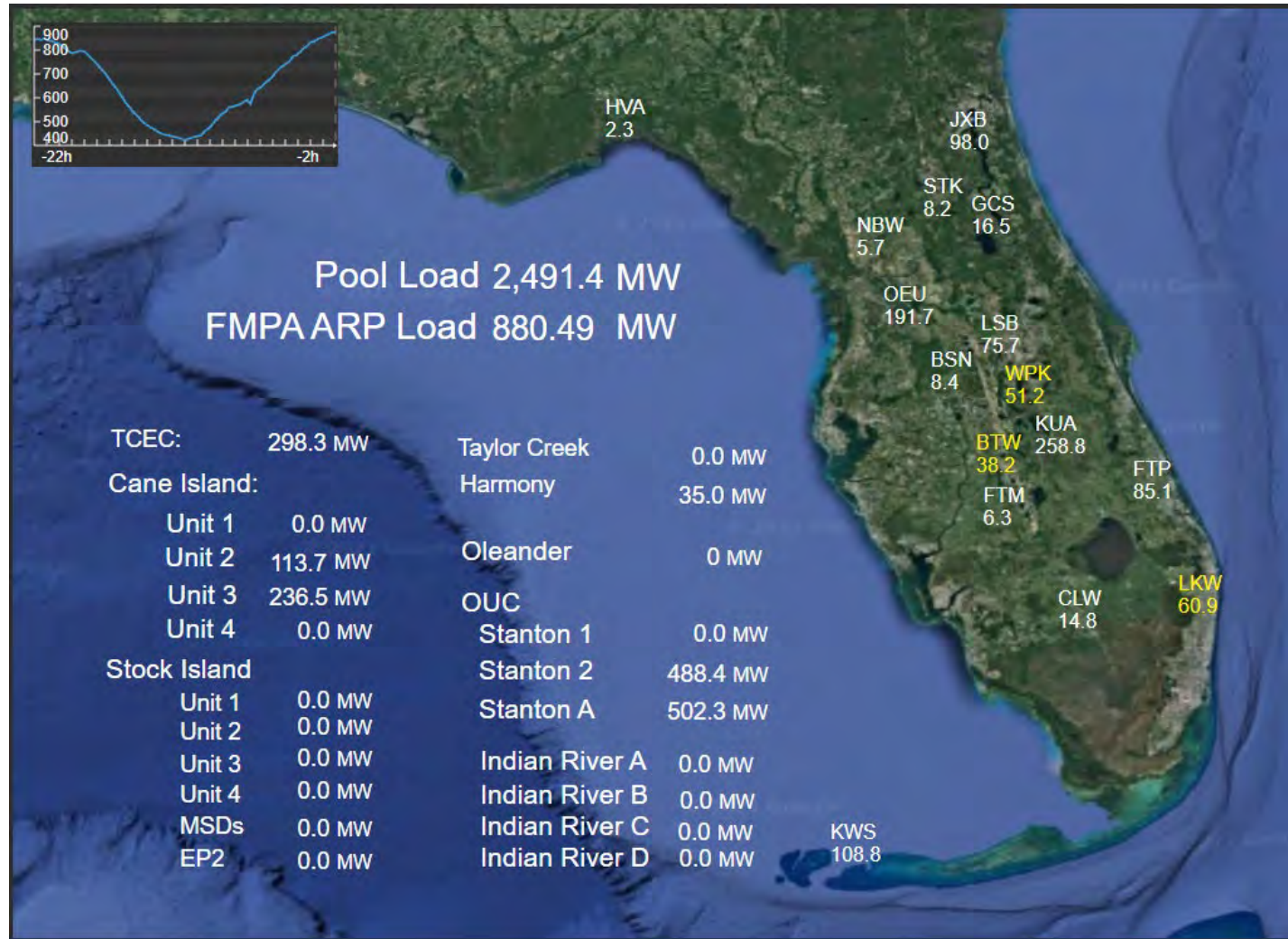
CI Unit 4 Sets New Record for Continuous Operations

- Operated 185 continuous days before being taken offline
- Previous record was 144 days
- Taken offline for planned outage
- Had potential to exceed 185 continuous days before scheduled maintenance



Goal	Status	Actual	YTD Actual	YTD Target	FY'21 Target	Comment
9.Load Management	Dev. opportunities for 5 MW	5-10	5-10	5	5	Phase I survey discussions completed with feedback from all 13 cities. Potential for in excess of 5 MW uncovered.
10.Financing	Restructure debt	0	1	1	1	Done
	Extend debt to include R&R funding	0	1	1	1	St. Lucie refinancing closed on 9/1/2021 with NPV of \$9.5M or 11.422%
	Prepaid gas min. svgs. of \$0.20/mmBtu	0	2	1	1	Two transactions approved, awaiting 2 additional ones by EOY
11.Transmission	Neg. service upgrade for LWB & Homestead					LWB engineer work ongoing, Homestead development in progress
12.People	360 training for Leadership & mgmt.	0	11	11	11	All 11 directors/managers completed
	Mgmt. outreach to diverse prof. groups	0	3	3	3	Jacob - AABE membership Linda – NABA and AABE membership; NSBE outreach for job openings
	Individual development plans	0	50	50	50	Completed by March 31 – following up on plans
	FMPA Fleet Team Sharing – Days	7	138	100	100	FMPA 4 days to Stock Island and 3 days to TCEC.

Member Load Map Being Developed



St. Lucie Part. Share of Underbilled Capital Due to FPL

Participant	Entitlement (%)	Amount (\$)	Participant	Entitlement (%)	Amount (\$)
Alachua	0.431%	\$7,901	Lake Worth Beach	24.870%	\$455,883
Clewiston	2.202%	\$40,364	Leesburg	2.326%	\$42,637
Fort Meade	0.336%	\$6,159	Moore Haven	0.384%	\$7,039
Fort Pierce	15.206%	\$278,736	Newberry	0.184%	\$3,373
Green Cove Springs	1.757%	\$32,207	New Smyrna Beach	9.884%	\$181,180
Homestead	8.269%	\$151,576	Starke	2.215%	\$40,602
Jacksonville Beach	7.329%	\$134,345	ARP	15.202%	\$278,662
KUA	9.405%	\$172,400	Total	100.000%	\$1,833,063

VERBAL REPORT

AGENDA ITEM 6 – SUNSHINE LAW UPDATE

**Board of Directors Meeting
October 21, 2021**






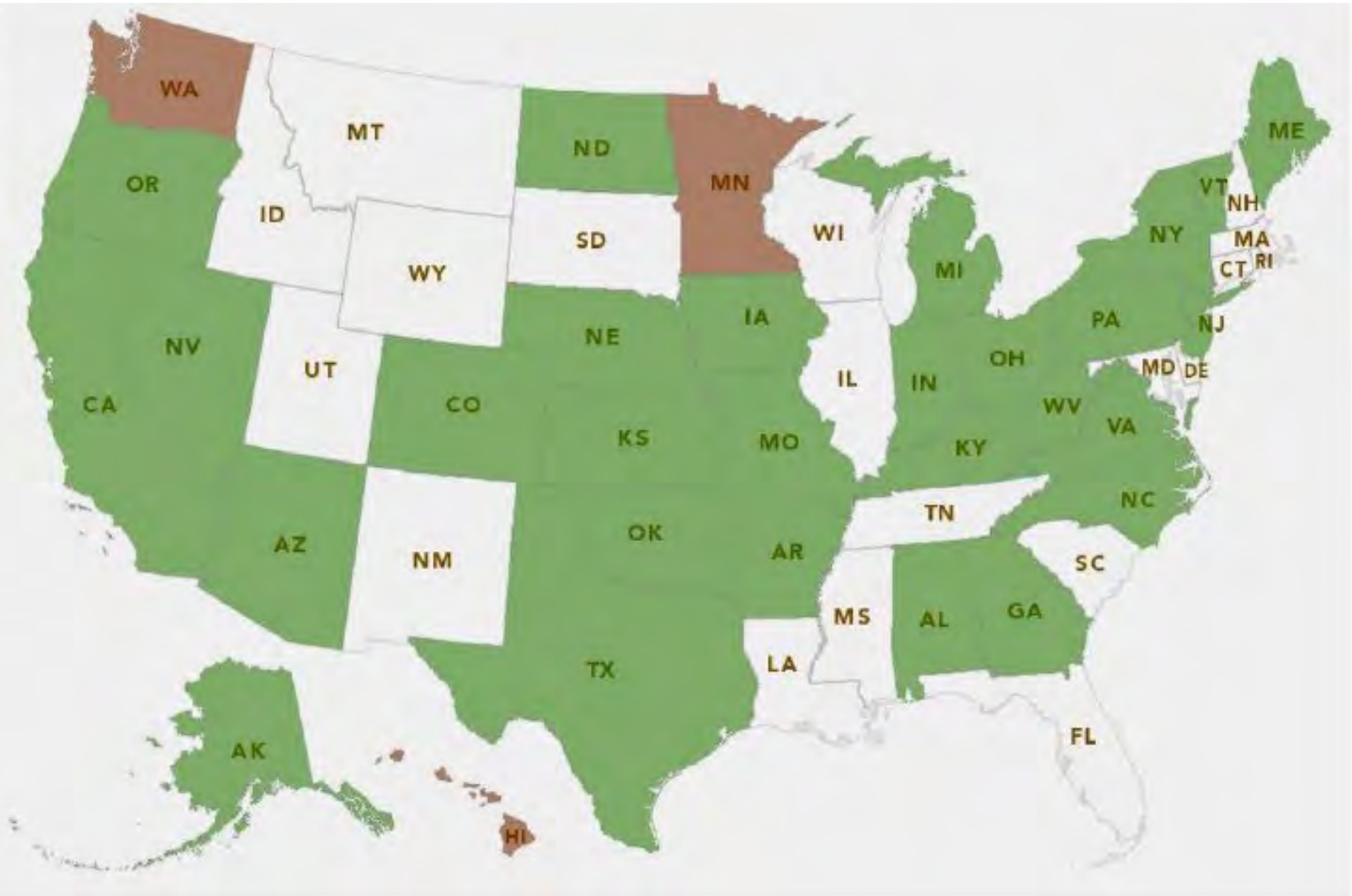
Sunshine Law Update

Board of Directors

Oct. 21, 2021

State Open Government Law Exemptions for Critical Infrastructure Information

-  States with statutory exemptions: 28
-  States with other forms of exemptions: 3
-  No exemption for critical infrastructure information: 19



Cyber Security and Critical Infrastructure

- Cyber Security Exemption

- “Information related to the security of the technology, processes, or practices of a utility owned or operated by a unit of local government that are designed to protect the utility's networks, computers, programs, and data from attack, damage, or unauthorized access, which information, if disclosed, would facilitate the alteration, disclosure, or destruction of such data or information technology resources.”
- “Information related to the security of existing or proposed information technology systems or industrial control technology systems of a utility owned or operated by a unit of local government, which, if disclosed, would facilitate unauthorized access to, and alteration or destruction of, such systems in a manner that would adversely impact the safe and reliable operation of the systems and the utility.” s. 119.0713(5)(a), Florida Statutes (2021)

- Critical Infrastructure Information (“Security System Exemption”)

- “Building plans, blueprints, schematic drawings, and diagrams, including draft, preliminary, and final formats, which depict the internal layout and structural elements of a building, arena, stadium, water treatment facility, or other structure owned or operated by an agency are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.” s. 119.071(4), Florida Statutes (2021)

Proposed Statutory Exemption

- “Information related to threat detection, defense, deterrence, or response plans and actions for informational technology and operational technology systems of a utility owned or operated by a unit of local government, including, but not limited to, plans and actions made or taken in response to a ransomware or cyber-attack on or threat to informational technology or operational technology systems.”
- “Information related to insurance or other risk mitigation products or coverages, including, but not limited to, deductible or self-insurance amounts, coverage limits, and policy terms and conditions for the protection of the informational technology and operational technology systems and data of a utility owned or operated by a unit of local government.”

Proposed Statutory Exemption

- “Information created or received by a utility owned or operated by a unit of local that is designated as critical energy/electric infrastructure information (CEII).
 - ‘CEII’ is defined as specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure that:
 - Relates details about the production, generation, transportation, transmission, or distribution of energy;
 - Could be useful to a person in planning an attack on critical infrastructure.
 - Does not simply give the general location of the critical infrastructure
 - ‘Critical infrastructure’ means an existing and proposed systems and assets, whether physical or virtual, the incapacity or destruction of which would negative affect security, economic security, public health or safety, or any combination of those matters.”
- Mirrors Federal CEII definition

**AGENDA ITEM 7 – CONSENT
AGENDA**

- a. Approval of the Minutes for the
Meeting for the Meeting Held
September 16, 2021**

**Board of Directors Meeting
October 21, 2021**

MINUTES
FMPA BOARD OF DIRECTORS MEETING
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819
THURSDAY, SEPTEMBER 16, 2021
9:00 A.M.

MEMBERS PRESENT Brad Hiers, Bartow (via telephone)
Lynne Mila, Clewiston (via telephone)
Jan Bagnall, Fort Meade
John Tompeck, Fort Pierce
Bob Page, Green Cove Springs
Barbara Quinones, Homestead
Allen Putnam, Jacksonville Beach
Lynne Tejeda, Key West (via telephone)
Larry Mattern, Kissimmee *
Brad Chase, Leesburg (via telephone)
Steve Langley, Mount Dora (via telephone)
Mike New, Newberry (via telephone)
Joe Bunch, New Smyrna Beach (via telephone)
Claston Sunanon, Orlando
Keith Trace, St. Cloud (via telephone)
James Braddock, Wauchula (via telephone)
Justin Isler, Winter Park

*joined after roll call.

OTHERS PRESENT David Lord, Fort Meade
Paul Jakubczak, Fort Pierce
Craig Dunlap, Dunlap & Associates, Inc. (via telephone)

STAFF PRESENT Jacob Williams, General Manager and CEO
Jody Finklea, General Counsel and CLO
Ken Rutter, Chief Operating Officer
Linda S. Howard, Chief Financial Officer
Mark McCain, Vice President, Member Services and Public Relations
Dan O'Hagan, Assistant General Counsel and Regulatory Compliance Counsel
Sue Utley, Executive Asst. /Asst. Secy. to the Board
Mike McCleary, Manager of Member Services Development
Chris Gowder, Business Development and System Operations Director
Carl Turner, Engineering Services Director
Sharon Adams, Vice President of Human Resources & Shared Services
Cairo Vanegas, Manager of Member Services Development

Jason Wolfe, Financial Planning, Rates and Budget Director
Resaul Misra, Financial and Data Analyst II (via telephone)
Alan O’Heron, Manager of Member Services Development
Jade Bulitta, System Operations Analyst
Wayne Koback, IT Manager
Isaac Barbosa, IT Security Analyst
Angel Diaz, IT Support Specialist
Susan Schumann, Manager of External Affairs and Solar Projects
David Schumann, Power Generation Fleet Director
Carter Manucy, IT/OT & Cybersecurity Director
LaKenya VanNorman, Regulatory Compliance Specialist
Danyel Sullivan-Marrero, Controller

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

Chair Barbara Quiñones, Homestead, called the Board of Directors meeting to order at 9:00 a.m. on Thursday, September 16, 2021, in the Frederick M. Bryant Board Room at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. The roll was taken and a quorum was declared with 16 members present representing 27.5 votes out of a possible 47.5. Larry Mattern, Kissimmee, joined after roll call bringing the total members present to 17 representing 29.5 votes out of a possible 47.5.

ITEM 2 – Recognition of Guests

Chair Barbara Quiñones welcomed David Lord, new Electric Director for Fort Meade, Randy Martin, City Manager of Clewiston via telephone and Ivette Sanchez, Power Engineers via telephone.

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

None

ITEM 4 – SET AGENDA (by vote)

MOTION: Allen Putnam, Jacksonville Beach, moved approval of the agenda as presented. John Tompeck, Fort Pierce, seconded the motion. Motion carried 29.5 – 0.

ITEM 5 – REPORT FROM THE GENERAL MANAGER

Jacob Williams reported on the following items:

1. The passing away of David Cottar of Keys Energy Services
2. Goals Scorecard
3. Solar Phase III – members should let the team know of their interest
4. General Fund Transfer Survey clarifications

ITEM 6 – SUNSHINE LAW UPDATE

Dan O'Hagan reported on potential penalties for Sunshine Law violations.

ITEM 7 – CONSENT AGENDA

- a. Approval of Minutes – Meeting Held August 19, 2021
- b. Approval of the Projects' Preliminary Financials as of July 31, 2021
- c. Approval of the Treasury Reports as of July 31, 2021

MOTION: Allen Putnam, Jacksonville Beach, moved approval of the Consent Agenda as presented. Bob Page, Green Cove Springs, seconded the motion. Motion carried 29.5 – 0.

ITEM 8 – ACTION ITEMS

- a. Approval of FMPA Updated Seal

MOTION: John Tompeck, Fort Pierce, moved approval modified official seal of the Agency as shown (including for all purposes of the Agency's projects, including the All-Requirements Power Supply Project), and confirm and ratify all uses of the modified seal before the date hereof. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 29.5 – 0.

- b. Approval of Board Officers' Recommendation on Evaluations for the General Manager and CEO and General Counsel and CLO

MOTION: Bob Page, Green Cove Springs, moved approval of the Board Officers recommendation for the General Manager and CEO of a ten percent (10%) increase to the base salary as a market adjustment since his current compensation is just above the 50th percentile. In addition, a recommended five percent (5%) merit increase to the base salary for excellent performance of the General Manager and CEO in order to bring his compensation in line with his peers in other Agencies. The current car allowance is to be eliminated as a separate payment, and added to salary, subject to the increases noted. Another ten (10%) in base salary increase is recommended for next year to bring him up to the 60 to 65th percent quartile of his peers. The Officers recommend to authorize the Chairman to execute amendments to the employment agreements for the compensation changes approved by the Board. These percentages are being recommended by all the Board Officers and the Executive Committee Chairman. Jan Bagnall, Fort Meade, seconded the motion. Motion carried 29.5 – 0.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of the recommendation from the Board Officers and Executive Committee Chairman for the General Counsel and CLO of a five percent (5%) merit increase for excellent performance be added to the base salary of the General Counsel and CLO. The current car allowance is to be eliminated as a separate payment, and an amount equal to that added to the General

Manager's salary is added to the General Counsel's salary, subject to the increases noted. There is no need for a market adjustment at this time since the General Counsel and CLO is above the 60 percentile of comparable salary ranges. We authorize the Chairman to execute amendments to the employment agreements for the compensation changes approved by the Board. This percentage is being recommended by all the Board Officers and the Executive Committee Chairman. Bob Page, Green Cove Springs, seconded the motion. Motion carried 29.5 – 0.

c. Approval of Resolution 2021-B3 – Budget Amendment for Stanton Project

Resolution 2021-B3 was read by title:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE STANTON PROJECT BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; (II) ADOPTING THE AMENDED BUDGET FOR THE STANTON PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; AND (III) PROVIDING AN EFFECTIVE DATE.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of Resolution 2021-B3. Larry Mattern, Kissimmee, seconded the motion. Motion carried 29.5 – 0.

d. Approval of Resolution 2021-B4 – Budget Amendment for Tri-City Project

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE TRI-CITY PROJECT BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; (II) ADOPTING THE AMENDED BUDGET FOR THE TRICITY PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; AND (III) PROVIDING AN EFFECTIVE DATE.

MOTION: Larry Mattern, Kissimmee, moved approval of Resolution 2021-B4. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 29.5 – 0.

e. Approval of Resolution 2021-B5 – Budget Amendment for Stanton II Project

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE STANTON II PROJECT BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; (II) ADOPTING THE AMENDED BUDGET FOR THE STANTON II PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; AND (III) PROVIDING AN EFFECTIVE DATE.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of Resolution 2021-B5. John Tompeck, Fort Pierce, seconded the motion. Motion carried 29.5 – 0.

- f. Approval of Resolution 2021-B6 – Budget Amendment for St. Lucie Project

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE ST. LUCIE PROJECT BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; (II) ADOPTING THE AMENDED BUDGET FOR THE ST. LUCIE PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; AND (III) PROVIDING AN EFFECTIVE DATE.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of Resolution 2021-B6. Larry Mattern, Kissimmee, seconded the motion. Motion carried 29.5 – 0.

- g. Approval of Resolution 2021-B7 – Budget Amendment for Pooled Loan Project

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE INITIAL POOLED LOAN PROJECT BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; (II) ADOPTING THE AMENDED BUDGET FOR THE INITIAL POOLED LOAN PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; AND (III) PROVIDING AN EFFECTIVE DATE.

MOTION: Larry Mattern, Kissimmee, moved approval of Resolution 2021-B7. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 29.5 – 0.

ITEM 9 – INFORMATION ITEMS

a. Results of 2021 Series A and B Debt Offerings

Ed Nunez presented the results of the 2021 Series A and B debt offerings.

b. Regulatory Compliance Quarterly Update

LaKenya VanNorman presented the Regulatory Compliance quarterly update.

c. Quarterly HR Update

Sharon Adams gave the quarterly HR update.

d. Analysis of Climate Change Proposed Legislation

Jacob Williams presented an analysis of the impacts of the proposed climate change legislation for FMPA and Florida.

ITEM 10 – MEMBER COMMENTS

Chair Quiñones said she was given a suggestion by a member to go back to holding the Executive Committee meetings on Wednesday before the Board meetings Thursday and asked the Members to think about it and come to the next Board of Directors meeting with their thoughts on this.

ITEM 11 – ADJOURNMENT

There being no further business, the meeting was adjourned at 11:01 a.m.

Barbara Quiñones
Chairperson, Board of Directors

Larry Mattern
Secretary

Approved: _____

Seal

BQ/LM/su

**AGENDA ITEM 7 – CONSENT
AGENDA**

- b. Approval of the Projects'
Preliminary Financials as of
August 31, 2021**

**Board of Directors Meeting
October 21, 2021**



Linda S. Howard, CPA, CFP
Chief Financial Officer

AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors
FROM: Linda Howard
DATE: October 5, 2021
ITEM: 7b – Approval of Projects’ Financials as of August 31, 2021

Discussion: The summary financial statements and detailed financial statements, which include GASB #62 transactions, of the Projects for the period ended August 31, 2021 are posted on the Document Portal section of FMPA’s website.

Recommended: Move approval of the Projects’ Financial Reports for the month ended August 31, 2021.

LH/GF

**AGENDA ITEM 7 – CONSENT
AGENDA**

- c. Approval of the Treasury Reports
as of August 31, 2021**

**Board of Directors Meeting
October 21, 2021**

AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors
FROM: Gloria Reyes
DATE: October 12, 2021
ITEM: BOD 7(c) – Approval of Treasury Reports as of August 31, 2021

Introduction This agenda item is a quick summary update of the Treasury Department’s functions.

The Treasury Department reports for June are posted in the member portal section of FMPA’s website.

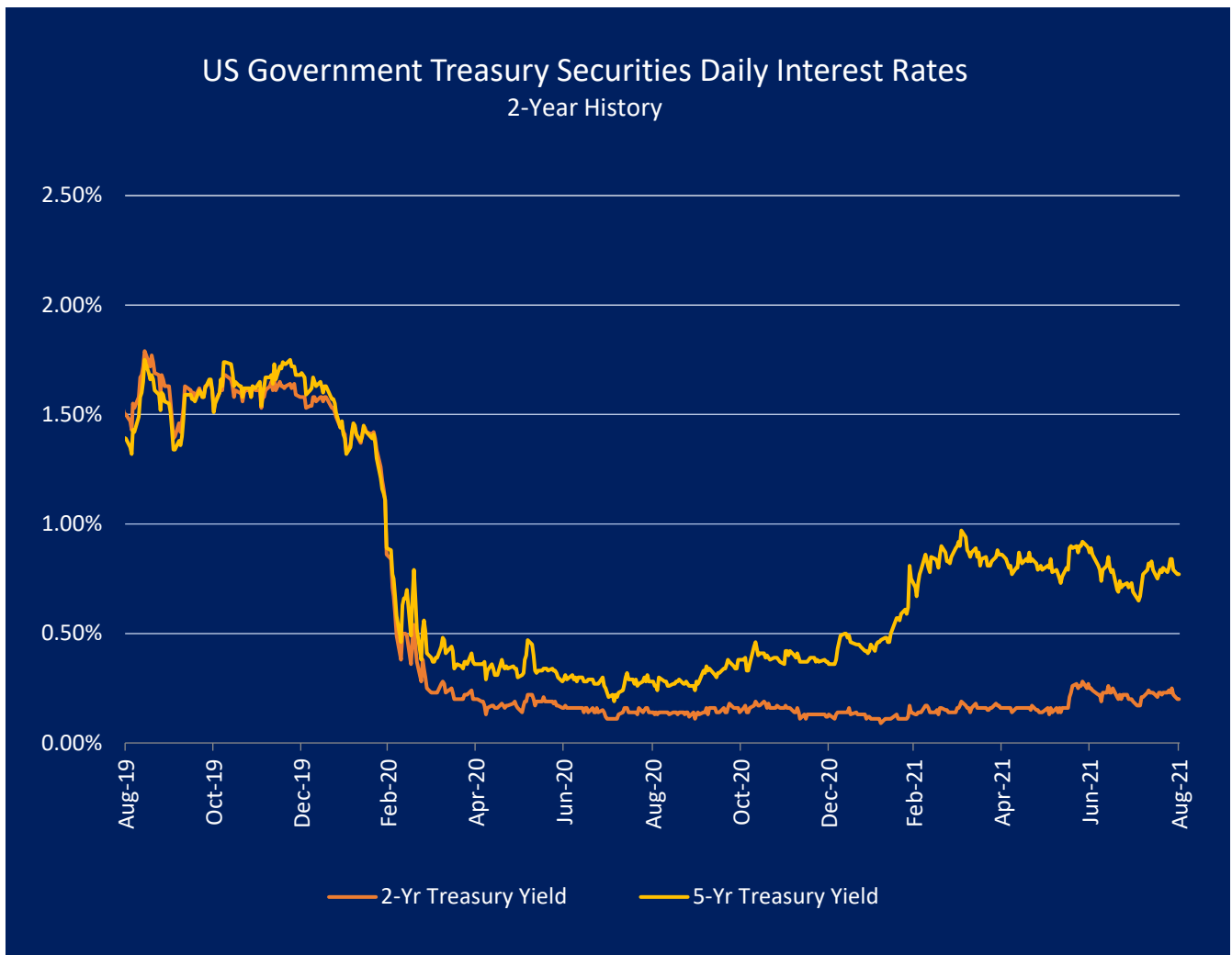
Debt Discussion Below is a summary of the total debt outstanding and the percentage of debt that was fixed, variable or synthetically fixed with interest rate swaps as of August 31, 2021.

	Total debt Outstanding	Fixed Rate	Variable Rate	Synthetically Fixed
Agency	0.00	0%	0%	0%
St Lucie	93,815,000	100%	0%	0%
Stanton	0.00	0%	0%	0%
Stanton II	100,740,471	100%	0%	0%
Tri City	0.00	0%	0%	0%

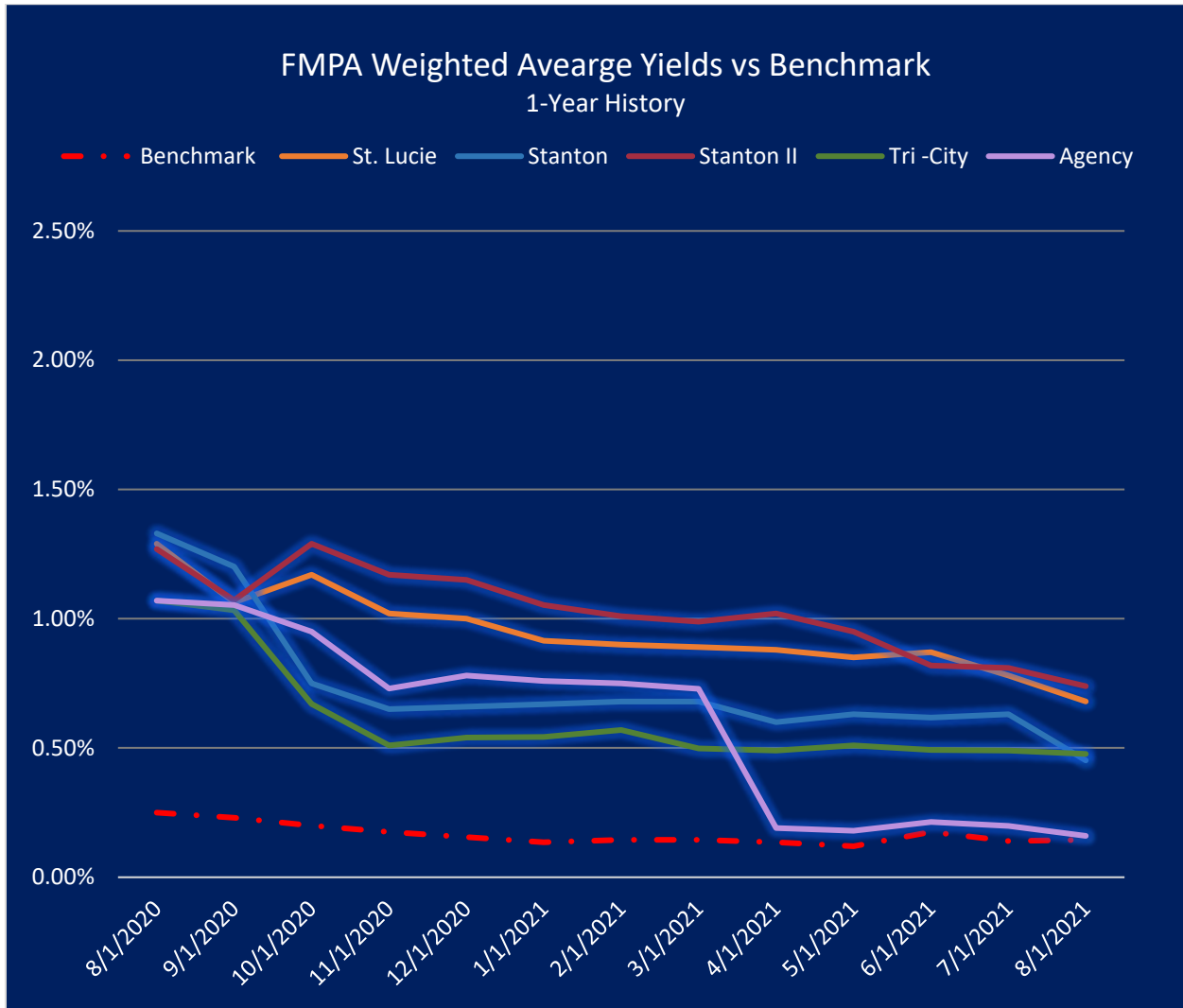
**Investment
Discussion**

The investments in the Projects are comprised of debt from the government-sponsored enterprises such as the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae), as well as investments in U.S. Treasuries, Certificates of Deposits, Commercial Paper, Municipal Bonds, Corporate Notes, Local Government Investment Pools and Money Market Mutual Funds.

Below is a graph of daily US Treasury yields for the past 2 years. The orange line is the 2-year Treasury which closed the month of August at 0.19%. The yellow line is the 5-year Treasury which was 0.69%.



The weighted average yields on investments earned as of August 31, 2021 in the Projects, along with their benchmark (Average of Florida Prime Fund and 2-year treasury), are as follows:



Recommended Motion

Move approval of the Treasury Reports for August 31, 2021.

AGENDA ITEM 8 – ACTION ITEMS

a. None

**Board of Directors Meeting
October 21, 2021**

**AGENDA ITEM 9 – INFORMATION
ITEMS**

- a. Draft Management Goals for FY
2022**

**Board of Directors Meeting
October 21, 2021**



9a – Draft Management Goals for FY 2022

FMIPA Board of Directors

October 21, 2021

MANAGEMENT GOALS FY 2022 – DRAFT

- 1. Safety
 - Lost-time Accidents 0
 - OSHA Recordables 0
- 2. Compliance
 - Environmental 0
 - Financial 0
 - Regulatory 0
- 3. Low Cost (\$/MWh)

	<u>2022 Budget</u>	<u>Current Estimate</u>
• Under \$70/MWh	\$73.07	\$84.06
• Fuel	\$22.66	\$34.41
• Non-Fuel	\$50.40	\$49.65
- 4. ARP Capacity Replacement Plan
 - Finalize Plan to Meet Capacity Shortages Thru 2027 and Execute

MANAGEMENT GOALS FY 2022 – DRAFT

- 5. Cybersecurity
 - Breaches 0
 - Phishing Tests 3% or <

- 6. Reliability
 - Combined Cycle EAF 90%
 - Stock Island Black Start & Transmission Backup 100%

- 7. SAIDI Reduction
 - Assist Member SAIDI Reduction Projects 10

- 8. Member Services
 - Leadership Member Visits 75
 - Projects Managed for Members 24

MANAGEMENT GOALS FY 2022 – DRAFT

- 9. Value of Municipal
 - Presentations, Social Media 10
- 10. Financing
 - Prepaid Gas – 15,000 therms/day new agreements w/ \$0.25/mmbtu savings
 - Refinance Stanton II If NPV Savings of 5%
- 11. Phase III Solar
 - Identify Size, Participants and Projects to Meet Needs
- 12. People
 - Provide 2 personal development opportunities for all staff
 - Leadership Training for 8 Supervisors and Potential Leaders

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**b. Energy Price Increase and
Impacts on Electricity Costs**

**Board of Directors Meeting
October 21, 2021**



9b – Energy Price Increases and Impacts on Electricity Costs

FMIPA Board of Directors
October 21, 2021

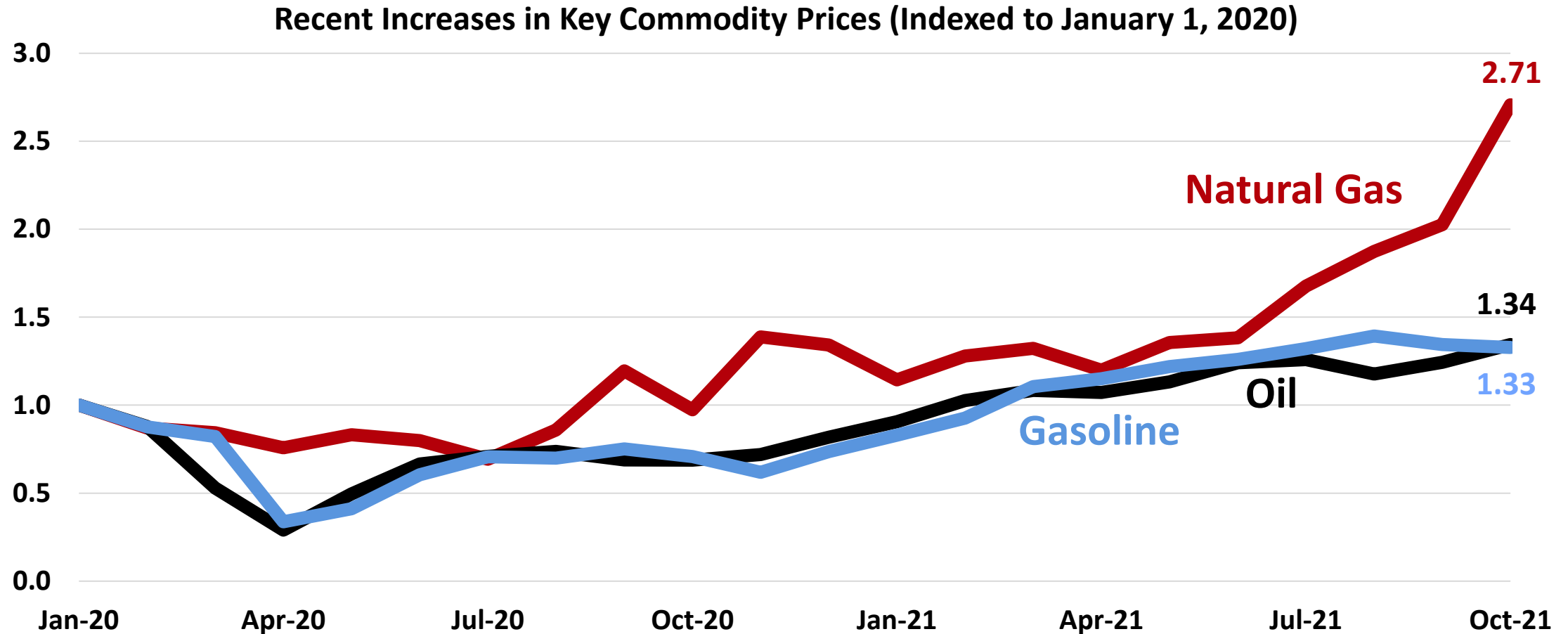
Energy Price Increases Impacting Electricity Costs

Families Seeing Energy Price Increases of 20%-40% YOY

- U.S. natural gas, oil and gasoline prices up significantly year over year (YOY)
- Significant cost increases to U.S. families as winter heating season approaches
 - Gasoline at retail up ~38% YOY, or ~\$80 per month for average Florida family*
 - U.S. natural gas commodity price up 178% YOY
 - Natural gas-fueled electricity up ~\$25/MWh YOY, or \$20 per month for Florida families
- Energy costs hit everyone, especially low and fixed-income families in Florida
- U.S. oil and gas production not keeping up with U.S. demand
- Electric utilities at PSC to raise fuel-cost recovery rates in October/November
- FMPPA working to partially mitigate increases, but magnitude difficult to overcome

Key Energy Commodities All Up 33%-170% in 2 Years

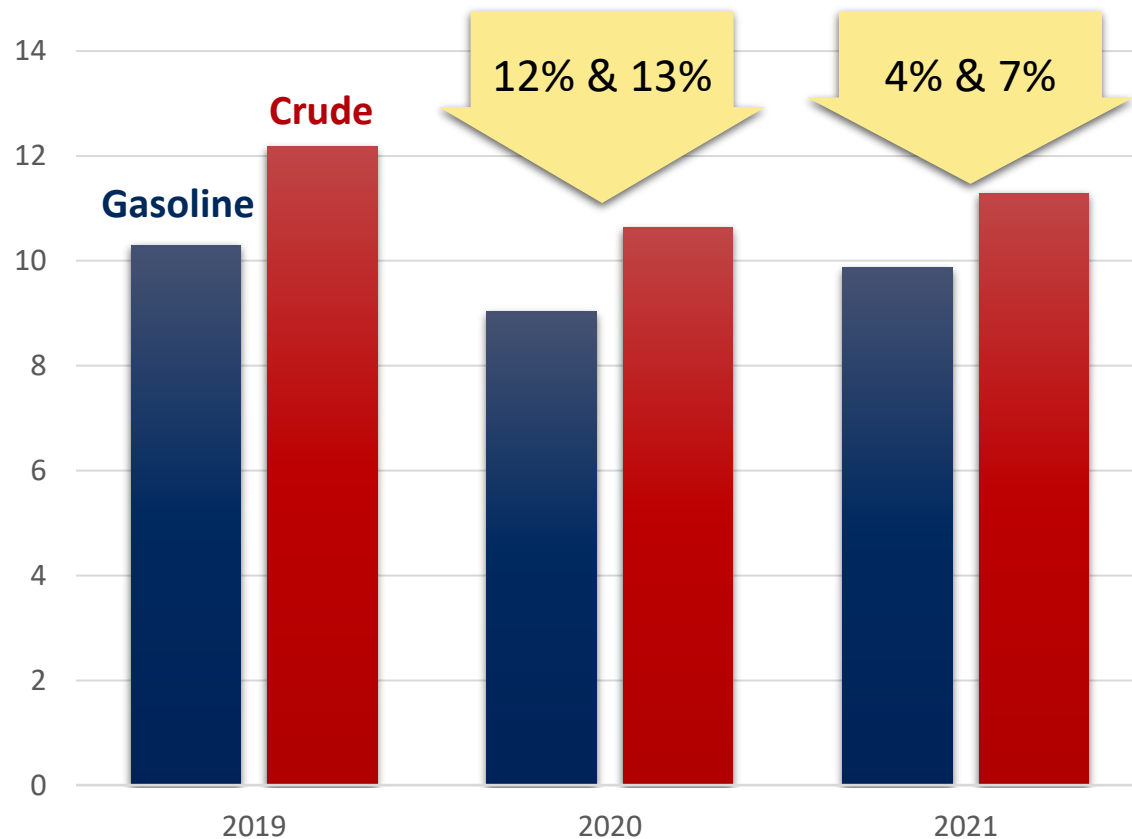
Natural Gas Prices Increasing Faster than Gasoline and Oil



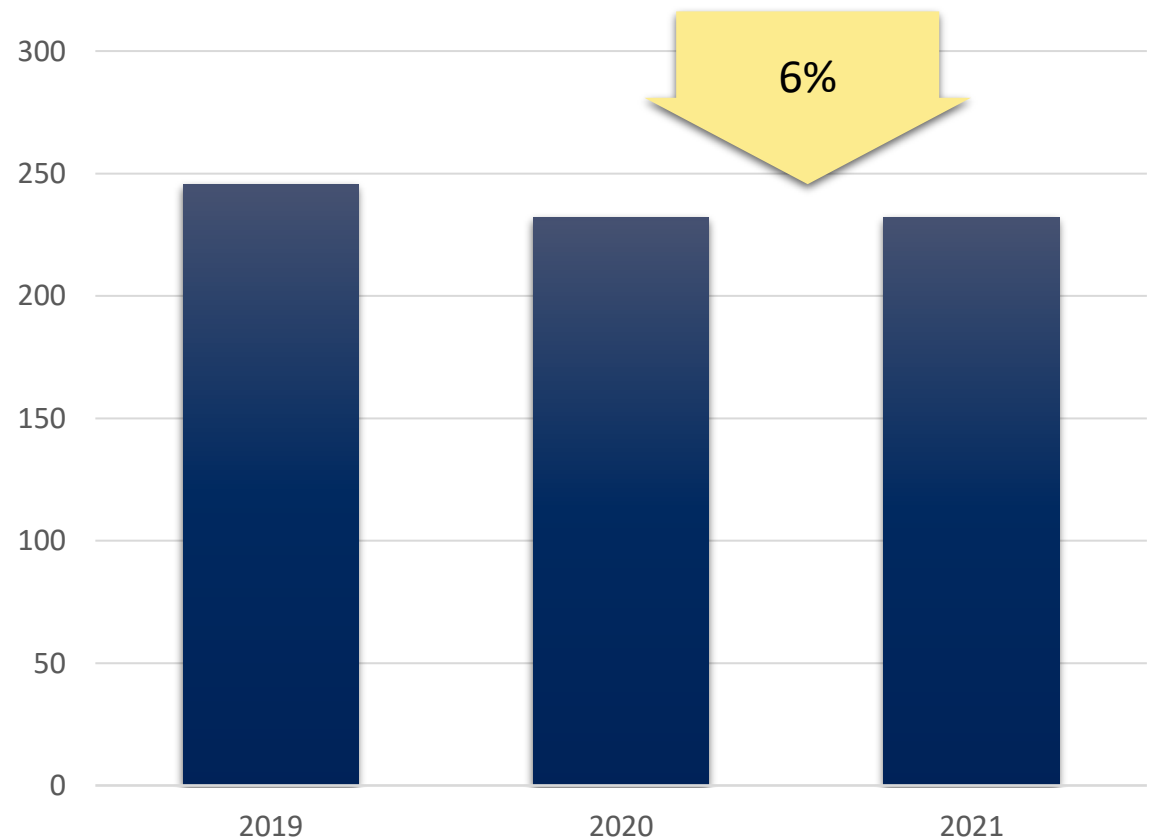
Summer U.S. Gasoline & Crude Production Declined

Production Below Recent Highs Despite Market Price Increases

US Oil and Gasoline (Million Barrels per day)



World Natural Gas Production (bcf per day)

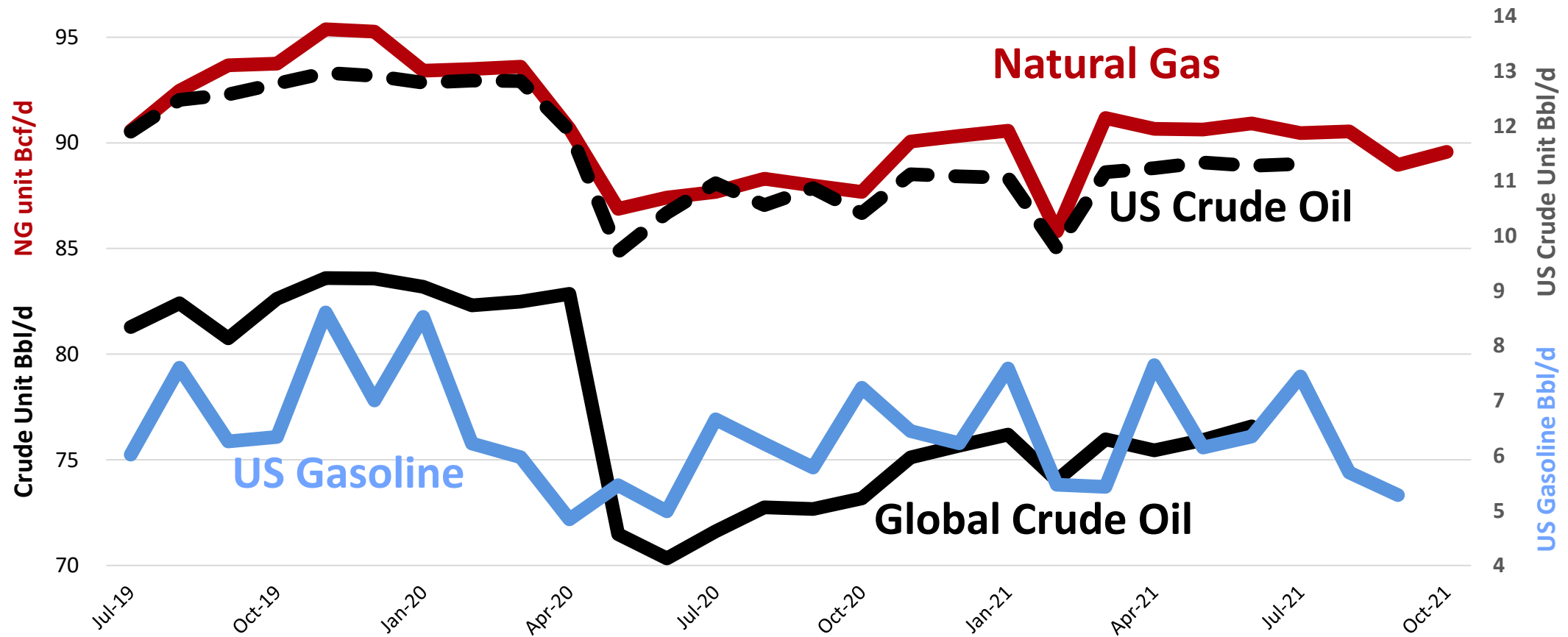


SOURCE: EIA Short-Term Energy Outlook, September 2021

SOURCE: EIA Petroleum Production, September 2021

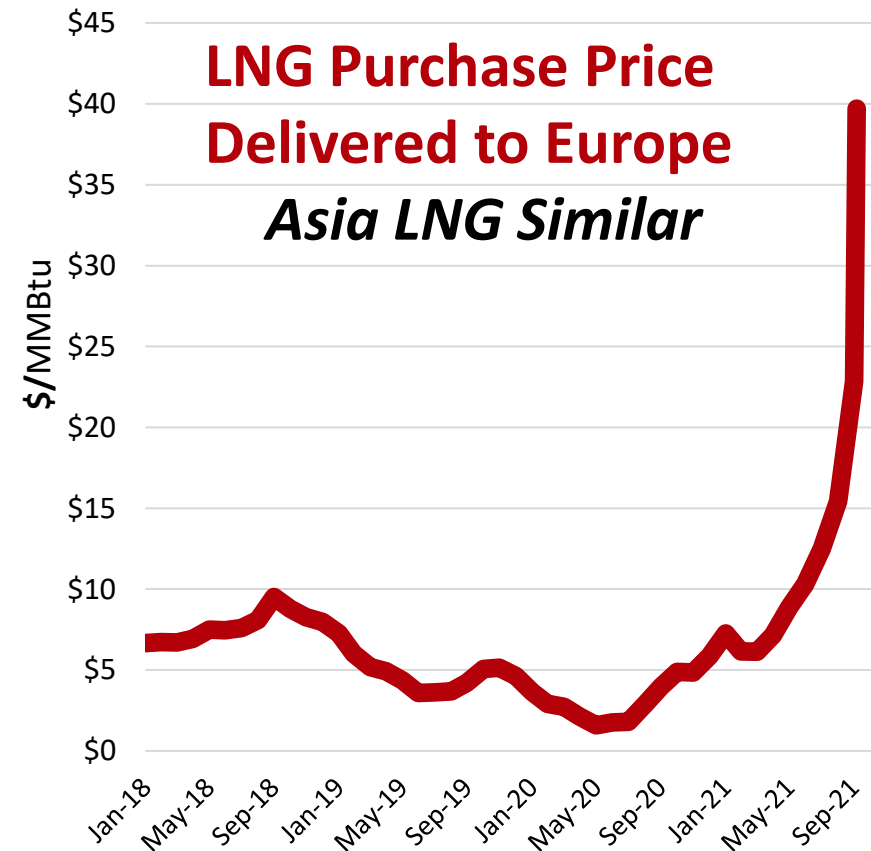
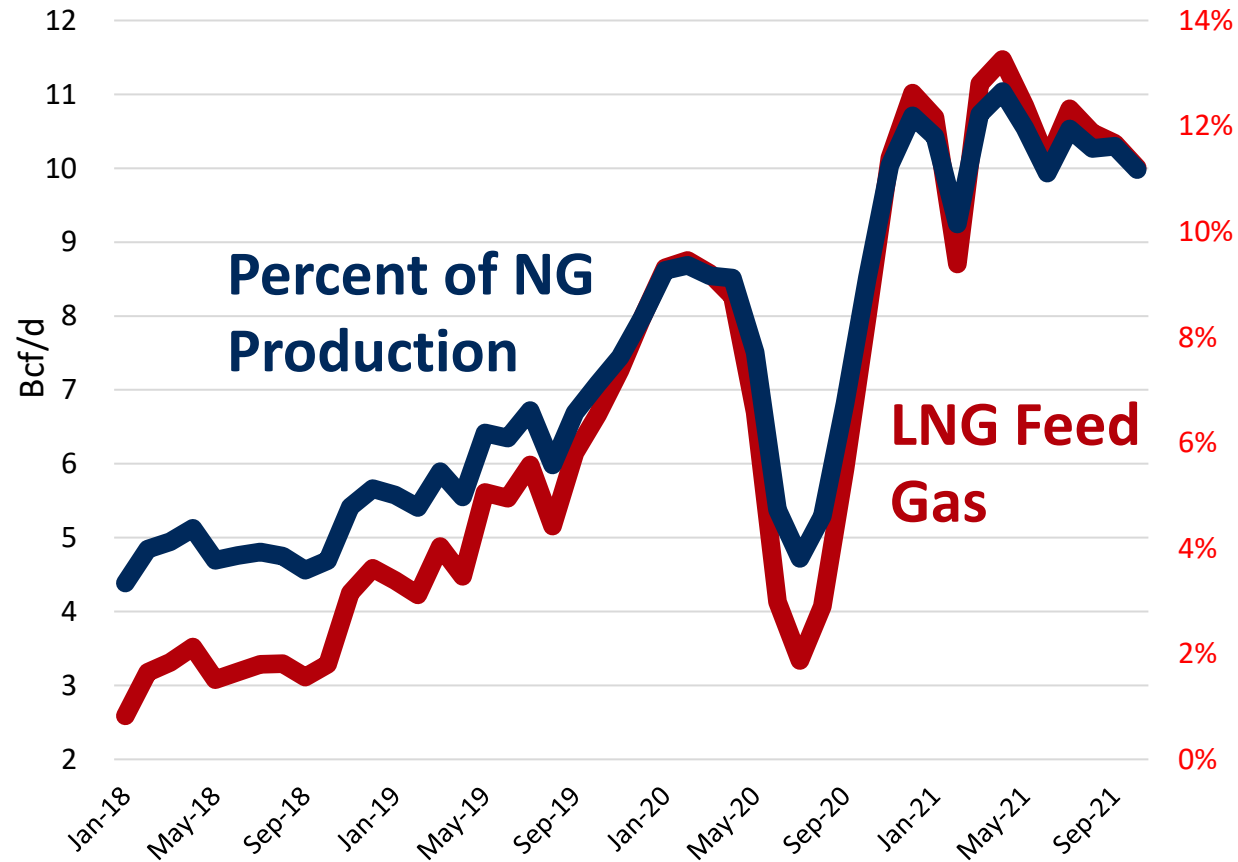
Fuel Production Remains Flat Post Pandemic

Lack of New Supply and Infrastructure Driver of Price Increases



Significant Increase in Global LNG Demand – China, EU

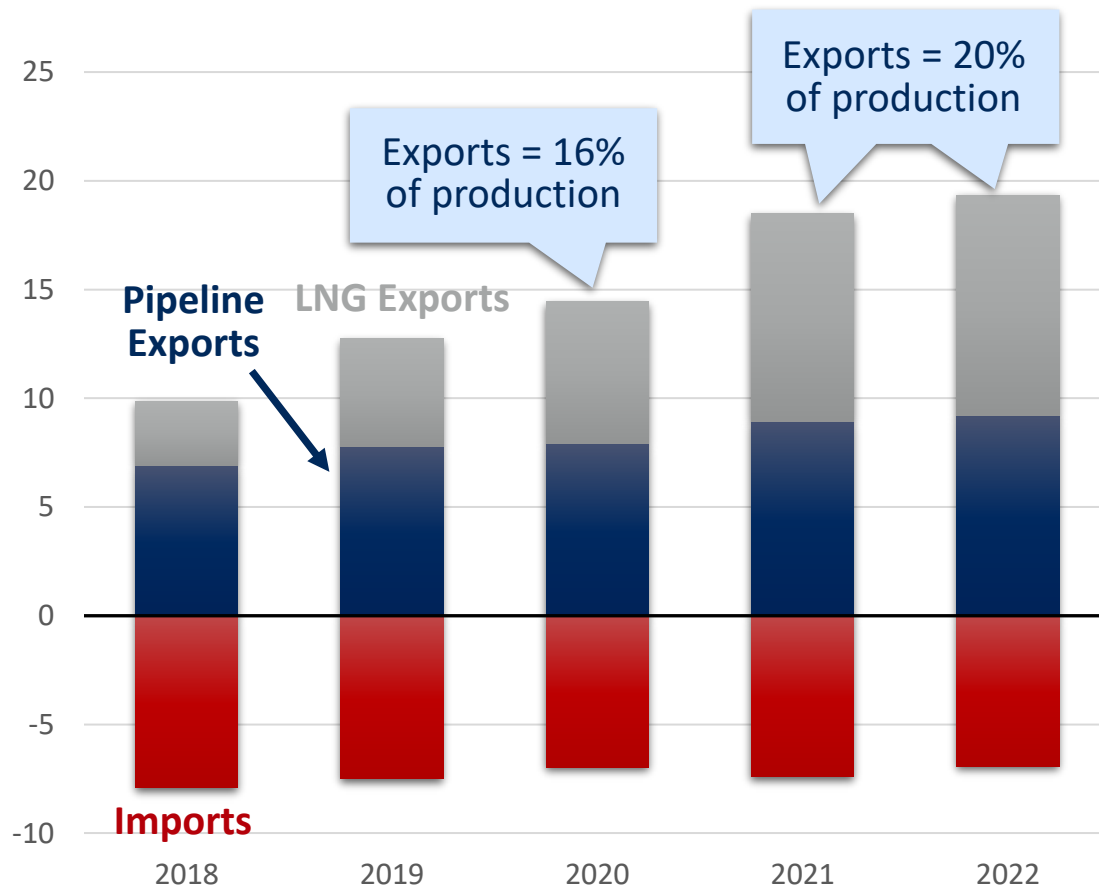
Demand Driving Global Prices for LNG 600% Above U.S. Market



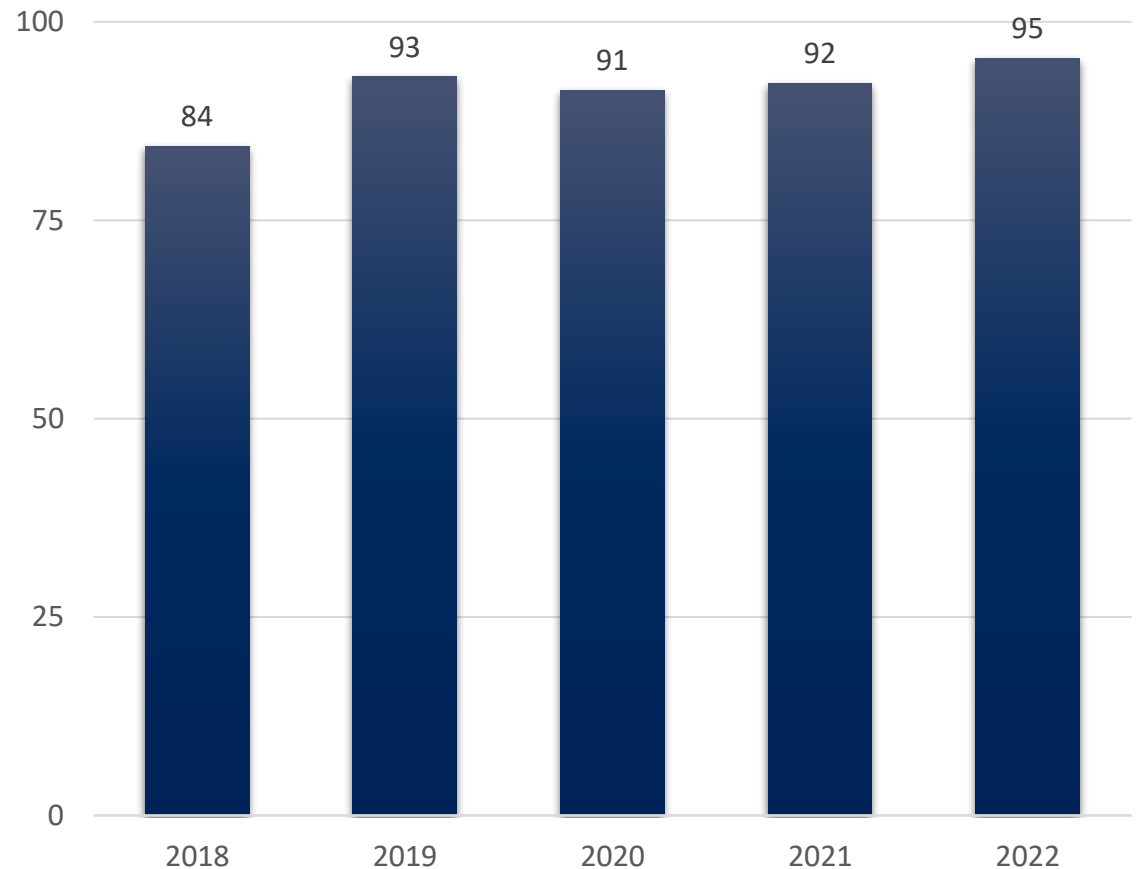
U.S. Natural Gas Exports to Grow to 20% of U.S. Supply

Total U.S. Natural Gas Supply Expected to Remain Flat

US Natural Gas Input/Export (bcf/day)



US Natural Gas Production (bcf/day)



Energy Price Increase ~\$1,200/Year for Florida Families

Gasoline Price Increases Larger than Electric

- Gasoline at retail up ~38% YOY, or ~\$80/month for average Florida family
- Natural gas prices up \$3.50/MMBtu, impacting 75% of Florida's energy mix
- ~\$25/MWh higher fuel cost for natural gas
- Overall, ~2 cents/kWh higher fuel cost to be passed through to customers
- Could mean ~\$20/month impact or more for typical Florida family
- U.S. home-heating prices set to increase by 50%-100% this winter
- Challenging time for fixed- and low-income families

FMPA Has Reduced Controllable Power Cost Charges

Efforts in Fiscal 2021 Saved \$30.8M Annually, or ~\$5 per MWh

Major Cost-Saving Efforts in Fiscal 2021	Savings
Margin from off-system capacity and energy sales	\$12.8 million
Pre-paid natural gas and physical hedges	\$6.0 million
Debt financing for capital expenditures	\$4.0 million
Continued above average availability of combined cycles	\$8.0 million

FMPA Continuing Efforts to Offset Higher Fuel Costs

Additional Initiatives in Fiscal 2022 to Reduce Power Costs

Fuel Switching

Operate Stanton Units 1 & 2 more in the short term as coal power costs less than gas

Rate Adjustment

Stopped funding rate protection account until gas prices abate, saving ~\$12M in FY22

Pre-Paid Gas

Pursue pre-paid natural gas contracts, saving \$1.3M per year as of spring/summer 2022

**AGENDA ITEM 9 – INFORMATION
ITEMS**

- c. DataSite Orlando Contract
Renewal**

**Board of Directors Meeting
October 21, 2021**



BOD 9c- DataSite Orlando Contract Renewal

FMIPA Board of Directors

October 21, 2021

DataSite Orlando Contract Renewal

- Current contract expires in March
- Explored other opportunities in Orlando, Tampa and Jacksonville
- Best initial price was Jacksonville at ~\$6,150/mo
- Current DataSite contract - 60 month term ~ \$7,500/mo
- Negotiated renewal down to \$5,800/mo, estimated savings of \$129K
- Total contract value of \$348,000 requires Board approval
- Saves moving costs, circuit relocation, dark fiber costs

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**d. Summary of Finance Committee
Items**

**Board of Directors Meeting
October 21, 2021**



BOD 9d-Summary of Finance Committee Items

FMIPA Board of Directors

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Other Items

Review and/or Approval Required

- Update on any credit rating changes
- Approval of Risk Policies and the related compliance reports
- Review of St. Lucie audit results and next steps
- Review of procurement audit report

**AGENDA ITEM 10 – MEMBER
COMMENTS**

**Board of Directors Meeting
October 21, 2021**

AGENDA ITEM 11 – ADJOURNMENT

**Board of Directors Meeting
October 21, 2021**