

MINUTES OF THE REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY,
HELD THURSDAY, OCTOBER 23, 1986, AT 6:00 P.M., CITY COMMISSION
CHAMBERS, MUNICIPAL ADMINISTRATION BUILDING, KISSIMMEE, FLORIDA.

Present at the meeting were Chairman VanMeter, ViceChairman Hord, Secretary Bobroff, Director Price, Director Gant, Attorney Brinson, General Manager Welsh, Recording Secretary Porter. Director Jones was out of town.

A. MEETING CALLED TO ORDER by Chairman VanMeter at 6:00 p.m.

B. AWARDS AND PRESENTATIONS

1. EMPLOYEE OF THE QUARTER - DAVE McGINTY

Mr. Welsh highlighted the contributions made by Dave McGinty since his employment with KUA. Due to his commitment to the Osceola County Adult Education Program as a volunteer literacy teacher he was unable to be present this evening. Max Alderman accepted the placque for Mr. McGinty.

C. HEAR THE AUDIENCE - None

D. INFORMATIONAL REPORTS (REQUIRING NO ACTION)

1. PROGRESS REPORT ON ENGINEERING PROJECTS

Ken Davis, Manager/Planning & Engineering, highlighted the progress report for the ongoing engineering projects. He stated that the Transmission System Expansion project is winding down. Checkouts of newly installed equipment will be conducted next week. If there are no problems, all equipment will be energized by the end of this month.

Mr. Davis stated that after careful evaluation and analysis conducted by staff as to the potential benefits to be derived from the proposed stress and fatigue analysis of the combined cycle unit, it has been determined that it would not be cost effective at this time to continue with this study.

Interior demolition has started on the administrative office building. It is estimated that work will be completed in about 10 days. Specifications are being developed with the architects for the construction work.

2. COST OF POWER ADJUSTMENT

Generation & Transmission Manager, Max Alderman, highlighted the September 1986 COPA report, noting that the actual COPA was negative \$11.04 compared with an estimated negative \$4.57. It is probable that staff will bring a recommendation for a further reduction of the COPA rate to the Board at next month's meeting. Lengthy discussion and debate continued with Mr. Alderman and Mr. Welsh answering questions from the Board.

Director Hord moved that the COPA Rebate be doubled to 510.50 for the next six (6) months, at the end of which time review and document it. Director Bobroff seconded the motion.

At this point, Attorney Brinson noted as a Point of Order that we are under an item requiring no action and it was determined that this item would be brought up under new business and put on the agenda.

Director Hord asked a question regarding the monthly financial statement. He stated that September looked like a great

month due to the Operating Income being 48% of the metered sales. City Finance Director, John Hearn, stated that the figures were "pre-audit" and he felt that possibly some invoices (payables) were not reflected in this figure. Also September is one of the highest sales months.

3. INFORMATIONAL REPORT ON BOND REFUNDING

Jim Schuster, Manager/Finance & Administration, highlighted the current bond market, stating that there has been no substantial change in the present value savings since the last report to the Board approximately one month ago. The market is still not anywhere near the target of \$3.5 million, therefore we are still watching the market at this time.

E. OLD BUSINESS

1. BANKING SERVICES CONTRACT

Director Price declared a conflict with regard to this item and abstained from discussion and voting. Attorney Brinson stated that he had researched this from two angles with regard to Director Price's position with Sun Bank and the ability of KUA to contract with Sun Bank. It is entirely appropriate for Director Price to abstain and it is appropriate for KUA to contract with Sun Bank due to the fact that he has not a substantial interest as defined by Statute (material interest being direct or indirect ownership of more than 5% of the total assets).

Attorney Brinson stated that he has approved the contract as to form and legality. Discussion followed.

Director Bobroff moved that the Chairman and Secretary execute the Banking Services Contract with Sun Bank. Director Hord seconded the motion.

**Motion Carried 3-0
Director Price Abstained
Director Jones Absent**

F. NEW BUSINESS

1. TRANSMISSION SYSTEM EXPANSION RIGHT-OF-WAY SETTLEMENT AGREEMENT

This item covers the remaining right-of-way yet to be obtained for the Transmission System Expansion project. Following recent negotiations with Mr. Michael J. Sheahan, attorney representing Mr. Jack Bray, Richland Properties, staff is recommending acceptance of the proposed settlement in the amount of \$40,000 for the subject property and easements, and the terms and conditions outlined.

Director Bobroff moved to approve the settlement with Merit Oil. Director Hord seconded the motion.

Chairman VanMeter voiced the concern in Item 3, that the landowner has the use of the land underneath the aerial easement, in particular, if the landowner planted trees and it would become necessary for us to go in and clear the trees because of the easement.

Mr. Welsh suggested that the wording "(such as tall and/or fast growing trees)" be added to the sentence in the above referenced item reading "utilized by the landowner for any and all purposes not in direct conflict with those overhead lines,".

Attorney Brinson also noted that we will be getting the fee to the land adjacent to the substation.

**Motion Carried 4 -
Director Jones Absen**

2. COPA REBATE

Director Hord moved to place the COPA Rebate on the agenda as Item F-2. Director Bobroff seconded the motion.

**Motion Carried 4 -
Director Jones Absen**

Lengthy discussion and debate continued. Mr. Welsh stated that according to current conservative projections, if the rebate remains the same, the COPA Balance would remain constant at \$1.9 - \$2 million. If the rebate is increased (doubled), we will begin to reduce that to approximately \$500,000 by May.

Director Hord moved to direct staff to advertise for a public hearing to reduce the COPA charge (to increase the rebate by \$5.25/Mh), that it be in place for six (6) months. At the end of the fifth (5th) month review the facts and figures to determine what will be done the following six (6) months. Director Price seconded the motion.

Upon determining that the dollar amount would not appear in the advertisement:

Director Hord amended his motion to "up to \$5.25". Director Price seconded the amended motion.

Discussion continued, during which the original and amended motions were withdrawn at the request of the Chairman.

Director Hord moved to direct staff to advertise for a public hearing at our next regular meeting in November to review the COPA rebate, with a consideration towards changing the rebate amount; this to be established for a six (6) month period with a review after five (5) months. Director Bobroff seconded the motion.

**Motion Carried 4 -
Director Jones Absen**

At this point it was noted that the regular meetings for November and December would be held on the third (3rd) Thursdays due to the conflict with the holidays.

G. CONSENT AGENDA

Chairman VanMeter pulled Item 4 from the Consent Agenda.

Director Hord moved approval of Items 1, 2, and 3 on the Consent Agenda. Director Price seconded the motion.

**Motion Carried 4 -
Director Jones Absen**

1. APPROVAL OF MINUTES OF OCTOBER 2, 1986, MEETING

2. AMENDMENTS TO ICMA MONEY PURCHASE PLAN
3. REALLOCATION OF ESTIMATED FUNDS FY 85/86
4. ELECTRONIC METERS PURCHASE

This item was pulled because of the concern that it is a "sole source" item and it was felt that this should not be on the Consent Agenda. Attorney Brinson stated that he felt it should be on the regular agenda as a discussion item and this should be done on any future "sole source" agenda items.

J.C. McCormic is the only source in Florida for the electronic meters being purchased. our reading equipment is only compatible with this particular meter at this time. This technology is relatively new and therefore, there is a limited choice of sources.

Director Bobroff moved approval of Item G-4, Electronic Meters Purchase. Director Hord seconded the motion.

**Motion Carried 4 - 0
Director Jones Absent**

H. HEAR GENERAL MANAGER, ATTORNEY, DIRECTORS

DIRECTORS

Director Gant referred to the accounting system with regard to the COPA account. He asked that staff and the Finance Department review this for the next meeting's public hearing as to what is in the best interest for the system.

Director Hord requested that a workshop be set up for an in-depth study of the COPA. A Workshop on this item was set for Wednesday, November 19, 1986, at 6:00 p.m.

Director Bobroff asked about the Social Security election of the employees. Mr. Welsh stated that the voting time closed on the 27th of October, but to date it was approximately 70% electing to remain out of Social Security.

I. ADJOURNMENT

Meeting was adjourned by Chairman VanMeter at 7:43 p.m.


Chairman

ATTEST:


Secretary

FORM 8B MEMORANDUM OF VOTING CONFLICT COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC

LAST NAME—FIRST NAME—MIDDLE NAME <i>Price Randy Jay</i>		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY <i>Kissimmee Utility</i>
MAILING ADDRESS <i>1617 Les Court</i>		THE BOARD, COUNCIL, COMMISSION, AUTHORITY WHICH I SERVE IS A UNIT OF <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL A
CITY <i>Kissimmee</i>	COUNTY <i>Osceola</i>	NAME OF POLITICAL SUBDIVISION
DATE ON WHICH VOTE OCCURRED <i>10-23-86</i>		MY POSITION IS <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/>

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointive council, commission, authority, or committee. It applies equally to members of advisory and non-advisory boards with a voting conflict of interest under Section 112.3143, Florida Statutes. The requirements of this law are the use of this particular form is not required by law, you are encouraged to use it in making the disclosure.

Your responsibilities under the law when faced with a measure in which you have a conflict of interest will vary on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

A person holding elective county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure to his special private gain. Each local officer also is prohibited from knowingly voting on a measure which would result in the gain of a principal (other than a government agency) by whom he is retained.

In either case, you should disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

A person holding appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which would result in a special gain to his special private gain. Each local officer also is prohibited from knowingly voting on a measure which would result in a special gain of a principal (other than a government agency) by whom he is retained.

A person holding an appointive local office otherwise may participate in a matter in which he has a conflict of interest. He must disclose the nature of the conflict before making any attempt to influence the decision by oral or written communication made by the officer or at his direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING, THE VOTE WILL BE TAKEN:

- You should complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form should be provided immediately to the other members of the agency.
- The form should be read publicly at the meeting prior to consideration of the matter in which you have a conflict of interest.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING

- You should disclose orally the nature of your conflict in the measure before participating.
- You should complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes, who should incorporate the form in the minutes.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, RANDY J PRICE, hereby disclose that on OCTOBER 23, 1986

(a) A measure came or will come before my agency which (check one)

☐ inured to my special private gain; or

☒ inured to the special gain of SUN BANK N.A., by whom I am

(b) The measure before my agency and the nature of my interest in the measure is as follows:

10-23-86
Date Filed

Randy J Price
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317 (1985), A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCED SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$5,000.