

MINUTES OF REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY, HELD THURSDAY, MAY 26, 1988, AT 6:00 P.M., BOARD ROOM, ADMINISTRATION BUILDING, KISSIMMEE, FLORIDA.

Present at the meeting were Chairman Hord, Vice-Chairman Lowenstein, Secretary Bobroff, Assistant Secretary Jones, Director Gant, Director Van Meter, Attorney Brinson, General Manager Welsh, Recording Secretary Reubelt.

A. MEETING CALLED TO ORDER at 6:00 P.M. by Chairman Hord who noted that Director Van Meter was not yet present.

B. AWARDS & PRESENTATIONS

1. OATH OF OFFICE - GEORGE A. GANT

Attorney Brinson administered the Oath of Office to George A. Gant as Director.

2. 5-YEAR SERVICE AWARD EARL COPELAND

3. 5-YEAR SERVICE AWARD - CHARLES ABSHER

4. 5 YEAR SERVICE AWARD - JOHN CABLE

Mr. Welsh noted that at this meeting KUA was acknowledging a total of 15 years of service - 5 years by each of the above 3 employees. He reviewed each employee's history with KUA. Chairman Hord extended congratulations on behalf of the Board and presented the Service Awards. Earl Copeland and Charles Absher of Generation were unable to be present and Jeff Ling, Plant Superintendent, accepted the awards in their stead. John Wayne Cable of Distribution was also unable to be present and Ken Lackey, Manager of Distribution Operations, accepted the award on his behalf.

5. JUNE EMPLOYEE OF THE MONTH- ROSEMARY KLINGE

Mr. Welsh reviewed the Employees Organization Committee's announcement of Rosemary Klinge's selection by her fellow employees as Employee of the Month for June and introduced her to the members of the Board. Chairman Hord extended congratulations on behalf of the Board and presented Rosemary with the Employee of the Month Plaque. Secretary Bobroff presented the \$50 Savings Bond. The Employee of the Month also receives one day off with pay and a reserved parking space for one month.

C. HEAR THE AUDIENCE - None.

Director Hord, with the consent of the Board, changed the order of the agenda to accommodate those waiting to make presentations to the Board.

E. OLD BUSINESS

1. AUDITOR SELECTION

The Auditor Selection Committee selected the top three firms from a field of seven who responded. The Committee was unanimous in their selection. It was agreed by the Board that all questions would be asked immediately following each presentation. (Director Van Meter joined the meeting at 6:25 PM) Each firm, in alphabetical order, gave a ten minute presentation followed by a question and answer period:

Arthur Andersen
Coopers & Lybrand
Ernst & Whinney

Following the presentations, the meeting recessed at 7:38 PM and reconvened at 7:53 PM.

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Mr. Welsh, in response to Chairman Hord's question, reported that staff agreed that their top two choices were Coopers & Lybrand and Ernst & Whinney. Mr. Schuster noted that Coopers & Lybrand rated first based on the reference check. Discussion took place.

Director Bobroff moved that the Board select Coopers & Lybrand for our Auditors for fiscal year 1988-1989 with the option for renewal thereafter. Seconded by Director Lowenstein.

Motion carried 5 - 0

The meeting returned to the formal Agenda order.

D. INFORMATIONAL REPORTS (REQUIRING NO ACTION)

1. PROGRESS REPORT ON ENGINEERING PROJECTS

Ken Davis, Manager of Planning & Engineering, reviewed the Progress Report which was included in the Board packets and answered questions of clarification.

Director Bobroff expressed his continuing concern with the radio communications system and its association with the City system. Mr. Welsh reviewed benefits to KUA of the new system as presented at last month's meeting. Director Jones stated his experience with the new 800 system has been excellent and that he is impressed with the total privacy of the system and its cost effectiveness. Director Van Meter restated the reasoning for the setup of the new 800 system from the City's point of view, pointing out the necessity of KUA's participation.

Mr. Davis brought to the Board's attention the fact that an indemnification clause included in our contracts for various equipment purchases is presenting somewhat of a problem in that most bidders responding will not accept the consequential damage clause. He distributed copies of the subject clause. Attorney Brinson noted that the best route may be to delete the clause and staff wanted to bring this to the attention of the Board as an informational item. Mr. Davis stated that staff will update the Board as the contracts are reviewed and negotiated.

2. MONTHLY FINANCE & ADMINISTRATION REPORT

Director of Finance & Administration, James Schuster, reviewed the Monthly Departmental Report and answered questions of clarification.

3. COST OF POWER ADJUSTMENT

Max Alderman, Manager of Generation & Transmission, reviewed the monthly COPA report. The actual COPA rate for the month of April, 1988, is a negative \$0.00468/kWh as compared to the estimated COPA rate of a negative \$0.00653/kWh. Mr. Alderman noted that the primary reason for the increase was a shift in the maintenance schedule for St. Lucie. There were no questions.

4. FLORIDA CITIES FUELS COMMITTEE UPDATE

Mr. Alderman reviewed the report provided in the packets. He explained that since September, 1987, the Florida Cities Fuels Committee has been involved in development of the necessary organization and contracts that will allow gas transportation through the FGT system. Most recent activities have focused on a joint effort between the Florida

Cities Fuels Committee, its legal consultant, and the FMPA to develop the necessary contracts so that FMPA can act as a fuels purchasing and dispatching agent. Those contracts are now in their final stages of development and staff anticipates requesting approval from the Board in June or July, 1988.

E. OLD BUSINESS

1. AUDITOR SELECTION addressed earlier in the meeting.

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2. NORTH BERMUDA COMPLEX PROPERTY

Chairman Hord stated that he had declared a possible conflict of interest on this item.

Mr. Welsh reported that the property proposal by Southport Ranch as received by the Board in the packets has been withdrawn.

Ken Lackey, Project Manager, updated the Board on the project. He reported that our site plan was reviewed by the Technical Review Committee and that it was learned KUA will not have to pay for the pavement of Bermuda Ave. which will probably begin sometime in January. It was also learned at the review that KUA will only have one access to Bermuda Ave. We had planned on two. In response to an inquiry from Director Bobroff, Mr. Lackey reported that no service road will be required at this time. He also reported that KUA will be required to donate a bit more property (about ~ acre) for the right-of-way.

Mr. Welsh reported that staff is still trying to develop a firm time frame and budget for the project. Director Van Meter stated that there is a good chance that the County could have road impact fees in place within the next 30-60 days and part of the ordinance would allow a 90 day window. Staff should keep this 120 day period in mind. Chairman Hord noted that the plans still have to go through the Planning Commission and the County Commissioners.

F. NEW BUSINESS

1. ELECTION OF OFFICERS

Director Bobroff moved that Richard Hord be elected Chairman. Director Jones seconded.

Motion carried 5 - 0

Director Jones moved that Director Gant be elected Vice Chairman. Director Lowenstein seconded.

Motion carried 5 - 0

Director Jones moved that Director Bobroff be elected Secretary. Director Lowenstein seconded.

Motion carried 5 - 0

Director Jones moved that Director Lowenstein be elected Assistant Secretary. Director Bobroff seconded.

Motion carried 5 - 0

2. CONTRACTED REAL ESTATE SERVICES

Ken Davis reviewed the recommendation provided in the packets. He explained that the Board has authorized contracting with Mr. Veal to

provide real estate services for the acquisition of property and right-of-way for the Lake Cecile substation project and now the same services are needed in acquiring right-of-way for the transmission line for the Denn John substation.

Director Jones expressed concern over possible conflicts of interest and the advisability of KUA using any one real estate agent in general rather than looking to the market as a whole. General discussion took place.

Director Bobroff moved that the General Manager be authorized to employ Mr. Veal for the right-of-way acquisition for the Denn John substation project and the associated transmission. Seconded by Director Gant.

Motion carried 5 - 0

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3. MICHIGAN AVENUE LINE RELOCATION

Ken Davis reviewed the information provided in the packets, noting that plans are currently being finalized by the County for the widening of Michigan Avenue from Highway 192 to Garden Street. KU ~'s transmission and distribution facilities which conflict with the widening project will need to be relocated.

Director Bobroff moved to authorize the Michigan Avenue Line Relocation project and establishment of a budget of \$300,000; and, authorize the transfer of this amount from the Reserve for Future Capital Outlay. Director Lowenstein seconded.

Director Gant questioned the need to transfer the funds at this time. Mr. Welsh noted that the contract will come back before the Board for approval. Mr. Davis explained that the transfer of funds is necessary because some charges for materials (i.e. preliminary distribution work) would not necessarily have to come back to the Board for every individual item; but to properly charge those items, we need the project established and the project budget established. The reason for his question, Director Gant noted, is that it is his responsibility as a Director to understand how money is to be spent before it is spent - to decide first that a project is needed and that staff will be spending the money wisely. Brief discussion took place.

Motion carried 5 - 0

Director Gant stated that his vote in favor of the motion was with the caveat that he will expect to know the full financial aspect of this project at some time during its progress.

4. TRANSMISSION LINE RIGHT-OF-WAY FOR LAKE CECILE SUBSTATION

General Manager Welsh reviewed the material received by the Board in the packets. In response to a question from Chairman Hord, Mr. Davis explained that staff has worked out an agreement on the property for the substation. Chairman Hord clarified that KUA will not be buying the right-of-way until we have a purchase agreement on the site itself. General discussion took place on the best way to proceed in the right-of-way purchase.

Director Jones moved to authorize the negotiation and purchase of right-of-way for the Lake Cecile substation project for an amount not to exceed \$28,380.00. Director Bobroff seconded.

Motion carried 5 - 0

G. CONSENT AGENDA

Director Bobroff moved approval of the Consent Agenda with the exception of items 4 and 6. Seconded by Director Jones.

Motion carried 5 - 0

1. APPROVAL OF MINUTES OF APRIL 25, 1988, WORKSHOP MEETING
2. APPROVAL OF MINUTES OF APRIL 28, 1988, MEETING
3. LINE EXTENSION CONTRACT FOR PINWOOD PARK
5. BURSTER - BUDGET AMENDMENT
4. REQUISITION FOR IBM EQUIPMENT

Director Bobroff asked if anyone on staff has actually used the desk top publishing program in this proposed package, as well as others, to be sure that it actually does the things the salesperson claims. Mr. Schuster stated that this item is all part of the approved DP Project;

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that it is IBM; and that staff had not gone out and evaluated others. He added that he doubts seriously that there could be a better price on an IBM product and also, that he had aimed for standardization and compatibility in the DP Project. General discussion on the data processing program took place.

Director Bobroff moved to approve the requisition for IBM equipment with the proviso that the desk top publishing program be approved only after staff has surveyed and seen what it will actually do. Seconded by Director Lowenstein.

Motion carried 5 - 0

6. COPIER - FINANCE & ADMINISTRATION

Director Gant asked for an explanation of the price on the lease/purchase of this copier. Mr. Schuster noted that the provision allowing cancellation after one year is standard in state price contracts. Dr. Gant stated that staff should look at a price equivalent.

Director Gant moved approval of the lease/purchase of the copier as recommended by staff pending staff verification of price. Seconded by Director Bobroff.

Motion carried 5 - 0

H. HEAR GENERAL MANAGER, ATTORNEY, DIRECTORS

GENERAL MANAGER

Mr. Welsh resorted that KUA should have a flag pole in place within the next few weeks.

Mr. Welsh noted the need to set a date for the Power Supply Study Workshop and suggested Wednesday, June 22, at 6 PM. The Board concurred.

Mr. Welsh asked the Board to set a date for a Facilities Planning Workshop. It was agreed that this workshop be scheduled for Wednesday, July 13, at 6 PM.

Mr. Welsh announced that the In-City/Out-of-City Report will take place at the June meeting as the full Board is now in place.

General Manager Welsh announced that the Board's Recording Secretary, Shirley Reubelt, has submitted her resignation due to her husband's relocation.

I. ADJOURNMENT - Meeting adjourned 10:27 PM.


Chairman

Attest:


Secretary

OATH OF OFFICE

I, GEORGE A. GANT, do solemnly swear that I will support, protect and defend the Constitution and Government of the United States and the State of Florida against all enemies, domestic and foreign, and that I will bear true faith, loyalty and allegiance to the same; that I am entitled to hold office under the Constitution; that I will faithfully perform all the duties of the office of Director of the Kissimmee Utility Authority, on which I am about to enter. So help me God.

_____/S/_____
GEORGE A. GANT

Sworn to and subscribed before me this

26th day of May , 1988.

_____/S/_____
Edward Brinson
Attorney for the Kissimmee utility Authority

Notary Public, State of Florida My Commission Expires:

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

LAST NAME - FIRST NAME - MIDDLE NAME <i>Hord, Richard L.</i>		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>Kissimmee Utility Auth.</i>	
RESIDING ADDRESS <i>2324 Robert Court</i>		THE BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE WHICH I SERVE IS A UNIT OF: <input checked="" type="radio"/> CITY <input type="radio"/> COUNTY <input type="radio"/> OTHER LOCAL AGENCY	
CITY <i>Kissimmee</i>	COUNTY <i>Osceola</i>	NAME OF POLITICAL SUBDIVISION	
DATE ON WHICH VOTE OCCURRED <i>May 26, 1988</i>		MY POSITION IS ELECTIVE <input type="checkbox"/> APPOINTIVE <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 appointed or elected council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are prohibited with a voting conflict of interest under Section 112.3143, Florida Statutes. The requirements of this law are mandatory; and if the use of this particular form is not required by law, you are encouraged to use it in making the disclosure required.

Your responsibilities under the law when faced with a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on the reverse side 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 which inures to his special private gain. Each local officer also is prohibited from knowingly voting on a measure which inures to 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 on 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 inures to his special private gain. Each local officer also is prohibited from knowingly voting on a measure which inures to the 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, but must disclose the nature of the conflict before making any attempt to influence the decision by oral or written communication, as directed by the officer or at his direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH 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 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 of the meeting, who should incorporate the form in the minutes.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

1. Richard L. Ford, hereby disclose that on May 26, 1988:

(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 _____, by whom I am retained.

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

*North Bermuda Complex Property
I may have future interest in
property in this area.*

Date Filed

May 26, 1988

Signature

Richard L. Ford

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, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$5,000.

