

MINUTES OF REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY, HELD  
WEDNESDAY, SEPTEMBER 25, 1996 AT 6:00 PM, BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 W. CARROLL STREET, KISSIMMEE, FLORIDA

Present at the meeting were Chairman Gant, Vice-Chairman Walter, Assistant Secretary Guthrie, Vice-Mayor Dorsett, Director Hord, Attorney Starr, President and General Manager Welsh, and Recording Secretary O'Rourke. Secretary Lowenstein was absent.

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

B. **AWARDS AND PRESENTATIONS**

1. **30-YEAR SERVICE AWARD - ED CARTER**

Mr. Welsh stated that Ed has always been a tremendous employee and there is nothing he will not do. Ed is always ready, willing and able to do anything at anytime. Mr. Welsh said Ed began working for KUA as a Groundman and in 1986 he was promoted to Lineman. At the present time, Ed inspects all the underground conduit installations as the Construction Coordinator in the Transmission and Distribution department and is a true asset to KUA. Mr. Welsh said Ed has a remarkable ability to get along well with others and is a very loyal employee. Ed has been awarded many discretionary days due to his perfect attendance and was selected Employee of the Year in 1986.

Chairman Gant presented Ed with a wall clock and the other Board members joined him in congratulating Ed.

2. **25-YEAR SERVICE AWARD - DAVE THOMAS**

Mr. Welsh stated that Dave started working as a Mechanic for the City of Kissimmee in 1971. In 1980 Dave was promoted to Power Plant Maintenance Foreman and in 1984 he was promoted to Chief of Mechanical Maintenance. Dave was selected as Employee of the Month for July 1990. Mr. Welsh said Dave has not taken one sick day since 1987, which was when KUA took over the payroll from the City.

Dave estimates it has been at least fifteen years since the last time he took a sick day. Mr. Welsh said Dave is very concerned about the welfare of his men and is always looking out for the best interests of KUA and the power plant. Dave was selected Employee of the Year in 1990.

Chairman Gant presented Dave with a carriage clock and the other Board members joined him in congratulating Dave.

3. **10-YEAR SERVICE AWARD - JIMMY ROGERS**

Mr. Welsh stated Jimmy started working as an Assistant Power Plant Operator Trainee in 1986. In 1987 he was promoted to Assistant Power Plant Operator and Jimmy became part of the Cane Island team. Mr. Welsh stated Jimmy is one of the most knowledgeable assistants in KUA, has a broad knowledge of the equipment associated with the plant and knows how to deal with problems as they arise.

Chairman Gant presented Jimmy with a clock and the other Board members joined him in congratulating Jimmy.

**4. 10-YEAR SERVICE AWARD - JOHN TALLEY**

Mr. Welsh stated John was employed with KUA in 1986 as an Assistant Power Plant Operator Trainee. In 1988 he was selected as February's Employee of the Month. Also that year John was promoted to Power Plant Operator and with the opening of Cane Island, John was promoted to Shift Supervisor. Mr. Welsh said John is steady, dependable and worked diligently to reach his present position. John runs his shift in a disciplined, orderly manner and has earned the respect of those who work under him.

Chairman Gant presented John with a Schrade knife and the other Board members joined him in congratulating John.

**5. MARCH OF DIMES RECOGNITION**

Mr. Welsh stated that Gary Buker of our Power Supply department has worked a number of years on the March of Dimes Walk-a-thon and this year Gary will be Chairperson in Osceola County for the 1997 campaign. Mr. Welsh said KUA received an award for coordinating the ~~A~~Most Enthusiastic Checkpoint@ and also another award for the ~~A~~Best Locally Produced T-Shirt@.

Chairman Gant presented these awards to Gary Buker and Chris Gent, who was the designer of the T-shirt.

**6. EMPLOYEE OF THE MONTH - BILL WEIDMAN**

Mr. Welsh stated that Bill Weidman was here for a very special award tonight and that was the Employee of the Month award. Mr. Welsh said it is not difficult to recognize Bill's talents and what he has contributed to KUA. Bill has worked at KUA for two years and has contributed as much or more in terms of production as any employee here. Mr. Welsh said Bill is always going 100% of the time and Bill truly enjoys what he does. Mr. Welsh said he was pleased to be associated with Bill because he is such a positive person. Bill is responsible for the landscaping around the Bermuda Avenue complex and partially at Carroll Street and is always willing to help you and answer any of your questions. Mr. Welsh stated Bill is one of the hardest, most sincere workers that KUA has.

Chairman Gant congratulated Bill and presented him with a plaque. Director Guthrie presented Bill with a check. Bill will receive a special parking space for the month and a day off with pay.

**C. HEAR THE AUDIENCE - No comments**

**D. PUBLIC HEARING - No comments**



**E. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)****1. CHAMBER OF COMMERCE UPDATE BY ROBERT RECKER**

Mr. Welsh stated Mr. Robert Recker, the new President of the Chamber of Commerce was here to introduce himself to the Board and give a brief presentation about the Chamber.

Mr. Recker stated he has been President of the Chamber for four months, but has been in Osceola County for eight years. Mr. Recker said the Chamber feels it needs to build a better community in order to build businesses and recruit new businesses to come to Osceola County. Mr. Recker also said we need to improve the quality of life in our community.

Mr. Recker stated on July 25, 1996 the Chamber hosted the groundbreaking ceremony for the redevelopment kick-off of the 192 project. This \$28 million project will last ten years and provide a lot of new opportunities for the tourism corridor.

The Chamber has also launched a Minority Business Council with 78 members and it continues to grow. On November 22nd and 23rd the first joint Business Expo with the St. Cloud Chamber will be held with 105 exhibitors. The Chamber has finished the Restaurant Guide and produced 400,000 copies which will be distributed throughout Osceola County.

Mr. Recker stated there has been a proposal for a light rail transportation system that has been put on the drawing board. This transportation system will go from Sanford, to downtown Orlando, across the Beeline, down International Drive and into Celebration. Mr. Recker said as a business community we are a little concerned about this. It is cutting off our tourist corridor as well as not addressing the needs of our residents in Osceola County. The Chamber has established a task force to address this issue.

**F. OLD BUSINESS****1. FIBER AND TELECOMMUNICATION ENGINEERING SERVICES**

Mr. Ken Davis, Director of Engineering, stated he has been working for quite some time with R.W. Beck in trying to establish a scope of services. Mr. Davis said the scope of services was finalized and gave a brief presentation on how it was divided into two phases. Mr. Davis stated at this time we will only be proceeding with Phase I of this study. Phase I involves the study of KUA's current and future telecommunication requirements. If the results of Phase I justifies the need for system improvements, staff would then recommend we proceed with Phase II. Mr. Davis said Phase I has a not to exceed cost of \$34,300 and is estimated to take about 120 days after we give them the authorization to proceed.

Director Guthrie asked what the likely cost of Phase II would be. Mr. Davis said he did not know at this point.

**Director Hord made a motion to authorize staff to proceed with Phase I of the Fiber and Telecommunications System Development Study and authorize funds in the amount of \$35,000 be transferred**

from the Reserve for Future Capital Outlay; seconded by Director Walter.

Motion carried 4 - 0

**2. RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS FOR SALE OF  
8 BROADWAY**

Mr. Welsh stated the Board had authorized the execution of a purchase agreement between the City and KUA. Mr. Welsh said the lawyers indicated they would have an extra level of comfort at the closing if we would provide them with a Resolution authorizing the execution of the closing documents.

Director Walter made a motion to approve Resolution R96-6; seconded by Director Guthrie.

Motion carried 4 - 0

**3. APPROVAL OF CONTRACT WITH OUC FOR UNIT POWER PURCHASE**

Mr. Welsh stated the Board had authorized staff to go ahead and negotiate with OUC for short-term unit power.

Mr. Ben Sharma, Director of Power Supply, stated the contract has already been signed by OUC officials. Mr. Sharma said this contract is basically for the purchase of some requirement of capacity for KUA from OUC from 1997 to the year 2000. Mr. Sharma stated if we find that our growth has really gone beyond what we forecasted, we retain the right to go up to the optional capacity limits at the same price as was used in the study which is \$3.80/kW month.

Chairman Gant asked what schedule of power this will be. Mr. Sharma stated it is unit power coming specifically from Stanton II.

Director Walter made a motion to approve the contract for purchase of unit power from OUC and authorize the Chairman and the Secretary to execute the same; seconded by Director Hord.

Motion carried 4 - 0

**4. APPROVAL OF STIPULATED FINAL JUDGEMENT & UTILITY EASEMENT  
AGREEMENT - GAS METERING STATION PROPERTY**

Mr. Welsh recommended this item be pulled because the final agreement has not been worked out. Mr. Welsh stated this would be brought back before the Board at the October meeting. Chairman Gant asked if there were any objections to this being pulled from the agenda and there were none.

Mr. Ben Sharma, Director of Power Supply, stated we have been negotiating on this for three years. Mr. Sharma said we have already built a gas metering station at Cane Island and we are using it. A final settlement could not be negotiated at that time because of a complex ownership arrangement of the property. Based on a court order, we paid to an escrow account what was KUA's assessed value of the property. Mr. Sharma said since then we have

been negotiating with the parties and Sun Trust Bank to arrive at the Stipulated Final Judgement and the Utility Easement Agreement.

Mr. Sharma said initially the Heidrich family wanted \$1 million, then came down to \$103,000 and now is resolved at \$37,000. Mr. Sharma stated he has tried for over a week to set up a meeting to finalize this, but has been unsuccessful.

Director Hord asked how the Disney attorney fees come into this. Attorney Brinson said he didn't think the Disney attorney got any fee and the fee was to David Simmons who represented the Heidrich family.

Director Guthrie asked if we could not condemn this and get rid of all the restrictions. Attorney Brinson said we did condemn it, but through negotiations we changed the location of the property to the Northwest corner which is a lot less valuable. Attorney Brinson stated we have a veto over any of their plans, which would have to be sent to Mr. Sharma for review.

#### **G. NEW BUSINESS**

##### **1. RICHARD L. HORD TRANSMISSION LINE RIGHT-OF-WAY FORTY TWO CORPORATION SETTLEMENT OFFER**

Mr. Welsh asked the Board to put this on the agenda tonight. We have a settlement offer for right-of-way acquisition with the Forty Two Corporation and the offer is only good until tomorrow.

**Director Hord made a motion to place this item on the agenda; seconded by Director Walter.**

**Motion carried 4 - 0**

Mr. Ken Davis, Director of Engineering, stated this is the only parcel left on the Hord Transmission Substation Transmission project. Mr. Davis said we have been negotiating with the property owner for a settlement. Their offer of settlement at this point is for \$75,000 for the easement plus the expenses and attorney fees they've had to date, which amount to \$15,368.20. Mr. Davis said our appraiser has shown the value of this easement at \$45,360. Mr. Davis stated we could easily exceed the additional \$30,000 the property owner is requesting if we have to go to court for a settlement.

Director Guthrie asked how much land we were talking about. Mr. Davis said approximately ten acres that run east and west just north of Shingle Creek Estate apartments, turns south and runs down toward the Roadhouse Grill property.

Director Walter stated he needed to declare a conflict with this item. Attorney Brinson advised Director Walter not to vote on this.

**Director Guthrie made a motion to authorize settlement of right-of-way acquisition for the Hord Transmission line project with the Forty-Two Corporation for the total amount of \$90,368.20; seconded by Director Hord.**

**Motion carried 3 - 0**

#### **H. STAFF REPORTS**

**1. MONTHLY PROGRESS REPORT ON ENGINEERING PROJECTS**

Mr. Welsh said no verbal presentation was planned. Mr. Ken Davis, Director of Engineering, was available for any questions or comments you may have.

**2. MONTHLY CONDENSED FINANCIAL REPORT - AUGUST 31, 1996**

Mr. Joe Hostetler, Director of Finance, gave a brief presentation on the monthly financial report. He went over the sales graph and explained that we are 8% above the budgeted sales for the month of August and year to date we are 4% above budget.

Mr. Hostetler stated the net reinvested earnings are \$1,088,000 for the month of August and the debt service ratio for the month is 2.40. The net reinvested earnings for the year is almost \$7 million and the debt service ratio for the year is 2.48.

**3. MONTHLY REPORT ON POWER SUPPLY DEPARTMENT PROJECTS**

Mr. Welsh said no verbal presentation was planned. Mr. Ben Sharma, Director of Power Supply, was available for any questions or comments you may have.

**4. SELECTED DEPARTMENT HIGHLIGHTS - MATERIALS MANAGEMENT**

Mr. Jim Tillman, Director of Materials Management, gave a brief presentation on purchasing breakdowns, inventory values, electrical distribution inventory, total inventory, issues out of small buildings and electronic requisitions.

**I. CONSENT AGENDA**

Chairman Gant asked if there were any questions or comments on any item from the Consent Agenda or if anything needed to be removed.

Director Walter made a motion to approve items 1, 2, 3, 4, 5, and 6; seconded by Director Guthrie.

**1. APPROVAL OF MINUTES OF AUGUST 28, 1996 REGULAR MEETING**

**2. INVESTMENT POLICY DIRECTIVE D96-2**

**3. APPROVAL OF SECOND AMENDMENT TO KUA/FPC GAS TRANSPORTATION AGREEMENT**

**4. FOURTH OF JULY SPONSORSHIP**

**5. ANNUAL REQUIREMENT FOR TREE TRIMMING - IFB #028-96**

**6. CLAY ST./HORD SUBSTATION FEEDER EXIT CONDUIT INSTALLATION IFB #029-96**

Motion carried 4-0

**J. HEAR GENERAL MANAGER, ATTORNEY, DIRECTORS**

**GENERAL MANAGER**

Mr. Welsh reminded the Board of the Quarter Century Club dinner on October 17, 1996 at 6:30 p.m. at the Elks Lodge.

Mr. Welsh stated we would like to schedule a photo session of the Board of Directors for October 23, 1996 at 5:30 p.m.

Mr. Welsh stated our Annual Report was selected as best in the nation by APPA in our class. Our class included OUC and Gainesville. Mr. Welsh said Chris Gent did a fantastic job in putting this together.

Mr. Welsh stated how successful our Open House was and Chris Gent was very instrumental in putting this together.

Mr. Welsh stated he attended the first Florida Regional Coordinating Council meeting today and he is on the executive committee for this organization.

Mr. Welsh said Chairman Gant worked very hard as a member of the policy making board that helped KUA along the way. Chairman Gant worked for many years on the board without compensation. Mr. Welsh stated this was Chairman Gant's last meeting with us. Mr. Welsh said his years of serving under Chairman Gant have been very gratifying, worthwhile and a tremendous pleasure. Mr. Welsh thanked Chairman Gant and presented him with a framed photograph of the 1996 Board of Directors.

#### **ATTORNEY**

Mr. Brinson stated he had been in court the last two days involved in the train litigation. The pre-trial case is scheduled for October 10, 1996.

#### **DIRECTORS**

Director Hord stated he has served on the Board with Chairman Gant for many years and Chairman Gant has a lot of wisdom and logic. Director Hord thanked Chairman Gant for his service and presented him with a beautiful lamp made by KUA employee, Steve Lavoie.

Director Guthrie stated he has known Chairman Gant for over 25 years and it has been a real pleasure serving under him. Director Guthrie presented Chairman Gant with a mock-up street sign of Gant Avenue.

Director Walter read and presented a Proclamation to Chairman Gant and thanked him for all the service he has given us.

Vice-Mayor Dorsett presented Chairman Gant with a photograph of the Gant Avenue street sign and stated what a pleasure it has been serving with him.

**Director Walter made a motion to approve the Proclamation to Chairman Gant; seconded by Director Guthrie.**

**Motion carried 4 - 0**

Chairman Gant stated he hoped his years of service on the Board had been productive and thanked Mr. Welsh, Mr. Brinson and the KUA staff for all their help. Chairman Gant said KUA has the greatest staff, as good as any he had ever worked with, and what an extreme pleasure it was to work with them. Chairman Gant stated the KUA Board of Directors is one of the most functioning boards he has ever been a part of and what a great pleasure it has been.



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Mr. Ben Sharma, Director of Power Supply, presented Chairman Gant with a personalized KUA hard hat.

Director-elect Billy Ralston stated he would not try to fill Chairman Gant's shoes and wished him the best of luck.

**ADJOURNMENT:** Meeting adjourned at 8:00 p.m.

  
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CHAIRMAN

ATTEST:

  
\_\_\_\_\_  
SECRETARY