

MINUTES OF THE ELEVENTH MEETING OF KISSIMMEE UTILITY AUTHORITY, HELD  
THURSDAY, SEPTEMBER 5, 1985, AT 7:00 P.M., CITY COMMISSION CHAMBERS,  
MUNICIPAL ADMINISTRATION BUILDING, KISSIMMEE, FLORIDA.

Present at the meeting were Chairman VanMeter, Vice-Chairman Hord, Secretary Bobroff, Assistant Secretary Jones, Director Maher, Director Gant, Attorney Brinson, General Manager Welsh, Recording Secretary Fitzgerald.

A. MEETING CALLED TO ORDER by Chairman VanMeter at 7:00 P.M.

B. AWARDS AND PRESENTATIONS - None

C. HEAR THE AUDIENCE

Chairman VanMeter noted that no guests were present and that the doors are, in fact, unlocked. He asked Mr. Welsh if the public hearing had been advertised. Mr. Welsh stated that it had been.

D. INFORMATIONAL REPORTS (REQUIRING NO ACTION) - None

E. OLD BUSINESS

1. TENTATIVE BUDGET FOR FY 1985-86

Chairman VanMeter opened the public hearing for the budget. Due to the absence of the public, he closed the hearing.

Director Bobroff moved to adopt the 85-86 tentative budget as presented by Jean Bennett, Finance Director, and adopted by the Board at subsequent meetings. Seconded by Director Hord.

Chairman VanMeter recognized Mr. Hole, Orange Gardens, as he arrived and asked if he had any comments to make concerning the budget. Mr. Hole stated that he did not.

Motion Carried 5 - 0

F. NEW BUSINESS

1. BANKING AGREEMENTS

Mr. Welsh stated that Jean Bennett, for the next 14 weeks, has another commitment which will not allow her to be present at the KUA meetings before 7:15 or 7:30 P.M. Chairman VanMeter suggested moving to the Consent Agenda and delay this item for Mrs. Bennett's arrival.

G. CONSENT AGENDA

Director Bobroff asked that Item 2, Adoption of City Code, be pulled.

Director Maher moved to approve the minutes of the August 29, 1985, meeting. Motion seconded by Director Bobroff.

Motion Carried 5 - 0

2. ADOPTION OF SECTIONS OF CITY CODE

Director Bobroff stated that his reason for asking that this item be pulled is that it is written for the City, mentioning in places Water as well as Electric and that we have no interest in the Water. It refers to the City of Kissimmee instead of the Kissimmee Utility Authority in places where the City will no longer be involved. Mr. Brinson said he planned, subject to the Board's comments, to prepare a resolution to be adopted at the first meeting on October 1, to adopt all of those sections of the City Code as they are applicable to the KUA. He said they could be edited and retyped if that is the Board's pleasure but, from a

legal point of view, the portions applicable to the KUA can be adopted. Director Bobroff noted page 1840.2 pertaining to Service Rates. Discussion followed as to the City Utility Tax and County Surcharge. Mr. Brinson stated that Tallahassee has ruled we can assess the Surcharge outside the City equivalent to the City Utility Tax.

Chairman VanMeter recognized Mr. Jim Scott, 233 Florida Parkway, Buenaventura Lakes. Mr. Scott asked why they don't issue bills to the people of the City of Kissimmee the same way they do the people out in the County now. Director Bobroff answered that it saves a tremendous amount of money by running the bills through the computer one time instead of two; using a postcard rather than an envelope; handling of water, sewer and electricity in one bill. This has all been done for economy reasons. Mr. Scott said you are already billing us, so what is the difference if you bill the people separate from the rest of the City. Director Bobroff explained that they (BVL) do not have water and sewer. Mr. Scott then asked why you can't bill them (City) the same way you bill us. Chairman VanMeter explained that the City is paying the Authority to handle the billing for Water & Sewer (\$214,000). It is an income source for the Utility Authority and it is money that we would lose if it was taken away from us. It is money that helps defray cost and is holding rates down.

Chairman VanMeter recognized Mr. Morian Hole, Orange Gardens. Mr. Hole asked if the KUA is still going to operate the Water & Sewer as well as the Electric. Chairman VanMeter said not necessarily. The mechanism is there in the future. Mr. Welsh explained that the billing process and the customer service function for Water & Sewer are currently performed by the Electric Department and the cost is shared by the Water & Sewer Department. In the future, via a management contract, the KUA will do the billing and customer service function for Water & Sewer and send them a management bill, the \$214,000 which the Chairman referred to, for that service. Director Hord stated that he was a member of the Ad Hoc Study Committee and there is wording in the Charter that says "Utility Authority" but does not define water or electric or sewer. That was said purposely because we don't know what the future will be. Maybe if the Utility Authority proves out to be a positive thing, we may choose at a later time to take responsibility for Water & Sewer. It is only a "maybe" situation, there is no guaranteed yes or no.

Following lengthy discussion relative to the Codes, it was determined that Director Bobroff will meet with Mr. Welsh tomorrow to review Director Bobroff's edited copy of the Codes to make certain no required wording is omitted. The final draft will be given to Mr. Brinson for review and typing into final form.

At this point, Chairman VanMeter recognized guests in the audience from Buenaventura Lakes who had arrived after the public hearing on the budget. He asked if they had any comments regarding the budget. Mr. Scott talked in reference to the 2% rate increase, the fact that the Commission vote was 3 to 2 in favor. His question was why some were for and some against, their reasons. Chairman VanMeter said he personally felt the 2% increase was necessary to continue being fiscally responsible to our system. He went on to explain improvements being made to upgrade the system, each of which is costly.

## **F. NEW BUSINESS**

### **1. BANKING AGREEMENTS**

(Delayed pending Mrs. Bennett's arrival.) Jean Bennett, Finance Director, addressed the Board, stating that negotiations have been taking place with Sun Bank, N.A., which is the City's

depository bank, for the purpose of including Kissimmee Utility Authority as a part of that agreement. She said what will be required is a contract amendment with the City of Kissimmee, which will be presented to the City Commission; a contract agreement with KUA and Sun Bank, N.A., which will be presented to the Board for approval on October 1; a standard repurchase agreement between Sun Bank, N.A. and Kissimmee Utility Authority. In addition to that, KUA will also be required to pass a resolution saying Sun Bank, N.A. is designated as its depository bank and designating who can engage in transactions on its behalf. These will be developed and presented to the Board October 1 for signature. She recommended that the KUA tag onto the City's contract, which is a 2-year with a 1-year renewal option. She explained that Sun Bank's price quote is extremely competitive and the service is good. Director Bobroff stated that when the contract comes up for bids again he would like to see what the banks have offered and her reasoning for making the selection. Mrs. Bennett briefly explained the bidding process. Director Gant asked, if available, that a copy of the old bidding material be given to the members not familiar with it. Mrs. Bennett said this could be done.

Mrs. Bennett introduced Suzannah Hayward, Vice President with Sun Bank. Ms. Hayward is the person with whom we deal.

Discussion followed concerning various aspects of banking services.

**Director Maher moved to accept the Agreements for Banking Services and Repurchase Agreement from Sun Bank. Director Hord seconded the motion.**

Director Bobroff referred to the letter from Sun Bank and told Mrs. Bennett that in the second paragraph, line 2, which states "Authority will operate pursuant to the City's charter." should read "Kissimmee Utility Authority's charter." Mrs. Bennett said what is meant there is that the charter of the Kissimmee Utility Authority is actually a part of the charter of the City, having been amended at referendum.

**Motion Carried 5 - 0**

Director Bobroff stated that the Repurchase Agreement has the General Manager listed to sign and he said he cannot go along with that. It has to be changed. Any documents that deal with banks, such as a contract, has to be signed by the Chairman. Chairman VanMeter said the Chairman and Secretary have to sign. Director Bobroff asked who was meant to sign in the area noted as "Authorized Signatures". Ms. Hayward said that would be the signatures of the individuals authorized to sign payroll checks (Chairman and General Manager).

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

**GENERAL MANAGER**

Mr. Welsh stated that the FMPA administrative costs for Stanton administration are \$175,000 per year. 25% of that, which would be our share were we to go with FMPA, would be approximately \$43,750 a year. The present worth savings as presented last week were approximately \$625,000 a year and they were grossed not including the FMPA administrative costs. Netting out the administrative costs would bring the present worth annual savings to that arrangement down to approximately \$580,250 per year. Concerning validation, FMPA would have to go through validation if we chose to go in that direction. To trigger that validation, we would have to have a KUA resolution that we intended to go that direction. Mr. Welsh stated timing was vital to the savings. He said he is awaiting a call from Toby Wagner (Southeastern Municipal Bonds) that he will head the finance team in conjunction with Jean Bennett to have a complete evaluation of what was

presented by the FMPA Underwriters by some time the end of this month. Discussion followed.

Mr. Welsh reminded the Board of the Stanton tour on Wednesday, September 11. The OUC staff recommended changing the time to an hour later. Meeting time at City Hall will be 9:00 A.M. Lunch will be served.

The Board was reminded by Mr. Welsh of the Monday, September 9, workshop at 6:00 P.M., relative to the Transfer of Assets Agreement. Also at that workshop, Mr. Welsh said, we would want to answer any questions the Commission has concerning contracts or the cost allocation for those contracts. They have been agendaed for the Tuesday, September 10, Commission meeting.

DIRECTORS

Director Hord expressed his pleasure that the warehouse fees were about half what they started out with. He further stated he would be out of the City Monday night and would like to have the general thinking on the transfer of assets, specifically City Hall and the undeveloped land at the lakefront. It was Director Hord's feeling that an administration building for KUA could be built on undeveloped land on the lakefront and eliminate the need for purchasing expensive land, such as the Mickler property, for that purpose. The building would be of a design that would be pleasing to the area, with parking facilities. landscaped to a park-like appearance. The land area at the lakefront was discussed at length as was City Hall and various other assets. This will be discussed further with the City Commission at the joint workshop Monday night, September 9.

**J. ADJOURNMENT**

The meeting was adjourned by Chairman VanMeter at 8:28 P.M.

ATTEST:

  
Chairman

  
Secretary