

MINUTES OF BOARD APPLICANT REVIEW SPECIAL MEETING OF KISSIMMEE UTILITY AUTHORITY, HELD THURSDAY, JANUARY 27, AND MONDAY, JANUARY 31, 1994 AT 6:00 PM, ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE, FLORIDA

Present at the meeting were Chairman Hord, Vice-Chairman Gant, Secretary Bobroff, Attorney Brinson, and President & General Manager Welsh. Mayor Pollet was not present at the January 27th meeting due to illness.

For the record, this nomination process of a new Board member will replace and finish the remaining term of Director Wayne Schoolfield who resigned effective December 31, 1993.

A. SPECIAL MEETING CALLED TO ORDER at 6:00 PM by Chairman Hord.

Chairman Hord asked the Board if they wished to conduct the interviews in a similar manner as previously. This entailed Mr. Welsh reading a set of standard questions, after which there would be some questions and comments made by the applicants, as well as additional questions made by the Board. The Board members were all in agreement to follow this format.

Mr. Welsh indicated that in the former selection process, after all the applicants had been interviewed, each member would give their independent ranking of the candidates prior to having further deliberations of all the Board members together to arrive at a final decision. The Board indicated that they wished to follow this format also.

This evening only four of the seven applicants would be interviewed, with the remaining three being interviewed on Monday, January 31st, at 6:00 p.m.

B. BOARD APPLICANT REVIEW

Ms. Beulah Farquharson, the first interviewee, responded to the standard questions presented by the Board. She also indicated that she had run a video shop for two-and-half years and had had three employees. She did most of the bookkeeping and dealt with the customers, also. She indicated that she was a salesperson by profession.

Ms. Farquharson indicated that her business was successful and made money. She had liquidated the business due to it being located in a neighborhood which had had quite a few robberies. They were almost stuck up twice. This was in the South Bronx.

Ms. Farquharson indicated that she intended to run for the School Board in 1996.

Ms. Farquharson, in response to inquiries of the Board members, also indicated that she had discussed this position slightly with her employer. She stated that she was a very good negotiator and had quite a bit of experience in negotiation.

Mr. Kenneth Guthrie responded to the standard questions presented to him by Mr. Welsh.

In response to inquiries of the members, Mr. Guthrie indicated the following:

Mr. Guthrie had had responsibilities in management other than reporting. As a matter of fact, he had done very little reporting in the last 15 years of his career but was in management. He had managed the computer system put in by the Sentinel (newspaper). He also indicated that he would not be applying for this position if he thought it was political in nature. He told the Board that he had not been very visible in the community in the last 10 years. This was due to his desire to give his successor in running a local newspaper a free hand to run things the way they saw fit.

Mr. Bill Makinson responded to the same questions presented to him by Mr. Welsh. In response to inquiries made by the Board members, Mr. Makinson indicated the following:

He did not feel that KUA was a political organization. Our tie to the City was merely the responsibility for the transfer of approximately 6.24 mills/kWh.

The only Commissioner directly involved in the KUA business was the Mayor, who is a member of the KUA Board.

Mr. Warren Starling also responded to the standard questions addressed by Mr. Welsh and indicated the following to the Board in response to some additional questions. Most of his experience had been in engineering and management. Early on in his career he was in design. He then proceeded to program management and then went into management. He has been a hands-on technical type person.

After these four people were interviewed, Director Bobroff indicated that he felt this was the finest group of people in total that we have had. Every one of them has had something good about them.

Director Lowenstein indicated that we have a very tough job ahead of us in making the selection.

C. OTHER

Chairman Hord stated that he was bothered by the attitude of Black & Veatch at last evening's meeting presentation. He felt as though he was being given a song-and-dance. He indicated that their attitude should be more positive and he would like to see it changed.

Director Bobroff indicated that he was not impressed by the presentation made. They seemed to be wishy-washy about the project being on time.

Director Lowenstein indicated that he felt we were being prepared for the project being three months late.

Mr. Welsh indicated that he would have some discussions with the partners of Black & Veatch to watch this situation. He further guaranteed the Board that if there was any physical way possible that the project would be brought in on time that it would not be late due to a lackadaisical attitude on the part of Black & Veatch, nor would it be late due to inappropriate unresponsiveness of vendors in supplying technical drawings or any other problems. He personally guaranteed the Board that the project would be brought in on time if there was any physical way to make this happen at all. If the project were to be late, it would be only for completely unavoidable problems.

The meeting recessed at approximately 8:15 p.m., to be reconvened on Monday, January 31st.

The foregoing meeting was continued on January 31st, at 6:00 p.m. All Board members were present; one seat was vacant.

There was some preliminary discussion on procedure to be used. The Board decided that, after interviewing all the applicants, it would have an initial independent ranking without the benefit of discussion or deliberations. Following the rankings, the Board would deliberate together to try to determine the best applicant to nominate for the Board.

Attorney Brinson questioned whether a non-U.S. citizen was a valid applicant to the Board. Mr. Brinson felt that a non-U.S. citizen may not be able to take the Oath of Office to be a Board member. The Board determined to continue with all interviews and make a determination on this situation subsequent to the interviews.

Mr. Domingo Toro was interviewed by the Board and responded to all the standard questions. He indicated that he would be most happy to be of service to the Board if he were to be selected. He felt that once he learned the procedures utilized at KUA he could be an asset to the Board.

Mr. Toro also said he has observed KUA over the last 13 years. He feels as though our rates are very stable and thinks the Board is doing a very good job.

In response to a question by Director Lowenstein, Mr. Toro indicated that the liquor store business which he was in from 1987 to 1990 was not a good business. This was due to the lack of purchasing power for the small independent retailer in the liquor store business. At times chain retailers sold their product lower than the cost that the independents had to pay for it. Luckily, he was able to sell the license associated with his store and receive some value for his investment.

Mr. Toro indicated that he had never heard of severe criticisms of KUA. At one time he heard some concern that our rates were higher than those of neighboring utilities, but since that time they have come down.

Mr. Larry Walter was interviewed by the Board. He responded to the standard questions posed to him by Mr. Welsh.

Mr. Walter indicated that his company had in the past and is now doing some surveying work for KUA and were its contractors. He has about \$5,000 worth of work remaining to complete these jobs. He also is doing some work on an ongoing basis for Terry's Electric, who is a contractor of KUA, but almost all of these jobs are complete. He indicated that he would be willing to cancel these jobs if it was necessary but did not want to leave them stranded if he were to be appointed to the Board.

Chairman Hord asked that Attorney Brinson elaborate on this situation. Mr. Brinson indicated that Mr. Walter's firm could no longer do any work for KUA.

Chairman Hord questioned whether he could work for Terry's Electric or another contractor of KUA. Mr. Brinson stated that he could not work for us directly or indirectly through subcontractors.

Mr. Walter indicated that he would not put himself in jeopardy of criticism by attempting to take on new work for any KUA project.

Mr. Brinson stated that Mr. Walter could complete what he is presently doing. (However, Mr. Brinson indicated that he may want to check a little further on the legality of this.) Mr. Brinson said that he definitely could not contract to do anything more for KUA or its subcontractors. Not only is there the actual possibility of wrongdoing which is a concern but the perception of wrongdoing must be avoided.

Mr. Walter emphasized that it would not be his intention to do any further work for KUA or its contractors if he were to be appointed to the KUA Board.

Mr. Walter indicated that his firm does do work for the City of Kissimmee and he questioned whether this would be any problem. Attorney Brinson answered that a final determination of this would best come from Attorney Don Smallwood, the City attorney, but that from his perspective he does not see that his being under contract with the City of Kissimmee would in any way affect his ability to serve on the KUA Board.

Mayor Pollet said that Mr. Walter currently serves on a City Board and also is continuing to be under contract to the City of Kissimmee. Mayor Pollet indicated that he didn't believe that there is any problem with this situation.

Director Gant asked if there was any conflict with Mr. Walter serving on the KUA Board while serving on the other City Boards.

Mayor Pollet indicated that Attorney Smallwood had just ruled that a person cannot serve on two City Boards that have final decision-making authority.

Mr. Walter stated that he is on the Licensed Contractors' Board. In response to a question by Mr. Welsh, Mr. Walter indicated that they primarily respond to complaints about licensed contractors.

Mayor Pollet indicated that they could determine whether this would be a conflict or a problem. He asked Mr. Walter if he were appointed to the KUA Board and it was determined that there was a conflict, would he resign from his other Board. Mr. Walter indicated that he would.

Mr. Walter indicated that he does not know everything there is to know with respect to KUA. Hopefully, if he were to be appointed to the Board he would have time to learn.

Director Bobroff indicated that there are some very good teachers around here.

Mr. Harry Wilcock responded to a standard set of questions read to him by Mr. Welsh. He indicated that he would be honored and privileged if he could be of service to the Board.

Mr. Wilcock indicated that he was here (from England) for life and could make a 5 or 10-year commitment if that was requested of him.

In response to a question by Chairman Hord, Mr. Wilcock indicated that he had heard of no problems associated with KUA. He felt that the SAVE program, made available by KUA, was first class. He had taken advantage of that as well as the energy conservation people who were able to save him quite a bit of money.

In the initial independent rankings by each of the Board members, Larry Walter was ranked first by all except for Director Bobroff. Mayor Pollet was unable to rank all of the applicants since he had missed the interviews with the first four due to his affliction with the flu. Of the people interviewed tonight, he thought that Larry Walter was number one.

Director Bobroff indicated that he had not initially ranked Larry Walter as number one because he preferred to have someone who is not associated with other governmental boards.

Director Lowenstein indicated that all the people he had talked to who had known or worked with Larry Walter had nothing but high praise for him.

Chairman Hord stated that he has known Larry Walter for years and the people that he has talked to that have known him all spoke very highly of him. In addition, since this process began, several people have approached him indicating the high regard in which they held Mr. Walter.

Director Bobroff said that he really had nothing against Larry Walter as a candidate.

Motion was made by Director Lowenstein, seconded by Director Gant, that the Board present Larry Walter to the City Commission as their nomination to serve on the RUA Board of Directors, to complete the term vacated by Director Schoolfield ending in September, 1998.

Director Bobroff inquired if it was determined that he will not be able to serve on two Boards with final decision-making authority and would he have to resign from the City Board.

Mayor Pollet indicated that Larry Walter had said that he would resign if it was a problem.

Motion carried 4 - 0

D. HEAR GENERAL MANAGER, ATTORNEY, DIRECTORS

Director Gant indicated that both the candidates who were In-City residents interviewed very well. For the record, he would like it noted that he would be very happy if they would re-apply to the next seat available on the Board.

The Board spent some time revising the questionnaire utilized in this process to enhance it for the next time.

Mayor Pollet suggested that we define or determine once and for all this ability of non-U.S. citizens to serve on the Board.

Attorney Brinson indicated that it was his opinion that you could not serve on a governmental board such as this if you were not a U.S. citizen because it would be impossible to take the Oath of Office which involved pledging to defend and uphold the constitution of the state and the United States government.

Mr. Welsh indicated that, per this determination, for the next seat which allowed Out-of-City residents to apply he would make it clear that they also had to be U.S. citizens. Seats for which only In-City residents can apply must be filled by voters within the City of Kissimmee which also necessitates U.S. citizenship.

E. ADJOURNMENT: Meeting adjourned at approximately 8:30 p.m.



CHAIRMAN

ATTEST:



SECRETARY