

MINUTES OF REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY HELD
WEDNESDAY, SEPTEMBER 28, 1994, AT 6:00 PM, BOARD ROOM, ADMINISTRATION
BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE, FLORIDA

Present at the meeting were Chairman Hord, Vice-Chairman Gant, Secretary Bobroff, Director Walter, Mayor Pollet, Attorney Brinson, President & General Manager Welsh, and Recording Secretary Rundio. Assistant Secretary Lowenstein was absent.

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

B. AWARDS AND PRESENTATIONS

1. 5-YEAR SERVICE AWARD - GARRY BRANDT

Garry Brandt, Accountant, was honored for five years of service. Unfortunately, Garry was unable to be present to accept his award but his Department Director, Joe Hostetler, will make that presentation to him. Garry, who came to KUA in September, 1989 from Florida Power & Light, Miami, has served faithfully in our Accounting Department. He was selected Employee of the Month for March, 1992 as well as a representative for the Leadership Osceola Class of 1994 and he is very personable. Currently he is cross-training in the Budget Division as Budget Analyst.

2. EMPLOYEE OF THE MONTH - JIM FISHER

Jim Fisher, Current Diversion/Conversion Specialist, transferred from the City of Kissimmee to KUA as a Conservation Coordinator in May, 1984 and has held a variety of positions with both organizations. Jim's expertise is in the Energy Conservation area dealing one-on-one with customers and helping them understand how families, homes and other structures use energy. He is noted for his great rapport with customers in the field.

Jim has been involved with many utility related organizations throughout the state and has represented KUA extremely well. We're proud that Jim has completed his Bachelor's Degree while at KUA. In addition, he has just begun serving a second term on the KUA Pension Board working to effect positive benefits for employees in the plan.

Mr. Welsh elaborated on the Pension Board's most recent change. The City Commission voted to make a major change in the plan for employees to be able to take an early retirement from 55 to 62 where the reduction is significantly less than in the past. The plan is effective October 1, 1994 with considerably increased benefits.

Chairman Hord congratulated Jim and presented him with a plaque for being chosen "Employee of the Month" for October. Director Bobroff presented Jim with a \$100 U.S. Savings Bond. Jim will also receive one day off with pay and a reserved parking space during October! Congratulations, Jim - well done!

C. HEAR THE AUDIENCE - No comments

D. PUBLIC HEARING - None

E. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. MONTHLY CONSTRUCTION PROGRESS REPORT OF CANE ISLAND

KUA's Owner's Representative, Greg Harrington of ER3, provided an update on the progress in construction of Cane Island Units 1 and 2, as well as other related facilities.

Mr. Harrington presented overheads and video of the Units and surrounding area and provided an update. Due to having a few punch list items outstanding, KUA staff decided to postpone commercial operation until after the stack testing sometime after the end of October.

Mr. Harrington updated the Board on the oil spill. We're looking good and under budget, he said. The initial contamination assessment plan was approved by the Department of Environmental Protection and we're working with OHM, the remediation contractor, to extract very small portions of the product latent on the water table. He stated we are under budget about \$9,000 of the anticipated total cost.

Via overheads, focus centered on Unit 2. He noted the cooling tower, step-up transformer, generator, steam turbine, condenser and air handling unit. Mr. Harrington stated we're getting into start-up. He indicated that Fru-Con, the contractor, is approximately 45% completed with their operation. Meetings were held regarding two claims submitted by Fru-Con which are being evaluated. They are claiming inefficiencies associated with equipment delivery delays by their contractors. Two claims were submitted, one on a work-up through August 21st requesting that we pay them for premium time to make the January 1st start-up date. At this point we're not looking at additional costs, just an extension of time to allow them to complete their activities.

2. CANE ISLAND PROJECT REPORT BY BLACK & VEATCH

Mr. Don Schultz, Partner-in-Charge, Black & Veatch (B&V), made a presentation on the Cane Island project and also gave a comprehensive quarterly report on the project.

Mr. Schultz highlighted the latest events transpiring with Fru-Con. The claim dealt with the impact Fru-Con claimed they had had up to August 1st. Fru-Con also submitted costs if they accelerated their work to meet the January 1 date. B&V evaluated this and found the claim was not detailed enough. Mr. Schultz stated that Fru-Con is due some extension in time and possibly in some areas some additional cost because of what had occurred with other contractors on site. KUA's Staff stated that the gas pipeline probably would not be ready until February 1st due to some environmental problems by the gas company (the Phase III expansion required to run the gas turbine). The lesser cost to both the contractor and exposure to KUA would be to delay the initial start-up date. The contractor indicated it could be ready by February 15th. B&V asked Fru-Con to target it for February 1st without spending a great deal of additional money on that.

Chairman Hord questioned that whether it be February 1 or February 15, there is no overtime or premium other than this grey area of August 21. Mr. Schultz said, that's correct. His going forward would not include any overtime which they would authorize. Chairman Hord said it sounds like he's 45 days behind and B&V thinks he's 30 days behind. Mr. Schultz replied, something like that.

Mr. Schultz continued, that he's not saying that the contractor won't have to put in some overtime himself as he still has contract obligations and he can't blame all the delay on KUA or B&V or anybody else. He has his own responsibilities. Mr. Schultz said he won't say there won't be additional overtime. Chairman Hord added, but not at our expense. Mr. Schultz stated that they're not authorizing it and it should not be at our (KUA's) expense. In response to Chairman Hord's question, Mr. Schultz said that concerning either of the above dates no overtime monies are authorized by KUA.

Director Bobroff asked if he said he blames other contractors for his delay. Mr. Schultz said yes, he has been affected by some other contractor's work. Director Bobroff asked, "work or workmanship?" Mr. Schultz replied, "workmanship". And that also he is claiming, and rightfully so, that one contractor is not out of his road at this time when we told him he would be out of his road. And so, what impact that has on him is rather a grey area. You have two contractors working in the same area, but that's going to have to be negotiated with him.

Director Bobroff asked if the contractor that had the shoddy workmanship has been penalized in any way? Mr. Schultz said he will be penalized, whatever is negotiated with this contractor will be passed on to that contractor. There are areas, though, where possibly you will have to pick up some costs, he said.

Chairman Hord said, okay. What does this mean to us operationally whether its January 1, February 1 or February 15? Mr. Welsh said we're fine; we evaluated that before we went into this and its not cost effective for us to try to maintain that January 1st date. Chairman Hord added, just for the sake of saying we brought it in on time. Mr. Welsh replied that operationally we're in fine shape capacity-wise.

Some problems by other subcontractors are also a concern and these need to be negotiated or resolved. There may be an area or two where we may have to pick up some costs, Mr. Schultz stated.

Concerning Unit 2, it's essentially complete but some changes are still pending. On Unit 1, engineering is complete and construction is essentially complete. Regarding permitting, the operating permit is waiting on stack emission testing on October 21st. An extension was asked for on the construction permit until July 9, 1995. Title V of the Clean Air Act was passed.

Brief discussion followed on the public drinking water permit and some repercussions surrounding that. We were denied this permit on the basis that the wells were located too close to the percolation pond. We are asking for a variance on this which they are refusing on new wells. Mr. Schultz said the agency says their stock answer is that they are not allowing any variances on new wells. The law requires that the wells have to be set back 100 feet from the percolation pond. We do have a well for drinking water going down to the Florida aquifer, about 300 feet. Several other permits are still due after Unit 2 is running. The surface water management permit is still pending and KUA met with South Florida Water Management District on Tuesday on this. Mr. Welsh said we're negotiating on several items and basically we found 17 acres on the site, and its questionable whether they are in the included or excluded area.

Chairman Hord asked if Black & Veatch knew this (the location of the percolation pond area) when they chose the location of the well. Mr. Schultz replied, no they did not. Chairman Hord asked if they had any guideline as to where it could be.

Mr. Schultz said he can't answer that to him right now. He assumed that the regulations were there, they just didn't realize it. Director Gant interjected that it clearly says about any setback of those types of things being 100 feet and on commercial they're even more stringent.

Chairman Hord asked if it meant we had to put down two new wells. Mr. Schultz said the cheapest solution they've looked at is to move the percolation pond. Chairman Hord asked at whose expense? Mr. Schultz said we'd argue that.

Discussion continued on negotiation of some exchanges of acreage, as well as the ratios for the conservation easement itself. Mr. Ben Sharma, Director of Power Supply, briefly explained that we need to get some recognition on the 850 acres and get some credit for 17 acres of wetlands.

Mr. Schultz stated that Gerald Hardage pointed out that he (Mr. Schultz) may have given the impression we may solve this claim with Fru-Con without any additional cost to KUA and that is not the case. Mr. Welsh stated that our position in the negotiations at this time is there is no money. Mr. Schultz indicated that the condenser being shipped by rail was damaged and it was delivered about four weeks late. This could be a force majeure type of thing where the contractor really by contract does not get any additional money. Since he had no control over that he would argue for overhead costs for an extension of time in delivery. We hope for settlement as opposed to litigation.

F. OLD BUSINESS - None

G. NEW BUSINESS

1. CLAY STREET SUBSTATION DISTRIBUTION ADDITION PROJECT ESTABLISHMENT & ENGINEERING SERVICES

Mr. Ken Davis, Director of Engineering, briefly covered this item. He stated that two years ago we decided to delay the distribution portion of the Clay Street substation. It was moved out to start in FY 1996. Recently they had reevaluated the need for that due to Ken Lackey's crews building some additional feeders for support in the Pleasant Hill area of Hwy. 17/92. They want to take the feeder capacity out of the new station and feel a need for it to go in now. Secondly, looking at the bids coming in we find some very good prices. Jumping on those unit prices and purchasing the Clay Street equipment a considerable sum could be saved. Thirdly, we would also incur some savings and engineering costs--many of the contract specifications have already been put out, bids have been received. It is estimated we would save somewhere in the range of \$55,000 of engineering costs doing it in conjunction with the Carroll Street project.

Mr. Davis said that funds are available from our bond proceeds to go ahead and accelerate this one year and Staff asked to start this in FY 1995. Some of the subsequent agenda items address the options to purchase this equipment for Clay Street on our bids for the Carroll Street equipment.

Motion by Director Bobroff, seconded by Director Walter, to authorize the establishment of the Clay Street Substation Distribution Addition Project for the total project estimated cost of \$2,500,000, to be funded from Bond Funds; and also authorize Black & Veatch to proceed with the necessary engineering work for the not-to-exceed cost of \$191,000.

Motion carried 4 - 0
Director Lowenstein absent

Mr. Welsh stated that the next four agenda items are equipment and facilities bid awards for the Carroll Street Substation and add-one for the just authorized Clay Street Substation.

Director Bobroff stated it is not necessary to go into any further detail other than that the equipment is absolutely needed.

Mr. Davis stated that our bids would not exceed these numbers and they may be somewhat lower than indicated.

Motion by Director Bobroff, seconded by Director Walter, authorizing the various Award of Bids under items 2. through 5. (listed below), as recommended by Staff.

Director Walter inquired what kind of savings in material costs we anticipate by doing it in this manner. Mr. Davis replied that when we moved these, we did an escalation of about 6% per year. At that time we estimated the total project would be \$3.4 million. We are estimating it now at about \$2.5 million, not directly attributed to savings in equipment but a good portion should be. There's a double purpose in accelerating this--not only to save money but our need has accelerated.

2. CARROLL STREET SUBSTATION PROJECT AWARD OF BID IFB #039-94

Recommendation: Authorize the award of bid IFB #039-94, Substation Switchboards, to Systems Control for the lump sum price of \$291,838; exercise the option to purchase the Clay Street Substation Switchboards for the not-to-exceed price of \$69,000; all contingent upon negotiating a satisfactory contract.

3. CARROLL STREET SUBSTATION PROJECT AWARD OF BID IFB #040-94

Recommendation: Authorize the award of bid IFB #040-94, Substation Structures & Equipment, to M.D. Henry Company, Inc. for the lump sum price of \$426,315; and exercise the option to purchase the Clay Street Substation structures and equipment for the not-to-exceed price of \$188,000; all contingent upon negotiating a satisfactory contract.

4. CARROLL STREET SUBSTATION PROJECT AWARD OF BID IFB #041-94-15 KV METAL-CLAD SWITCHGEAR

Recommendation: Authorize the award of bid IFB #041-94, 15 kV Metal-Clad Switchgear & Bus Duct, to Square D. Company for the lump sum price of \$298,500; and exercise the option to purchase the Clay Street switchgear and bus duct for the not-to-exceed price of \$360,000; all contingent upon negotiating a satisfactory contract.

5. CARROLL STREET SUBSTATION PROJECT AWARD OF BID IFB #042-94 - 69 KV GAS CIRCUIT BREAKERS

Recommendation: Authorize the award of bid IFB #042-94, 69 kV Gas Circuit Breakers, to Siemens Energy & Automation for the lump sum price of \$229,600; and exercise the option to purchase the Clay Street 69 kV gas circuit breakers for the not-to-exceed price of \$68,000; all contingent upon negotiating a satisfactory contract.

**Motion carried 4 - 0
Director Lowenstein absent**

6. RESOLUTION 94-7 - REDESIGNATION OF CAPITAL PROJECTS FUNDED
FROM BOND PROCEEDS

Mr. Welsh stated that this was discussed approximately six weeks ago and at that time the direction given by the Board was to proceed with the redesignation of these capital projects in order to facilitate the possible cash defeasance.

Finance Director Joe Hostetler stated at the last meeting we also discussed capitalized interest and we may still come back in several months and recommend some changes there. These are for isolated projects in the mid-range concerning dollar costs and the Fiscal Policy basically stated that bond proceeds would only be spent on generation and transmission of the Cane Island Substation type activity. Distribution projects follow that and we decided to fund that out of current operating revenues or the Reserve for Future Capital Outlay. We do have bond proceeds left over and there is no reason to make this change temporarily to use up those bond proceeds. We would only be penalized with bonds left on hand up to 10 years. There is no need to not spend them and redesignate these projects. This is what Staff is asking the Board to approve. Brief discussion followed. Bond Counsel has drafted and approved this resolution.

Mr. Brinson pointed out there is a possibility of being penalized for not spending that quickly. We're looking at 10 years from 1993. We can't earn on the proceeds more than the interest we're paying. All interest earned must be used for capital projects. Mr. Hostetler picked out the best projects because of their being in the moderate range.

Chairman Hord inquired what other projects do we have without going into the Ten Year Plan which will occur within the next five years. Mr. Hostetler stated we have Boggy Creek, the timetable for which is three years for 1998.

Motion by Director Gant, seconded by Director Walter, to authorize Staff's recommendation to approve Resolution 94-7.

**Motion carried 4 - 0
Director Lowenstein absent**

Motion by Director Bobroff, seconded by Director Walter, to add to the agenda discussion an Easement Deed for the property owned by Ross Lanier.

Motion carried 4 - 0

Attorney Edward Brinson stated that this is a matter we committed ourselves to some time ago when we wanted to move the crossing into Cane Island through the new location. Mr. Lanier owns the doublewide mobile home near the creek and he had over the years crossed the railroad track and used this property to get down to the site. The County had also granted some concessions to provide a legal access to Ross Lanier. We have been negotiating to obtain surveys, etc., and we have now prepared an Easement Deed which is satisfactory to Mr. Brinson and also to Mr. Lanier. The effect of this is to grant him a perpetual easement that is pertinent to his land, that if he should ever sell his property, this right-of-way would be part of this conveyance. Greg Harrington showed the members on a survey where the easement is. We are imposing an easement on our property to give him access; however, KUA will not be maintaining this road. Some discussion ensued.

Motion by Director Walter, seconded by Director Gant, to approve the Easement Deed, as submitted.

Director Gant reminded Staff that appropriate verbiage be included in the Easement as to who will maintain the road, etc. Mr. Harrington stated Mr. Lanier has the use of and is responsible for the maintenance of the road. KUA will ensure proper usage of the road for our own vehicles.

**Motion carried 4 - 0
Director Lowenstein absent**

H. STAFF REPORTS

1. MONTHLY PROGRESS REPORT ON ENGINEERING PROJECTS

The report was accepted as submitted in the agenda packet.

2. CONDENSED FINANCIAL REPORT - AUGUST, 1994

Mr. Hostetler informed the Board he had bad news in that his Accounting Manager has resigned but the good news was that his new Accounting Manager, Ann Johnston, was present whom he introduced. He stated she had very good experience and has been with Coopers & Lybrand, both in Tampa and the Orlando office, and private companies, as well as at KUA several years ago.

Mr. Hostetler indicated that by not making our kilowatt hour sales budget, we're down about 4%. We had \$5.8 million in actual sales, 6.1 projected. We are 5.6% ahead for the year. He highlighted the budget versus actual budget. Bottom line is we're about \$4 million above the projection. The wet month caused the overhead megawatt hour sales to drop, which may be the same for next month. He also noted the variances.

3. MONTHLY REPORT ON POWER SUPPLY DEPARTMENT PROJECT

Chairman Hord inquired into the status of the SCADA system and whether we feel good about our situation with Landis & Gyr, to which Mr. Sharma replied that yes, several issues have been taken care of. Brief note was made of the Florida Gas Transmission's holdup on the completion of the pipeline and modification of the old one from September 21st until February 1st, maybe. One larger problem on the existing line in the Panhandle has not yet been resolved. Director Gant asked if we are hooking into the new line or existing line. Mr. Sharma said we will remain where we are, only the capacity of the existing line will be increased.

4. SELECTED DEPARTMENT HIGHLIGHTS - MATERIALS MANAGEMENT

Jim Tillman, Director of Materials Management, used overheads to highlight his presentation on inventory. Of a staff of seven, three are in the inventory section and four in purchasing.

Mr. Tillman addressed several categories: the total minimum and maximum levels, and the total inventory on hand (excludes excess and special projects with no min's/max's). He gave an overview of various inventory in several buildings on the property.

Chairman Hord inquired why we're not nearer our minimum level, according to the graphs shown. Mr. Tillman stated that we have a lot of operational maintenance inventory which is needed unexpectedly. The max's and min's did drop according to the amount of activity and lead time. Some inventory is slow moving. Mr. Welsh explained the differentials at different times and where our inventory ranges should be. Director Gant asked if we will be better able to define

our needs of the inventory. Mr. Welsh said we'll still have as wide a minimum and maximum but the on-hand will be in the middle range. Mr. Tillman's department has identified the slow moving items and checked with the using departments as to what is excess and what they will use. They in turn specify their requirements in the next year and we use those determinants next year. Some inventory, such as meters, is usually written off when it becomes obsolete and cannot be utilized.

Mr. Tillman also noted that they are dealing with SICOP, a six-county cooperative, in making additional savings, e.g., Fedex rates are reduced 42% off their list pricing on letters and packages. He addressed buying power and other savings in this respect.

I. CONSENT AGENDA

Motion by Director Gant, seconded by Director Walter, to approve items 1 through 10 of the Consent Agenda. Item 11 was pulled by Director Gant for a brief update.

1. APPROVAL OF MINUTES OF AUGUST 24, 1994, REGULAR MEETING
2. APPROVAL OF MINUTES OF SEPTEMBER 7, 1994, SPECIAL MEETING
3. CANE ISLAND/CLAY ST. TRANSMISSION LINE ROW SETTLEMENT OF PARCEL 113
4. CANE ISLAND/CLAY ST. TRANSMISSION LINE ROW SETTLEMENT OF PARCELS 122, 123, 124
5. AWARD OF CONTRACT - THREE-YEAR REQUIREMENT FOR THE INSTALLATION OF LOAD CONTROL RECEIVERS, IFB #038-94
6. AWARD OF CONTRACT - METER SOCKET REPLACEMENT, IFB #043-94
7. AWARD OF CONTRACT - PADMOUNTED SWITCH, IFB #044-94
8. AWARD OF CONTRACT - THREE-YEAR REQUIREMENT FOR JANITORIAL SERVICES, IFB #046-94
9. APPROVAL OF CHANGE ORDER TO THE CANE ISLAND UNIT FABRICATED PIPE SUPPLY CONTRACT WITH INTERNATIONAL PIPING SYSTEMS, IFB #059-93
10. CANE ISLAND/CLAY ST. SUBSTATION CONSTRUCTION CHANGE ORDER TO GENERAL CONSTRUCTION CONTRACT

Motion carried 4 - 0
Director Lowenstein absent

11. APPROVAL OF AS-400 UPGRADE

Director Gant inquired what was included in this upgrade. Mr. Dennis Wick, Director of Information Systems, gave some of the reasons for the upgrade, stating we are always having our increase in customer base. Another reason is enhancements to our existing applications, having the capability of duplicating whole systems whenever we install new loads. On new applications, work orders are one of our largest applications since coming on board. Extended recording and miscellaneous receivables are other new applications we use. We would also utilize the AS/400 to serve all our PC's and we're at 69 this year. He explained how the computers communicate with one another to obtain resources, pulling data off existing files on rate of growth and number of transactions taking place daily.

Mr. Wick stated that this upgrade will push us one complete year ahead of plan on system requirements growth. He highlighted which software models would be best suited to our needs and he felt the 2044 is the best value at this time in terms of response time compared to some other models.

Motion by Director Gant, seconded by Director Walter, to accept item 11 of the Consent Agenda.

**Motion carried 4 - 0
Director Lowenstein absent**

J. HEAR GENERAL MANAGER, ATTORNEY, DIRECTORS

GENERAL MANAGER

On September 30th, we will have a firing of Unit 1 celebration by the construction crews and operations people in Power Supply and Mr. Welsh invited the members to attend this festive occasion and partake of some barbecue food. Since this is Chairman Hord's last day, he was invited to attend and push the button to start the firing of Unit 1.

Mr. Welsh reminded everyone of the Beurocratic Bash which is held each year involving governmental organizations in the County to play some softball. The purpose of this Bash is to raise money for United Way, so he invited members to participate in these competitive games. These six-inning games will be played at 1:00 p.m. on Sunday, October 2nd, at the Denn John fields.

For the October 26th Regular Meeting, the Board members were asked to arrive at 5:30 p.m. to have an annual picture taken.

Mr. Welsh stated that this is Chairman Hord's last meeting. This is the completion of his ninth year on the Board, having been part of the Ad Hoc Committee recommending to the City Commission that this organization be founded and also formulating the Charter Committee. He attested to Chairman Hord consistently giving of himself selflessly. During normal times he gives some 20 hours per month, and during crisis times this time tripled. There was never a time when he was needed that he wasn't there, and he was needed often. Mr. Welsh stated he enjoyed their relationship professionally and personally and appreciated having him as a friend, that he was a great Board member and Chairman and Mr. Welsh thanked him.

ATTORNEY

In addressing Chairman Hord, Attorney Brinson said he was qualified to attest to Dick's activities with KUA while Mr. Brinson was City Attorney. Chairman Hord at the time was on a committee to see if we needed to have a separate utility. Chairman Hord reported back and the City Commission appointed him on the Ad Hoc Committee, which Mr. Brinson had the pleasure as City Attorney to assist that Committee.

Mr. Brinson recalled former members of that group and felt they accomplished something which Mr. Brinson was very proud of, that being the KUA Charter. It hasn't required very many changes over the years and that we are the envy of numerous other utilities. He felt flattered when members of those utilities would call for advice about our Charter, and felt Chairman Hord should feel doubly proud to have served on that Committee.

Mr. Brinson added that it was a pleasure to have served there with him, along with serving with him at these KUA meetings over the years. He noted Chairman Hord's sense of humor and thinks that its valuable. Mr. Brinson recalled that one of Chairman Hord's favorite words over some particular situation has been that it gave him "heartburn", which he coined as a favorite word in Mr. Brinson's vocabulary.

Mr. Brinson further noted that someone in his office remarked, upon learning of Chairman Hord's departure, that he looked after the money of KUA like it was his own. He felt that was a great tribute to pay to the Chairman. Chairman Hord thanked him for those kind words.

DIRECTORS

Mayor Pollet offered his sentiments. He had the pleasure of serving with Chairman Hord for four years and that on behalf of the City and contributions to the City over the years, he said the City appreciated this. Mayor Pollet stated that Chairman Hord always did what was right for the City as well as KUA, that we're all here for the same purpose. He added that we're in better financial shape than ever before and that much of it is attributed to his leadership. On behalf of the City he thanked Chairman Hord. He presented to Chairman Hord a large cake inscribed, "Thank you, Chairman Dick!" which was shared with everyone following the meeting.

Director Bobroff stated that he didn't know of anyone he'd worked with over his lifetime who has proven himself so well not only in the knowledge of what we're supposed to be doing and in the way he handles people, and especially him, he said laughingly. He said he regretted this day. He stated Chairman Hord led us into operational and financial ground, he challenged things that he and other members might have overlooked, and yet when the time came to move forward Chairman Hord was a leader! A true leader and he was very proud to have known him. Director Bobroff presented Chairman Hord with a framed picture of the entire Board as a keepsake.

Director Walter, said he was the newest member on the Board, and thanked Chairman Hord for saying facetiously at the last meeting that he would have Director Walter's credentials checked. He stated it was a pleasure serving with Chairman Hord and having great professional respect for him. Then Director Walter noted that there is never anything more important than someone taking the time to make another person something by hand. He referred to a beautiful hand-crafted metered table lamp by Steve Lavoie, Apprentice Electrician, which Director Walter presented to Chairman Hord tonight, adding that he could take it home and watch the meter run! It was a fitting tribute from a utility.

Director Gant stated he needed to be more respectful and appreciative of the things Dick had done because he was Mayor at the time. Dick had spent much time and effort and has run KUA like a business rather than like a government agency, he said. He noted that it will take a long time to screw up without him! Director Gant commented that Dick and he had watched the changes occur in Mr. Welsh's development through Chairman Hord's ideas and suggestions which would benefit KUA for many years to come.

Director Gant read a framed Proclamation in honor of Dick's many accomplishments and contributions to KUA and the Board since this organization's inception on October 1, 1985 until now. The policies that resulted in the planning, construction and implementation of many large projects, concluding with the recent Cane Island Project. Several others are still on the drawingboard.

An excerpt that Director Gant read into the official record of the Minutes stated that "... BE IT FURTHER PROCLAIMED that to honor the name of this founding member of the KUA Board of Directors that the proposed Carroll Street Substation shall henceforth be referred to on all official documents as the '**Richard L. Hord Substation**'...".

Chairman Hord received a standing ovation and expressed his thanks amid applause from the members and everyone in the audience.

Chairman Hord thanked all the Board members. He stated he had tried to run this organization like a business as he'd expressed many times over the years. He thought that is what it's really all about in this organization and what everything's about. Business is not bad. Business is a good way of thinking and a good way of doing things. Government agencies, like the City of Kissimmee, he said, are thinking more that way and hopefully it will start at the grass roots, as they say, and it will go all the way to Washington one day where dollars and cents mean things. That's the scorecard by which we're judged to a great extent.

The thing Chairman Hord felt good about leaving here is that when Jim Welsh and Staff gave their reports, he may have challenged some of their numbers or philosophy and that he felt good about what he's hearing. He said they are all professional in what they do and he felt good about their reports. He felt good about this organization, having been a part of it and thinks it's on the right track and believes it will remain on the right track. He thanked everyone and then suggested everyone have some cake.

Motion made by Director Gant to place this Proclamation on the Agenda tonight and that it be attached to the Minutes. Seconded by Director Bobroff.

**Motion carried 4 - 0
Director Lowenstein absent**

K. **ADJOURNMENT**: Meeting adjourned at 8:05 p.m.



CHAIRMAN

ATTEST:



SECRETARY

KISSIMMEE UTILITY AUTHORITY

Proclamation

WHEREAS, Richard L. Hord, during 1983 served on the Ad Hoc Committee and during 1984 on the Charter Committee which recommended that a completely autonomous Utility Authority and Charter be established for the Kissimmee Electric Utility System; and

WHEREAS, on March 24, 1985, the citizens of Kissimmee voted by a 2-1 margin to adopt the Charter of the Kissimmee Utility Authority; and

WHEREAS, from the inception of its operation on October 1, 1985 until now, Richard L. Hord served on the Board of Directors (as Chairman since October, 1987) and gave of himself freely and without compensation; and

WHEREAS, Richard L. Hord has been a contributor to the policies of KUA resulting in the planning, construction and implementation of many projects, including: the 8 Broadway Customer Service Center, the Bermuda Avenue Distribution and Warehouse Center, the 1701 W. Carroll Street Energy Control Center and Administration facilities, the Carl A. Wall Substation, the Lake Cecile Substation, the Cane Island Power Plant; and the proposed Carroll Street and Boggy Creek Substations; and

WHEREAS, Richard L. Hord's wisdom, insight and oversight of the KUA organization have been invaluable to the first nine years of KUA's existence;

NOW, THEREFORE, BE IT PROCLAIMED that the KUA Board of Directors and Staff are extremely grateful for the contributions made by Richard L. Hord and thank him for them; and

BE IT FURTHER PROCLAIMED that to honor the name of this founding member of the KUA Board of Directors that the proposed Carroll Street Substation shall henceforth be referred to on all official documents as the:

"Richard L. Hord Substation"

GIVEN UNDER MY HAND AND SEAL this 28th day of September, 1994.

Vice-Chairman

ATTEST:

Secretary

President & General Manager