

STORAGE NAME: h1629a.ca

DATE: March 22, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
COMMUNITY AFFAIRS
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 1629

RELATING TO: Monroe County/Key West Utility Board

SPONSOR(S): Representative Sorensen

COMPANION BILL(S): None.

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1) COMMUNITY AFFAIRS YEAS 8 NAYS 0

(2)

(3)

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(5)

I. SUMMARY:

Primarily, the bill offers the Key West Utility Board some flexibility in conducting its purchasing and disbursement duties.

The bill does not have a fiscal impact with regard to implementing the provisions of this bill.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Chapter 69-1191, Florida Laws of Florida, as amended by chapters 75-410, 75-412, and 75-396, Laws of Florida, creates the Utility Board (board) of the City of Key West. The special act provides that the board has complete and exclusive power and right to manage, operate, maintain, and control the electric public utility owned by Key West.

All disbursements made by the board relating to electric services, materials and commodities, by-products and water, steam or heat from any activities or operations must be paid out only upon the approval of the board.

Only construction, repairs, or work made by the board and exceeding \$15,000 is required to be performed under contract or contracts entered into by the board. In addition, supplies, equipment, machinery, and materials costing \$10,000 or more must be purchased only after the items are bided out.

B. EFFECT OF PROPOSED CHANGES:

This bill permits the Key West Utility Board (board) to make disbursements relating to the purchase of electric services, material and commodities pursuant to policies adopted by the board or policies established by resolution adopted by the board.

The bill eliminates the \$15,000 minimum cost requirement for placing construction and repair work by the board under contract. The bill now provides that the amount that determines whether or not certain work can be placed under contract or contracts is established by resolution adopted by the board.

The bill eliminates requiring the board to implement a bid process for the purchase of those supplies, equipment, and machinery costing \$10,000 or more. Instead that amount is established by resolution adopted by the board.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Chapter 69-1191, Florida Laws of Florida, as amended by chapters 75-410, 75-412, and 75-396, Laws of Florida.

D. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The Key West Utility Board must adopt resolutions or policies regarding its purchasing and disbursement activities.

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

E. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends section 11 of chapter 69-1191, Laws of Florida, as amended by chapters 75-410, 75-412, and 75-396, Laws of Florida; permits the Key West Utility Board to issue disbursements representing payment for products and services pursuant to policies adopted by the board or policies established by resolutions adopted by the board.

Section 2. Amends section 13 of chapter 69-1191, Laws of Florida, as amended by chapters 84-457 and 95-509, Laws of Florida; providing that certain construction and repair work exceeding the amount established by resolution adopted by the board must be done under contract or contracts entered into by the board after undergoing a bidding process; and provides that all supplies, equipment, machinery and materials costing more than the amount established by resolution adopted by the board must be purchased only after implementing a bidding process.

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III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 27, 1999

WHERE? The Citizen

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN? N/A

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

None.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Staff Director:

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