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A bill to be entitled

2 An act relating to the City of Key West, Monroe County; amending chapter 69-1191, Laws of Florida; changing the 3 name of the City Electric System to "Keys Energy 4 Services"; revising the term for the board member 5 representing group I; providing for selection of the 6 7 chairperson; revising requirements and the time allowed for the filling of a vacancy; providing that the board 8 9 does not need certain approval for the issuing of bonds; removing certain residency requirements for senior citizen 10 and disabled veteran discounts; removing a surety 11 requirement for contractors improving or repairing the 12 electric system; providing that the board may accept the 13 lowest cost or best bid for construction projects; 14 providing the public notice requirements before a sealed 15 16 bid may be opened; providing that terms of a renewed or extended contract must be satisfactory to the board; 17 providing that a contract or extended or renewed contract 18 19 must be executed within 24 months prior to the proposed 20 purchase of commodities or services by the board; providing for surplus property; providing for disposition 21 of assets of the utility; providing that the board shall 22 adopt resolutions setting certain reimbursements; revising 23 24 the appraisal requirements necessary for the utility board to purchase land; providing an effective date. 25 26 Be It Enacted by the Legislature of the State of Florida: 27

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29 Section 1. Sections 1, 2, 3, 6, 11, 13, 15, 16, 19, and 20 30 of chapter 69-1191, Laws of Florida, as amended, are amended to 31 read:

Section 1. There is hereby created the Utility Board of 32 the City of Key West, Florida, to be composed of five (5) 33 members as particularly hereinafter set forth. Such Utility 34 35 Board created by this act shall be and is hereby made the successor to the Utility board of the City of Key West, Florida, 36 37 heretofore created and existing by and under the provisions of chapter 65-1770, Laws of Florida, Acts of the Legislature Year 38 1965, and acts amendatory thereto. The full, complete and 39 exclusive power and right to manage, operate, maintain, control, 40 extend, and extend beyond the limits of the City of Key West, 41 Florida, in improve, finance and re-finance the electric public 42 utility now owned by the City of Key West, Florida, and the 43 44 nonexclusive right to build, construct, operate and acquire other public utilities, by purchase, gift, grant, lease, rental 45 or otherwise, from time to time, from the United States 46 47 Government, its departments, agencies, bureaus and commissions, and from the State of Florida and any of its political 48 49 subdivisions, and corporations which are publicly or privately 50 owned or operated, and by the right of eminent domain, shall be carried on by such Utility Board composed of five (5) members, 51 all of whom shall be elected by the qualified electors of the 52 City of Key West, Florida, at large, as hereinafter set forth. 53 Furthermore, said Utility Board shall have the power and right 54 to sell at retail or wholesale certain tangible personal 55 property related to its utility services, including, but not 56 Page 2 of 21

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57 limited to, generators, protection and conservation equipment, 58 and appliances. The term "public utility," as used herein, shall include, but not be limited to, cable and telecommunication 59 facilities. Nothing herein shall grant the right of eminent 60 domain as to cable or telecommunication facilities. The name of 61 the Utility Board shall be "Utility Board of the City of Key 62 63 West, Florida, " and said Board shall function and operate as hereinafter provided. Said Utility Board shall have the right to 64 65 sue and be sued, may adopt and use a seal and change it at pleasure, and may use in the conduct of its business the trade 66 name of "Keys Energy Services," "City Electric System," the use 67 of which heretofore by its predecessor board is approved, 68 confirmed and validated; further, said Utility Board may change 69 70 such trade name and from time to time adopt such trade names as 71 it deems expedient and proper in the conduct of its business, 72 operations and activities.

The first election for the nomination or 73 Section 2. election of candidates for members of the Utility Board of said 74 75 city shall be held no earlier than forty-five (45) days and no later than sixty (60) days from the date this act shall become 76 77 law and on the first Tuesday in November biannually thereafter, commencing with the election of 1971 and shall be held 78 79 concurrent with the election for the office of City Commission of the City of Key West, Florida. Such elections shall be non-80 partisan elections and every person voting in said election 81 82 shall be entitled to vote for as many candidates for the utility board as there are members to be elected to said board. The name 83 of any qualified elector of the City of Key West who meets the 84 Page 3 of 21

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qualifications for chairman and member of said utility board, as 85 86 set forth in this act, may appear upon the election ballot as a candidate for the office of chairman/member or member of the 87 utility board, upon said elector paying to the City of Key West, 88 89 Florida, the sum of one hundred dollars (\$100.00) and said sum shall be deposited with the City Clerk of said city at his 90 91 office not later than 5:00 p.m. on the date set for the closing 92 of qualification by the election officials, for the first 93 election under the provisions of this act, and thereafter the second Tuesday in October of the year in which subsequent 94 95 elections under this act are to be held. A qualifying fee for such candidate for such office, and said elector shall submit to 96 the said city clerk concurrently therewith the sworn statement 97 98 of his or her name, address, occupation, willingness to serve if elected and shall indicate on such sworn statement his or her 99 100 desire for his or her name to appear on the ballot as a candidate for such office. Provided, however, that any person 101 who holds an elective office in the government of the City of 102 103 Key West, Florida, County of Monroe, the State of Florida, or any political agency, board or commission is compensated by 104 105 wages, salaries or otherwise shall not be eligible to serve 106 concurrently as a member of the board created by this act. Only the name or names of candidates complying with this section 107 shall appear on the ballot as a candidate for nomination or 108 election. No candidate having qualified and thereafter 109 withdrawing or becoming disqualified under the provisions of 110 this act shall be entitled to a refund of the aforesaid 111 qualifying fee paid. 112

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113 Section 3. The utility board shall consist of five (5) 114 members who shall be elected from the city at large in groups 115 numbered I, II, III, IV, and V. One (1) of said members shall be 116 the chairman and shall be elected by the people from the group 117 to be numbered I. And all persons desiring to qualify as candidates for chairman shall file in group numbered I. All 118 119 persons desiring to qualify for members shall file in groups numbered I, II, III, IV or V. The member in group number I shall 120 121 be elected in the regular municipal general election commencing 122 in 2007 and at each general election every four (4) years 123 thereafter. Members in groups numbered II and III shall be elected in the special general election in 1969 as provided for 124 herein at each regular municipal general election each four (4) 125 126 years thereafter, commencing in 1973 and at each general election each (4) years thereafter. Members in groups numbered 127 128 IV and V shall be elected at the special general election 129 provided for herein in 1969 and at the regular municipal general 130 election to be held in 1971 for a term of four (4) years and at 131 each general election thereafter for a term of four (4) years. 132 The member elected as chairman shall be elected at the special 133 general election in 1969, as provided for herein, and shall hold 134 office until the regular general municipal election in 1971 to 135 hold office for two (2) years and shall be elected at the 136 general election in 1971 and every general municipal election thereafter. The member elected as chairman and All members shall 137 to hold office until their successors are elected and qualified 138 from 12:00 noon of the day after the canvas of the vote and the 139 declaration of the results of the election. The chairman and All 140 Page 5 of 21

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141 members shall be subject to removal for good and sufficient 142 cause by a four-fifths (4/5) vote of the city commission. If a 143 candidate for chairman or member receives a majority of votes in the primary election in the candidate's his group, the candidate 144 145 he shall be considered elected upon and after the canvas of the 146 vote and the declaration of the result of the election as 147 hereinafter provided. If there is be no majority, two (2) candidates for nomination to the office of chairman or member 148 149 who receives the greatest vote in the primary election each 150 group shall be placed on the ballot at the next regular or 151 special municipal general election following the primary as provided in the city charter of the City of Key West, Florida. 152 The candidate for nomination receiving the greater vote in the 153 154 regular or special municipal general election following the primary election if otherwise qualified shall be elected to 155 156 office from the group in which candidate he is qualified. One 157 (1) of said members shall serve as Chairperson of the Utility 158 Board. The Chairperson shall be selected from the five (5) 159 members by the five (5) members during an organizational meeting 160 in December immediately following an election and serve as such 161 until the next organizational meeting following an election. A 162 member may serve as Chairperson for consecutive terms.

Section 6. <u>(1)</u> The office of members of the Utility Board shall become vacant upon his <u>or her</u> death, resignation, removal from office in any manner authorized by law, or forfeiture of his office, or as otherwise provided herein.

167 (2) A member of the Utility Board shall forfeit his office 168 if he (1) lacks at any time during his term of office any Page 6 of 21

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qualification for the office prescribed by law; (2) violates any express prohibition of this law; (3) is convicted of a crime involving moral turpitude; or (4) fails to attend three (3) consecutive regular meeting of the Utility Board without being excused by the board.

174 A vacancy in the board shall be filled for the (3) 175 remainder of the unexpired term, if any, at the next regular election, but a quorum of the remaining members of said board 176 177 shall by majority vote appoint a qualified person to fill the vacancy until the person elected to serve the remainder of the 178 unexpired term takes office. If the board fails to do so within 179 sixty thirty days following the occurrence of the vacancy, the 180 City Commission of the City of Key West, Florida shall appoint a 181 182 member to fill the said vacancy for the unexpired term. Notwithstanding the requirement that a quorum of the board 183 184 consists of three (3) members, if at any time the membership of the board is reduced to less than three (3), the City Commission 185 186 of said city shall fill the vacancies for the unexpired term.

187 (4)The City Commission of the City of Key West, Florida shall be the judge of the election and qualification of the 188 189 members of the Utility Board and of the grounds for forfeiture 190 of their office and for that purpose shall have power to 191 subpoena witnesses, take testimony and require the production of records. A member charged with conduct constituting grounds for 192 forfeiture of his office shall be entitled to a public hearing 193 on demand; and notice of such hearing shall be published in one 194 (1) or more newspapers of general circulation in said city at 195 least one (1) week in advance of the hearing. Removal from said 196 Page 7 of 21

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197 office should be by a four-fifths (4/5) vote of the City 198 Commission. Decisions made by the City Commission of the City of 199 Key West, Florida under this section shall be subject to review 200 by the courts.

201 Section 11. (1) POWERS OF THE BOARD.--The Utility Board 202 of the City of Key West, Florida shall have the full, complete 203 and exclusive power and right to manage, operate, maintain, 204 control, extend, extend beyond the limits of the City of Key 205 West, Florida, in Monroe County, Florida, the electric public utility owned by said city, including the maintenance, 206 207 operation, extension and improvement thereof, and including all lines, poles, wires, pipes, mains and all additions to and 208 extensions of the same, and all buildings, stations, sub-209 210 stations, machinery, appliances, land and property, real, personal and mixed, used or intended for use in or in connection 211 212 with said electric public utility, and the Utility Board shall have all of the powers in connection with such other public 213 214 utilities hereafter constructed or acquired by said board that 215 are granted by this act to said board with respect to the electric public utility now owned by said city. The Board shall 216 217 have the power and right to extend its utilities services beyond 218 the limits of Monroe County, Florida. As it relates to the 219 extension of services of the electric public utility, the power to extend services beyond the limits of Monroe County, Florida, 220 shall become effective only if the Legislature enacts 221 legislation permitting any person other than the Utility Board 222 to sell electric energy to customers of the Utility Board. The 223 said Utility Board shall have exclusive power and authority to 224 Page 8 of 21

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225 determine what improvements shall be made to all such public 226 utilities.

<u>(2) BUDGETS.--</u>The said Utility Board shall adopt annual
 budgets and amend the same from time to time, but in so doing
 shall conform to the requirements, if any, of any existing
 ordinance or resolution authorizing the issuance of revenue
 bonds now outstanding or hereafter issued against the income of
 the said Utility Board.

REVENUE BONDS AND OTHER FINANCING MATTERS. -- Revenue 233 (3) 234 bonds may be issued by said Utility Board for the purpose of 235 refunding outstanding revenue bonds as well as for any other purposes which the Utility Board of said city deems proper in 236 the management, operation, maintenance, control, improvement, 237 238 extension, betterment, financing and refinancing of the electric public utility owned by The City of Key West, Florida as well as 239 240 for purposes of acquisition, purchase, building and construction and operation of additional public utilities which are deemed 241 proper by said Utility Board, and revenue bonds may also be 242 243 issued by said board against the income of any additional public utilities so acquired , and the granting of such authority to 244 245 the Utility Board of the City of Key West, Florida, to issue revenue bonds against income of the electric public utility 246 247 owned by said city, or against the income of any additional public utilities hereafter acquired by said Utility Board, is 248 exclusive to said board, and the governing body of said city 249 shall not have the right to issue any such bonds or otherwise 250 incur any indebtedness or obligations whereby the income of said 251 public utilities owned by the Utility Board of the City of Key 252 Page 9 of 21

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253 West, or the income of any additional public utilities, 254 hereafter acquired by said Utility Board, becomes charged for the payment thereof. The maturity dates and rate of interest of 255 any bonds issued hereunder shall be determined and fixed by the 256 257 Utility Board of the City of Key West, Florida and said board 258 shall have the exclusive right to sell said bonds at prices to 259 be determined by said board. The Utility Board of the City of 260 Key West, Florida is authorized and empowered to adopt such 261 resolutions as may be necessary or advisable in connection with the authorization, execution, sale, and delivery of the revenue 262 bonds authorized hereunder. Prior to the validation and issuance 263 of any bonds authorized hereunder, said board shall obtain the 264 approval of the City Commission of the City of Key West, 265 266 Florida, by appropriate ordinance. The Utility Board shall 267 further have the power to issue commercial paper notes and 268 variable rate bonds to enter into interest rate swap 269 transactions as determined from time to time to be in the best 270 interests of the ratepayers of the electric public utility of 271 the City. Bonds and refunding bonds issued pursuant to this act may be sold at competitive or negotiated sale, provided any 272 273 negotiated sale shall comply with section 218.385, Florida 274 Statutes.

275 (4) CONTRACTUAL RIGHTS.--Said Utility Board shall have the 276 exclusive right and power to buy, purchase, contract for 277 exchange, lease and convey by deed or such other lawful means as 278 permitted by the laws of Florida, whether special, local or 279 general, without the consent or approval of the City Commission 280 or other governing body of the City of Key West, Florida, or its 290 Page 10 of 21

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281 municipal successor, from time to time, any of the property, 282 real, personal or mixed, specified or referred to herein before in this act, for such price or prices and on such terms, 283 284 provisions and under such conditions as herein set forth at the 285 time or times it determines that such property, real, personal 286 or mixed, is excess to the needs of the electric public utility, 287 or such other public utilities the Utility Board acquires. Said board shall have the full and complete power and exclusive 288 289 authority to accept gifts, contributions, contributions in aid 290 of construction, properties, whether real, personal or mixed, 291 from the United States Government or any of its departments, bureaus, commissions or agencies, and the said full and complete 292 power and exclusive authority herein before provided shall also 293 294 apply to the acceptance of gifts, contributions, contributions in aid from the State of Florida, or any of its political 295 296 subdivisions, departments bureaus, commissions, or agencies, corporations, publicly or privately owned or operated, private 297 298 persons and individuals. The Utility Board created by this act 299 shall have the full and complete power and exclusive authority to contract with the United States Government, or any of its 300 301 departments, bureaus, commissions or agencies, other public 302 utilities, the State of Florida, or any of its political subdivisions, departments, bureaus commissions or agencies, 303 corporations, either publicly or privately owned and operated, 304 private persons or individuals, for the acquisition, purchase 305 and operation of other public utilities and said Utility Board 306 may determine in its judgment, and to purchase, contract for the 307 sale, lease or exchange of any products and services, material, 308 Page 11 of 21

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309 and commodities, by-products and water, steam or heat from all 310 or any of its activities or operations. The said Utility Board shall have full and complete power and exclusive authority to 311 fix rates and charges for electricity and charges or prices for 312 313 any other real and personal property, products and services, materials and commodities, by-products of and from all or any of 314 315 its activities or operations, furnished or sold by said Utility Board, and to provide for the collection of the same. 316

317 (5) SENIOR CITIZEN AND DISABLED VETERAN DISCOUNT.--The Utility Board shall grant a special lower rate and charge for 318 electricity on the residential account of any personal who meets 319 low income standards adopted by the Utility Board, who has been 320 is a permanent resident of the geographical service area covered 321 by the Utility Board in furnishing electricity in Monroe County, 322 323 Florida for three (3) consecutive years prior to requesting such 324 special lower rate or charge and who is sixty-two (62) years of age or older or a totally and permanently disabled American 325 326 veteran. As used in this section "residential account" means an 327 account for a person residing in a house, mobile home, condominium, apartment, or other housing unit. Submission of an 328 329 affidavit that the applicant claiming the special lower rate and 330 charge under this section is has been a permanent resident of the geographical service area heretofore mentioned for three (3) 331 years immediately preceding the date of application, and who is 332 sixty-two (62) years of age or older or a totally and 333 permanently disabled American veteran, shall be prima facie 334 proof of such residence, disability, and age. The affidavit 335 shall include the annual income of the applicant. 336

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337 ACCOUNTING MATTERS. -- All bills for electricity and (6) 338 electric service and for the furnishing and sale of the products and services, materials and commodities, by-products and water, 339 steam or heat and by-products of and from all or any activities 340 341 or operations shall be collected and accounted for by said 342 Utility Board, and all disbursements in connection with the 343 foregoing, shall be ordered paid out only upon approval of said board; or pursuant to policies adopted by said board or pursuant 344 345 to policies established by resolution adopted by the Utility 346 board.; and

347 EMINENT DOMAIN. -- Said board acting by, for, and in the (7) name of the City of Key West, Florida, a municipal corporation, 348 and any municipal successor thereto, existing under the laws of 349 350 Florida, shall have the vested right which are herein conferred of eminent domain, for the purpose of acquiring lands and 351 352 rights-of-way necessary and expedient for the location, 353 establishment, construction, maintenance and operation of the 354 works and projects authorized in this act, and for the 355 acquisition and construction of any and all kinds and classes of real, personal or mixed property, tangible or intangible, 356 357 whatsoever, which shall be deemed necessary, convenient or 358 appropriate to accomplish the purposes and objects authorized by 359 this act, provided, however said Utility Board shall at all times be governed by and conform to the provisions of any 360 proceeding authorizing and providing for the issuance of bonds, 361 or other obligations of said city, which by their terms are 362 secured by or payable from the revenues of the electric public 363 utility, or the revenues of any of the additional public 364 Page 13 of 21

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365 utilities acquired by said Utility Board.

366 (8) ADVERTISING.--The Utility Board is hereby authorized 367 to purchase advertising including, but not limited to, 368 advertising from recognized, established advertising media, such 369 as newspapers, radio and television, as a proper expenditure of 370 the system. The Utility Board may make expenditures that are 371 reasonable and necessary for advertising the Board's utility systems including advertising events and programs which are 372 373 sponsored by the Utility Board or in which the Utility Board participates. Furthermore, nothing in this paragraph shall be 374 construed to prevent the Utility Board from sponsoring 375 376 charitable events or events which would benefit the Utility Board or its utility system or systems. 377

(1) CONSTRUCTION PROJECTS. -- All construction, 378 Section 13. 379 reconstruction, repairs or work of any nature made by the 380 Utility Board, where the entire costs, value, or amount of such 381 construction, reconstruction, repairs or work, including the 382 labor and materials, shall exceed the amount as established by 383 resolution adopted by the Utility Board, except construction, reconstruction, repairs, or work done by employees of the 384 385 Utility Board or by labor supplied under agreement with the 386 federal government or state government, with supplies and materials purchased hereinafter provided, shall be done only 387 under contract or contracts to be entered into by the Utility 388 Board with the lowest cost or best responsible bidder upon 389 proper terms, after due public notice has been given asking for 390 competitive bids as hereinafter provided. No contract shall be 391 entered into for construction or improvement or repair of the 392

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393 electric system, or any part thereof, unless the contractor 394 shall have given an undertaking with a sufficient surety or 395 sureties, approved by the Utility Board, and in an amount fixed 396 by said board, for the faithful performance of the contract. All 397 such contracts shall provide among other things that the person 398 or corporation entering into such contract with the Utility 399 Board will pay for all materials furnished and services rendered for the performance of the contract, and that any person or 400 401 corporation furnishing such materials or rendering such services 402 may maintain an action to recover for the same against the 403 obligor in the undertaking, as though such person or corporation were named therein, provided the action is brought within on (1) 404 year after the time the cause of action accrues. 405

406 (2) POWER OF AUTHORITY.--Nothing in this section shall be 407 construed to limit the power of authority to construct, repair 408 or improve the <u>utility electric</u> system, or any part thereof, or 409 any addition, betterment or extension thereto, directly by the 410 officers, agents an employees of the Utility Board, or otherwise 411 than by contract.

ALL OTHER PURCHASES, EXCLUDING CONSTRUCTION 412 (3) 413 PROJECTS. -- All supplies, equipment, machinery and materials costing more than the amount as established by resolution 414 adopted by the Utility Board shall be purchased only after 415 advertisement as provided hereinafter. The Utility Board shall 416 accept the lowest cost or best bid or bids, kind, quality and 417 material being equal, but said Board shall have the right to 418 reject any or all bid or select a single item from any bid. The 419 provision as to bidding shall not apply to the purchase of 420 Page 15 of 21

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421 patented and manufactured products offered for sale in a 422 noncompetitive market or solely by a manufacturer's authorized 423 dealer.

<u>(4) ADVERTISING.--</u>The term "advertisement" or "due public
notice" wherever used in this section shall mean a notice
published at least once a week for two (2) consecutive weeks
before the <u>opening</u> award of any <u>sealed bid</u> contract, in a daily
newspaper published and having a general circulation in the City
of Key West, Florida, and in such other newspapers or
publications as the Utility Board shall deem advisable.

(5) 431 CONFLICT OF INTEREST. -- No member of the Utility Board or officer or employee thereof shall either directly or 432 indirectly be a party to, or be in any manner interested in, any 433 434 contract or agreement with the Utility Board for any matter, cause or thing whatsoever in which such member shall have a 435 436 financial interest or by reason whereof any liability or indebtedness shall in any way be created against such board. If 437 any contract or agreement shall be made in violation of the 438 439 provisions of this section, the same shall be null and void, and no action shall be maintained thereon against the Utility Board. 440

441 OTHER PROVISIONS. -- Subject to the aforesaid (6) provisions, the Utility Board may (but without intending by this 442 provision to limit any powers of said board enter into and carry 443 out such contract, or establish or comply with such rules and 444 regulations concerning labor and materials and other related 445 matters in connection with any construction project, or portion 446 thereof, as the Utility Board may deem desirable; provided that 447 the provisions of this section shall not apply to any contract 448

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or agreement between the Utility Board and any engineers, architects, attorneys, or for other professional services, or to any contract or agreement relating to fiscal advisors, fiscal agents, or investment bankers, relating to the financing of project herein authorized.

454 (7) EMERGENCY PURCHASES.--Notwithstanding the aforesaid
 455 provisions, the Utility board may, in its reasonable discretion,
 456 authorize and permit such expenditures of funds as necessary for
 457 making emergency purchases or may delegate such authority to
 458 such employees and offers of the utility system or systems.

459 (8) FUEL AND POWER PURCHASES.--Nothing in this section
460 shall apply to the purchase of fuel products or produced power
461 on a single-lot basis when such fuel or power is offered for
462 sale to the Utility Board at a below advertised price basis.

463 (9) LOCAL, STATE, AND FEDERAL CONTRACTS.--All purchases of 464 commodities or contractual services under the provisions of 465 local, state, and federal purchasing contracts shall be exempt 466 from the competitive procurement requirements, provided that the 467 following criteria are all satisfied:

468 (a) (1) The terms and conditions of the original contract
469 or approved renewal or extension by the federal, state or local
470 government or electric cooperative are satisfactory to the
471 Utility Board and such terms and conditions are expressly
472 extended to other municipalities pursuant to the bid documents.

473 (b) (2) The original contract or approved renewal or
474 extension by the federal, state, or local government or electric
475 cooperative are executed within twenty-four (24) twelve (12)

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476 months prior to the proposed purchase of commodities or services477 by the Utility Board.

478 <u>(c)(3)</u> The purchasing agent has performed an informal 479 solicitation to determine if the prices of the original contract 480 are fair and reasonable, and to assure local vendors have an 481 opportunity to compete.

482 <u>(d) (4)</u> The Utility Board authorizes such procurement when 483 the cost of the commodities (materials) or contractual services 484 (labor and materials) exceeds the amounts as established by 485 resolution adopted by the Utility Board.

486 Section 15. (1) The Utility Board created by this act is hereby authorized and empowered to create, establish, provide 487 for and adopt, maintain, operate and regulate a civil service 488 489 system and plan for the security of the employees of said board, 490 and may amend and change such system and plan from time to time. 491 Further, said Utility Board is empowered to adopt rules and regulations for the government and operation of said civil 492 493 service system and plan, and to delegate authority for the 494 handling and management of said system and plan to designated officials or employees of said board, or a special committee or 495 496 a civil service board created by said Utility Board for such 497 purposes. Further, said Utility Board is authorized and empowered to appropriate out of its available funds any money 498 necessary or expedient to carry out the provisions and purposes 499 of this act that maybe be lawfully used for such purposes. 500

501 (2) The employees of the City Electric System of the City 502 of Key West, Florida may require the Utility Board to establish 503 a civil service board for them by an affirmative vote of the Page 18 of 21

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majority of the employees cast in a secret election to be held under the rules prescribed by the board. Said election shall be held within (30) days of the presentation of a petition containing the signatures of no less than ten per centum (10%) of the employees of al classes of said system requesting such an election.

510 Section 16. The Utility Board of the City of Key West, 511 Florida shall have discretion to classify as surplus any of its 512 property that is obsolete or that which is uneconomical or 513 inefficient, or which serves no useful function. All such items 514 valued more than the amount as established by resolution adopted 515 by the Utility Board shall be offered as Within a reasonable 516 exercise of its discretion and having consideration for the best interest of the Utility Board, the value and condition of such 517 518 properties classified surplus, and the probability of such 519 properties being desired by the prescribed bidder to whom 520 offered, the Utility Board first shall offer such surplus 521 property to other governmental units within, first in the City 522 of Key West, Florida, then in the County of Monroe and to the 523 general public with an effective means of notification. The 524 notification. If no accepted bid is received within a reasonable 525 time, they shall then offer such properties for sale by 526 advertising for bids in a newspaper of general circulation once 527 each week for no less than two (2) weeks. Such call for bids shall disclose the value and condition of the properties when 528 known. The cost of transferring such properties offered for sale 529 shall be made by the bidder making the successful bid should 530 make the cost of transferring such properties offered for sale. 531 Page 19 of 21

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532 Provided, however, that Any such properties as would serve no 533 useful function and for which no bids have been received, may be 534 disposed of by donation, destruction or abandonment. All actions 535 taken in regard to the disposal of such properties shall be 536 recorded in the minutes of the Utility Board of the City of Key 537 West, Florida.

538 Section 19. Members of said Utility Board, and agents and 539 employees of said board traveling on official business should be 540 reimbursed for travel and expenses in accordance with 541 <u>resolutions adopted by the Utility Board</u> Chapter 112, Florida 542 Statures 1967 and any amendments thereto.

543 Section 20. Purchase of all lands deemed necessary by the 544 Utility Board of the City of Key West, Florida shall be made 545 subject to the following conditions:

546 (1) Such purchases shall be made only upon recommendation
547 of the engineers of record of said board who shall advise the
548 board that the acquisition of such lands is necessary for the
549 expansion of the system.

550 (2) The Utility Board shall <u>obtain appraisals from at</u> 551 <u>least three (3) licensed and certified appraisers in the State</u> 552 <u>of Florida</u> request the board of realtors of Monroe County, 553 Florida to provide them with the names of three (3) licensed 554 appraisers.

555 (3) Said appraisers shall be retained by said Utility
 556 Board under approval of the consulting engineers.

557 <u>(2)</u>(4) Said Utility Board shall pay no more than the 558 <u>highest</u> agreed upon appraisal furnished by the aforesaid 559 appraisers.

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Section 2. This act shall take effect upon becoming a law.

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