

ENROLLED  
CS/HB 1077

2007 Legislature

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

26  
27   Be It Enacted by the Legislature of the State of Florida:  
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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:

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

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

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

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

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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~~  
 118 ~~candidates for chairman shall file in group numbered I. All~~  
 119 persons desiring to qualify for members shall file in groups  
 120 numbered I, II, III, IV or V. The member in group number I shall  
 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  
 124 elected in the special general election in 1969 as provided for  
 125 herein at each regular municipal general election each four (4)  
 126 years thereafter, commencing in 1973 and at each general  
 127 election each (4) years thereafter. Members in groups numbered  
 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~~  
 137 ~~thereafter. The member elected as chairman and All members shall~~  
 138 ~~to~~ hold office until their successors are elected and qualified  
 139 from 12:00 noon of the day after the canvas of the vote and the  
 140 declaration of the results of the election. ~~The chairman and All~~

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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  
 144 the primary election in the candidate's ~~his~~ group, the candidate  
 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)  
 148 candidates for nomination to the office of ~~chairman or~~ member  
 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  
 152 provided in the city charter of the City of Key West, Florida.  
 153 The candidate for nomination receiving the greater vote in the  
 154 regular or special municipal general election following the  
 155 primary election if otherwise qualified shall be elected to  
 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.

163 Section 6. (1) The office of members of the Utility Board  
 164 shall become vacant upon his or her death, resignation, removal  
 165 from office in any manner authorized by law, or forfeiture of  
 166 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

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

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

187 (4) The City Commission of the City of Key West, Florida  
188 shall be the judge of the election and qualification of the  
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  
192 records. A member charged with conduct constituting grounds for  
193 forfeiture of his office shall be entitled to a public hearing  
194 on demand; and notice of such hearing shall be published in one  
195 (1) or more newspapers of general circulation in said city at  
196 least one (1) week in advance of the hearing. Removal from said

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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  
206 utility owned by said city, including the maintenance,  
207 operation, extension and improvement thereof, and including all  
208 lines, poles, wires, pipes, mains and all additions to and  
209 extensions of the same, and all buildings, stations, sub-  
210 stations, machinery, appliances, land and property, real,  
211 personal and mixed, used or intended for use in or in connection  
212 with said electric public utility, and the Utility Board shall  
213 have all of the powers in connection with such other public  
214 utilities hereafter constructed or acquired by said board that  
215 are granted by this act to said board with respect to the  
216 electric public utility now owned by said city. The Board shall  
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  
220 to extend services beyond the limits of Monroe County, Florida,  
221 shall become effective only if the Legislature enacts  
222 legislation permitting any person other than the Utility Board  
223 to sell electric energy to customers of the Utility Board. The  
224 said Utility Board shall have exclusive power and authority to

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

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

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

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253 West, or the income of any additional public utilities,  
 254 hereafter acquired by said Utility Board, becomes charged for  
 255 the payment thereof. The maturity dates and rate of interest of  
 256 any bonds issued hereunder shall be determined and fixed by the  
 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  
 262 the authorization, execution, sale, and delivery of the revenue  
 263 bonds authorized hereunder. ~~Prior to the validation and issuance~~  
 264 ~~of any bonds authorized hereunder, said board shall obtain the~~  
 265 ~~approval of the City Commission of the City of Key West,~~  
 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  
 272 may be sold at competitive or negotiated sale, provided any  
 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

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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  
283 in this act, for such price or prices and on such terms,  
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  
288 board shall have the full and complete power and exclusive  
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,  
292 bureaus, commissions or agencies, and the said full and complete  
293 power and exclusive authority herein before provided shall also  
294 apply to the acceptance of gifts, contributions, contributions  
295 in aid from the State of Florida, or any of its political  
296 subdivisions, departments bureaus, commissions, or agencies,  
297 corporations, publicly or privately owned or operated, private  
298 persons and individuals. The Utility Board created by this act  
299 shall have the full and complete power and exclusive authority  
300 to contract with the United States Government, or any of its  
301 departments, bureaus, commissions or agencies, other public  
302 utilities, the State of Florida, or any of its political  
303 subdivisions, departments, bureaus commissions or agencies,  
304 corporations, either publicly or privately owned and operated,  
305 private persons or individuals, for the acquisition, purchase  
306 and operation of other public utilities and said Utility Board  
307 may determine in its judgment, and to purchase, contract for the  
308 sale, lease or exchange of any products and services, material,

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

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

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337           (6) ACCOUNTING MATTERS.--All bills for electricity and  
338 electric service and for the furnishing and sale of the products  
339 and services, materials and commodities, by-products and water,  
340 steam or heat and by-products of and from all or any activities  
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  
344 board; or pursuant to policies adopted by said board or pursuant  
345 to policies established by resolution adopted by the Utility  
346 board. ~~and~~

347           (7) EMINENT DOMAIN.--Said board acting by, for, and in the  
348 name of the City of Key West, Florida, a municipal corporation,  
349 and any municipal successor thereto, existing under the laws of  
350 Florida, shall have the vested right which are herein conferred  
351 of eminent domain, for the purpose of acquiring lands and  
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  
356 real, personal or mixed property, tangible or intangible,  
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  
360 times be governed by and conform to the provisions of any  
361 proceeding authorizing and providing for the issuance of bonds,  
362 or other obligations of said city, which by their terms are  
363 secured by or payable from the revenues of the electric public  
364 utility, or the revenues of any of the additional public

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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  
372 systems including advertising events and programs which are  
373 sponsored by the Utility Board or in which the Utility Board  
374 participates. Furthermore, nothing in this paragraph shall be  
375 construed to prevent the Utility Board from sponsoring  
376 charitable events or events which would benefit the Utility  
377 Board or its utility system or systems.

378 Section 13. (1) CONSTRUCTION PROJECTS.--All construction,  
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,  
384 reconstruction, repairs, or work done by employees of the  
385 Utility Board or by labor supplied under agreement with the  
386 federal government or state government, with supplies and  
387 materials purchased hereinafter provided, shall be done only  
388 under contract or contracts to be entered into by the Utility  
389 Board with the lowest cost or best responsible bidder upon  
390 proper terms, after due public notice has been given asking for  
391 competitive bids as hereinafter provided. ~~No contract shall be~~  
392 ~~entered into for construction or improvement or repair of the~~

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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~~  
 400 ~~for the performance of the contract, and that any person or~~  
 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~~  
 404 ~~were named therein, provided the action is brought within one (1)~~  
 405 ~~year after the time the cause of action accrues.~~

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 utility electric system, or any part thereof, or  
 409 any addition, betterment or extension thereto, directly by the  
 410 officers, agents and employees of the Utility Board, or otherwise  
 411 than by contract.

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

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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.

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

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

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

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449 or agreement between the Utility Board and any engineers,  
450 architects, attorneys, or for other professional services, or to  
451 any contract or agreement relating to fiscal advisors, fiscal  
452 agents, or investment bankers, relating to the financing of  
453 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 services  
477 by the Utility Board.

478 (c)~~(3)~~ 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 (d)~~(4)~~ 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  
487 hereby authorized and empowered to create, establish, provide  
488 for and adopt, maintain, operate and regulate a civil service  
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  
492 regulations for the government and operation of said civil  
493 service system and plan, and to delegate authority for the  
494 handling and management of said system and plan to designated  
495 officials or employees of said board, or a special committee or  
496 a civil service board created by said Utility Board for such  
497 purposes. Further, said Utility Board is authorized and  
498 empowered to appropriate out of its available funds any money  
499 necessary or expedient to carry out the provisions and purposes  
500 of this act that maybe be lawfully used for such purposes.

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

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504 majority of the employees cast in a secret election to be held  
505 under the rules prescribed by the board. Said election shall be  
506 held within (30) days of the presentation of a petition  
507 containing the signatures of no less than ten per centum (10%)  
508 of the employees of all classes of said system requesting such an  
509 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~~  
517 ~~interest of the Utility Board, the value and condition of such~~  
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~~  
528 shall disclose the value and condition of the properties when  
529 known. ~~The cost of transferring such properties offered for sale~~  
530 ~~shall be made by the bidder making the successful bid should~~  
531 ~~make the cost of transferring such properties offered for sale.~~

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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 resolutions adopted by the Utility Board Chapter 112, Florida  
 542 Statutes 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 obtain appraisals from at  
 551 least three (3) licensed and certified appraisers in the State  
 552 of Florida ~~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 ~~(2)~~ ~~(4)~~ Said Utility Board shall pay no more than the  
 558 highest agreed upon appraisal furnished by the aforesaid  
 559 appraisers.

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