

AGENDA ITEM 2-b

MINUTES OF A REGULAR MEETING OF THE UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH, FLORIDA, HELD MONDAY, APRIL 19, 2010, AT 6:00 P.M., AT 200 CANAL STREET, NEW SMYRNA BEACH, FLORIDA

Chairman Allen opened the regular U.C. meeting and stated we'll begin with an invocation as we stand, and then Commissioner Reynolds will lead us in the pledge.

Chairman Allen then requested for a roll call to be taken and all of the Commissioners were in attendance as follows:

Commissioner Oscar Zeller
Chairman Walter Allen III
Commissioner Jeanne K. Diesen
Commissioner William E. Hall
Commissioner William H. Reynolds

Others in attendance were as follows: R. Rodi, General Manager/ CEO (partially); L. Klinkenberg, Director of Finance; R. Mitchum, Director of Electric Operations; T. Beyrle, Director of System Ops. & Generation; J. White, Director of Engineering; D. Hoover, Director of Water Resources; P. Di Chiara, Director of H.R.; R. Lemoine, Director of I.T.; B. Bilinski, Controller/Budget Supervisor; E. Fisher, Public Information Manager; D. Zorge, Customer Service Supervisor; B. Keehn, Administrative Support Specialist; D. Simmons, Exec. Adm. Offices Mgr./ Recording Secretary; W. Preston, U.C. Legal Counsel; Mayor Barringer and City Commissioner Plaskett; James S. Morris, P.A., Randy Richenberg, Bob Tolley, and Bill Plaskett, members of the public.

(1) Agenda Changes, Additions and Deletions:

Chairman Allen stated I just want to recognize a few folks that are in the audience. It's good to have Mayor Barringer with us, and I see the City Manager Brangaccio, if I remember correctly, and City Commissioner Plaskett. He added it's kind of like old home week with her husband here. He stated it's good to have each one of you with us. Ms. Klinkenberg is sitting on the dais as staff to answer questions this evening; welcome her. He then asked if there were any changes, additions, or deletions.

Ms. Klinkenberg stated other than the one you discussed this morning at your Workshop, there are no additional ones.

Chairman Allen stated correct and the item we discussed at the Workshop for the next steps that we will be taking for the U.C.'s CEO/General Manager will be under Other Business, item 8., we tackle that under that area.

(2) Approval of Consent Items:

Chairman Allen stated okay as we move on to item 2, the approval of the consent items, we have eight items on the consent agenda.

Commissioner Reynolds made a motion to approve the consent items: item 2-a. Minutes of Regular U.C. Meeting Held 3-15-10, and item 2-b. Minutes of Special U.C. Meeting, approve both as submitted; item 2-c. Change of Regular U.C. Meeting Date – May 2010, ratified revision of the Regular U.C. Meeting in May from May 17th to May 10th; item 2-d. Developer’s Agreement and Addendum – NSB 15-Unit T-Hangar (City of New Smyrna Beach, approved as submitted and authorized the General Manager/CEO to execute; item 2-e. Change Order No. 6 - Hazen Construction, LLC for 20-Inch Potable Water Transmission Main Project, a motion ratifying the execution of Change Order No. 6 (an increase in the amount of \$9,000.00); item 2-f. Change Order No. 3 - Ortega Industrial Contractors, Inc. for Glencoe WTP and Smith St. Pumping Station Water Facility Improvements, a motion ratifying the execution of Change Order No. 3 (an increase in the amount of \$1,704.00); item 2-g. Developer’s Agreement and Addendum, MOU, Easement Deed, and Agreement of Assignment for The Shoppes at Coronado, approved these documents, contingent upon utilization of the finalized plans submitted to the U.C. and subsequent permitting, for The Shoppes at Coronado and authorization for the General Manager/CEO to execute said documents; and item 2-h. Compliance Assistance for NERC Reliability Standards FAC-008-1 and FAC-009-1 – R.W. Beck, Inc., approved ratification of the Task Authorization Form with R.W. Beck, Inc. (attached to the agenda item) to perform the above stated task related to compliance assistance with those standards, previously executed by the General Manager/CEO for an amount not-to-exceed \$10,000.00.

Commissioner Hall seconded this motion and it passed unanimously on a roll call vote.

(3) Public Participation:

(3-a) Request to Appear – Robert Tolley – “Departure Package”:

Chairman Allen stated item 3. is a time for public participation and we have one person who has requested to appear, Mr. Robert Tolley. He asked Mr. Tolley if he wanted to step up to the podium.

Mr. Tolley addressed the Commission and stated his name and address, 803 Fairway. I’d like to step back awhile, about eight to ten years ago. Most of you weren’t here, I don’t remember when Commissioner Diesen was, but I tell you what there were some crazy times back then. I don’t have to tell some of you, Mrs. Simmons was here, I believe yourself, Chairman Allen. This utility all but went under, the lies, the deceit, the corruption, the theft, I mean we can keep going on with words but anybody that was here at the time knows what horrific shape the U.C. was in. I don’t think many of the citizens know the precipice that the U.C. was in. Then this guy Bob Rodi came along, not only did he bring the U.C. back from the brink, but he’s turned around this whole utility. He’s

(3-a) Request to Appear – Robert Tolley – “Departure Package” (cont.):

made each and every Director more stronger than I think they ever realized they could be. I even had one tonight say he brought out the best in me. I'm not going to keep blowing smoke about Bob, I think we all know him in our ways of what he's done for us, and the utility, and the citizens. We also know about the dark side of what's happened during the time he was here. Some of us knew going back over four years, some of you didn't, he only confided in a select few, and even that select few were very frustrated because there wasn't much we could do, we would have to catch somebody, and we couldn't and it became more frustrating. The impact on his family in the meantime took a heavy toll, as I think all of your families would. I know my wife would, I'm not even going to go there, if she had to put up with what Mr. Rodi's family had to put up with. Which brought him to his present decision, I know the man doesn't really want to leave, we don't want to see him leave, but he's going for whatever reason, but I think you're pretty much aware of what those reasons are.

Mr. Tolley stated so I want to take a little step back and just go over a couple of things with you before I start discussing anything financially. I believe you all have this eleven page summary that Mr. Rodi put out to all of you back on March 24th. And I worked on it today a little bit and if I was to say to you folks that he was instrumental in either saving the U.C. or generating approximately \$600,000 to \$750,000 million, would you guys accept a figure that high. Let me show you one just in case, the WAV debacle, you know who got the U.C. into that mess, and you know how we got out of it. That was going to cost the U.C. \$43 million a year and the deal was for ten years, that's \$430,000 million right off the bat. I think everybody kind of forgot about that one. The Developer's Agreement, the penalties, fees, legal fees, that he was able to get the U.C. out from, Telecom, in all the states the U.C. was conducting telecom business in, the citizens had no clue. Telecom was originally presented to us as something that was going to go on the west side of 95, not North Carolina, South Carolina, Tennessee, and all the other cockamamie states Vaden got us into. So if you go through each one of these and you add them up, \$3 million of royalty for telecom, projected \$5 million settle procedure action litigation \$50 million realized to date, over \$50 million, the Developer's Agreement, on and on and on. These are all the things this man did for this City and this utility.

Mr. Tolley stated so where I am heading with all of this. I want you to look at this as if this was your business, each and every one of you, all five, and anybody else who wants to listen out there, this is your business. And you have an employee that either save you or puts that type of money in your pocket, even if I'm half wrong, it's \$350 to \$400 million. What would it be worth to you as a company owner for an employee to do that for you? Would it be worth 10% and you kept 90%, in a heartbeat, in a heartbeat. He stated Commissioner Zeller, you're looking at me, you know what I'm talking about. Somebody can do that for your company and put that type of savings or money in your pocket, give them 10%, give them 25%, remember for every dollar you're keeping 75 cents. Do I anticipate this board giving that type of money out, no. I think it's too much for everybody to fathom, I think it's too much for anybody in the City to fathom, unless

(3-a) Request to Appear – Robert Tolley – “Departure Package” (cont.):

they've been involved in this through the whole period of time going back to the dark days in the early 2000's right up to today. So in lieu of that, I mean I can tell you that 1/10th of 1% would bring about \$750,000 in a bonus to Mr. Rodi. I don't know how you feel about that, 1/10th of 1% what he saved the U.C., what he made the U.C., is that asking a lot? If it was my deal, I would cut him a check tonight, be a very happy camper. He never took a bonus, no year that he's been here as far as I know, the man didn't take a penny. I could be wrong, I don't think I am. I don't even think the man took a raise, because if we couldn't give the employees raises when times were dark, I don't think he took a raise. And as you're finding out now, with the people that you're looking at and their packages, look at the bonus some of them are stating – 20%, 30%, 40%. So is it fair to say we should give him 1/10th of 1% and cut him a check and be happy. Would it be fair, yes it would. Is it going to happen, no.

Mr. Tolley stated so let me tell you what I'm asking you for tonight. The man is leaving not under the brightest situation, he has to go, he knows he has to go, you all know he had to go. I looked at his contract, and the best I can see, he's got approximately 27 weeks left on it.

Commissioner Diesen stated months, don't you mean.

Mr. Tolley stated sorry, 27 months, I'm throwing all these figures out. So I took his present salary, I believe is \$164,000 divided that by 12, that's \$13,600 a month, multiply that by 27, that's \$369,000. I think at the very least you all have an obligation to pay this man what he's losing under his present agreement, because of what's happened and what's created this. I'd like you also to consider some type of bonus. The man's never taken a penny. You want to look at his salary of \$164,000 and say we'll give him 10% a year as a bonus, 20%; arrive at some figure. But even if we took 10%, that's \$16,400, multiply that by five, that's an additional \$82,000. Is that fair? I think it's undercutting the situation, you five have to decide what's fair. I only hope that I came up here tonight and made you more aware of what he's done, what he's saved the U.C. What every citizen in this town has saved, what the City has saved, because the more money he saved the higher the payments we could make across the street; so everybody's benefited. I didn't even add up what those two figures come to but I think that's the minimum we should consider for this man's severance package for all he's done for us and all he has continued to do and will continue to do if we call on him. So I'm going to shut my mouth for a minute, which is hard to do, and say anybody have a question.

There being no questions, Mr. Tolley stated do the right thing for him, thank you.

(3) Public Participation (cont.):

Chairman Allen asked if there was any other public participation this evening. City Commissioner Plaskett indicated she would like to address the Commission.

(3) Public Participation (cont.):

Mrs. Plaskett addressed the Commission and stated I'm here as Lynne Plaskett resident. And I just want to say that Mr. Rodi will truly be missed, I think he's been a great asset to all of us. And I know that he's done a lot of good things, especially in the T&D Department because that's where my husband used to work and my husband tells me all that so. I'm just saying that he will truly missed and I hope that in your selection process you can find someone, I don't know if it's possible, if you can find someone as capable, as intelligent, and as caring as he is. Thank you.

Chairman Allen stated okay and recognized the next participant.

Mr. Bill Plaskett addressed the Commission and stated his name and that he lives at 825 Brown Street, New Smyrna Beach. I recently, about three and half years ago, retired from the Utilities Commission. And to tell you the truth I was honestly glad to get out of there because during those 29 years that I was there I witnessed a lot of things that went on and I just couldn't take it anymore. Especially some of these administrators that came from Jacksonville and who knows where else to come down here to run the utilities part of the Commission. When I hired on there I was the only African American there other than a man named, well I forget his name right now, but he changed the tires and did all the work like that. I started working there for \$2.43 an hour. I had previously been in the military and did that type of work but when I got out of the military and tried to join the phone company they weren't hiring me or hiring people like me. But when this job came up at the Utilities Commission I took it because I figured if I stayed there long enough, and showed them my skills, that I could work myself up. He stated but when I got there, there was so much racism and bigotry there that it really disturbed me, but I worked along side some of these guys, and tried to prove to them that I was just an ordinary guy, doing a job and that's all I wanted to do. He stated they tried everything that they could to discourage me, I mean they said well, all black people are scared of snakes. I caught two big rattlesnakes one day and walked into the office and threw them on a desk, and I said this is not going to get it. They gave me all these different menial jobs to do and I did them to the best of my ability, all I wanted to do was move up. But the racism in that department, and we had two or three administrators that were dead set against me, but I prevailed you know.

Mr. Plaskett stated I watched everything happen with the past administrator and all of these different issues you know. And this building here, you work here, and the only way that you got ahead was to keep your mouth shut and your head down. And you walked around and you talked in whispers, not wanting anybody to hear you because we had employees here that were scared of doing their job, or anybody, or even complain. We had people who were suppose to be in the Union that went that there to listen to what the bargaining unit was saying so that they could run back and tell their Supervisors what we discussed. He stated you know I really didn't want to be a part of that but I was really disturbed about what happened. You know the guys I work with, they don't know anything about cable TV or that nature. If you can't fix it, what we did with a big ball-peen hammer and a large screwdriver, they didn't get it fixed, they don't know how to

(3) Public Participation (cont.):

run this cable in the ground, and Venetian Bay, I mean it was just a fiasco out there. But I sat back and watched all this and took it in, and then Mr. Rodi was hired on. And I mean he was like a blessing from God. All this antiquated equipment that we had to use, he got us all new equipment, he got us the line trucks that had been used over you know a 20 year period or something. We had to work storms with these aerial lift buckets that would shut down while you were up in the air training to fix, you know the wires up there. And sometimes we had to shimmy down the rope just to get to the ground.

Me. Plaskett stated these things like this really disturbed me, you know, but Mr. Rodi came in here and he got us all this brand new equipment that we needed to work with to do the job, because the Electric Department makes the lion's share of the money that goes into the U.C. But we never were rewarded for the work that we put in, you know, we were never complemented on the work that we put in. We had several administrators in that department that just didn't care too much about the men that did the lion's share of the work.

Mr. Plaskett stated but like I said, Mr. Rodi came here and he was like, it was like a breath of fresh air. He went around and he saw what we had to deal with and he changed it, he changed everything. I mean the working conditions got better, you know, people that were in charge of seeing that these conditions got better, you know, finally got in line with what he was trying to do. He stated my whole thing is I saw lot of unfairness and that's what I'm always about, I'm about being fair to everybody, but I saw a lot of people who were not fair to their fellow workers.

Mr. Plaskett stated I'm sorry and sad to see him leave, I know what he is up against and that's' tragic, you know, what is going on here. I say again, I'm sorry Mr. Rodi has to leave, and I wish him all the best in the world, and his family. Thank you.

Chairman Allen stated thank you Mr. Plaskett, we can see that there is a new era taking place now and we'll move forward in a positive direction with that.

Mr. Randy Richenberg addressed the Commission, stated he promised to be short, and stated his name and that he lives at 1402 North Peninsula, New Smyrna Beach. He stated I think everybody up there is real aware of the accomplishments of Mr. Rodi while he's been here, but all I'd like to ask this Commission is to consider what this Commission will be handing the incoming manager, and what this manager was handed when he came in, and please factor that into your decision tonight on any kind of compensation.

Chairman Allen then recognized Mayor Barringer.

Mayor Barringer addressed the Commission and stated Chairman I was just wondering if you would give me a chance to speak on the letter that I wrote, under New Business item no. 7 (c), would you like me to speak now.

(3) Public Participation (cont.):

Chairman Allen asked the other Utilities Commissioner what was their pleasure, wanting to just go ahead now. A majority of the Commissioners indicated yes and Chairman Allen stated okay.

Mayor Barringer stated well first of all I have great respect for the entire Utilities Commission and it can start with different relationships that I have with each of you, the people up here. Mr. Preston, you and I have spent quite a bit of time together at the restaurant. Commissioner Hall on the other hand was a mentor during my formative years. Commissioner Diesen, we spent a little time on the phone and grew up with your son during high school. Commissioner Zeller, of course, you encouraged me to run for Mayor, thank you. And Commissioner Reynolds, over the campaign, you shared some of your thoughts with me. So my respect for the Commission is extremely high. With the resignation of Mr. Rodi who I have unduly respect for, he did a great job, he was very professional with me when I started in this new position. But you can imagine with the news of Mr. Rodi resigning, the phone calls that I've received on people's ideas of what should take place with the Utilities Commission. Commissioner Zeller, even when I walked in here today you said with regards to the 100 day plan you felt that there were some people who have biases with regards to the Utilities Commission. And luckily enough I can make up my own decisions and because of my relationships with each one of you and also because of the time that I spent with Mr. Rodi, perhaps I have a better understanding of the Utilities Commission than the average business person.

Mayor Barringer stated so with respect to the letter that you wrote to me Chairman Allen, I was just a little bit shocked the way that it came back, because now at a time perhaps more than ever, we have to show that we are unified, that we are working together, that there is a solidarity between the two groups. And it was simply, it was a follow-up request based on what the City Commission had asked for, it's just to work together. And we have a new Commission and moving forward and I mean, it just so happens that Mr. Rodi is resigning, but now more than ever we need to show a unified front to the entire community. I didn't even understand prior to getting involved the vast difference of the two entities. You know many people call me up because they feel their power bill is too high, they don't understand that we are two separate entities. Therefore we really need to work together because that's the way that people view us.

Mayor Barringer stated in following up on, you know the request, I also added in there that one of the City Commissioners, whether it's myself or one of the other four, should be involved in the hiring process. To what extent, it would be the pleasure of the Commission. I know that after I spoke with Commissioner Hall about it, I know that he was active in the interview process for the City Manager. And I believe Mr. Rodi was also, took an interest in that, and provided some of the parameters. But I think if we're going to show a unified front to people who you say are biased one way or another, you know there's no better opportunity than to say, to ask one of the Commissioners, will you take a role in this, will you help us go through the list. And I understand that it's a transparent process but I think the result of making that effort would go a long way.

(3) Public Participation (cont.):

Mayor Barringer stated and I know in closing, the City Manager and myself found Mr. Rodi to be extremely helpful, and I know there are some things that we have already started. The Citizen's Academy, you know the few people that went through that, the response when they met with the Utilities Commission was very, very positive. You know the assistance with the West Canal Street projects, I mean I've got a list of things to mention but I just want to stress the importance or our, of being one entity to the perception of the public. And the request didn't seem like we were asking for too much and I just think that right now of all times with the changing of the CEO for your organization, I think that it's important. That's all I have to say and I would be glad to meet with you any time to discuss it in more detail.

Chairman Allen stated okay, one thing I think there's little difference in the two entities. I would lean to Mr. Preston to address a little bit of that, as far as a City Commissioner sitting on that review process.

Mr. Preston confirmed he was speaking of the review process for the new CEO. He stated to Chairman Allen the responsibility is yours (Utilities Commission). Our Enabling legislation conferred that responsibility on you, the autonomy of the Utilities Commission to hire and fire the personnel. That responsibility is one that is looked to for you, not just for leadership within the organization itself but also for those funding entities that provide funding to the Utilities Commission as well. So you ultimately are the decision maker and are charged with that. How you made proceed in making that decision is your decision. We have discussed processes for the last two meetings about how you'll proceed with the determination of the next CEO for the Utilities Commission. So you may choose, and the exercise of your responsibility and authority, the best process the five of you deem necessary for in fact hiring the next CEO. Does that answer your question?

Chairman Allen stated that does. He added I think speaking, as Mr. Rodi was brought on, and there was a time when this Commission gets to a point of having a specific person, and you're going to see the process this evening as we begin addressing it, when we get down to that level because it is truly our responsibility as this body to select that person, there will be an open public meeting where that person will be here and there will be that availability for a question and answer period in that process as it was in the past when Mr. Rodi came. It was open to the general public to ask him a question, so you'll see that process come into play. And then as far as working together, it has always been the intent of this Commission to provide a quality service and as in the letter, it is very important the Commission made the decision not to meet in a joint session until we have a General Manager/CEO on board because it's very important for that person because they're the ones that make the decisions on the day-to-day operations in moving forward. So that person has to be on board to provide that leadership, we provide the tools and to make sure that it is functioning and operating correctly as this Commission. It is not one person's decision, it is the body of five people making that decision and the majority as we come to a consensus and vote and that process comes together.

(3) Public Participation (cont.):

Chairman Allen recognized Commissioner Hall.

Commissioner Hall stated if I may, Mr. Chairman, I just want to add, I came on board in May of 2005 as a Utilities Commissioner, we had Mrs. Turano as our CEO. Within a few short months we decided to let her go and that was a decision of this Commission without going elsewhere for input. And Mr. Rodi was hired by this Commission, I remember that he was standing out here, and there was a gentleman from Orlando who was a finalist, and a third, but I can't remember where he was from; but Mr. Rodi was chosen by this Commission. And I want to clarify the search committee for the City Manager, that was set up by the City Commission. They hired a consultant and Mrs. Plaskett asked me to serve on that committee, which I did willingly. And then the City Commission looked at the, I think we chose seven or eight people as finalists, and they chose Pam Brangaccio to be the City Manager. He commented to Ms. Brangaccio I never met you. He stated so there was a different process in place for the selection of the City Manager than what we have going on right now for the CEO of the Utilities Commission.

Chairman Allen stated okay and asked if there were any other comments.

Commissioner Diesen stated well, we've narrowed the field already so we're at the point where it's strictly a Commission decision. I mean we're down to five.

Mayor Barringer stated right, I understand that. Okay, well I respect your decision, I may not agree with it, but I respect it, so thank you.

Chairman Allen stated thank you Mr. Mayor and asked if there was any other public participation. There being none, he went on to the next item.

(4) R. Rodi - General Manager's Report:

Chairman Allen directed this to Ms. Klinkenberg.

Ms. Klinkenberg stated I'd like to make a couple of comments and then I'll turn it over to Mr. Bilinski for the financial statement.

Chairman Allen stated okay, thank you.

Ms. Klinkenberg stated but I wanted to let you know about the Health Reform Act. I'm sure everybody's heard about it, we are on top of it, we've had multiple meetings. There's going to be some major impacts, we're going to be really looking closely at our budget and how to handle the impacts. It looks like about \$225,000 in 2011, increase. There's a lot of still gray areas between the two, the Senate and the House, and we're still waiting for some regulatory guidance and clarifications on it. She reiterated we are staying on top of it, we've already attended three sessions and we're attending another one, they're webinars that we get through our associations like with GFOA and some HR

(4) R. Rodi - General Manager's Report (cont.):

organizations. Our benefit year starts with October 1, 2010, which is in perfect alignment with our CBA, so we're in good shape for that.

Ms. Klinkenberg continued so far the three things that take effect immediately will be the no annual limits or life time maximums, covering children up to the age of 26 which Florida currently covers them until they're 30 if they're your dependent, but this will override the 30 then, and no pre-existing for children under the age of 19; those are immediate effects. Another one that comes into effect for the W-2's reporting is the health care portion and our system's fully capable of handling that; so we're on top of that, just wanted to let you know that we're taking care of that.

Ms. Klinkenberg stated and in regards to agenda item 2-c., I just wanted to let you know with the change of the Commission meeting, that leaves us five business days to close the month and get you financials. We are prepared and we're going to try and meet that deadline and have you the financials by Friday. Worse case scenario is we will email them to you probably Monday morning. It usually takes us eight to ten business days to close the month so moving it to five business days, it's going to be close but we're geared up and ready to try and get them to you timely. She then stated and now Mr. Bilinski can talk to you about March's financials.

(4-a) Financial Status – March 2010:

Mr. Bilinski addressed the Commission and stated for the month ended March 2010, the change in net assets for the combined systems is a loss of \$300,439 on a GAAP basis. This is due almost entirely to the electric system. As a transition month between high heating requirements and the cooling system, March typically has a negative true-up adjustment to unbilled electric revenues, and for the month of March it was over \$330,000. And in the current month as well, we had a large over-recovery of fuel and purchased power for the tune of \$1 million, resulting in an over-recovered balance of \$1.2 million currently. Our expectation is that fuel prices will remain relatively stable over the summer months, absent any hurricanes in the Gulf of course. As you recall from last month's budget discussion, you approved a \$4.00 per 1,000 kWh reduction in the fuel adjustment charge which should aid in reducing the \$1.2 million over-recovery balance we currently have. He then asked if there were any questions.

Commissioner Reynolds stated just a refresher, that goes into effect one June.

Mr. Bilinski stated June 1st, that is correct.

(5) Commission Counsel's Report:

After confirming there were no further questions, Chairman Allen moved on to item 5, and asked Mr. Preston if he had a report.

(5) Commission Counsel's Report (cont.):

Mr. Preston answered I have no report, thank you.

(6) Old Business

Chairman Allen commented there were no old business items to consider.

(7) New Business

(7-a) Monetary Merit Reward:

Chairman Allen stated as we discussed this at the Special Meeting somewhat and we come here this evening noting that under the Proclamation that was dated July 2009, the Utilities Commission unanimously recognized that the current CEO/General Manager Robert Rodi deserved a monetary merit reward for his dedication and tireless efforts and exemplary job performance. As stated within that proclamation, due to the financial and economic crisis and per Mr. Rodi's recommendation, the Commission agreed to forgo a reward to a future date. Subsequently as we come to this point with Mr. Rodi's resignation that's going to be effective May 24, 2010, we come to this point here of pursuing a motion that was made at that Special Meeting to make this an item on our Regular Utilities Commission meeting this evening and open that discussion up.

Commissioner Reynolds stated well I think Mr. Tolley brought out a lot of the savings there that happened under Mr. Rodi's watch and I think there's certainly accuracy in those statements. I wanted to sort of put this in the light of what our ratepayers who by the way cover all costs of the Utilities Commission, the Utilities Commission does not make a profit, we provide a service. To give you a feel of just taking one aspect of this savings, which of course was the initiation by Mr. Rodi, of a developer's agreement (infrastructure fees), we can tell you that it saved the ratepayer's \$22 million since it's been in effect. To give you a feel, that's \$846 per customer. If we were to give Mr. Rodi \$30,000 as a merit increase, that costs the ratepayers a \$1.15. I just wanted to give you a feel for what the impact is should we do that.

Chairman Allen stated okay, any other comments, input.

Commissioner Diesen stated well, that's certainly not the starting number is it.

Commissioner Reynolds stated I was giving it as an example, you can multiply that times anything you want if you want to take that.

Commissioner Diesen stated okay, got you, that's a good comparison Commissioner Reynolds but I think the \$846 is really the number that I don't think anybody realizes what that has saved so far and what the future savings will be even though a lot of people would think they wouldn't want us to continue that. The realization isn't there by the

(7-a) Monetary Merit Reward (cont.):

general public of what they have been saved by not having to fund on their backs the infrastructure of a new development.

Commissioner Reynolds stated well in fact if you take a look at the growth that was going on before the big housing bubble burst, that number of \$22 million would have gone up considerably. It would have absolutely burdened ratepayers with unsustainable charges for utilities.

Commissioner Hall stated yes, I'm going to step in. We have a starting point that we can either accept, go up or go down, and that's Mr. Tolley's suggestion. I haven't added it up but it's going to be over \$400,000 easily.

Commissioner Diesen stated \$451,000.

Commissioner Hall reiterated \$451,000, and I think out of courtesy to Mr. Tolley who I believe has probably put a lot of time into his presentation, that we owe him the courtesy of saying yea or nay as a Commission. Now maybe we're not ready to deal with that right now, maybe we want to throw some more ideas out on the table but at some point we have to address that issue.

There being no comments at that point, Commissioner Hall then stated I'll be glad to address it.

Chairman Allen stated go for it.

Commissioner Hall stated I would like to do it but I think we're in a position where we can't do it.

Commissioner Diesen then asked Commissioner Hall if he was finished.

Commissioner Hall stated yes.

Commissioner Diesen stated I think the very least we owe Mr. Rodi is the balance of his contract and the reason I say that is if we had been dissatisfied with him and fired him, his contract would have called for that. But as it is he's leaving us for not reasons of his own that were generated by him and therefore I think we owe him the balance of his contract and I don't know how we can argue with that. You know, he has had to endure things and I have known about most of them, or a lot of them for the last nearly five years. I know a little bit about what he has had to put up with because I've put up with a lot of stuff too, but I believe that in all fairness to him that the balance of his contract is due to him and if you don't agree that's something else. But as I said, remember if you had fired him you would have paid him, and that's kind of, there's something wrong with that isn't there, there's something wrong with that equation, it's not right. She commented so maybe we ought to withdraw his resignation and fire him.

(7-a) Monetary Merit Reward (cont.):

Chairman Allen then asked if there were any other comments.

Commissioner Zeller stated just going back to the dollars, there were 27 months...

Commissioner Diesen stated left on his contract.

Commissioner Zeller reiterated left on his contract at \$13,600 a month, and that math comes out to...

Commissioner Diesen stated about \$369,000 I think, maybe I'm wrong.

Commissioner Zeller stated and if we were to fire Mr. Rodi, we would owe him \$369,000.

Commissioner Diesen stated yes, and plus, plus.

Chairman Allen stated yes.

Commissioner Hall stated plus, plus meaning sick leave and annual leave on top of that.

Ms. Klinkenberg interjected we don't get sick leave, we don't have any sick leave, we just have PLT and he's entitled to that now anyway.

Commissioner Diesen stated but in some, I don't know, I don't have his contract in front of me but if it was fashioned after one in the City it would have included in that package would have been not only that salary but the other benefits went into that too.

Ms. Klinkenberg stated yes, he still would get the 16% into The Principal and the other benefits that would go in.

Commissioner Diesen stated no there was an aggregation in the one contract that would be inclusive before you made the division of the monthly salary, but this just takes it straight, just his salary. And he was subject to an increase in the CPI, well last year it wasn't.

Ms. Klinkenberg stated yes, and we followed that contract, and he's actually, everybody and probably this hasn't been publicized before and he made not too thrilled with it, but he actually took a cut in pay when the CPI dropped.

Commissioner Diesen stated yes, because of the CPI this year. She added he wasn't the only one, everybody that gets a check from the government took one.

Ms. Klinkenberg stated yes, and you know I completely agree with all of you and everything that Mr. Rodi has done for the Utilities Commission. I've worked very

(7-a) Monetary Merit Reward (cont.):

closely with him for the past five years that I've been here, incredible man and incredible leader. But as Finance Director I also have to remind you we do not have a reserve, we are a zero-based budget, and you would have to direct us where you want us to get the funds from to cover this. I don't have an issue paying out whatever you deem possible for him and he's entitled to whatever you agree. We would need some help managing to pay it because we don't have reserves.

Commissioner Zeller stated Ms. Klinkenberg if we fired Mr. Rodi we would have to pay him.

Ms. Klinkenberg stated I agree.

Commissioner Diesen stated then what would you do, where would you get it, of course and likely it would be paid out monthly anyway. I mean if I were in his shoes and I were getting it.

Ms. Klinkenberg stated we would have to restrict other areas, we'd have to watch every line item and cut back. It would be very difficult, and I'm not saying you shouldn't because I think Mr. Rodi is entitled to that and more. He's done an incredible job for the Utilities Commission, I agree with every bit of it.

Commissioner Hall stated let me be sure I understand. The money's not there and you would expect this Commission to decide where to take it from, some other fund.

Ms. Klinkenberg stated maybe you could give us some ideas from where you would like us to take it from. I mean that would really ultimately I guess be my choice, decision where it's going to come from out of the finances.

Commissioner Diesen stated I'm sorry but I think that's your job to give us options.

Ms. Klinkenberg stated yes and I agree but I guess I just wanted to make sure you were aware it's going to be a significant impact to the budget. I will be able to manage whatever you say, we've done it before with other horrendous fees that have come up after the budget has been produced. It's very, very tight for this year, it would probably have to be some reduced capital expenditures in order to cover a very large bonus. I'm not saying he's not entitled to it, I think he's entitled to that and more.

Commissioner Diesen stated it also depends on how it's taken out, because if it's paid out over a year or over the next 18 months or whatever, then that makes a difference too.

Ms. Klinkenberg stated it would make it easier yes.

Commissioner Diesen stated but then again if we fired him we would find the money.

(7-a) Monetary Merit Reward (cont.):

Commissioner Reynolds stated let me put a different perspective on it from my standpoint. We took a pledge here to ensure that we protected the ratepayers and they got their money's worth, that we ran an efficient ship which Mr. Rodi has done a wonderful job for. By the same token when you take a look at our ratepayers who are coming in daily trying to work something out with us, I think we have to put that in our perspective of what is a reasonable bonus for the good work he's done. Of course I'm darn disappointed that he's resigned and I still think we owe him something but I think the numbers you're talking about are above things that I would consider to be appropriate.

Commissioner Zeller stated I agree with Commissioner Reynolds, the times are pretty tough right now, we've got some ratepayers that are having a tough time paying their bills. And Mr. Rodi he's not, he's earned the money but can we afford to pay the money.

Commissioner Hall stated well, I agree with both of you, as I said earlier I would love to give him the 27 months but based on what Ms. Klinkenberg's just told us I'm concerned about that but the ratepayers, let's be honest, if we would do that they simply would not understand it and I think we would open a big can of worms that we would have a difficult time shutting down. And further more we are in a search for a new CEO who is going to start at a higher salary than Mr. Rodi did that we're going to have to pay. I'm a big Bob Rodi supporter, I tried to talk him into staying when I had my private meeting with him but we all know why he's going. But I'm going to suggest a figure and then ya'll can chew it up and spit it out, I'm going to suggest a severance package of \$175,000, paid out over two years.

Commissioner Zeller confirmed Commissioner Hall stated \$175,000.

Commissioner Diesen stated well I think the payout ought to be up to him, you know.

Commissioner Hall stated well but I'm thinking in terms of what we're faced with according to Ms. Klinkenberg, that we're going to have to find it some place and it seems that if we spread it out over a time period that...

Commissioner Diesen stated you mean this fiscal year and next fiscal year, not necessarily by month but fiscal years.

Commissioner Hall stated right.

Commissioner Zeller stated is that in the form of a motion.

Commissioner Hall stated no, I threw it out for discussion. He then stated I'll make a motion.

Commissioner Reynolds stated go back until last year when we discussed giving Mr. Rodi a merit bonus at that time. If you recall we didn't talk about a number, but we

(7-a) Monetary Merit Reward (cont.):

certainly talked about a reasonable bonus at that time. We probably made a mistake of accepting his denial of not wanting a bonus because he was concerned about the ratepayers and where the utility was. I just feel that down in Mr. Rodi's heart he sort of feels the same way, he's not begging. The other point I want to make...

Mr. Preston stated may I interrupt you before you go too far, continue, there's a motion on the floor so just for a point of order the motion needs to be addressed either with a second or a failure and then there can be discussion regarding the motion.

Commissioner Diesen stated I'll second it for discussion purposes.

Commissioner Reynolds stated so in my opinion I think \$175,000 is too much, I think perhaps something in between, say \$100,000 would be good. I think if you take a look at the figure I pushed out there, divide it by the \$22 million which is a savings for our ratepayers, I think that is something reasonable and acceptable.

Commissioner Hall stated so you're saying \$100,000.

Commissioner Reynolds stated right.

Commissioner Hall stated I will just share with you when we were discussing a bonus last year, I was thinking in terms of \$20,000 or \$25,000.

Commissioner Reynolds stated that's why I brought up \$30,000 initially.

Commissioner Diesen stated well if it's \$30,000 over five years that's \$150,000. And if you'll notice in a lot of the applications we got people mentioned bonuses and it's not unheard of, 30% to 40%, and we only have to look at Wall Street to see that bonuses are still in vogue.

Commissioner Reynolds stated unfortunately we can't make a profit like Goldman Sachs.

Commissioner Hall stated are they making a profit.

Commissioner Diesen commented well that remains to be seen doesn't it.

Commissioner Zeller then stated well, how about we go with \$137,500.

Commissioner Diesen stated we've got a motion and a second on the floor.

Commissioner Hall stated I'm going to call the question on my suggestion.

Chairman Allen stated okay Commissioner Hall made a motion for \$175,000 paid over a two fiscal year period. He stated after all this discussion, please call the roll.

(7-a) Monetary Merit Reward (cont.):

Commissioner Hall's previous motion did not pass, a majority of the U.C. Commissioners voted no. Commissioner Zeller, Chairman Allen, and Commissioner Reynolds voted no; Commissioner Hall and Commissioner Diesen voted yes.

Commissioner Diesen then made a motion for the U.C. to pay Mr. Rodi \$150,000 as a merit award. Commissioner Hall seconded this motion.

Chairman Allen asked for a roll call vote to be taken on this motion.

Commissioner Diesen's motion then passed with a majority of the U.C. Commissioners voted yes. Chairman Allen, Commissioner Diesen, and Commissioner Hall votes yes, Commissioner Zeller and Commissioner Reynolds voted no.

Commissioner Hall stated we did not talk about, that motion did not include how to pay it out.

Commissioner Diesen stated let that be worked out.

Commissioner Zeller added why don't you give Mr. Rodi that choice.

Commissioner Reynolds stated yes, I also think Ms. Klinkenberg could look at it from, what Commissioner Diesen said, you know where does it come from, some recommendations.

(7-b) Interim CEO/GM Position:

Chairman Allen stated okay as we move on to item b., to bring up the discussion as far as possible looking at an interim CEO/General Manager position. That also came from our Special Meeting, from back in March. Do we want to open that up for comments or questions.

Commissioner Diesen stated do we think we're going to need on, we're not going to be on a fast enough track that we're going to need one.

Chairman Allen stated I personally believe we're on a fast enough track where we may be able to wait on this, just move this to the next Regular Meeting. Personally if we need one, that would be an opportune time if we felt we needed one.

Commissioner Diesen stated it would be the next meeting.

Chairman Allen stated yes, which is May 10, 2010.

Commissioner Diesen stated do you need a motion to move this or what.

(7-b) Interim CEO/GM Position (cont.):

Chairman Allen stated I believe we do, don't we.

Commissioner Hall stated hold on, I want to discuss it.

Mr. Preston stated yes you do.

Chairman Allen stated we need a motion to move this, not to address it here but to move to May 10th.

Commissioner Hall stated okay, we're moving what to May 10th.

Chairman Allen stated if we need an interim.

Commissioner Reynolds stated now is Mr. Rodi going to be available during that period of time.

Chairman Allen stated until the 24th.

Commissioner Reynolds stated 24th of April right.

Chairman Allen stated May.

Commissioner Reynolds stated oh, well I don't see why if he's still on the job.

Commissioner Hall asked Chairman Allen do you feel that we're going to be, if everything falls into place with the five finalists that we decide on the person that we want, that we can have someone names by May 24th.

Chairman Allen stated I believe so, as a matter of fact I feel so confident that I believe we can have someone by May 10th.

Commissioner Hall stated well I agree with you as long as we're able to do the correct vetting on it. He then jokingly asked are you and I going to Samoa.

Commissioner Diesen interjected no, I get to go to Samoa.

Commissioner Reynolds stated wait a minute I was the guy who brought his name up.

Commissioner Hall stated I was.

Commissioner Diesen commented but I liked him, I just didn't say so.

Chairman Allen stated yes, I believe the track that we're going to be following, we very well should have a real good handle on our next CEO/General Manager.

(7-b) Interim CEO/GM Position (cont.):

Commissioner Hall stated are we going to decide tonight who on this Commission will go out and check out the five finalists, after we get back from Mr. Preston his little search (background checks).

Chairman Allen stated right, we've got a process right here and maybe we can discuss that along with this handout here. He stated I haven't handed it out yet, this will be under item 8. that we're going to discuss it.

Commissioner Hall stated okay.

Chairman Allen stated okay, we'll tackle that. He stated so we need a motion to move this item b. for the Interim CEO/General Manager's position to just move it forward to May 10th.

Commissioner Diesen stated so move and Commissioner Hall seconded the motion. This motion then passed unanimously on a roll call vote.

(7-c) Communication Item: Mayor Barringer's Letter Dated 4-8-10 to Chairman Allen and Chairman Allen's Response Letter Dated 4-13-10:

Chairman Allen stated the communication item, Mayor Barringer's letter that was dated April 8, 2010 to me as the Chairman of the Utilities Commission and my response. I thought it was important to bring it here, as I made that timely response to the letter, and just wanted to bring it for open discussion.

Commissioner Diesen stated I thought we did that.

Chairman Allen stated well, we discussed it while the Mayor was here. With that letter, I think the important thing within the letter kind of addressed I was going to go to the City Commission to respond on the credit that was coming on the fuel on the electric side and present that along with the progress that we've made. But with these issues that were added into this letter, the Utilities Commission itself speaks as a whole, I cannot speak for this Commission. I can speak as an individual but I can't speak for the Commission. I apologize for not going to the meeting, I had several other obligations dealing with some family issues with some folks. And then along with this letter that was received, to look at the letter and you've all seen it, it was almost like you wouldn't want to step out there and there was a need for a response to that. I can't respond for this Commission, as an individual, without your acknowledging so. That's where I come from with this.

Commissioner Diesen stated okay the item of having someone named with this Commission to select, is that, I thought we had already discussed that.

Chairman Allen stated yes we did.

(7-c) Communication Item: Mayor Barringer's Letter Dated 4-8-10 to Chairman Allen and Chairman Allen's Response Letter Dated 4-13-10 (cont.):

Commissioner Diesen stated and I thought we all agreed that was our job.

Chairman Allen stated right, that is. As a matter of fact we agreed that was our job back at the Special Meeting in March, and we'll follow that track.

Commissioner Diesen stated and we also agreed didn't we, at that same meeting, that we should postpone a meeting until we have a new CEO.

Chairman Allen stated yes we did.

Commissioner Diesen then stated what else are we responding to.

Chairman Allen stated well it's all been responded to as I responded.

Commissioner Reynolds stated can I bring up an item.

Chairman Allen stated yes.

Commissioner Reynolds stated first of all, we here are certainly doing, selecting a new CEO very openly. An open meeting, an announced meeting, and all the right stuff. I still think we would be remiss if we didn't do the best to make sure that it was well known of the five finalists, have available their resumes, ask the City Commission to take a check, we will select the guy but we should keep it open in my mind so that someone doesn't think there's some secret name up there, you know, that we've already selected; which we know is not the case among the Commissioners. So I would like to see us at least have available the resumes here which someone can ask for under Freedom of Information, and have them available if someone wants to look at them.

Commissioner Diesen stated well I think they have been, well that will be in the newspaper anyway won't it, about the five finalists and their resumes are available.

Commissioner Reynolds stated is anyone here from the newspaper?

Commissioner Zeller stated no, that has always been.

Commissioner Diesen stated we're not an item, unless we do something, I don't believe the newspaper has yet reported the reduction in fuel and purchased power costs.

Ms. Klinkenberg stated yes they have and it was misstated.

Chairman Allen stated Ms. Simmons is very prompt in providing the minutes from these meetings and any action that we take. That information is sent to the City Commission and over on the City end, that they're aware of all that is taking place. Our meetings are

(7-c) Communication Item: Mayor Barringer's Letter Dated 4-8-10 to Chairman Allen and Chairman Allen's Response Letter Dated 4-13-10 (cont.):

publicized and open and the agenda is available and anybody is welcome to come to those meetings, to be able to participate in an open meeting. Workshops are a lot of times closed to this particular body as we make those decisions, but there is always that information available. We strive, hopefully, to be really above board and ahead of track so everybody has ample time to be able to see that information, and I think this Commission had done a well job of that.

Commissioner Reynolds stated well if that's the case of you know they're going to get the notes, I'm making a suggestion that we include the five finalists resumes with those notes.

Commissioner Hall stated are you beating around the bush.

Commissioner Reynolds stated no.

Commissioner Hall stated no, I'm not being sarcastic, is this for everybody or are we going to send the resumes of the five finalist to each City Commissioner.

Commissioner Reynolds stated well that's one way of getting the news out, if anyone's interested.

Commissioner Zeller stated why don't we...

Commissioner Hall interjected because I think we need to be reminded that they appoint us yet we're independent, I mean but we all saw out of I don't know how many utilities someone tried to tell me this morning that are set up like we are. I don't know of any in the state of Florida, Orlando used to be like us but they separated a number of years ago. Again, I think we have to take into consideration that if we're going to work, whether it's this year or ten years down the road with City Commissioners or the City Council we need to keep them in the loop, and I think sending them the five resumes is something that we just need to do.

Commissioner Zeller stated I agree with that.

Commissioner Diesen stated well if you put that in, if you make them a part of the agenda package, then that package goes out to them and to anybody else right. If the newspaper wants the package, they get the package.

Commissioner Zeller stated to Commissioner Diesen, I think if we just did the five packages for the five Commissioners, the Mayor, you know four and one, and just kind of extended a hand.

(7-c) Communication Item: Mayor Barringer's Letter Dated 4-8-10 to Chairman Allen and Chairman Allen's Response Letter Dated 4-13-10 (cont.):

Commissioner Reynolds stated that's all I'm suggesting, it's part of the meeting, so we could just include the resumes.

Commissioner Diesen stated well right but why would you want to pull them out of the agenda packet if they're part of the packet from the workshop, or I mean, whatever.

Commissioner Zeller stated well whatever we decided tonight, if we number it, then we need to send each individual, I think, Commissioner their resumes.

Commissioner Diesen stated whatever.

Commissioner Hall stated I think that it's such an important search that we need to do that and I would suggest that our Chairman take that step and make sure.

Chairman Allen stated we sort of got side-tracked on the issue that we were actually addressing, I don't know if you realize it. It got into that because of this communication, Mayor Barringer the letter, we got side-tracked because that was in part of that in placing a City Commissioner in the process. I think we need to address this issue right here, the agenda item 7-c first and then when we get to item 8. we can discuss some of the concerns of making sure that as we're walking through this process that information...

Commissioner Hall stated I thought we had already addressed it by the actions we took, this morning and ...

Chairman Allen stated no I think there needs to be an acknowledgment of the action that I presented. He directed to Counselor Preston is that not correct?

Commissioner Hall stated you want us to confirm your letter.

Chairman Allen stated confirm the action.

Commissioner Diesen stated I thought the letter confirmed the action we'd already taken but then.

Mr. Preston stated I don't think there is a need for any formal action at this point. Your consideration earlier and whether you re-consider now the process and how you conduct the process, which you've already begun in the selection of the CEO again is your decision. You had discussed that even earlier tonight, reconsidered that again earlier tonight. You may always reopen that but at this point, nothing further.

Chairman Allen stated okay, we can put this to rest, we're putting this to rest. So item 7. is complete, let's go to item 8. Possible Other Business and Time for Commissioners.

(8) Possible Other Business – Time for Commissioners:

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process:

Chairman Allen stated in this item here I've got a handout which is a draft. (He proceeded to distribute a copy to all Commissioners, Legal Counsel, and the Recording Secretary. He stated if you'll take a look at that. Inside of the workshop we asked Mr. Rodi a question somewhat about the five candidates that got on the shortlist and it's hard to address and move forward on what we asked him to do without walking through this formal process. I'm going to read the steps that are laid out here on page one. The first step is to formally adopt the shortlist of candidates which we have listed behind Mr. Preston. And then during the next two weeks conduct a telephone interview with the five short listed candidates using a standard set of questions to be asked of each candidate, a request for three professional references and request a signatory authorization to perform background checks. An interview team would consist of possibly Chairman Allen, Counselor Preston, and the Utilities Commission current CEO/GM, or an alternate if not available, and Mrs. Simmons as a recorder.

Chairman Allen stated next, a summary results of the Q&A with commentary as appropriate would be provided to each Utilities Commissioner with review with the respective resume. A Special Meeting can be called to decide which candidates will be asked to attend another Special Meeting or the May Regular U.C. Meeting, to be determined at the Special Meeting for personal interviews at the Utilities Commission. At the meeting consisting of personal interviews, a sole finalist can be determined to include a ranking of all interviewed.

Chairman Allen stated then a negotiating team can be established to create a contract with the sole finalist. The negotiating team could consist of Chairman Allen and Counselor Preston. If the negotiations are not successful with the sole finalist, the negotiations would proceed to the next candidate. Then upon successful negotiations, a copy of the proposed contract could be provided to each Utilities Commissioners. Another Special Meeting can be held adopting or modifying the contract. If there is not consensus regarding the contract in this Special Meeting, the candidate could be available by phone to response to the Commission's concerns or requested modifications, or if not available a time period for a response can be established.

Chairman Allen stated the requested action we're looking for is to authorize the use of the above selection process and participants suggested; authorize the team interview concept and listed candidate questions, as attached hereto; and then also authorize the addition of other relevant questions to be asked of all candidates, as appropriate to the process and not currently stated.

Chairman Allen stated so as you look at the other pages, you see that's a fairly extensive amount of questions as far as in that interview process. As you've looked at it are there any comments or input that we have here.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Hall stated yes, I have a couple of questions. On the interview team, you are the only Commissioner on it and I would suggest that we have in place of Mr. Rodi a second Commissioner.

Commissioner Diesen stated then it has to be a meeting, then it's public, it's in the Sunshine.

Commissioner Hall stated I retract that statement. Second, we talked this morning about going to the places where the five candidates live, or whatever the numbers going to be and doing some interviews. The thought this morning was two Commissioners and Chairman Allen I'm afraid that you're probably going to be the one who has to go to all five as Chairman. I know that you have a busy schedule but I think that's the best, I don't see that as a next step in this document.

Chairman Allen stated that wasn't plugged into this topic. I think it would be more than just me that's going, I do have a heavy schedule if that was to take place. One thing is as I think about is as we walk through this, as we begin this with five people and you start walking through this process you may find that you're getting down to three real probable ones and when you get to that point maybe you may want to send someone to follow up in that community.

Commissioner Hall stated then I think we need to put it as a step or a possible step, it needs to be, if we're going to vote on this.

Chairman Allen stated so plug that in there as another.

Commissioner Diesen stated right, because after these phone interviews and we all read the transcripts, it's real possible that you're going to be down, you could be down to one.

Commissioner Zeller stated okay, so the interview team is going to happen after the two weeks we're going to spend telephoning. I believe that in the spirit of cooperation between the Utilities Commission and the City Commission that I think the Mayor would like to interject a person at that interview team.

Commissioner Diesen stated you mean on the phone interviews?

Commissioner Zeller stated no, no, third an interview team.

Commissioner Diesen stated that is the interview team.

Commissioner Zeller stated right, but you're doing in two weeks, you're kind of vetting them. Bring the people here and let...

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Diesen stated the interview team is Chairman Allen, Counselor Preston, and Mr. Rodi.

Commissioner Zeller stated we can put in another person.

Commissioner Diesen stated that's the top of the stuff.

Commissioner Zeller stated I thought the top was...

Chairman Allen stated no, that's part of the telephone interview. Where there would be input would be under the Special Meeting that would be called. As we go through that interview process and as that commentary is given to you.

Commissioner Diesen interjected when they're here.

Commissioner Reynolds stated when we selected Mr. Rodi, if I recall, we had three candidates and they were all out there. And we all had a chance to speak with them and talk to them. With the modern telecommunications we have today, I don't really see why all of us couldn't meet formally and get them on a Skype, which is a video conference or telephone so that we can all listen to Chairman Allen ask these questions and get a sense about how we feel about them. It's done faster, then...

Commissioner Diesen stated we can Skype from the laptop to the big screen.

Commissioner Reynolds stated sure, and we all get to see them, everybody out there gets to see them. We see how they act, we see their mannerisms, we get a lot better feel and I just feel like all of us are responsible for selecting the very best man and I would like to try to do it that way.

Commissioner Diesen stated yes, and Chairman Allen can ask the questions.

Commissioner Reynolds stated sure.

Commissioner Diesen stated we have that capability right, to Skype? Yes, that works, then we just have to set up the interviews. Anybody can attend, it just has to be a formal meeting.

Chairman Allen stated would it be a formal workshop.

Mr. Preston stated you could do it in a workshop or in a meeting itself, just so long as it was published and open, if we are gathering together.

Commissioner Zeller stated that way we satisfy the Mayor's request, it's all open.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Diesen interjected everybody's request.

Commissioner Reynolds stated all the City Commissioners and the Mayor can be here, they could see them. We'll have a back up system of telecommunications if the Skype doesn't work, but it works pretty reasonably.

Commissioner Hall stated now if it's a workshop, we're not going to be able to make any decisions, so I'm going to suggest that we make it a Special called meeting, just in case we decide we want to cut somebody out.

Commissioner Reynolds stated I think that's good, I have no problem.

Commissioner Diesen stated well, that's fine, because after that we might come to a conclusion.

Commissioner Reynolds stated we might in five days, you know, in two days.

Chairman Allen stated for your information these interviews are not short, if you look at the questions, if we go through the list of questions they could take an hour and a half to two hours per individual.

Commissioner Reynolds interjected and we're getting paid a lot.

Chairman Allen stated you need to be aware of that.

Commissioner Reynolds stated maybe when we look at these questions, there may be some that will be answered in their responses.

Commissioner Hall stated well the first two questions have already been answered by some degree by their resumes they sent in.

Commissioner Reynolds stated Chairman Allen would just have to say obviously you submitted your resume. The next question I would ask is are the salary ranges that we're considering, which we haven't decided, is that something that you would commit to. If they say no, bang, there goes one right there.

Chairman Allen stated yes, and the other suggestion that I have is prior to the interviews these questions, the questions we're going to ask them, that would be provided to them, to give them ample time to be prepared, not to be caught off guard.

Commissioner Zeller stated it's going to be an open book test.

Commissioner Hall stated we're going to open, we're going to give the candidates these questions.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Chairman Allen stated yes, these questions or if you decide to add something to it, so that they have the ability to answer somewhat, not being just caught off guard and to be able to have a thought process.

Commissioner Reynolds stated well when we were appointed at the Utilities Commission, in front of the City Commission, we didn't have a chance to study.

Commissioner Hall commented I didn't have any questions when I got here.

Commissioner Diesen stated no, you were special.

Commissioner Hall stated I wasn't either.

Chairman Allen then asked what is your desire.

Commissioner Reynolds stated my desire would be able to have an open meeting, like Mr. Preston suggested, and I personally am somewhat reticent about giving them the questions, sort of like was said an open book. We want to see how these people respond. In fact one question here, what is your understanding of the Utilities Commission's governing structure as a legal entity. If they haven't been on a utility commission, none of them will have an answer on that.

Chairman Allen correct or they haven't done their research.

Commissioner Reynolds stated that's a possibility, that will tell you a little about it.

Commissioner Zeller stated well suppose we cut it, tonight could we cut it down to three people. We had a question mark on one, if we cut it down to three, then it will make this meeting go a lot better. And if we bomb out and we don't like them we'll start over.

Chairman Allen stated I don't think so, we made that decision in the Workshop to look at these five and I think we need to move forward on it.

Mr. Lemoine, the U.C.'s I.T. Director, addressed the Commission and stated I just want to bring to the attention of the Commissioners that if you decide to do a Skype interview, surely we can make that happen here but the person on the other end has to have a Skype connection as well or be in a teleconferencing facility in order for us to see them; so we could see each other.

Commissioner Reynolds stated that's true and I think we can call them and we can tell them where to download Skype if they don't have it.

Mr. Lemoine added and they have to have a camera on their end too.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Reynolds stated yes.

Commissioner Hall stated I want to go back to the questions. I would suggest that we give ourselves some wriggle room maybe help and change the language. I don't have a problem giving them a pre-set list of questions as long as they understand that we may ask additional questions that are not on this list. Something may come up during the interview that strikes one of us as odd or something that we need to ask them in addition to these questions. So I think, don't we Mr. Preston, if we need to adopt this we need to have some leeway in the ability to ask additional questions.

Mr. Preston answered certainly that's your choice as to whether or not you want to be restricted and constricted to a set of questions or not.

Chairman Allen stated to Commissioner Hall I think we've done that in that last paragraph on the first page.

Commissioner Hall stated you're talking about that last phrase.

Chairman Allen stated right, and also authorize the addition of other relevant questions to be asked of all candidates. So there's that possibility that those will pop up.

Mr. Preston stated as far as the process and part of the process, there are two items that need to occur before we come back if that's what you choose to do. And that is one, of course, to formally adopt perhaps tonight the five that were chosen this afternoon (during U.C. Workshop meeting). Secondly, we would need to have the telephone interviews simply to gain the permission from the candidates for background checks which I assume you would want to perform prior to the interview process if that's the manner in which you do that.

Chairman Allen stated correct.

Mr. Preston stated so there is some time, though not much I wouldn't expect, in accomplishing those two items before actually having the interview. Perhaps it may be that you want to consider the questions that are to be asked to each candidate, and then prior to the meeting in which you conduct the interview, have a meeting between you to determine if there are in fact additional questions and what they would be to ask the candidate. That doesn't address your concern regarding whether you forward these questions to each candidate prior to, but it may address the flexibility Commissioner Hall mentioned regarding additional questions.

Commissioner Hall stated did we forward questions to Mr. Rodi when he was interviewed.

Commissioner Diesen stated no, we didn't, we hit them all cold.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Hall stated yes, we did. He then asked Mr. Rodi, and that's been the normal trend hasn't it.

Mr. Rodi nodded affirmatively from the back of the meeting room.

Commissioner Hall stated but now the other thing is, this is being discussed in the public meeting and somebody might forward, might ask.

Commissioner Diesen stated all they have to do is get a copy of the agenda, it's on the web. And if I was one of those five...

Commissioner Hall stated I'd do it.

Commissioner Diesen stated you betcha, in a New York minute.

Chairman Allen stated okay.

Commissioner Hall stated so what did we decide.

Commissioner Diesen stated I'm thinking this list of questions maybe could be condensed.

Commissioner Reynolds stated yes, I think so.

Chairman Allen stated can we, as we walk through this here, we know number one, the one part of the motion has to be we need to adopt, make a motion to adopt the five candidates. Secondly we know that we need to do, there needs to be an initial interview done with an interview team to be able to just touch base with them, to get permission for the background checks.

Commissioner Diesen interjected and to let them know they're one of the five.

Chairman Allen reiterated and to let them know they're one of the five and to be able to, through that interview team, like bullet three, Chairman Allen, Counselor Preston, and current UC CEO/General Manager, and then also if our General Manager isn't available have an alternate, along with Mrs. Simmons as the recorder so that information can be available to the Commissioners. So we've come to that point, so we can make that initial...

Commissioner Diesen stated okay, so the adoption of the short list, that's one motion.

Chairman Allen confirmed that's one motion.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Diesen stated the next one would be telephone interview which would be from you (Mr. Preston) right, to get permission and let them know they're a finalist. We're not going to be asking them questions at that point, we don't want to go into a lot of extra work...

Chairman Allen stated no.

Commissioner Diesen continued, if they're not going to cut it when it comes to the background.

Commissioner Reynolds stated I've got a motion to cover those two things if I may. Number one, I make a motion to adopt the five names that we have there and the motion also includes the Chairman and Counselor Preston calling these folks, making sure they are aware they are final candidates and are they willing to proceed further with the interviews. And if Chairman Allen and Counselor Preston wish to ask them any questions on this list fine.

Commissioner Diesen stated don't forget their background check, we have to get their permission for that.

Commissioner Reynolds added and get permission for the background checks. He stated I would like to combine those two because I think that could be taken place within days.

Commissioner Hall stated well now the background check needs to be first.

Commissioner Diesen stated yes, before any questions are asked.

Commissioners Hall and Reynolds concurred.

Commissioner Diesen stated it's just a matter of talking to them and tell them you're a finalist and may we have your permission to do a background check on you before we go to the next step, bing, bing, that's it.

Commissioner Zeller interjected you may lose one.

Commissioner Diesen stated yes, or somebody may be hired somewhere else and you may lose two.

Commissioner Zeller stated right, exactly.

Commissioner Reynolds stated I will modify, amend my motion that Chairman and the Counselor notify the folks that they're a finalist in the interview, and obtain, I presume you would have to get written permission which you can do over the internet for background checks.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Mr. Preston interjected and to formally adopt the five that were approved today.

Commissioner Reynolds stated yes, and that's my motion, I'll stick to that.

Commissioner Zeller stated I'll second that.

Chairman Allen confirmed Commissioner Zeller seconds and he then asked for a roll call vote.

Commissioner Reynolds motion then passed unanimously on a roll call vote.

Chairman Allen stated okay as we get through that process and as we accomplish that, then there will be a Special Meeting called and we will be able to have some type of communication to ask these questions.

Mr. Preston requested a point of clarification on the previous motion, initially you had mentioned the three individuals including Mr. Rodi and also Mrs. Simmons as part of that team, but I didn't hear that in the second motion, do you intend that.

Commissioner Reynolds stated yes, I intended that.

Mr. Preston stated I thought you did but I didn't hear the verbiage.

Commissioner Diesen then asked why, I don't understand why, explain to me why if you're just going to say you're one of the finalists, can we do a background check on you, boom, boom. You could do that, he could do that, I could do that.

Commissioner Reynolds stated and Commissioner Diesen confirmed, Mrs. Simmons could do that.

Chairman Allen stated it's been addressed in the motion that Counselor Preston and I will get in contact with these folks.

Mr. Preston stated okay, that's what I needed to clarify.

Commissioner Diesen added and, or.

Chairman Allen reiterated and, or, and added so we're there.

Commissioner Diesen stated okay.

Commissioner Hall then stated let's talk a minute about Special Meetings. I'm going to be out of pocket due to a graduation, I have a daughter in medical school. He then asked does anybody have a calendar. I'm going to be out of pocket May 19th through the 23rd.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Diesen commented we'll have somebody by then.

Commissioner Hall stated and also the evening of May 8th.

Chairman Allen stated me personally I'm looking ambitious, we may be doing the Special Meeting first week in May in the first part of the week, like May 3rd or 4th, somewhere in there in May.

Commissioner Diesen stated I'm gone the 6th to the 10th, I get back the afternoon of the 10th, I plan to make that meeting.

Chairman Allen stated okay, well it will be in the first week prior to that.

Commissioner Diesen confirmed it would be the first part of the week, because she lives that Thursday for New York.

Chairman Allen commented it may even be before that. He added I have great expectations.

Commissioner Reynolds stated can I make a suggestion, can Mr. Rodi, can the staff investigate the best way to provide some kind of telecommunications, some video.

Mr. Rodi nodded affirmatively and Commissioner Reynolds stated he appreciates that.

Chairman Allen stated okay, so we'll be having an open Special Meeting with the candidates in asking the questions through some communication media, and then also following that as we come down and get to the point where we have a categorized one, two, three, prioritized the candidates so that the primary one comes out to be able to successfully negotiate a proposed contract with them. Then that will be provided to each U.C. Commissioner and another Special Meeting would be held to adopt or modify the contract. If there's not consensus regarding the contract during that Special meeting the candidate would be available by phone to respond to the Commission's concerns or request modifications if not available at that time period to be able to respond to that.

Commissioner Diesen stated I'm still concerned about having a Special Meeting where we're going to Skype five people and ask them 48 questions. I think we need to talk about that questioning and whether they're going to be back to back to back, which would be ideal if we could do it in a 30 to 45 minutes time blocks. But if you start talking an hour for each one, we're here five hours.

Chairman Allen stated yes, and we may be able to condense that list of questions somewhat.

Commissioner Hall stated either that or break it down into two days.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Chairman Allen stated if you're going to ask every question that's on the list, it's going to be two days, but there may be a way to condense and get the answers, get the understanding as we condense it down; try to get it down to a more condensed form.

Commissioner Diesen stated they will answer more than one question without knowing it probably, but there's a lot of this stuff that we know. Do you hold a four year baccalaureate or higher degree from an accredited college or university, we know that from their resume.

Commissioner Reynolds stated we know the next one too.

Commissioner Diesen stated and do they have the ten years.

Commissioner Hall stated and then on the next one too.

Commissioner Reynolds stated I think you could ask the questions, anything on their resumes I would ask them to validate that all that information is true and correct, and that answers about four, five, or six of these questions.

Chairman Allen then recognized Mr. Tolley to speak.

Mr. Tolley addressed the Commission and stated do you folks have a plan "B", I mean I'm hearing this aggressive program but if these folks are all working, I think I heard this morning, I'm not going to say they can't be here by the 10th of May, but what's plan B and C if they say well look we can start in 60 to 90 days. Some of these folks will need to pack up their folks and get over here.

Commissioner Diesen answered we said on May 10th we would address the idea of the need for an interim, at our next regular meeting.

Mr. Tolley stated oh, I'm sorry, you guys keep getting away from those microphones; I'm like Helen Keller up here tonight.

Commissioner Diesen commented she could hear, it was her seeing that was a problem.

Chairman Allen thanked Mr. Tolley.

Commissioner Reynolds stated to Chairman Allen I would have no objection if in the notification bit if you want to say hey, I want to ask you some questions. Then you can come back and...

Commissioner Diesen stated well we don't know at that point, and we've already had a motion and passed it.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Reynolds we did that but I would feel free if I were Chairman to ask them whatever questions I felt like asking and report on that. I'm mainly interested in seeing these folks and hearing responses to my personal questions or yours or everybody else's.

Mr. Preston stated may I make a suggestion of what you may consider. As you read through the questions, there are some very close end questions and some very open end questions. The close end questions requesting particular information or data, how many years have you done something or did you get a baccalaureate degree, is a very close end question, it's a yes or no answer. You could do a blend of the processes where those questions would be submitted to the candidates, either in a written form or in a telephone conference form as Mr. Allen has suggested earlier, simply to get that information. And then the open ended questions be the questions that the larger body ask at that time of the candidate. And then of course, the compilation of the answers of what I called the close end questions could be distributed to you and that would certainly eliminate a significant number of the questions.

Commissioner Diesen stated yes, we could email them to them and give them a turn around time. She added that's a good idea.

Commissioner Zeller stated also on the Florida transparency, Sunshine, you may want to send a copy of that ahead of time for these people to review, they may change their minds once they read it.

Commissioner Diesen stated yes, the Florida Sunshine, some of them could come from a not "Sunshiny" state.

Commissioner Hall stated most of them do.

Chairman Allen then stated so as we try to move forward here on this as far as going through the questioning in this Special Meeting we'll send the yes's and no's and the stuff they can answer to an email, send that information to them. And then leave the other pertinent questions where they will be asked in that open communication. Most likely we will not send them the questions, from my understanding from this Commission up here, just let them answer it just ask previous General Managers.

Commissioner Diesen stated you mean the open ended questions.

Chairman Allen stated yes, the open ended questions.

Commissioner Zeller stated then you can see the body language at the interviews.

After a couple of other comments, Chairman Allen stated okay, so we've got that pretty well ironed out to make, bring that as part of, as a motion, and then moving on to the successful negotiating of the proposed contract as another portion of that.

ADD-ON (8-a) Next Steps for UC CEO/General Manager Selection Process (cont.):

Commissioner Diesen stated that sounds like a good motion, I'll move that we do that, whatever Chairman Allen said was good (approved the remainder of the next steps in the UC CEO/GM selection process as stated above).

Commissioner Hall then seconded the motion.

After confirming there were no further questions or comments, Commissioner Diesen's motion passed unanimously on a roll call vote.

(8) Possible Other Business – Time for Commissioners (cont.):

Chairman Allen stated okay that takes care of that item, time for Commissioner Time. He started with Commissioner Reynolds.

Commissioner Reynolds stated yes. I'm interested in a candidate that would take this ship that Mr. Rodi has taken to calm waters and in a good direction and not reinvent the wheel, and that's my hope and dreams that we can find a person like that. And to Bob Rodi, I can't tell you how much that you have meant to me as a person and as a professional and thank you very much for serving, I wish we could give you \$500,000 personally. Thank you again Mr. Rodi for all you've done.

Commissioner Zeller stated ditto what Commissioner Reynolds just said, thank you Mr. Rodi. It's been five great years, I wish you would change your mind.

Commissioner Hall stated I'm officially asking Mr. Rodi will you change your mind. Will you change your mind Mr. Rodi, one more time.

Mr. Rodi visually indicated no.

Commissioner Hall stated Mr. Rodi thank you for bringing us to this point. It has been a privilege and a pleasure to work with you.

Commissioner Diesen stated to Mr. Rodi you know how I feel and what I think and it breaks my heart and I am very, very sad because I know that not this way again will someone like you come for many, many, many years and maybe never. And we were so fortunate to have you here to do what you've done for us. I know we'll see you again, I hope you'll be around and we'll get to see you, but know how much we appreciate you.

Chairman Allen stated the same comes from here. I appreciate Mr. Rodi, he's given 100% to see this Commission get turned around and looking out for those customers of ours, and to have him on board. It has been a pleasure to work with him, I wish I could work with him a little longer. I understand his needs and as he moves forward I wish him the very best.

(8) Possible Other Business – Time for Commissioners (cont.):

Chairman Allen stated one other comment I want to make, I just want to express to staff, and then also to Mr. White in our Engineering area, working with all the projects there's been a lot of good that has happened here over the last few years and to move those projects forward and to provide the information up here that we understand what's happening. When you're going through that process and I think about the 20" water transmission line that's being put in, you're going to run into bumps in the road and when you run into them you meet those. Mr. Rodi has developed a quality staff that we can know that they've grown with him here and not only has he been as asset to us but he's been as asset to them and I know that they're going to miss him. I'm thankful for the opportunity that he has given them and the responsibility he's placed on them, and they take a hold of that area they work in and they make it managed and the work through it.

Chairman Allen stated from the comments from earlier and having been around this area for a long time and having been a part on the other side of this dais for over 31 years, even as I heard Bill Plaskett comment about some thing in the past, but I'm here to say the past is behind and we're moving forward. I would challenge anybody to find a better community and a better work place. I look forward to quality employees, I look for quality here as we look and think about renewables and having renewable energy resources and water. We have the opportunity in this community to have quality jobs in the future and it has always been my understanding in the last few years, we desire to work in tune with our community where we can but there is definitely that separation because we have our consumers that we need to be aware of and a lot of time that was overlooked in the past. Mr. Rodi has brought that forward and we see how this community can grow but growth doesn't take place on the back of the ratepayers. And we need to understand that as we go forward looking for a new CEO/General Manager to fill the shoes that Mr. Rodi has filled, and they need to see that and understand it. I'm looking forward to it, I think there is somebody out there that will be able to pick up and move us forward in the days ahead. It's a challenge for us but we'll get through it.

Mr. Preston stated may I make one comment before you adjourn, there's one hanging chad in my mind, maybe not in yours. That is who is it that's going to discern and actually disseminate the particular close end questions and who isn't, to make that decision. Did you all direct that to anyone in particular.

Commissioner Hall stated Chairman Allen.

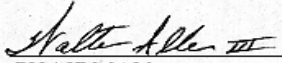
Commissioner Zeller confirmed I think we'll let Chairman Allen.

Chairman Allen confirmed there were no other comments or questions. He thanked Ms. Klinkenberg for sitting on the dais tonight, and added we appreciate it.

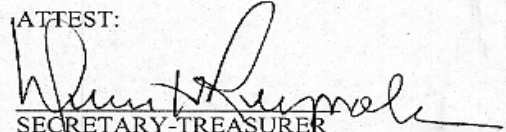
(8) Possible Other Business – Time for Commissioners (cont.):

There being no further business to come before the Commission, Chairman Allen stated we'll adjourn the meeting, the Special U.C. meeting closed at 7:48 p.m.

APPROVED:


CHAIRMAN

ATTEST:


SECRETARY-TREASURER

These minutes were formally approved by the Utilities Commission at their
May 10, 2010 meeting.