

**MINUTES FROM A REGULAR MEETING OF THE UTILITY BOARD OF THE CITY OF KEY WEST, FLORIDA, HELD AT 5:00 P.M. ON SEPTEMBER 12, 2007 AT THE WILLIAM ARNOLD SERVICE BUILDING LOCATED AT 1001 JAMES STREET, KEY WEST, FLORIDA**

The above referenced meeting of the Utility Board of the City of Key West, Florida, convened at 5:00 P.M., on the above date and location and was called to order by Chairman Padron. Present and answering to the roll call were Utility Board members: Peter Batty, Charles Bradford, Mona Clark, Lou Hernandez and Chairman Padron. Also present at the meeting: Lynne Tejeda, General Manager & CEO; Jack Wetzler, Assistant General Manager & CFO; Nathan Eden, Board Attorney; Suzanne Greager, Director of Management Services; Alex Tejeda, Customer Services Director; Dale Finigan, Director of Engineering/Control; David Price, Director of T&D/Electrical and Stan Rzas, Compliance Administrator.

Chairman Padron informed the Board that an additional item has been added under Informational Items. Mr. David Paul Horan has requested to address the Board.

**AGENDA ITEM #4 – INFORMATIONAL ITEMS**

**Agenda Item #4a – Power Supply Report**

Mr. Dale Finigan reported that since the last Utility Board meeting there have been no transmission outages, no distribution outages, fourteen feeder reclosures mainly weather related and seven lateral outages.

**Agenda Item #4b – Generation Report**

Mr. Jack Wetzler reported that currently there are 101 megawatts available. CT #1 is currently out of service for maintenance, a bearing is being replaced. It should be back in service by tomorrow.

**Agenda Item #4c – St. Lucie Project Maintenance & Refueling Outage**

Mrs. Tejeda referred the Board to a letter in their packets from Florida Municipal Power Agency informing that the St. Lucie Nuclear Unit #2 will undergo an extended outage.

### **Agenda Item #4d – Fiber Update**

Mrs. Tejeda stated that originally staff planned to seek approval tonight to award the fiber construction contract in the amount of approximately \$2.9 million. However, the fiber committee met last week and identified some areas of concern that warrant further exploration before making a recommendation to the Utility Board.

Mrs. Tejeda proceeded to provide the Board with some history regarding the fiber construction project. In the fall of 2004 the Utility Board asked staff to develop a plan for an extended private network in which Keys and various other governmental agencies would jointly own a fiber optics communication network throughout the Florida Keys. In early 2005, the plan was fully developed by Black & Veatch. KEYS worked with Black & Veatch to develop a plan to install the fiber. During the summer of 2005, KEYS met with the governmental entities to present the plans for such a network. All entities were interested and desirous of participating; however, when it came time to make the capital investment, none were willing to commit. Into early 2006, variations of the original plan were presented, but there was still no interest from the other entities.

In an effort to determine once and for all if it is cost effective to build a network, KEYS issued a Request for Proposal (RFP) for dark fiber in early Fiscal 2007. KEYS received two bids, both from Bell South and Comcast. KEYS along with Black & Veatch evaluated them and compared them to KEYS building and owning its own private fiber optic network. Black & Veatch presented its findings that developing a private fiber network offered significant advantages, both technical and financial, over the alternative of leasing services. Black & Veatch identified a payback period of approximately sixteen years if KEYS were to build their own network. At a Board meeting in February, the Utility Board approved Black & Veatch's recommendation that KEYS move forward with design and development of a private fiber optic network. The Utility Board was informed that there would be opportunities to have discussions along the way before finally committing to the project.

KEYS issued an RFP for building the fiber network, and opened bids in June. From the day the bids were opened in June, KEYS has 180 days to make the award which will take it to December. The lowest bid came in at approximately \$2.9 million. In Black & Veatch's review of the project they estimated a cost of \$2.4, the actual bids are roughly 20% higher than the amount in Black & Veatch's analysis; however, the Fiscal 2008 budget was set with at the higher amount since the bid opening had occurred prior to approving the budget..

Some of the possible reasons that the cost was higher are that KEYS:

- 1) Asked for spare parts
- 2) Added an extra five miles of fiber
- 3) Added some underground locations that were not included in the original estimates.

Mrs. Tejada informed the Board that Black & Veatch has updated the payback period which is now at twenty four years instead of sixteen years.

What remains to be accomplished in the project:

- 1) Award the construction project
- 2) Decide on construction monitoring – and award a construction monitoring contract
- 3) Hire a consultant to provide the electronics design for the system
- 4) Bid and award the purchase of the electronics

The construction costs are by far the largest component of the costs representing more than seventy percent of the estimate. Before the award is made for the construction project, staff would like to do some further due diligence and run some sensitivities regarding the pricing of the electronics. Before awarding the construction, staff will need to know if the electronics, currently budgeted at \$450,000, will come in above what is budgeted as the construction did. Depending on those sensitivities staff would also like to know what the payback period is. Once staff has answers to these questions they will be in a better position to make a recommendation to the Utility Board.

Mrs. Tejada stated that she would also like some discussion from the Utility Board regarding construction monitoring. For big construction projects, KEYS either hires an outside firm to monitor construction to ensure construction is occurring properly or KEYS' staff is used to monitor construction. Mr. Eden is a proponent of outside construction monitoring because when there are issues with the construction, it is beneficial to have a third party to provide testimony. Staff has looked at this project and believes that a mixed approach is best in this project. KEYS could hire an outside firm to monitor one hundred percent of the construction for a cost of roughly \$255,000 or staff can do much of the monitoring themselves and have partial monitoring from an outside firm. The cost for an outside firm to do partial monitoring will be approximately \$125,000 and \$25,000 for KEYS' labor.

Mrs. Tejada stated that the savings outweigh the benefits of hiring someone for full construction monitoring. Staff would like some input from the Utility Board on their thoughts. Staff will then be in a position to negotiate with a construction monitoring firm so that when the award is made for the fiber the construction monitoring can be done at the same time.

Mr. Batty commented that staff is to be commended especially Mrs. Tejada for catching that this item was over the budgeted amount. He stated that he felt that splitting the construction monitoring is a good split. If KEYS is to be in the fiber business, they need staff to be familiar with it.

Mr. Bradford stated that his only concern is that KEYS is absorbing approximately \$100,000 of staff's time to partially monitor the construction. Due to the other issues staff is working on such as the Storm Hardening Project, is there that availability.

Mrs. Tejada responded that consultant costs are considerably more than staff's charges. There is also a built in component of travel and living expenses for the consultant. It is estimated that the cost for in-house monitoring is approximately \$25,000 which will be split between T&D and the Engineering Department. Staff feels that between the two they can accomplish the appropriate monitoring that is required.

Mr. Hernandez commented that the costs involved come to approximately \$3.6 million which is not close to the original cost staff was looking at.

Mrs. Tejada stated that the original cost was approximately \$3.8 million. Mrs. Tejada proceeded to say that the dollars are available in the FY 2008 budget, the issue is the payback period. She said the main question is: At what level will it be decided that the payback period is too long?

Chairman Padron asked how the monitoring is any different from attachments done with the telephone company and Comcast, aren't those inspected by KEYS staff.

Mrs. Tejada stated that is the reason staff feels confident that they can handle the monitoring. However, staff does not have expertise in the splicing of the fiber and that is the area in which they will need assistance.

Chairman Padron stated that he had hoped to be on the Utility Board to vote on this item but it appears that due to the postponement it may extend beyond his term. He stated that he felt the need to make comments.

Chairman Padron stated that when the Board evaluates the project they need to in mind what the payback was compared to initially. The payback was calculated for KEYS' needs today when Comcast and BellSouth submitted proposals. Going forward into the future this payback does not take this into account. The Board needs to keep in mind that KEYS' needs may expand and that KEYS will be at the mercy of other entities when it comes to rates.

Additionally, he pointed out that there is a real opportunity with other governmental agencies, and this has not been taken into account when you look at the payback period. He stated that the Board should not look at the evaluation based solely on today's needs, they need to look at the future.

Mr. Batty concurred with Mr. Padron's statement.

Mr. Hernandez commented that the fiber will enhance KEYS' capacity to do a better job in the future.

Chairman Padron stated that as a municipal entity KEYS is very conservative in these types of decisions. However, for rewards certain risks must be taken but they must be managed.

Mrs. Tejeda asked the Board if they are agreeable to pursue the hybrid solution of KEYS and staff. The consensus was yes.

#### **Agenda Item #4e – Request by David Horan to Address the Board**

Mr. David Horan stated that he requested to address the Board to inform them of an upcoming project at Stock Island. He stated that he represents all of the Safe Harbor property owners with the exception of KEYS and Florida Keys Aqueduct Authority. In order to conserve the working waterfront a number of steps have been taken. Mr. Horan continued to inform the Board that a plan is in place to develop a large lodging facility on Stock Island where Alex's Junk Yard was previously located. The facility will have 250 units and will withstand 175+ miles per hour winds, will be built forty four feet above flood level and will have auxiliary power. The facility will be designated as a first responder's safe harbor.

Mr. Horan stated that when the first evacuation order is announced the rooms will be vacated and made available for first responders with the Monroe County Sheriff's Department, Key West Police Department, hospital personnel, Florida Keys Aqueduct and KEYS. Mr. Horan commented that Mrs. Tejeda has expressed a need for seventy rooms for first responders. He also informed the Board that first responders will be able to bring their families to the facility. Mr. Horan stated that first responders will be able to stay at the facility at no charge until the FEMA reimbursement kicks in.

Mr. Horan requested that the Utility Board support the amendments to the Working Waterfront Comprehensive Plan. The amendments clarify what has already been adopted by the planning commission. These amendments will go before the County Commission on September 19<sup>th</sup>.

## **Addendum to Working Waterfront Comp. Plan Amendment**

Proposed by Safe Harbor Property Owners

1. WHEREAS, Florida Statute 380.0552 (7) establishes that a principle for guiding development is "(k) To provide adequate alternatives for the protection of public safety and welfare in the event of a natural or manmade disaster and for a post-disaster reconstruction plan"; and
2. WHEREAS, a shelter is necessary to house those emergency personnel that are necessary to conduct the successful evacuation of the general public up to the last possible minute and therefore the emergency personnel may not be able to evacuate the Florida Keys themselves; and
3. WHEREAS, Monroe County Plan Policy 502.1.6 specifies an intent to use existing marinas on inhabited keys with full access to the road network as emergency ports; and
4. WHEREAS, such emergency ports will require lodging for the operators and users of such emergency ports; and
5. WHEREAS, it is important to have a recovery force and materials pre-positioned at a location accessible by land and sea before a hurricane as an alternative to driving down the Overseas Highway; and
6. WHEREAS, a deep water basin provides an alternative to the Overseas Highway as an evacuation route; and
7. WHEREAS, a deep water basin provides an alternative to the Overseas Highway for delivering supplies during the reconstruction after a disaster; and
8. Policy 101.4.7(e) Public lodging facilities that serve as storm shelters and recovery centers for emergency personnel capable of withstanding Category 5 storm force winds and which exceed minimum base flood elevation by at least 1 foot, shall be deemed "Development not impacting hurricane evacuation times", pursuant to Sec.9.5-120.4(d)of the Monroe County Code.
9. Policy 101.4.7(f) Commercial and industrial non-residential floor area for water dependent support facilities and/or maritime uses, designed so as to be capable of accommodating post-disaster relief and recovery, shall be deemed "Development not affected", under the provisions of Sec. 9.5-124.3 of the Monroe County Code.

For clarification, Chairman Padron asked Mr. Horan if he is asking the Board to approve Mrs. Tejeda's attendance at the County Commission meeting on September 19<sup>th</sup> to support the addendums.

Mrs. Tejeda state that a letter of support could also be sent indicating support for the addendums.

Mr. Batty asked if it is part of the planning process for the first responders to be able stay at the facility, is it in perpetuity. Will it convey to another entity.

Mr. Horan responded that is will be in perpetuity.

Mr. Batty asked if the Board's support is strictly for the addendums and not in support of a private project.

Mr. Horan stated that it is strictly support for the addendums.

A motion was made by Mr. Bradford and seconded by Mr. Batty to place this item on the Utility Board meeting agenda of September 12, 2007.

Ms. Clark asked how the number of units allocated to each agency will be determined during the planning stages.

Mr. Horan responded that he hopes there will be some type of procedure in place but at this time is not certain of the method that will be used.

Mr. Hernandez asked Mrs. Tejeda for her comments.

Mrs. Tejeda stated that it is critical to provide a safe haven to the personnel that are considered essential. The Service Building is only rated for a category three hurricane. If KEYS is able to build an Emergency Operation Center to a category five rating it may not be able to house all of the essential personnel and their families if they choose not to evacuate. This is a good opportunity for employees to have a safe haven during a storm.

Mrs. Tejeda commented that the amendments that Mr. Horan is proposing may be helpful to KEYS in the future if they wish to seek an exemption to the Land Development Regulations. If the Emergency Operations Center is built on Stock Island, KEYS will also wish to build forty four feet above flood level. This may pave the way for KEYS to make a similar request.

Mr. Hernandez stated that he sees this as a double-edged sword being put in the middle of supporting a development on the waterfront. He expressed that he has some concerns. However, he stated that he understood the need.

Mr. Eden asked if the facility will be just a hotel.

Mr. Horan responded yes.

Mr. Eden reiterated that the letter submitted by the Board will only support the amendments and not the project.

Mr. Horan responded yes.

At this point the roll was called to place the item on the agenda.

Mr. Batty	Yes
Mr. Bradford	Yes
Ms. Clark	Yes
Mr. Hernandez	Yes
Chairman Padron	Yes

A motion was made by Mr. Batty and seconded by Mr. Bradford to draft a letter to the County Commission in support of the addendums to the Comprehensive Plan.

Under discussion Chairman Padron asked if there will be a contract between the entity and KEYS.

Mr. Horan responded that there will be a binding contract specifying the number of units allocated to KEYS.

There being no further discussion the motion passed unanimously.

#### **AGENDA ITEM #5 – CONSENT AGENDA**

- a) Approve Minutes - Regular Meeting - August 22, 2007
- b) Approve Disbursements Report
- c) Approve "Memorandum of Understanding" with the International Brotherhood of Electrical Workers, Local 1990 – Article XVI – Bereavement Leave
- d) Approve the Purchase of Television Advertising from Comcast Spotlight for the period (9/24/07 to 9/21/08)
- e) Award Contract for Tires, Hardware and Associated Services to Banner Tire of Key West, Inc., Bid #06-08
- f) Approve Change Order #1 to GE Energy Services, Remanufacture of Wagner 44 MVA Transformer Bid #07-07 and Approve Budget Amendment #07-40

Motion was made by Ms. Clark and seconded by Mr. Hernandez to approve the Consent Agenda. The motion passed unanimously.

## **AGENDA ITEM #6 – ACTION ITEMS**

### **Agenda Item #6a – Approve Renewal of Utility Service Contract with Naval Facilities Engineering Command**

Mrs. Tejeda stated that staff recommends the renewal of a ten-year contract with the United States Navy for the Naval Facilities Engineering Command; the contract is for September 14, 2007 through September 13, 2017.

Mrs. Tejeda stated that the existing contract language and associated modifications appear to serve both the Utility Board and the Navy. Staff recommended and the Navy agreed to use the existing language and modifications. The changes in the contract, which were requested by KEYS, include the addition of two Utility Board approved tariffs that were not previously in the contract. The tariffs are; Private Area Lighting (S3) and Miscellaneous Charges. The Private Area Lighting was included due to KEYS maintaining the lights at Sigsbee Park. It has been discovered that KEYS has not been billing the Navy as they would another customer. KEYS has been billing for the energy but not the expense side of it for maintenance of the lights. The other tariff deals with Miscellaneous Charges. KEYS has not been charging the Navy for connects and disconnects. KEYS will now have the ability to recoup some of those expenses.

Mrs. Tejeda informed the Board that Mr. Robert Jablon, Attorney, has reviewed the contract and feels it is a good contract for KEYS to enter into.

Motion was made by Mr. Hernandez and seconded by Mr. Batty to approve the renewal of Utility Service Contract with Naval Facilities Engineering Command for a ten-year period.

Under discussion Chairman Padron asked if the language in the termination clause is the same as in the previous contract.

Mrs. Tejeda responded that it remains the same and proceeded to review it with the Board.

There being no further discussion the motion passed unanimously.

### **Agenda Item #6b – Award Contract for the Turnkey Installation of the Fin Fan Coolers, Bid #05-08 to ProEnergy Services, Declare Associated Equipment as "Surplus" and Approve Budget Amendment #07-41**

Mrs. Tejeda stated that staff is pleased to bring a recommendation to the Board on this item. The current cooling system for the medium-speed diesels

and the synchronous condenser require the use of site wells, piping, hydrogen and the discharge canal. It is a highly corrosive environment which has cost the utility untold amounts of dollars to replace or upgrade equipment. Stringent permitting is required with the Department of Environmental Protection. The current permits will expire in the first quarter of 2009 so the project is on schedule to get the coolers installed prior to having to obtain a new permit.

Two bids were received for this alternative cooling system; one is from ProEnergy which is a turnkey project and the other bid is from GEA Rainey Inc. for the units alone. Staff feels that the turnkey installation is a far superior process. KEYS staff has been talking with ProEnergy up until today to finalize the contract. Staff is recommending the following:

- Schedule I – Turnkey Installation in the amount of \$1,402,500 with a one-year warranty as opposed to a five-year warranty.
- Negotiations were reached to upgrade the synchronous condenser cooler so that in the event that the synchronous condensers are decommissioned the upgrade will provide the ability, for very little cost, to use the cooler as a backup for the medium speed diesels.

Mrs. Tejeda stated that staff feels it will be wise to spend the \$69,500 for the upgrade. The total amount of the contract for the installation of the three fin fan coolers is \$1,472,000, staff recommends the approval of the contract to ProEnergy, the declaration of Associated Equipment as "Surplus" and the approval of Budget Amendment #07-41.

Mrs. Tejeda pointed out that the issue that KEYS has and which they have been discussing with ProEnergy until the last minute is in regards to the general liability insurance section. KEYS has reached an agreement with ProEnergy that under *certain* conditions, which are undefined, that they will have commercial general liability insurance provided to KEYS up to \$10,000,000. Mr. Eden has expressed some concern regarding the word *certain*.

Motion was made by Mr. Batty and seconded by Ms. Clark to award the Contract for the Turnkey Installation of the Fin Fan Coolers, Bid #05-08, to **ProEnergy Services in the amount of \$1,472,000**, declare Associated Equipment as "Surplus", and Approve Budget Amendment #07-41.

Under discussion Mr. Batty inquired on the difference between the one-year warranty and the five-year warranty. He asked if it is prudent to go with the one-year warranty.

Mrs. Tejeda responded that staff feels comfortable with the one-year warranty. Staff has consulted with Kissimmee Utility Authority (KUA) who has

had the similar units for fourteen years and has experienced no problems other than routine maintenance. KUA feels that a one-year warranty is more than adequate.

Mr. Batty asked when the completion date will be for the installation of the coolers and when the pond will be filled in.

Mrs. Tejeda responded that the completion date is scheduled for May 2008. The pond will be filled in at a separate date. Staff will have to go out for bids for that task.

Mr. Eden expressed that he was not pleased with the one-year warranty period and pointed out to the Board that at the end of one year if anything goes wrong there is no recourse.

There being no further discussion the motion passed unanimously.

**Agenda Item #6c – Approve Land Use Committee Recommendation for Animal Control Facility Lease with Monroe County**

Mrs. Tejeda stated that the Land Use Committee would like to make a recommendation to the Board regarding the animal control facility lease that KEYS currently has with Monroe County. In 1988 KEYS entered into a lease with Monroe County which expires in August 2008. A portion of the Big Pine Peaker site is currently leased to Monroe County and they in turn host an animal control shelter.

Mrs. Tejeda proceeded to inform the Board that the Land Use Committee is recommending the termination of the lease with Monroe County to operate an animal control facility. The Board has several options; 1) sell the property; 2) lease the property to an adjacent business owner; 3) keep and use for solar generation; 4) do nothing and begin lease renewal negotiations with Monroe County. The Land Use Committee discussed the various options and determined options #1, #2 and #3 were viable and should be pursued.

Motion was made by Mr. Batty and seconded by Mr. Hernandez to approve the Land Use Committee's recommendation to terminate the lease with Monroe County to operate an animal control facility effective August 31, 2008 and direct the Committee to continue to explore the viability of options #1, #2 or #3.

Chairman Padron asked if Monroe County is aware that the lease may be terminated.

Mrs. Tejada responded that Monroe County is aware of the termination.

There being no further discussion the motion passed unanimously.

**Agenda Item #6d – Approve Land Use Committee Recommendations for Renewal/Modifications of Pocket Park Lease with the City of Key West, Florida**

Mrs. Tejada stated that in 2002 the Utility Board approved a five-year lease with the City of Key West to use and maintain four decommissioned substation sites as “Pocket Parks”. The four sites are Grinnell Street and Angela Street; 18<sup>th</sup> Street and Flagler Avenue; 8<sup>th</sup> Street and Patterson Avenue and the 600 block of Louisa Street. The 600 block of Louisa Street has not been redeveloped as a “Pocket Park” it was just decommissioned last year and the removal of the equipment was recently completed. The Land Use Committee is making the following recommendations:

<b>Address</b>	<b>Pros</b>	<b>Cons</b>	<b>Recommendation</b>
Grinnell Street & Angela Street	Beautifully maintained, good appearance, neighborhood support	None	Keep as Pocket Park
18th Street & Flagler Avenue	Location used for Art in Public Places, nice appearance	Next to sewer lift station	Keep as Pocket Park Explore installing solar panels to power lift station.
8th Street & Patterson Avenue	Possible site of affordable housing	Still a platted street. Utility Easement on 10x100 section, fair appearance	Give back property to the City with stipulation that it remain public property.
Louisa Street 600 Block	All equipment recently removed. Environmental cleanup finished. Recent appraisal = \$113,000	Received letter from nearby property owner requesting site become Pocket Park	Sell property to highest bidder in accordance with provisions of Enabling Act

Mrs. Tejada informed the Board that a family member of the Gato family has written a letter requesting that the property located on Louisa Street be converted into a park and possibly be named after the Gato family.

Chairman Padron stated that there are members of the Gato families in the audience requesting to address the Board. Ms. Patricia Madiedo commended the Board for the existing “Pocket Parks”. She proceeded to read a letter written

by her aunt Eloina Gato requesting that the Board consider turning the piece of property located on Louisa Street into a park in memory of the Gato family and named Gato Village Pocket Park. Ms. Madiedo thanked the Board for their time. Ms. Romero also a relative of the Gato family addressed the Board asking for their consideration to keep the piece of property as a green space in memory of the Gato family.

Chairman Pardon suggested dealing with the Grinnell Street and 18<sup>th</sup> Street properties separately.

Motion was made by Mr. Batty and seconded by Ms. Clark to keep the Grinnell Street and the 18<sup>th</sup> Street as a "Pocket Park".

Under discussion Chairman Padron stated that under the original lease the City is to maintain the property. He asked for an update on that issue.

Mrs. Tejeda stated that there has been an improvement by the City to maintain the parks.

There being no further discussion the motion passed unanimously.

Chairman Padron proceeded to discussion on the 8<sup>th</sup> Street and Patterson Avenue property.

Motion was made by Mr. Hernandez and seconded by Mr. Batty that the 8<sup>th</sup> Street and Patterson Avenue property not be given back to the City.

Mrs. Tejeda stated that if it is the Board's wish not to give the property back to the City of Key West then it can be included in the renewal of the lease for the Grinnell and 18<sup>th</sup> Street properties.

For clarification of the motion Chairman Padron asked Mr. Hernandez if his motion is that the 8<sup>th</sup> Street and Patterson Avenue property not be given back to the City and for staff to negotiate a lease with the City for the property to be used as a "Pocket Park". Mr. Hernandez responded yes.

There being no further discussion the motion passed unanimously.

Chairman Padron proceeded to discussion on the Louisa Street property. He stated that staff's recommendation is to sell the property to the highest bidder in accordance with the Enabling Act.

Chairman Padron asked if anyone has approached KEYS regarding the purchase of the property.

Mrs. Tejeda responded that no one has.

Motion was made by Mr. Hernandez and seconded by Mr. Batty to include the Louisa Street property in the lease renewal with the City to be used as a "Pocket Park".

Mr. Batty inquired on the length of the leases for the "Pocket Parks".

Mrs. Tejeda responded that the leases are for five years. For clarification Mrs. Tejeda informed the Board that there is a ten-month termination clause where KEYS can request to terminate the lease with or without cause within ten months.

There being no further discussion the motion passed unanimously.

### **OTHER BUSINESS**

Under Other Business, Mr. Peter Batty requested to be excused from the August 22, 2007 Utility Board meeting.

Motion was made by Ms. Clark and seconded by Mr. Bradford to excuse Mr. Batty from the August 22, 2007 Utility Board meeting.

There being no further business to come before the Board the Regular Utility Board meeting of August 22, 2007 adjourned at 6:25 p.m.

APPROVED:

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Robert R. Padron, Chairman

ATTEST:

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Lynne E. Tejeda, General Manager & CEO/Secretary

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