

MINUTES FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) REIMBURSEMENT WORKSHOP OF THE UTILITY BOARD OF THE CITY OF KEY WEST, FLORIDA, HELD AT 4:00 P.M. ON WEDNESDAY, MARCH 13, 2019 AT THE KEYS ENERGY SERVICES BOARD ROOM LOCATED AT 1001 JAMES STREET, KEY WEST, FLORIDA

The above referenced workshop of the Utility Board of the City of Key West, Florida, convened at 4:00 P.M., on the above date and location and was called to order by Chairman Batty.

Utility Board Members Present

Peter Batty, Chairman
Mona Clark, Vice Chair
Robert Barrios, Member
Steven Wells, Member

Staff Present

Lynne Tejeda, General Manager & CEO
Jack Wetzler, Assistant General Manager & CFO
Edee Delph, Executive Assistant to GM/CEO & UB
Julio Torrado, HR & Communications Director
Nick Batty, Director of Legal & Regulatory Services
Dan Sabino, Engineering & Control Center Director
Erica Zarate, Customers Services Director
Cindy McVeigh, Finance Supervisor
Amy Haas, Accounting & Financial Analyst
Jeanette Williams, Accounting & Financial Analyst
Nathan Eden, Utility Board Attorney

Others Present

Craig Dunlap, Dunlap and Associates, Financial Advisor/President
Sylvia Dunlap, Dunlap and Associates, Financial Advisor & Partner

Mrs. Tejeda provided the Board with a recap from the December 5, 2018, FEMA Reimbursement Workshop when the Board directed Staff to continue to monitor the reimbursements received from the Federal Emergency Management Agency (FEMA) and from the Florida Division of Emergency Management (FDEM) and to consider long-term financing options to pay off the Line of Credit (LOC).

Mrs. Tejeda informed the Board that recently, she and Ms. Clark attended the American Public Power Association (APPA) Legislative Rally and had the opportunity to meet with the aids of Senator Scott and Senator Rubio. They also met directly with Congresswoman Debbie Mucarsel-Powell. All meetings were very positive.

Mrs. Tejada stated that she, Mr. Wetzler and Mr. Nick Batty traveled to Tallahassee and met with FDEM Director Jared Moskowitz, who expressed his goals to release funds faster than the previous administration had released funds.

Mrs. Tejada, Mr. Wetzler, Financial Advisors provided the Board with information on the following:

- Long-term Bond Options
- Financing Options available if hit by another storm before reimbursement
- Creation of a Hurricane Reserve Fund with a line item surcharge (Strategic Planning/Budget Process)
- Reasonableness Analysis requested by FDEM
- LOC Status - Amount Drawn/ Amount repaid/ Interest Paid to Date/ Current Daily/Monthly Cost
- KEYS position with Rating Agency's

After discussion, the consensus of the Board was for Staff to gather more information regarding the issuance of a \$50M bond and come back to the Board at the second Board meeting in April with a goal of closing on a bond at the end of July.

(Documents provided at the meeting are available upon request)

ADJOURNMENT

The Federal Emergency Management Agency (FEMA) Reimbursement Utility Board Workshop of March 13, 2019, was adjourned by Chairman Batty at 4:59 P.M.

APPROVE:



Mona C. Clark, Vice Chair

ATTEST:



Lynne E. Tejada, General Manager/CEO & Secretary

/ed