

MINUTES OF REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY, MONDAY, AUGUST 21, 2000, 5:00 P.M., BRINSON BOARDROOM, ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE, FLORIDA.

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Present were Chairman Walter, Vice-Chairman Gant, Director Hord, Director Toro, Attorney Brinson, General Manager Welsh and Recording Secretary Fizer. Mayor Attkisson and Director Shearer were absent.

**A. MEETING CALLED TO ORDER** at 5:05 P.M. by Chairman Walter.

**B. PLEDGE OF ALLEGIANCE**

The Board and staff recited the Pledge of Allegiance at the beginning of the earlier held special meeting.

Staff reports were reviewed prior to other agenda items.

**C. AWARDS AND PRESENTATIONS**

1. 5-YEAR SERVICE AWARD - NEERANJAN DASS, POWER PLANT OPERATOR/MECHANIC - POWER SUPPLY

General Manager Welsh reviewed Mr. Dass' history with KUA and noted that he is a real example to all at KUA. Chairman Walter presented Mr. Dass an award and certificate. The other board members congratulated him on his years of service.

2. 5-YEAR SERVICE AWARD - DAVID JENSEN, POWER PLANT OPERATOR/MECHANIC - POWER SUPPLY

Mr. Welsh noted that Mr. Jensen was unable to attend the meeting and would be given his award at a later date by his supervisor.

3. 5-YEAR SERVICE AWARD - NILS TARANGER, POWER PLANT OPERATOR/MECHANIC - POWER SUPPLY

Mr. Taranger was congratulated for his years of service and Mr. Welsh noted that he has been with KUA the exact same length of time as Neeranjana Dass. Mr. Welsh reviewed his work history and introduced him to the Board. Chairman Walter presented a certificate and award to Mr. Taranger.

4. 10-YEAR SERVICE AWARD - GINNY WILLETT, CASHIER COORDINATOR - MARKETING

Ms. Willett was unable to attend the meeting and Mr. Welsh noted that she will be honored by her department supervisor later.

5. EMPLOYEE OF THE MONTH FOR SEPTEMBER - DALE SWAUGER, FLEET SERVICE MECHANIC - TRANSMISSION & DISTRIBUTION

General Manager Welsh noted that Dale Swauger was being honored as Employee of the Month for September. Mr. Welsh read the nomination form written by one of Mr. Swauger's fellow employees. Chairman Walter presented Mr. Swauger a plaque, Director Toro gave him a check, Director Gant noted that he would receive a special parking space and Director Hord reported that he would be given a day off with pay.

**D. HEAR THE AUDIENCE** - None.

**E. PUBLIC HEARING** - None.

**F. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)** - None.

**G. OLD BUSINESS**

1. CANE ISLAND FINANCING UPDATE

Joe Hostetler, director of Finance, reviewed that the Board was given four options at the meeting on July 26 for variable rate financing for Cane Island 3. At that time staff recommended a "pure" commercial paper (CP) program with a line of credit and insurance.

Since that time it was discovered that the insurance company would not insure a "pure" CP program because of their exposure if new CP Notes could not be sold to pay off maturing CP Notes. Mr. Hostetler reported that staff continues to recommend a CP program, but without insurance.

**ACTION: Motion by Director Hord, seconded by Director Toro, to authorize staff to finalize the commercial paper program using either the line of credit or letter of credit.**

**Motion carried 4 - 0**

**H. NEW BUSINESS**

**1. VOGEL BROTHERS SUBSTRUCTURE CONTRACT CHANGE**

Ben Sharma, director Power Supply, reported that the change order is for additional work in the substructure contract that was anticipated by Black & Veatch. This was explained to staff as early as when the contract was awarded to Vogel Brothers in February.

Director Hord questioned how Black & Veatch was able to reduce the cost by one third. He wanted to make sure the quality was not compromised. Mr. Welsh noted that once the engineers were across the table from the vendor, specifics were worked out and they came out under estimate.

**ACTION: Motion by Director Hord, seconded by Director Gant, to approve the change order to Vogel Brothers substructure contract for the amount of \$326,331.44 to include the additional scope of work as detailed in the attachment of Black & Veatch's August 10, 2000 letter.**

**Motion carried 4 - 0**

**I. STAFF REPORTS**

**1. MONTHLY PROGRESS REPORT ON T&D PROJECTS**

General Manager Welsh noted that this report was written. Director Gant requested further information on the Employee Substation land cost. Mr. Welsh said this information would be provided at the next board meeting.

**2. MONTHLY REPORT ON POWER SUPPLY DEPARTMENT PROJECTS**

This report was written and no comments were received. Jeff Ling, manager of power production, showed a brief video on the delivery of the turbine and generator for Cane Island 3. He also had a video of the construction progress on Cane Island 3.

**3. CONDENSED FINANCIAL REPORT - JULY 2000**

Mr. Hostetler noted that the year-to-date metered sales revenue dollars are ahead of budgetary estimates by 1.4%. He said the sales revenue variance is due to higher than expected megawatt sales and demand and customer charges that do not vary directly with megawatt sales. Operating and maintenance expenses are ahead of budgetary estimates. Director Toro asked how the load forecast was developed and Mr. Hostetler said that history from past years is used.

**4. JULY 2000 INTERNET SERVICES PROVIDER (ISP) UPDATE**

Monthly revenues have increased over the ten-month period as reported by Mr. Hostetler. He also said that advertising costs decreased due to the completion of the major advertising campaign. Mr. Hostetler reported that there are several commercial accounts under contract and this will bring in additional revenues within the next month.

Director Hord asked that staff contact the utilities listed in the salary survey owning ISPs to get their comments on how they are

doing with this endeavor.

Chairman Walter recessed the meeting from 5:31 PM to 6:00 PM.

**J. CONSENT AGENDA**

**ACTION: Motion by Director Gant, seconded by Director Toro, to approve the consent agenda.**

**Motion carried 4 - 0**

1. APPROVAL OF MINUTES OF JULY 26, 2000 REGULAR MEETING
2. INVITATION FOR BID #064-00, TWO-YEAR REQUIREMENT FOR UNIFORM RENTAL SERVICES  
**RECOMMENDATION: Award be made to UniFirst for a two-year requirement in an estimate of \$60,273 annually.**
3. AWARD OF THREE-YEAR REQUIREMENT FOR TREE TRIMMING SERVICES, INVITATION FOR BID #065-00  
**RECOMMENDATION: Award is recommended to low bidder, Asplundh Tree Expert Company in the estimated annual amount of \$311,500 with a 3% escalation in the second and third year.**
4. IFB#069-00, AWARD OF BID FOR 69KV TRANSMISSION LINE CONCRETE STRUCTURES  
**RECOMMENDATION: Authorize award of bid IFB 069-00 for Concrete Structures to Accord Industries, Inc. for the lump sum price of \$268,176 contingent on development of satisfactory contract documents; and authorize the Chairman and Secretary to execute the necessary contract documents.**

**K. HEAR GENERAL MANAGER, ATTORNEY, DIRECTORS**

General Manager Welsh made reference to a suggestion made by Director Toro at the last board meeting.

**ACTION: Motion by Director Gant, seconded by Director Toro, to place on the agenda consideration of increasing the employee of the month award.**

**Motion carried 4 - 0**

Director Toro had suggested increasing the Employee of the Month award from \$50 cash to \$100 cash.

**ACTION: Motion by Director Toro, seconded by Director Gant, to increase the cash award from \$50 to \$100 for the employee of the month.**

**Motion carried 4 - 0**

Mr. Welsh also thanked Director Toro for his appearance on behalf of KUA on a local radio station. Director Toro and Ivette Martinez of Marketing responded to a customer complaint aired on the Hispanic station during a recent talk show.

The Board was also reminded that on October 2, 2000 KUA would be celebrating its 15th Anniversary. The truck send off will be at 7:30 AM from the Carroll Street location and the official whistleblowing ceremony will begin at 11:30 AM at the Hansel Plant. Mr. Welsh indicated that it was the intention to take annual board picture at that time. He also reminded the Board that the September board meeting would be on the 20th instead of the 27th.

Attorney Brinson gave a brief report on the development of the Doubletree issue. He also reported that the Florida League of Cities has joined KUA on an appeal in conjunction with the railroad crossing accident that has been ongoing.

L. GENERAL MANAGER REVIEW

It was the consensus of the Board to defer the General Manager's review until the September board meeting. At that time all directors plan to be present.

M. ADJOURNMENT - Meeting was adjourned at 6:55 p.m.

  
Chairman

  
Secretary