

**MINUTES OF A REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY,  
WEDNESDAY, NOVEMBER 2, 2005 at 3:30 P.M., BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 W CARROLL STREET, KISSIMMEE, FLORIDA.**

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Present were Chairman, Gemskie, Vice Chairman Toro, Director Hart, Director Cumbie, Director Kasper, General Manager Welsh, Vice President and General Counsel Lacerte, and Recording Secretary Ambrosi. Mayor Goodwin-Nichols was absent.

**A. MEETING CALLED TO ORDER** at 3:30 p.m. by Chairman Gemskie.

**B. PLEDGE OF ALLEGIANCE TO THE FLAG**

The Board and staff recited the Pledge of Allegiance.

**C. AWARDS AND PRESENTATIONS**

**1. HURRICANE KATRINA SERVICE RECOGNITION**

The Board recognized Robin Helquist and Gloria Fisher for their work in Long Beach, Mississippi assisting utilities affected by Hurricane Katrina. The Board presented Robin and Gloria with plaques of appreciation.

**2. 5-YEAR SERVICE AWARD, NAKESHY CALAS, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE & MARKETING**

Mr. Welsh introduced Nakeshy and recognized her as a dedicated employee who always serves our customers with a smile. Chairman Gemskie presented Nakeshy with a globe.

**3. 5-YEAR SERVICE AWARD, PAM DURBIN, IT SYSTEM TECHNICIAN, INFORMATION TECHNOLOGY**

Mr. Welsh introduced Pam and recognized her for production of the Lineman's Rodeo web shows over the past two years. Chairman Gemskie presented Pam with a watch.

**4. 5-YEAR SERVICE AWARD, LESLIE GOUTY, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE & MARKETING**

Leslie was unable to attend the meeting. Mr. Welsh stated that her supervisor would provide her with her service award at a later date.

**5. 5-YEAR SERVICE AWARD, PHYLLIS METCALFE, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE & MARKETING**

Phyllis was unable to attend the meeting. Mr. Welsh stated that her supervisor would provide her with her service award at a later date.

**6. 5-YEAR SERVICE AWARD, JAIME TORRES, CUSTOMER ACCOUNTS COORDINATOR, CUSTOMER SERVICE & MARKETING**

Mr. Welsh recognized Jaime for her contributions and innovative ideas to improve the Customer Service & Marketing Department. Chairman Gemskie presented Jaime with a clock radio.

**7. 5-YEAR SERVICE AWARD, PATRICK HOLT, POWER PLANT MECHANIC/OPERATOR, POWER SUPPLY**

Mr. Welsh recognized Patrick as a hard worker and a great mechanic. He also thanked Patrick for his work on the EOC.

**8. 10-YEAR SERVICE AWARD, STEVE D'AURIA, GIS TECHNICIAN, ENGINEERING & OPERATIONS**

Mr. Welsh recognized Steve as playing an instrumental role in the success of many projects in the GIS Department. Chairman Gemskie presented Steve with luggage.

**9. 20-YEAR SERVICE AWARD, ROBIN HELQUIST, MANAGER OF CUSTOMER READING & BILLING SERVICES, CUSTOMER SERVICE & MARKETING**

Mr. Welsh recognized Robin as KUA's first official new employee back on October 1, 1985 when KUA came into existence. Mr. Welsh went on to say that he considers it a blessing to work with Robin. Chairman Gemske presented Robin with a karaoke machine.

**10. 35-YEAR SERVICE AWARD, JON COLE, LINE CREW SUPERVISOR, ENGINEERING & OPERATIONS**

Mr. Welsh stated that Jon was unable to be at the meeting tonight but his department head would recognize him for this great accomplishment at a later date.

**11. EMPLOYEE OF THE MONTH FOR NOVEMBER – LORI DESROISIERS, CLERICAL ASSISTANT, CUSTOMER SERVICE & MARKETING**

Mr. Welsh read a letter from one of Lori's co-workers who recognized her for the positive example that she sets in her department on a daily basis. Chairman Gemske presented Lori with a plaque. Director Toro presented her with a check; Director Hart gave her a certificate for a day off with pay. Director Cumbie presented Lori with a gift certificate to Sonny's and Director Kasper presented her with a membership to the Center for the Arts and a special parking space for the month of November.

**D. HEAR THE AUDIENCE - none**

**E. CONSENT AGENDA**

**ACTION:** Director Kasper made a motion, seconded by Director Hart to approve items #1, #2 and #3 on the consent agenda as written.

**MOTION CARRIED 5-0**

**1. APPROVAL OF THE MINUTES FOR OCTOBER 5, 2005, REGULAR MEETING**

**2. AWARD OF IFB 003-06 PAD TRANSFORMERS**

Recommendation: Award of bid IFB 003-06 for pad mount transformers to Gresco - \$27,447, John Carter & Assoc. - \$38,800, Engineer Sales - \$25,758 for a total amount of \$92,005.

**3. AWARD OF BID #038-05 – CONCRETE AND ALUMINUM POLES**

Recommendation: Approve award of bid IFB #038-05 to Hughes Supply - \$51,670, Electric Supply - \$28,927.

**F. PUBLIC HEARING - none**

**G. INFORMATIONAL PRESENTATION (REQUIRING NO ACTION)**

**1. PLEASANT HILL SUBSTATION – PUBLIC INFORMATION SESSION**

Ken Davis, Vice president of Engineering & Operations gave a presentation on the status of the Pleasant Hill Substation. Mr. Davis stated that \$18 million has been allocated for the project, and June 1, 2007, is the target date for the new substation to be put into service. Mr. Davis addressed a question from Doug McLaughlin of 3001 Shingle Creek Drive regarding the placement of transmission lines for the project. Mr. Davis gave him a business card to set up a meeting so that they could work with the Shingle Creek Homeowner's Association regarding this issue.

**J. OLD BUSINESS - none**

**K. NEW BUSINESS**

**1. PAYMENT OF ATTORNEY FEES TO CSX/AMTRAK FOR 1993 RAILROAD ACCIDENT LITIGATION**

Grant Lacerte, Vice president and General Counsel stated that, after twelve years of litigation, KUA's portion of attorney's fees for the 1993 railroad accident have been assessed at \$74,196.48 which is reasonable considering the duration and complexity of the case. Mr. Lacerte also advised the board that CSX/Amtrak have agreed to waive interest on these fees if paid by November 15, 2005.

**ACTION:** Director Hart made a motion, seconded by Director Cumbie to authorize payment to CSX/Amtrak in the amount of \$74,196.48, and authorize the Chairman and Secretary to execute any documents necessary to effect payment and resolution of the attorney's fees issue.

**MOTION CARRIED 5-0**

**J. STAFF REPORTS**

**1. MONTHLY PROGRESS REPORT ON ENGINEERING & OPERATIONS DEPARTMENT PROJECTS**

Ken Davis, Vice president of Engineering & Operations updated the Board on Hurricane Wilma. Mr. Davis stated that there were a total of 4,756 customers affected by outages, and all but three of these customers were restored by 4:13 p.m. Mr. Davis also told the Board that we currently have crews in South Florida assisting Florida Power and Light who suffered extensive damage.

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

**3. MONTHLY PROGRESS REPORT ON INFORMATION TECHNOLOGY DEPARTMENT PROJECTS**

**4. ABBREVIATED FINANCIAL REPORT – SEPTEMBER 2005**

Mr. Hostetler presented the abbreviated financial report to the Board and advised them that he would present a complete, year-end report at the December meeting.

Mayor Linda Goodwin-Nichols arrived at the meeting at 4:30 p.m.

**5. QUARTERLY INTERNAL AUDIT REPORT**

Algertha Diggs, Manager of Internal Audit updated the Board on past and current projects. She stated that the Internal Audit department is scheduled to begin assisting the outside auditors later this month and a report from Ernst and Young will be scheduled for the January meeting.

**6. DEPARTMENTAL HIGHLIGHTS – CUSTOMER SERVICE & MARKETING**

Dr. Mike Geraghty, Vice president of Customer Service & Marketing updated the Board on the record breaking numbers that the customer service department has been setting in terms of call volume and walk-in customers. Jef Gray, Vice president of Information Technology updated the Board on the transactions at 7-11 payment centers.

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

Grant Lacerte, Vice president and General Counsel stated the FCC has approved more telecom mergers which will further harm small businesses and utilities in the telecommunications industry.

Mr. Welsh reminded the Board of several dates and tours on the KUA system in the near future. Ben Sharma, Vice president of Power Supply will set up a time for board members to visit the Crystal River nuclear facility in the near future.

Meeting recessed at 5:20 p.m. for a ten minute break.

Meeting reconvened at 5:30 p.m.

**L. MANAGEMENT REVIEW**

Chairman Gernskie explained the process that previous boards have used in the review of the General Manager and clarified the use of the spreadsheet and comparisons to other utility executive salaries throughout the state.

Each of the board members rated Mr. Welsh. The weighted average was 3.1045 which equated to a 4.3135% increase. The new salary effective October 1, 2005, would be \$177,359. There was a brief discussion about the difference between a standard 3% increase and the increase determined by the formula followed by previous boards.

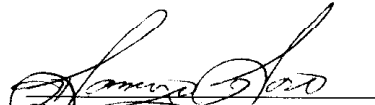
**ACTION: Director Cumbie made a motion, seconded by Director Hart to approve a 3.1045 rating with a 4.3135% increase effective October 1, 2005.**

**MOTION CARRIED 5-0**

Meeting adjourned at 5:55 p.m.



Secretary



Chairman