

**MINUTES OF A REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY,
WEDNESDAY, MAY 6, 2009 at 3:30 P.M., BRINSON BOARD ROOM,
ADMINISTRATION BUILDING, 1701 W CARROLL STREET, KISSIMMEE, FLORIDA.**

Present were Chairman Fred Cumbie, Vice Chairman Nancy Gemskie, Director Reginald Hardee, Director James Kasper, Director George Gant, General Counsel Grant Lacerte, General Manager James Welsh and Recording Secretary Leticia Rivera. Mayor Jim Swan was not present.

A. MEETING CALLED TO ORDER

Chairman called the meeting to order at 3:30 pm.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board and staff recited the Pledge of Allegiance.

C. AWARDS AND PRESENTATIONS

1. APPA RELIABLE PUBLIC POWER PROVIDER (RP3) RECOGNITION

Ken Davis, Vice President of Engineering and Operations advised the Board that KUA has been recognized by APPA as a Platinum Level Designee in the APPA Reliable Public Power Provider program. Mr. Davis presented the Board with a plaque.

2. 5 YEAR SERVICE AWARD - EDDIE GLUC, LINEMAN, ENGINEERING & OPERATIONS

3. 10 YEAR SERVICE AWARD – TERRY FARLEY, ISP OPERATIONS MANAGER, INFORMATION TECHNOLOGY

4. 10 YEAR SERVICE AWARD – BENJAMIN RADFORD, METER READER SUPERVISOR, CUSTOMER SERVICE

5. 20 YEAR SERVICE AWARD – DOCILY PERRY, ADMINISTRATIVE ASSISTANT, CUSTOMER SERVICE

6. 25 YEAR SERVICE AWARD – KEN DAVIS, VICE PRESIDENT, ENGINEERING & OPERATIONS

Mr. Welsh thanked and recognized Ken for all his years of dedication and support. The Board congratulated Ken for his 25 years of service.

7. EMPLOYEE OF THE MONTH FOR MAY – ROSEMARIE CARFAGNA, SECRETARY II, CPS, ENGINEERING & OPERATIONS

Jim Welsh, President and General Manager recognized the above employees for their years of service respectively. Mr. Welsh and the Board also congratulated Rosemarie for being chosen employee of the month for May.

D. HEAR THE AUDIENCE - None

E. CONSENT AGENDA

ACTION: Director Kasper made a motion, seconded by Director Hardee to approve items 1-3 on the consent agenda.

Motion Passed 5 – 0

1. APPROVAL OF MINUTES FOR APRIL 1, 2009 REGULAR MEETING

2. AIRPORT SUBSTATION TO CLAY STREET SUBSTATION 69 kV
TRANSMISSION LINE UPGRADE PROJECT

Recommendation: Authorize Black & Veatch to proceed with the engineering work necessary for the Clay Street – Airport Substation 69kV line upgrade for a not-to-exceed amount of \$558,725.

3. FIBER OPTIC CONSTRUCTION AND MAINTENANCE AGREEMENT WITH
OSCEOLA COUNTY

Recommendation: Approval of the Fiber Optic Construction and Maintenance Agreement with Osceola County at 2586 Partin Settlement Road and authorize the Chairman and Secretary to execute the agreement.

F. PUBLIC HEARING (None)

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION) (None)

H. OLD BUSINESS

1. ORIENTATION VIDEO

James Welsh, President and General Manager informed the Board of the enhanced welcome packet for new and current Board members which was implemented as one of the President and General Manager's goals at the December 10, 2008 Board of Directors meeting has been completed. The orientation video was viewed by the Board.

ACTION: Director Gant made a motion, seconded by Director Kasper to approve the KUA orientation video.

Motion Passed 5 - 0

2. VIDEO AWARDS PRESENTATION

James Welsh, President and General Manager advised the Board votes for the best performance on the Orientation Video were cast by secret ballot by members of the executive staff. The Oscar winner was Wilbur Hill, Vice President of Human Resources; there was a tie for second place, Jef Gray, Vice President of Information Technology and Chris Gent, Vice President Corporate Communications; the last place recipient was Joe Hostetler and he received the Boot award.

I. NEW BUSINESS - (None)

J. STAFF REPORTS

1. SEMI-ANNUAL REPORT ON POWER SUPPLY DEPARTMENT PROJECTS

Larry Mattern, Vice President of Power Supply provided the Board with an overview on four major items in the department, KUA's Planned Outages, FMPA, Cane Island IV and Hansel Oil Tank removal.

2. FINANCIAL UPDATE

Joe Hostetler, Vice President of Finance and Risk Management provided the Board with a financial update.

3. SMART GRID PRESENTATION

Jef Gray, Vice President of Information Technology provided a tutorial format of Smart Grid and how does it applies to KUA. Mr. Gray focused Smart Grid on the conservation aspect. Mr. Gray advised that Smart Grid is not a product but that it is multiple layers of products services and communication services. Mr. Gray advised that the top benefits for KUA would be the outage notifications, and a more efficient operation.

Mr. Gray advised that KUA is looking into receiving government funding that could cover 50% of the costs for this program.

Director Kasper asked if KUA has a shovel in the ground with this project. Mr. Welsh advised that staff will be completing a cost analysis and if it is cost effective to do a pilot, staff will be bringing a recommendation to the Board in June or July.

Director Gemskie commented that if KUA is not ready with this project, KUA will not be eligible to receive a grant from the government. Mr. Gray advised that the chances of getting a grant are better if KUA has something going.

Director Gemskie advised that from a customer stand point, this may be a nightmare because of the additional cost. Director Hardee asked if this venture would assist any of KUA's net metering initiatives. Mr. Gray advised yes.

K. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, Vice President and General Counsel advised the Board that staff has been responsive to the H1N1 flu and KUA is well prepared.

Mr. Welsh informed the Board of next week's special Board applicant review meeting.

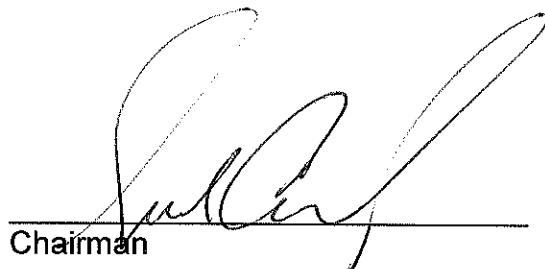
Mr. Welsh advised that at the next meeting, a recommendation will be brought to the Board to affect a transfer for the property where the oil tanks were to the City.

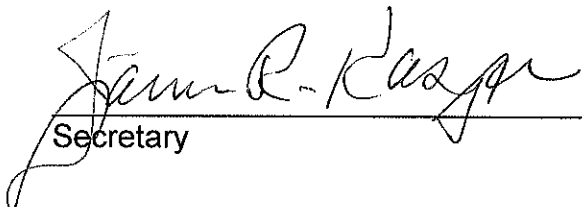
Mr. Welsh also advised the Board that KUA has hired a grant writer for energy and efficiency and conservation block grants.

Director Gemskie requested a report on over the past 10 years new projects and as well as the status of each of them including Access Osceola. Mr. Welsh advised this will be brought to the Board in the July Board meeting.

L. ADJOURNMENT

Meeting adjourned at 5:35pm.


Chairman


Secretary