

**MINUTES OF A REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY,  
THURSDAY, JANUARY 3, 2008 at 3:30 P.M., BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 W CARROLL STREET, KISSIMMEE, FLORIDA.**

Present were Chairman William Hart, Vice Chairman Fred Cumbie, Director Nancy Gemske, Director Reginald Hardee, Director Jim Kasper, Mayor Jim Swan, General Manager James Welsh, Vice President and General Counsel Grant Lacerte, and Recording Secretary Leticia Rivera.

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

B. **PLEDGE OF ALLEGIANCE**

The Board and staff recited the Pledge of Allegiance.

C. **AWARDS AND PRESENTATIONS**

1. 5-YEAR SERVICE AWARD – KAREN BAKER, CLERICAL ASSISTANT II, HUMAN RESOURCES
2. 20-YEAR SERVICE AWARD – RONNIE HARDEE, LINEMAN FIRST CLASS, ENGINEERING & OPERATIONS
3. 20-YEAR SERVICE AWARD – HENRY KURNICK, ENGINEERING TECHNICIAN, ENGINEERING & OPERATIONS
4. EMPLOYEE OF THE MONTH FOR JANUARY – EARL SWEENOR, CERTIFIED SYSTEM OPERATOR

General Manager Welsh congratulated Earl for being chosen as Employee of the Month for January 2008. Chairman Hart presented Earl with a plaque, Director Gemske presented Earl with a check, Director Cumbie presented Earl with a certificate for a day off with pay and Mayor Swan presented Earl with two tickets to the Osceola Center of the Arts.

5. EMPLOYEE OF THE YEAR FOR 2007 – NEIL BEVILLE, LEAD FLEET SERVICE MECHANIC

General Manager Welsh congratulated Neil and recognized him for all his accomplishments, including being named 2007 Employee of the Year. The Board and audience congratulated Neil. Chairman Hart presented Neil with a check, Director Gemske presented Neil a certificate for two days off with pay.

D. **HEAR THE AUDIENCE**

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 TO 0**

1. APPROVAL OF MINUTES FOR JANUARY 3, 2008 REGULAR MEETING
2. REPLACEMENT OF LAPTOP COMPUTERS FOR FIELD USE

Recommendation: Authorize the purchase of laptops and associated equipment from CDW-G for the total price of \$235,000.

3. CANE ISLAND TRANSMISSION LINE UPGRADE ENGINEERING SERVICES

Recommendation: Authorize Black & Veatch to proceed with the engineering work for project D07E02 for a not-to-exceed amount of \$455,000.

F. **PUBLIC HEARING** – None

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

**1. AUDITED FINANCIAL REPORT**

Joe Hostetler, Vice President of Finance & Risk Management along with KUA's independent auditors, Michael Pattillo, Coordinating Partner and Tim Seidel, Audit Manager of Ernst & Young, LLP provided a summary of the 2007 audit to the Board.

Mr. Pattillo informed all that this was a complicated audit due to the new system implementation, billing software and general ledger which changed during mid fiscal year. With an implementation of a new system there was additional audit work needed. Mr. Pattillo advised the Board that overall it was a positive result going through a complex system conversion.

Joe Hostetler thanked his staff and recognized Ruth Lentz, Supervisor of Accounting for all the extra hours she and the rest of the staff worked.

**H. OLD BUSINESS - None**

**I. NEW BUSINESS -**

**1. CISCO PILOT PROJECT**

Jef Gray, Vice President of Information Technology introduced Ginese Leonart, Solutions Sales Specialist HP. Jef Gray provided an overview to the Board on the CISCO Pilot Project. The Wi-Fi Mesh project, using Cisco equipment, enables KUA, the City of Kissimmee and the Toho Water Authority to continue exploration of a reliable and robust network for municipal and residential use. Cisco and HP are providing the equipment and design at no cost to KUA for the trial period of 30 days. The benefits of the Wi-Fi Mesh project include more efficient municipality functions along with enhanced communications and applications for field services. The Cisco/HP team has agreed to buy back the Sciental/Motorola equipment purchased during the first pilot program if the entire service area is covered as designed. This removes the lost investment of the first pilot and ensures funding is not duplicated on both projects.

Director Hardee asked what happens to the existing downtown area. Jef Gray informed him that it will remain operational. Director Hardee, inquired how are we planning to address maintenance. Jef Gray informed him that the vendor will provide maintenance. Director Genskie asked how will KUA handle upgrades. Jef Gray answered the residential usage will generate enough revenue that the system may pay for itself.

Director Hart also asked what is the time of the roll out of the initial service. Jef Gray answered 2-3 weeks once equipment arrives. Director Kasper asked how long the installation process is. Ginese Leonart answered 110 days. Director Hart asked how people are going to be aware this is up and running during the first 30 days. Jef Gray informed him a pop up indicating wireless network detected and advertising in the Osceola Sentinel newspaper. Director Cumbie asked if KUA is bearing the cost of installation. Jef Gray answered yes for the pilot program. However, for the long term this will have to be addressed. Director Hardee requested a tentative timeline be brought back to the Board at the next meeting.

**ACTION: Director Cumbie made a motion; seconded by Director Hardee to approve the concept of a second pilot program and allow KUA management to proceed with payment of the system (\$105,336) pending successful testing.**

**MOTION CARRIED 5- 0**

**J. STAFF REPORTS**

**1. ENGINEERING & OPERATIONS QUARTERLY REPORT**

Ken Davis, Vice President of Engineering updated the Board with status and completion dates on projects. Ken Davis briefed the Board on the pole inspection program.

**2. PENSION FUND INVESTMENT UPDATE**

Joe Hostetler, Vice President Finance & Risk Management provided an overview on the annual report of investment activities.

**3. FINANCIAL SOFTWARE PROJECT COMPLETION UPDATE**


Joe Hostetler, Vice President Finance & Risk Management provided the Board with a review of funds that were approved for this project. There is one invoice to be paid and this project will be closed.


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

Grant Lacerte, Vice President and General Counsel informed the Board on ongoing legal matters including an upcoming trial in February 2008. Mr. Welsh reminded the Board of upcoming events and also wished all a Happy New Year.

**L. ADJOURNMENT**

Meeting adjourned at 5:05 p.m.

  
Secretary

  
Chairman