

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY HELD WEDNESDAY, JUNE 7, 2023
AT 3:30 P.M., BRINSON BOARD ROOM, JAMES C. WELSH ADMINISTRATION BUILDING, 1701
WEST CARROLL STREET, KISSIMMEE, FLORIDA

Present were Director Manny Ortega, Director Ethel Urbina, Director Rae Hemphill, Director Jeanne Van Meter, Director Reginald Hardee, President & General Manager, Brian Horton, General Counsel, Grant Lacerte and Recording Secretary, Margie Boles. Mayor Olga Gonzalez was not present.

A. MEETING CALLED TO ORDER

Director Ortega called the meeting to order at 3:30 p.m.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board members and staff recited the Pledge of Allegiance.

C. APPROVAL OF AGENDA

ACTION: Director Urbina made a motion, seconded by Director Van Meter to approve the agenda.

MOTION PASSED 5 - 0

D. INSTALLATION OF NEW BOARD MEMBER

Reginald Hardee was sworn in as the newest KUA board member.

E. AWARDS AND PRESENTATIONS

1. KUA STUDENT SCHOLARSHIP RECOGNITION

Tiffany Henderson, Director of Corporate Communications, advised that each year KUA awards college scholarships to local high school seniors. The following students were recognized: Matthew DeRueda, from Tohopekaliga High School; Carlos Santiago from Osceola School for the Arts; Libby Thornton from Tohopekaliga High School; Adeline Hall who is Home Schooled, is the recipient of the KUA Dr. Gant Quarter Century Community Service Scholarship; Jacob Brescia from NeoCity Academy, is the recipient of the James C. Welsh Leadership in Engineering Scholarship; Krystine Mora-Becerra from Osceola School for the Arts, is the recipient of Kathleen Thacker Scholarship and Anthony Alvarez from Freedomland Christian Academy, is the recipient of the Reginald Hardee Lineworker Scholarship. The Board congratulated the students and were presented with a small gift.

2. DEGREE RECOGNITION – PATTI LAMARCHE, CUSTOMER SERVICE SUPERVISOR, MASTER'S OF BUSINESS ADMINISTRATION WITH A CONCENTRATION IN BUSINESS ANALYTICS, SYRACUSE UNIVERSITY

3. 10-YEAR SERVICE AWARD – ELBA REYES, CUSTOMER SERVICE SPECIALIST

4. 10-YEAR SERVICE AWARD – KEVON MCKINSEY, LEAD LINEMAN, OPERATIONS

5. 15-YEAR SERVICE AWARD – STEPHEN DASILVA, POWER PLANT OPERATOR/MECHANIC, OPERATIONS

6. EMPLOYEE OF THE MONTH FOR JUNE 2023 – PATTI LAMARCHE, CUSTOMER SERVICE SUPERVISOR, CUSTOMER SERVICE

Mr. Horton congratulated Patti for being selected employee of the month for June 2023.

F. HEAR THE AUDIENCE

Director Ortega asked if anyone from the public would like to address the Board. In hearing none, the Board moved forward.

G. CONSENT AGENDA

ACTION: Director Van Meter made a motion, seconded by Director Urbina, to approve items 1 – 3 under consent agenda.

MOTION PASSED 5 - 0

1. APPROVAL OF MINUTES FOR MAY 3, 2023 BOARD MEETING
2. APPROVAL OF RFP 23-059-CV FOR TRANSMISSION & DISTRIBUTION (T&D) CONSTRUCTION AND MAINTENANCE SERVICES

RECOMMENDATION: Approve the contract negotiation and award of RFP 23-059-CV Transmission & Distribution (T&D) Construction and Maintenance Services to Service Electric Company, Irby Construction Company, SPE Utility Contractors FD, LLC, Hooper Corporation, MGAY Constructors, Inc., Grid Services LLC, Michels Power, INC., and Power Standard LLC to an initial two (2) year term with two (2) two (2) year renewal options and authorize the President & General Manager to execute any necessary contract documents.

3. APPROVAL THE EXPENDITURE FOR THE AQUISITION OF PROJECT MATERIALS TO ELITE CONSTRUCTION FOR THE LAKE CECILE BUS TIE UPGRADE

RECOMMENDATION: Approve the expenditure and acquisition of the construction materials for the Lake Cecile Substation Bus Tie project to Elite Construction of Ocala for \$210,124.52.

H. PUBLIC HEARING - None

I. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

J. OLD BUSINESS - None

K. NEW BUSINESS

1. APPROVAL OF AWARD (RFP 22-053-MC) FOR THE FLORA BOULEVARD DRIVEWAY EXTENSION CONSTRUCTION PROJECT

Kevin Crawford, vice president of Finance & Administration, advised that the extension to John Young Parkway was recently completed and is accessible to the public. Staff is prepared to move forward with the improvements on the KUA campus to provide accessibility to the new road enhancing safety operations. The improvements will include additional pavement with two access driveways to Flora Boulevard, fencing, and a vegetative buffer with irrigation.

Director Ortega commented that this is a great project to keep everyone safe with John Young Parkway being a busy road.

ACTION: Director Hemphill made a motion, seconded by Director Urbina to approve award of RFP 22-053-MC for the Flora Boulevard Driveway Extension Construction Project to CM Engineering Services for \$623,137.25, plus an additional 10% construction contingency and authorize the President and General Manager to execute any necessary contract documents.

MOTION PASSED 5 - 0

L. STAFF REPORTS

1. QUARTERLY FINANCIAL REPORT

Mr. Horton introduced Mr. Dan Goetz, Manager of Accounting, who provided an overview of the quarterly financial report.

Director Hemphill asked if KUA is waiting on reimbursement from FEMA for Hurricane Ian from last year. Mr. Goetz advised that at this time, staff is still filing claims for Hurricane Ian, however KUA has received some proceeds from FEMA.

2. DISASTER DRILL DAY (DDD) PRESENTATION

Mr. Jef Gray, vice president of Information Technology, provided a presentation of KUA's 2023 Disaster Preparedness Assessment.

Director Hemphill asked if the Marydia substation is hurricane proof and is it safe enough for employees to go there. Mr. Gray advised employees would be scheduled to work at the Marydia substation post storm and that substation is hurricane proof.

Director Hardee asked how many employees could be accommodated at the Marydia substation. Mr. Gray advised that in terms of customer service representatives, eight representatives plus two dispatchers.

Director Hardee asked if KUA has any other substations that are equipped to accommodate employees. Mr. Gray advised that we have a training room available at Cane Island if we need to accommodate customer service representatives, however, we do not have additional substations. Mr. Gray reminded the Board that with work from home capabilities in place, most employees are able to work remotely.

Director Hardee asked how long can KUA maintain with no power. Mr. Gray advised that KUA has a direct feed, UPS and generators; if all of those fail, the employees would then go over to Cane Island. Mr. Gray advised that system wide, he would need two hours to bring everything up from Cane Island.

M. BUDGET REVIEW

1. INTRODUCTION – BRIAN HORTON, PRESIDENT & GENERAL MANAGER

Mr. Horton provided a recap of the budget and advised that the department heads will review their departmental budgets.

a. FINANCIAL OVERVIEW – KEVIN CRAWFORD, VICE PRESIDENT, FINANCE & ADMINISTRATION

Mr. Crawford provided a financial overview.

b. HUMAN RESOURCES OVERVIEW – CINDY HERRERA, VICE PRESIDENT, HUMAN RESOURCES

Cindy Herrera, vice president of Human Resources, provided an overview of the Human Resources department. Ms. Herrera advised the total full time positions remain the same as last year at 287 FTEs, with a recommendation of one additional FTE in FY24 to bring the number to 288.

Ms. Herrera also shared that a salary survey of other municipalities was conducted regarding their proposed salary adjustments and the results averaged at 4%. Based on the information obtained, Ms. Herrera advised that a 4% market level adjustment has been included in the FY 2024 annual budget.

Director Ortega asked if the average included responses from all of the entities requested. Mr. Herrera advised we have been able to obtain a little more than half. Director Ortega commented that we really do not know what the final average will be until we have all the information and noted that the City has outpaced KUA. Director Ortega added that this past year has been rough with inflation and gas prices and asked what the difference is in the budget if KUA adds 1% to the market level adjustment, making it 5%.

Mr. Horton advised based on where we are today, each percent costs KUA roughly \$300k. Ms. Herrera added that being competitive with our salary, KUA is able to attract and retain our employees. Director Ortega commented that 1% is not going to have a major impact on KUA's overall budget and 1% can make a major impact on KUA's employee's lives.

Director Hardee asked if the competitive challenges are coming specifically from FMPA. Mr. Horton advised it is from everywhere depending on the classification.

Director Hardee shared that he supports the 1% because recruiting and retaining good talent is the other challenge.

Director Van Meter asked that KUA consider the customers and ensure their cost does not materially increase.

After continued discussion on the market level adjustment, the following motion was made.

ACTION: Director Ortega made a motion, seconded by Director Van Meter to approve a 5% market level adjustment for Fiscal Year 2024 annual budget.

MOTION PASSED 5 – 0

c. DEPARTMENTAL BUDGETS
i. OPERATIONS – LARRY MATTERN

Larry Mattern, vice president of Operations, thanked the board for their consideration of the KUA employees and provided a brief overview of the Operations departmental budget.

ii. INFORMATION TECHNOLOGY – JEF GRAY

Jef Gray, vice president of Information Technology, thanked the board for their consideration of the KUA employees and provided an overview of the Information Technology's departmental budget.

Director Hardee asked if KUA is using Microsoft Azure services. Mr. Gray advised no, not currently. Director Hardee asked if vendors are selling their products in such a way that we need to use the cloud. There was continued discussion about the use of the cloud.

iii. CUSTOMER SERVICE – SUSAN POSTANS

Susan Postans, vice president of Customer Service, provided an overview of the Customer Service departmental budget.

iv. FINANCE & ADMINISTRATION AND EXECUTIVE – KEVIN CRAWFORD

Kevin Crawford, vice president Finance & Administration, provided KUA's financial overview for the Finance & Administration and Executive offices.

v. OFFICE OF CORPORATE COMMUNICATIONS – TIFFANY HENDERSON

Tiffany Henderson, director of Corporate Communications, provided an overview of the Corporate Communication's budget including the sponsorship budget.

vi. HUMAN RESOURCES – CINDY HERRERA

Cindy Herrera, vice president of Human Resources, provided an overview of the Human Resource department's budget.

Ms. Herrera thanked all of the ambassadors that worked on the budget for a job well done.

M. HEAR THE ATTORNEY, GENERAL MANAGER, DIRECTORS

Mr. Lacerte shared with the Board that KUA is in the process of applying for its third grant opportunity. Mr. Lacerte provided updates on recent bills that have passed and not passed the house. Mr. Lacerte shared that Gainesville Regional Utilities is going to be governed by an appointed board.

Director Hardee commented that it is an honor and pleasure to be back on the KUA team. Director Hardee shared that things are continuing to be good for our customers, he added that it does not seem like anything has demised since he was last part of the board.

Direct Hemphill thanked all of the KUA employees for all of their efforts and time that they give KUA and hope they continue to serve the community. Director Hemphill wished all employees a happy summer.

Director Ortega welcomed Hardee back as a KUA Board Member and thanked Mr. Horton and staff for all they do for KUA.

N. ADJOURNMENT

Director Ortega adjourned the meeting at 5:05 p.m.



Secretary


Chair