

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY HELD WEDNESDAY, MARCH 8, 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, Mayor Olga Gonzalez, President & General Manager, Brian Horton, General Counsel, Grant Lacerte and Recording Secretary, Margie Boles. Director Raymond Sanchez was not present.

A. MEETING CALLED TO ORDER

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

B. APPROVAL OF AGENDA

**ACTION: Director Urbina made a motion, seconded by Director Hemphill to move the Hear Attorney, General Manager, Directors section after the Management Review.**

**MOTION PASSED 4 – 0**

C. AWARDS AND PRESENTATIONS

1. DEGREE RECOGNITION – YOMARIE MEDINA, ADMINISTRATIVE ASSISTANT II, CAP, ASSOCIATE OF APPLIED SCIENCE IN BUSINESS ADMINISTRATION, PURDUE GLOBAL UNIVERSITY
2. DEGREE RECOGNITION – JOE BARRETO, POWER PLANT OPERATOR/MECHANIC, BACHELORS IN NUCLEAR ENGINEERING TECHNOLOGIES, EXCELSIOR UNIVERSITY
3. 5-YEAR SERVICE AWARD – DREW FRANNEY, UTILITY WORKER, OPERATIONS
4. 5-YEAR SERVICE AWARD – CHRISSY JOSEPHS, ASSISTANT TO VICE PRESIDENT, CAP, CUSTOMER SERVICE
5. 10-YEAR SERVICE AWARD – ANNELIZ ROJAS, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE
6. 10-YEAR SERVICE AWARD – NICHOLAS RIVERA, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE
7. 10-YEAR SERVICE AWARD – YARTIZA KAING, COLLECTIONS ANALYST, CUSTOMER SERVICE
8. 10-YEAR SERVICE AWARD – MARCOS DIAZ, APPRENTICE ENERGY CONSERVATION SPECIALIST, CUSTOMER SERVICE
9. 15-YEAR SERVICE AWARD – NICHOLAS BRIGHT, ELECTRIC METER TECHNICIAN I, CUSTOMER SERVICE
10. 15-YEAR SERVICE AWARD – SUSAN POSTANS, VICE PRESIDENT OF CUSTOMER SERVICE, CUSTOMER SERVICE
11. 20-YEAR SERVICE AWARD – MARILYN KARL, LEAD CASHIER, CUSTOMER SERVICE
12. EMPLOYEE OF THE MONTH FOR MARCH 2023 – ANDRES COTAMO, FINANCIAL ANALYST II, FINANCE & ADMINISTRATION

Mr. Horton congratulated Andres for being selected employee of the month for March 2023.

D. HEAR THE AUDIENCE

Director Ortega asked if anyone from the public would like to address the Board on an item that is not listed on the agenda. In hearing none, the Board moved forward to the agenda.

E. CONSENT AGENDA

**ACTION:** Director Van Meter made a motion, seconded by Director Urbina, to approve the two items under consent agenda.

**MOTION PASSED 4 - 0**

1. APPROVAL OF MINUTES FOR FEBRUARY 1, 2023 BOARD MEETING
2. APPROVAL OF PURCHASE FOR 2022 FORD F550 BUCKET TRUCK

**RECOMMENDATION:** Approve and authorize the purchase of one (1) 2022 Ford F550 4x4 Cab and Chassis with one 40' AT40G Altec Bucket unit for a not to exceed amount of \$141,979.00 and authorize the President and General Manager to execute any necessary documents to complete the purchase.

F. PUBLIC HEARING

1. UPDATES TO THE ELECTRIC SERVICE TARIFFS

Mr. Kevin Crawford, vice president of Finance & Administration, advised the Board that staff was authorized to send electric tariff changes to the Florida Public Service Commission for review and advertise for a public hearing on March 8, 2023. If approved at the public hearing, the tariffs would become effective May 1, 2023.

The following tariffs were sent to the Florida Public Service Commission for review and approval:

- Miscellaneous:
  - Deposits
  - Other Charges
- Rate Schedule:
  - General Service
  - General Service Demand (GSD)
  - General Service Demand (Time of Use) (GSDT)
  - Residential Service (RS)
  - General Service Large Demand (GSLD)
  - Outdoor Lighting Service
- Billing Adjustments
- Net Metering

Director Ortega advised this is a public hearing and asked if we had any public comments or questions that have come in. In hearing none, the Board offered the following motion:

**ACTION:** Director Urbina made a motion, seconded by Director Van Meter to approve the tariff changes with an effective date of May 1, 2023.

**MOTION PASSED 4 - 0**  
**Jeanne Van Meter voted yes**  
**Ethel Urbina voted yes**  
**Manny Ortega voted yes**  
**Rae Hemphill voted yes**

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. TEAM KAREEM MEMORIAL FOUNDATION

Ms. Tiffany Henderson, Director of Corporate Communications introduced Ms. Arkeisha Reese, founder of Team Kareem Memorial Foundation, who provided a short presentation on the positive impact KUA's financial contributions have made for the organization. Ms. Reese presented the Board and KUA an award thanking them for its continued support.

H. OLD BUSINESS

1. 2022 STRATEGIC PLAN RESULTS PRESENTATION

Mr. Horton advised that the department heads would review the results of the 2022 strategic plan. Per the Board's direction, the focus continues to be on three core areas, which are to improve the overall customer experience, maintain excellent financial strength and cultivate a great work environment. Mr. Horton shared that there were two goals that were not achieved, Competitive 1,000 kWh Residential Rates and Employee Attrition, which staff will review.

Director Ortega complimented KUA for our community outreach.

Director Van Meter asked Ms. Herrera, vice president of Human Resources, for an example of what the most serious events in safety were. Ms. Herrera explained that for a recordable, it might be an employee who needs care and receiving any type of medication. Ms. Herrera advised the majority of injuries from employees were not serious and were mainly strains and sprains.

I. NEW BUSINESS

1. APPROVAL OF THIRD AMENDMENT FOR RFP 19-021-CV FOR POLE MOUNT AND PAD MOUNT TRANSFORMERS

Mr. Larry Webb, Manager of Treasury, advised the Board that KUA utilizes a variety of pole and pad mount transformers in the construction and operations of the electric system. Many utilities are struggling to procure transformers, which sometimes leads to the cancellation of projects in their service territories. Delivery times can range anywhere from 36 to 56 weeks. In an effort to ensure that KUA has transformers readily available, Staff was able to modify its current contract with Gresco Utility Supply to ensure the delivery of forty (40) single phase transformers and six to eight (6-8), 3-phase transformers by slots (spots in the manufacturer's production line) per month in exchange for a 20% one-time market adjustment.

Director Hemphill asked if the equipment comes from domestic suppliers. Mr. Webb advised yes. Director Ortega commented that the shortness in transformers was discussed at the APPA conference that he recently attended. He understands how big of an issue this has become.

Mr. Horton advised the Board that this is the third amendment to this contract that is up this year; KUA might come back and request an extension.

Director Hemphill asked if 40 single phase and eight 3-phase transformers are enough to secure. Mr. Horton advised it is enough to clear the backlog and address the known development that is coming. Director Hemphill asked if KUA could order more than what is guaranteed. Mr. Horton advised we can order more but it will not be guaranteed.

Director Urbina asked if we could begin negotiations for a new contract. Mr. Horton advised staff is already working on it.

Director Van Meter asked what the cause of this is. Mr. Webb advised it is supply chain since we only have eight domestic manufacturers.

**ACTION:** Director Ortega made a motion, seconded by Director Van Meter to approve the Third Amendment updating the pricing and guaranteed monthly transformer "slots" to forty (40) single phase and six to eight (6-8) 3-phase transformers to Gresco Utility Supply and authorize increasing the not-to-exceed limit for the remainder of the term on the Contract Agreement to \$3,000,000.00 and authorize President and General Manager to execute the necessary contractual documents.

**MOTION PASSED 4 - 0**

J. STAFF REPORTS

## 1. FINANCIAL & ADMINISTRATION QUARTERLY REPORT

Kevin Crawford, vice president of Finance and Administration, presented an overview of the quarterly financial report.

Director Ortega commented that KUA has to be on the conservative side. Mr. Crawford advised KUA's first priority is safety and preservation of capital, second is having the money available when you need it and the third one is the yield.

## 2. INFORMATION TECHNOLOGY SEMI ANNUAL REPORT

Mr. Gray, provided IT highlights on various projects, which included, video surveillance expansion, cyber security, data and phone upgrades/replacements, KUA.com rebuild, pre-paid billing and several upgrades.

## K. MANAGEMENT REVIEW

Mr. Ortega provided a brief update on the workshop that took place prior to the board meeting. Mr. Ortega understood that the market level adjustment (MLA) for KUA employees is what Mr. Horton would automatically receive. Director Ortega advised he is going to recommend 10%, including the 4% MLA.

Mr. Lacerte advised the Board that they have the right to not give anything. Mr. Lacerte advised that the Board could give Mr. Horton a 10% raise. Director Urbina asked if it was 10% exactly. Mr. Lacerte advised the Board discussed giving Mr. Horton the 4% MLA and rewarding good performance with the additional 6%. Mr. Lacerte advised he wants the record to be clear that this is what is being done.

Due to some confusion, continued discussion on the evaluation for the President & General Manager. Ms. Herrera clarified to the Board that in the contract, the CEO is eligible for the MLA if the Board did nothing unless otherwise specified and approved.

**ACTION: Director Van Meter made a motion, seconded by Director Hemphill to approve a 10% raise to the President & General Manager, Brian Horton.**

**MOTION PASSED 4 – 0**

Director Urbina added that even though we are doing this to bring Mr. Horton up to par with the other CEO's, the reason they all agreed to 10% raise is because they all believe Mr. Horton's performance is outstanding and they want to reward him for his work.

## L. HEAR THE ATTORNEY, GENERAL MANAGER, DIRECTORS

Mr. Lacerte thanked Director Ortega for attending the APPA Legislative Rally last week. Mr. Lacerte shared with the Board a more serious bill called the Critical Electric Infrastructure Cybersecurity Incident Reporting Act. This bill requires electric companies like KUA report an incident to the Department of Energy. This bill is very vague and will be opposed.

Mr. Lacerte advised they are also hoping to see more effort from Congress to try to adopt FEMA Reform.

Mr. Lacerte shared on the State side two bills have been filed: Senate Bill 1380 and House Bill 1131, which will be addressed during the FMEA Legislative Rally.

Mr. Lacerte advised the Senate Bill subjects any utility that has outside of city customers to PSC regulation for all ratemaking and major decisions. The House Bill does not allow City of Kissimmee to spend money that KUA collects to submit on the general fund, unless you put it back into KUA.

Director Van Meter asked if it would make an argument that the Board is from the City of Kissimmee. Mr. Lacerte advised it makes a big difference.

Mr. Lacerte was very passionate in expressing that KUA should not be included nor any other utility with a separate utility authority that has the power to set rates.

Mr. Horton shared the dates of the upcoming events.

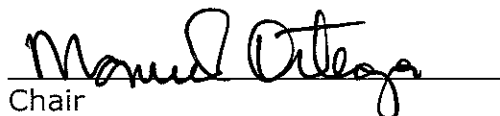
Director Hemphill thanked the lineman that participated in the Lineman Rodeo last weekend. Continue to do a great job.

Mayor Gonzalez advised the call back function that IT is working on is a great feature.

M. ADJOURNMENT

Director Ortega adjourned the meeting at 5:15 p.m.

  
Secretary

  
Chair