

REGULAR & SPECIAL MEETING OF KISSIMMEE UTILITY AUTHORITY HELD  
WEDNESDAY, APRIL 5, 2017 AT 1:00 PM, BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,  
FLORIDA

Present were Chairman Reginald Hardee, Vice-Chair Jeanne Van Meter, Director Kathleen Thacker, Director Ethel Urbina, Director Manuel Ortega, General Manager James C. Welsh, General Counsel Grant Lacerte, Mayor Jose Alvarez and Recording Secretary Leticia Rivera.

A. MEETING CALLED TO ORDER

Director Hardee called the meeting to order @ 1:00 pm.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board members and staff recited the pledge of allegiance.

C. PRELIMINARY BUDGET STRATEGIC PLANNING

1. INTRODUCTION – JAMES C. WELSH, PRESIDENT & GENERAL  
MANAGER

Mr. Welsh advised that this afternoon the Strategic Plan along with a recommendation for the General Manager's evaluation will be presented. Mr. Welsh shared the following budgetary highlights: a 3% Market Level Adjustment being recommended for planning purposes only, a reduction of 4 full time employees; a solar survey presentation by Great Blue, the Solar Carport project that staff was asked to bring back this year.

2. STRATEGIC PLANNING

a. BOARD/ EXECUTIVE STAFF PLANNING PROCESS – KATHY  
VIEHE, V STRATEGIC

Kathy Viehe advised that she will provide the Board with the review of the strategic plan development and the recommended strategic plan summary for 2018 – 2022. Kevin Crawford will present the recommended strategic plan detail for goal year 2018 with a recommendation to approve the strategic plan. Ms. Viehe will then review a couple of options for the General Manager's performance review.

b. 2018-2022 OVERVIEW – KATHY VIEHE, V STRATEGIC

Ms. Viehe advised that through surveys and interviews with executive staff and the Board, the following core purpose was developed "to enrich the quality of life for our customers and community". Also through the meetings, three key results were developed: Customer, Financial and Employee. Ms. Viehe shared the Strategic Plan for 2018 through 2022 and how the three key results areas vary from year to year.

Director Hardee asked if there are some variance details from year to year. Ms. Viehe advised yes.

c. STRATEGIC PLAN YEAR ENDING MARCH 31, 2018 – KEVIN  
CRAWFORD, VICE PRESIDENT, FINANCE & ADMINISTRATION

Kevin Crawford, vice president of Finance & Administration explained that each vice president established a goal that is a challenge but yet is achievable with some effort.

The first goal presented under the Employee key result area was to "Cultivate a Great Work Environment" with the measure being employee attrition.

Director Thacker asked what the current attrition rate is. Wilbur Hill, vice president of Human Resources advised that the current attrition rate is 4%. Director Thacker asked if there is a reason the goal is at 8%. Mr. Hill advised the goal was at 10% and it was lowered to 8%.

After some discussion on the metric rating for this goal, the following motion was made.

**ACTION: Director Van Meter made a motion, seconded by Director Urbina to change the metric rating percentages to reflect 4% Fully Met Goal, 3% Somewhat Exceed Goal, and 2% Greatly Exceed Goal.**

Director Van Meter advised that if staff foresees a problem achieving these ratings to please come before the Board to inform them.

**MOTION PASSED 5 - 0**

Mr. Crawford moved on to the next measure, "Maintain Employee Satisfaction Rating".

Director Thacker asked what the current rating is. Mr. Hill advised it is currently 94%. He stated that it was 94% in 2015, 96.4% in 2014, 97% in 2013 and 98.7% in 2012. Director Urbina said that this goal measurement is like the last one as it is currently being fully achieved.

Additional discussion took place on the metric rating.

Ms. Viehe advised that the Board is having a great discussion, but reminded the Board to consider potential additional costs when making goals more difficult to achieve.

**ACTION: Director Thacker made a motion, seconded by Director Urbina to change the metric rating to 93% Fully Met Goal, 95%, Somewhat Exceeded Goal, 99% Greatly Exceeded Goal.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved onto the next measure; "Maintain Workplace Injury Rate". Mr. Hill advised that it was 4.04% in 2014, 4.83% in 2015 and 5.99% in 2016. The industry standard average is 6%.

**ACTION: Director Van Meter made a motion, seconded by Director Thacker to change the metric rating percentages to reflect 6% Fully Met Goal, 5% Somewhat Exceed Goal, and 4% Greatly Exceed Goal.**

**MOTION PASSED 5 - 0**

Mr. Crawford advised the next measure is new, "Implement Health Plan Cost Reduction Program". Director Hardee asked if there is an industry metric or a fellow utility municipality that is implementing something similar. Mr. Hill advised that employers are beginning to implement similar plans.

After discussion, the following motion was offered.

**ACTION: Director Thacker made a motion, seconded by Director Van meter to leave the metric percentages as they are, 5% Fully Met Goal, 10% Somewhat Exceed Goal, and 15% Greatly Exceed Goal.**

**MOTION PASSED 5 - 0**

Mr. Hill explained the next measure, "Implement Health Biometrics Screening". This begins with screenings and annual physicals. Participation rate is at 40%.

Discussion on where the goal is set took place and the following motion was provided.

**ACTION: Director Van Meter made a motion, seconded by Director Thacker to change the metric percentages to reflect, 42% Fully Met Goal, 50% Somewhat Exceed Goal, and 60% Greatly Exceed Goal and Fell Short of Meeting Goal will be <42%.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved on to the next key result area, Customer, with the goal to "Maintain Distribution System Reliability". The SAIDA system was explained and the target is to Greatly Exceed at 5% below average.

**ACTION: Director Van Meter made a motion, seconded by Director Ortega to leave as is.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved on to the next goal, "Maintain Distribution System Reliability". The recommended SAIFI target being to Greatly Exceed at 5% below average.

**ACTION: Director Van meter made a motion, seconded by Director Thacker to leave as is.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved to the next measure, "Replace 37,500' of Underground Cable".

Director Hardee asked about the useful life of underground cable. Mr. Horton advised it is typically 30 years.

After discussion, the following motion was offered.

**ACTION: Director Ortega made a motion, seconded by Director Thacker to leave numbers as they are.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved forward with following measure, "Service Enhancements".

Director Hardee had some concern having this as a metric with the Board already giving direction on AMI and CIS.

Mr. Welsh advised that this could be eliminated from the set of goals.

Susan Postans, vice president of Customer Service clarified that this goal is to challenge the staff to always be looking for ways to enhance the customer experience such as Chat that was done in 2017.

Mayor Alvarez stated that this would improve services, so why oppose it. Mr. Welsh said that it can enhance the customer experience.

After further discussion, the following motion took place.

**ACTION: Director Thacker made a motion, seconded by Director Ortega to leave metrics as is.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved to the next measure, "Competitive 1,000 kWh Residential Rate".

**ACTION: Director Urbina made a motion, seconded by Director Thacker to leave metrics as is.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved forward to, "Develop and Implement a new Customer Satisfaction Survey". The target rating would be 8.63. Director Van Meter asked about the target. Ms. Postans advised that the target of 8.63 is the average of 5 years.

Continued discussion took place.

**ACTION: Director Ortega made of a motion, seconded by Director Van Meter to keep the metrics as is.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved forward with the next Measure: "CEO Participation in Community Events". There was a discussion on how the metrics can be measured.

**ACTION: Director Ortega made a motion, seconded by Director Van Meter to approve the metrics as they are.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved on the next Measure: "Involvement in the Community". Director Van Meter asked how this goal would be measured. Chris Gent vice president of Corporate Communications clarified the goal.

**ACTION: Director Van Meter made a motion, seconded by Director Thacker to accept the metrics as they are.**

**MOTION PASSED 5 – 0**

Mr. Crawford moved along to the next measurement, Take solar education trailer into community.

Director Van Meter asked Ms. Postans if the target can be met. Ms. Postans advised yes.

**ACTION: Director Van Meter made a motion, seconded by Director Thacker to accept the metrics as they are.**

**MOTION PASSED 5 - 0**

Mr. Crawford advised the next item will require Board direction for the development of a solar project. Chris Gent introduced Shameus McNammy of Great Blue who is the Sr. Director of Research.

Mr. McNammy provided an in-depth overview of the solar survey results that were collected.

**ACTION: Director Ortega made a motion, seconded by Director Van Meter to accept the metrics.**

**MOTION PASSED 5 - 0**

Mr. Welsh advised the next item flows with the solar topic. Per the Board's direction last year, the Solar Carport Project is being brought back to the Board for consideration. Judy Ambrosi, Facilities Manager provided background information and refreshed the Board on this item. Ms. Ambrosi advised the cost at this time has not changed.

There was conversation on the topic prior to the following motion being made.

**ACTION: Director Thacker made a motion, seconded by Director Van Meter not to move forward with the Solar Carport Project.**

**MOTION PASSED 5 - 0**

Director Hardee commented he hopes that with the possible partnership with FMPA that KUA can have something fruitful from the FMPA partnership for use by our customers as soon as possible.

Mr. Crawford moved forward to the next Goal, "Development of AMI". The current goal involves the complete solicitation for proposals to select quality vendors to develop an over project schedule.

**ACTION: Director Van Meter made a motion, seconded by Director Ortega to accept the metrics.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved along to the following metric, "Reliability of Mission Critical Systems" with a measure of Maintain Average 99% Uptime.

Director Hardee asked Jef Gray, vice president of Information Technology if there is adequate accommodation for maintenance. Mr. Gray advised it does includes maintenance windows but this work is done after hours or weekends so the customer is not impacted.

**ACTION: Director Urbina made a motion to change the metric percentages to reflect, 99.5% Fully Met Goal, 99.9% Somewhat Exceed Goal, and 100% Greatly Exceed Goal.**

The motion died for lack of a second and another motion was offered.

**ACTION: Director Thacker, made a motion, seconded by Director Van Meter to leave the metrics as initially presented by staff.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved on the "Completion of Lackey Service Center Renovation Goal". The following motion was made.

**ACTION: Director Thacker, made a motion, seconded by Director Van Meter to leave the metrics as is.**

**MOTION PASSED 5 - 0**

Mr. Crawford moved to the final goal, "Maintain Excellent Financial Strength" with the measure being, Positive net income while meeting all fiscal policies set by the KUA Board.

**ACTION: Director Van Meter, made a motion, seconded by Director Ortega to leave the metrics as is.**

**MOTION PASSED 5 - 0**

**d. GM EVALUATION LINK TO STRATEGIC PLAN – KATHY VIEHE, V STRATEGIC**

Ms. Viehe advised that this is solely her idea and staff did not have any involvement with this. In her work background, goals are tied into evaluations so she created a few ideas for the Board's consideration. She reviewed two GM evaluation alternatives that she put together. The first is a YES/NO Option relating to completion of goals. Another option would require a target rating from 0 - 4. Ms. Viehe explained that the weighting for the

objective average rating and the weighting for subjective average rating can be updated as the Board sees fit.

At 3:20 pm, Director Hardee paused this section of the meeting and the Board took a 10 minute break.

At 3:30 pm Director Hardee called the meeting to order.

D. AWARDS AND PRESENTATIONS

1. 5-YEAR SERVICE AWARD – HAROLD MARTIN, WAREHOUSE CLERK, FINANCE & ADMINISTRATION
2. 5-YEAR SERVICE AWARD – CLARENCE WORTHY, INVENTORY COORDINATOR, FINANCE & ADMINISTRATION
3. 5-YEAR SERVICE AWARD – FELIPE ANZUALDA, SUBSTATION ELECTRICIAN, ENGINEERING & OPERATIONS
4. 10-YEAR SERVICE AWARD – CLAY CAMPBELL, LINEMAN FIRST CLASS, ENGINEERING & OPERATIONS
5. 10-YEAR SERVICE AWARD – SHANE PARAS, LEAD LINEMAN, ENGINEERING & OPERATIONS
6. 15-YEAR SERVICE AWARD – HECTOR BOLIVAR, MAIL CLERK, EXECUTIVE OFFICE
7. 20-YEAR SERVICE AWARD – KAREN BARNETT, ACCOUNTING TECHNICIAN II, FINANCE & ADMINISTRATION
8. EMPLOYEE OF THE MONTH APRIL 2017 – IRENE ACOSTA, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE

Mr. Welsh congratulated Irene for being selected employee of month for April 2017.

E. HEAR THE AUDIENCE

At this time, Director Hardee asked if anyone from the public would like to come forward and address the Board on an item that is not on the agenda. In seeing none, the Board moved forward with the agenda.

F. CONSENT AGENDA

Director Hardee was informed that item # 2 is being asked to be pulled for discussion.

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

**MOTION PASSED 5 - 0**

APPROVAL OF MINUTES FOR MARCH 8, 2017 REGULAR BOARD MEETING

3. FOURTH AMENDMENT TO CONTRACT FOR TRANSMISSION LINE  
CONSTRUCTION AND MAINTENANCE

**RECOMMENDATION: Approve the Fourth Amendment to Contract Agreement for Transmission Line Construction and Maintenance with Southeast Power Corporation and authorize the President & General Manager to execute the aforesaid Amendment**

2. TOHO BASS BLAST OPEN TOURNAMENT SPONSORSHIP

Chris Gent, vice president of Corporate Communications advised that John Newstreet, President of the Kissimmee Osceola Chamber of Commerce and Kayla Rogers, Event Director are also in attendance.

Mr. Gent provided a review of the TOHO Bass event including the park activities, who participates and a history of the event for board members.

After discussion, the following motion was offered.

**ACTION: Director Ortega made a motion, seconded by Director Hardee to approve item #2 on the consent agenda.**

Mr. Newstreet addressed the Board and explained the process of the timeline of steps that already have been taken to move ahead with the event.

Director Hardee called for a vote for the motion on the floor.

**MOTION PASSED 5 - 0**

**RECOMMENDATION:**

**Staff recommends a \$10,000 sponsorship of the Toho Bass Blast Open Tournament.**

G. PUBLIC HEARING - None

H. INFORMATION PRESENTATION (REQUIRING NO ACTION)

1. MEALS ON WHEELS PRESENTATION

Chris Gent, vice president of Corporate Communications introduced Carmen Carrasquillo, Beverly Hougland and Wilda Belisle from the Council on Aging who provided a presentation on Meals on Wheels.

Chris Gent introduced Rose Flores, Media Coordinator for the Community Hope Center. Ms. Flores provided a recap of the Community Hope Center is about and thanked KUA for their continued support.

I. OLD BUSINESS - None

J. NEW BUSINESS - None

K. STAFF REPORT

1. POWER SUPPLY SEMI ANNUAL REPORT

Larry Mattern, vice president of Power Supply provide an update of the power supply department including FMPP, Cane Island, FRCC, FMPPA, the All Requirements Project and the Solar PV Project.

**C. CONTINUATION OF THE PRELIMINARY BUDGET STRATEGIC PLANNING PORTION OF MEETING**

**d. GM EVALUATION LINK TO STRATEGIC PLAN – KATHY VIEHE, V STRATEGIC**

At this time, Ms. Viehe returned to further explain the two options of the GM evaluation that she prepared. She explained that the weighting for the objective average rating and the weighting for subjective average rating can be updated as the Board sees fit. Ms. Viehe stated that the Board can adopt the new procedures or leave the review as it currently is.

The Board discussed the GM evaluation.

**ACTION: Director Thacker made a motion, seconded by Director Van Meter to adopt the Alternative 1 (Yes/No) option but change the subjective and objective rating to 70% and 30%. However, if later it is desired, the rating may change to reflect 80%/20%.**

**MOTION PASSED 5 - 0**

The Board thanked Ms. Viehe for all her work and assistance with the Strategic Plan and GM evaluation processes. Ms. Viehe advised that she is impressed with KUA.

**3. FINANCIAL OVERVIEW – CHARLES LEE, MANAGER FINANCIAL ANALYSIS, FINANCE & ADMINISTRATION**

Charles Lee, Manager Financial Analysis reviewed the timeline of the remainder of the budget process, provided a financial overview and load forecast and projections.

Mr. Lee introduced the following staff members from the Finance & Administration department: Barbara Gonzalez, Nancy Wakefield, Jeff Surat, David Siegel and Dan Goetz and thanked them for the work on the budget process. Brian Horton introduced to the Board his assistant, Terri Biller.

**4. HUMAN RESOURCES OVERVIEW – WILBUR HILL, VICE PRESIDENT, HUMAN RESOURCES**

Wilbur Hill, vice president of Human Resources presented an overview on current personnel and advised that the Customer Service department will be recommending a reduction of four full time equivalent positions; if approved it will bring staff to 288 full time positions.

Mr. Hill advised that staff is recommending a 3% market level adjustment for planning purposes only for FY 2018 annual budget.

Director Hardee asked Mayor Alvarez what the City has done. Mayor Alvarez advised the City approved a 4% increase. Director Ortega asked if the

reduction of the 4 positions going to be done through attrition or layoffs. Mr. Hill advised attrition.

**ACTION: Director Van Meter made a motion, seconded by Director Hardee to use a 4% market level adjustment for planning purposes only for FY 2018.**

**MOTION PASSED 5 - 0**

5. DEPARTMENTAL OVERVIEW – PERSONNEL & CAPITAL

a. POWER SUPPLY – LARRY MATTERN

Larry Mattern, vice president of power supply gave an overview of the department.

b. INFORMATION TECHNOLOGY – JEF GRAY

Jef Gray, vice president of information technology provided an overview of the department.

c. ENGINEERING & OPERATIONS – BRIAN HORTON

Brian Horton, vice president of engineering & operations provided a brief summary of the major projects within the department's budget.

d. CUSTOMER SERVICE – SUSAN POSTANS

Susan Postans, vice president of customer service provided a brief summary of the department's budget.

e. FINANCE & ADMINISTRATION AND EXECUTIVE – CHARLES LEE

Kevin Crawford, vice president of finance and administration gave an overview of the finance and executive department's budgets

f. HUMAN RESOURCES – WILBUR HILL

Wilbur Hill, vice president of human resources advised that his department has no structure changes or capital items to recommend.

g. OFFICE OF CORPORATE COMMUNICATIONS – CHRIS GENT

Chris Gent, vice president of corporate communications provided an overview of sponsorships. Director Van Meter requested a hard copy of the sponsorship log. Mr. Welsh advised hard copies will be provided.

L. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, vice president and General Counsel thanked the Board for attending the Legislative Rally and provided an update on the small antenna wireless attachment bill. He also informed that there is also a proposal to eliminate LIHEAP for the remainder of FY 2017 and FY2018.

Mayor Alvarez advised that Senator Torres is in DC as well as Congressman Soto who is speaking on this matter to Congress so there may be some amendments

Mr. Welsh shared the upcoming events. Director Hardee asked to provide an overview on Pole Attachments.

Mr. Horton detailed the current process in place for public and private entities that want to attach to our poles.

Mr. Welsh thanked the Board on behalf of all the employees for their support on the market level adjustment.

Director Van Meter asked if next month's meeting time schedule can be moved up to allow all board members to participate in Board member interview process.

**ACTION: Director Van Meter made a motion, seconded by Director Thacker to move the May 3<sup>rd</sup> meeting @ 2pm.**

**MOTION PASSED 5 – 0**

Mr. Lacerte added a comment that KUA lineman will be participating at the FMEA Lineman in Lakeland on April 22.

Director Van Meter thanked Director Ortega and Mr. Lacerte for riding with her up to Tallahassee for the FMEA Legislative Rally.

Director Thacker thanked the board and staff for going through the strategic planning process.

Director Ortega and Director Hardee thanked the staff and welcomed Kevin Crawford to KUA.

M. ADJOURNMENT

Director Hardee adjourned the meeting at 5:31 pm.

  
Chairman

  
Secretary