

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY HELD WEDNESDAY,  
MARCH 7, 2018, AT 3:30 PM, BRINSON BOARD ROOM, ADMINISTRATION  
BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE, FLORIDA

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

A. MEETING CALLED TO ORDER

Director Van Meter called the meeting to order at 3:30 PM.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board and staff recited the pledge.

C. AWARDS AND PRESENTATIONS

1. DEGREE RECOGNITION – MATT MAASSEN, MASTER OF  
ENGINEERING IN POWER SYSTEMS ENGINEERING, WORCESTER  
POLYTECHNIC INSTITUTE
2. DEGREE RECOGNITION – MIKE KOSS, SR. SUBSTATION  
ELECTRICIAN, ASSOCIATES DEGREE IN ELECTRICAL  
TRANSMISSION TECHNOLOGY AND ASSOCIATES DEGREE IN  
ELECTRICAL POWER TECHNOLOGY, BISMARCK STATE COLLEGE
3. 5-YEAR SERVICE AWARD – YARITZA QUINONES, CUSTOMER  
SERVICE REPRESENTATIVE II, CUSTOMER SERVICE
4. 5-YEAR SERVICE AWARD – NICHOLAS RIVERA, CUSTOMER SERVICE  
REPRESENTATIVE II, CUSTOMER SERVICE
5. 5-YEAR SERVICE AWARD – ANNELIZ ROJAS, CUSTOMER SERVICE  
REPRESENTATIVE II, CUSTOMER SERVICE
6. 5-YEAR SERVICE AWARD – MARCOS DIAZ, FIELD SERVICE  
SPECIALIST, CUSTOMER SERVICE
7. 10-YEAR SERVICE AWARD – NICK BRIGHT, SR. REVENUE  
PROTECTION SPECIALIST, CUSTOMER SERVICE
8. 10-YEAR SERVICE AWARD – SUSAN POSTANS, VICE PRESIDENT OF  
CUSTOMER SERVICE, CUSTOMER SERVICE
9. 15-YEAR SERVICE AWARD – MARILYN KARL, TELLER SUPERVISOR,  
FINANCE & ADMINISTRATION
10. EMPLOYEE OF THE MONTH FOR MARCH 2018 – JEFF SIZEMORE,  
SENIOR ENGINEER, ENGINEERING & OPERATIONS

Mr. Welsh congratulated Jeff and thanked him for his dedication and hard work.

D. CONSENT AGENDA

**ACTION: Director Ortega made a motion, seconded by Director Thacker to approve items 1 through 4 under the consent agenda.**

**MOTION PASSED 5 - 0**

1. APPROVAL OF MINUTES FOR FEBRUARY 7, 2018 REGULAR MEETING
2. APPROVAL OF CONTRACT (#2015-002-A) AMENDMENT NO. 3 WITH ELECTRIC SUPPLY INCORPORATED FOR AN ADDITIONAL TERM FOR THE PROCUREMENT OF ELECTRIC WIRE AND CABLE

**RECOMMENDATION: Approve contract amendment No. 3 with Electric Supply for an additional term for the procurement of electric wires and cable and authorize the President & General Manager to execute any necessary contract documents.**

3. APPROVE AWARD OF BID AR#18-006-CV FOR THE PROCUREMENT OF UTILITY JUNCTION BOXES

**RECOMMENDATION: Approve the award of contracts to Electric Supply and Irby for the procurement of electric utility junction boxes and authorize the President & General Manager to execute the necessary contract documents.**

4. BOY SCOUT EAGLE DINNER SPONSORSHIP

**RECOMMENDATION: Approve sponsorship of the Boy Scout Eagle Dinner at the \$5,500 level of sponsorship for 2018.**

E. PUBLIC HEARING - None

F. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. OSCEOLA COUNTY HISTORICAL SOCIETY

Chris Gent, vice president of Corporate Communications, introduced Donnita Dampier, executive director of the Osceola County Historical Society who provided an overview of Pioneer Village at Shingle Creek and shared a brief video on the history of Pioneer Day and what is offered at Pioneer Village. She also advised that there is now a venue available that is offered for events. Donnita thanked KUA for its contributions.

G. OLD BUSINESS - None

H. NEW BUSINESS - None

I. STAFF REPORTS

1. QUARTERLY FINANCIAL REPORT

Kevin Crawford, vice president of Finance & Administration, provided an overview on the quarterly condensed financial report including the fiscal year 2018 MWh sales graph; budget & actual recap; statement of net position; comparative statements of revenues; expenses and changes in net position and the investment inventory summary.

## 2. AMI UPDATE

Brian Horton, vice president of Engineering & Operations, provided an update on the AMI project, including the notice of intent to award to Landis+Gyr, upon successful contract negotiations and advised that an anticipated recommendation would be brought to the Board next month.

### J. HEAR ATTORNEY, GENERAL MANAGER & DIRECTORS

Grant Lacerte, vice president & General Counsel, thanked the Board for their presence at the APPA Legislative Rally in Washington DC.

Mr. Welsh shared dates of upcoming events. He also informed the Board that next month is the Strategic Planning session and asked if the Board would like to start the meeting @ 2:30 pm. The Board agreed to start the Preliminary Strategic Planning session @ 2:30 pm.

Director Urbina advised she had a comment/question regarding the rates. She advised that since she has been on the Board, KUA has been giving back to the customers a return or an adjustment that seems to get larger every month. She asked if the Board should review the rates to lower them to make something more permanent and make a big announcement to the public which will give KUA a lot of PR for lowering the rates, even if it's five cents to make something more permanent. She advised that gas is not going up in price as it looks like the trend is going downward so a review to look into that should be done.

Director Van Meter advised there are tariffs imposed and asked Mr. Crawford to address.

Mr. Crawford advised that this is looked at very closely on a month to month basis. The COPA mechanism that is in place allows KUA to return money, so it's always possible to reduce what we collect in the base rate for fuel. Mr. Crawford stated the finance staff will review the request and provide a recommendation to the Board as requested.

Director Van Meter advised that KUA has to be careful as we don't want the rates to fluctuate; if the rate increases, it's much worse than returning money.

Mr. Crawford advised that because of the Board's directive, staff is able to adjust COPA on a monthly basis. KUA collects in the base rate about .0923 for fuel each month.

Director Urbina advised that it appears to the customers as a "favor" to be adjusting their bill and providing them a discount every month rather than to reduce the rate.

Director Thacker added that KUA has not changed its base rate in years. She stated that she has been concerned about taking more than what is needed to put in a fund that brings down rates five years from now. Director Thacker asked if there is a way to look at figures to better determine if Director Urbina's request could be done so safely or not.

Director Van Meter advised that KUA should be cautious of the rates fluctuating. She stated that is why the stabilization fund is in place. Raising rates is much worse than giving money back.

Mr. Welsh advised that any changes would have to go through the PSC and requires a public hearing. He cautioned the Board that if gas prices rise and rates have to be raised, it is very difficult on the public even if they were lowered a year earlier. Mr. Welsh advised this is why the COPA mechanism is in place.

Director Urbina advised that she is not addressing this as a customer, but is asking for this Board to review the rate.

Director Thacker asked about the amount of funds that KUA has in reserves. She asked that staff also take a look at this.

Director Van Meter asked if there should be a workshop on this. Mr. Crawford stated that he would look into this and bring something back.

Mr. Welsh asked the Board if they would like this brought back during the Preliminary budget and strategic planning session. The Board agreed.

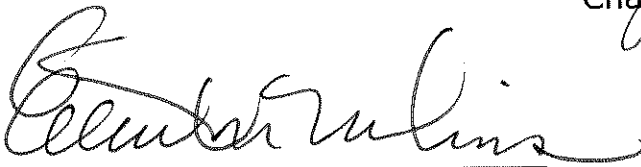
Director Ortega thanked Mr. Lacerte for his leadership in Washington DC.

Director Van Meter thanked staff for coming back respectfully with responses to the questions.

K. ADJOURNMENT

Director Van Meter adjourned the meeting at 4:23 pm.

  
Chairman

  
Secretary