

REGULAR & SPECIAL MEETING OF KISSIMMEE UTILITY AUTHORITY HELD  
WEDNESDAY, MARCH 2, 2016 AT 3:30 PM, BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,  
FLORIDA

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

A. MEETING CALLED TO ORDER

Director Hardee called the meeting to order @ 3:45 pm.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board members and staff recited the pledge of allegiance.

C. AWARDS AND PRESENTATIONS

1. 10-YEAR SERVICE AWARD – BARBARA GONZALEZ, FINANCIAL ANALYST, FINANCE & ADMINISTRATION
2. 15-YEAR SERVICE AWARD – FISHER GIBSON, GIS TECHNICIAN, ENGINEERING & OPERATIONS
3. 25-YEAR SERVICE AWARD – MIKE BLOUGH, DISPATCH & COMPLIANCE MANAGER, ENGINEERING & OPERATIONS
4. 30-YEAR SERVICE AWARD – TIM PHILLIPS, LINE LOCATOR/INSPECTOR, ENGINEERING & OPERATIONS
5. EMPLOYEE OF THE MONTH FOR MARCH 2016 – LISA DAVIS, RISK MANAGEMENT ADMINISTRATOR, FINANCE & ADMINISTRATION

Mr. Welsh congratulated Lisa for being selected employee of the month for March 2016 and wished her the best on her upcoming retirement.

D. HEAR THE AUDIENCE

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

E. CONSENT AGENDA

**ACTION:** Director Van Meter made a motion, seconded by Director Thacker to approve items 1- 4 on the Consent Agenda.

**MOTION PASSED 5 – 0**

1. APPROVAL OF MINUTES FOR FEBRUARY 3, 2016 REGULAR MEETING
2. BOY SCOUT EAGLE DINNER SPONSORSHIP

**RECOMMENDATION:** Approve sponsorship of the Boy Scout Eagle Dinner at the \$5,500 level of sponsorship for 2016.

3. TOHO BASS BLAST OPEN TOURNAMENT SPONSORSHIP

**RECOMMENDATION: Approve a \$10,000 sponsorship of the Toho Bass Blast Open Tournament.**

4. MICROSOFT SOFTWARE ASSURANCE RENEWAL

**RECOMMENDATION: Authorize the President and General Manager to approve the total contract price of \$865,309.11, to be paid annually in installments of \$288,436.37 for 3 years.**

F. PUBLIC HEARING - None

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. KISSIMMEE MAIN STREET PRESENTATION

Chris Gent, vice president of Corporate Communications introduced Brianne Stefek, executive director of Kissimmee Main Street. She shared a short presentation on the positive impact KUA's financial contributions made on last month's Kissimmee 5K and thanked KUA for its continued support.

2. OSCEOLA COUNTY HISTORICAL SOCIETY PRESENTATION

Chris Gent, vice president of Corporate Communications introduced Donnita Dampier, executive director of the Osceola County Historical Society. She made a short presentation and thanked KUA for its support throughout the years.

H. OLD BUSINESS - None

I. NEW BUSINESS - None

J. STAFF REPORTS

1. QUARTERLY FINANCIAL REPORT

Joe Hostetler, vice president of Finance & Administration provided an overview of KUA's financial report.

2. UPDATE ON AUTOMATED METERING INFRASTRUCTURE (AMI)

Brian Horton, vice president of Engineering & Operations reminded the Board that in fiscal year 2015 the board authorized staff to move forward with the AMI project and there are currently a few meters collecting data. Mr. Horton introduced Jef Gray, vice president of Information Technology to provide a walkthrough of the integration front.

Mr. Gray provided an overview of the progress and status of the AMI project. Mr. Gray showed a concept drawing of the AMI room; the hub of all the data and a demonstration of an AMI meter running live which showed the front fountain at KUA shutting down and turning on from the boardroom.

Director Hardee asked if there is contingency location for the hub area. Mr. Gray advised that since it is web based, staff will have remote systems in place. Director Hardee applauded the team for their efforts with this program.

At 4:35 pm Mayor Swan advised that he will be leaving to attend another meeting however, wanted to congratulate Susan Postans for receiving the Boys & Girls club 2015 County Board Member of the Year.

K. PRELIMINARY BUDGET STRATEGIC PLANNING

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

Mr. Welsh quoted KUA's mission statement and explained the driving force behind the whole budget process.

2. FINANCIAL OVERVIEW – JOE HOSTETLER, VICE PRESIDENT, FINANCE & ADMINISTRATION

Mr. Hostetler reviewed the budget timeline, and provided a financial overview detailing KUA's reserve program and FMPA's load forecast. Mr. Hostetler acknowledged the departmental ambassadors and Charles Lee, Manager/Financial Analysis for their hard work on the budget process.

Director Urbina asked about the accounting for customer deposits. Mr. Hostetler advised this is part of our portfolio but for accounting purposes it is in an account we keep and cannot use it for anything else other than returning to the customers when they final their accounts.

Mr. Welsh clarified the reserve for deposits stating it's an asset for our books but there is a parallel liability on our side that we owe this to our customers. Director Urbina advised this should not be called a reserve as it is not a reserve.

Mr. Welsh recommended changing the name. Director Hardee asked if there is any legal liability by having it called reserves. Mr. Hostetler advised no, because the tariff is what dictates what we can do with that money. Director Van Meter advised if Director Urbina is clear on the account there is no need to change it.

3. 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 there are corporate organization structural changes this budget review cycle with the System Compliance & Operations department merging with Engineering & Operations and also, the Corporate Communications department is no longer attached to the Human Resources department it is now the Office of Corporate Communications. The Information Technology department will be recommending an increase of one position.

Mr. Hill advised that staff is recommending a 3% market level adjustment for planning purposes only for FY 2017 annual budget.

**ACTION: Director Van Meter made a motion, seconded by Director Thacker to use a 3% market level adjustment for planning purposes only for FY 2017.**

**MOTION PASSED 5 - 0**

4. 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. Mr. Gray presented the first of six emerging projects. Mr. Gray provided an overview of the Solar Education project. Mr. Gray provided the positives in the community this project would have. After some discussion, it was the Boards consensus to proceed with this project.

Mr. Gray also provided an overview on the second emerging project, the Active Shooter Detection program. Mr. Gray made a presentation of this new technology

available and how this would benefit KUA and after some discussion, it was the Board's consensus to review this project again after all the remaining projects are heard.

Mr. Welsh advised that all six projects will be summarized at the end.

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. Mr. Horton provided an overview on the third emerging project, the LED Lighting project. It was the Board's consensus to move forward with this project.

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 – JOE HOSTETLER

Joe Hostetler, vice president of finance and risk management gave an overview of the finance and executive department's budgets

At this time, Judy Ambrosi, Executive Administrator & Facilities Manager made a presentation on the fourth emerging project, an Emergency Staging Area & Employee Appreciation Pavilion. After some discussion on size and use of the building, it was the Board's consensus to bring this item back in the budget with expansion used for employee usage and as a disaster recovery staging area. Also, to proceed ahead with the Marydia upgrade as a separate project.

Mrs. Ambrosi also presented the fifth emerging project, Solar Carport. Mrs. Ambrosi shared the pros of having this project come into fruition; for example, solar education. This structure would be placed on the east side of the building in the second set of parking rows. After some discussion, it was the Board's consensus to hold this project until the FY 2018 budget.

f. HUMAN RESOURCES – WILBUR HILL

Wilbur Hill, vice president of human resources advised the Board that there are no organizational structure changes.

g. OFFICE OF CORPORATE COMMUNICATIONS – CHRIS GENT

Chris Gent, vice president of corporate communications provided an overview of the history of requested sponsorships. Director Van Meter requested a copy of the sponsorship log via email to review. Mr. Gent advised he will forward to the Board.

Mr. Gent provided an overview on the final and sixth emerging project, KUA Corporate Video; it would communicate KUA's roll, brand awareness, values, history, mission, and vision of the utility. After discussion it was the consensus of the Board to bring back with cost reduction options.

At this time, the Board discussed in depth the Active Shooter Detection System project. It was the consensus of the Board to bring this item back with more options and details. Dr. Gant commented and the Board agreed that this idea is a new concept and should be kept on the table to be continued to be looked at and it should be brought back to the June budget hearing.

Below are the emerging projects that the Board has approved to proceed ahead with:

**Solar Education Exhibit**

**Description:** Mobile solar based exhibit for hands-on learning and demonstration.

**Cost:** \$25,000

**Comments:** Proceed

**LED Lighting**

**Description:** LED lighting for all new installations and an option to change out existing lights at customer cost.

**Cost:** No fiscal impact for FY17

**Comments:** Proceed

**Emergency Staging Area & Employee Appreciation Pavilion**

**Description:** Construction of an approximate 2,000 square foot facility similar in design to the Marydia Pavilion on Garden Street to act as an emergency staging area and employee appreciation pavilion.

**Cost:** \$165,000

**Comments:** Bring back in the budget with expansion used for employee usage and disaster recovery staging area. Also as a separate project proceed ahead with Marydia upgrade.

**KUA Corporate Video**

**Description:** 3-5 minute corporate overview video to reach multiple audiences.

**Cost:** \$25,000

**Comments:** Bring back with cost reduction options

**Active Shooter Detection System**

**Description:** Enhanced security monitoring system detects gunfire, maps location and initiates alarm procedures.

**Cost:** \$75,000 First year, \$25,000 second year

**Comments:** Proceed ahead and bring back an expanded plan with more details at June meeting.

This emerging project was placed on hold until FY 2018:

**Solar Carport**

**Description:** An educational, "double row" carport with solar panels for the Carrol Street parking lot to be fed directly back into the distribution system.

**Cost:** \$500,000 (estimate)

**Comments:** Hold until FY2018 Budget

L. OTHER - None

M. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, vice president & General Counsel provided an update on the Mayfield bill and an update on the FMEA legislative Rally held in Tallahassee last month.

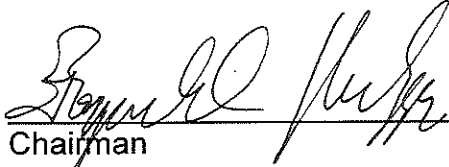
Mr. Welsh shared dates of upcoming events and informed the Board that the Central Florida Chapter of the National Institute of Governmental Purchasing has renamed its annual Member of the Year Award to the Cindy Bryan Member of the Year Award, in honor of former KUA employee Cindy Bryan. Cindy was a member of NIGP for many years prior to her death in 2013. Damaris Nazario of the Orange County Clerk of Court has been named the 2016 recipient of the award.

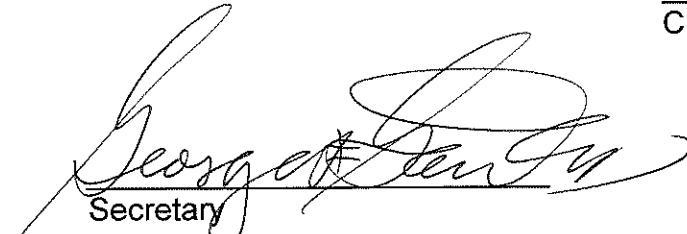
Director Hardee and the Board thanked staff for their hard work in putting together the budget information along with the emerging projects.

Director Thacker also thanked the departments for allowing her to attend their meetings as it is a learning experience for her.

N. ADJOURNMENT

Director Hardee adjourned the meeting at 7:00 pm.

  
Chairman

  
Secretary