

REGULAR & SPECIAL MEETING OF KISSIMMEE UTILITY AUTHORITY TO BE HELD  
WEDNESDAY, JUNE 7, 2017 AT 3:30 PM, BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,  
FLORIDA

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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 at 3:30 pm.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board and staff recited the pledge.

C. AWARDS AND PRESENTATIONS

1. LINEMAN RODEO COMPETITION PARTICIPANT RECOGNITION

Brian Horton, vice president of Engineering & Operations introduced Aaron Haderle, Superintendent of T&D who advised that KUA personnel recently participated in the FMEA Lineman Competition on April 22<sup>nd</sup> in Lakeland and the APPA Lineworkers Rodeo on May 6<sup>th</sup> in San Antonio, Texas. The Board congratulated and thanked the following employees, Kevin McKinsey, Brian Cutcher, Nick Aviles, Billy Sutphin, Austin Gunther, Brendan Laflamme, Lars Akkerman, Daniel Kelly, Tony Nasco, Samuel Gault, Austin Franey, Billy White, Shane Paras, Jason Wright and David Wolfe.

Mr. Haderle also shared a letter sent to KUA by APPA, senior vice president of Engineering Services, Mike Highland, who congratulated KUA's Lineman Team for achieving a perfect score at the APPA Rodeo.

2. FLORIDA MUNICIPAL ELECTRIC ASSOCIATION (FMEA) SAFETY & MUTUAL AID AWARDS

Brian Horton, vice president of Engineering & Operations advised that KUA was recently recognized by FMEA for its safety achievements and mutual aid assistance. KUA was presented with the 3<sup>rd</sup> place safety award for municipal utilities having between 400,000 – 999,999 man-hours worked in 2016. KUA was also presented with the "Restoring Communities Award" for its mutual aid assistance in restoring power to Florida communities in the aftermath of Hurricanes Hermine and Matthew.

3. 5-YEAR SERVICE AWARD – ANA FRANCIS, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE

4. 5-YEAR SERVICE AWARD – JULIA SANCHEZ, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE

5. 10-YEAR SERVICE AWARD – ADAM SMITH, SCADA/COMMUNICATIONS TECH II, ENGINEERING & OPERATIONS

6. 10-YEAR SERVICE AWARD – LARISSA HALL, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE

7. 15-YEAR SERVICE AWARD – MARK CHABROL, PP  
MECHANIC/OPERATOR, POWER SUPPLY
8. 15-YEAR SERVICE AWARD – MICHAEL SURRENCY, PP MECHANIC/  
WELDER/OPERATOR, POWER SUPPLY
9. 20-YEAR SERVICE AWARD – CHERYL MEARS, MANAGER OF NETWORK  
OPERATIONS, INFORMATION TECHNOLOGY
10. EMPLOYEE OF THE MONTH FOR JUNE 2017 – KELLY WILLETTS, METER  
READER, CUSTOMER SERVICE

Mr. Welsh congratulated Kelly for being selected employee of the month for June 2017.

D. HEAR THE AUDIENCE

At this time, Director Hardee asked if there was anyone from the public who would like to address the Board on an item that is not on the agenda to please come forward. 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 and 2 on the Consent Agenda.**

**MOTION PASSED 5 - 0**

1. APPROVAL OF MINUTES FOR MAY 3, 2017 REGULAR & SPECIAL  
MEETING
2. AIRPORT SUBSTATION RELAY PANEL PROJECT

**RECOMMENDATION: Award the purchase of relay panels for Airport Substation to KEMCO in the amount of \$214,586 and authorize the Chairman and Secretary to execute the necessary contract documents.**

F. PUBLIC HEARING - None

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. CITY OF KISSIMMEE UPDATE BY MIKE STEIGERWALD

Chris Gent, vice president of Corporate Communications introduced Mike Steigerwald, Kissimmee's City Manager who provided an update of ongoing and upcoming capital projects in the City. The Board thanked Mr. Steigerwald for the detailed and informative presentation.

Director Van Meter commented that she has been here since 1972 and has seen the changes and is very proud how far we have come.

Mr. Welsh added that if it was not for the initiative that the Board took in donating the Hansel property to the City for them to develop, and also building the new substation, the renderings that has been shared would not be possible.

2. OSCEOLA ARTS PRESENTATION

Mr. Gent introduced Brandon Arrington, executive director of Osceola Arts who made a short presentation on the positive impact KUA's financial contributions have made for his organization's annual Mosaic Arts Festival.

### 3. CARIBBEAN & FLORIDIAN ASSOCIATION PRESENTATION

Mr. Gent introduced Andy King, president the Caribbean and Floridian Association, Inc., who made a short presentation on the positive impact KUA's financial contributions made for his organization's annual Caribbean Fusion festival.

### 4. 2017 CUSTOMER SATISFACTION SURVEY RESULTS

Mr. Gent introduced Seamus McNamee, senior director of research at GreatBlue, who presented the survey results. The 40-question survey was conducted by telephone in June 2016 and covered a variety of topics, including customer contact and service, billing, services, communications and utility image. Mr. McNamee provided an overview of the survey results and advised that with this being the first year of working with KUA, some of the questions KUA has used in the past were incorporated into this year's survey.

Director Van Meter asked if the delivery of the questions offered better results. Mr. McNamee advised that the methodology of this survey did not change.

Director Ortega asked when a phone call is made and someone is dissatisfied, is it reflected in the report. Director Ortega shared that the numbers are great however he would like to strive to see a 100% satisfaction rate.

Mr. McNamee advised open end prompts were not included in this survey but can be added for the future.

The Board thanked Mr. McNamee for his presentation.

H. OLD BUSINESS - None

I. NEW BUSINESS - None

J. STAFF REPORTS

#### 1. QUARTERLY FINANCIAL REPORT

Kevin Crawford, vice president Finance & Administration provided the quarterly financial report.

Director Hardee asked for a 10 minutes recess at this time.

At 5:21 pm the meeting resumed.

K. BUDGET REVIEW

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

Mr. Welsh provided the following highlights; KUA's Annual Budget is \$252M with the projected operating revenues at \$231M; staffing will be decreased by 4 FTEs bringing the total full time equivalent positions to 288; a 4% Market Level Adjustment is being recommended; FY 2018 funding recommendation of \$4.5M for the Domingo Toro substation which has anticipated service date of 2019; FY 2018 also includes a recommend funding of \$4M for the AMI project and also, this is the 12th consecutive year without a base rate increase.

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

Kevin Crawford, vice president Finance & Administration provided KUA's financial overview.

3. HUMAN RESOURCES OVERVIEW – WILBUR HILL, VICE PRESIDENT,  
HUMAN RESOURCES

Wilbur Hill, vice president of Human Resources advised that Customer Service is recommending a reduction of 4 positions in this budget cycle and if approved, it will bring staff to 288. Dr. Hill also stated that with the Board's direction at the strategic planning & budget meeting, this budget includes a 4% market level adjustment.

Director Ortega asked if the reduction of 4 positions was through attrition. Dr. Hill advised that it is associated with attrition.

Mr. Welsh reminded the Board that most of the budget is in-line with the strategic plan preliminary budget direction the Board provided two months ago.

4. DEPARTMENTAL BUDGETS  
a. POWER SUPPLY– LARRY MATTERN

Larry Mattern, vice president of Power supply provided a brief overview of his departmental budget.

b. INFORMATION TECHNOLOGY – JEF GRAY

Jef Gray, vice president of Information Technology provided an overview of his departmental budget and advised that one new item, security cameras have been added.

c. ENGINEERING & OPERATIONS – BRIAN HORTON

Brian Horton, vice president of Engineering & Operations shared an overview of his departmental budget and advised that one change is noted on the org chart; Thomas (TR) Lind was promoted to assistant vice president of Engineering & Operations.

d. CUSTOMER SERVICE – SUSAN POSTANS

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

e. FINANCE & ADMINISTRATION AND EXECUTIVE – KEVIN CRAWFORD

Kevin Crawford, vice president of Finance & Administration provided an overview of his departmental budget as well as the executive office's budget.

Director Hardee stated that he has acquired so much information and knowledge from traveling to the conferences staff has budgeted for the Board to attend. He stressed that the Board take advantage of this training and education.

f. HUMAN RESOURCES – WILBUR HILL

Wilbur Hill, vice president of Human Resources provided an overview of his departmental budget.

g. OFFICE OF CORPORATE COMMUNICATIONS – CHRIS GENT

Chris Gent, vice president of Corporate Communications provided an overview of his departmental budget and reviewed the sponsorship budget.

L. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, vice president and General Counsel provided an update on the latest state legislative session.

Mr. Welsh shared dates of upcoming events and also advised that at last month's board meeting, per Director Hardee, an invitation to FMPA has been sent and accepted to attend next year's KUA DDD event.

Director Van Meter shared that the September 15<sup>th</sup> date is for all board and staff to attend a farewell get-together for Director Hardee at her home.

Director Urbina asked about the impact of the removal of United States from the Paris agreement. Mr. Lacerte provided a briefing on this and advised that the impact to KUA is minimal as a utility.

Mayor Alvarez advised that Kissimmee has been signed on as one of 246 cities nationwide supporting the Clean Energy Initiative to adopt, honor, and uphold the commitments to the goals enshrined in the Paris Climate Agreement.

Director Hardee requested the Resolution on the Rule of 13 be explained by Mr. Welsh. Director Hardee expressed he would like to return to the Board in the future but his options may be limited due to the rule.

Mr. Lacerte advised the Rule of 13 states "no one can serve three full terms with a without a break in service of 5 years".

Director Hardee thanked KUA staff and asked if Rae Hemphill, Director, Appointee had anything to add. Ms. Hemphill advised that it has been an interesting month.

M. ADJOURNMENT

Director Hardee adjourned the meeting at 6:15 PM

  
Chairman

  
Secretary