

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY HELD WEDNESDAY, MARCH 5, 2025
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 Rae Hemphill, Director Melissa Thacker, Director Reginald Hardee, Director Ethel Urbina, Mayor Jackie Espinosa, President & General Manager, Brian Horton, General Counsel, Grant Lacerte and Acting Recording Secretary, Leticia Rivera.

A. MEETING CALLED TO ORDER

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

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board members and staff recited the Pledge of Allegiance.

C. APPROVAL OF AGENDA

ACTION: Director Hemphill motioned, seconded by Director Hardee to approve the agenda. Chairman Ortega advised the question was moved and seconded to approve the agenda.

MOTION PASSED 5 - 0

D. AWARDS AND PRESENTATIONS

1. FLORIDA MUNICIPAL ELECTRIC ASSOCIATION 2024 RESTORING COMMUNITIES
AWARD

Tiffany Henderson, Director of Corporate Communications shared that KUA was recognized by FMEA with the Restoring Community Award for the mutual aid assistance provided in 2024 and presented the plaque to the Board.

2. DEGREE RECOGNITION – VICTOR CABRALES, IT SUPPORT SPECIALIST, BACHELOR
OF SCIENCE, SOUTHERN NEW HAMPSHIRE UNIVERSITY

3. 15-YEAR SERVICE AWARD – TODD JOHNSON, ELECTRIC METER TECHNICIAN II,
CUSTOMER SERVICE

4. 15-YEAR SERVICE AWARD – SLOBODAN "BUD" ADJUKOVIC, MANAGER OF
CUSTOMER SERVICE AND CALL CENTER, CUSTOMER SERVICE

5. 15-YEAR SERVICE AWARD – DANNY GONZALEZ, CERTIFIED SYSTEM OPERATOR,
OPERATIONS

6. EMPLOYEE OF THE MONTH FOR MARCH 2025 – DEBBIE BRANDT, UTILITY BILLING
REPRESENTATIVE II, CUSTOMER SERVICE

Mr. Horton congratulated Debbie for being selected employee of the month for March 2025.

E. HEAR THE AUDIENCE

Director Ortega asked if anyone from the public would like to address the Board. In hearing none, the Board moved forward.

F. CONSENT AGENDA

ACTION: Director Hemphill motioned, seconded by Director Urbina. Chairman Ortega advised the question was moved and seconded to approve items 1 and 2 on the consent agenda.

MOTION PASSED 5 - 0

1. APPROVAL OF MINUTES FOR FEBRUARY 5, 2025 BOARD MEETING

2. APPROVAL OF EXPENDITURE FOR THE PURCHASE OF A 2025 INTERNATIONAL HV 4X4 CAB AND CHASSIS WITH A TEREX DIGGER DERRICK

RECOMMENDATION: Approve the expenditure for the purchase of one (1) 2025 International HV 4X4 Cab and Chassis truck with one (1) Terex Digger Derrick with Ring Power Corporation in the amount of \$500,000.

G. PUBLIC HEARING - None

H. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. OSCEOLA COUNCIL ON AGING

Ms. Henderson introduced Damaris Gutierrez, Vice President of Community Action Services, who provided an overview on how KUA's Good Neighbor fund has provided support to those customers in the community. Ms. Gutierrez shared that last December a new application system was launched to ensure those who want to apply are able to do so online or over the phone. Ms. Gutierrez thanked the Board for their continued support.

I. OLD BUSINESS

1. PRESENTATION OF KUA'S 2024 STRATEGIC PLAN GOAL RESULTS

Mr. Horton advised that the nineteen 2024 strategic goals were met. 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. The department heads will review the results.

Ms. Henderson advised that next year the Customer Service satisfaction goal for residential and commercial would have a new benchmark to compare ourselves to the Florida Public Power data source with Residential at 5% above the FL PPDS and Commercial at 7.5% above the FL PPDS. We are moving towards this path due to the surveys being conducted in a full digital format while we are still conducting a hybrid version (phone and digital); this will prepare us for when we move to a full digital format.

Director Urbina inquired on the response rate with the Spectrum commercial. Ms. Henderson advised that we did see an uptick in October 2024 with surge protection sign-ups after the commercial; however, it may have also been due to Hurricane Milton, but we did see an influx.

Mr. Lacerte shared this past year our IT department successfully renewed a grant provided by the State of Florida for intrusion detection system. Director Hemphill asked with the current state of affairs in Washington D.C., will this grant be axed or is it safe. Mr. Lacerte advised that once we signed that we accepted the grant back in October 2024, the money was obligated; however, we are proceeding as everything is in order and working with the County diligently going forward.

Director Hardee asked if there is a business need to discuss a contingency plan.

Mr. Horton advised no, this was a project that we pursued in conjunction with the County for undergrounding facilities through NeoCity and if we do not receive the funding, this is not something we ordinarily would have done in that particular area.

Ms. Herrera provided a review on employee turnover. Director Hemphill stated that some employees have many years at KUA and inquired if this calendar year we expect more retirements than in the past. Ms. Herrera advised that staff tracks who is eligible for early retirement, normal retirement and who is in the drop. In the next 5 years, we remain in the 5-10 employee range.

Director Ortega shared that a retirement is not a turnover. Ms. Herrera advised that the Board moved from attrition so we increased our target to reflect all encompassing as it does effect the company, what it looks like as a whole for the organization capturing retirements, resignations and terminations.

Mr. Horton shared that we used to track attrition and we moved to turnover because it provided us a benchmark that we could measure with other organizations because other organizations did not calculate attrition, so this provided us with data that is more comparable.

2. APPROVAL OF EXPENDITURE FOR NETSCOUT NGENIUS ONE

Terry Farley, Manager of Network Engineering Manager, provided an overview on Netscout NGenius One. This purchase will replace a heavily used legacy network monitoring system with a modern and more secure appliance. Netscout's Netflow Tracker, our current network-monitoring tool has reached the end of its useful life and is no longer supported by the vendor. The new recommended system, Netscout's Ngenius One, will provide state-of-the-art tools and security for advanced network traffic analysis, fault diagnosis, and real-time network performance monitoring. This will enhance KUA's capabilities to ensure network health and optimal performance.

Mr. Farley recognized procurement staff member, Ramandeep Mann, for her expertise in navigating through the purchase process, which saved KUA \$22,000 on this item.

Director Hardee inquired with staff considering Ngenius One for the network, what is used for the server part. Mr. Farley advised that he and Cheryl Mears, Manager of IT System and Operations, share the network and for his area, he utilizes SolarWinds and Cheryl's area utilizes Dell OpenManage.

Director Urbina asked for the effective period for this agreement. Mr. Farley advised once the Board approves the agreement, it will be for one year.

ACTION: Director Urbina made a motion, seconded by Director Hardee. Chairman Ortega advised the question was moved and seconded to approve the expenditure of \$261,090.91 for the Netscout Ngenius One system and authorize the President and General Manager to execute all necessary documentation associated with this expenditure.

MOTION PASSED 5 - 0

J. NEW BUSINESS

1. APPROVAL OF 3 YEAR MICROSOFT SOFTWARE ASSURANCE AGREEMENT RENEWAL

Cheryl Mears, Manager of IT System and Operations, provided an overview of the Microsoft Software Assurance agreement renewal recommendation.

Ms. Mears advised that the software assurance agreement provides KUA with up-to-date current licensing and renewal updates for all Microsoft products used across the utility. This agreement covers both end-user devices (laptops and desktops), network servers supporting core business systems, and the telephony network. Software assurance is crucial for maintaining up-to-date systems with the latest security patches and operating code, minimizing the risk of vulnerabilities and potential compromise from outdated software. In addition, while annual costs have risen each year, every component of the licensing agreement represents the absolute minimum required to maintain KUA's essential operations, ensuring critical coverage for necessary patches, updates, and upgrades.

ACTION: Director Urbina made a motion, seconded by Director Thacker. Chairman Ortega advised the question was moved and seconded to approve the Microsoft Software Assurance License agreement, under Government Contract #121923-SHI Source Well Technology Catalog Solutions in the amount of \$1,519,147.91 and authorize the President and General Manager to execute any necessary contract documents.

MOTION PASSED 5 - 0

2. APPROVAL OF SCHEDULE FOR BOARD MEMBER RECRUITMENT FOR TERM BEGINNING OCTOBER 1, 2025

Mr. Horton advised the Board that Director Ethel Urbina will complete her final term on the Board in September and requested board approval for the recruitment schedule to have someone in place by October 1, 2025.

ACTION: Director Urbina made a motion, seconded by Director Hardee. Chairman Ortega advised the question was moved and seconded to approve the schedule for board member recruitment for term beginning October 1, 2025.

MOTION PASSED 5 – 0

K. STAFF REPORTS

1. FINANCE & ADMINISTRATION QUARTERLY REPORT

Kevin Crawford, Vice President of Finance and Administration, presented an overview of the quarterly financial report.

Director Hemphill asked a question unrelated to the report. She inquired with so much going on with the tariffs, could we experience increases to KUA. Mr. Crawford advised that it is too early to anticipate any material consequences that we can measure. However, Mr. Crawford reminded the Board that KUA has strong reserves and contracts in place, which provide the critical infrastructure and materials. KUA staff will continue to monitor the situation very closely.

2. INFORMATION TECHNOLOGY SEMI ANNUAL REPORT

Mr. Gray, Vice President of Information Technology, provided an update on various ongoing and upcoming projects including, Windows 11 upgrades, ongoing system patching, ongoing VOIP phone upgrade, e-Flex Pay program, Text to Pay – new feature program, and the upcoming DDD day events.

L. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, General Counsel, thanked Mayor Espinosa, Director Urbina and Director Hardee for participating in the APPA Legislative Rally last week. It was a successful rally and staff met U.S. Senator Ashley Moody and Congressman Darren Soto. Mr. Lacerte provided an update on the session.

Mr. Horton shared the dates of the upcoming events and reminded the Board that the June 8th board meeting has been moved to June 18th.

Director Hemphill congratulated all the linemen who competed at the FMEA Rodeo this past weekend and wished them luck on the upcoming APPA Lineman Rodeo.

Mayor Espinosa thanked staff and recognized Jennifer Gonzalez, Assistant General Counsel, for her support at the rally.

Director Hardee thanked the Mayor for articulating our concerns at the rally and thanked Grant and Jennifer for their support as well.

M. MANAGEMENT REVIEW

Director Ortega shared that a robust conversation was had at the workshop on Mr. Horton's performance review and before asking for a motion, offered the floor for any additional comments.

Director Hardee commented that he had a conversation with Mr. Horton regarding the goals and Mr. Horton responded well with reminding him on the measures he takes to reinvest into staff. Director Hardee advised that he was thinking of an additional goal but after listening to Mr. Horton articulate how there is delegation, continuous growth and investment in the employees, this assured him that there is no need for an additional goal.

Director Ortega stated that Mr. Horton runs a great program in support of subordinates getting ready to move up.

At this time, Director Ortega asked for a motion.

ACTION: Director Urbina made a motioned, seconded by Director Hardee. Chairman Ortega advised the question was moved and seconded to provide an increase for Market Adjustment for 5% and in addition to that, a 5% on performance, based on the appraisals Mr. Horton received this period.

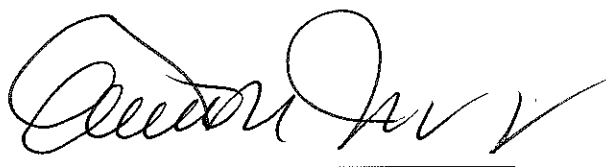
MOTION PASSED 5 - 0

N. ADJOURNMENT

Director Ortega adjourned the meeting at 4:56 p.m.



Chairman



Secretary