

**MINUTES OF A REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY,
WEDNESDAY, NOVEMBER 7, 2007 at 3:30 P.M., BRINSON BOARD ROOM,
ADMINISTRATION BUILDING, 1701 W CARROLL STREET, KISSIMMEE, FLORIDA.**

Present were Chairman William Hart, Vice Chairman Fred Cumbie, Director Nancy Gemskie, Director Jim Kasper, Director Reginald Hardee, Mayor Jim Swan, General Manager James Welsh, Vice President and General Counsel Grant Lacerte, and Recording Secretary Leticia Rivera.

A. **MEETING CALLED TO ORDER** at 3:32 p.m. by Chairman Hart.

B. **PLEDGE OF ALLEGIANCE**

The Board and staff recited the Pledge of Allegiance.

C. **AWARDS AND PRESENTATIONS**

1. **FMEA 2007 COMMUNITY SERVICE AWARD**

Chris Gent, Vice President Corporate Communications presented the Board with the 2007 Community Service Award and acknowledged Rachel Gmerek, Corporate Communications Specialist for her assistance. FMEA Executive Director Barry Moline presented the award to KUA during ceremonies held Oct. 10 at the association's annual Energy Connections Workshop & Trade Show in Jacksonville.

2. **APPA ANNUAL REPORT AWARD OF EXCELLENCE**

Chris Gent, Vice President Corporate Communication presented the Board the APPA Annual Report Award of Excellence. This award was presented to KUA on October 30th by APPA President and CEO Alan Richardson and Board Chairman, Terry Huval at the Association's annual Customer Connections Conference in Seattle, Washington.

3. **10-YEAR SERVICE AWARD – BARBARA ROGERS, LEAD METER READER, CUSTOMER SERVICE & MARKETING**

4. **15-YEAR SERVICE AWARD – MICHELLE DABOIN, SECRETARY II, CPS, POWER SUPPLY**

5. **25-YEAR SERVICE AWARD – DAVE MCGINTY, MANAGER OF SUBSTATION ELECTRICAL MAIN, ENGINEERING & OPERATIONS**

6. **EMPLOYEE OF THE MONTH FOR NOVEMBER – MAGDALENA FERNANDEZ, ENGINEER, ENGINEERING & OPERATION**

D. **HEAR THE AUDIENCE**

E. **CONSENT AGENDA**

ACTION: Director Cumbie made a motion, seconded by Director Gemskie to approve item 1 on the consent agenda.

MOTION PASSED 5 TO 0

1. **APPROVAL OF MINUTES FOR OCTOBER 3, 2007 REGULAR MEETING**

F. **PUBLIC HEARING** – None

G. **INFORMATIONAL PRESENTATION (REQUIRING NO ACTION)** - None

H. **OLD BUSINESS**

1. **BUDGET AMENDMENT**

Joe Hostetler, Vice President of Finance & Risk Management informed the Board this agenda item is to amend Budget Resolution No. 07-04. The amendment increases the authorized number of positions by two part time (one full time equivalent) and increases the authorized expenditures of \$50,413 to support these positions. The recommendation for the two Teller positions was presented to the Board at the October 3, 2007 meeting in order to support the extended hours and address increased lobby traffic.

ACTION: Director Gemskie made a motion; seconded by Director Kasper to approve the budget amendment.

MOTION CARRIED 5 - 0

I. **NEW BUSINESS** - None

J. **STAFF REPORTS**

1. **QUARTERLY REPORT ON POWER SUPPLY DEPARTMENT PROJECTS**

Larry Mattern, Vice President Power Supply updated the Board on several projects and presented a pictorial/progress of the Treasure Coast power plant which is being collectively built with FMPA. Mr. Mattern discussed future goals of the Florida Municipal Power Pool, the Gas Transportation Agreement with Progress Energy and the success of the FRCC audit.

2. **CUSTOMER SERVICE ISSUES & UPDATE**

Carolyn Scott, Acting Vice President Customer Service & Marketing provided an update on issues within the customer service area including a special project that is taking place to adjust Toho charges that were charged in October. General Manager Jim Welsh informed the Board, Toho passed rates by resolution and the wording was ambiguous. The wording, rates become effective October 1st, can be interpreted on the bills going out October 1st or consumption effective October 1st. Jim Welsh has spoken to Brian Wheeler, Director Toho Water Authority and advised him to update the wording so it can be implemented. Toho's bond lawyers interpreted as of consumption effective October 1st. Mr. Welsh also advised Brian Wheeler that Toho is now in violation of the resolution passed by their Board as interpreted by their bond lawyers. It's impossible for the resolution to be implemented in accordance with their interpretation. KUA will have to start charging on bills that go out November 1st. Also, the adjusting of the city sanitation charges has to be done. KUA did not bill for all the services.

Mrs. Scott advised the Board that the fee for V-Com usage has been eliminated. Director Cumbie asked who consumes the charge. Mrs. Scott stated that KUA does. Director Hardee asked how much the charge was. Mrs. Scott informed him it was \$1.50.

Mrs. Scott informed the Board the customer service hours have been extended to 7am to 6pm. Additional phone lines have been added. Chairman Hart asked if the customers in the lobby are waiting to make a payment or just see a representative. Mrs. Scott informed Director Hart there is a receptionist who greets the customers and directs them. Director Kasper informed Jim Welsh that the receptionist, Hannia Arce is doing a great job with the customers.

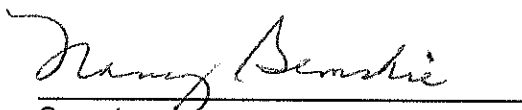
Cheryl Mears, Manager of Network Operations informed the Board that KUA is planning on increasing work from home capacity by implementing a major upgrade of the phone and recording systems. Director Hardee questioned whether a full PBX change out at this time would be more cost effective in the long run. The project will take approximately three to four months to complete if approved.

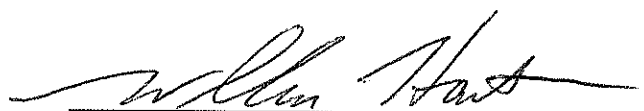
K. **HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS** -

Grant Lacerte, Vice President and General Counsel informed the Board on ongoing legal matters. Mr. Welsh reminded and invited the Board of upcoming events, including the Crystal River tour. This has been scheduled for February 8, 2008. Larry Mattern will make arraignments and supply the Board with necessary information for this tour.

L. **ADJOURNMENT**

Meeting adjourned at 4:45p.m.


Secretary


Chairman