

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY HELD WEDNESDAY,  
SEPTEMBER 1, 2010 AT 3:30 PM, BRINSON BOARD ROOM, ADMINISTRATION  
BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE, FLORIDA

---

Present were Chairman Fred Cumbie, Vice Chairman James Kasper, Director Reginald Hardee, Director George Gant, General Counsel Grant Lacerte, General Manager James Welsh, Mayor Jim Swan and Recording Secretary Leticia Rivera. Director Kathleen Thacker was not present.

A. MEETING CALLED TO ORDER

Chairman Fred Cumbie called the meeting to order at 3:30 p.m

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board and staff recited the pledge of allegiance.

C. AWARDS AND PRESENTATIONS

1. 5-YEAR SERVICE AWARD – KAREN RIOS RIOS, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE
2. 5-YEAR SERVICE AWARD – JONATHAN DRAIN, METER READER SYSTEMS TECHNICIAN, CUSTOMER SERVICE
3. 10-YEAR SERVICE AWARD – CINDY BRYAN, SENIOR BUYER, FINANCE & RISK MANAGEMENT
4. 10-YEAR SERVICE AWARD – NANCY WAKEFIELD, ACCOUNTANT/ANALYST, FINANCE & RISK MANAGEMENT
5. 25-YEAR SERVICE AWARD – DOUG TONER, PP SHIFT SUPERVISOR O/M, POWER SUPPLY

Mr. Welsh advised that Doug was not able to attend today's meeting however, Doug will be recognized by his department head in the near future.

EMPLOYEE OF THE MONTH FOR SEPTEMBER – JANAEE TREACY,  
CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE

General Manager Welsh congratulated Janaee Treacy for being selected employee of the month for September, 2010.

D. HEAR THE AUDIENCE

E. CONSENT AGENDA

**ACTION:** Director Kasper made a motion, seconded by Director Hardee to approve items 1-5 on the consent agenda.

**MOTION PASSED 4 – 0**

1. APPROVAL OF MINUTES FOR AUGUST 4, 2010 REGULAR MEETING
2. RFP 130-10 GENERAL LIABILITY INSURANCE

**Recommendation:** Board approve awarding the general liability insurance policy to Preferred Government Insurance Trust in the amount of \$128,056 effective October 1, 2010 and authorize staff to renew in future years based on favorable renewal provisions.

3. AIRPORT-CLAY STREET TRANSMISSION LINE CONSTRUCTION BID

**Recommendation:** Authorize award of bid IFB 017-10 to Hypower, Inc, for the amount of \$1,858,132, contingent on development of satisfactory contract terms; and authorize the Chairman and Secretary to execute the necessary contract documents.

4. JOINT USE AGREEMENT WITH TOHO WATER AUTHORITY

**Recommendation:** Approve the Joint Use Agreement Between TOHO Water Authority and KUA Relating to Utility Installation and Maintenance and authorize the Chairman and Secretary to execute the Agreement.

5. CLAY TO AIRPORT 69KV LINE UPGRADE PROJECT – PURCHASE OF ACSS CONDUCTOR

**Recommendation:** Authorize the purchase of 52,500 feet of Curlew conductor from Electric Supply of Tampa for the amount of \$114,240.

F. PUBLIC HEARING – None

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION) - None

H. OLD BUSINESS

1. LOCAL VENDOR PREFERENCE POLICY

General Manager Welsh advised that the local vendor preference policy is being brought forth this month per Director Hardee's request. Mr. Welsh advised that with the local economy still struggling, this policy extends opportunities for local vendors to participate in KUA's purchasing process and therefore is good for our community. Mr. Welsh stated staff recommends that the Board extend this policy for another two years.

**ACTION:** Director Gant made a motion, seconded by Director Hardee to authorize Chairman and Secretary to execute Policy Directive D10-01.

**MOTION PASSED 4-0**

I. NEW BUSINESS

1. KUA'S PENSION PLAN

General Manager, Jim Welsh informed the Board that KUA's pension plan requires that every three years, the KUA Board review and consider an ad-hoc cost of living increase for current retirees. At the September 2, 2009 Board Meeting, the Chairman of the Pension Board, Joe Hostetler, submitted an agenda item which recommended against giving a cost of living increase due to the economic conditions and plan performance and the Board accepted this recommendation.

Neville Turner a past employee and current retiree of KUA was present and informed the KUA Board that at the Pension Board meeting held August 23, 2010 he requested the Pension Board consider recommending to the KUA Board a cost of living increase for retirees. The Pension Board discussed it and reaffirmed its decision not to recommend a cost of living increase for current retirees. Mr. Turner provided a hand out of the agenda item that was given to the Pension board. Mr. Turner advised he is currently asking for Option #3 which is a 1.5% cost of living increase for fiscal year 2008 and 2009 for a total of 3.0%.

Director Gant advised that the Board cannot make any decision without knowing the numbers. The pension board is the appropriate one to make that decision. Director

Gant recommended having the numbers and the recommendation of the actuary. Dr. Gant also suggested, this Board can ask the pension board not to wait three years to review it again but maybe review it again next year.

Director Hardee asked does it read that they must wait three years to review again or three years at a minimum. Mr. Welsh advised that he has discussed that provision in the pensioner's charter and it states they must review it at least every three years however they voted last month not to review it again until 2012.

Joe Hostetler, Chairman of the KUA Pension Board reviewed with the Board the issue of how the decision came about no to recommend an increase.

Chairman Cumbie thanked Mr. Turner and advised him that hopefully if things turn around we will hear from the pension board in a positive manner.

J. STAFF REPORTS

1. SEMI-ANNUAL PROGRESS REPORT ON INFORMATION TECHNOLOGY DEPARTMENT PROJECTS

Jef Gray, Vice President of Information Technology provided an overview the Voice Over Internet Protocol (VOIP) phone system project currently underway in the I.T. department.

Jason Borders, Telecom Network Administrator, provided detailed information to the Board regarding the VOIP project.

At this time during the meeting, Mr. Welsh recommended that Chris Gent discuss the preliminary plans for KUA's 25<sup>th</sup> Anniversary, which will take place October 6, 2010. The Board had no objections and moved forward with this item.

Chris Gent, Vice President of Corporate Communications advised he has met with the City and they have approved that on October 6, 2010 at 7:00 am a two block section on Broadway will be shut down so that KUA can line up the trucks. During this time, the KUA Board will also take its annual photo. Elected officials on the City and County level will be invited as well as employees to participate in the photos. A light breakfast will be served at this location. The employee appreciation luncheon is also schedule for that day and will begin at 11:00 am at KUA. There is a regular scheduled Board meeting that will begin at 3:30 pm that day.

K. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

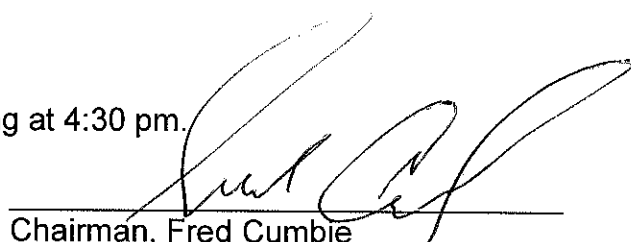
Grant Lacerte, Vice President and General Counsel provided clarification on public records and retention requirements for voice mails.

Mr. Welsh reminded the Board of next month's meeting and of upcoming events.

L. ADJOURNMENT

Chairman Cumbie adjourned the meeting at 4:30 pm.

  
Secretary, Reginald Hardee

  
Chairman, Fred Cumbie