

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY TO BE HELD
WEDNESDAY, FEBRUARY 6, 2013 AT 3:30 PM, BRINSON BOARD ROOM,
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,
FLORIDA

Present were Director Fred Cumbie, Director Reginald Hardee, Director George Gant, Director Kathleen Thacker, Director Jeanne Van Meter, Mayor Jim Swan, General Counsel Grant Lacerte, General Manager James Welsh, and Recording Secretary Leticia Rivera.

A. MEETING CALLED TO ORDER

Director Cumbie called the meeting to order @ 3:30 pm.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board members and staff recited the pledge of allegiance.

C. AWARDS AND PRESENTATIONS

1. METER READERS OF THE YEAR PRESENTATION - ERIC HEADLEE & ANGEL QUILES

Susan Postans, vice president of customer service introduced Eric and Angel to the Board. The Board congratulated both meter readers for their accomplishments and presented them with trophies.

2. 5-YEAR SERVICE AWARD – ROBERT VIELE, LINE CREW SUPERVISOR, ENGINEERING & OPERATIONS

3. 5-YEAR SERVICE AWARD – BRENT DAVIS, LINEMAN, ENGINEERING & OPERATIONS

4. 5-YEAR SERVICE AWARD – KENT ERIK HOLMBERG, METER TECHNICIAN, CUSTOMER SERVICE

5. 5-YEAR SERVICE AWARD – DAISY GRAJALES, PT CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE

6. EMPLOYEE OF THE MONTH FOR FEBRUARY 2013 – LESLIE GOUTY, SUPERVISOR OF UTILITY BILLING, CUSTOMER SERVICE

Mr. Welsh congratulated Leslie for being chosen employee of the month for February 2013.

Mr. Welsh congratulated the employees noted above for their continued hard work and dedication.

D. HEAR THE AUDIENCE

Director Cumbie asked if anyone from the audience would like to address the Board. In hearing none, the Board moved on to the next item.

E. CONSENT AGENDA

ACTION: Director Hardee made a motion, seconded by Director Thacker to approve items 1 through 4 on the consent agenda.

MOTION PASSED 5 - 0

1. APPROVAL OF MINUTES FOR JANUARY 9, 2013 REGULAR MEETING
2. VEHICLE BID

RECOMMENDATION: Award of bid for vehicles to Mike Davidson Ford - \$89,103; and Don Reid Ford - \$63,355.

3. HANSEL SUBSTATION REBUILD PROJECT – PROFESSIONAL SERVICES BY BLACK & VEATCH

RECOMMENDATION: Authorize Black & Veatch to proceed with the proposed scope of service for the Hansel Substation project for the total amount of \$1,672,000.

4. KISSIMMEE PARKS & RECREATION SPONSORSHIP

RECOMMENDATION: Staff recommends KUA's sponsorship of the City of Kissimmee's Parks & Recreation Department programs and events in the amount of \$14,650.

F. PUBLIC HEARING - None

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION) - None

H. OLD BUSINESS - None

I. NEW BUSINESS

1. PENSION COST OF LIVING ADJUSTMENT

Joe Hostetler, chairman of the pension board advised that the last cost of living increase was given in 2007. The KUA Pension Board requested our actuary, Foster & Foster perform an analysis to determine the cost impact of providing retirees and beneficiaries who have been receiving payments for at least one year with a one-time cost of living increase equal to 1.5% for each full year of retirement, to a maximum of 4.5%. The cost associated with this cost of living adjustment is approximately \$77,000. This would increase the employer pension contribution by .48%. The KUA Pension Board recommends the Board approve this Cost of Living Allowance increase.

Director Cumbie asked if this would increase the employee pension contribution by .48%. Mr. Hostetler clarified that this is what KUA would put into the plan each year.

Director Cumbie asked if retirees expect to receive a COLA. Mr. Hostetler advised that when their options for retirement benefits were reviewed with them, they were informed that the pension board does not have to give a COLA. Mr. Hostetler advised that it is in the plan that every three years one should be considered

ACTION: Director Gant made a motion, seconded by Director Hardee to approve Resolution 13-01 and authorize Chairman and Secretary to execute the Resolution.

**MOTION PASSED 4 – 1
Fred Cumbie – voted no
Reginald Hardee – voted yes
Dr. Gant – voted yes
Kathleen Thacker – voted yes
Jeanne Van Meter – voted yes**

J. STAFF REPORTS

1. SEMI ANNUAL CUSTOMER SERVICE DEPARTMENTAL HIGHLIGHTS

Susan Postans, vice president of Customer Service provided an update on operational changes, the APPA benchmarking audit and smart technology.

Ms. Postans advised that staff did a very comprehensive review including cost and security about Smart Meters and Smart Grid. Staff does not feel that the cost is in line to move forward with these programs. Ms. Postans advised that staff will do an annual review of all the data.

2. INFORMATION TECHNOLOGY AUDIT

Jef Gray, vice president of information technology presented the scope of the upcoming Information Technology audit including areas previously covered by the Financial Audit and Microsoft Health Check.

K. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, vice president and general counsel provided an update on open legal matters. Mr. Welsh reviewed upcoming dates with the board.

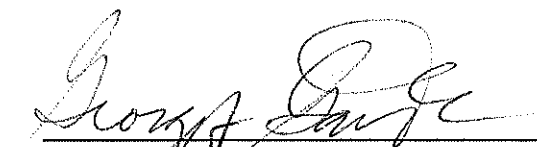
Mayor Swan advised he responded to a customer's inquiry regarding KUA's local vendor policy not knowing if it was still in place or not and if it is not, he suggested that KUA should possibly consider one as the City still has theirs in place.

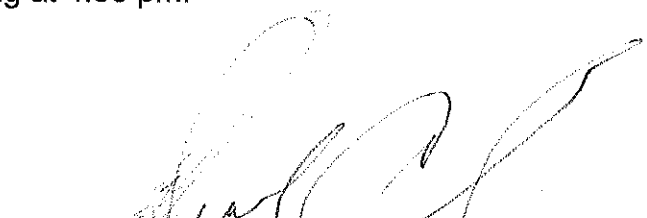
Mr. Welsh advised he would bring back a summary with bullet points and provide the board with the City, County, TOHO, if they have one, and KUA's past local vendor policies as requested.

Director Cumbie recognized Grant Lacerte for being selected President of the Osceola Bar Association.

L. ADJOURNMENT

Chairman Cumbie adjourned the meeting at 4:55 pm.


George Gant, MD, Secretary


Fred Cumbie, Chairman