

REGULAR & SPECIAL MEETING OF THE KISSIMMEE UTILITY AUTHORITY HELD
WEDNESDAY, JUNE 5, 2013 AT 3:30 PM, BRINSON BOARD ROOM,
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,
FLORIDA

Present were Chairman Fred Cumbie, Vice-Chairman 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. 5-YEAR SERVICE AWARD – WALLACE WHITING, PP
OPERATOR/MECHANIC, POWER SUPPLY
2. 5-YEAR SERVICE AWARD – STEPHEN DASILVA, PP
OPERATOR/MECHANIC, POWER SUPPLY
3. 15-YEAR SERVICE AWARD – JEFF BILLER, FIELD SERVICE SPECIALIST,
CUSTOMER SERVICE
4. EMPLOYEE OF THE MONTH FOR JUNE 2013 – DAVID WOLFE, LINEMAN
FIRST CLASS, ENGINEERING & OPERATIONS

Mr. Welsh congratulated David on being chosen employee of the month and thanked him for his dedication to his job.

5. 2013 CALENDAR CONTEST WINNER RECOGNITION – OMAR E.
BERRIOS, FREEDOMLAND CHRISTIAN ACADEMY

Chris Gent, Vice President of Corporate Communication informed the Board that the winner of the 2013 KUA contest calendar was Omar Berrios and his picture will be displayed on one of KUA's bucket trucks for the remainder of the year. The Board congratulated Omar for his achievement.

D. HEAR THE AUDIENCE

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

E. CONSENT AGENDA

ACTION: Director Dr. Gant made a motion, seconded by Director Hardee to approve item 1 on the consent agenda.

MOTION PASSED 5 – 0

1. APPROVAL OF MINUTES FOR MAY 1, 2013 REGULAR & SPECIAL
MEETING

F. PUBLIC HEARING - None

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. 2013 CUSTOMER SATISFACTION SURVEY RESULTS

Chris Gent, Vice President of Corporate Communications introduced Kathy Gonot President of PMG Associates. Ms. Gonot provided a breakdown and review of the residential customer survey results to the Board.

At this time Chairman Cumbie introduced and welcomed Ethel Urbina who was selected by the City of Kissimmee Commissioners as KUA's next board member.

H. OLD BUSINESS - None

I. NEW BUSINESS

1. RESOLUTION #13-03 - PENSION RESOLUTION CHANGES

Joe Hostetler, Vice President of Finance & Risk Management participated via Skype and advised the proposed resolution includes a number of administrative changes to comply with the latest IRS amendments. In addition to the above mandatory changes, Section 6 has been amended to remove the mandatory COLA consideration by the Board of Directors every three years.

Director Gant asked if this has been approved by the Pension board. Mr. Welsh advised that Mr. Hostetler is recommending the changes as Chairman of the pension board.

ACTION: Director Van Meter made a motion, seconded by Director Thacker to approve Resolution #13-03 and authorize Chairman and Secretary to execute the Resolution.

MOTION PASSED 5 – 0
Fred Cumbie voted yes
Reginald Hardee voted yes
George Gant voted yes
Kathleen Thacker voted yes
Jeanne Van Meter voted yes

J. STAFF REPORTS

2. QUARTERLY FINANCIAL REPORT

Joe Hostetler, Vice President of Finance & Risk Management provided an overview of the financial report.

3. E-BILL PRESENTATION

Jef Gray, Vice President of Information Technology shared E-Bill with the Board. Mr. Gray reviewed the features and the new fee structure that has been put into place. Mr. Gray advised that with the App there is a companion product to the E-Bill that the vendor makes however, staff is looking into possibly creating its own app to incorporate the payment piece but will keep the board informed which direction staff will go.

Director Hardee asked for the timeframe on the App. Mr. Gray advised it would be either 3 or 6 months depending on whether or not internal staff creates it.

Mr. Gray advised that E-Bill was launched mid-April and there are currently 10,000 customers signed up.

Director Hardee advised that the site is phenomenal however, can staff use the blank space to advertise. Director Van Meter mentioned the Good Neighbor fund.

Mr. Gray advised there is a banner on the payment site to donate to the Good Neighbor Fund and the newsletters and bill stuffers are also posted but staff will look into putting more.

4. DDD PRESENTATION

Jef Gray, Vice President of Information Technology provided a brief overview of KUA's disaster drill day that took place April 11, 2013 to prepare for the upcoming hurricane season.

K. BUDGET REVIEW

a. INTRODUCTION – JAMES C. WELSH, PRESIDENT & GENERAL MANAGER

Mr. Welsh advised that there is not much of a change from what was presented during the preliminary directional budget meeting in March. Mr. Welsh advised that Staff is recommending a 3% market level increase. In March staff recommended an increase of .5 full time equivalent position however, that has changed to a decrease of .5 full time equivalent positions.

Mr. Welsh also advised there is an increase to the SCADA capital item because of cyber-security concerns.

b. FINANCIAL OVERVIEW – JOE HOSTETLER, VICE PRESIDENT, FINANCE & RISK MANAGEMENT

Joe Hostetler, Vice President of Finance & Risk Management provided the Board with an overview of the timeline, budgeting process, load forecast and financial overview.

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

Wilbur Hill, Vice President of Human Resources advised the Customer Service department is recommending a reduction of 1 position, System Compliance & Operations is recommending an increase of 1 position and the change from budget directional meeting is that Information Technology is requesting a reduction of .5 position.

Mr. Hill advised that staff is recommending a 3% market level adjustment.

Director Gant asked to define market level adjustment. Mr. Welsh advised that it is to adjust wages so that KUA is competitive in the labor market.

Director Cumbie required clarification on the market level adjustment. Mr. Welsh provided clarification and after a short discussion a motion was made.

ACTION: Director Van Meter made a motion, seconded by Director Hardee to approve staff's recommendation of a 3% market level adjustment.

MOTION PASSED 5 - 0

d. DEPARTMENTAL BUDGETS i. POWER SUPPLY – LARRY MATTERN

Larry Mattern, Vice President of Power Supply provided an overview of his departmental budget.

Director Van Meter asked Mr. Mattern to point out on his organizational chart which employees are salary employees and which are hourly employees.

ii. INFORMATION TECHNOLOGY – JEF GRAY

Jeff Gray, Vice President of Information Technology provided an overview of his departmental budget and reviewed his organization chart. Mr. Gray advised 1 position is being dissolved; SQL Database Administrator. Director Hardee asked if KUA will retain SQL. Mr. Gray advised yes however, one person will not be dedicated to it.

iii. SYSTEM COMPLIANCE & OPERATIONS – GREG WOESSNER

Greg Woessner, Vice President of System Compliance & Operations reviewed his organizational chart. The capital expenditure change is due to recommending a system operation training database. Director Hardee asked if this will be in-house development. Mr. Woessner advised that the database will be purchased but will be developed in-house.

iv. ENGINEERING & OPERATIONS – KEN DAVIS

Ken Davis, Vice President of Engineering & Operations provided an overview of his departmental budget.

v. CUSTOMER SERVICE – SUSAN POSTANS

Susan Postans, Vice President of Customer Service provided an overview of her departmental budget.

vi. FINANCE & RISK MANAGEMENT AND EXECUTIVE – JOE HOSTETLER

Joe Hostetler, Vice President of Finance & Risk Management provided an overview of his departmental budget and the executive department.

vii. HUMAN RESOURCES – WILBUR HILL

Wilbur Hill, Vice President of Human Resources provided an overview of his departmental budget.

Chris Gent, Vice President of Corporate Communications reviewed the sponsorship program.

Mr. Welsh advised staff will present Resolution 13-04 Fiscal Year 2014 Budget at the Public Hearing scheduled for July 10, 2013.

L. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, Vice President and General Counsel briefed the board on a legal matter involving JP Morgan and thanked the Board for their efforts and presence in Tallahassee.

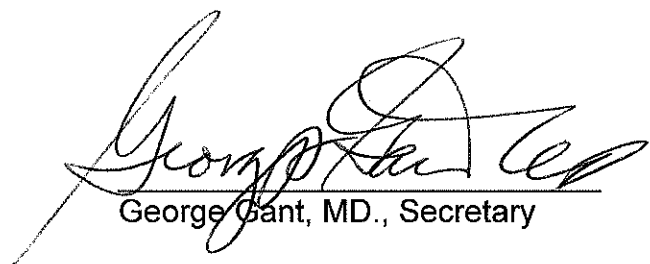
Mr. Welsh informed the board that they will be invited to a ribbon cutting of the renovated employee break room and workout room scheduled for July 10th @ 3 pm.

Mr. Welsh advised that regulators have not come out with all the regulations yet regarding the new health care law with respect to part time employees. This will come into play January 1st and there may be some choices to be made in terms of limitation on hours for part time employees in conjunction with some transitional fines versus buying healthcare for our part time employees. Staff will be coming back with a recommendation on this as soon as this is clarified.

Director Thacker thanked staff for the recent trip to the St Lucie nuclear plant.

M. ADJOURNMENT

Director Cumbie adjourned the meeting at 5:31 pm.



George Gant, MD., Secretary



Fred Cumble, Chairman