

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY TO BE HELD
WEDNESDAY, NOVEMBER 5, 2014 AT 3:30 PM, BRINSON BOARD ROOM,
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,
FLORIDA

Present were Chairman Hardee, Vice-Chairperson Jeanne Van Meter, Director George Gant, Director Kathleen Thacker, Director Ethel Urbina, Mayor Jim Swan, General Counsel Grant Lacerte, General Manager James Welsh, and Recording Secretary Leticia Rivera.

A. MEETING CALLED TO ORDER

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

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board and staff recited the pledge of allegiance.

C. AWARDS AND PRESENTATIONS

1. FMEA 2014 COMMUNITY SERVICE AWARD

Chris Gent, vice president of Corporate Communications advised that FMEA presented its 2014 Community Service Award to KUA for the utility's strong commitment to addressing community needs during the past year. The award is presented annually to utilities that enhance the quality of life in their communities through activities that address community needs and improve the area's social, cultural, educational and economic environment. In the past year, KUA supported 51 community organizations and activities that impacted a combined 273,863 residents. The award was presented to KUA during ceremonies held October 9 at the association's Energy Connections Conference in Orlando.

2. 5-YEAR SERVICE AWARD – BILL SPENCER, SCADA/COMMUNICATIONS
TECH II, SYSTEM COMPLIANCE & OPERATIONS

3. 10-YEAR SERVICE AWARD – RICHARD PEREZ, LINEMAN FIRST CLASS,
ENGINEERING & OPERATIONS

4. 15-YEAR SERVICE AWARD – ROBERT CRISP, CERTIFIED SYSTEM
OPERATOR, SYSTEM COMPLIANCE & OPERATIONS

5. 15-YEAR SERVICE AWARD – RANDY JAMES, RELAY TECHNICIAN II,
SYSTEM COMPLIANCE & OPERATIONS

6. 25-YEAR SERVICE AWARD – NEIL BEVILLE, FLEET SERVICE
COORDINATOR, ENGINEERING & OPERATIONS

7. 25-YEAR SERVICE AWARD – DAVE MANHARAN, MANAGER OF FLEET
OPERATIONS, ENGINEERING & OPERATIONS

8. 25-YEAR SERVICE AWARD – TERRY HICKS, UTILITY WORKER, POWER
SUPPLY

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

9. EMPLOYEE OF THE MONTH FOR NOVEMBER 2014 – TIM YELVERTON,
INSTRUMENTATION & ELECTRICAL SUPERVISOR, POWER SUPPLY

Mr. Welsh advised that Tim was not able to be present however, he will be recognized by his department head at a later date.

D. HEAR THE AUDIENCE

Chairman Hardee suggested moving Item N-2 under new business, Letter from Customer Scott Ellman to this portion of this meeting.

Scott Ellman, 4752 Hallow Road, Orlando, future address 1599 Twelve Oaks Circle Kissimmee requested to address the Board regarding the Line Extension Policy. Mayor Swan advised that he has not seen the document but added that unless we can do it for everybody, we must treat everyone the same.

Director Van Meter asked when the house was being planned and during talks with the builder, was that not a consideration because everyone has to pay for this and it should not have come up as a surprise. Mr. Ellman advised that he did evaluate this with his builder and architect. Mr. Ellman advised that the builder stated that this is the first time they heard that a customer had to pay for an upgrade.

Mayor Swan advised he was confused that the contractor who was hired and put together an estimate was not aware of this.

Director Hardee advised that KUA's policies are in place however, asked staff to discuss with Mr. Ellman his issue and to provide him all that can be done following KUA's policies and procedures.

Mr. Welsh advised that staff will work with Mr. Ellman and ensure that he receives every possible consideration with the current policy and procedures that are in place.

Director Van Meter asked if there was prior communication between the builder and KUA. Mr. Welsh advised no but there should have been. Mayor Swan added that it is not KUA's fault that his contractor did not do his due diligence before he signed the contract to build the house.

E. CONSENT AGENDA

ACTION: Director Van Meter made a motion, seconded by Director Thacker to approve items 1 – 7 under consent.

MOTION PASSED 5-0

1. APPROVAL OF MINUTES FOR OCTOBER 1, 2014 REGULAR MEETING
2. SINGLE PHASE & THREE PHASE PADMOUNT TRANSFORMERS

RECOMMENDATION: Approve bid to Tri-State Utility Products for \$53,120; Electric Supply for \$9,771; HD Power Solutions for \$47,630; Gresco Utility Supply for \$54,087.

3. JUNCTION BOXES, SWITCHPADS & THREE PHASE TRANSFORMERS

RECOMMENDATION: Approve bid ITB-10/16/2014-19-CV to:Stuart Irby for \$3,606; Electric Supply for \$47,905; Gresco Utility Supply for \$52,248; Tri-State Utility Products for \$89,985; HD Power Solutions for \$400,007.

4. KVLS SPONSORSHIP

RECOMMENDATION: Approve a \$10,000 sponsorship of the Kissimmee Valley Livestock Show and Fair, Inc.

5. CRYSTAL RIVER III WRITE OFF

RECOMMENDATION: Authorize staff to include the net proceeds ultimately received from the CR3 settlement and deposit into the Rate Stabilization account.

6. POLICY DIRECTIVE 15-1, POLICY DIRECTIVE ON KISSIMMEE UTILITY AUTHORITY BUSINESS EXPENSE

RECOMMENDATION: Approve Business Expense Policy 15-01.

7. 500 MCM & 750 MCM COPPER WIRE

RECOMMENDATION: Award of bid ITB-10/13/2014-18-CV to the low bidder, Electric Supply, for the amount of \$556,338.00.

F. PUBLIC HEARING - None

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION) - None

H. OLD BUSINESS - None

I. NEW BUSINESS

1. HEALTH & LIFE INSURANCE BID RECOMMENDATION

Wilbur Hill, vice president of Human Resources advised that the Board previously approved Humana as KUA's carrier for medical, dental, vision and life insurance coverages. KUA received annual Health and Life insurance renewal information from Humana in September 2014. Humana's plan costs would be increasing significantly. As a result of this increase, KUA requested our third party insurance agent, Bouchard Insurance, (which is also the agent to some other local governments) to obtain competitive bid proposals from carriers for our health and life insurances. Request for Proposals were sent to major health and life insurance providers in the Central Florida market.

A team of employees evaluated each of the proposals and determined that Cigna would be the best option in providing medical, dental, vision and life insurance coverages.

ACTION: Director Van Meter made a motion, seconded by Director Dr. Gant to award Group Medical, Dental, Vision and Life Insurance coverage to Cigna and authorizes renegotiations for future renewals.

MOTION PASSED 5 - 0

2. LETTER FROM CUSTOMER SCOTT ELLMAN

This item was moved to Hear the Audience portion of the meeting.

J. STAFF REPORTS

1. CENTRALIZED TRANSMISSION OPERATIONS UPDATE

Greg Woessner, vice president of System Compliance & Operations provided a recap and update on the centralized transmission.

2. CORPORATE COMMUNICATIONS ANNUAL STAFF REPORT

Chris Gent, vice president of Corporate Communications provided a presentation on KUA's community outreach over the past year.

K. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, vice president & General Counsel advised the Senate changed parties and tax reform and cyber security are two possible issues that may come up at the March Legislative Rally. Mr. Lacerte also complimented how the lakefront park has come together.

Mr. Welsh shared with the Board future events and wished all a Happy Thanksgiving.

Director Gant attended the Liaison meeting last month and we may have a new officer who chairs the liaison committee.

Director Van Meter thanked staff for the providing clear and informational presentations this evening.

Director Thacker advised that she has been going through the board informational packet that was provided and brought up the directive 89-1 Director-Employee Interaction. She advised that this policy should be looked at because she feels the Board should be able to talk to vice presidents without them feeling they have to immediately go to the CEO to be directed by him to talk to us.

Director Van Meter advised that she can see why the policy was written as such because there is a danger of directors overstepping their bounds. Director Gant concurred with the reasoning of the policy.

There was additional discussion. Director Hardee asked if other utilities have a similar policy or if this is something exclusive to KUA. Mr. Lacerte advised that he does not believe this is exclusive to KUA.

Mr. Welsh provided the Board with the history of this policy directive and added that he has never done anything but facilitate information or discussions between staff; meetings have been scheduled between Director Thacker and each of the vice presidents at her request.

After additional discussion, Mayor Swan informed the Board to ask staff to take a look at this old policy, and see if it can be modified somewhat.

ACTION: Director Thacker made a motion, seconded by Director Urbina to have staff look at the directive 89-1, Article 1, Section 8 and reword some of the top portion to make it less restrictive.

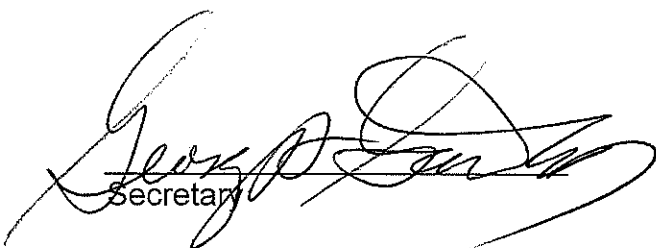
MOTION PASSED 5 - 0

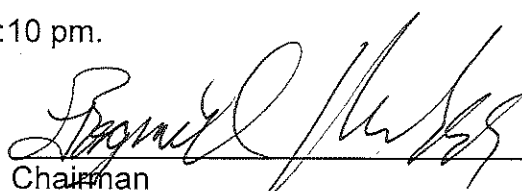
Mr. Welsh advised that he now has clear direction and will review and bring this policy back for the Boards consideration.

Director Hardee thanked the KUA team and asked that we do not forget our Veterans with Veteran's Day coming up.

L. ADJOURNMENT

Director Hardee adjourned meeting at 5:10 pm.


Secretary


Chairman