

REGULAR & SPECIAL MEETING OF KISSIMMEE UTILITY AUTHORITY HELD
WEDNESDAY, MARCH 4, 2015 AT 3:30 PM, BRINSON BOARD ROOM,
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,
FLORIDA

Present were Chairman Reginald 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 Van Meter 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. 5-YEAR SERVICE AWARD – TODD JOHNSON, METER TECHNICIAN, CUSTOMER SERVICE
2. 5-YEAR SERVICE AWARD – BUD AJDUKOVIC, MANAGER OF CUSTOMER SERVICE & CALL CENTER, CUSTOMER SERVICE
3. 5-YEAR SERVICE AWARD – DANNY GONZALEZ, POWER PLANT OPERATOR/MECHANIC, POWER SUPPLY
4. 25-YEAR SERVICE AWARD – SCOTT ROMAINE, JR., SENIOR ENGINEER, ENGINEERING & OPERATIONS
5. EMPLOYEE OF THE MONTH FOR MARCH 2015 – ALLAN NEYMOUR, METER READER, CUSTOMER SERVICE

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

D. HEAR THE AUDIENCE

At this time, Director Van Meter asked if anyone from the public would like to address the Board on an item that is not on the agenda. In hearing none, the Board moved to the next item.

E. CONSENT AGENDA

ACTION: Director Gant made a motion, seconded by Director Thacker to approve items 1 under consent.

MOTION PASSED 4 - 0

1. APPROVAL OF MINUTES FOR FEBRUARY 4, 2015 REGULAR MEETING

F. PUBLIC HEARING - None

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION) - None

H. OLD BUSINESS - None

Director Hardee arrived @ 3:42 pm and apologized for his tardiness.

I. NEW BUSINESS

1. CUSTOMER LETTER TO BOARD – ALAIMO

Susan Postans, vice president of Customer Service informed the Board that customer Roxane Alaimo of 1201 Bermuda Lakes Lane, #206, Kissimmee, FL, 34741, has requested the KUA Board address her concerns regarding the \$10.17 per month charge on her bill. Ms. Postans advised that staff has reached out to Ms. Alaimo after receiving the inquiry and explained the Customer Charge portion of our rates. Staff also explained that this is common for electric utilities and that the Florida Public Service Commission requires that utilities present this portion of the rate as a separate line item on the bill. Ms. Alaimo asked that the Board discuss her concern at this meeting.

Joe Hostetler, vice president of Finance & Risk Management provided a quick explanation of rates and how they are calculated. Mr. Welsh added that the base rates have not changed for 10 years.

Action: Director Van Meter made a motion, seconded by Director Urbina to approve the draft communication to include the Boards discussion and forward to the customer.

MOTION PASSED 5 - 0

J. STAFF REPORTS

1. QUARTERLY FINANCIAL REPORT

Joe Hostetler, vice president of Finance & Risk Management provided a brief presentation of the quarterly Condensed Financial Report for the period ending December 31, 2014.

K. PRELIMINARY BUDGET DIRECTION

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

Mr. Welsh provided the following highlights to the Board: a decrease of 5.5 FTEs (full time equivalent positions); since 2012 a decrease of 12PT (6 FTE) Meter Reader positions through attrition; the Tellers function will be reevaluated when the TWA contract ends; a 3% Market Level Adjustment recommendation for planning purposes; and a placeholder for the AML project has been placed in the 2019 budget for \$20.5M.

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

Mr. Hostetler provided a financial overview.

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

Wilbur Hill, vice president of human resources presented an overview of current personnel. Mr. Hill advised that in FY 2016 Customer Service will recommend a reduction of 4.5 positions and System Compliance Operations will recommend a reduction of 1 position. If the Board approves staff's recommendation to reduce by 5.5 positions that would bring staff to 296.5 full time equivalent positions.

Mr. Hill advised that staff is recommending a 3% market level adjustment for planning purposes only for FY 2016 annual budget.

ACTION: Director Van Meter made a motion, seconded by Director Gant to use a 3% market level adjustment for planning purposes only for FY 2016.

MOTION PASSED 5 - 0

4. DEPARTMENTAL OVERVIEW – PERSONNEL & CAPITAL
a. POWER SUPPLY – LARRY MATTERN

Larry Mattern, vice president of power supply gave an overview of the department.

b. INFORMATION TECHNOLOGY – JEF GRAY

Jef Gray, vice president of information technology provided an overview of the department.

c. SYSTEM COMPLIANCE & OPERATIONS – GREG WOESSNER

Greg Woessner, vice president of system compliance & operations gave an overview of the department's budget and a recommendation for a reduction of 1 position.

d. ENGINEERING & OPERATIONS – KEN DAVIS

Ken Davis, vice president of engineering & operations provided a brief summary of the major projects within the department's budget.

e. CUSTOMER SERVICE – SUSAN POSTANS

Susan Postans, vice president of customer service provided a brief summary of the department's budget and a recommendation for a reduction of 4.5 positions.

f. FINANCE & RISK MANAGEMENT AND EXECUTIVE – JOE HOSTETLER

Joe Hostetler, vice president of finance and risk management gave an overview of the finance and executive department's budgets

g. HUMAN RESOURCES – WILBUR HILL & CHRIS GENT

Wilbur Hill, vice president of human resources advised the Board that there are no organizational structure changes.

Chris Gent, vice president of corporate communications provided an overview of the history of requested sponsorships.

L. OTHER - None

M. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, vice president & General Counsel provided an update on some issues that may arise during the upcoming rallies.

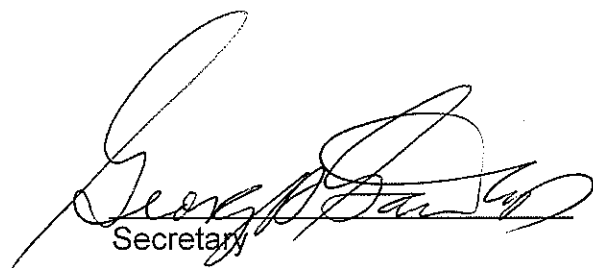
Mr. Welsh shared dates of upcoming events and suggested a tour of the construction site at Hansel April 1st @ 2 pm and a tour of the OUC Chiller for May 6th @ 1pm. Mayor Swan shared that he toured the Lake Nona Chiller a few months ago. Director Hardee advised that he would like tour both during a period of time. Mr. Lacerte advised that both tours would have to be noticed the public. The Board advised they would like to see both. Dr. Gant added that he would not be able to physically visit the chillers but would like to see the numbers concerning their involvement in that system and operational statements to see how they are doing.

Mr. Welsh advised that KUA will be sending a letter of interest and/or intent to the County as required when there is interest in providing a chilled water system.

Director Hardee thanked staff for their hard work.

N. ADJOURNMENT

Director Hardee adjourned meeting at 5:05 pm.


Secretary


Chairman