

REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY TO BE HELD  
WEDNESDAY, JANUARY 6, 2010 AT 3:30 PM, BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,  
FLORIDA

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

A. MEETING CALLED TO ORDER

Chairperson Gemskie called the meeting to order @ 3:30 pm.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board and staff recited the Pledge of Allegiance.

Chairperson Gemskie requested staff and the audience to silence their cell phones and any electrical devices for the remainder of the meeting.

C. AWARDS AND PRESENTATIONS

1. METER READER OF THE YEAR PRESENTATION – LUIS LOPEZ & JORGE URREA

Mr. Welsh congratulated Luis and Jorge for this accomplishment and wished them continued success in their positions. Mr. Welsh introduced both men to the Board.

2. 15- YEAR SERVICE AWARD – JERRY TRIPP, ELECTRICIAN, POWER SUPPLY

3. 20-YEAR SERVICE AWARD – LYNN DOWLING, SECRETARY II, FINANCE & RISK MANAGEMENT

Mr. Welsh thanked Lynn for all of her years of service and presented her with a certificate and service award. Mr. Welsh also acknowledge Jerry Tripp who was not able to attend the Board meeting.

4. EMPLOYEE OF THE MONTH FOR JANUARY – ROBERT ALONZO, CUSTOMER SERVICE REPRESENTATIVE, CUSTOMER SERVICE

Mr. Welsh thanked Robert for all of his hard work and dedicated. Robert was presented with a plaque, tickets to the Osceola Center of the Arts and a day off with pay.

5. EMPLOYEE OF THE YEAR FOR 2009 – SEAN JANSON, FIELD SERVICE SPECIALIST, CUSTOMER SERVICE DEPARTMENT

Mr. Welsh, Board members and staff all congratulated Sean for being selected employee of the Year for 2009. Sean was presented with a check, two days off with pay and a plaque.

D. HEAR THE AUDIENCE - None

E. CONSENT AGENDA

**ACTION: Director Kasper made a motion, seconded by Director Cumbie to approve items 1- 2 on the consent agenda.**

**MOTION PASSED 5 – 0**

1. APPROVAL OF MINUTES FOR DECEMBER 9, 2009 REGULAR MEETING
2. CIS INFINITY MAINTENANCE SUPPORT APPROVAL

Recommendation: Recommend the Board authorize the President & General Manager to approve the \$160,761.75 expenditure for CIS maintenance.

- F. PUBLIC HEARING (None)
- G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION)

1. AUDITED FINANCIAL REPORT

Joe Hostetler, Vice President of Finance & Risk Management recognized Ruth Lentz, Manager of Accounting who coordinates this project for KUA.

Mr. Hostetler informed the Board of two adjustments in the income statement that were noted and also reviewed the final audited numbers.

Mark White of Purvis & Gray reviewed with the Board the highlights of the audited financial report and advised that there were no deficiencies in internal control over financial reporting and no adverse items to report. Mr. White thanked KUA's staff.

- H. OLD BUSINESS

1. INVESTMENT POLICY REVIEW

Joe Hostetler, Vice President of Finance & Risk Management advised that last year the Board approved a revised Investment Policy Directive and at that time staff informed the Board that the policy would be reviewed annually to determine if there was a need for additional revisions. Mr. Hostetler advised that staff has reviewed the current policy as well as the current investment practices and does not recommend any changes to the current investment policy directive.

**ACTION: Director Dr. Gant made a motion, seconded by Director Cumbie to continue with the current investment policy directive.**

**MOTION PASSED 5 – 0**

- I. NEW BUSINESS - None

- J. STAFF REPORTS

1. ENGINEERING & OPERATIONS QUARTERLY REPORT

Ken Davis, Vice President of Engineering & Operations provided an overview of ongoing projects in the department. Mr. Davis provided a presentation on the Pole Inspection program. Director Kasper asked what the difference is in cost from a wood, concrete and steel pool. Mr. Davis advised there is a significant difference between each.

2. SYSTEM COMPLIANCE & OPERATIONS SEMI-ANNUAL REPORT

Greg Woessner, Vice President of System Compliance & Operations provided an overview of the department. Mr. Woessner provided a brief overview on FERC/NERC and FRCC.

Mr. Woessner advised he will keep the Board informed of all actions that arise from these agencies.

Chairperson Gemskie advised how difficult it is to move forward on audits not knowing if there is a violation or not. Mr. Woessner advised the last audit was done October 2007 and is now due October 2010.

K. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

Grant Lacerte, Vice President & General Counsel provided an update on legal issues.

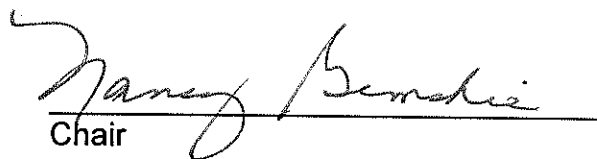
Mr. Welsh added on the topic of FERC fines stating that historically regulatory agencies have been somewhat reasonable in what they actually impose and how they impose them.

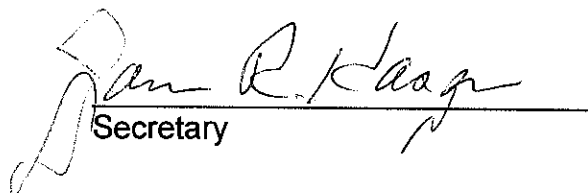
Mr. Welsh advised the Board of the next Board meeting which has been scheduled for January 27 and also of upcoming events.

Chair Gemskie and Director Cumbie both had positive feedback to share with the rest of the Board on the Kindle pilot project. Director Cumbie did advise that the kindle has a few limitations. Mr. Welsh advised that he has drafted a letter to the Amazon Kindle CEO to advise him of KUA's pilot project.

L. ADJOURNMENT

Chairperson Gemskie adjourned the meeting at 5:15 pm.

  
Chair

  
Secretary