

SPECIAL AND REGULAR MEETING OF KISSIMMEE UTILITY AUTHORITY HELD WEDNESDAY, OCTOBER 5, 2011 AT 2:00 PM, BRINSON BOARD ROOM, ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE, FLORIDA

Present were Director Cumbie, Director Reginald Hardee, Director George Gant, Director Kathleen Thacker, 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 @ 2:00 pm.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

The Board and staff recited the pledge of allegiance.

C. INSTALLATION OF NEW BOARD MEMBER

Dr. George Gant was sworn in for his term as a KUA Board member. This term will run through September 30, 2016.

D. ELECTION OF OFFICERS

ACTION: Director Hardee made a motion, seconded by Director Thacker to nominate Director Cumbie for Chairman.

Motion carried 4 - 0

ACTION: Director Gant made a motion, seconded by Director Thacker to nominate Director Hardee for Vice Chairman of the KUA Board of Directors.

Motion carried 4 - 0

ACTION: Director Hardee made a motion, seconded by Director Thacker to nominate Director Gant for Secretary of the KUA Board of Directors.

Motion carried 4 - 0

ACTION: Director Hardee made a motion, seconded by Director Gant to nominate Director Thacker for Assistant Secretary of the KUA Board of Directors.

Motion carried 4 - 0

E. AWARDS AND PRESENTATIONS

1. JIM KASPER RECOGNITION

Director Cumbie presented a proclamation and Mr. Welsh presented flowers to Jean Kasper. Director Cumbie read the proclamation, which noted events in which Jim Kasper was involved in during his 6 years on the KUA Board.

Mrs. Jean Kasper advised that Jim enjoyed serving on the KUA Board and that Jim would be so happy to know that a garden will be created in his memory as he had a love of red roses. Mrs. Kasper advised she would deliver the red roses that Jim grew in his garden to the hospital for 39 years. Mrs. Kasper thanked the Board and KUA for everything.

2. 5-YEAR SERVICE AWARD – AMY HERNANDEZ, CUSTOMER SERVICE REPRESENTATIVE II, CUSTOMER SERVICE
3. 10-YEAR SERVICE AWARD – ROSEMARIE CARFAGNA, ADMINISTRATIVE STAFF ASSISTANT II CPS, ENGINEERING & OPERATIONS
4. 10-YEAR SERVICE AWARD – JOSE SANTIAGO, SUPERVISOR OF FIELD SERVICES, CUSTOMER SERVICE
5. 15-YEAR SERVICE AWARD – STEVE VOIGHT, PP/OPERATOR/MECHANIC, POWER SUPPLY
6. 20- YEAR SERVICE AWARD – MARY O'ROURKE, SENIOR ADMINISTRATIVE ASSISTANT, HUMAN RESOURCES
7. 20-YEAR SERVICE AWARD – JOSE VECCHINI, PP/OPERATOR/MECH, POWER SUPPLY

8. EMPLOYEE OF THE MONTH FOR OCTOBER – WILLIAM SIMMONS, LINEMAN, ENGINEERING & OPERATIONS

Mr. Welsh congratulated Willie for being selected employee of the month for October 2011.

F. HEAR THE AUDIENCE

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

G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION) - None

H. CONSENT AGENDA

ACTION: Director Gant made a motion seconded by Director Hardee to approve items 1, 2 and 3 on the consent agenda.

MOTION PASSED 4 – 0

1. APPROVAL OF MINUTES FOR AUGUST 31, 2011 REGULAR MEETING
 2. KVLS SPONSORSHIP
Recommendation: A \$10,000 sponsorship of the Kissimmee Valley Livestock Show and Fair, Inc.
 3. 69 kv CIRCUIT BREAKERS
Recommendation: Award of Bid IFB 012-11 for 69kV circuit breakers for Airport and Power Plant Substation to Alstom Grid, Inc. in the amount of \$110,250 contingent on negotiation of a satisfactory contract with Alstom Grid; and authorize the Chairman and Secretary to execute the necessary contract documents.
- I. PUBLIC HEARING - None
- J. OLD BUSINESS - None

K. NEW BUSINESS

1. NET METERING TARIFF CHANGES

Joe Hostetler, vice president of Finance & Risk Management advised that on March 4, 2009, the Board adopted Resolution No. 09-05 which established KUA's net metering program for customer-owned renewable generation. Pursuant to that resolution, the Board directed that net metering service be provided pursuant to KUA Tariff, Net Metering Service Rate – Schedule NM-1, Tariff Sheet No. 18.0 ("Tariff") and "revisions to same as may be required."

Mr. Hostetler advised that currently the Tariff only applies to owners of customer-owned renewable generation. This fails to take into account those situations when an owner of a premises with customer-owned renewable generation wishes to lease the premises to a tenant. Staff believes it is in KUA's and the public's best interest to amend the tariff to cover tenants who meet this description. Under the Tariff, as amended, tenants would still have to enter into an Interconnection Agreement with KUA and a Tri-Party Net Metering Power Purchase Agreement with KUA and FMPPA.

ACTION: Director Gant made a motion, seconded by Director Thacker to authorize staff to send the revised tariff sheet to the Florida Public Service Commission for review and advertise for a Public Hearing on November 2, 2011. Tariff changes to be effective December 1, 2011 contingent on approval at the public hearing.

MOTION PASSED 4 - 0

L. STAFF REPORTS

1. HANSEL PLANT RETIREMENT NOTIFICATION

Larry Mattern, vice president of Power Supply informed the Board that KUA received office notice from FMPPA that the Hansel Plant retirement will be effective September 30, 2012. In accordance with the TARP agreement FMPPA has the right to retire and provide a one year notice which has been received.

Dr. Gant asked if something catastrophic was to occur and the plant is needed, can this be changed. Mr. Welsh advised that at this point they have no right to change their mind as they have provided notification however, if something catastrophic occurs there can be discussions. Mr. Mattern advised the contract is binding but KUA can revisit the contract if needed.

Mayor Swan asked for clarification since the shutdown of the Hansel plant is effective for September 30, 2012; if a year from that time is it possible that the facility itself will be torn down. Mr. Welsh advised probably in a year or less it could be done.

2. SEMI-ANNUAL REPORT ON POWER SUPPLY DEPARTMENT PROJECTS

Larry Mattern, vice president of Power Supply provided a brief overview of projects within the Power Supply department.

At this point the Board asked to move the Hear Attorney portion to this time. Mr. Lacerte provided and update on a few current legal matters.

At 3:03 pm the board requested a 10 minutes break.

The meeting resumed at 3:15 pm.

M. BOARD MEMBER APPLICANT REVIEW

Mr. Welsh advised that 13 candidates submitted their applications and 12 interviews are scheduled; one candidate is not available to be interviewed.

At 3:19 pm Grant Lacerte escorted Don Shearer to the boardroom to start his interview. Director Cumbie advised Mr. Shearer of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

At 3:35 pm Mr. Shearer's interview concluded.

Director Cumbie asked if anyone would like to discuss comments of the candidates between the interviews. No comments were discussed at this time.

A discussion occurred on the topic of public records and Mr. Welsh advised that he was informed by counsel in the past that one's personal notes that are not shared with anyone are not public records. Director Cumbie advised he will ask general counsel once the next interview is done.

At 3:38 pm Mr. Lacerte escorted Jeanne Van Meter to the boardroom to start her interview. Director Cumbie advised Mrs. Van Meter of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

At 3:57 pm Jeanne Van Meter's interview concluded.

Director Cumbie advised that he has some changes to the questions and asked if others could note any changes they would like as it would be easier to work on them now.

At 4:02 pm Mr. Lacerte escorted Olga Gonzalez to the boardroom to start her interview. Director Cumbie advised Ms. Gonzalez of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

At 4:16 pm Ms. Gonzalez's interview concluded.

At 4:20 pm Mr. Lacerte escorted Juan Araujo to the boardroom. Director Cumbie advised Mr. Araujo of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

At 4:38 pm Mr. Araujo's interview ended.

At 4:42 pm Mr. Lacerte escorted Shawn Johnson to the boardroom. Director Cumbie advised Mr. Johnson of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

Mr. Johnson's interview ended at 4:53 pm.

At 4:58 pm Jose Colon arrived to the boardroom for his scheduled interview. Director Cumbie advised Mr. Colon of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

Mr. Colon's interview ended at 5:14 pm.

At 5:17 pm Mr. Chalifoux arrived for his scheduled interview. Director Cumbie advised Mr. Chalifoux of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

At 5:35 pm Mr. Chalifoux's interview ended.

Mrs. Patricia Orner arrived for her interview at 5:38 pm. Director Cumbie advised Mrs. Orner of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

At 5:54 pm Ms. Orner's interview ended.

At 5:58 pm Mr. Lacerte escorted Rodger Mingo to the boardroom to start his scheduled interview. Director Cumbie advised Mr. Mingo of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

Mr. Mingo's interview ended at 6:13 pm.

At 6:15 pm Mr. Lacerte escorted Twis Lizasuain into the boardroom. Mr. Lacerte advised that the next candidate, Jose Vargas had not arrived, so he brought up the next person scheduled. Director Cumbie advised Mrs. Lizasuain of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

Mrs. Lizasuain's interview ended at 6:35 pm.

During this time the recording secretary, Leticia Rivera returned a missed call from Mr. Vargas, a board candidate whose interview was scheduled for 6:15 pm. He advised he was running late and will not be able to arrive until after 7:00 pm. Mr. Welsh asked the board if this would be acceptable and the board agreed unanimously that they would not be able to interview him at that time.

Mr. Lacerte escorted Harry Swart to the boardroom at 6:48 pm. Director Cumbie advised Mr. Swart of the interview process and Mr. Welsh began the interview by asking the first of nineteen questions.

Mr. Swart's interview ended at 6:54 pm.

The Board concluded all of the interviews at 6:54 pm and began to rank the candidates. Each board member was asked to turn in a ranking sheet with the candidates ranked to Mr. Welsh. Mr. Welsh would then enter the numbers onto a grid and the board would review the outcome.

Director Hardee asked Mr. Lacerte if notes are public records. Mr. Welsh stated that his understanding is that any notes that he makes and keeps to himself and does not share with anyone are not public records. Mr. Lacerte advised that it depends on what ones notes are used for, however, if one shares their notes it is definitely a public record.

After review, Mr. Lacerte advised the Board that notes that one has made to themselves and have not shared with any other board members or employees are not public record. Mr. Lacerte noted case law.

Mr. Welsh entered the rankings and the board reviewed the grid. The candidates were narrowed down to the top four highest candidates.

Director Hardee stated that he was thinking about what a new applicant would have to contribute to the dynamics of the board and in doing this he arrived to Twis Lizasuain as his choice candidate. Director Hardee added he was looking for a whole new contribution to the board's thought process.

Director Cumbie commented that he would propose Jeanne Van Meter because he knows of her skills and he values her opinion.

There was a discussion about how fine the candidates interviewed.

Director Cumbie advised that he liked the system that Mayor Swan helped the Board formulate. Director Thacker recommended rating the top four candidates and make a decision from that. The Board proceeded with ranking the top four candidates.

After a short discussion Director Thacker made a motion.

ACTION: Director Thacker made a motion seconded by Dr. Gant to nominate Jeanne Van Meter for the vacant KUA Board of Directors position and the

nomination will be submitted to the City of Kissimmee Commission for consideration at their October 18, 2011 meeting.

MOTION PASSED 3-1

Mr. Welsh confirmed that the board recommends Jeanne Van Meter's name to be submitted to the Kissimmee City Commission for consideration at their October 18th meeting.

N. HEAR ATTORNEY, GENERAL MANAGER, DIRECTORS

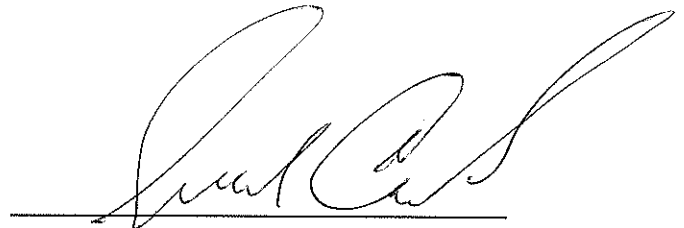
Director Hardee advised that he believe Jeanne Van Meter will be a great addition to the Board if the City confirms. Director Hardee thanked staff for the festivities that took place at lunch.

Director Cumbie thanked the members of the Board for their re-nomination of his chair position.

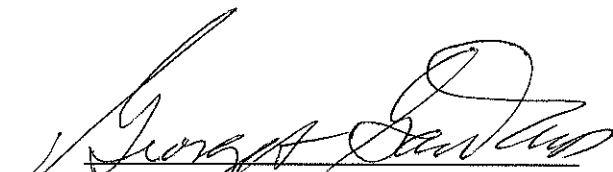
Director Gant asked if the survey results of the luncheon could be shared with the board as an update for the next meeting. Mr. Welsh advised this item would be placed on the agenda for next month.

O. ADJOURNMENT

Chairman Cumbie adjourned the meeting at 7:30 pm.



Fred Cumbie, Chairman


George Gant, MD, Secretary