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**Board Meeting Agenda
Thursday, September 18, 2014
Noon**

Call to Order

Roll Call

Approval of Minutes

Official Action

Resolution 1316 – Endorsing the KUB Blueprint, Including a Vision Statement, Mission Statement, Measures of Success, Keys to Success and Shared Values

President's Report

Other Business

Public Comments

Adjournment



September 12, 2014

Knoxville Utilities Board
445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

As you know, KUB has undertaken a strategic planning initiative for the purpose of identifying current and future challenges facing KUB, developing strategies to address those challenges, and ensuring KUB will have strong, effective leadership in the future.

This strategic planning initiative includes the development of a formal statement of KUB's Vision and Mission in a document entitled the "KUB Blueprint." In addition to Vision and Mission statements, the KUB Blueprint also includes Measures of Success that serve as performance indicators for the Vision; Keys to Success that represent daily functions critical for accomplishing the Mission; and Shared Values that define KUB's organizational culture.

The KUB Blueprint reflects the legacy of the current Board and past Boards, with its focus on customer service and stewardship of utility system assets, customers' dollars, and the environment.

As you will recall, an overview of the KUB Blueprint was provided to the Board at last month's meeting. Through Resolution 1316, the Board formally endorses the KUB Blueprint and directs the President and CEO to communicate the KUB Blueprint to all employees and align KUB operations and initiatives with it to help ensure the success of KUB's Vision and Mission.

I recommend adoption of Resolution 1316 on first and final reading.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mintha E. Roach".

Mintha E. Roach
President and CEO

RESOLUTION NO. 1316

A Resolution Endorsing the KUB Blueprint, Including a Vision Statement, Mission Statement, Measures of Success, Keys to Success and Shared Values

Whereas, under the direction of the Knoxville Utilities Board of Commissioners (“the Board”), the Knoxville Utilities Board (“KUB”) has undertaken a strategic planning initiative for the purpose of identifying current and future challenges facing KUB, developing strategies to address those challenges, and ensuring KUB will have strong, effective leadership in the future; and

Whereas, the strategic planning initiative includes the development of a formal statement of KUB’s Vision and Mission in a document entitled the “KUB Blueprint;” and

Whereas, the KUB Blueprint reflects the legacy of this Board and past Boards, with its focus on customer service and stewardship; and

Whereas, in addition to Vision and Mission statements, the KUB Blueprint includes Measures of Success, to serve as performance indicators for the Vision; Keys to Success, representing daily functions critical to accomplishing the Mission; and Shared Values that define KUB’s organizational culture; and

Whereas, the KUB Blueprint will be used throughout KUB to identify initiatives, align goals and develop employees for the purpose of accomplishing the Mission and fulfilling the Vision; and

Whereas, the Board feels it is responsible and reasonable to adopt a resolution endorsing the KUB Blueprint.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That the Board hereby formally endorses the KUB Blueprint, as reflected in Exhibit 1 to this Resolution.

Section 2. That the Board hereby directs the President and CEO to communicate the KUB Blueprint to all KUB employees, and to align KUB operations and initiatives with it so that the Vision and Mission can be achieved.

Section 3. That this Resolution shall take effect upon its passage.

Celeste Herbert, Vice Chair

Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: _____
EFFECTIVE DATE: _____
MINUTE BOOK ___ PAGE _____



Our Vision:

KUB exists to serve its customers, improving their quality of life by providing utility services that are safe, reliable and affordable.

Shared Values:

- We value the safety and well-being of our customers and employees.
- We value fairness, and try always to make decisions that provide the greatest good for the most people.
- We are in a position of trust and hold ourselves to high ethical standards.
- We improve the value of our services through efficiency, innovation and communication.
- We value the commitment and hard work of our employees.
- We are environmentally responsible in our operations and support the sustainability of our communities' natural resources.
- We participate in the communities we serve.

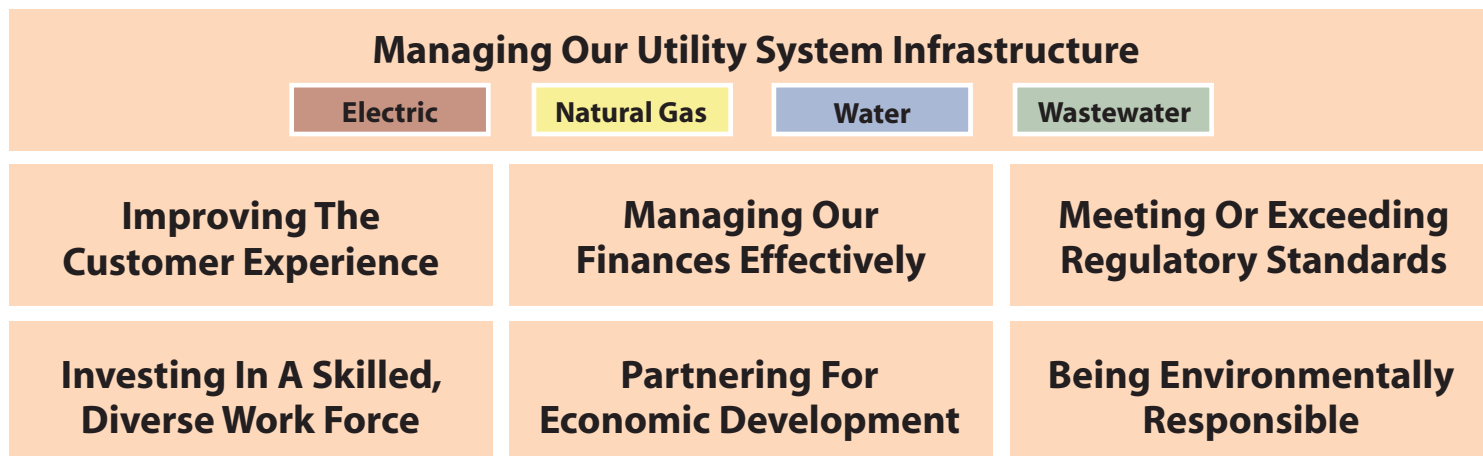
Our Mission:

Our mission is to act as good stewards of our communities' resources: utility assets, customer dollars, and the environment. We work to safeguard those resources and enhance their value for the people of the communities we serve and generations to come.

We Measure Our Success by:



Keys to Success:



**Knoxville Utilities Board
Board Meeting
Minutes
Thursday, August 21, 2014, Noon**

Call to Order

The Knoxville Utilities Board met in regular session in the Larry A. Fleming Board Room at 445 S. Gay Street, on Thursday, August 21, 2014, pursuant to the public notice published in the January 4, 2014, edition of the *News Sentinel*. Chair Anderson called the meeting to order at 12:05 p.m.

Roll Call

Commissioners Present: Bruce Anderson, Joel Connell, Kathy Hamilton, Celeste Herbert, Sara Hedstrom Pinnell, Nikitia Thompson, and Eston Williams

Commissioners Absent: None

Chair Anderson welcomed the six KUB Leadership Development Program employees and the program facilitator attending the Board Meeting today and asked them to introduce themselves.

Approval of Minutes

The Minutes of the June 19, 2014, Board Meeting were approved as distributed upon motion by Commissioner Connell and second by Commissioner Herbert.

Old Business

None

New Business

Resolution 1315, A Resolution Authorizing the Knoxville Utilities Board to Become a Formal Member of the Seven States Power Corporation

President Roach recommended adoption of Resolution 1315 on first and final reading. Her written recommendation is included in Attachment 1.

August 21, 2014

President Roach advised Commissioners that Seven States Power Corporation is an electric cooperative through which local TVA electric power distributors like KUB may participate in energy efficiency, demand response, and other programs and services. She recognized Mike Bolin, Vice President, who summarized the program.

Upon a motion by Commissioner Connell and a second by Commissioner Thompson, Resolution 1315 (*Attachment 1*) was adopted by a roll call vote on first and final reading. The following Commissioners voted “aye”: Anderson, Connell, Hamilton, Herbert, Pinnell, Thompson, and Williams. No Commissioner voted “nay”.

President’s Report

Sierra Club Presentation

President Roach announced that representatives from the Sierra Club were in attendance for the purpose of recognizing KUB for its sustainability efforts. She introduced Jonathan Levenshus, Tennessee Campaign Representative for the Sierra Club’s Beyond Coal Campaign, who presented Chair Anderson an award naming KUB as a sustainable energy leader.

Strategic Framework

President Roach advised Commissioners that a key component of KUB’s strategic planning initiative is to formally document the strategic framework the Board has set for KUB, including among other things, a vision statement, mission statement, and shared corporate values. Ms. Roach told the Board that such a document will aid KUB’s future strategic planning efforts and be used as a tool to educate all KUB employees about the organization’s strategic direction. She then recognized Mark Walker, Senior Vice President and Chief Financial Officer, to provide an overview of the documented strategic framework. Mr. Walker reviewed the components of the strategic framework and advised the Board that a resolution would be presented to the Board at its September meeting endorsing the strategic framework.

Employee Recognition

President Roach reminded Commissioners that during KUB’s financial workshop in April of this year, they heard that KUB would not be able to meet its goals without the dedication and commitment of KUB employees. She then recognized John Williams, Manager and Assistant to the CAO, to provide an update on KUB’s Employee Recognition Program.

August 21, 2014

Public Comment

Xavier Presley – 1134 Glade Hill Drive – Knoxville, TN 37909

Other Business

Nominating Committee

Commissioner Hamilton announced that the Nominating Committee met today to begin this year's process for nominating candidates for the Commissioner term that begins January 1, 2015. She also announced that the application has been available on KUB's website, and the deadline for applications is 5:00 p.m. on Thursday, September 11. Knoxville's City Charter requires that five or more candidates will be nominated at the October meeting for transmittal to the Mayor for final selection.

Adjournment

Chair Anderson stated that following adjournment, the Board would continue with an open lunch session where KUB matters may be discussed. There being nothing further to come before the Board, Chair Anderson declared the meeting adjourned at 12:51 p.m

Celeste Herbert, Vice Chair

Mark Walker, Board Secretary

Attachments

Attachment 1	Recommendation Letter and Resolution 1315, A Resolution Authorizing the Knoxville Utilities Board to Become a Formal Member of the Seven States Power Corporation	<u>Page(s)</u> 6401 – 6403
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Knoxville Utilities Board

August 15, 2014

Knoxville Utilities Board

445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

Resolution 1315 authorizes KUB to become a formal member of Seven States Power Corporation ("Seven States"), an electric cooperative through which local TVA electric power distributors (like KUB) may participate in generation, transmission, energy efficiency, demand response, and other programs and services. Seven States was formed in 2007 through the efforts of the Tennessee Valley Public Power Association ("TVPPA"), a non-profit service organization that represents the interests of TVA power distributors. KUB is a member of TVPPA.

Historically, KUB has been relatively passive in its relationship with Seven States. However, as TVA considers taking a lesser role in funding and administering energy efficiency and demand response programs over time, Seven States may play a key role in the availability of such programs in the future. As KUB supports the availability of energy efficiency and demand response programs for its electric system customers, staff feels it is appropriate for KUB to now formalize its membership in Seven States in order to participate in future decision-making regarding such programs.

In order for KUB to become a formal, voting member of Seven States, Seven States by-laws require an application be submitted including an authorizing resolution from the KUB Board. Formal membership will not obligate KUB to participate in any programs offered through Seven States nor will it impose any liability upon KUB if it chooses not to participate in any programs.

I recommend adoption of Resolution 1315 on first and final reading.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mintha E. Roach".

Mintha E. Roach
President and CEO

RESOLUTION NO. 1315

A Resolution Authorizing the Knoxville Utilities Board to Become a Formal Member of the Seven States Power Corporation

Whereas, the Tennessee Valley Public Power Association (“TVPPA”) is a non-profit regional service organization that represents local electric power distributors in the Tennessee Valley Authority (“TVA”) service area; and

Whereas, the Knoxville Utilities Board (“KUB”) is a member of TVPPA; and

Whereas, TVPPA was instrumental in the creation and organization of Seven States Power Corporation (“Seven States”), a generation and transmission cooperative through which TVPPA members may become participating members so as to have the potential to participate in generation, transmission, energy efficiency, demand response programs, and other services; and

Whereas, KUB remitted an initial payment to TVPPA in 2007 in the form of an assessment to be used for the expenses of creating and operating Seven States, with a portion of such assessment to be a membership fee paid by TVPPA to Seven States for KUB’s initial membership with Seven States; and

Whereas, in accordance with the by-laws of Seven States, in order for KUB to fully formalize its membership in Seven States, it is necessary that an application for membership be completed and submitted to Seven States as so authorized by the KUB Board of Commissioners; and

Whereas, it is the understanding of the Board that formal membership in Seven States does not obligate KUB to participate in any programs or services offered through Seven States; and

Whereas, membership will allow KUB to participate, where beneficial to KUB’s ratepayers, in energy efficiency, demand response programs, and other services offered by Seven States; and

Whereas, it is the understanding of the Board that formal membership in Seven States will not impose any liability upon KUB associated with any programs or services offered through Seven States if KUB elects to not participate in said programs or services; and

Whereas, it is in the best interest of KUB and its customers to formalize KUB’s membership in Seven States.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That the Board hereby authorizes the President and CEO to submit an application on behalf of KUB for formal membership in Seven States so as to become a member thereof, and to comply with its by-laws, and to execute any documents necessary to effectuate such membership.

Section 2. That this Resolution shall take effect upon its passage.

Bruce Anderson/s
Bruce Anderson, Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: 8-21-14
EFFECTIVE DATE: 8-21-14
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