



MINUTES

FPB Board Meeting

5:00 PM - Tuesday, November 16, 2021
Zoom Video-Teleconference

The Board of rectors of the Frankfort Plant Board met in a Board Meeting on Tuesday, November 16, 2021 at 5:00 PM via Zoom Video-Teleconference.

ATTENDANCE:

Stephen Mason, Board Secretary/Treasurer
John Cubine, Board Chair
John Snyder, Board Vice Chair
Kathryn Dutton-Mitchell, Board Member
Jason Delambre, Board Member
David Billings, Director of Water Operations
Harvey Couch, Marketing Video Content Coordinator
Katrina Cummins, Finance Director
David Denton, Chief Financial Officer
Vent Foster, Chief Operations Officer
Cassie Estill, Customer Service Supervisor
Adam Hellard, Cable/Telecom Superintendent
Ryan Henry, Assistant IT Director
Scott Hudson, Electric Superintendent
Casey Jones, IT Director
Cathy Lindsey, Communications & Marketing Director
Kathy Poe, Executive Assistant to GM
Hance Price, Assistant GM Administration/Staff Attorney
Kim Phillips, Safety Director
Leigh Ann Phillips, Support Services Director
Julie Roney, Water Treatment Superintendent
Scott Stafford, Media Services Manager
Deron Rambo, Network Operations Center Director
Travis McCullar, Chief Electric Engineer
Gary Zheng, General Manager
Nichell Brown, Human Resource Director
Shane Holt, Asst. Cable/Telecom Superintendent
David Columbia, Community Television Coordinator
Brian Bourne, Water Distribution Superintendent
Sharmista Dutta, Water Engineering

1 NOTICE OF VIDEO TELECONFERENCE

- 1.1 Notice of Regular Meeting of the Frankfort Plant Board via Video Teleconference.

2 ACTION ITEM: APPROVAL OF MINUTES

- 2.1 Consider Approval of the Minutes for the October 19, 2021 Board Meeting.

John Snyder moved to approve the minutes of the October 19, 2021 Board meeting. Jason Delambre seconded the motion.

CARRIED. 5 to 0.

3 ACTION ITEM: ACCEPT FINANCIALS

- 3.1 Consider Accepting the Financial Report for Month Ending October 31, 2021.

Stephen Mason moved to accept the Financial Report for Month Ending October 31, 2021. Kathryn Dutton-Mitchell seconded the motion.

CARRIED. 5 to 0.

4 INFORMATIONAL ITEM: PUBLIC COMMENT

- 4.1 None.

5 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

- TELECOMMUNICATIONS
- POTENTIAL OR AGREED UPON RELATED PARTY TRANSACTIONS
None
- CUSTOMER SERVICE
- ELECTRIC DEPARTMENT
- SEPA
- KYMEA
- SAFETY
- WATER DISTRIBUTION
- WATER TREATMENT PLANT
- NETWORK OPERATIONS CENTER (NOC)
- EBB UPDATE

6 ACTION ITEMS:

6.1 Consider Approving the Request from Humane Society – Encroachment for Grading Purposes. (*Sharmista Dutta to discuss*)

The City and the Franklin County Humane Society are working together to build a new facility at the end of Flynn Avenue. In order to proceed, the existing gravel road needs to be widened, utilities will be extended to serve the facility, easements will be necessary, and grading work will be required around the facility. The necessary easements, road widening, and portions of the grading work will encroach upon FPB property.

Therefore, the plat is currently a work in progress, continuously being updated and routed for agency review. Although not yet finalized, the current version of the plat is included in the Board package for reference. Items of note include the portion of the road that lies inside the FPB property line, the proposed 20' waterline easement, the proposed 120' easement over the road, and the grading that encroaches onto FPB property.

As FPB continues to work with the City and the Humane Society on the plat, they currently need approval for the Land Disturbance Permit. Due to the fact that portions of the grading will encroach upon FPB property, they need FPB approval in order for the City to grant the permit. (Refer to drawing.)

A representative from the Humane Society will discuss the above items and the request for encroachments.

Staff requests direction from the Board in reference to the request for encroachment for grading purposes. If approved, the City will accept a memo/letter from FPB granting approval.

Consequently, provided it meets with approval of the Board, Staff asks the Board move to approve authorization of an encroachment permit for grading purposes.

John Snyder moved to approve the Request from Humane Society - Encroachment for Grading Purposes. Kathryn Dutton-Mitchell seconded the motion.

CARRIED. 5 to 0.

6.2 Consider Revising FPB Ethics Policy Section M. (*Hance Price to discuss*)

On October 28, 2021 the Ethics Committee met to discuss ways to address potential conflicts. One recommendation was revision of Section M of the FPB Ethics Policy to read: "No Frankfort Electric & Water Plant Board Employee or Board Member, or any other person for the Employee or Board Member's use or benefit, shall directly or through others undertake, execute, hold or enjoy, in whole or in part, any contract or agreement made, entered into, awarded, or

granted by the FPB. The provisions of KRS 61.251 and 61.252 related to the prohibition against officers and employees contracting with their agency are incorporated by reference herein.” The changes are highlighted and broaden the scope of the policy to include agreements as well as contracts.

Jason Delambre moved to approve the Revision of Section M of the Ethics Policy Section M regarding Conflicts of Interest. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

6.3 Consider Accepting the Minutes of the October 28, 2021 FPB Ethics Committee. (Hance Price to discuss)

The Ethics Committee met on October 28 to discuss ways to identify and prevent potential conflicts of interest. The Committee had some excellent ideas.

First, preparation and circulation of a vendor list that Board and Staff can use to identify potential conflicts.

Second, preparation of a pamphlet or other training material that can be provided to new Board and Staff to create awareness of circumstances that may create a conflict.

Third, use of the attached questionnaire to seek guidance from the Ethics Committee in resolving conflicts.

Fourth, development of some recurrent training on conflict identification.

Staff recommends acceptance of the minutes of the Committee.

John Snyder moved to accept the minutes of the October 28, 2021 FPB Ethics Committee. Jason Delambre seconded the motion.

CARRIED. 5 to 0.

6.4 Consider Approval of Ethics Committee Appointment of Jill LeMaster. (Hance Price to discuss)

FPB’s Ethics Policy notes on page 7 that “The terms of members appointed on September 15, 2020 shall be staggered and no longer than three (3) years. Successors to retiring members shall be appointed for a term of three (3) years. All terms of office shall begin January 1 and end December 31.” Ms. Jill LeMaster was appointed to a one year term expiring on 12/31/21 and the Board greatly appreciates her service to the FPB and the community. From this point forward, all appointments shall be for a term of three years. Staff asks the Board move to appoint a member with a term beginning on January 1, 2022 and expiring December 31, 2025. Ms. LeMaster is eligible for reappointment since the Policy

notes that "The members may be re-appointed not to exceed two consecutive terms." Finally, the Ethics Policy notes, "Vacancies on the Ethics Committee shall be filled within thirty (30) days by the Board. If a vacancy is not filled by the Board within thirty (30) days, the remaining members of the Ethics Committee shall fill the vacancy."

Stephen Mason moved to approve Ethics Committee Appointment of Jill LeMaster to FPB's Ethics Committee. Kathryn Dutton-Mitchell seconded the motion.

CARRIED. 5 to 0.

6.5 Consider Approving Next Level Sports Renewal. (Harvey Couch to discuss)

Staff recommends approval of the Next Level Sports renewal. This NCTC agreement has a term through September 30, 2024. The rates will remain flat throughout 2021. Year-over-year increases are just over 4% annually. The increases were anticipated and no increase to the Sports Plus rate will be required. Next Level Sports is available on FPB's optional Sports Plus tier and is dedicated exclusively to international professional basketball, collegiate football, elite level lacrosse, and other live college and professional sports. TVE, In-Home Streaming, and Start-Over/Look Back rights are included in this new agreement. No additional carriage requirements obligations are included in this agreement. This agreement has been reviewed by the Assistant GM for Administration and it meets with his approval.

John Snyder moved to approve Next Level Sports Renewal. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

6.6 Consider Approving Hallmark Channel Renewal. (Harvey Couch to discuss)

Staff and the Cable Advisory Committee recommend approval of the Hallmark Channel renewal. This National Cable Television Cooperative (NCTC) agreement has a term through October 31, 2025. There is no immediate rate increase. The annual increase on January 1, 2022 is 7%, which is within our budgeted projections. Hallmark Channel is carried on FPB Classic Cable channel 64. This agreement also includes the rights to Hallmark Movies and Mysteries (HMM) and Hallmark Drama, which FPB carries on Preferred Cable. There is no additional cost to carry HMM or Hallmark Drama.

Advanced services rights included in this agreement are: VOD, TVE, In-Home streaming, and Start-Over/Look-Back. The assistant GM for Administration has reviewed this agreement and it meets with his approval.

Kathryn Dutton-Mitchell moved to approve Hallmark Channel Renewal. John Snyder seconded the motion.

CARRIED. 5 to 0.

6.7 Consider Stop Loss Coverage and Plan Changes for 2022 Employee Health Plan. (Nichell Brown to discuss).

Staff recommends the Board consider approving renewal with Pan American for the specific and aggregate Stop Loss Coverage for the 2022 FPB Employee health plan. Our consultant Sherrill Morgan searched for competitive pricing and received responses from three stop loss carriers.

Our current carrier, Pan American, offered the best overall option for stop loss coverage when an additional liability corridor is considered. To reduce premium expenses, Sherrill Morgan recommends that we accept the additional liability of \$200,000 aggregated specific deductible. With the \$200,000 aggregated specific deductible option, specific stop loss premiums will increase \$75,420 annually (from \$350,837 to \$426,257). See highlighted sections of the renewal comparison proposal spreadsheet included in the detail pages section.

With the self-funded health plan, the specific stop loss coverage reimburses FPB in the event any covered individual has claims exceeding the specific deductible of \$100,000; the aggregated stop loss coverage reimburses FPB if the total claims expense for the entire group exceeds expected total claims by more than 25%. One or more health plan members must meet the additional aggregating specific deductible of \$200,000 before the carrier is responsible for reimbursement of claims expenses above the individual specific deductibles.

In addition, Sherrill Morgan also searched for competitive pricing for third party administrators (TPA). We received responses from three TPAs and our current TPA, MedBen offered the best overall option. Rates for third party plan administration with MedBen are guaranteed through December of 2022.

See attached renewal comparison proposal sheet, section administration fees in the detail pages.

Estimated expenses for calendar year 2022 based on renewal with Pan American and MedBen:

Estimated Expenses	2021	2022
Specific Deductible	\$100,000	\$100,000
Additional Liability Corridor (Aggregating Specific Deductible)	\$100,000	\$200,000
Annual Specific Premium	\$355,149	\$426,257

Annual Aggregate Premiums	\$22,927	\$22,813
Organ Transplant Coverage	\$37,386	\$40,652
Administration Fees (includes increase for Cigna provider network for 2021)	\$175,270	\$173,796
Expected Medical & RX	\$2,330,179	2,287,516
Claims Dental, Vision, & STD Claims (projected based on claims through October 2021)	\$220,962	\$187,092
Total Projected Health Care Expense	\$3,141,873	3,138,126

The table below shows EMPLOYEE payroll contributions and the amounts the employee contributes each month based on plan type for health care.

There are no recommended changes to the below employee payroll contributions for the 2022 plan year.

	2021 FPB PPO Medical/Rx	2021 FPB Well Living PPO Medical/Rx	**2021 FPB CDHP Medical/Rx	**2021 FPB Well Living CDHP Medical/Rx	*2021 Dental
Level of Coverage	Current Monthly Premiums				
Single Coverage					
Employee Pays/month	\$73.00	\$45.00	\$42.00	\$15.00	\$2.51
EE & Children					
Employee Pays/month	\$192.00	\$140.00	\$120.00	\$68.00	\$9.51
EE & Spouse Coverage					
Employee Pays/month	\$205.00	\$150.00	\$122.00	\$68.00	\$9.51
Family Coverage					
Employee Pays/month	\$270.00	\$215.00	\$202.00	\$148.00	\$15.56
Deductible Single/Family	\$400/ \$1,200	\$400/ \$1,200	\$1,000/ \$2,400	\$1,000/ \$2,400	\$25/\$75

Maximum out of pocket Single/Family	\$1,000/ \$2,400	\$1,000/ \$2,400	\$1,000/ \$2,400	\$1,000/ \$2,400	
Prescriptions	OTC \$0, \$10, \$30, \$60				
** Employees with a CDHP Plan are eligible to receive \$600 for single and \$1200 for all other coverages from FPB after the employee has paid the first \$400 in medical expenses.					
*The Employee's Dental and Vision benefits are combined with one contribution.					

Staff asks the Board to approve the renewal of Stop Loss Coverage for the 2022 health plan year.

Kathryn Dutton-Mitchell moved to approve Stop Loss Coverage and Plan Changes for 2022 Employee Health Plan. John Snyder seconded the motion.

CARRIED. 5 to 0.

- 6.8 Consider Executing contract with Gannett Fleming. Inc. to conduct a Water Cost of Service and Rate Design Study, for a cost not to exceed \$25,000. (David Denton and David Billings will discuss)

The last Water Cost of Service (COS) study utilized to adjust retail water rates was performed by Gannett Fleming in 2015. The goal of staff is to conduct COS studies as necessary to ensure revenue requirements are being properly addressed. Over the next few years, the water department's capital funding requirements will increase due to additional borrowing for the Reservoir and AMI. As a result, a COS study is prudent.

As a matter of course, Gannett Fleming has provided a proposal for a COS study not to exceed \$25,000. The proposal and the contract are included in the detail and have been forwarded to the Staff Attorney for his review.

The water department budgeted \$25,000 in the FY22 budget for the work. Staff recommends the Board approve the contract with Gannett Fleming for a cost not to exceed \$25,000.

Kathryn Dutton-Mitchell moved to approve contract with Gannett Fleming, Inc. to conduct Water Cost of Service and Rate Design Study, for a cost not to exceed \$25,000. John Snyder seconded the motion.

CARRIED. 5 to 0.

7 INFORMATIONAL ITEMS:

7.1 Informational Item: OSHA ETS COVID-19 Mandate. (Hance Price will discuss)

On November 4, 2021, OSHA issued its ETS on COVID that requires employers with 100 or more employees to ensure employees are either fully vaccinated or subject to COVID testing at least once every 7 days. The rule is expected to impact an estimated 84 million workers. The ETS remains in effect until May 5, 2022 and may become a permanent standard. While there are several lawsuits challenging the rule, now that the rule has been published most employers are proceeding with steps to implement its requirements.

The rule requires implementation of a policy and communication to employees by December 6, 2021 and by January 4, 2022 employees that are not 100% remote must be vaccinated or submit to weekly COVID testing. Employers must consider whether those with medical and religious exemption requests can be reasonably accommodated. There are 2 policy choices – i) mandate vaccination except for those with medical conditions or who are entitled to reasonable accommodation under federal EEO law based on a sincerely held religious belief OR ii) require unvaccinated employees (including exempted employees) to undergo weekly testing and wear face coverings while working. Employers may adopt different policies for different portions of their workforce.

Employers must prove vaccination status with one of 5 acceptable documents (i.e. vax card) and may accept an attestation if these are not available. However, previous COVID-19 infection is not a basis for exemption under the rule. Employers provide up to 4 hours of paid time off at the regular rate to receive each primary dose (not boosters) if received during working hours. The rule also requires reasonable paid sick time for side effects (up to 2 days per dose to recover). This time may run concurrently with existing sick leave, but not vacation. If no sick time is available, then the employer must provide additional reasonable paid time for recovery.

Employers must mandate testing for unvaccinated workers including those who are excused from vaccination because of medical or religious reasons. However, employers should not test unvaccinated employees who have been infected with COVID within the past 90 days since there is a high chance that the individual will continue to test positive even when no longer contagious. Significantly, the testing must be proctored – an employee cannot simply take a home test and report the results. Employees testing positive must be removed from the workplace as well as those employees that have not tested within the past week. Unvaccinated employees must wear a mask while indoors as well as vaccinated employees working in areas with substantial or high transmission per CDC guidance.

FPB staff have met to review the new rule and develop a draft policy that we will ask the Board to approve before the December 6 deadline. Also, FPB staff plan

to meet with small employee groups in-person to provide the information required by the rule including: i) information about the ETS and its requirements, ii) information about vaccine efficacy, safety and benefits, iii) that there will be no discrimination for reporting workplace related injuries as has always been the case regarding OSHA matters, iv) that there are criminal penalties for falsifying records and v) provide a copy of the CDC information: "Key things to know about COVID" per the ETS' requirements.

Mr. Hance Price discussed the OSHA ETS Covid-19 mandate status, how it would apply to the Frankfort Plant Board, and where the issue stands in Federal Courts.

8 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS

8.1 Presentation of FPB's Excellence in Public Power Award received at the APPA Connections Conference.

Mr. Zheng and Ms. Cathy Lindsey discussed the award received from APPA.

9 INFORMATIONAL ITEM: OLD & NEW BUSINESS

9.1 Jason Delambre to discuss update regarding City's Energy Resolution.

Mr. Delambre updated Staff and Board members of the City's Energy Resolution, Community Workgroup, and expectations moving forward.

10 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

10.1 Move to have the chair call a closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation regarding OSHA and easement matter.

John Snyder moved to call a closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation regarding OSHA and easement matter. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

11 CLOSED DOOR SESSION

11.1 Come out of Closed Session.

Kathryn Dutton-Mitchell moved to come out of closed session. Jason Delambre seconded the motion.

CARRIED. 5 to 0.

12 ACTION ITEM: POSSIBLE ACTION REGARDING CLOSED DOOR DISCUSSION

12.1 Action Taken.

John Snyder moved to Authorize Staff Attorney to proceed as directed in closed session in OSHA and Easement matters. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

13 ACTION ITEM: ADJOURNMENT

13.1 To Adjourn.

Stephen Mason moved to Adjourn. Jason Delambre seconded the motion.

CARRIED. 5 to 0.



Board Chair



Board Secretary/Treasurer