



# MINUTES

## FPB Board Meeting

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5:00 PM - Tuesday, November 17, 2020

Video-Teleconference

The Frankfort Plant Board met in FPB Board Meeting on Tuesday, November 17, 2020 at 5:00 PM in the Community Room.

### ATTENDANCE:

Dawn Hale, Board Secretary/Treasurer  
Stephen Mason, Board Vice Chair  
John Cubine, Board Chair  
John Snyder, Board Member  
Kathryn Dutton-Mitchell, Board Member  
Brian Bourne, Water Distribution Superintendent  
Shane Holt, Assistant Cable/Telecom Superintendent  
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  
Adam Hellard, Cable/Telecom Superintendent  
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  
Leigh Ann Phillips, Support Services Director  
Julie Roney, Water Treatment Superintendent  
Travis McCullar, Chief Electric Engineer  
Gary Zheng, General Manager  
Nichell Brown, Human Resource Director  
David Columbia, Community Television Coordinator  
State Journal

### 1 NOTICE OF SPECIAL MEETING

1.1 Notice of Special Meeting held In Person and Via Video Conference.

**2 ACTION ITEM: APPROVAL OF MINUTES**

**2.1 Consider Approval of the Minutes for the October 20, 2020 Board Meeting.**

*John Snyder moved to approve the Minutes for the October 20, 2020 Board Meeting. Dawn Hale seconded the motion.*

**CARRIED. 4 to 0.**

**3 ACTION ITEM: ACCEPT FINANCIALS**

**3.1 Consider Accepting Financials for month ending October 31, 2020.**

*Stephen Mason moved to accept Financials for month ending October 31, 2020. John Snyder seconded the motion.*

**CARRIED. 5 to 0.**

**4 INFORMATIONAL ITEM: FPB BUDGET AMENDMENT**

**4.1 Discuss FPB Budget Amendment Process**

FPB Board and Staff will discuss the FPB budget amendment process.

This item was discussed in detail and all board members noted that they were satisfied with the manner in which staff was handling budget amendments.

**5 INFORMATIONAL ITEM: PUBLIC COMMENT**

**6 INFORMATIONAL ITEM: WEBSITE CUSTOMER COMMENTS**

**6.1 Web Comments**

**7 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS**

- **TELECOMMUNICATIONS**
- **POTENTIAL OR AGREED UPON RELATED PARTY TRANSACTIONS**  
Nothing to report.
- **CUSTOMER SERVICE**
- **ELECTRIC DEPARTMENT**
- **SEPA**
- **KYMEA**
- **SAFETY**
- **WATER DISTRIBUTION**

- WATER TREATMENT PLANT
- NETWORK OPERATIONS CENTER (NOC)

**8 ACTION ITEMS:**

**8.1 Consider Stop Loss Coverage and Plan Changes for 2021 Employee Health Plan. (Nichell Brown)**

Staff recommends the Board consider approving renewal with Pan American for the specific and aggregate Stop Loss Coverage for the 2021 FPB Employee health plan. Our consultant Sherrill Morgan searched for competitive pricing and received responses from six stop loss carriers.

Our current carrier, Pan American, offered the best overall option for stop loss coverage when an additional laser liability is considered (a “laser is a higher deductible for specific individuals; the higher deductible is absorbed by the plan and is transparent to the individual). See proposal spreadsheet included in the detail pages section.

To reduce premium expenses, Sherrill Morgan recommends that we accept the additional \$100,000 specific deductible. With the \$100,000 specific deductible option, specific stop loss premiums will increase \$60,620 annually (from \$294,528 to \$355,149).

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%. The additional aggregating specific deductible of \$100,000 must be met by one or more health plan members before the carrier is responsible for reimbursement of claims expenses above the individual specific deductibles.

Rates for third party plan administration with MedBen are guaranteed through December of 2021.

Estimated expenses for calendar year 2021 based on renewal with Pan American and MedBen:

<b>Estimated Expenses</b>	<b>2020</b>	<b>2021</b>
Specific Deductible	85,000	100,000
Aggregating Specific Deductible	75,000	100,000
Annual Specific Premium	\$294,528	\$355,149
Annual Aggregate Premiums	\$17,764	\$22,927
Organ Transplant Coverage	\$37,386	\$37,386

Administration Fees (includes increase for Cigna provider network for 2021)	\$167,602	\$175,270
Expected Medical & RX	\$2,073,250	\$2,330,179
Claims Dental, Vision, & STD Claims (projected based on claims through October 2020)	\$220,962	\$220,962
<b>Total Projected Health Care Expense</b>	<b>\$2,811,492</b>	<b>\$3,141,873</b>

In addition, Staff asks the Board consider several Health Plan Changes effective January 1, 2021:

- **Treatment of Obesity:** Allow charges for medically necessary non-surgical services related to weight loss, including treatment for obesity or morbid obesity. Charges related to weight reduction programs (such as Jenny Craig or Weight Watchers), or any surgical treatment related to weight loss, is not covered under this Plan.
- **Chiropractic Copay:** Change the chiropractic co-pay to \$20 for the Standard PPO health plan to be in compliance with the Kentucky insurance mandates. The mandate requires that chiropractic copays are no higher than primary care office visit copays.

***Kathryn Dutton-Mitchell moved to approve Stop Loss Coverage and Plan Changes for 2021 Employee Health Plan. John Snyder seconded the motion.***

**CARRIED. 5 to 0.**

**8.2 Consider Long Term Disability Coverage with Minnesota Life effective January 1, 2021. (Nichell Brown)**

Staff recommends the Board consider approving renewal with Minnesota Life for long-term disability insurance effective January 1, 2021. Our consultant Sherrill Morgan searched for competitive pricing from eight carriers. All carriers except Minnesota Life decline to submit a quote.

The provided quote reflects an increase in rates. See the attached quote included in the detail pages section.

***Stephen Mason moved to approve Long Term Disability Coverage with Minnesota Life effective January 1, 2021. Dawn Hale seconded the motion.***

**CARRIED. 5 to 0.**

8.3 **Consider Accepting the Minutes of the May 12, 2020 Cable Advisory Committee. (Harvey Couch)**

*Dawn Hale moved to accept the Minutes of the May 12, 2020 Cable Advisory Committee Meeting. Stephen Mason seconded the motion.*

**CARRIED. 5 to 0.**

8.4 **Consider Approving First Amendment to Master Opt-In Retransmission Consent Agreement with Scripps. (Harvey Couch)**

Staff and the Cable Advisory Committee recommend the approval of the First Amendment to Master Opt-In Retransmission Consent Agreement with Scripps.

The board executed the Master Retransmission Consent Agreement between NCTC and Scripps at the October regular meeting. That agreement requires FPB to launch two additional multicast channels from WLEX. We reached out to Scripps for an amendment to that agreement to allow us some additional time to launch these new channels.

This amendment gives us until June 30, 2022 to launch these new channels. This time will allow us to make these new additions seamlessly.

The staff attorney has reviewed this agreement and it meets with his approval.

*Stephen Mason moved to approve First Amendment to Master Opt-In Retransmission Consent Agreement with Scripps. John Snyder seconded the motion.*

**CARRIED. 5 to 0.**

8.5 **Consider Approving Discovery Communications Agreement. (Harvey Couch)**

The Cable Advisory Committee and Staff recommend the approval of the National Cable Television Cooperative (NCTC) agreement for Discovery Communications, which includes the Discovery Networks, the Discovery Digital Networks, and the former Scripps Networks. The term of the agreement runs from through October 31, 2024. The Classic tier networks include: Discovery, TLC, Animal Planet, Investigation Discovery, OWN, Discovery Life, HGTV, Food Network, and Travel Channel; Preferred tier networks include Discovery Family, Science Channel, American Heroes Channel, Destination America, DIY, Cooking Channel, and Great American Country; and HD Plus network is Motor Trend for a total of 17 networks.

The average increase in license fees for the Discovery Networks on Classic Cable is 7%, well under our budgeted increases. The increases in subsequent years average 6% per year. The average increase in license fees for the

Preferred Cable networks is 6%, below the budgeted numbers. The average increase in subsequent years for the Preferred Cable Discovery networks varies between 4% and 6%.

This agreement allows FPB the rare opportunity to migrate a channel (Discovery Life) from the Classic tier to the Preferred tier. The Cable Advisory Committee recommended this move and staff will complete it soon after participation in this agreement as it will lower the Cable Programming Pass Through Fee for Classic Cable subscribers. Customers who want to watch Discovery Life will be able to access it through a Preferred Cable subscription.

The Staff Attorney has reviewed the agreement and it meets with his approval.

***Kathryn Dutton-Mitchell moved to approve Discovery Communications Agreement. John Snyder seconded the motion.***

***CARRIED. 5 to 0.***

- 8.6 Consider Approval of: (1) Establishing rates for Fiber service, (2) Establishing rate for Advanced Video Application Service, and (3) Updating Section X of the Tariff. *(Harvey Couch)*

FPB conducted a public hearing on October 20, 2020 at 5:00 p.m. at the FPB Administration Building Community Room at 151 Flynn Ave., Frankfort, KY 40601/ No public comments were received at that time.

Staff recommends approving the following:

- (1) Establishing rate for Fiber service:

Establishing rate for the FPB Fiber Service for Residential and Business Customers. New Services are in bold.

Residential High-Speed Internet Service					
Package	Max Download Speed	Max Upload Speed	Rate	Two Service Rate	Three Service Rate
128K	128 Kbps	128 Kbps	\$22.00	\$20.00	\$18.00
256 K	256 Kbps	128 Kbps	\$26.00	\$24.00	\$23.00
512K	512 Kbps	128 Kbps	\$32.00	\$30.00	\$29.00
Lite	1 Mbps	128 Kbps	\$34.00	\$31.00	\$28.00
Standard	25 Mbps	3 Mbps	\$44.00	\$41.00	\$38.00
Premium	50 Mbps	5 Mbps	\$56.00	\$53.00	\$50.00
Ultra	100 Mbps	10 Mbps	\$68.00	\$65.00	\$62.00
Elite	250 Mbps	10 Mbps	\$80.00	\$78.00	\$75.00

TBD	500 Mbps	250 Mbps	\$90.00	\$87.00	\$84.00
TBD	1000 Mbps	500 Mbps	\$100.00	\$97.00	\$94.00

Effective 10/1/2018: Customers may no longer sign up for or change their internet package to 128K, 256K, 512K, or Lite packages.

Two Service Rate: Receive a \$3.00 discount when subscribing to Classic Cable OR Telephone service.

Three Service Rate: Receive a \$6.00 discount when subscribing to Classic Cable AND Telephone services.

500 Mbps and 1000 Mbps Package(s): Eligible to receive a \$10.00 discount with 12- month service commitment, autopay, and ebill. Discount can be increased based on market conditions. Requires Whole-Home Wifi and Whole-Home Base Unit. Not available in all areas.

Business High-Speed Internet Service						
Package	Max Download Speed	Max Upload Speed	Rate	Two Service Rate	Three Service Rate	Business Bundle
Lite	1 Mbps	128 Kbps	\$52.00	\$47.00	\$37.00	N/A
Standard	25 Mbps	3 Mbps	\$82.00	\$67.00	\$57.00	\$47.10
Premium	50 Mbps	5 Mbps	\$112.00	\$87.00	\$77.00	\$67.10
Ultra	100 Mbps	10 Mbps	\$142.00	\$107.00	\$97.00	\$87.10
Elite	250 Mbps	10 Mbps	\$172.00	\$127.00	\$117.00	\$107.10
TBD	500 Mbps	250 Mbps	\$200.00	\$145.00	\$135.00	\$125.10
TBD	1000 Mbps	500 Mbps	\$250.00	\$160.00	\$150.00	\$140.10

(2) Establishing rate for Advanced Video Application Service.

<u>Service</u>	<u>Monthly fee (per household)</u>
Application Video Application Fee*	\$5.00
100 hours Cloud DVR	\$5.00
250 hours Cloud DVR	\$10.00
Additional Streams	\$3.00

\*required for Advanced Video Application service. Includes 25 hours cloud DVR and 2 concurrent streams.

(3) Updating Section X of Tariff.

Updating section X of FPB Tariff. As technology has changed and progressed and new services are being offered, it is necessary to update the language of the tariff to reflect the current Internet product offerings.

Section C, numeral I, item D is new language defining Early Termination Charges. These charges would only apply to customers who voluntarily participate in a promotional offer that includes a 12-month commitment in exchange for discounted services.

*John Snyder moved to approve Establishing Rates for Fiber Service, Establishing rate for Advanced Video Application Service, and Updating Section X of the Tariff. Dawn Hale seconded the motion.*

**CARRIED. 5 to 0.**

8.7 **Consider Approving NCTC/Tegna Retransmission Consent Agreement for carriage of WHAS. (Harvey Couch will discuss)**

Staff recommends the approval of an NCTC Retransmission Consent Agreement with Tegna for carriage of WHAS 11 (ABC Louisville) on cable channel 11/511 through December 31, 2023.

This is the second retransmission consent agreement we have presented the board this year. We anticipate bringing agreements for the remaining 6 broadcast channels for your consideration at the December meeting.

The rates laid out in this agreement as presented would be an increase over what we are currently paying for WHAS. However, staff has spoken with the negotiation team at NCTC. They are aware of our current agreement with Tegna for carriage of WHAS and they have stated that they are working on a side letter with Tegna that would allow us to maintain our existing rate for WHAS and are confident that it will be completed in the next week.

The staff attorney has reviewed this agreement and it meets with his approval.

Because the deadline for participating in this NCTC/Tegna agreement is 12/2/20, staff is asking the board to **approve the NCTC/Tegna agreement contingent upon completion of a side-letter agreement between NCTC and Tegna that guarantees FPB will continue to pay its current rate for WHAS for the term of the new agreement and otherwise meets with staff's approval.**



*John Snyder moved to approve NCTC/Tegna retransmission Consent Agreement for Carriage of WHAS. Stephen Mason seconded the motion.*

**CARRIED. 5 to 0.**

**8.8 Accept minutes of landscape Committee. (Dawn Hale and David Billings)**

The landscape committee met on November 9. The Committee approved of the attached landscape plan. Staff asks that the Board move to incorporate the recommendations regarding painting color, planting plans, and retaining wall blocks into the final design plans and accept the minutes of the Committee.

*Dawn Hale moved to accept the Minutes for the November 9, 2020 Landscape Committee minutes. Kathryn Dutton-Mitchell seconded the motion.*

**CARRIED. 5 to 0.**

**8.9 Consider Approval of Change Order No. 1 on the US 127 Tank Painting Project with Sam Estes Painting Company for \$8,825.00. (David Billings)**

This past September, the Board awarded the project to Sam Estes Painting Company in the amount of \$244,642. The purpose of the project was to repair and repaint the existing 500,000 gallon elevated water tank on the west side of town.

The original contract required patchwork and alterations to the existing ladder to obtain proper spacing from the tank. Once the project began, it became evident that a new ladder was a better solution. Change Order #1 is for providing a new OSHA compliant ladder and new conduit/wiring for an electrical circuit to power a tank mixing system. The change order will increase the contract amount by \$8,825.00 but not change the substantial completion date.

Original Contract	\$ 244,642.00
Change Order #1	<u>\$ 8,825.00</u>
	\$ 253,467.00 (new contract amount)

Change Order No. 1 represents 3.6% of the original contract price. The FY 20-21 budget includes \$400,000 for the project.

As a matter of course, Staff recommends that the Board approve Change Order No. 1 with Sam Estes Painting Company.

*Stephen Mason moved to approve Change Order No. 1 on the US 127 Tank Painting Project with Sam Estes Painting Company for \$8,825.00. Kathryn Dutton-Mitchell seconded the motion.*

**CARRIED. 5 to 0.**

**9 ACTION ITEM: COVID-19 STATUS & IMPACT**

**9.1 Review Franklin County Covid-19 Status and Impact on Workload.**

*John Snyder moved to approve temporary authority for the general manager to modify polices (such as sick time, leave time, and health insurance), procurement and spending policies such that funds may be expended as necessary to respond to the conditions, and terms and conditions of service contained in the tariff for a period of three (3) months at his discretion and as noted above. Dawn Hale seconded the motion.*

**CARRIED. 5 to 0.**

**10 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS**

10.1 Staff encouraged customers in need to apply for government Covid assistance and noted that contact information agencies handling government Covid assistance was located on FPB's website, included in FPB bills, and would be announced on FPB TV.

**11 INFORMATIONAL ITEM: OLD & NEW BUSINESS**

**12 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION**

12.1 **Chair calls for a motion to enter closed session pursuant to KRS 61.810(1)(c) to discuss pending or proposed litigation regarding contract matter, subcontractor lien, and PSC matter.**

*John Snyder moved to go in to closed session. Stephen Mason seconded the motion.*

**CARRIED. 5 to 0.**

**14 CLOSED DOOR SESSION**

14.1 Closed Session held.

*Stephen Mason moved to come out of closed session. John Snyder seconded the motion.*

**CARRIED. 5 to 0.**

**13 ACTION ITEM: POSSIBLE ACTION REGARDING CLOSED DOOR DISCUSSION**

13.1 Possible Action regarding Matters Discussed in Closed Session.

*John Snyder moved to proceed as discussed in closed session. Kathryn Dutton-Mitchell seconded the motion.*

**CARRIED. 5 to 0.**

**15 ACTION ITEM: ADJOURNMENT**

15.1 Adjournment

*John Snyder moved to adjourn. Stephen Mason seconded the motion.*

**CARRIED. 5 to 0.**

  
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Board Chair

  
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Board Secretary/Treasurer

Handwritten signature or initials, possibly reading "C. A. [unclear]"