



# MINUTES

## Special Board Meeting

**3:00 PM - Monday, December 11, 2023, FPB Community Room**

The Frankfort Plant Board met on Monday, December 11, 2023, at 3:00 PM in the Community Room.

### **ATTENDANCE:**

**John Cubine, Board Chair**  
**John Snyder, Board Vice Chair**  
**Stephen Mason, Board Secretary/Treasurer**  
**Kathryn Dutton-Mitchell, Board Member**  
**Jason Delambre, Board Member**  
**Gary Zheng, General Manager**  
**David Denton, Chief Financial Officer**  
**Katrina Cummins, Finance Director**  
**Hance Price, Assistant GM Administration/Staff Attorney**  
**Kathy Poe, Executive Assistant to GM**  
**Adam Hellard, Cable/Telecom Superintendent**  
**Sharmista Dutta, Director of Water**  
**Travis McCullar, Director of Electric**  
**Cathy Lindsey, Communications & Marketing Director**  
**Scott Hudson, Electric Superintendent**  
**Leigh Ann Phillips, Support Services Director**  
**Deron Rambo, Network Operations Center Director**  
**Nichell Brown, Human Resource Director**  
**Ryan Henry, IT Director**  
**JC Lyons, Safety Director**  
**Harvey Couch, Marketing Video Content Coordinator**  
**Shane Holt, Asst. Cable/Telecom Superintendent**  
**Brandon Powers, Water Treatment Plant Superintendent**  
**Brian Bourne, Water Distribution Superintendent**  
**Mike Harrod, Telecom Engineering Manager**  
**Danny Harring, Asst. Water Distribution Superintendent**  
**Russ Carter, Asst. Electric Superintendent**  
**April Rhodes, Customer Service Supervisor**  
**Jennifer Hellard, Purchasing Agent**  
**David Columbia, Community Television Coordinator**

**1 INFORMATIONAL ITEM: PUBLIC COMMENT**

**1.1 Senator Gex Williams**

The Senator did not attend.

**1.2 Anna Marie Pavlik Rosen.**

Ms. Rosen spoke in support of the Frankfort Plant Board and in opposition of Senator Williams bill to sell the Frankfort Plant Board.

**2 ACTION ITEM: APPROVAL OF MINUTES**

**2.1 Consider Approving the Minutes of the November 14, 2023 Special Board Meeting.**

*John Snyder moved to approve the Minutes of the November 14, 2023 Special Board Meeting. Stephen Mason seconded the motion. CARRIED. 5 to 0.*

**2.2 Consider Approval of the Minutes for November 29, 2023 Special Board Meeting.**

*Kathryn Dutton-Mitchell moved to approve the Minutes for the November 29, 2023 Special Board Meeting. Stephen Mason seconded the motion. CARRIED. 5 to 0.*

**3 ACTION ITEM: ACCEPT FINANCIALS**

**3.1 Consider Accepting the Financial Statements for Month Ending November 30, 2023.**

*John Snyder moved to Accept the Financial Statements for Month Ending November 30, 2023. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

**3.2 Consider Accepting Clean, Unmodified Audit Report Prepared by Blue & Co. for the Fiscal Year Ended June 30, 2023 as Required by KRS 96.185.**

*Jason Delambre moved to Accept the Clean, Unmodified Audit Report Prepared by Blue & Co. for the Fiscal Year Ended June 30, 2023 as Required by KRS 96.185. John Snyder seconded the motion. CARRIED. 5 to 0.*

**4 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS**

**• POTENTIAL OR AGREED UPON RELATED PARTY TRANSACTIONS**

*None Reported.*

**• PUBLIC INFORMATION**



- NETWORK OPERATIONS CENTER (NOC)
- CUSTOMER SERVICE
- TELECOMMUNICATIONS
- ELECTRIC DEPARTMENT
- SEPA
- KYMEA
- SAFETY
- WATER DISTRIBUTION
- WATER TREATMENT PLANT

## 5 ACTION ITEMS:

- 5.1 Consider Award of RFP 2023-4 for In Service Wood Pole Inspections.  
(Travis McCullar to discuss)

The plant board system consists of nearly 10,000 wood poles for transmission and distribution of electric service. Monitoring and maintaining the pole inventory is critical for the safe operation of the electric system. Over the years both chemical treatment changes and tree growth rates have significantly changed the useful lifespan of wood poles, making it more important than ever to investigate pole decay and remediate issues in the field.

In order to ensure the integrity of the wood pole inventory, staff advertised RFP 2023-4 to seek a contractor with experience with pole assessment and treatment. The request was publicly advertised and sent directly to three vendors. After reviewing the responses, staff recommends awarding to VENDOR for a 2.5 year contract term with options for additional years.

The wood pole inspection program is included in the current Electric budget on page 24, Line 335 for \$210,000.

*Jason Delambre moved to Award RFP 2023-4 to Osmose Utilities Services, Inc. for In Service Wood Pole Inspections. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

- 5.2 Action Item: Consider Award of Bid Invitation #1792—Semi-Annual Price Contract for Water Treatment Chemicals January 1, 2024 – June 30, 2024.  
(Brandon Powers to discuss.)

Staff prepared a semi-annual bid for the chemicals used in water treatment. The bid includes estimated quantities and explains that orders could exceed or fall short of the estimates. Vendors bid with the understanding that the bid's purpose is to hold unit price throughout FPB's fiscal year.

This bid received 16 reverse auction bidders. After reviewing each bid, staff recommends awarding bid #1792 to the lowest bidders meeting specifications except for Powdered Activated Carbon which is based on quality testing (explanation below).

Chemical	FY 24.5 Company	FY 24.5 Bid	Difference (%) between FY 24 and FY 24.5
Liquid Ferric Chloride	PVS Technologies	\$0.2495	+9.19%
Liquid Sodium Hydroxide	Brenntag Mid-South	\$0.1790	-28.54%
Polyaluminum Chloride	USALCO	\$0.4635	+3.0%
Powdered Activated Carbon	Donau Carbon	1.054	-5.56%
Hydrofluorosilicic Acid	Univar USA	\$0.27	-18.18%
Liquid Ammonium Sulfate	Pencco, Inc. Water Solutions	\$0.25	-13.34%
Potassium Permanganate	Unlimited	\$4.55	+4.12%
Sulfuric Acid	Chemical Resources	\$0.1390	-10.32%
Zinc Orthophosphate	Chemical Resources	\$1.06	-15.20%

*\*Based on highest removal of geosmin and MIB (taste/odor compounds)*

***John Snyder moved Consider Award of Bid Invitation #1792 - Semi Annual Price Contract for Water Treatment Chemicals for January 1, 2024 to June 30, 2024. Stephen Mason seconded the motion. CARRIED. 5 to 0.***

**5.3 Consider Award of Bid Invitation #1794 Semi-Annual Price Contract for Water Treatment Chemicals (January 1, 2024 – June 30, 2024). (Brandon Powers to discuss)**

Staff prepares a semi-annual bid for the chemicals used in water treatment. The bid includes estimated quantities and explains that orders could exceed or fall short of the estimates. Vendors bid with the understanding that the bid's purpose is to hold unit price throughout FPB's fiscal year.

This bid received one sealed auction bid. After reviewing the bid, staff recommends awarding bid #1794 to Morton Salt.



Chemical	FY 24.5 Company	FY 24.5 Bid	Difference (%) between FY 24 and FY 24.5
Bulk Sodium Chloride	Morton Salt	\$0.1523 304.60 ton	0%

*Stephen Mason moved to Award Bid Invitation #1794 Semi-Annual price Contract for Water Treatment Chemicals, January 1, 2024 to June 30, 2024. Jason Delambre seconded the motion. CARRIED. 5 to 0.*

- 5.4 Consider Award of Bid # 1795 Remanufactured Pad Mount Transformers. (Jennifer Hellard to discuss)

*Kathryn Dutton-Mitchell moved to Award Bid Invitation #1795 Remanufactured Pad Mount Transformers to Sunbelt Solomon Service in the Amount of \$416,803 John Snyder seconded the motion. CARRIED. 5 to 0.*

- 5.5 Consider Retransmission Consent Agreements with: Scripps Media, Inc.; Tegna Inc.; Gray Media Group; Nexstar Inc.; Morris Network Inc.; and Hearst Properties, Inc.. (Harvey Couch to discuss)

*John Snyder moved to Approve Retransmission Consent Agreements with Scripps Media, Inc., Tegna, Inc. and Nexstar, Inc. Stephen Mason seconded the motion. CARRIED. 5 to 0.*

- 5.6 Consider Bally Sports Ohio Amendment. (Harvey Couch to discuss)

*Stephen Mason moved to Award Bally Sports Ohio Amendment. Jason Delambre seconded the motion. CARRIED. 5 to 0.*

- 5.7 Consider Approving Amendment to Fox Cable Network Services Agreement. (Harvey Couch to discuss)

The Cable Advisory Committee and Staff recommend the Board approve the standard National Cable Television Cooperative (NCTC) amendment for Fox

Cable Network Services. This NCTC amendment extends the term of the existing agreement through October 15, 2027. The networks covered include: Fox News Channel, Fox Business Network, and Fox Sports 1 on Classic Cable; and Fox Sports 2 on Preferred Cable.

The agreement represents programming license fee increases on Fox News Channel of 15% in 2024, and 8% in the two years after that. Fox Sports 1 were slightly less than that, and Fox Business and Fox Sports 2 were less than 10% in year 1 and 3% in the two years after that. The increases were budgeted and anticipated. Fox News Channel is top rated cable network by viewership in Frankfort. This agreement covers 4 more of the top 50 cable networks in Frankfort. There is no change to the carriage obligations on these networks.

Please consider the networks as a take all or have none scenario as this agreement does not allow a la carte purchasing. The Assistant GM-Administration has reviewed the agreement and it meets with his approval.

*Jason Delambre moved to Approve Amendment to Fox Cable Network Services Agreement. John Snyder seconded the motion. CARRIED. 5 to 0.*

- 5.8 Consider Approval for Korn Ferry services to review FPB's compensation plan. (Nichell Brown to discuss)

*Jason Delambre moved to Approve Agreement with Korn Ferry for Services to Review FPB's Compensation Plan. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 4 to 1.*

<i>Stephen Mason</i>	<i>Against</i>
<i>John Cubine</i>	<i>For</i>
<i>John Snyder</i>	<i>For</i>
<i>Kathryn Dutton-Mitchell</i>	<i>For</i>
<i>Jason Delambre</i>	<i>For</i>

- 5.9 Consider changes to the health plan to add coverage for gene therapy complications. (Nichell Brown to discuss)

At Frankfort Plant Board October's board meeting, the Board approved the exclusion of gene therapy treatment from the health plan. Although gene therapy treatment is excluded; Staff asks the Board to consider coverage for complications of gene therapy services or treatment as a covered expense under the health plan.

Below is the new exclusion language approved by the stop loss carrier with effective date 1/1/2024 that will be added to the health plan if approved by the Board.



“Charges for gene therapy services or treatment, regardless of whether the services or treatment is considered or determined to be Medically Necessary or Medically appropriate. However, the Medically Necessary treatment of any complications of gene therapy services or treatment is a Covered Expense under this Plan.”

***Kathryn Dutton-Mitchell moved to Approve Changes to the Health Plan to Add Coverage for Gene Therapy Complications. Stephen Mason seconded the motion. CARRIED. 5 to 0.***

**5.10 Consider changing employee service awards recognition amounts. (Nichell Brown to discuss)**

Staff asks the Board to consider changes to the employee service awards recognition monetary amounts. Frankfort Plant Board (FPB) Service Awards are given to employees to recognize their years of dedication and service to FPB.

Below lists the current amounts that have been in place for approximately 15 years.

5 Years - \$25

10 Years – \$50

15 Years - \$75

20 Years -\$100

25 Years – \$200

30 Years – we currently do not have a recognition award for 30 years of service. However, Staff would like to add since there are more employees with 30 plus years and moving forward Kentucky Public Pension Authority (KPPA) tier 2 and 3 participants will need 30 or more years for retirement.

***John Snyder moved to set the Amounts for the Employee Service Award at \$10 per year in five (5) year increments to be Awarded on a Five (5) Year Schedule for 5 to 30 years with an Award of \$10 per year. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 4 to 1.***

<b><i>Stephen Mason</i></b>	<b><i>Against</i></b>
<b><i>John Cubine</i></b>	<b><i>For</i></b>
<b><i>John Snyder</i></b>	<b><i>For</i></b>
<b><i>Kathryn Dutton-Mitchell</i></b>	<b><i>For</i></b>
<b><i>Jason Delambre</i></b>	<b><i>For</i></b>

5.11 Consider Approval of Community Education Agreements.

*Jason Delambre moved to Approve Agreement with Runswitch to Prepare and Implement Marketing Strategies to Educate FPB Rate Payers regarding Proposed State Legislation that will Directly Impact FPB and Its Customers. Stephen Mason seconded the motion. CARRIED.*

<i>John Cubine</i>	<i>For</i>
<i>Kathryn Dutton-Mitchell</i>	<i>For</i>
<i>Jason Delambre</i>	<i>For</i>
<i>Stephen Mason</i>	<i>Pass</i>
<i>John Snyder</i>	<i>Pass</i>

5.12 Exploration of Future Energy Needs and Options. (John Snyder to discuss)

*John Snyder moved for Gary Zheng, Travis McCullar, David Denton, and Consultant to Explore Options for Power Procurement and Resource Plan, and work on RFP for Power Plan and get draft to Board at the earliest convenience. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

<i>Stephen Mason</i>	<i>For</i>
<i>John Cubine</i>	<i>For</i>
<i>John Snyder</i>	<i>For</i>
<i>Kathryn Dutton-Mitchell</i>	<i>For</i>
<i>Jason Delambre</i>	<i>For</i>

5.13 Consideration of membership in new KLC municipal utility group.

*Stephen Mason moved to Authorize Gary Zheng Proceed to Become Members of new KLC Municipal Utility Group Contingent on Other Municipals Utilities Joining. Jason Delambre seconded the motion. CARRIED. 5 to 0.*

6 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

6.1 *Request permission to call a Closed Session pursuant to KRS 61.810(1)(c) to discuss pending or proposed litigation regarding collection matter, advertising matter, breach of contract matter, employment matter, cost recovery matter, and a regulatory matter; pursuant to KRS 61.810(1)(g) to discuss a specific proposal that if openly discussed would jeopardize the siting, retention, expansion or upgrading of a business.*

*John Snyder moved Request permission to call a Closed Session pursuant to KRS 61.810(1)(c) to discuss pending or proposed litigation regarding collection matter, advertising matter, breach of contract matter, employment matter, cost recovery matter, and a regulatory matter; pursuant to KRS 61.810(1)(g) to discuss a specific proposal that if openly*



*discussed would jeopardize the siting, retention, expansion or upgrading of a business. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

**7 CLOSED DOOR SESSION**

7.1 Come out of Closed Session.

*John Snyder moved to Come out of Closed session. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

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

8.1 Proceed As Directed in Closed Session.

*John Snyder moved to Proceed as Directed in Closed Session by the Board of Directors. Jason Delambre seconded the motion. CARRIED. 5 to 0.*

**9 ACTION ITEM: ADJOURNMENT**

9.1 To Adjourn.

*John Snyder moved to Adjourn. Jason Delambre seconded the motion. CARRIED. 5 to 0.*



Board Chair



Board Secretary/Treasurer