



MINUTES

FPB Board Meeting

5:00 PM - Tuesday, May 21, 2019

Community Room

The Frankfort Plant Board Council met in FPB Board Meeting on Tuesday, May 21, 2019 at 5:00 PM in the Community Room.

ATTENDANCE:

Anna Marie Pavlik-Rosen, Board Chair
Walt Baldwin, Board Vice-Chair
Dawn Hale, Board Secretary/Treasurer
Stephen Mason, Board Member
Jeff Bradshaw, Board Member
James Liebman, Board Attorney
Gary Zheng, General Manager
David Billings, Chief Water Engineer
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, Interim Cable Superintendent
Ryan Henry, Assistant IT Director
Scott Hudson, Electric Superintendant
Casey Jones, IT Director
Cathy Jennings, Executive Assistant
Cathy Lindsey, Public Information Coordinator
Kathy Poe, Executive Assistant
Hance Price, Assistant GM Administration/Staff Attorney
Kim Phillips, Safety Director
Leigh Ann Phillips, Support Services Director
Julie Roney, Water Treatment Superintendant
Dianne Schneider, HR Director
Alan Smith, Water Distribution Superintendant
Scott Stafford, Media Services Manager
Jennifer Hellard, Purchasing Agent
Deron Rambo, Network Operations Center Director
Travis McCullar, Chief Electric Engineer
Sharmista Dutta, Water Engineer
State Journal
FPB Media Services

1 ACTION ITEM: APPROVAL OF MINUTES

- 1.1 Approve Minutes for April 16, 2019 Board Meeting

*Dawn Hale moved to Approve minutes for April 16, 2019 board meeting.
Stephen Mason seconded the motion.*

CARRIED. 4 to 0.

*Anna Marie Pavlik-Rosen For
Walt Baldwin For*

Dawn Hale
Stephen Mason

For
For

2 ACTION ITEM: ACCEPT FINANCIALS

2.1 Approve Financials for month ending April 30, 2019

Walt Baldwin moved to Approve financials for month ending April 30, 2019. Stephen Mason seconded the motion.

CARRIED. 4 to 0.

<i>Anna Marie Pavlik-Rosen</i>	<i>For</i>
<i>Walt Baldwin</i>	<i>For</i>
<i>Dawn Hale</i>	<i>For</i>
<i>Stephen Mason</i>	<i>For</i>

3 INFORMATIONAL ITEM: PUBLIC COMMENT

3.1 Commissioner Sower encouraged the Board to consider electric charging station locations downtown, specifically on Mero Street and Holmes Street due to the number of State employees located in that area.

Mr. Tom Marshall discussed the KyMEA website and encouraged the Board and management to request KyMEA public meeting dates and minutes be located on the KyMEA website.

Mr. Steve Mims spoke in favor of the one tank reservoir replacement option.

4 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

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

5 ACTION ITEMS:

5.1 Consider Award of Bid Invitation #1677 for Underground Cable to Anixter Inc. in the Amount of \$22,200.00. (Jennifer Hellard will discuss)

Staff prepared a bid invitation for #1/0 underground cable. The invitation was sent to six vendors with three responses received. After reviewing all bids, staff recommends awarding to Anixter Inc. in the amount of \$22,200.00. The lowest bidder at \$21,400.00 had a delivery time of 14 weeks. Due to low stock, the

recommendation is to award to Anixter Inc. because of a seven day delivery time.

This cable will be used to replenish depleting inventory levels.

Ms. Hellard presented this item to the Board as stated above.

Walt Baldwin moved to Award Bid Invitation #1677 for Underground Cable to Anixter, Inc. in the Amount of \$22,200.00 Stephen Mason seconded the motion.

CARRIED. 5 to 0.

Anna Marie Pavlik-Rosen	For
Walt Baldwin	For
Dawn Hale	For
Stephen Mason	For
Jeff Bradshaw	For

5.2 **Consider Amendment to the FPB Job Classification and Compensation Plan, List of Authorized Positions and Organizational Structure. (Dianne Schneider will discuss)**

In March 2019, the Board approved changes to FPB's organizational structure. Staff explained additional changes would be recommended once the Chief Financial Officer (CFO) and Chief Operating Officer (COO) were in place. At present, the General Manager and Staff are proposing further changes to optimize department and employee coordination, and most importantly to better serve our customers.

Staff recommends:

- The Network Operations Center Director report directly to the CFO
- The Media Services and Marketing departments report to the CFO
- The Broadband Network Administrators report to the COO under the Cable/Telecom Superintendent

We also recommend two new positions reporting directly to the COO:

- Director of Water Operations
- Chief Telecommunications Engineer

The Director of Water Operations will coordinate activities of the three departments within FPB's water division: Water Engineering, Water Treatment and Water Distribution. The Chief Telecommunications Engineer will manage Cable Telecommunications Engineering and provide input into the design and development of the telecommunications infrastructure.

The proposed job descriptions, list of authorized positions, and organizational chart are included in the detail pages for this Board item.

Due to the proposed changes, specifically a reduction in the number of functions and employees reporting to the position, we recommend the re-classification of the Cable/Telecommunications Superintendent position from grade 120 to grade 119. The position is currently vacant with an employee serving as the Interim Superintendent.

Staff recommends eliminating six vacant positions as those duties and responsibilities will be merged into other positions:

- Assistant Finance Director (Finance)
- Broadband Network Supervisor (Information Technology)
- Cable Engineering & Construction Manager (Cable/Telecommunications)
- Installation and Processing Manager (Cable/Telecommunications)
- Production Assistant (Video)
- Production Manager (Cable/Telecommunications)

Based on the FPB Job Classification & Compensation plan, the pay grades and salary ranges for the proposed new or revised positions are included below:

POSITION	STATUS	PAY GRADE	PAY RANGE	Starting Annual Salary
Director of Water Operations	NEW	122	\$49.84 - \$74.75	\$103,667
Chief Telecom Engineer	NEW	120	\$45.28 - \$67.92	\$94,182
Cable Telecom Superintendent	Revise Classification	119	\$43.01 - \$64.51	\$89,455
Asst. Finance Director	Eliminate	116	\$36.18 - \$54.27	\$74,254
Broadband Network Supervisor	Eliminate	113	\$29.35 - \$44.03	\$61,048
Cable Engineering & Construction Manager	Eliminate	114	\$31.63 - \$47.44	\$65,790
Installation & Processing Manager	Eliminate	116	\$36.18 - \$54.27	\$74,254
Production Asst. (Video)	Eliminate	103	\$15.13 - \$22.69	31,470
Production Manager	Eliminate	110	\$23.09 - \$34.64	\$48,027

Funding for the new positions will be included in the 2019-2020 FY budget.

Ms. Schneider explained this item as stated above.

In response to Board questions, Ms. Schneider stated that FPB currently employed approximately 200 employees, that the two new positions requested and all six (6) positions to be eliminated were all currently vacant positions.

Walt Baldwin moved to Approve Amendment to the FPB Job Classification and Compensation Plan, List of Authorized Positions, and Organizational Structure. Jeff Bradshaw seconded the motion.

CARRIED. 5 to 0.

<i>Anna Marie Pavlik-Rosen</i>	<i>For</i>
<i>Walt Baldwin</i>	<i>For</i>
<i>Dawn Hale</i>	<i>For</i>
<i>Stephen Mason</i>	<i>For</i>
<i>Jeff Bradshaw</i>	<i>For</i>

5.3 **Consider Approving a Request for Public Hearing Regarding Changes to Water Line Extension Cost Recovery Policy. (David Billings and Hance Price will discuss)**

The Board ceased water and electric refunds for subdivision developers and adopted a water line extension cost recovery policy in 2011. Since that time, the water department has had one customer apply for cost recovery and it has become evident that the existing policy is very difficult to manage efficiently. In addition, recent discussions with the sewer department indicate that they are signaling a move away from their existing policy as well.

Staff has reviewed the applicable requirements and has drafted a policy that meets the requirements of KRS 96.539 and would be better manageable than the existing policy.

Copies of the existing and proposed policy can be picked up at the FPB Administration Building located at 151 Flynn Avenue or at the FPB Service Center at 305 Hickory Drive or are available for download from the Frankfort Plant Board website at <http://fpb.cc/>

Staff recommends the Board approve a Public Notice for the purpose of conducting a public hearing related to the change at the next regular meeting of the Frankfort Plant Board on June 4th, 2019 at 5:00 p.m. at the FPB Administration Building located at 151 Flynn Avenue, Frankfort, Kentucky 40602.

Mr. Billings explained the item.

Walt Baldwin moved to Approve a Public Notice for the purpose of conducting a public hearing related to the change of the water line cost recovery policy at the next regular meeting of the Frankfort Plant Board on June 4th, 2019 at 5:00 p.m. at the FPB Administration Building located at 151 Flynn Avenue, Frankfort, Kentucky 40602. Jeff Bradshaw seconded the motion.

CARRIED. 5 to 0.

Anna Marie Pavlik-Rosen	For
Walt Baldwin	For
Dawn Hale	For
Stephen Mason	For
Jeff Bradshaw	For

5.4 **Consider approval of Amendment #7 between Strand Associates, Inc. and FEWPB to extend monitoring program for the existing Reservoir by providing up to five condition assessments for a sum not to exceed \$58,100. (David Billings will discuss)**

Following the Interim Repair Project in 2013, a monitoring program was established in which the Reservoir was inspected annually every spring. The last assessment occurred in the spring of 2018. Given the condition of the Reservoir and continued deterioration, it is anticipated that repairs will be recommended and performed until such time the Reservoir is replaced.

As a matter of course, Strand was asked to provide a scope for continuing the program for up to an additional five years.

The FY20-24 budget includes \$125,000 for annual inspection and point repairs. The addendum has been reviewed by the Staff Attorney and Staff recommends that the Board approve Addendum No. 7 with Strand Associates in the amount of an additional \$58,100.

Mr. Billings explained the item.

Board members stated it was both necessary and responsible due to the delay of the project.

Walt Baldwin moved to Approve Amendment #7 between Strand Associates, Inc. and FEWPB to extend monitoring program for the existing Reservoir by providing up to five condition assessments for a sum not to exceed \$58,100. Jeff Bradshaw seconded the motion.

CARRIED. 5 to 0.

Anna Marie Pavlik-Rosen For
Walt Baldwin For
Dawn Hale For
Stephen Mason For
Jeff Bradshaw For

- 5.5 **Consider Request for Public Hearing to be Held June 4, 2019 at 5:00pm at FPB's Administration Building at 151 Flynn Avenue, Frankfort, Kentucky Regarding Lowering or Eliminating Service Reconnect Charges on Cable TV, Internet and Telephone Service.(David Denton will discuss)**

FPB Staff is requesting a public hearing regarding lowering or eliminating service reconnection charges on Cable TV, Internet and Telephone service. Below are the current and proposed service reconnection charges by service:

Service Type	Current Reconnection Fee	Proposed Reconnection Fee
Cable TV – 3 to 5 Business Days	\$64	\$32
Cable TV – Same Day	\$81	\$50
Cable Modem – Internet	\$64	No Fee
Telephone – 3 to 5 Business Days	\$64	No Fee
Telephone – Same Day	\$81	\$50

Reconnection fees are typically set to cover the cost of performing the physical activity of reconnecting the service at each service location. Staff is proposing the elimination of the Internet and Telephone service reconnection fee now that this process has been primarily automated resulting in no truck roll to the service location. Staff is proposing a 50% reduction in the Cable TV reconnection fee to encourage customers to reconnect the service in a highly competitive environment.

Mr. Denton explained the changes as noted above.

Walt Baldwin moved to Approve Public Hearing Notice to be held June 4, 2019 at 5:00 p.m. at FPB's Administration Building at 151 Flynn Avenue, Frankfort, Kentucky regarding lowering or eliminating service reconnect charges on Cable TV, Internet and Telephone services. Jeff Bradshaw seconded the motion.

CARRIED. 5 to 0.

Anna Marie Pavlik-Rosen For
Walt Baldwin For
Dawn Hale For
Stephen Mason For
Jeff Bradshaw For

5.6 **Consider Request for Public Hearing to be Held June 4, 2019 Regarding Adjustments to the Cable Advertising Rate Card Maximum Rates.(Scott Stafford will discuss)**

One year ago, the Board approved a new rate structure for Cable Advertising, allowing rates to move up and down freely under a maximum cap in order to quickly adjust to fluctuating market and industry trends.

While monitoring advertising trends since May 2018, staff has foreseen a potential necessity to raise Political Candidate rates above \$32 per 30 second ad during particularly heavy political seasons in order to avert possible inventory shortages and subsequent loss of revenue.

Staff is asking the Board to approve a political candidate rate card maximum of \$50 per 30 second ad and \$35 per 30 second ad for the standard core rate card. Again, our maximum rate is only approached if necessary, to prevent inventory shortages on a few select networks during the most popular daytimes. Political candidates will continue to be able to purchase 30 second ads on many networks for only a few dollars each.

The current maximum rates are:

Cable Advertising Maximum Rates (30 Second)	
Local Core	Political Candidate
\$22.00	\$32.00

The proposed rates are:

Cable Advertising Maximum Rates (30 Second)	
Local Core	Political Candidate
\$35.00	\$50.00

Mr. Stafford explained the changes as noted above.

Walt Baldwin moved to Approve Public Hearing Notice regarding Adjustments to the Cable Advertising Rate Card Maximum Rates to be held June 4, 2019 at 5:00 p.m. or as soon thereafter as is feasible at the FPB Administration Building at 151 Flynn Avenue, Frankfort, Kentucky. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

<i>Anna Marie Pavlik-Rosen</i>	<i>For</i>
<i>Walt Baldwin</i>	<i>For</i>
<i>Dawn Hale</i>	<i>For</i>
<i>Stephen Mason</i>	<i>For</i>
<i>Jeff Bradshaw</i>	<i>For</i>

6 **INFORMATIONAL ITEMS:**
NONE

7 **INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS**

7.1 Mr. Zheng advised that KyMEA meetings would be held this week on Wednesday and Thursday in Louisville, Kentucky. He further stated that FPB representatives would encourage KyMEA to add public meeting information to their website.

8 INFORMATIONAL ITEM: OLD & NEW BUSINESS
NONE

9 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

9.1 Move to call a closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation regarding reservoir construction.

Walt Baldwin moved to call a closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation regarding reservoir construction. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

<i>Anna Marie Pavlik-Rosen</i>	<i>For</i>
<i>Walt Baldwin</i>	<i>For</i>
<i>Dawn Hale</i>	<i>For</i>
<i>Stephen Mason</i>	<i>For</i>
<i>Jeff Bradshaw</i>	<i>For</i>

10 CLOSED DOOR SESSION

10.1 Return to Open Session.

Stephen Mason moved to return to Open Session. Dawn Hale seconded the motion.

CARRIED. 5 to 0.

<i>Anna Marie Pavlik-Rosen</i>	<i>For</i>
<i>Walt Baldwin</i>	<i>For</i>
<i>Dawn Hale</i>	<i>For</i>
<i>Stephen Mason</i>	<i>For</i>
<i>Jeff Bradshaw</i>	<i>For</i>

10.2 Action from Closed Session discussions.

Jeff Bradshaw moved to Authorize FPB attorneys to proceed as discussed in closed session regarding litigation on the Reservoir. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

<i>Anna Marie Pavlik-Rosen</i>	<i>For</i>
<i>Walt Baldwin</i>	<i>For</i>
<i>Dawn Hale</i>	<i>For</i>
<i>Stephen Mason</i>	<i>For</i>
<i>Jeff Bradshaw</i>	<i>For</i>

11 ADJOURNMENT

11.1 Adjourn Meeting

Jeff Bradshaw moved to adjourn the meeting. Dawn Hale seconded the motion.

CARRIED. 5 to 0.

Anna Marie Pavlik-Rosen	For
Walt Baldwin	For
Dawn Hale	For
Stephen Mason	For
Jeff Bradshaw	For



Board Chair



Board Secretary/Treasurer