



MINUTES

FPB Board Meeting

5:00 PM - Tuesday, May 19, 2020

Community Room

The Frankfort Plant Board met in video conference Board Meeting on Tuesday, May 19, 2020 at 5:00 PM.

ATTENDANCE:

Dawn Hale, Board Secretary/Treasurer
Stephen Mason, Board Vice Chair
John Cubine, Board Chair
John Snyder, Board Member
James Liebman, Board Attorney
Gary Zheng, General Manager
Harvey Couch, Marketing Video Content Coordinator
David Denton, Chief Financial Officer
Vent Foster, Chief Operations Officer
Adam Hellard, Cable 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

1 NOTICE OF SPECIAL MEETING

1.1 Notice of Special Meeting Via Video Conference.

2 ACTION ITEM: APPROVAL OF MINUTES

2.1 Consider Approval of the Minutes for the April 21, 2020 Board Meeting.

John Snyder moved to approve the minutes for the April 21, 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 April 30, 2020.

Mr. Denton discussed the status of the Audit and the budget as well as the budget meeting schedule.

Mr. Denton reviewed the financials for the month ending April 30, 2020.

Stephen Mason moved to accept the Financials for the month ending April 30, 2020. John Snyder seconded the motion.

CARRIED. 4 to 0.

4 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

- TELECOMMUNICATIONS
- CUSTOMER SERVICE

Mr. Denton discussed the continuation of work during the pandemic and the tentative plans on reopening the lobby to the public.

- ELECTRIC DEPARTMENT

Mr. Foster discussed the current work schedules of ground crews and explained plans to begin staggering the return of crews in order to continue to work on other projects.

- SEPA
- KYMEA
- SAFETY
- WATER DISTRIBUTION
- WATER TREATMENT PLANT
- NETWORK OPERATIONS CENTER (NOC)

5 ACTION ITEMS:

- 5.1 **Consider Award of Bid Invitation #1695 – Annual Price Contract for Tree Trimming Services to Wright’s Tree Trimming Service. (Scott Hudson will discuss)**

FPB's existing tree trimming contract will expire June 30, 2020. This bid invitation was sent to four companies and we received four responses. Pricing for the upcoming year includes a 40% increase from last year. The contract includes four full time crews for electric, one full time crew for telecom, and one part time crew used during the growing season to help with hot spots and annual spraying.

After evaluating all bids, staff recommends awarding to Wright’s Tree Trimming Service. They were the lowest bidder that made no exceptions to the contract. Two other bidders had exceptions with the proposed terms of annual price increases. Wright currently works for other utility companies in surrounding counties so they are suited to serve us and are established in this area. References were checked and all were favorable regarding work performed, response time, and professionalism of both management and work crews. They are employee owned and take pride in their work.

As of April 30, 2020, FPB has spent \$555,188.00 (\$438,788.00 for electric and \$116,400.00 for cable) on tree trimming services. The proposed budget for 2020-2021 includes \$925,000 for the electric department and \$205,000.00 for the cable department. Budgeted amounts include the contract price as well as historically estimated overtime.

This new contract has a term of three years, running from July 1, 2020 thru June 30, 2023. The contract has a renewal option of two additional one-year terms. Staff attorney has reviewed the contract and it meets his approval.

John Snyder moved to approve the award of bid invitation #1695 for the annual tree trimming services contract to Wright's Tree Trimming Service. Dawn Hale seconded the motion.

CARRIED. 4 to 0.

5.2 **Consider Approving AXS TV and HDNet Movies Renewal. (Harvey Couch to discuss).**

Staff recommends approval of the AXS TV and HDNet Movies renewal. This National Cable Television Cooperative (NCTC) agreement has a term through March 31, 2024. The initial rate reset is a reduction of 12.5% on AXS and 20% on HDNet Movies. The rates stay flat throughout the term and are all below budgeted projections. AXS TV is a Preferred Cable channel, which exists in HD only on channel 611 and is dedicated to providing the best in music programming and festivals, comedy performances, current events and mixed martial arts promotions. HDNet Movies is an HD Plus channel, which exists on channel 777 and contains the best films from the classics of the 1950s-1970s, to favorite films from the 1980s and 1990s, to recently released theatrical films. This new agreement includes VOD and TVE rights. No additional carriage requirements obligations are included in this agreement. The Assistant GM for Administration has reviewed the agreement and it meets with his approval.

Stephen Mason moved to approve AXS TV and HDNet Movies Renewal. John Snyder seconded the motion.

CARRIED. 4 to 0.

5.3 **Consider Approving Ovation Extension. (Harvey Couch to discuss).**

Staff recommends approval of the Ovation extension. This extension to a current NCTC agreement has a term through June 30, 2024. The 2020 rate reset is a rate reduction of 17% and annual increases are 3.5%, which are within budgeted parameters. Ovation is a Preferred Cable channel, which exists on channel 117. According to the network, Ovation celebrates the artists across the world by amplifying their voices and distributing their talents to viewers who demand and want exciting artistic programming and unique creative expression. No additional carriage requirements or obligations are included in this extension. The Assistant GM for Administration has reviewed the extension and it meets with his approval.

Dawn Hale moved to approve the Ovation extension. Stephen Mason seconded the motion.

CARRIED. 4 to 0.

5.4 **Consider Approving Stingray Music Extension. (Harvey Couch will discuss).**

Staff recommends approval of the Stingray Music extension. This extension to a current National Cable Television Cooperative (NCTC) agreement has a term through June 30, 2023.

Stingray Music is a digital music service on the Preferred Cable tier, made up of 50 channels between channels 200 and 249. Stingray provides commercial-free digital music across all popular music and specialty genres. They also offer a companion app for iOS and Android that allows FPB Preferred Cable customers access to all those channels on more on their mobile devices.

There is no initial rate reset (rate remains the same throughout 2020) and the annual increases are all based on CPI and within budgeted projections. This extension maintains our existing VOD and TVE rights. No additional carriage requirements obligations are included in this extension. The Assistant GM for Administration has reviewed the extension and it meets with his approval.

John Snyder moved to approve Stingray Music Extension. Stephen Mason seconded the motion.

CARRIED. 4 to 0.

5.5 **Consider Approving Turner Network Services Extension. (*Harvey Couch to discuss*).**

The Cable Advisory Committee and Staff recommend the Board approve the National Cable Television Cooperative (NCTC) extension to the current Turner Network Services (TNS) agreement. This NCTC extension has a term from May 1, 2020 through April 30, 2023. The networks covered include: CNN, HLN, TBS, TNT, Cartoon Network, truTV, and TCM on Classic Cable. This extension also covers TVE and VOD rights.

The extension contains no retail rate increase in 2020. Annual increases beginning in 2021 averages 6% across the whole group. The increases were budgeted and anticipated. Five of the top 25 rated networks on FPB Cable are included in this extension. Additionally, TNS shares the broadcast rights to the NCAA Basketball Tournament with CBS. Those games are consistently among the highest rated programs every year.

There are no additional carriage or migration requirements in this extension.

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

Stephen Mason moved to approve Turner Network Services Extension. Dawn Hale seconded the motion.

CARRIED. 4 to 0.

6 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS

6.1 Cathy Lindsey played two videos for the Board regarding FPB Staff and their daily work.

7 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

7.1 None.

8 CLOSED DOOR SESSION


8.1 None.

9 ACTION ITEM: ADJOURNMENT

9.1 Adjournment

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

CARRIED. 4 to 0.


Board Chair


Board Secretary/Treasurer