

March 17, 2015

A Board meeting of the Electric and Water Plant Board of the City of Frankfort, Kentucky, was held at the FPB Clubhouse, located at 98 Tanglewood Drive, on Tuesday, March 17, 2015 at 5:00 p.m.

**ATTENDANCE:**

Ralph Ludwig, Board Chair  
Dr. Scott Green, Vice Chair  
Rick Pogrotsky, Board Secretary/Treasurer  
Patricia B. Lynch, Board Member  
Arthur McKee, Board Member  
James Liebman, Board Attorney  
Herbbie Bannister, General Manager  
David Billings, Chief Water Engineer  
Billy Briscoe, Water Dist. Supt.  
Harvey Couch, Marketing and Video Content Coordinator  
David Denton, Finance Director  
Sharmista Dutta, Water Engineer  
Vent Foster, Chief Electrical Engineer/Asst. GM Operations  
Monique Gilliam, Customer Service Director  
Dana Hawkins, Executive Assistant  
Adam Hellard, Broadband/Security Manager  
John Higginbotham, Asst. GM Cable/Telecommunications  
Scott Hudson, Electric Supt.  
Casey Jones, Asst. IT Director  
Karl Pitzer, IT Director  
Kathy Poe, Executive Assistant  
Hance Price, Staff Attorney/Asst. GM Administration  
Mark Redmon, Support Services Director  
Chris Riddle, WTP Superintendent  
Julie Roney, Asst. WTP Superintendent  
Kim Phillips, Safety Director  
Dianne Schneider, Human Resource Director  
Glenn Waldrop, Public Information Officer  
Zack Hubbard, Cable 10 Videographer  
Seth Littrell, State Journal Reporter  
Aaron Nickerson, Engineer, GRW Engineers  
Shane Lyle, Vice President, GRW Engineers  
Mike Grider, President/CEO, Woodbine Construction  
Todd Shyer, Project Manager, Woodbine Construction

**AGENDA**

The Agenda for the Board Meeting was received and entered into the Minute Book as follows:

**MARCH 17, 2015 BOARD MEETING AGENDA**

1. **Action Item:** Consider Approving Minutes of February 17, 2015 Board Meeting.
2. **Action Item:** Consider Approving Minutes of February 24, 2015 Special Board Meeting.
3. **Action Item:** Accept Electric, Water and Cable Financial & Statistical Data for February 2015.

4. **Informational Item:** Departmental Reports:
  - Cable Dept.
  - Customer Service
  - Electric Dept.
    - SEPA
  - Safety
  - Water Distribution
  - Water Treatment Plant
  - Administration Building
  - Headend Building
5. **Action Item:** Consider Investing the Electric & Water Revenue Bond, Series 2013 Debt Service Reserve in the amount of \$392,000 and the Electric & Water Revenue Bond, Series 2015A Debt Service Reserve in the Amount of \$937,400 in Two Separate Certificates of Deposit in Accordance with FPB Investment Policy.
6. **Action Item:** Consider Award of Bid Invitation #1595, (Telecommunication Headend Facility), to Woodbine Construction for \$5,774,096.
7. **Action Item:** Consider Contract Sum Reduction by Change Order.
8. **Informational Item:** DTA End-of-Life Strategy.
9. **Action Item:** Consider Removal of Youtoo America from Preferred Cable Lineup.
10. **Action Item:** Consider Addition of MLB Network Strike Zone Channel to Sports Plus Tier.
11. **Action Item:** Consider Approving Weather Channel Renewal and opting in to Weatherscan Agreement.
12. **Action Item:** Consider the Agreement for Email Migration Services in the amount of \$10,500.
13. **Action Item:** Consider Donation in the amount of \$10,000 to Frankfort/Franklin County Tourist Commission in Sponsorship of River Blast.
14. **Action Item:** Consider Approval of Agreement with NewGen Strategies for Consulting Services Related to the Kentucky Utilities, SEPA and Alternative Power Supply Study.
15. **Action Item:** Old & New Business:
16. **Informational Item:** General Manager's Comments.
17. **Request Permission to have Chair call for a Closed Session** pursuant to KRS 61.810 (1)(c) for the discussion of proposed or pending litigation against or on behalf of FPB; KRS 61.810 (1)(f) for discussions which might lead to the appointment, discipline, or dismissal of an individual employee; and KRS 61.810(1)(b) for the discussion of the future acquisition or sale of real property.
18. **Closed Door Session:**

## **BOARD ACTION**

Mr. Ludwig called the meeting to order at 5:00 p.m. Ms. Poe called the roll. She noted five (5) board members in attendance.

1. **Action Item: Consider Approving Minutes of the February 17, 2015 Board Meeting.**

Mr. Pogrotsky moved to approve the minutes of the February 17, 2015 Board meeting and the February 24, 2015 Special Board meeting. Mr. McKee seconded. Mr. Ludwig called for the vote and the motion passed.

2. **Action Item: Consider Approving Minutes of February 24, 2015 Special Board Meeting.**

Approved in Item 1.

3. **Action Item: Accept Electric, Water and Cable Financial & Statistical Data for February 2015.**

Mr. Denton explained the statement of net position and balance sheet. He discussed revenues and expenses for the company as a whole and separately for each line of business. He noted that the numbers were in line with budgeted figures for the 2014-2015 fiscal year.

Ms. Lynch moved to accept the financial and statistical data for February 2015. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed.

6. **Action Item: Consider Award of Bid Invitation #1595, (Telecommunication Headend Facility), to Woodbine Construction for \$5,774,096.**

### **Project Background**

- July 2013 – Board approved locating new Headend at its present site
- October 2013 – Board approved Architectural Programming Agreement with GRW
- March 2014 – Board accepted the Headend Programming and approved the Design Agreement with GRW
- October 2014 – Board accepted GRW's Headend design
- November 2014 – Board approved Financing of New Headend and Infrastructure improvements up to \$9,000,000

### **Current Business**

On January 5, 2015, Invitations to Bid were publicly advertised and the Invitation was posted in the State Journal on January 18, 2015. On January 21, 2015 a pre-bid meeting was held at the FPB Clubhouse and several Contractors and sub-contractors were in attendance.

On February 6, 2015, bids were received from the following contractors:

1. Woodbine Construction \$5,774,096
2. Judy Construction \$5,805,600
3. Badgett Constructors \$5,875,000
4. Woodford Builders \$5,900,000
5. Meyer Midwest \$6,220,000

The Cable-Telecom Department budgeted \$4,364,435 for the construction of the project. Based on GRW's recommendation, Staff recommends that the Board award the bid to Woodbine Construction in the amount of \$5,774,096. The Bidder has 10 days to execute the Agreement and to comply with the requirements contained in the document. Staff recommends the Board allow the Chairman to

fully execute the agreement no later than March 27, 2015. The AGM-Administration has review the item and it meets with his approval.

Mr. Higginbotham introduced Aaron Nickerson and Shane Lyles of GRW Engineers, and Mike Grider and Todd Shyer of Woodbine Construction. He also noted Adam Hellard's attendance.

Mr. Higginbotham discussed the project history and financing, as well as the bidding process and advertising. He explained bids received, reductions and budgeting relative to the new facility. He further explained the materials and equipment forms and field improvements.

Mr. Nickerson discussed the bidding process as well as construction documents, forms and references, and named the low bidder as Woodbine Construction. He discussed bid bonds, sub-contractors, and materials and equipment as well as references for Woodbine Construction.

Mr. Nickerson advised that GRW had contacted references for large scale and most comparable projects and noted that comments were positive. He further discussed the project schedule and advised that Woodbine should be ready to begin construction by late March or early April.

Mr. Nickerson discussed a Change Order which would be necessary if the Board approved this agreement. He discussed specifics of the change order and noted that the change order would reduce costs by removing redundancy in some systems and reduce sub-contractor work which would be completed by FPB staff. He noted total reductions of \$451,478.

Mr. Nickerson further explained Woodbine's bonding capacity and work load. He noted that Woodbine would have a team which would be 100% dedicated to this project.

Mr. Higginbotham further explained cost adjustments and minor changes to be made in order to stay within the \$9 million budget.

In response to Mr. McKee, Mr. Nickerson advised that GRW had researched all sub-contractors and noted that the percentage of work to be self-performed by Woodbine would be very small. He noted that Woodbine and FPB project managers would oversee the project. Mr. Higginbotham stated that Adam Hellard and Wayne McDonald of FPB, along with GRW would manage the project daily to ensure the project was completed timely and that costs and expenses are kept as low as possible.

Mr. Nickerson advised that substantial completion of the project would be April 1, 2016 and Mr. Higginbotham stated that an additional six (6) months, more or less, would be necessary to move the infrastructure and make field improvements. Mr. Higginbotham acknowledged that FPB had never built or moved a headend, but that Staff planned to make significant changes during the evening and early morning hours to reduce the number of customers impacted by the necessary outages. Mr. Higginbotham noted that Staff was hopeful to have everything set up in the new building by late Summer 2016.

Mr. Higginbotham stated that Staff recommended the approval of bid #1595 to Woodbine Construction in the amount of \$5,774,096. In response to Mr. Pogrosky, Mr. Nickerson reiterated that Woodbine has a team that will be 100% dedicated to this project if awarded the bid.

Ms. Lynch moved to approve bid invitation #1595, (Telecommunication Headend Facility), to Woodbine Construction in the amount of \$5,774,096. Mr. Ludwig seconded.

In response to Mr. McKee, Mr. Lyles advised that the Notice to Proceed will be issued as soon as possible once contract is signed. Mr. Lyles further noted that the 365 day clock will begin once the Notice to Proceed is issued.

With no further questions, Ms. Poe polled the Board and the motion passed unanimously.

7. **Action Item: Consider Contract Sum Reduction by Change Order.**

With the assistance of GRW, Staff recommends the following items be removed from the overall project in order to reduce the final sum. The major items removed were: the second generator; the removal of the redundant clean agent system; the removal of the wet sprinkler system and the replacement of other items with less expensive items. Change Order #001 has been agreed to as a Reduction to the Contract Sum of Four Hundred Fifty One Thousand and Four Hundred and Seventy Eight Dollars (\$451,478). A new Contract Sum, including this change order will be Five Million Three Hundred and Twenty Two Thousand and Six Hundred and Eighteen Dollars (\$5,322,618). The AGM-Administration has reviewed the item and it meets with his approval.

Mr. Ludwig noted the specifics of this change order as discussed in the previous item. Mr. Bannister stated that Staff was looking for a motion to approve the change order.

Dr. Green moved to approve the sum reduction change order. Mr. Pogrotsky seconded. Ms. Poe polled the Board and the motion passed unanimously.

4. **Informational Item: Departmental Reports:**

**Cable:** Mr. Higginbotham reviewed the graphs and noted that the cable department experienced one of the lowest trouble call months in years. He further advised that there were no major outages in the month of February and reviewed service numbers.

**Customer Service:** Ms. Gilliam noted a decrease in call volume year over year. She noted that Staff was looking at additional options to increase the customer experience and improve efficiency while improving customer wait times.

**Electric:** Mr. Hudson stated that there were 21 outages in February and discussed the SAIDI and Why graphs.

**SEPA:** Mr. Bannister noted a profit of \$14,323 for the month of January and a profit of \$10.3 million since its inception. He advised that SEPA will roll out a draft of new rates to take effect in October 2015 and Staff will continue to research SEPA's profitability for FPB in the coming years.

**Safety:** Ms. Phillips noted one (1) OSHA recordable accident which she noted was a skin irritation due to the cold weather and noted no (0) vehicle accidents.

**Water Distribution:** Mr. Briscoe noted three (3) new services, five (5) main breaks, and two (2) outages. In response to Mr. McKee, Mr. Briscoe stated that Staff went door to door in the 300 block of 3<sup>rd</sup> Street to notify of the boil water advisory in connection with the water main break in that location.

**Water Treatment:** Mr. Riddle noted an increase in water production of approximately half a million gallons per day. He advised that the increase is most likely due to people leaving faucets dripping due to the extreme cold.

Mr. Billings discussed the generator project at the water treatment plant. He noted that the construction is complete, that testing was successful and that the system is now operational. He noted that the project is on budget at this time.

**Administration Building:** Ms. Dutta stated that the signed contracts have been received along with performance and payment bonds and insurance certificates. She further discussed the planning of a groundbreaking ceremony and stated that Staff was considering the week of April 7-10 for the ceremony.

Ms. Dutta discussed the Notice to Proceed and noted that Marrillia was on track to be onsite by April 6. She further advised that Columbia Gas was nearing the end of the gas line relocation and they were hopeful to be complete by April 6.

Mr. Bannister further discussed specifics of planning the groundbreaking ceremony.

5. **Action Item: Consider Investing the Electric & Water Revenue Bond, Series 2013 Debt Service Reserve in the amount of \$392,000 and the Electric & Water Revenue Bond, Series 2015A Debt Service Reserve in the Amount of \$937,400 in Two Separate Certificates of Deposit in Accordance with FPB Investment Policy.**

FPB Staff recommends moving \$1,329,400 in cash held in the Farmers Bank Revenue Bond Reserve Fund to two separate 6 month Certificates of Deposit in the amount of \$392,000 and \$937,400 that represent the exact amount of the initial debt service reserve requirements for the Electric & Water Revenue Bond, Series 2013 and Series 2015A, respectively. Attached are the Closing Memorandum documents for both the Series 2013 and Series 2015A bond issuances confirming the initial debt service reserve amounts and a copy of FPB's Investment Policy that was approved by the FPB Board on February 21, 1996. The debt service reserves for FPB's bond issuances are restricted cash funds that must be held until the bonds final refunding date, which is December 1, 2023 for the Series 2013 bonds and December 1, 2040 for the Series 2015A bonds.

If the Board approves this request FPB will seek out the best CD interest rate available among the list of approved financial dealers and institutions included in FPB's investment Policy. The "Audit" section of the FPB Investment Policy states that FPB's external auditor shall conduct a review of the investment program, which will take place during the FY 14-15 audit scheduled to begin in the third calendar quarter of 2015.

**Mr. Pogrotsky recused himself.**

Mr. Denton discussed reserve funds necessary for the 2013 and 2015 bond issuances. He advised that Staff was requesting to move \$392,000 for the 2013 bond and \$937,400 for the 2015 bond from the current sinking fund account to certificates of deposit in an effort to chase the best return on investment. He further advised that FPB must keep the funds until 2023 for the 2013 bonds and until 2040 for the 2015 bonds.

In response to Mr. Ludwig, Mr. Denton advised that the reserves must be kept essentially to ensure it can make the final bond payment or to make any payment in the event the company has a lean revenue year. He further explained unrestricted and restricted funds in accordance with rules for municipalities.

In response to Ms. Lynch, Mr. Denton stated that Staff decided on the six (6) month bond due to speculation that interest rates are projected to increase within that time frame. He stated that Staff was hoping for a better return at the expiration of the initial certificate of deposit.

Dr. Green moved to approve investing the electric & water revenue bond, series 2013 debt service reserve in the amount of \$392,000 and the electric & water revenue bond, series 2015A debt service reserve in the amount of \$937,400 in two separate certificates of deposit in accordance with FPB Investment Policy. Mr. McKee seconded. Mr. Ludwig called for the vote and the motion passed.

Mr. Pogrotsky returned to the meeting.

8. **Informational Item: DTA End-of-Life Strategy.**

FPB installed 29,800 DTAs between November 2009 and June 2010. The DTA project allowed FPB to digitize its cable line-up, opening up nearly 300 MHz of bandwidth in order to launch nearly 80 HD channels, offer Video on Demand and secure more bandwidth for future broadband needs. The project has met all of its goals but now we are faced with the reality of End-of-Life (EoL) with the DTAs. To this end, below is a proposed plan to eliminate DTAs by early 2018. First generation DTAs are the only ones that will work on our system – we do not want to buy anymore of the DTAs due to their failure rate. Instead, we need an EoL solution.

As of March 2, 2015, FPB has 15,100 DTAs in service –We've seen a reduction of nearly 50% in operable DTAs in the last 56 months. MCTV - Massillon, OH, started the DTA project 12 months earlier than FPB. When Staff spoke to MCTV in late February, MCTV has seen a 40% DTA return rate but keep in mind, we've always charged \$1 for our DTAs and MCTV has not. FPB customers have more of an incentive to return the DTA since they can save money.

Staff's plan involves three steps over a three year period:

1. Starting immediately – any new customer account would not be allowed to utilize a DTA. The customer would need to have a digital TV with a QAM tuner or would need an advanced set-top box (ASTB). Concurrently, Installers would actively seek to remove unwanted, unused or misused DTAs from the household when the Installer is on site for installs or trouble calls. The DTAs would be returned to Cable Dispatch and removed from the customer account. These returns would assist in supplementing our replacement inventory for the next 12 months.
2. In March 2016 – no additional DTAs would be available to any customer. This means if a customer has DTAs and the DTA was no longer operable, the customer would need to utilize a digital TV with a QAM tuner or rent an ASTB. At that time, FPB would remove all references of DTAs from all marketing material and social media.
3. In mid-2017, FPB would begin the process of communicating DTA EoL to all remaining customers – providing up to 6 months of communication.

FPB must pay an annual fee to keep the DTA controller operable and the 2018 payment must be our last payment. Sometime in 2018 we need to shut the DTAs off permanently. Of course, if our DTA returns accelerate, we'd need to move this schedule up. Once we have fewer than 200 DTAs, it costs more to keep the DTAs than we're collecting on the retail side at \$1/DTA/mo.

Mr. Higginbotham explained the history of the DTA project. He advised that Staff knew from the beginning that the DTA would not last forever and noted that there were less than 15,000 DTA units remaining in the field. Mr. Higginbotham explained that customers are purchasing new digital ready televisions and/or upgrading to advanced set-top boxes.

Mr. Higginbotham advised that beginning as soon as possible FPB would no longer offer DTA boxes to new customers. He further advised that in 2016 there will be no new DTA boxes given to current customers and by mid-2017 Staff would begin communications with customers that FPB will no longer utilize or support DTA's on its system. He noted that this timeline may fluctuate up or down, but that FPB would need to turn off its DTA controller by 2018. He advised that maintaining DTA's on the system would no longer be profitable by 2018.

9. **Action Item: Consider Removal of Youtoo America from Preferred Cable Lineup.**

Staff recommends Board approval of the removal of Youtoo America from the Preferred Cable Lineup. Launched in 2000 on FPB Digital Cable as GoodLife TV, it became American Life TV shortly thereafter. It primarily showed classic television programming including Happy Days and My Three Sons as well as vintage movies. In September of 2011, American Life TV was rebranded as Youtoo TV with a focus on mobile devices and social media interaction. Viewership in Frankfort since the rebrand has shown Youtoo TV to be the least viewed channel on Preferred Cable.

On February 20, 2015, Staff received an email from Youtoo advising FPB of a change in delivery methods for the network. This change would require the purchase of equipment estimated to be in the range of \$1,500. Due to the significant change in format three years ago and the viewership data, staff feels this additional expense is unnecessary. Since its rebrand, Youtoo has been taken off of the lineups of Charter Communications and Verizon FIOS, who combined serve over 32 million subscribers.

If approved, staff would inform customers of the change in the April 1, 2015 bills with a plan to remove it from the lineup on May 1, 2015.

Mr. Couch explained the history and background of Youtoo TV. He advised that this is the least viewed channel on Preferred Tier since the rebranding of the network. He further advised that the network is now requiring a new delivery method which would require FPB to purchase new equipment which would not be cost effective or profitable for FPB's cable system. Mr. Couch stated that for these reasons, Staff recommended removal of the channel as of May 1, 2015 after notification to the customers on April 1, 2015. He advised that other cable operators have also removed this channel from their lineups.

Mr. McKee moved to remove Youtoo America from the Preferred Cable Lineup. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed.

10. **Action Item: Consider addition of MLB Network Strike Zone channel to Sports Plus tier.**

Staff recommends approval of the agreement with MLB Network for carriage of the Strike Zone channel on the FPB Sports Plus tier. This direct agreement has a term through September 1, 2019. This is a part-time channel that will air on Tuesday and Friday nights during baseball season. The channel allows viewers to see every game across Major League Baseball with up-to-the-minute highlights, and live look-ins, and updates, without commercials, in a similar format to NFL RedZone. The cost of this network is included in the budget and covered by the monthly charge associated to the optional Sports Plus tier. If approved, Staff plans to launch the channel in time for baseball season in early April. The Assistant GM of Administration has reviewed this agreement and it meets with his approval.

Mr. Couch explained the content of this channel and noted that it would be added to the optional Sports Plus Tier of FPB's cable line up. He noted that the addition was necessary to attract more customers to the tier. He further noted that the addition of this channel was included in the budget and that no new increases would be necessary to carry this channel.

Mr. Pogrotsky moved to approve the addition of MLB Strike Zone channel to Sports Plus Tier. Mr. McKee seconded. Mr. Ludwig called for the vote and the motion passed.



11. **Action Item: Consider Approving Weather Channel Renewal and opting in to Weatherscan Agreement.**

Staff and the Cable Advisory Committee recommend approval of the Weather Channel renewal. This National Cable Television Cooperative (NCTC) agreement has a term through February 28, 2019. This renewal affords FPB the opportunity to maintain their current Weather Channel subscriber rate. The annual increases, which begin in March of 2016, fall well within budgeted projections. This agreement contains VOD rights (which FPB already had) and TVE rights (which Weather Channel has not yet launched).

Staff also recommends opting in to NCTC Weatherscan Agreement. FPB currently has a direct agreement to carry Weatherscan on channel 19. Opting in to the NCTC agreement will result in reduced administrative costs for FPB. The NCTC rate for Weatherscan is the same as FPB paid last year in our direct agreement and there are no increases through the term of the agreement. Weatherscan is a very popular channel on our system. No additional carriage requirements obligations are included in this agreement.

Mr. Couch stated that Staff and the Cable Advisory committee recommended approval of the Weather Channel renewal and the Weatherscan Agreement. He explained the term of the renewal, noted that the channel was extremely popular with the customer base, and noted no increase in fees over the four (4) year term of the agreement.

Mr. Ludwig moved to approve the Weather Channel renewal and opting into the Weatherscan Agreement. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed.

12. **Action Item: Consider the Agreement for Email Migration Services in the amount of \$10,500.**

FPB needs a method for migrating a customer's email, contacts, and calendars to a new email account (it is the customer's data). We researched service providers that can perform the necessary migrations for customers and found 3 solution providers (quotes below). The company with the best and least expensive solution is Datto.

Staff recommends that the board approve the Agreement with Datto for Email Migration Services.

· Datto	\$10,500
· BitTitan	\$32,970
· YippieMove	\$22,440

Migration services are needed to assist customers with moving their email, contacts, and calendar away from our FEWPB.NET email accounts to a free Google GMAIL account. Google is shutting down the platform where our FEWPB.NET email service has been operating for about 2 years. Along with hundreds of other ISPs with millions of email accounts, FPB has received no explanation from Google for the discontinuation. Despite the Google business decision, Staff considers the free Google GMAIL platform as one of the best available and wants to assist customers with the migration of their data to a free GMAIL account of their choosing. If a customer chooses not to use Google's GMAIL for their new email address, they can choose any other email provider they wish; however, FPB will not provide free migration services in those instances (Datto can only migrate to GMAIL accounts). Instead, these customers have options like Google Takeout (allows customers to download all data stored with Google) or another migration service provided by YippieMove for \$15 per email account.

If customers so choose, FPB will forward any new emails going to their FEWPB.NET email address to their new email address. Staff recommends that this forwarding service be stopped December 31<sup>st</sup>, 2015, at which time FPB would no longer be processing any customer email. FPB would be out of the email hosting business.

Staff would like to begin the campaign as soon as possible, likely in early April. We anticipate completing the migrations by the end of June. FPB must complete all final preparations by July 31<sup>st</sup>, 2015 when Google is expected to turn off the service we are using.

Early April – Begin campaign, notify customers via email, postal mail, bill inserts  
Early April – start forwarding emails going to FEWPB.NET accounts to their new addresses  
Late June – End campaign, try to round up any stragglers, send final notices  
Late July – all FEWPB.NET accounts terminated by Google  
Late December – stop all forwarding of emails for customers using FEWPB.NET

Mr. Jones explained the need to migrate customer email accounts due to Google terminating the Google Aps platform currently utilized by FPB. He further noted that FPB Staff has prepared a method to help customers move to a new email account of their choosing. He advised that FPB will be available to assist current email customers to migrate all information related to their email account by June 2015. He further noted that FPB would continue to forward new emails to the customers' new email address until December 31, 2015.

In response to Ms. Lynch, Mr. Jones stated that the .com addresses would not be affected as they are set up on a different platform and were completely separate accounts.

Mr. Bannister stated that this change would affect approximately 4,000 customers.

In response to Mr. Pogrotsky, Mr. Jones advised that any fpb.net customers would need to create a new email address. He further noted that FPB Staff was recommending customers move to a gmail.com account. He advised that the Datto services would be utilized by Staff to assist with migrating all customers' email information/data.

Mr. Bannister and Mr. Waldrop explained information and instructions in place to assist all customers with this change. Mr. Jones explained that each customer will need to take action in order to facilitate the changes and migrate their existing information to their new email account. He further noted that Staff had developed step by step instructions and would be disseminating information to customers via numerous venues to assist with the migration and changes.

In discussion, Mr. Jones stated that Staff would advise customers to wait until they receive step by step instructions in order to make an informed decision. He further noted that Staff could migrate all data to a gmail.com account but would not be able to migrate all data to other email accounts such as yahoo.com. Mr. Jones noted that there are other options available for customers who do not wish to utilize a Gmail account to migrate email account data.

Mr. McKee moved to approve the agreement for email migration services in the amount of \$10,500. Dr. Green seconded.

In response to Mr. McKee, Mr. Jones advised that Staff would utilize email, direct postal mail, social media, FPB website and the newspaper to disseminate information regarding this change. He further noted that the target deadline for the changeover was June 30, 2015.

Mr. Ludwig called for the vote and the motion passed.

13. **Action Item: Consider Donation in the amount of \$10,000 to Frankfort/Franklin County Tourist Commission in Sponsorship of River Blast.**

Mr. Ludwig reiterated the presentation at the February meeting by Tourist Commission representatives, Joy Jeffries and Rodney Simpson. He further discussed ways in which FPB participates with community events and noted that the Board was responsible for how customers' funds are spent in the community. He further discussed amounts contributed by other entities.

In response to Mr. McKee, Mr. Bannister stated that within the past twelve (12) months FPB had donated approximately \$9,800 of in kind services to the Tourism Commission. Mr. Higginbotham stated that Staff fully expected to work with the Tourism Commission on this event with in kind services through media services.

Mr. McKee discussed his concern regarding the potential for others to request monetary donations. He noted that FPB always helps with in kind services and that should be recognized. Mr. Bannister agreed and noted FPB participates in all community events with many in kind services and Staff believes it is appropriate to do so.

Mr. Pogrotsky noted that, while this event may be good for the potential to increase tourism, it would likely not bring any new customers or revenues to FPB. He noted that because FPB is a public entity he did not see a benefit for a monetary donation at the level requested. He further stated that in kind service donations would be appropriate. Dr. Green agreed. In discussion, Mr. Pogrotsky stated that he would have been supportive of a lesser amount if one had been offered. Dr. Green advised that FPB would be able to provide in kind services for this event.

Mr. Ludwig moved that FPB would work in conjunction and communication with the Frankfort Franklin County Tourist Commission for sponsorship of the River Blast event to determine ways in which FPB can assist with practical in kind services. Dr. Green seconded. After additional discussion, Mr. Ludwig called for the vote and the motion passed.

14. **Action Item: Consider Approval of Agreement with NewGen Strategies for Consulting Services Related to the Kentucky Utilities, SEPA and Alternative Power Supply Study.**

Brown Thornton, previously with MWH Global, has accepted a position at NewGen Strategies. Brown has been successfully performing consulting services for the FPB for many years in connection with the Kentucky Utilities contract and rate matter, SEPA projects, and most recently with alternate power supply planning. As a result, a Master Service Agreement and Task Orders for Brown's services are necessary to continue his consulting services through NewGen Strategies.

The Master Service Agreement is a general contract that contains the terms of service for the consulting services of Brown Thornton. Individual projects such as Kentucky Utilities contract and rate matter, alternate power supply planning and implementation, and Cumberland River SEPA Hydropower projects will be charged via the Task Orders and will be paid for from funds budgeted for those particular items in the current 14-15 fiscal year budget.

Mr. Bannister discussed Brown Thornton's move from MWH Global to NewGen Strategies. He noted the Mr. Thornton has been a consultant to FPB for decades. He further discussed the nature of Mr. Thornton's consulting services and expertise. Mr. Bannister stated that Mr. Price had reviewed the master service agreement and task orders and found them to be acceptable.

Mr. Bannister discussed and explained the master service agreement and the task orders for services rendered. Mr. Foster advised funds had been budgeted for these consulting expenses.

Dr. Green moved to approve the Agreement with NewGen Strategies for consulting services related to the Kentucky Utilities, SEPA and Alternative Power Supply Study. Mr. Pogrotsky seconded. Mr. Ludwig called for the vote and the motion passed.

15. **Old & New Business:**

16. **Informational Item: General Manager's Comments.**

Mr. Bannister noted the project logs provided to the Board.

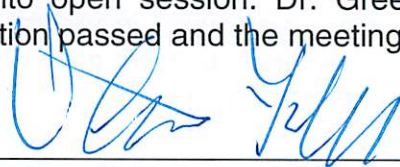
In response to Ms. Lynch, Mr. Bannister stated that Staff would update the Board on the status of policy reviews in connection with promotions and re-classifications as well as customer deposits. Mr. Bannister noted that the deposit information was ready and would be included on next month's agenda for discussion and consideration.

17. **Request Permission to have Chair call for a Closed Session** pursuant to KRS 61.810 (1)(c) for the discussion of proposed or pending litigation against or on behalf of FPB; KRS 61.810 (1)(f) for discussions which might lead to the appointment, discipline, or dismissal of an individual employee; KRS 61.810(1)(b) for the discussion of the future acquisition or sale of real property.

Dr. Green moved to go into closed session. Mr. Pogrotsky seconded. Mr. Ludwig called for the vote and the motion passed. The Board moved into closed session.

18. **Closed Door Session:**

Dr. Green moved to come out of closed session. Mr. Pogrotsky seconded. The motion passed and the Board moved into open session. Dr. Green moved to adjourn. Mr. Pogrotsky seconded. The motion passed and the meeting adjourned.



---



ATTEST: