

October 20, 2015

A Board meeting of the Electric and Water Plant Board of the City of Frankfort, Kentucky, was held at Farmers Bank and Capital Trust, located at 125 W. Main Street, Frankfort, Kentucky, on Tuesday, October 20, 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
Herbbie Bannister, General Manager
David Billings, Chief Water Engineer
Billy Briscoe, Water Dist. Supt.
Nichell Brown, HR Specialist
Harvey Couch, Marketing and Video Coordinator
David Denton, Finance Director
Sharmista Dutta, Water Engineer
Monique Gilliam, Customer Service Director
Dana Hawkins, Executive Assistant
Adam Hellard, Broadband/Security Manager
John Higginbotham, Asst. GM Cable/Telecommunications
Scott Hudson, Electric Supt.
Travis McCullar, Electric Engineer
Karl Pitzer, IT Director
Hance Price, Staff Attorney/ Asst. GM Administration
Mark Redmon, Support Services Director
Chris Riddle, WTP Superintendent
Dianne Schneider, HR Director
Kim Phillips, Safety Director
Dave Pike, Cable 10 Videographer
Seth Littrell, State Journal Reporter
Lisa Stamm, Sherrill Morgan
Robin Sherrill Morgan
J.P. Roth, Mountjoy Chilton Medley

AGENDA

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

OCTOBER 20, 2015 BOARD MEETING AGENDA

1. **Action Item:** Consider Approving Minutes for the September 1, 2015 Special Board Meeting.
2. **Action Item:** Consider Approving Minutes of the September 15, 2015 Board meeting.
3. **Action Item:** Accept Electric, Water and Cable Financial & Statistical Data for September 2015.
4. **Action Item:** Accept Mountjoy Chilton Medley (MCM) Audit Report for the Electric and Water Plant Board of the City of Frankfort, Kentucky for the Year Ended June 30, 2015.

5. **Action Item:** Consider Frankfort City Commission Mitigation Requirements for Headend Facility.
6. **Action Item:** Consider Accepting Proposal from MedBen for Third Party Administration and Related Services for FPB's Employee Group Health Plan effective January 1, 2016.
7. **Action Item:** Consider Health Plan Options and Employee Contribution Rates Effective January 2016.
8. **Informational Item:** Departmental Reports:
 - Cable Dept.
 - Customer Service
 - Electric Dept.
 - SEPA
 - Safety
 - Water Distribution
 - Water Treatment Plant
 - Administration Building
 - Headend Building
9. **Action Item:** Consider Approval of Change Order No. 2 for the Administration Building for a deduction of \$143,215.42.
10. **Action Item:** Consider Approval of Addendum to Windstream Agreement for 10 Gigabit Transport Circuit Solution.
11. **Action Item:** Election of Officers for FPB Board.

RECESS FPB – CONVENE MPC

12. **Action Item:** Special Meeting of the Frankfort Plant Board Municipal Projects Corporation to conduct an Election for the President and Vice President of the Municipal Projects Corporation.

ADJOURN MPC – CONVENE FPB

13. **Action Item:** Old & New Business:
14. **Informational Item:** General Manager's Comments.
15. **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.
16. **Closed Door Session:**

BOARD ACTION

Mr. Ludwig called the meeting to order. Ms. Poe called the roll. She noted five (5) Board members present.

Mr. Ludwig introduced two new board members, Anna Marie Pavlik Rosen and Walt Baldwin and they briefly discussed their backgrounds.

1. **Action Item: Consider Approving Minutes for the September 1, 2015 Special Board Meeting.**

Mr. Pogrotsky moved to accept the minutes of the September 1, 2015 Special Board meeting and the minutes of the September 15, 2015 Board meeting. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

2. **Action Item: Consider Approving Minutes of the September 15, 2015 Board meeting.**

Approved in Item 1.

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

Mr. Denton explained the statement of net position and balance sheet through September 30, 2015. He discussed assets, liabilities, revenues and expenses for the company as a whole and separately for each line of business. He advised that financial numbers were on track for the period.

Mr. Ludwig moved to accept the Electric, Water, and Cable Financial & Statistical Data for September 2015. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

4. **Action Item: Accept Mountjoy Chilton Medley (MCM) Audit Report for the Electric and Water Plant Board of the City of Frankfort, Kentucky for the Year Ended June 30, 2015.**

Mr. Denton introduce J.P. Roth of Mountjoy Chilton Medley to review the Audit.

Mr. Roth advised that the Frankfort Plant Board received a clean unqualified audit opinion. He discussed new accounting and reporting requirements, financial position, cash flow, and outlined accounting practices.

Mr. Pogrotsky moved to accept the Mountjoy Chilton Medley audit report for the Electric and Water Plant Board of the City of Frankfort, Kentucky for the year ending June 30, 2015 as presented. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

5. **Action Item: Consider Frankfort City Commission Mitigation Requirements for Headend Facility.**

Staff recommends approval of the Frankfort City Commission Mitigation Requirements for the Headend Facility.

At a Special Meeting of the Frankfort City Commission on October 1, 2015, the Commission approved the construction and location of the Headend at the Reservoir property. In addition, the Commission approved the following: "requiring the Frankfort Plant Board to take a number of mitigation steps, including but not necessarily limited to the following: landscaping, softening of hard surfaces, brick, rock or decorative fence, bucket trucks are to be parked elsewhere, the Frankfort Plant Board is to make a good-faith effort to move the road from the its current location, and will use lighting appropriate for the location. The Frankfort Plant Board has agreed to this, subject to its board's approval. The City Commission also strongly encourages the Frankfort Plant Board to engage in mediation with the Tanglewood residents to see if other mitigation steps can be agreed upon."

Staff has contacted the Tanglewood Neighborhood Association and expects productive meetings to begin soon in order to achieve the goals and requirements

of the mitigation steps outlined by the Commission. GRW is preparing preliminary engineering costs for several of the mitigation steps at this time and Staff expects to bring this information to the Board in the coming weeks.

Mr. Bannister reiterated the discussion from the October 1, 2015 City Commission meeting as well as the requests made by the City. He further advised that a meeting and Headend site tour had been scheduled for Wednesday, October 21, 2015 for Tanglewood residents.

Mr. Ludwig stated that he was concerned with the request to not allow bucket trucks at the Headend due to the nature of the day to day operations at that location. He noted that it may not be possible to fulfill that request.

Mr. Higginbotham explained the necessity of bucket trucks at the Headend location and stated that bucket trucks had been parked on that site for decades. He further noted that it was not practical to not have the proper equipment at the site and that Staff was really unclear as to what precisely the request meant.

In response to Ms. Rosen, Mr. Higginbotham advised that the bucket trucks located at the Headend are the smallest bucket trucks in the FPB fleet. Mr. Hellard explained that some of the beeping may be due to construction equipment at the site which would be eliminated once the construction equipment leaves. He further explained the design of the parking facility and explained that the only time FPB trucks would be backed up would be at the end of the shift in the afternoon. He advised that there would be no beeping from FPB vehicles in the early morning hours.

In response to Mr. Baldwin, Mr. Hellard noted that there would be no increase to the number of bucket trucks at the Headend facility once construction and switchover to the new building is complete. He advised that there would be some additional FPB trucks at the location during switchover to the new building, but once everything was complete it would go back to the original four (4) trucks at the Headend facility.

Mr. Higginbotham stated that they would have Cable bucket trucks at the site during the meeting on Wednesday and he hoped to get some clarification from the Tanglewood residents on that request.

Mr. Pogrotsky moved to approve the City's recommended mitigation procedures with getting further clarification about parking the bucket trucks. Mr. Ludwig seconded. Ms. Poe called the vote by member and the motion passed unanimously.

6. **Action Item: Consider Accepting Proposal from MedBen for Third Party Administration and Related Services for FPB's Employee Group Health Plan effective January 1, 2016.**

Sherrill Morgan, FPB's benefits consulting firm, issued requests for proposals on behalf of FPB for administration of the partially self-funded Employee Group Health plan to 12 companies. Eight companies responded. Responses were analyzed based on administration fees, stop loss insurance, services provided, and provider network. **All stop loss premiums submitted are preliminary and subject to change based on a review of recent claims data.** A copy of the RFP and Sherrill Morgan's evaluation of the responses are provided in the detail pages of the Board package.

Staff recommends the Board consider renewing administrative services with MedBen. MedBen was rated as number one overall among responders and has provided third party administration services to FPB since 2008.

If accepted, the base monthly administration fees will slightly increase from \$44.90 per employee per month (PEPM) to \$46.55 PEPM. MedBen's proposal includes a two year rate guarantee.

Total service fees were initially \$45.25 PEPM, in MedBen's original proposal. However, Staff requested to include MedBen WellLiving. This change increased the monthly service fee by \$1.30 PEPM. MedBen WellLiving is a wellness & disease management program that helps control costs by encouraging prevention, early detection, and condition management. Plan members are encouraged to have preventive care; plan members with specific conditions and those identified as high risk receive confidential monitoring and coaching. Additional information on WellLiving is included in the detail pages; it is also discussed in a related Board item.

With the partially self-funded health plan, claims for covered expenses are processed by the third party administrator and funded by FPB up to the Stop Loss Reinsurance deductible. The Specific Stop Loss coverage reimburses the plan when any covered individual has claims for the year in excess of a specific deductible (\$75,000). Aggregate Stop Loss Insurance reimburses the plan if the total claims expense for the year exceeds expected total claims by more than 25%. In the last several years, FPB has elected an "additional liability corridor" of \$75,000 that must be met by one or more individuals, in exchange for a lower premium.

The following table is an estimate of expenses of the health plan for calendar year 2016 based on the preliminary stop loss premiums and expected claims:

Administration Fees (base, FSA, & HRA)	\$ 130,483
*Stop Loss insurance premiums	\$ 311,491
NUF Organ Transplant Coverage	\$ 39,560
*Expected Medical & Rx Claims	\$2,092,639
Dental, Vision, & STD Claims	\$ 229,649
TOTAL	\$2,803,822

**Final stop loss premiums and updated expected claims expenses were not available by Board item deadline; Staff plans to request approval of stop loss coverage at the November Board meeting.*

Mr. Ludwig read action items six and seven for consideration.

Ms. Schneider explained the RFP and noted that eight (8) companies responded. She further explained that Stop Loss coverage premiums were preliminary and may change, and noted that Staff recommended renewing with MedBen as they scored first in the evaluation process and have provided satisfactory services for FPB since 2008. She further noted that MedBen offered a 2 year rate guarantee.

Ms. Schneider explained the introduction of a WellLiving program to help control costs. She directed the Board to the spreadsheet of the costs associated with employee health insurance as proposed for the 2016 calendar year.

In response to Mr. Ludwig, Ms. Schneider explained employee contributions for health coverage and noted that dental and vision coverage would be separated and offered as a separate plan.

Lisa Stamm and Robin Curry, from Sherrill Morgan, introduced themselves. Ms. Stamm explained the WellLiving program and noted that the purpose was to incentivize covered individuals to take advantage of preventative care at the recommended ages. In response to Mr. Ludwig, Ms. Schneider explained the pledge to agree to have specific testing and the reduced employee contribution. Mr. Curry added that MedBen would send a letter to each employee as to what preventative care is needed for that plan year. He further advised that a physician's letter could be sent to MedBen if that testing has already been completed and is not needed. Mr. Bannister noted that several the other companies have already instituted a wellness incentive with their health benefit plan.

In response to Ms. Rosen, Ms. Schneider explained the excise taxes effective in 2018 under the Affordable Care Act. She noted the excise tax as a reason for

separating the dental and vision from the employee health benefits. Ms. Stamm stated that the majority of employers they work with are also separating dental/vision and implementing as a stand-alone plan. Mr. Bannister directed the Board to the spreadsheet outlining employee contributions and proposed options for the 2016 plan year.

In response to Mr. Ludwig, Mr. Curry directed the Board to the scoring sheet and advised that MedBen was the highest and best option after scoring based on compliance with the RFP. He further advised that all respondents were good professional companies.

In response to Mr. Ludwig, Ms. Schneider stated that the plan was for one (1) year with MedBen offering a two (2) year price guarantee. Ms. Stamm confirmed that it would be a one year contract with a 30 day termination clause and a two (2) price guarantee.

Mr. Ludwig moved to approve the proposal from MedBen for third party administration and related services for FPB's Employee Group Health Plan effective January 1, 2016. Mr. Pogrosky seconded. Ms. Poe called the vote by member and the motion passed unanimously.

7. **Action Item: Consider Health Plan Options and Employee Contribution Rates Effective January 2016.**

Staff asks the Board to consider offering four health plan options for medical coverage to employees beginning in 2016; and to consider offering combined Dental & Vision coverage separately from Medical coverage as follows:

Proposed Monthly Employee Contributions for 2016					
	WellLiving HRA	Standard HRA	WellLiving PPO	Standard PPO	Dental/Vision
Single	\$11.66	\$36.66	\$32.39	\$57.39	\$2.51
Employee/Spouse	\$55.10	\$105.10	\$127.64	\$177.64	\$9.51
Employee/Child(ren)	\$52.48	\$102.48	\$116.37	\$166.37	\$9.51
Family	\$130.61	\$180.61	\$181.91	\$231.91	\$15.56

Current Monthly Employee Contributions for 2015 (includes Dental/Vision Coverage)		
	HRA Plan	PPO Plan
Single	\$11.66	\$32.39
Emp/Sp	\$55.10	\$127.64
Emp/child	\$52.48	\$116.37
Family	\$130.61	\$181.91

WellLiving Options: Employees who choose a WellLiving plan option are required to complete a WellLiving pledge. The WellLiving pledge is an agreement to complete (for covered employee and adult dependents) an annual routine exam - beginning at age 18; cholesterol/lipid panel - every 5 years beginning at age 20; colonoscopy - every 10 years beginning at age 50; PAP test - every 3 years beginning at age 21 for females; mammogram - every 2 years beginning at age 40 for females. The recommended exam and tests must be completed prior to December 1, 2016. Employees who sign the pledge and who do not fulfill the requirements by the deadline will not be eligible to participate in a WellLiving plan for the following year. MedBen will monitor claims to determine outstanding tests that must be completed for compliance.

Dental/Vision Rates: Currently, employees pay one combined contribution for Medical, Dental, & Vision benefits. The Affordable Care Act requires health insurance issuers and self-funded plans (like Frankfort Plant Board) to pay a 40

percent tax on annual premiums that exceed defined thresholds for single and family coverage beginning in 2018. In 2018, the thresholds are \$10,200 for single coverage and \$27,500 for family coverage. The cost of Dental & Vision coverage can be excluded from the annual premiums used to calculate the excise tax if separated from the Medical Plan. For this reason, Staff asks the Board to consider approving the above rates with the Dental & Vision coverage offered separately as shown.

Specialty Medications: There are a growing number of expensive medications on the market that are covered under the prescription plan. Staff recommends that specialty medications be limited to a 30 day supply per fill; and subject to prior authorization by Healthsmart Rx, the pharmacy benefits manager, to ensure appropriate usage. Prior authorization includes a review for medical necessity by a clinician at Healthsmart Rx. The specialty medications list is developed and maintained by Healthsmart Rx (or an affiliate) and is subject to change without notice to accommodate the introduction, removal and availability of new drugs and clinical information. Some medications on the specialty drug list may be excluded from coverage pursuant to the plan document.

Mr. Ludwig reiterated specifics as discussed with Item 6.

Mr. Pogrotsky moved to approve health plan options and employee contribution rates effective January 1, 2016. Dr. Green seconded. Ms. Poe called the vote by member and the motion passed unanimously.

8. **Informational Item: Departmental Reports:**

Cable: Mr. Higginbotham reviewed graphs and discussed the trouble call report, outage report and reviewed customer numbers. In response to Mr. Baldwin, Mr. Higginbotham stated that FPB does not track the level of customer satisfaction, but have in the past. Mr. Higginbotham further explained how duplicate service calls are tracked. Dr. Green stated that a friend spoke very highly of FPB's Cable technicians.

Customer Service: Ms. Gilliam discussed monthly and weekly call volumes. She noted that customer service representatives handled 7,500 calls, serviced 1,826 customers in the office and opened 195 new services. Ms. Gilliam discussed the status of utility scoring for deposits and updates regarding improvements in customer account security.

In response to Ms. Rosen, Ms. Gilliam explained the variety of calls and questions customer service representatives handle on a daily basis. In response to Mr. Baldwin, Ms. Gilliam stated that FPB does not track every call received, and that the number of calls in the report include calls for Cable issues.

Electric: Mr. Hudson noted 48 electric outages for the month of September most of which were due to wildlife contact. He noted that FPB's SAIDI number was about 30 minutes for the month of September. He advised that the SAIDI number was the average length of time for service outages. He noted that the national average was about 90 minutes per outage and that FPB averaged about 22-23 minutes during the summer which was well below the national average.

SEPA: Mr. Bannister explained ownership of SEPA power and advised that FPB owns 15.621 megawatts. He further noted that the profits from SEPA helped offset the expense with Kentucky Utility. Mr. Bannister explained construction on the network of locks and dams, replacement of turbines on the system, and how that would affect rates going forward. He noted a profit of \$7,897 for the month of August, and a profit of \$10.4 million over the 19 years in which FPB has participated.

Mr. Bannister explained SEPA rate increases and the potential for additional rate increases as more improvements are made on the system. In response to Mr. Ludwig, Mr. Bannister stated that Staff expected to continue to make a profit in calendar years but may have losses in some months. He advised that Staff would

continue to monitor SEPA's profitability as rate increases are implemented for upgrades on the system.

In response to Ms. Rosen, Mr. Bannister stated that there are eight plants on the system with about 3 to 4 turbines in each plant. He further discussed the comparison of the cost of electricity produced from coal and gas, and noted that the power from the hydro-plants was more expensive on the market at times due to the abundance of natural gas.

In response to Mr. Ludwig, Mr. Bannister advised that except for Owensboro Municipal Utility (OMU), all other municipals are marketing their SEPA energy. He further advised that OMU can use the SEPA power because they have a generation plant.

KyMEA: Mr. Foster discussed the first board meeting of the KyMEA. He advised that the By-Laws were adopted and officers were elected. He further advised that the Model Procurement Code (KRS 45A.345- 45A.460) was adopted, that banking proposals were solicited, and that the group was continuing the process of outlining transmission studies which he noted would be a lengthy process. Mr. Foster stated that the next meeting would be October 22, 2015. He discussed the upcoming meeting between power supply consultants and new board members as well as the town hall meeting in November.

Safety: Ms. Phillips noted no (0) OSHA recordables and one (1) vehicle accident for the month of September. She noted that the accident was not the fault of the FPB employee. She further advised that FPB had received the Destiny Award from KEMI for the 5th consecutive year for its excellent safety record. She noted her appreciation to FPB employees for their diligence in working safely.

Water Distribution: Mr. Briscoe noted four (4) new services, four (4) main breaks, and six (6) outages. He noted that four (4) outages were due to main breaks, one (1) was due to damage and one (1) was scheduled to replace a hydrant.

Water Treatment: Mr. Riddle reviewed the Water Treatment Plant report and stated that FPB produced more than 252 million gallons of potable water for the month of September for an average daily production of 8.4 million gallons per day. He advised that the back-up generator project was complete, that the generators were tested weekly, and that an actual generation transfer test is completed monthly.

Administration Building: Ms. Dutta discussed status of the administration building project, and explained specifics of the structure and site. She further discussed the photo documentation website. In response to Ms. Rosen, Ms. Dutta stated that Staff did consider permeable pavements but the geotechnical report showed concern about sink holes opening in the future and decided permeable pavements were not suitable for the site.

Headend Building: Mr. Hellard stated that construction was about two weeks behind schedule. He stated that the walls were poured and crews were preparing to pour the roof.

9. **Action Item: Consider Approval of Change Order No. 2 for the Administration Building for a deduction of \$143,215.42.**

In March of 2015, the Board awarded the construction contract for the new administration building to Marrillia Design and Construction for \$15,730,293.

During the course of construction, it was determined that there were items that could be removed, could be replaced with lower cost options, and items that needed to be added to the scope. A list of the items is included in the board package.

Summary:

Original Construction Contract	\$15,730,293.00
Change Order #1 (addition):	\$ 23,306.00
Change Order #2: (deduction):	\$ 143,215.42

New Contract Amount: \$15,610,383.58

Staff recommends the Board approve Change Order #2 with Marrillia Design and Construction.

Ms. Dutta explained the bid award and specifics included in the change order which would amount to a reduction of the project cost by \$143,215.42.

Mr. Baldwin and Ms. Rosen requested to carryover the item to next month.

See Item number 10 for motion and vote to table this item.

10. **Action Item: Consider Approval of Addendum to Windstream Agreement for 10 Gigabit Transport Circuit Solution.**

Staff recommends the approval of the Addendum to the June 2013 Windstream Customer Service Agreement for Broadband Services in order to lease a 10 Gigabit Transport Circuit. The circuit is needed to move streaming video traffic from long-haul Internet links to a point-to-point fiber circuit. Moving the traffic from the Internet to this point-to-point peering connection with streaming video providers (i.e. Netflix, iTunes, Facebook, Amazon and Hulu) will improve the FPB Internet customer experience and is less expensive than Internet bandwidth. FPB is working with other providers to eventually lease a redundant point-to-point circuit.

The existing agreement had an initial one-year term that includes a successive 12-month renewal each June. FPB has 8 months remaining on the current rollover and expects to renew this agreement again in June 2016. The item is budgeted in FY16. The Assistant GM-Administration has reviewed the amendment and it meets with his approval.

Mr. Higginbotham explained the circuit and FPB's need for the circuit to improve FPB's internet customer experience with a reduced cost to FPB as well as its customers. He explained the terms of the Agreement and stated that Staff had been working with Windstream for a significant amount of time. Mr. Jones stated that Staff had been working with Windstream for nearly two years on this project.

Mr. Higginbotham stated that funds were included in the budget for this purchase and noted that it could take six months or more for the services to become available to FPB.

In response to Ms. Rosen, Mr. Higginbotham explained the cost of this service per megabit. He further noted small municipalities like FPB are at the mercy of the providers. He further noted that FPB has the option of three providers which helps with negotiations and competitive pricing.

In response to Mr. Baldwin, Mr. Jones stated that the need was not seriously urgent. Mr. Baldwin stated he would like to defer this item until next month as well.

Mr. Pogrotsky moved to table Action Item number 9 and Action Item number 10 until the next regularly scheduled board meeting. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

11. **Action Item: Election of Officers for FPB Board.**

Mr. Liebman discussed the FPB By-Laws. He explained the offices and their terms, and opened the floor for nominations for the office of Chairman of the Frankfort Plant

Board Board of Directors. Dr. Green nominated Mr. Ludwig for the office of Board Chairman. Mr. Pogrotsky moved for the nominations to cease. With no objection, Mr. Liebman called for the vote of Chairman of the Frankfort Plant Board Board of Directors. Mr. Ludwig was elected by unanimous vote to the office of Chairman of the Frankfort Plant Board Board of Directors.

Mr. Liebman opened the floor for nomination for the office of Vice Chairman of the Frankfort Plant Board Board of Directors. Mr. Ludwig nominated Mr. Pogrotsky for the office of Board Vice Chairman. Mr. Ludwig moved for nominations to cease. With no objections, Mr. Liebman called for the vote of Vice Chairman of the Frankfort Plant Board Board of Directors. Mr. Pogrotsky was elected by unanimous vote to the office of Vice Chairman of the Frankfort Plant Board Board of Directors.

Mr. Liebman opened the floor for nomination for the office of Secretary/Treasurer of the Frankfort Plant Board Board of Directors. Mr. Pogrotsky nominated Dr. Green for the office of Secretary/Treasurer of the Frankfort Plant Board Board of Directors. Mr. Pogrotsky moved for the nominations to cease. With no objection, Mr. Liebman called for the vote of Secretary/Treasurer of the Frankfort Plant Board Board of Directors. Dr. Green was elected by unanimous vote to the office of Secretary/Treasurer of the Frankfort Plant Board Board of Directors.

RECESS FPB – CONVENE MPC

Mr. Pogrotsky moved to recess FPB for purposes of convening the Municipal Projects Corporation. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

12. **Action Item: Special Meeting of the Frankfort Plant Board Municipal Projects Corporation to conduct an Election for the President and Vice President of the Municipal Projects Corporation.**

The current Officers of the Frankfort Plant Board Municipal Projects Corporation consist of Board Members and Staff. The current Officers are President, Patricia B. Lynch; Secretary/Treasurer, Rick Pogrotsky; and Vice President, Arthur McKee with terms expiring May 1, 2018.

Article VII of the Corporation's Articles explains that the Corporation has five directors. These Directors are the Frankfort Plant Board's Board members. FPB Board members continue to serve as Directors of the Municipal Projects Corporation as long as they are members of the Board. Upon leaving the Board, the Board member automatically ceases to be a Director of the Corporation. Thereafter, the new Board member assumes the directorship.

Article X notes that the Corporation shall have a President, Vice President, Secretary and Treasurer (which Secretary and Treasurer need not be a Director and may be the same person) each of whom shall be elected or appointed by the Board of Directors for such term, not exceeding three (3) years.

As of September 23, 2015, Patricia B. Lynch and Arthur McKee are no longer members of the Board of Directors of the Frankfort Plant Board leaving the offices of President and Vice President vacant. Staff respectfully requests that the Directors of the Corporation move to hold an election to fill the vacancies of President and Vice President and complete the remainder of the terms through May 1, 2018.

Mr. Liebman stated that the Board members for FPB are the same Board members for the FPB Municipal Projects Corporation (MPC). He explained the office terms and vacancies for the offices of President and Vice President due to the change in Board members.

Mr. Liebman opened the floor to nominations for the office of President. Mr. Ludwig nominated Ms. Anna Marie Rosen for the office of President of the FPB Municipal Projects Corporation. Mr. Pogrotsky moved to cease nominations. With no

objections, Mr. Liebman called for the vote. Ms. Rosen was elected President of the FPB Municipal Projects Corporation by unanimous vote.

Mr. Liebman opened the floor to nominations for the office of Vice President. Mr. Ludwig nominated Mr. Walt Baldwin for the office of Vice President of the FPB Municipal Projects Corporation. Mr. Pogrotsky moved to cease nominations. With no objections, Mr. Liebman called for the vote. Mr. Baldwin was elected Vice President of the FPB Municipal Projects Corporation by unanimous vote.

Mr. Ludwig noted that office terms run through May 1, 2018, Mr. Liebman confirmed.

Mr. Pogrotsky moved to adjourn the meeting of the FPB Municipal Projects Corporation and reconvene the FPB Regular Board meeting. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

ADJOURN MPC – CONVENE FPB

13. **Old & New Business:**

None

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

None

15. **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.

No Closed Session necessary.

16. **Closed Door Session:**

No Closed Session necessary.

Mr. Pogrotsky stated that is the prerogative of the Board Chair to appoint committees/subcommittees and that as a good faith effort to show the residents of the Tanglewood Neighborhood Association (TNA) that the Board means well, he would be willing to chair a committee that would meet with the TNA and FPB Staff to serve as a liaison between the Board and the TNA. Mr. Ludwig stated that he agreed that it was a good idea.

Mr. Ludwig moved that Vice Chair Rick Pogrotsky function as designee with the committee on behalf of FPB to meet with FPB Management and TNA representatives on the subject of the Headend project. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

With no further business to discuss, Dr. Green moved to adjourn. Mr. Pogrotsky seconded. The motion passed unanimously and the meeting adjourned.





ATTEST: