



# MINUTES

## FPB Board Meeting

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5:00 PM - Tuesday, October 15, 2019

Community Room

The Board of Directors of the Frankfort Plant Board met on Tuesday, October 15, 2019 at 5:00 PM in the Community Room.

### ATTENDANCE:

John Cubine, Board Chair  
Dawn Hale, Board Secretary/Treasurer  
Stephen Mason, Board Vice Chair  
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  
Casey Jones, IT Director  
Cathy Jennings, Executive Assistant to CFO  
Cathy Lindsey, Public Information Coordinator  
Kathy Poe, Executive Assistant to GM  
Hance Price, Assistant GM Administration/Staff Attorney  
Leigh Ann Phillips, Support Services Director  
Julie Roney, Water Treatment Superintendent  
Dianne Schneider, HR Director  
Alan Smith, Water Distribution Superintendent  
Scott Stafford, Media Services Manager  
Deron Rambo, Network Operations Center Director  
Travis McCullar, Chief Electric Engineer  
JC Lyons, Safety Field Assistant  
Mark Harrod, Assistant Electric Superintendent  
State Journal  
FPB Media Services

### 1 ACTION ITEM: ELECTION OF OFFICERS OF THE FPB BOARD OF DIRECTORS.

#### 1.1 Conduct Election of Officers of the Board of Directors of the Frankfort Plant Board.

Pursuant to the FPB ByLaws, election of officers of the Board of Directors is to be held every two years in odd number years. Currently, the offices of Chairman and Vice Chairman are vacant. The office of Secretary/Treasurer is held by Dawn Hale. She has served one full term as Secretary/Treasurer and is eligible to be re-elected to that position or any of the other board offices.

Staff respectfully request elections be held for Board Chair, Vice Chair and Secretary/Treasurer for terms ending October 2021 respectively or until such time as persons holding those offices are no longer members of the Board of Directors.

Mr. Mason moved to hold elections for Board Chair, Board Vice Chair and Board Secretary/Treasurer. Ms. Hale Seconded. The motion carried unanimously.

Ms. Hale nominated Mr. Cubine. Mr. Mason seconded. With no other nominations, Mr. Mason moved to close nomination. Ms. Hale seconded. Mr. Price called for a vote for Mr. Cubine as Board Chair. **Mr. Cubine was elected as Board Chair by unanimous vote.**

There was a brief recess after comments by Mr. Rosen. After reviewing and discussing documents from the City regarding Mr. Mason's board appointment the meeting continued.

Mr. Cubine moved to open the floor for nominations for Board Vice Chair. Ms. Hale seconded. Motion passed unanimously. Mr. Cubine nominated Mr. Mason. With no further nominations, Mr. Cubine moved to close nominations. Mr. Price called for a vote for Mr. Mason as Board Vice Chair. **Mr. Mason was elected Board Vice Chair by unanimous vote.**

Mr. Mason moved open the floor for nominations of Ms. Hale for Board Secretary/Treasurer. Mr. Cubine seconded. Motion passed unanimously. Mr. Cubine moved to close nominations. Mr. Mason seconded. Mr. Price called for a vote for Ms. Hale for Board Secretary/Treasurer. **Ms. Hale was elected Board Secretary/Treasurer by unanimous vote.**

***Dawn Hale moved to RECESS FPB - CONVENE MPC Stephen Mason seconded the motion.***

***CARRIED. 3 to 0.***

## **2 ACTION ITEM: CONDUCT ELECTION OF OFFICERS OF THE FPB MUNICIPAL PROJECTS CORPORATION.**

### **2.1 Conduct Election of Secretary/Treasurer for the Frankfort Plant Board Municipal Projects Corporation.**

The most recently elected Officers of the Frankfort Plant Board Municipal Projects Corporation consist of Board Members. The current Officers are: President, Stephen Mason; Secretary/Treasurer, Anna Marie Rosen; and Vice President, Dawn Hale. Because Anna Marie Rosen is no longer a FPB Board member, the office of Secretary/Treasurer is now vacant. The terms of the current officers expire May 1, 2021.

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.

Staff respectfully requests that the Directors of the Corporation move to elect a Secretary/Treasurer to fill the current vacancy. The term of the Secretary/Treasurer would run through May 1, 2021.

Mr. Cubine moved to open the floor for nominations for the Secretary/Treasurer of the Municipal Projects Corporation. Mr. Mason seconded. The motion carried unanimously. Mr. Cubine moved for Ms. Hale to be Secretary Treasurer of the Municipal Projects Corporation. Mr. Mason seconded. **The motion carried and Ms. Hale was elected Secretary/Treasurer by unanimous vote.**

Mr. Mason moved to open the floor for nominations of Vice President of the Municipal Projects Corporation. Mr. Cubine seconded. The motion carried unanimously. Ms. Hale nominated John Cubine for Vice President of the Municipal Projects Corporation. Mr. Mason seconded. The motion carried and Mr. Cubine was voted Vice President of the Municipal Projects Corporation.

Mr. Cubine moved to nominate Mr. Mason for President of the Municipal Projects Corporation. Ms. Hale seconded. The motion carried and Mr. Mason was elected President of the Municipal Projects Corporations by unanimous vote.

*Stephen Mason moved to **ADJOURN MPC - CONVENE FPB**  
Dawn Hale seconded the motion.*

**CARRIED. 3 to 0.**

**3 ACTION ITEM: CONSIDER AMENDMENT OF THE CABLE ADVISORY COMMITTEE BYLAWS.**

**3.1 Amend the Cable Advisory Committee By-Laws Article II, Section II regarding date and location of Regular Committee Meeting.**

This Board established By-Laws and Guidelines for the Cable Advisory Committee ("Committee") in 2008. Article II, Section II establishes the time and place of the regular meeting of the Committee. The Committee changed the time of their regular meeting at the March 10, 2015 Committee meeting and changed their regular meeting location in the June 13, 2017 Committee meeting.

Staff respectfully recommends that this Board approved amending Article II, Section II of the Cable Advisory Committee By-Laws to incorporate the changes to the time and location of the regular Committee meetings as follows: meetings will be held quarterly on the second Tuesday of the month at 5:00 p.m. at the FPB Administration Building at 151 Flynn Avenue, Frankfort, Kentucky pursuant to the Committee meeting minutes dated March 10, 2015 and June 13, 2017.

*Stephen Mason moved to approve amending Article II, Section II of the Cable Advisory Committee By-Laws to incorporate the changes to the time and location of the regular Committee meetings as follows: meetings will be held quarterly on the second Tuesday of the month at 5:00 p.m. at the FPB Administration Building at 151 Flynn Avenue, Frankfort, Kentucky pursuant to the Committee meeting minutes dated March 10, 2015 and June 13, 2017. Dawn Hale seconded the motion.*

**CARRIED. 3 to 0.**

**4 ACTION ITEM: CONSIDER AMENDMENT FPB BY-LAWS**

**4.1 Consider Amending Article 1 of FPB By-Laws to Change Principal Office of FPB.**

Article 1 of FPB's By-Laws establishes FPB's principal office location as 317 West Second Street, Frankfort, KY. Staff recommends the Board approve amending Article 1 of the FPB By-Laws to change FPB's principal office location to the FPB Administration building located at 151 Flynn Avenue, Frankfort, Kentucky 40601.

*Dawn Hale moved to approve amending Article 1 of FPB's By-Laws to change FPB's principal office location to 151 Flynn Avenue, Frankfort, Kentucky 40601. Stephen Mason seconded the motion.*

**CARRIED. 3 to 0.**

**5 ACTION ITEM: APPROVAL OF MINUTES**

5.1 Consider Approval of the minutes for the September 17, 2019 Board Meeting.

*Dawn Hale moved to approve the minutes of the September 17, 2019 Board Meeting. Stephen Mason seconded the motion.*

**CARRIED. 3 to 0.**

**6 ACTION ITEM: ACCEPT FINANCIALS**

6.1 Accept Financial Report through month ending September 30, 2019.

*Stephen Mason moved to accept Financial Reports through month ending September 30, 2019. Dawn Hale seconded the motion.*

**CARRIED. 3 to 0.**

**7 INFORMATIONAL ITEM: PUBLIC COMMENT**

Mr. Richard Rosen and Mr. Andy McDonald spoke during public comment period.

**8 INFORMATIONAL ITEM: WEBSITE CUSTOMER COMMENTS**

8.1 Website Customer Comments

**9 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS**

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

**10 ACTION ITEMS:**

10.1 Consider Approving Adjustment to the Online Advertising Maximum Rate to 120% Above Wholesale.

One year ago, the Board approved a maximum percentage above wholesale for our online advertising products.

While researching and comparing Frankfort and surrounding markets over the course of the year, we have seen the potential to raise our percentage over wholesale and increase revenue while remaining well below our competitors' rates to serve our clients.

The public hearing was published and held on September 17, 2019 and no public comments have been received regarding this adjustment. Staff respectfully requests the Board to approve an online advertising maximum of 120% above wholesale.

*Stephen Mason moved to approve an online advertising rate of 120% above wholesale. Dawn Hale seconded the motion.*

**CARRIED. 3 to 0.**

10.2 **Consider Cable Advisory Committee Appointment.**

Staff recommends the Board appoint Tommy Quarles to the Cable Advisory Committee with a term beginning October 16, 2019 through August 30, 2021. The appointment is needed to fill the vacancy left by Ms. Madeline Crescitelli, a student representative from Frankfort High School, whose term ended. Mr. Quarles is an 11th grader at Western Hills High School.

As a reminder to the Board, Staff endeavors to rotate the student representative on the Committee between the three public high schools while seeking input from school leaders for potential student representatives.

***Stephen Mason moved to approve the appointment of Tommy Quarles to the Cable Advisory Committee with a term of October 16, 2019 through August 30, 2021. Dawn Hale seconded the motion.***

***CARRIED. 3 to 0.***

10.3 **Approve Standard Cable Attachment Agreement with InterCarrier Networks and CSL KY.**

Staff asks that the Board approve the Standard Agreements with InterCarrier Networks and CSL KY. These agreements are standard pole attachment agreements that allow for the addition of fiber cables. Both groups asked for minor changes to the agreements to delete references to "television" since they are installing fiber cable only.

Staff asks the Board move to approve the agreements.

***Dawn Hale moved to approve the Standard Cable Attachment Agreement with InterCarrier Networks and CSL KY. Stephen Mason seconded the motion.***

***CARRIED. 3 to 0.***

10.4 **Discussion and Potential Action regarding Reservoir Issue.**

Mr. Mason stated it was time for Staff to revisit the idea of a 6.5 million gallon reservoir tank.

***Stephen Mason moved to direct Staff to revisit the 6.5 million gallon reservoir and the variables that are attached to that proposal. Dawn Hale seconded the motion,***

***CARRIED. 3 to 0.***

10.5 **Discussion and Potential Action regarding General Manager, Gary Zheng's Employment Agreement.**

Board members thanked Mr. Zheng for his work over the past year.

***Dawn Hale moved to renew Mr. Zheng's contract and award a raise equal to the amount the majority of employees received at approximately 4.2%. Stephen Mason seconded the motion.***

***CARRIED. 3 to 0.***

11 **INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS**

- 11.1 Ms. Lindsay updated the Board on work in community. She explained the new community page on the FPB website and FPB's "On the Job" videos.

**12 INFORMATIONAL ITEM: OLD & NEW BUSINESS**

Ms. Hale discussed the community solar project meeting held by Mr. McDonald. The Board requested Staff to follow up with Mr. Sarkisian regarding utilizing the technical services provided by the NC State Clean Energy Technology regarding a Community Solar project.

**13 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION**

13.1 Move to call a closed session pursuant to KRS 61.810 (1)(c) for discussions of pending litigation regarding the reservoir.

*Stephen Mason moved to go into closed session pursuant to above stated exception. Dawn Hale seconded the motion.*

**CARRIED. 3 to 0.**

**14 CLOSED DOOR SESSION**

14.1 Mr. Mason moved to come out of closed session. Mr. Hale seconded. The motion carried unanimously.

*Stephen Mason moved to direct staff to proceed with appropriate steps toward settlement. Dawn Hale seconded the motion.*

**CARRIED. 3 to 0.**

**15 ACTION ITEM: ADJOURNMENT**

15.1 Adjourn meeting.

*Stephen Mason moved to adjourn meeting. Dawn Hale seconded the motion.*

**CARRIED. 3 to 0.**



Board Chair



Board Secretary/Treasurer