

October 16, 2018

A Board meeting of the Electric and Water Plant Board of the City of Frankfort, Kentucky, was held at the Frankfort Plant Board Administration Building at 151 Flynn Ave. Frankfort, KY on Tuesday, October 16, 2018 at 5:00 p.m.

ATTENDANCE:

Anna Marie Pavlik Rosen, Board Chair
Walt Baldwin, Vice Chair
Dawn Hale, Board Member
Stephen Mason, Board Member
James Liebman, Board Attorney
Gary Zheng, General Manager
David Billings, Chief Water Engineer
Harvey Couch, Marketing and Video Content Coordinator
Angela Riddle, Senior Accountant
Vent Foster, Asst. GM Operations
Cassie Estill, Customer Service Supervisor
Adam Hellard, Interim Assistant GM of Cable/Telecom
Ryan Henry, IT Assistant Director
Scott Hudson, Electric Superintendent
Casey Jones, IT Director
Michael Wolff, GIS Administrator
Cathy Jennings, Executive Assistant
Cathy Lindsey, Public Information Officer
Kathy Poe, Executive Assistant
Hance Price, Staff Attorney/Asst. GM Administration
Mark Redmon, Support Services Director
Leigh Ann Phillips, Purchasing Agent
Julie Roney, WTP Superintendent
Dianne Schneider, Human Resources Director
Alan Smith, Water Dist. Superintendent
Kim Phillips, Safety Director
Abby Phillips, Cable 10 Videographer
David Hamilton, State Journal

AGENDA

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

1. **Action Item:** Consider Approving Minutes from the September 11, 2018 Special Board Meeting, the September 14, 2018 Special Board Meeting, the September 18, 2018 Special Board Meeting, the September 18, 2018 Board Meeting, the September 20, 2018 Special Board Meeting, the September 25, 2018 Special Board Meeting, the September 28, 2018 Special Board Meeting, and the October 2, 2018 Special Board Meeting.
2. **Action Item:** Appoint Gary Zheng to the Kentucky Municipal Energy Agency (KyMEA) Board.
3. **Action Item:** Accept Electric, Water and Cable Financials for September, 2018.
4. **Information Item:** Public Comment Period.
5. **Informational Item:** Departmental Reports:
 - Website Customer Comments
 - Cable Dept.
 - Customer Service
 - Electric Dept.

- SEPA
- KyMEA
- Safety
- Water Distribution
- Water Treatment Plant

6. **Action Item:** Consider Award of Bid #1669 for Roof Replacement for the Service Center Warehouse to American Roofing and Metal in the Amount of \$176,088.
7. **Action Item:** Consider Award of Bid Invitation #1670 for one 15kV distribution switch to G&W Electric Company in the Amount of \$67,578.

Recess FPB Convene MPC

8. **Action Item:** Conduct Election of Secretary/Treasurer for the Frankfort Plant Board Municipal Projects Corporation.

Adjourn MPC Convene FPB

9. **Action Item:** Consider Approving Game Show Network Renewal.
10. **Action Item:** Consider Cancellation of Diligent Board Software.
11. **Action Item:** Approve the Memorandum of Agreement with Commonwealth Office of Technology's Geographic Information System Branch ("GISB") for Digital Orthophotography Production ("Flyover") in the Amount of \$26,892.
12. **Informational Item:** General Manager's Comments:
13. **Informational Item:** Old and New Business.
14. **Request Permission to Have Chair Call for a Closed Session:** Pursuant to KRS 61.810(1)(c). to discuss pending litigation regarding liquidated damages and pending litigation regarding Reservoir construction.
15. **Closed Door Session:**

BOARD ACTION

Ms. Rosen called the meeting to order and noted four (4) Board members in attendance.

1. **Action Item:** Consider Approving Minutes from the September 11, 2018 Special Board Meeting, the September 14, 2018 Special Board Meeting, the September 18, 2018 Special Board Meeting, the September 18, 2018 Board Meeting, the September 20, 2018 Special Board Meeting, the September 25, 2018 Special Board Meeting, the September 28, 2018 Special Board Meeting, and the October 2, 2018 Special Board Meeting.

Ms. Hale moved to accept the minutes Mr. Baldwin seconded and the motion passed unanimously.

2. **Action Item:** Appoint Gary Zheng to the Kentucky Municipal Energy Agency (KyMEA) Board.

Ms. Rosen thanked David Denton for his time as Interim General Manager. She also thanked Staff, Jon Tedesco, Dianne Schneider, Casey Jones, Ryan Henry and Will Triplett.

She introduced Frankfort Plant Board's new General Manager, Gary Zheng.

Mr. Zheng thanked the board for the opportunity and he thanked the Staff of over 200 employees, he stated keeping the lights on and the power going is not easy.

Mr. Baldwin moved to appoint Gary Zheng as the KyMEA Representative. Mr. Mason seconded. The motion passed unanimously.

The board asked Mr. Zheng who he would like to appoint as an alternate and Mr. Zheng stated that he would like Mr. Foster to continue being FPB's alternate representative.

3. **Action Item: Accept Electric, Water and Cable Financials for September 2018.**

Ms. Riddle went over the financials for September 2018.

Mr. Baldwin moved to accept the electric, water and cable financials for August 2018. Mr. Mason seconded. The motion passed unanimously.

4. **Informational Item: Public Comment Period**

There were no public comments.

5. **Informational Item: Departmental Reports:**

- **Website Customer Comments**

There were no website customer comments.

- **Cable Dept.**

Mr. Hellard reviewed the Cable Departmental reports with the board.

- **Customer Service**

Ms. Estill went over the Customer Service reports.

- **Electric Dept.**

Mr. Hudson reviewed Electric's report.

- **SEPA**

Mr. Foster gave the SEPA information for the previous month.

- **KyMEA**

Mr. Foster gave KyMEA's new web address. Mr. Foster noted that KyMEA had their first audit and received a clean and unmodified audit report. Mr. Foster reported that KyMEA was moving into their new office and was under budget for the office build. He gave the date for the next KyMEA Meeting: October 24, 2018 in Lexington, KY

- **Safety**

Ms. Phillips reviewed the Safety Department reports.

- **Water Distribution**

Mr. Smith went over the report for the Water Department.

- **Water Treatment Plant**

Ms. Roney stated that for September the Water Treatment Plant treated 260 million gallons of water, equaling 8.7 million gallons per day.

6. **Action Item: Consider Award of Bid invitation #1669 for Roof Replacement for the Service Center Warehouse to American Roofing and Metal in the Amount of \$176,088.**

Staff prepared a bid invitation for roof replacement of the service center warehouse. The invitation was sent to five vendors and publicly advertised with two responses received. After reviewing both bids, staff recommends awarding to American Roofing and Metal as they are the lowest bid meeting specifications.

Ms. Phillips explained specifics and budget numbers.

Mr. Baldwin moved to award bid invitation #1669 for roof replacement for the service center warehouse to American Roofing and Metal in the amount of \$176,088. Ms. Hale seconded. The motion passed unanimously.

7. **Action Item: Consider Award of Bid Invitation #1670 for one 15kV distribution switch to G&W Electric Company in the Amount of \$67,578.**

Staff prepared an invitation for one 15kV pad mounted distribution switch and sent it to seven vendors. Three responses were received. After reviewing all bids, staff recommends awarding to G&W electric in the amount of \$67,578 with a delivery time of 161 days. G&W Electric submitted the lowest bid and met the specifications. This switch will replace and improve functionality of an existing piece of equipment serving a critical state government facility. All costs for this project including this equipment will be reimbursed by the state

Mr. Baldwin moved to award bid #1670 for one 15kV distribution switch to G&W Electric Company in the amount of \$67,578. Mr. Mason seconded. The motion passed unanimously.

Recess FPB Convene MPC

Mr. Mason moved to recess FPB and Convene MPC. Mr. Baldwin seconded. The motion passed unanimously.

8. **Action Item: Conduct Election of Secretary/Treasurer for the Frankfort Plant Board Municipal Projects Corporation.**

The current Secretary/Treasurer of the FPB Municipal Projects Corporation is Ralph Ludwig. Mr. Ludwig resigned from the FPB Board of Directors effective August 31, 2018 and his seat on the board is currently vacant. Steve Mason is the current President and Dawn Hale is the current Vice President with terms running through May 1, 2021.

Given that Mr. Ludwig is no longer a Board member, Staff recommends that the Directors of the Corporation consider electing a new secretary/treasurer. The terms of the new secretary/treasurer would run through May 1, 2021.

Mr. Liebman opened the floor for nominations.

Mr. Baldwin nominated Ms. Rosen. Mr. Mason seconded. The motion passed unanimously.

Adjourn MPC Convene FPB

Mr. Baldwin moved to adjourn MPC and Convene FPB. Mr. Mason seconded. The motion passed unanimously.

9. **Action Item: Consider Approving Game Show Network Renewal.**

Staff recommends approval of the Game Show Network (GSN) renewal. This National Cable Television Cooperative (NCTC) agreement has a term through December 31, 2022. GSN is a Preferred Cable Channel, on channel 114 and whose programming

contains classic and original game shows. GSN is the most watched Preferred Cable network in Frankfort. Our current agreement for GSN expires on 12/31/18. By opting in to this agreement early, FPB is able to reduce our rate for this network by 7%. Annual increases will be based on CPI and will never be less than 0% or higher than 5%. These increases were anticipated in the budget and will not have any immediate effect on the Preferred Cable retail rate. TVE and VOD rights are included in this agreement. Because GSN is a smaller, independent programmer, no additional carriage requirements or obligations are included in this agreement. The Asst. GM for Administration has reviewed the agreement and it meets with his approval.

Mr. Couch went over the terms of the agreement and asked the board to approve the renewal.

Mr. Mason moved to approve the Game Show Network Renewal. Ms. Hale seconded. The motion passed unanimously.

10. Action Item: Consider Approval of Cancellation of Diligent Board Software.

Mr. Mason moved to cancel Diligent Boards Software contract. Mr. Baldwin seconded. The motion passed unanimously.

11. Action Item: Approve the Memorandum of Agreement with Commonwealth Office of Technology's Geographic Information System Branch ("GISB") for Digital Orthophotography Production ("Flyover") in the Amount of \$26,892.

This Memorandum of Agreement outlines FPB's participation in the Commonwealth's 2019 Orthoimagery Acquisition for the FPB service area. The images (6 Inch scale or 1" = 100') will be used to update our GIS Landbase mapping to provide refreshed imagery for electric, water, and cable engineering and operations. FPB will be invoiced by the Commonwealth Office of Technology's Geographic Information System Branch for \$12,101.40 when the acquisition commences and will be invoiced again for \$14,790.60 on May 1, 2019 for the remainder. The previous flyover project was last approved by the Board during the March 3, 2012 Special Board Meeting.

This cost of this project is included in the budget and has been reviewed and approved by the Assistant General Manager.

RECOMMENDED ACTION: I move that we Approve the Memorandum of Agreement with Commonwealth Office of Technology's Geographic Information System Branch for Digital Orthophotography Production in the Amount of \$26,892.

Mr. Baldwin moved to approve the Memorandum of Agreement with Commonwealth Office of Technology's Geographic Information System Branch for Digital Orthophotography Production in the amount of \$26,892. Mr. Mason seconded. The motion passed unanimously.

12. Information Item: General Manager's Comments.

Mr. Zheng thanked the board for the opportunity to come back to the Commonwealth of Kentucky and serve as FPB's General Manager.

13. Informational Item: Old & New Business.

Ms. Hale proposed setting a date for a board retreat to discuss a board governance policy.

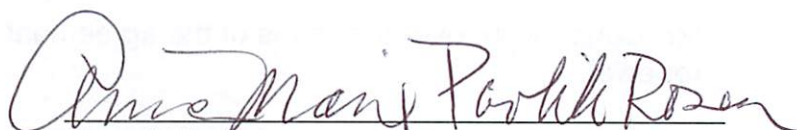
After some discussion, the board asked Mr. Zheng to coordinate a date and location for a meeting to discuss board governance.

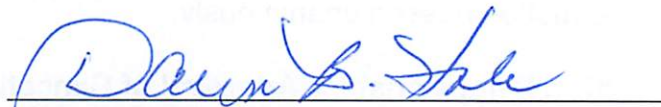
Mr. Baldwin moved Pursuant to KRS 61.810(1)(c). to discuss pending litigation regarding liquidated damages and pending litigation regarding Reservoir construction. Ms. Hale seconded. The motion passed unanimously.

14. **Request Permission to Have Chair Call for a Closed Session:** Pursuant to KRS 61.810(1)(c). to discuss pending litigation regarding liquidated damages and pending litigation regarding Reservoir construction.

15. **Closed Door Session:**

Mr. Baldwin moved to adjourn the meeting. Mr. Mason seconded. The motion passed unanimously and the meeting adjourned.


Board Chair


Attest: Board Secretary/Treasurer