



MINUTES

FPB Board Meeting

5:00 PM - Tuesday, August 20, 2019

Community Room

The Frankfort Plant Board met in FPB Board Meeting on Tuesday, August 20, 2019 at 5:00 PM in the Community Room.

ATTENDANCE:

Anna Marie Pavlik-Rosen, Board Chair
Walt Baldwin, Board Vice-Chair
Dawn Hale, Board Secretary/Treasurer
Stephen Mason, Board Member
Jeff Bradshaw, Board Member
James Liebman, Board Attorney
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
Adam Hellard, Interim Cable Superintendent
Ryan Henry, Assistant IT Director
Scott Hudson, Electric Superintendent
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
Kim Phillips, Safety Director
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
Mark Harrod, Assistant Superintendent, Electric
Travis McCullar, Chief Electric Engineer
Brandon Powers, Asst. WTP Superintendent
State Journal

1 ACTION ITEM: APPROVAL OF MINUTES

- 1.1 Consider Approval of Minutes for July 16, 2019 Board Meeting and July 26, 2019 Special Board Meeting.

Dawn Hale moved to approve minutes for July 16, 2019 Board meeting and July 26, 2019 Special Board meeting. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

2 ACTION ITEM: ACCEPT FINANCIALS

- 2.1 Accept Financial Report for June 2019 and July 2019.

Stephen Mason moved to accept financial reports for June 2019 and July 2019. Walt Baldwin seconded the motion.

CARRIED. 5 to 0.

3 INFORMATIONAL ITEM: PUBLIC COMMENT

4 INFORMATIONAL ITEM: WEBSITE CUSTOMER COMMENTS

4.1 There were three customer comments supporting the addition of the ACC network to the cable lineup. It was noted that all customers' comments were responded to by staff.

5 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

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

6 ACTION ITEMS:

6.1 **Consider Request for Public Hearing to be Held at the next Board Meeting Regarding Adjustments to the Online Advertising Maximum Rate.**

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.

Staff is asking the Board to approve an online advertising maximum of 120% above wholesale.

The current maximum rates are:

Online Advertising Maximum Rate
50% above Wholesale

The proposed rates are:

Online Advertising Maximum Rate
120% above Wholesale

Walt Baldwin moved to approve the notice for a public hearing to be held September 17, 2019 at 5:00 p.m. or as soon thereafter as can be heard regarding adjustments to the Online Advertising Maximum Rate. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

6.2 Consider Deployment of Three Electric Vehicle Charging Stations.

As electric vehicle adoption continues to grow, the need for publicly accessible charging locations is greater than ever. The deployment of EV charging infrastructure is a great opportunity for FPB to promote electric vehicle usage, and provide a service to our customers who are current EV owners.

Staff is requesting Board approval to install three electric vehicle charging stations in public access spaces maintained by the City of Frankfort. The initial EV charging locations include:

- Adjacent to public street parking on Olive Street (behind the former rail depot).
- At the Farmers Market Pavilion. Staff has discussed the possibility of expanding the parking lot to dedicate EV spaces with the City of Frankfort.
- At Juniper Hills Park near the Parks Department office.

If approved, FPB would provide all labor and material to install the charger, including fees to participate in a national database for drivers to access charging locations. FPB will be requesting the City of Frankfort pay for the energy usage of the chargers, allowing for free public charging. The equipment is capable of charging for usage directly to drivers if that option is needed in the future.

\$60,000 has been included in the current Electric department budget for Electric Vehicle Charging Stations on page 15, line 345.

Mr. McCullar explained the three locations as discussed with the City. Mr. Mason stated that he would like to see a charging station considered at some location on the East side of Frankfort. Mr. Foster further explained other locations considered and advised that there were additional issues to be overcome.

Walt Baldwin moved to deploy the three electric charging stations and send to the City of Frankfort for approval. Jeff Bradshaw seconded the motion.

CARRIED. 5 to 0.

6.3 Consider Approving MLB Network and Strike Zone Renewals.

The Cable Advisory Committee and Staff recommend the Board approve the renewals for MLB Network and Strike Zone. These direct agreements have a term through September 30, 2024. FPB has carried MLB Network on Classic Cable channel 38 since 2012. The network carries exclusive live Major League Baseball regular season and playoff games. This agreement also covers TVE and VOD rights.

Strike Zone is a part-time channel on the optional Sports Plus tier. It offers whip around coverage of live baseball games during the regular season.

There is not a massive rate reset with these agreements, the increases stay in line with the annual increases in our current agreement – averaging approximately 6% annually. These increases were less than what was budgeted. No rate increase on Classic Cable or Sports Plus is required at this time.

The Assistant GM-Administration has reviewed the agreement and it meets with his approval.

Jeff Bradshaw moved to approve MLB Network and Strike Zone renewals. Walt Baldwin seconded the motion.

CARRIED. 5 to 0.

6.4 Consider Approving ACC Network amendment.

The Cable Advisory Committee and Staff recommend the Board approve the National Cable Television Cooperative (NCTC) amendment for the ACC Network. This is an amendment to the existing Disney/ESPN Media Network (DEMN)/NCTC agreement and has a term through July 31, 2021. ACC Network is a brand new network which will have its first broadcast on August 22, 2019 and cover 450 live sporting events from the Atlantic Coast Conference annually. This agreement also covers TVE and VOD rights. The digital platform will add an additional 800 live events annually.

Launching ACC Network will incur additional programming license fees. The fees were budgeted and anticipated. A Classic Cable rate increase is not required at this time, however the additional expense will be a factor in any future Classic Cable rate increases.

We have received numerous requests from customers in the form of phone calls, emails, and submissions through our Board Feedback form requesting carriage of the network.

FPB is not required to execute this amendment in order to stay in our existing DEMN agreement, however if history is any indication, ACC Network carriage will be a required part of the next DEMN agreement in 2021.

If approved, staff plans to move ESPN Classic from channel 33 to channel 65 and launch ACC Network as soon as possible in its place on channel 33 and in HD on 533.

The Assistant GM-Administration has reviewed the agreement and it meets with his approval.

Walt Baldwin moved to approve ACC Network amendment. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

6.5 Consider approval of a contract for the repair of one (1) Peerless 26HXB 4-stage vertical turbine raw water pump for the water treatment plant for a total of \$57,736.00.

The water treatment plant raw water pump station consists of three (3) Peerless vertical turbine pumps. These pumps pull water from the Kentucky River and into the water plant for treatment.

Raw water pump #2 was removed from service in May 2019 for scheduled maintenance and transported to the manufacturer's repair facility in Cleveland, Ohio. FPB authorized the disassembly of the pump for inspection, non-destructive testing of the components and development of a Scope of Work summarizing findings, recommendations and costs. WTP staff budgeted \$157,000 in the Fiscal Year 2020 budget for pump maintenance. The repair work will be done through S&K Equipment, who is FPB's authorized Peerless Pump representative.

Walt Baldwin moved to approve the contract for repair of one Peerless 26HXB 4-stage vertical turbine raw water treatment pump for a total of \$57,736.00. Dawn Hale seconded the motion.

CARRIED. 5 to 0.

7 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS

8 INFORMATIONAL ITEM: OLD & NEW BUSINESS

8.1 Ms. Hale read a statement regarding FPB commercials in support of one (1) seven (7) million gallon reservoir tank. She stated that she believed they out run their usefulness.

Dawn Hale moved to direct the General Manager, Gary Zheng, to stop running the commercials regarding the reservoir. Stephen Mason seconded the motion.

CARRIED. 4 to 1.

<i>Anna Marie Pavlik-Rosen</i>	<i>Against</i>
<i>Walt Baldwin</i>	<i>For</i>
<i>Dawn Hale</i>	<i>For</i>
<i>Stephen Mason</i>	<i>For</i>
<i>Jeff Bradshaw</i>	<i>For</i>

9 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

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

None

10 CLOSED DOOR SESSION

10.1 **None**

11 ACTION ITEM: ADJOURNMENT

11.1 Motion to Adjourn.

Walt Baldwin moved to adjourn. Stephen Mason seconded the motion.

CARRIED. 5 to 0.


Board Chair


Board Secretary/Treasurer