

June 21, 2016

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, June 21, 2016 at 5:00 p.m.

**ATTENDANCE:**

Ralph Ludwig, Board Chair  
Rick Pogrosky, Vice Chair  
Dr. Scott Green, Secretary/Treasurer  
Anna Marie Pavlik Rosen, Board Member  
Walt Baldwin, Board Member  
Herbbie Bannister, General Manager  
James Liebman, Board Attorney  
David Billings, Chief Water Engineer  
Bill Briscoe, Water Dist. Supt.  
Harvey Couch, Marketing and Video Coordinator  
David Denton, Finance Director  
Sharmista Dutta, Water Engineer  
Vent Foster, Chief Electrical Engineer/Asst. GM Operations  
Monique Gilliam, Customer Service Director  
Dana Goodlett, Cable Installation and Process Manager  
Adam Hellard, Broadband/Security Manager  
Scott Hudson, Electric Supt.  
Casey Jones, Asst. IT Director  
Michele Walker, Administrative Assistant  
Hance Price, Staff Attorney/ Asst. GM Administration  
Mark Redmon, Support Services Director  
Chris Riddle, WTP Superintendent  
Julie Roney, Asst. WTP Superintendent  
Dianne Schneider, HR Director  
Alan Smith, Asst. Water Superintendent  
Zach Hubbard, Cable 10 Videographer  
Seth Littrell, State Journal Reporter  
Charlie Hamilton, Powell Walton Milward

**AGENDA**

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

**JUNE 21, 2016 BOARD MEETING AGENDA**

1. Action Item: Consider Approving Minutes for the May 17, 2016 Board Meeting.
2. Action Item: Consider Approving Minutes for the May 23, 2016 Special Board Meeting.
3. Action Item: Consider Approving Minutes for the May 24, 2016 1:00 p.m. Special Board Meeting.
4. Action Item: Consider Approving Minutes for the May 24, 2016 5:00 p.m. Special Board Meeting.
5. Action Item: Consider Approving Minutes for the May 25, 2016 Special Board Meeting.
6. Action Item: Consider Approval of Workers' Compensation Insurance Renewal.
7. Informational Item: Presentation by Matt Fiscus from Kentucky Home Performance.
8. Action Item: Electric, Water and Cable Financial & Statistical Data for May 2016.
9. Informational Item: Public Comment Period.
10. Informational Item: Departmental Reports:
  - Website Customer Comments
  - Cable Dept.
  - Customer Service
  - Electric Dept.
    - SEPA
  - KyMEA
  - Safety
  - Water Distribution



- Water Treatment Plant
  - Administration Building
  - Headend
11. Action Item: Consider Award of Bid Invitation #1622 for Three (3) Pad Mounted Transformers to Brownstown Electric Supply Company in the Amount of \$20,085 and One (1) Pad Mounted Transformer to Wesco Distribution in the Amount of \$15,960.
  12. Action Item: Consider Renewing Agreement with G&K Services for the Rental of Field Uniforms with No Price Increase.
  13. Action Item: Consider Asplundh Tree Expert Company's Contract Renewal Offer for Tree Trimming Services.
  14. Action Item: Consider Award of Bid Invitation #1619 - Annual Price Contract for Distribution Transformers to Wesco Distribution.
  15. Action Item: Consider Renewal of Annual Price Contract for Ductile Iron Pipe, Ductile Iron Fittings, Valves, and Tapping Sleeves to Ferguson Water Works.
  16. Action Item: Consider Renewal of Annual Price Contract for Hydrants to East Jordan Iron Works.
  17. Action Item: Consider Award of Bid Invitation #1618 - Annual Price Contract for the Purchase of Wood Poles to Thomasson Lumber.
  18. Action Item: Consider Approving Proposed Water Rate Increase and Subsequent Tariff Changes.
  19. Action Item: Consider Approving Proposed Retail Electric Rate Increase to be Effective July 1, 2016.
  20. Action Item: Consider Approval of Bid Invitation #1623, Contract Labor for Cable Installation to Custom Cable Services for up to \$300,000.
  21. Action Item: Approve FPB/COT Dark Fiber Redundant Ring Service Agreement.
  22. Action Item: Consider Approving a Request for Public Hearing Regarding Change to Electric Net Metering Tariff.
  23. Action Item: Consider Approving a Request for Public Hearing Regarding Change to Water Tariff for Mobile Home Parks.
  24. Action Item: Consider Approving Amendment to Rovi Agreement.
  25. Action Item: Consider Approving Hulu Offering Distribution Agreement.
  26. Action Item: Consider Approval of Amendment with Vubiquity.
  27. Action Item: Consider Approving Statement of Work from Renegade Communications in the Amount of \$17,500.
  28. Action Item: Consider Approval of Tariff Revision Related to Budget Billing.
  29. Action Item: Consider Approval of Development, Testing, Customer Education Process and Implementation of Cycle Billing.
  30. Action Item: Consider Approval of Addendum to Windstream Agreement for purchase of additional bandwidth (\$87,600).
  31. Action Item: Consider Approving Addendum to Master Service Agreement with Time Warner Cable Enterprises, LLC (TWC) for Dedicated Internet Access.
  32. Informational Item: Presentation by Chris Moore for the KentuckyWired Project.
  33. Action Item: Consider Addition of Grant Administrator Role.
  34. Action Item: Consider a Spending Freeze for the HFC Network until a Long Term Broadband Strategic Direction is Defined.
  35. Action Item: Consider Addition of \$20,000 in Next Year's Budget to Review Viability of Energy Efficiency Programs Similar to How\$mart KY.
  36. Action Item: Consider Adoption of Policy to Include Open Source Software Options in All Future New Software Acquisitions.
  37. Action Item: Consider Removal of Funding for Virtualization Software (Nutanix) Pending Evaluation of Open Source Options.
  38. Action Item: Consider Funding \$2500 for Evaluating a New Direction in Landscape Maintenance.
  39. Action Item: Consider Expanding the Involvement of FPB Board of Directors in Budget Planning Process.
  40. Action Item: Consider Additional Allocation to Budget to Assist GM in Meeting 2016 Customer Satisfaction Goal.
  41. Action Item: Consider Removal of Budget Allocation for Customer Outreach Items. (Portion of \$37k detailed on page 31 line 90).
  42. Action Item: Consider Removal of Budget Allocation to Fund New Business Telephone Services Sales Role.



43. Old & New Business:  
Consider the Award of Bid Invitation #1620 - Annual Price Contract for Water Treatment Chemicals. (Leigh Ann Phillips will discuss)
44. Informational Item: General Manager's Comments.
45. 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.
46. Closed Door Session:

#### BOARD ACTION

Mr. Ludwig called the meeting to order. Ms. Walker called the roll. She noted five (5) Board members in attendance.

1. Action Item: Consider Approving Minutes for the May 17, 2016 Board Meeting.
2. Action Item: Consider Approving Minutes for the May 23, 2016 Special Board Meeting.
3. Action Item: Consider Approving Minutes for the May 24, 2016 1:00 p.m. Special Board Meeting.
4. Action Item: Consider Approving Minutes for the May 24, 2016 5:00 p.m. Special Board Meeting.
5. Action Item: Consider Approving Minutes for the May 25, 2016 Special Board Meeting.

Mr. Pogrotsky moved that items one through five be considered as a group for approval. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

6. Action Item: Consider Approval of Workers' Compensation Insurance Renewal.

Ms. Phillips introduced Charlie Hamilton our agent with Powell Walton Milward Insurance Company. Mr. Hamilton discussed renewal for the 2016-17 year. Due to an increase in KEMI's rates our premium will increase approximately 3.7%.

Mr. Ludwig moved to approve the renewal as presented. Mr. Pogrotsky seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

7. Informational Item: Presentation by Matt Fiscus from Kentucky Home Performance.

Mr. Fiscus had a brief presentation for the Board. Mr. Fiscus stated the main focus of Kentucky Home Performance (KHP) is to reduce energy waste for homeowners through low monthly payments. KHP is currently in all 120 counties and offers low interest loans as well as state and federal rebates.

Mr. Fiscus wishes to assist our customers in reducing their energy costs via home improvements. KHP will work with contractors in our area to assist our customers with home improvements needed to reduce their energy load and bills. Mr. Fiscus advised that KHP provided unsecured loans of up to \$20,000 for energy efficient home improvements and stated that the homeowner could choose to implement one improvement or a whole house implementation.

In response to Ms. Rosen, Mr. Fiscus stated the state funding for KHP would run through December 31, 2016. KHP has applied for additional funding. Mr. Fiscus further advised that the energy evaluation was software based utilizing the same software which HowSmartKY utilizes. He further noted that if a homeowner opted to complete whole house home improvements for maximum energy efficiency the interest rate on the funds borrowed would be 3.99% and if the homeowner opted to implement only one improvement, the interest rate would be 7.99%. He stated that this was to incentivize completion of all improvements to maximize the energy efficiency. Mr. Fiscus further acknowledged that if the homeowner opted to incorporate a geothermal system or solar panels that the interest rate would automatically be 3.99%.



In response to Mr. Baldwin, Mr. Fiscus stated that the KHP program was open to residential owner-occupied residences. He advised that KHP did follow up with participants to track reductions in their utility bills but that they did not utilize any technical measures or software to track follow up due to the cost. Mr. Fiscus further advised that KHP had placed all their loans together with several other states' loans forming Warehouse Energy Efficient Loans therefore making the default rate approximately 2%.

In response to Mr. Pogrotsky, Mr. Fiscus advised that FPB would incur no costs by partnering with KHP. FPB would only need to promote and market the program whether on our website, customer bills or etc.

In response to Mr. Baldwin, Mr. Fiscus explained that if additional state funding was not secured that KHP was working with some third party banking institutions in order to continue the program.

8. **Action Item: Electric, Water and Cable Financial & Statistical Data for May 2016.**

Mr. Denton explained that FPB was a not for profit organization and explained how funds can be utilized by FPB as a non-profit organization. He further discussed the statement of net position and balance sheet through April 30, 2016. He discussed the cash investment schedule as well as the summary of bonds, leases and loans payable. He further 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 with the budget for the period.

Dr. Green moved to accept the Electric, Water and Cable Financial & Statistical Data for April 2016. Mr. Rosen seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

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

Mr. Ludwig opened the floor for public comment.

Ms. Suzanne Gray, President of the Tanglewood Neighborhood Association (TNA) spoke regarding the Headend and Reservoir project. TNA is requesting FPB present an appropriate mitigation plan as soon as possible. This plan must include all of the elements provided in the City Commission directive from the meeting of October 1, 2015. It must address the property as a whole.

TNA is also requesting FPB work closely with the public on the design and construction of the new Reservoir. They would request FPB hold a public meeting on the status of the Reservoir as soon as possible, including design options and what inconveniences that may occur during construction.

Ms. Kathy Warren spoke regarding the following items:

- a. PSC and rate increases on our bills
- b. Cycle Billing
- c. New Administration Building

Ms. Warren stated it was her understanding the Board had received her comments via our website.

Ms. Warren asked if sewer would be increasing and if so, how much.

Ms. Warren asked if FPB would reconsider the cycle billing issue.

Mr. Robert Roach spoke in reference to FPB's mission statement and providing services at an affordable rate.

Mr. Roach requested FPB look closely at our costs and energy conservation efforts.

Ms. Jane Doll questioned the brightness of the lights at the Reservoir/Headend.

10. **Informational Item: Departmental Reports:**

- Website Customer Comments
- Cable Dept.
- Customer Service



- Electric Dept.
  - SEPA
- KyMEA
- Safety
- Water Distribution
- Water Treatment Plant
- Administration Building
- Headend

Mr. Ludwig stated due to the length of the agenda, did any Board Members have questions for any Department Head at this time. With no response, Mr. Ludwig requested Mr. Marillia update the Board on the Administrative Building. Mr. Marillia stated the progress is tremendous and is averaging \$1million to \$1.5 million in place construction each month. Construction is on track to turn the building over in December 2016. Due to engineer options/designs and modifications approximately \$115,000 of costs reductions have been saved thus far on this project.

In response to Ms. Rosen, Mr. Marillia stated he could not comment on the Frank Shelton case as it is the subject of a litigation. Mr. Marillia stated his firm has provided documentation in regard to the case. Mr. Bannister stated the lawyers have copies of that documentation.

11. **Action Item:** Consider Award of Bid Invitation #1622 for Three (3) Pad Mounted Transformers to Brownstown Electric Supply Company in the Amount of \$20,085 and One (1) Pad Mounted Transformer to Wesco Distribution in the Amount of \$15,960.

Ms. Phillips reviewed this item with the Board.

Dr. Green made a motion to approve. Mr. Baldwin seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

12. **Action Item:** Consider Renewing Agreement with G&K Services for the Rental of Field Uniforms with No Price Increase.

Ms. Phillips stated this contract is for two (2) years with no price increase. G&K has provided these services for several years with satisfactory results.

Mr. Pogrotsky moved to approve. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

13. **Action Item:** Consider Asplundh Tree Expert Company's Contract Renewal Offer for Tree Trimming Services.

Ms. Phillips stated Asplundh has offered a contract renewal with a 1% price increase for labor and equipment. Staff believes offering a new bid would result in an increase greater than 1%.

In response to Ms. Rosen, Mr. Hudson stated within a three (3) year period the tree trimming section is completed. However, this trimming does affect cable because they are on the same pole and cable is below the electric lines.

Mr. Hudson stated he did not know of a utility company in the state that does not outsource their tree trimming services because of the costs of labor and equipment. Asplundh crews are training and certified to trim trees as the National Arbor Standards. As well, they assume all of the liability.

Mr. Pogrotsky moved to approve. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

14. **Action Item:** Consider Award of Bid Invitation #1619 - Annual Price Contract for Distribution Transformers to Wesco Distribution.

Ms. Phillips reviewed this item with the Board.

Dr. Green moved for approval. Mr. Baldwin seconded. Mr. Ludwig called for the vote and the motion passed unanimously.



15. **Action Item:** Consider Renewal of Annual Price Contract for Ductile Iron Pipe, Ductile Iron Fittings, Valves, and Tapping Sleeves to Ferguson Water Works.  
Ms. Phillips stated Ferguson Water Works had offered a price contract with FPB with no price increase.  
Mr. Ludwig moved to approve. Mr. Pogrotsky seconded. Mr. Ludwig called for the vote and the motion passed unanimously.
16. **Action Item:** Consider Renewal of Annual Price Contract for Hydrants to East Jordan Iron Works.  
Ms. Phillips stated East Jordan Iron Works has offered this contract with no price increase.  
Dr. Green moved to approve. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed unanimously.
17. **Action Item:** Consider Award of Bid Invitation #1618 - Annual Price Contract for the Purchase of Wood Poles to Thomasson Lumber.  
Ms. Phillips stated Staff recommends Thomasson Lumber as the lowest bidder to meet specifications.  
Mr. Pogrotsky moved to approve. Ms. Rosen seconded and asked how we determine when to use wood versus metal poles.  
Mr. Hudson stated all of our transmission poles are 70 feet or higher and are steel. However, our distribution poles are wooden. Mr. Foster added steel poles at 70 feet or higher are usually cheaper than wooden poles.  
Mr. Ludwig called for the vote and the motion passed unanimously.
18. **Action Item:** Consider Approving Proposed Water Rate Increase and Subsequent Tariff Changes.  
FPB conducted a public hearing in reference to this item on May 24, 2016 with no specific comments received. Staff is requesting approve of this rate increase and tariff changes effective July 1, 2016.  
In response to Mr. Baldwin, Mr. Billings summarized the rate as approximately \$27.40 per month (for 4,000 gallons) to City customers and \$33.56 to our County customers. Kentucky American currently is at \$33.69 per month (for 4,000 gallons). However, Kentucky American has requested a rate increase.  
Mr. Pogrotsky moved to approve. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.
19. **Action Item:** Consider Approving Proposed Retail Electric Rate Increase to be Effective July 1, 2016.  
Mr. Foster stated Kentucky Utilities had notified their municipal customers of a 10.82% wholesale electric rate increase this year. This is approximately a 9% increase to FPB electric customers effective July 1, 2016.  
FPB conducted a public hearing on May 24, 2016 for this item. At that hearing there were no oral or written comments received.  
At Mr. Baldwin's requests, Mr. Foster offered a comparison of our rates versus other municipals and private utilities. Bowling Green Municipal is 12.48% more expensive, Owensboro Municipal is 48.83% more expensive, Owen Electric is 26.7% more expensive and Kentucky Utilities is 23.97% more expensive than FPB rate. These figures are based on an average residential customer based on 1,200 kilowatts per month.  
Dr. Green moved to approve this rate effective July 1, 2016. Mr. Pogrotsky seconded. With discussion, Dr. Green stated with the money we receive from our customers, \$.82 of every \$1.00 goes to KU. Leaving \$.18 with FPB to purchase poles, transformers, wire, equipment, salaries and benefits.  
Mr. Ludwig called for the vote and the motion passed unanimously.
20. **Action Item:** Consider Approval of Bid Invitation #1623, Contract Labor for Cable Installation to Custom Cable Services for up to \$300,000.



Mr. Higginbotham stated we received only one bidder. Mr. Higginbotham felt this is due to FPB not being a larger provider such as Time Warner, etc. Custom Cable Services contractors have worked with FPB for approximately three years.

Mr. Baldwin stated he would like to see plans to begin bringing these jobs in-house in the future. Mr. Higginbotham stated he would explore this issue.

Mr. Ludwig moved to approve. Dr. Green seconded. Mr. Bannister polled the Board. The motion carried with three yeas, with Members Baldwin and Rosen voting nay.

21. **Action Item: Approve FPB/COT Dark Fiber Redundant Ring Service Agreement.**

Mr. Higginbotham stated this is a renewal of a 2008 contract with Commonwealth of Technology.

Mr. Baldwin moved to approve. Ms. Rosen seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

22. **Action Item: Consider Approving a Request for Public Hearing Regarding Change to Electric Net Metering Tariff.**

Mr. Foster discussed the net metering tariff with the Board.

Mr. Ludwig moved to approve a public hearing. Mr. Baldwin seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

23. **Action Item: Consider Approving a Request for Public Hearing Regarding Change to Water Tariff for Mobile Home Parks.**

Mr. Billings stated this change removes the requirement for mobile home parks to be master metered. This will allow the mobile home parks to be either master metered or individually metered at the discretion of FPB.

Mr. Pogrotsky moved to approve a public hearing. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

24. **Action Item: Consider Approving Amendment to Rovi Agreement.**

Mr. Couch stated Rovi provides programming on all of our set top boxes.

Mr. Pogrotsky moved to approve. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

25. **Action Item: Consider Approving Hulu Offering Distribution Agreement.**

Mr. Couch stated this agreement was through September, 2018.

Mr. Baldwin moved to approve. Ms. Rosen seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

26. **Action Item: Consider Approval of Amendment with Vubiquity.**

Mr. Couch reviewed this item with the Board. Vubiquity allows FPB to offer video on demand content. This agreement is extended for an additional three years.

Mr. Baldwin moved to approve. Mr. Ludwig seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

27. **Action Item: Consider Approving Statement of Work from Renegade Communications in the Amount of \$17,500.**

Mr. Couch explained that Renegade provides on-site training to our Customer Service Representatives which allows them to better serve our cable/telecom customers.

Mr. Pogrotsky moved for approval. Dr. Green seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

28. **Action Item: Consider Approval of Tariff Revision Related to Budget Billing.**

Ms. Gilliam reviewed the budget billing process with the Board. A public hearing was held on May 25, 2016 with no public comments received.

Ms. Rosen moved to approve the changes as stated. Mr. Baldwin seconded. Mr. Ludwig called for the vote and the motion passed unanimously.



29. **Action Item:** Consider Approval of Development, Testing, Customer Education Process and Implementation of Cycle Billing.
- Board Member Rosen stated she was the Chair of the Cycle Billing Committee. The Committee is prepared to proceed with a 2 cycle billings per month. The transition is anticipated to begin in November, 2016. Mr. Pogrotsky, Ms. Rosen and Ms. Gilliam discussed the timing of this change.
- Mr. Baldwin moved to approve. Dr. Green seconded.  
Mr. Ludwig called for the vote. The motion carried with four yeas with Member Pogrotsky voting nay.
30. **Action Item:** Consider Approval of Addendum to Windstream Agreement for purchase of additional bandwidth (\$87,600).
- Mr. Higginbotham requested the Board consider item 30 and 31 as an either or item. Approval of this agreement allows FPB to offer additional bandwidth to our customers.
- Following a lengthy discussion, Dr. Green moved to approve the Windstream Agreement for the purchase of additional bandwidth in the amount of \$87,600. Mr. Pogrotsky seconded. Mr. Pogrotsky called for the question. Mr. Ludwig requested Mr. Bannister call the vote by member. The motion carried with three yeas and Members Rosen and Baldwin voting nay.
31. **Action Item:** Consider Approving Addendum to Master Service Agreement with Time Warner Cable Enterprises, LLC (TWC) for Dedicated Internet Access.
- Mr. Higginbotham discussed this item along with item #30. Because of the approval of Item #30, Mr. Ludwig stated that this item was moot and there was no further discussion and no vote taken on this item.
32. **Informational Item:** Presentation by Chris Moore for the KentuckyWired Project.
- Mr. Chris Moore reviewed his presentation to the Board. Mr. Moore stated he does not anticipate this project being completed by the original date of May, 2016. However, progress has been made with pole attachment agreements with several carriers. Mr. Moore stated 14-15% of the project (in Frankfort) would be underground.
- Mr. Moore stated the website, [KentuckyWired.ky.gov](http://KentuckyWired.ky.gov) should reflect the status of the project as it proceeds.
- At this point in the meeting:
- Mr. Ludwig stated items 33 - 42 pertained to possible modifications or changes to the proposed budget. Mr. Ludwig stated time did not allow for these items to be covered in this meeting, and a special meeting was needed.
- Following a discussion, all members agreed to a special meeting on Tuesday, June 28<sup>th</sup> at 5:00 p.m. In addition, another special meeting on Thursday, June 30<sup>th</sup> at 9:00 a.m. Both meetings will be held at Farmer's Bank Community Room.
33. **Action Item:** Consider Addition of Grant Administrator Role.
34. **Action Item:** Consider a Spending Freeze for the HFC Network until a Long Term Broadband Strategic Direction is Defined.
35. **Action Item:** Consider Addition of \$20,000 in Next Year's Budget to Review Viability of Energy Efficiency Programs Similar to How\$mart KY.
36. **Action Item:** Consider Adoption of Policy to Include Open Source Software Options in All Future New Software Acquisitions.
37. **Action Item:** Consider Removal of Funding for Virtualization Software (Nutanix) Pending Evaluation of Open Source Options.
38. **Action Item:** Consider Funding \$2500 for Evaluating a New Direction in Landscape Maintenance.
39. **Action Item:** Consider Expanding the Involvement of FPB Board of Directors in Budget Planning Process.



- 40. Action Item: Consider Additional Allocation to Budget to Assist GM in Meeting 2016 Customer Satisfaction Goal.
- 41. Action Item: Consider Removal of Budget Allocation for Customer Outreach Items. (Portion of \$37k detailed on page 31 line 90).
- 42. Action Item: Consider Removal of Budget Allocation to Fund New Business Telephone Services Sales Role.

43. Old & New Business:

Consider the Award of Bid Invitation #1620 - Annual Price Contract for Water Treatment Chemicals. (Leigh Ann Phillips will discuss)

Ms. Phillips reviewed the Staff's recommendations for this bid. Ms. Rosen questioned why some chemical decreased by so much. Ms. Phillips stated it was due to the market.

Mr. Pogrotsky moved to approve. Mr. Baldwin seconded. Mr. Ludwig called for the vote and the motion passed unanimously.

At this point in the meeting:

Mr. Baldwin requested that minutes from a Special Meeting at the Clubhouse be amended to include Dr. Green's item and his commentary.

Mr. Baldwin and Mr. Pogrotsky discussed Tanglewood meetings notifications and minutes.


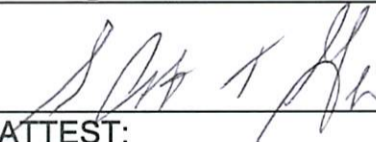
44. Informational Item: General Manager's Comments.

None.

45. 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.

45A. After closed session, the Board returned to open session and moved to approve SEC settlement agreement related to bond disclosures. Member Pogrotsky moved to approve. Member Green seconded. The motion passed.

With no further business to discuss, Mr. Pogrotsky then moved to adjourn. Mr. Baldwin seconded. Mr. Ludwig called for the vote and the meeting adjourned.

  
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ATTEST: