



# MINUTES

## FPB Board Meeting

5:00 PM - Tuesday, February 20, 2024 - Community Room

The Frankfort Plant Board met on Tuesday, February 20, 2024 at 5:00 PM in the Community Room.

### ATTENDANCE:

John Cubine, Board Chair  
John Snyder, Board Vice Chair  
Stephen Mason, Board Secretary/Treasurer  
Kathryn Dutton-Mitchell, Board Member  
Jason Delambre, Board Member  
Gary Zheng, General Manager  
Harvey Couch, Marketing Video Content Coordinator  
Katrina Cummins, Finance Director  
Adam Hellard, Cable/Telecom Superintendent  
Scott Hudson, Electric Superintendent  
Cathy Lindsey, Communications & Marketing Director  
Kathy Poe, Executive Assistant to GM  
Hance Price, Assistant GM Administration/Staff Attorney  
Leigh Ann Phillips, Support Services Director  
Deron Rambo, Network Operations Center Director  
Travis McCullar, Director of Electric  
Jennifer Hellard, Purchasing Agent  
Nichell Brown, Human Resource Director  
Shane Holt, Asst. Cable/Telecom Superintendent  
David Columbia, Community Television Coordinator  
Brian Bourne, Water Distribution Superintendent  
Brandon Powers, Water Treatment Plant Superintendent  
Sharmista Dutta, Director of Water  
Mike Harrod, Telecom Engineering Manager  
April Rhodes, Customer Service Supervisor  
Ryan Henry, IT Director  
Russ Carter, Asst. Electric Superintendent  
Tyler Fitch, Safety Director

John Cubine convened the meeting and roll call was taken at approximately 5:00 p.m. Stephen Mason and Jason Delambre were not present at roll call but joined the meeting at approximately 5:04 p.m.

*John Snyder moved to call a closed session pursuant to KRS 61.810(1)(c) to discuss proposed litigation regarding a contract matter on behalf of FPB. Kathryn Dutton-Mitchell seconded. CARRIED. 3 TO 0.*

*John Snyder moved to come back to open session. Stephen Mason seconded. CARRIED. 5 to 0.*

NO ACTION WAS TAKEN.

**1 ACTION ITEM: APPROVAL OF MINUTES**

- 1.1 Consider Approval of the Minutes for the January 16, 2024 Board Meeting.

*John Snyder moved to approve the Minutes for the January 16, 2024 Board Meeting. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

- 1.2 Consider Approval of the Minutes for the February 7, 2024 Special Board Meeting.

*John Snyder moved to approve the Minutes for the February 7, 2024 Special Board Meeting. Stephen Mason seconded the motion. CARRIED. 5 to 0.*

- 1.3 Consider Approval of the Minutes for the February 12, 2024 Special Board Meeting.

*Kathryn Dutton-Mitchell moved to approve the Minutes for the February 12, 2024 Special Board Meeting. Jason Delambre seconded the motion. CARRIED. 5 to 0.*

**2 ACTION ITEM: ACCEPT FINANCIALS**

- 2.1 Consider Accepting the Financial Statements for Month Ending January 31, 2024

*Stephen Mason moved to Accept the Financial Statements for Month Ending January 31, 2024. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

**NEW BUSINESS ITEM: Stephen Mason moved to send a symbol of sympathy to the family of Hank Hancock. John Snyder seconded. CARRIED. 5 to 0.**

**3 ACTION ITEM: HOLMES STREET PROJECT**

- 3.1 Consider approving a commitment for waterline relocation work for the City of Frankfort's Holmes Street Revitalization Project. (Sharmista Dutta, Chuck Knowles, and Chase Wright to discuss)

The City of Frankfort continues to apply for federal grants for the revitalization of the Holmes Street corridor. The project will improve traffic flow, enhance

pedestrian and biking opportunities, improve safety, promote economic development, and connect to downtown Frankfort. Phase 1 of the project will extend from Nicol PI to Henry Street.

Chuck Knowles and Chase Wright shall discuss the project.

Summary:

The grant application includes a section requesting information relating to a local match for funding.

The estimated cost to relocate the waterlines is \$900,000 and has been divided into two parts:

Project Required Relocation: 53% = \$474,862

FPB Betterment: 47% = \$425,138

The City is requesting FPB to commit to funding the portion designated as FPB Betterment. The Water Department budgets \$500,000 annually for waterline replacements. If approved, the project costs will be divided over two fiscal years at a budgeted cost of \$212,596.

The City will fully reimburse the portion designated as Project Required Relocation.

Staff requests direction from the Board as to how to proceed with the request for a funding commitment.

***Kathryn Dutton-Mitchell moved to approve a commitment for waterline relocation work for the City of Frankfort's Holmes Street Revitalization Project. John Snyder seconded the motion. CARRIED. 5 to 0.***

#### 4 INFORMATIONAL ITEM: PUBLIC COMMENT

4.1 Board discussed web comments and responses to those comments.

#### 5 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

- PUBLIC INFORMATION
- POTENTIAL OR AGREED UPON RELATED PARTY TRANSACTIONS
- None Reported
- NETWORK OPERATIONS CENTER (NOC)
- CUSTOMER SERVICE
- TELECOMMUNICATIONS

- ELECTRIC DEPARTMENT
- SEPA
- KYMEA
- SAFETY
- WATER DISTRIBUTION
- WATER TREATMENT PLANT

## 6 ACTION ITEMS:

- 6.1 Consider Award of Bid Invitation #1798 for one Power Transformer to Virginia Transformer Corporation in the Amount of \$1,502,399. (Travis McCullar will discuss)

Staff, with the help of consultants Power Centric Solutions, prepared an invitation for one substation class power transformer and distributed it among potential vendors. In total, four bid responses were received. After independently reviewing all bids, both staff and consultants Power Centric Solutions recommend awarding to Virginia Transformer Corporation in the amount of \$1,502,399 with a delivery of 55 to 60 weeks.

Bids were evaluated on a total ownership cost formula (see page 9 of bid invitation), which accounted for energy losses over the life of the transformer. Based on this evaluated cost, Virginia Transformer Corporation submitted the lowest bid and met specifications, while also presenting the shortest lead time.

This transformer pertains to the planned State Farm Substation reconstruction effort as part of the Replace T21 project. This purchase is included in the 2024-2028 companywide capital additions budget, Page 17, Line Item 215. The amount included in the budget for this project is \$1,250,000.

***John Snyder moved to award Bid Invitation #1798 for one Power Transformer to Virginia Transformer Corporation in the Amount of \$1,502,399. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.***

- 6.2 Consider Award of RFP 2024-1 for Community Solar Expansion. (Travis McCullar will discuss)

Staff publicly advertised RFP 2024-1 for the expansion of FPB's community solar facilities and issued it directly to potential bidders. The RFP called for completion of phases II-IV of the existing solar array at the Admin building, and additional arrays on site to bring the total solar capacity to 1 – 2MW. The proposals received will support FPB's efforts to pursue grant funding from the USDA. Staff is requesting the Board approve the vendor selection, with the contingency that

final contracting and notice to proceed will be contingent upon successfully receiving the grant funding.

The deadline to apply for the REAP grant from the USDA is March 31st. If successful, up to 50% of the project cost will be covered by the grant. In addition to the USDA funding, a considerable portion of the cost will be reduced through direct payment provisions of the Inflation Reduction Act.

***John Snyder moved to award RFP 2024-1 for Community Solar Expansion to Solar Energy Solutions, not to exceed \$2,000,000 with the final options of solar array to be determined at a later date. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.***

6.3 **Consider Approval of Electric Tariff Revisions for Multi-Lot Development Refunds. (Travis McCullar will discuss)**

On January 16th, 2024, the Board held a public hearing related to reinstatement of refunds for multi-lot residential and commercial developments. The proposed tariff revisions will authorize a partial refund for electric line extension costs, based upon the number of new electric customers added to the Plant Board system and the anticipated rate class for each customer. Under the proposed terms, refund eligibility would end five years after the contract signing.

Originally, the changes were proposed to go into effect on July 1st so refunds could be accounted for in the next budget. Since the public hearing date, a local developer has requested consideration from the Board to make the policy change retroactive for projects under construction or recently completed. If the Board chooses to consider this change, staff recommends limiting reimbursement to projects that were approved on or after the start of the current fiscal year (July 1st, 2023). To be considered approved by this date, the developer must have paid the advance cost for electric service extensions.

Staff recommends the Board approve the tariff revisions, contingent upon an active date agreeable to the Board.

***John Snyder moved to approve Electric Tariff Revisions for Multi-Lot Development Refunds effective July 1, 2023 for projects paid and released to construction by or after that date. Jason Delambre seconded the motion. CARRIED. 5 to 0.***

6.4 **Consider FY 2023-2024 Budget Amendment to Increase Nextband Construction Capital Budget by \$2.5M to \$6.5M for the Fiscal Year. (David Denton will discuss)**

The Nextband fiber broadband construction in our existing territory is currently running six months ahead of schedule, which means the dollar volume of investment is ahead of schedule. Through the first seven months of FY 2023-2024 the Telecommunications Division has spent \$3.7M or 92% of the \$4M

Nextband construction budget for the year, which equates to approximately \$500k per month. In order to keep the current fiber construction pace for the remaining five months of the fiscal year staff is asking the Board to consider increasing the FY 2023-2024 Nextband construction budget by \$2.5M to \$6.5M. The additional \$2.5M would come from the Telecommunication Division's cash reserves. Fiber construction costs have somewhat stabilized, but that is expected to change when over \$1 billion in Broadband Equity, Access & Deployment (BEAD) Program grant funds flood the market driving demand for broadband project inputs.

***Jason Delambre moved to approve a Budget Amendment for the 2023-2024 Fiscal Year to increase Nextband Construction Capital Budget by \$2,500,000 to \$6,500,000 for the Fiscal Year. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.***

## **7 INFORMATIONAL ITEMS:**

### **7.1 Power Supply Planning Progress. (Travis McCullar will discuss)**

Staff will provide an update on the progress of the power supply planning work done with GDS Associates.

**Staff and Board discussed status of power supply planning.**

### **7.2 Ashwood Update.**

**Mr. Zheng discussed status of Ashwood Solar.**

### **7.3 NREL Discussion.**

**Jason Delambre, Gary Zheng and Travis McCullar were designated as contacts to meet with City to discuss issues, conditions, and identify criteria to be met to qualify for grant funds.**

## **8 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS**

## **9 INFORMATIONAL ITEM: OLD & NEW BUSINESS**

### **9.1 Action Item: Tanglewood Clubhouse Renovation Project.**

***Sharmista Dutta and Leigh Ann Phillips are to contact G. Scott Architects to get an estimate on complete design/build and contact Herrick to request an estimate on Inspection Report items.***

## **10 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION**

**10.1 *Request permission to call a Closed Session pursuant to KRS 61.810(1)(c) to discuss pending or proposed litigation regarding collection matter, advertising matter, breach of contract matter, employment matter, cost recovery matter, and a regulatory matter; pursuant to KRS 61.810(1)(g) to discuss a specific proposal that if openly discussed would jeopardize the***

*siting, retention, expansion or upgrading of a business; and pursuant to KRS 61.810(1)(m) to discuss infrastructure records that expose a vulnerability through the disclosure of the location and configuration of public utility critical systems exempted from disclosure under KRS 61.878(1)(m)1.f.*

*John Snyder moved to call a closed session pursuant to KRS 61.810(1)(b) for deliberations on the future acquisition of real property because publicity would likely affect the value of a specific piece of property to be acquired for public use; pursuant to KRS 61.810(1)(c) to discuss proposed litigation regarding a declaratory judgment matter on behalf of FPB; and pursuant to KRS 61.810(1)(m) to discuss infrastructure records that expose a vulnerability through the disclosure of the location and configurations of public utility critical systems exempted from disclosure under KRS 61.878(1)(m)1.f. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

11 CLOSED DOOR SESSION

11.1 Come out of closed session.

*John Snyder moved to come out of closed session. Jason Delambre seconded the motion. CARRIED. 5 to 0.*

12 ACTION ITEM: POSSIBLE ACTION REGARDING CLOSED DOOR DISCUSSION

12.1 No Action Taken.

13 ACTION ITEM: ADJOURNMENT

13.1 Adjourn meeting.

*John Snyder moved to Adjourn meeting. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.*

  
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Board Chair

  
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Board Secretary/Treasurer