



MINUTES

FPB Board Meeting

5:00 PM - Tuesday, March 17, 2020

Community Room

The Frankfort Plant Board met in FPB Board Meeting on Tuesday, March 17, 2020 at 5:00 PM in the Community Room.

ATTENDANCE:

Dawn Hale, Board Secretary/Treasurer
John Cubine, Board Chair
John Snyder, Board Member
James Liebman, Board Attorney
Gary Zheng, General Manager
David Denton, Chief Financial Officer
Vent Foster, Chief Operations Officer
Casey Jones, IT Director
Cathy Lindsey, Communications & Marketing Director
Kathy Poe, Executive Assistant to GM
Hance Price, Assistant GM Administration/Staff Attorney
Julie Roney, Water Treatment Superintendent
Travis McCullar, Chief Electric Engineer

1 ACTION ITEM: APPROVAL OF MINUTES

- 1.1 Consider Approval of the Minutes for the February 18, 2020 Board Meeting.

John Snyder moved to approve the minutes of the February 18, 2020 board meeting. Dawn Hale seconded the motion.

CARRIED. 3 to 0.

2 ACTION ITEM: ACCEPT FINANCIALS

- 2.1 Consider Accepting the Financials for Month ending February 29, 2020.

Dawn Hale moved to accept the financials for month ending February 29, 2020. John Snyder seconded the motion.

CARRIED. 3 to 0.

3 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS

- 3.1 Mr. Zheng advised the Board of the steps being taken due COVID-19. Ms. Lindsey further explained correspondence and notification to customers.

4 INFORMATIONAL ITEM: PUBLIC COMMENT

5 INFORMATIONAL ITEM: WEBSITE CUSTOMER COMMENTS

- 5.1 Web Comments

6 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

- 6.1 Dispense with Departmental Reports.

John Snyder moved to dispense with departmental reports and accept as read. Dawn Hale seconded the motion.

CARRIED. 3 to 0.

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

7 ACTION ITEMS:

7.1 Action Item- Consider award of RFP 2018-4 for an Advanced Metering Infrastructure (AMI) Solution to Sensus North America.

In September of 2018, Staff issued Request for Proposal 2018-4 for an Advanced Metering Infrastructure (AMI) solution. Due to the highly complex and technical nature of AMI systems, the Board authorized Staff to evaluate and determine the recommendation for award based on the competitive negotiation statute (KRS 45A.370). The final contract presented for approval is the culmination of a multi-year investigation into AMI, which formally began with an AMI Business Case study that was accepted by the Board in 2017.

The business case study performed by FPB and Vass Solutions included a comprehensive cost and benefit model and a proposed AMI implementation plan. The business case model is a conservative estimation, which only includes benefits that can be feasibly achieved during the life cycle of the system. Based on the findings of the business case, the Board authorized Staff to issue the RFP and evaluate vendors.

The RFP evaluation process, conducted with the support of VASS Solutions, included several evaluation stages to determine which vendor was best suited to deliver an AMI system for FPB and our customers. The process included reviews of proposals, on-site interviews, multiple reference checks, and contract negotiations with the top ranked vendor.

The final contract submitted for your review includes complete automation of FPB's electric and water metering system, a licensed point to point communication system, project management, and meter deployment services. The proposed contract is for 15 years including 2.5 years for deployment. The contract value for the AMI system is \$6.6 million for deployment and \$1.31 million for ongoing operations post deployment, for a total contract value of \$7.97 million, which is within the total estimated during the business case study.

Staff recommends award of RFP 2018-4 to Sensus North America for an Advanced Metering Solution. The Staff attorney has reviewed the contract and it meets his approval.

John Snyder moved to pass over this item at this time. Dawn Hale seconded the motion.

CARRIED. 3 to 0.

7.2 **Action Item- Consider Award of Bid Invitation #1691 for Substation Erosion, Drainage and Stabilization Mitigation at Myrick Substation to E-Z Construction Company, Inc. in the Amount of \$235,686.00.**

Staff prepared an invitation for substation erosion mitigation and site stabilization improvements and sent it to 21 contractors. Two responses were received. Staff has reviewed the bid submissions, and recommends awarding to E-Z Construction Company, Inc. for an amount of \$235,686. E-Z Construction submitted the lowest bid and met the specifications.

This project is necessary to repair the substation site and offset continuous erosion problems. This contract includes rock removal, drainage improvements and fence replacement. The funds for this project are included in the 2019-2020 Electric Capital Additions Budget, Page 15, Line 285, \$271,000.

Dawn Hale moved to approve Bid invitation #1691 for substation erosion, drainage and stabilization mitigation at Myrick Substation to E-Z Construction Company, Inc. in the amount of \$235,686.00. John Snyder seconded the motion.

CARRIED. 3 to 0.

7.3 **Consider Approval of a Renewal Agreement with Spectrum for Internet bandwidth (\$138,216).**

This agreement is a renewal and upgrade of two (2) of our existing Spectrum Internet circuits. The Internet bandwidth from these circuits is providing Internet to both business and residential Internet customers.

This renewal agreement will increase our available bandwidth to keep pace with our increasing customer demand at a similar monthly recurring charge.

Monthly Recurring Charge: \$ 5,759 per circuit

This renewal was included in the budget and has been reviewed and approved by the Cable-Telecom Superintendent.

Staff recommends the approval of a Renewal Agreement with Spectrum for Internet bandwidth.

John Snyder moved to approve renewal agreement with Spectrum for internet bandwidth in the amount of \$138,216. Dawn Hale seconded the motion.

CARRIED. 3 to 0.

7.4 **Action Item: Consider Approval of Coronavirus Preparedness Plan.**

In recent weeks it has become apparent that the coronavirus will impact FPB's operations. Currently, there are 8 reported cases in Kentucky and the number is expected to increase. In order to respond to these dynamic conditions and make certain FPB is able to continue providing critical services to the community, the General Manager requires the flexibility to modify certain policies and procedures of the FPB. Consequently, Staff asks that the Board move to approve allowing the general manager to modify personnel policies (such as sick time, leave time, and health insurance), procurement and spending policies such that the General Manager may expend funds as necessary to respond to the conditions, and terms and conditions of service contained in the tariff for a period of three (3) months at his discretion. The General Manager shall deviate from any established policy no more than is necessary to respond to the conditions

and shall immediately inform the Board of the operational change or expenditure and the reasons therefor.

John Snyder moved to approve temporary authority for the general manager to modify polices (such as sick time, leave time, and health insurance), procurement and spending policies such that funds may be expended as necessary to respond to the conditions, and terms and conditions of service contained in the tariff for a period of three (3) months at his discretion and as noted above. Dawn Hale seconded the motion.

CARRIED. 3 to 0.

8 INFORMATIONAL ITEM: OLD & NEW BUSINESS

8.1 Update on Traveling Screen Project.

Julie Roney explained that the old traveling screen removed for maintenance was in worse condition than was original believed. She further explained that the screen was twenty-five (25) years old and the purchase of a new screen would cost less than repairing the old screen.

John Snyder moved moved to approve purchase a new traveling screen in the amount of \$173,950 and approval of a budget amendment to cover the additional cost if necessary. Dawn Hale seconded the motion.

CARRIED. 3 to 0.

9 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

9.1 *John Snyder moved to come out of closed session. Dawn Hale seconded the motion.*

CARRIED. 3 to 0.

10 CLOSED DOOR SESSION

10.1 Come out of closed session.

Dawn Hale moved to come out of closed session. John Snyder seconded the motion.

CARRIED. 3 to 0.

<i>Dawn Hale</i>	<i>For</i>
<i>John Cubine</i>	<i>For</i>
<i>John Snyder</i>	<i>For</i>

10.2 Reservoir issue.

John Snyder moved for Staff to authorize the settlement agreement in the matter of the reservoir and execute dismissal upon receipt of a building permit for the reservoir. Dawn Hale seconded the motion.

CARRIED. 3 to 0.

11 ACTION ITEM: ADJOURNMENT

11.1 Adjournment

Dawn Hale moved *to adjourn*. John Snyder seconded the motion.

CARRIED. 3 to 0.



Board Chair



Board Secretary/Treasurer

Handwritten signature or scribble.

