



MINUTES

FPB Board Meeting

5:00 PM - Tuesday, August 16, 2022
Community Room

The Frankfort Plant Board met on Tuesday, August 16, 2022 at 5:00 PM in the FPB 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
Vent Foster, Chief Operations Officer
David Denton, Chief Financial Officer
Hance Price, Assistant GM Administration/Staff Attorney
Kathy Poe, Executive Assistant to GM
David Billings, Director of Water Operations
Harvey Couch, Marketing Video Content Coordinator
Katrina Cummins, Finance Director
Cassie Estill, Customer Service Supervisor
Adam Hellard, Cable/Telecom Superintendent
Scott Hudson, Electric Superintendent
Cathy Lindsey, Communications & Marketing Director
Leigh Ann Phillips, Support Services Director
Deron Rambo, Network Operations Center Director
Travis McCullar, Chief Electric Engineer
Jennifer Hellard, Purchasing Agent
Nichell Brown, Human Resource Director
David Columbia, Community Television Coordinator
Brian Bourne, Water Distribution Superintendent
JC Lyons, Safety Director
Brandon Powers, Water Treatment Plant Superintendent

1 ACTION ITEM: APPROVAL OF MINUTES

- 1.1 Consider Approval of the Minutes of the July 19, 2022 Board Meeting.

John Snyder moved to approve the Minutes of the July 19, 2022 Board Meeting. Stephen Mason seconded the motion. CARRIED. 5 to 0.

2 ACTION ITEM: ACCEPT FINANCIALS

- 2.1 Consider Accepting the Financial Statements for Month ending June 30, 2022 and July 31, 2022.

Kathryn Dutton-Mitchell moved to accept the Financial Statements for Month ending June 30, 2022 and July 31, 2022. Jason Delambre seconded the motion. CARRIED. 5 to 0.

3 INFORMATIONAL ITEM: PUBLIC COMMENT

- 3.1 None

4 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

- POTENTIAL OR AGREED UPON RELATED PARTY TRANSACTIONS
None
- NETWORK OPERATIONS CENTER (NOC)
- CUSTOMER SERVICE
- PUBLIC INFORMATION
- TELECOMMUNICATIONS
- ELECTRIC DEPARTMENT
- SEPA
- KYMEA
- SAFETY
- WATER DISTRIBUTION
- WATER TREATMENT PLANT

5 ACTION ITEMS:

- 5.1 Consider Recommended Changes to Existing Procurement Policy. (Vent Foster will discuss)

As the Board and Staff are aware, the current supply chain situation has created numerous challenges to the Plant Boards ability to procure material in a timely manner and maintain adequate material inventories. The continually changing and limited availability of materials in the marketplace has created a situation where there is a need to increase staffs ability to quickly secure those items. Under current practices many of the more scarce material items are spoken for and disappear from the vendors' inventory before the policy procedures can be applied and the purchase approved. In short, our current purchasing policy needs to be more nimble so that staff can quickly respond to material availability.

Staff recommends modifying the existing procurement policy and has provided the recommended language. The proposed changes do not alter any of the current purchasing authorization levels and the existing checks and balances on all spending levels remain in place.

John Snyder moved to adopt the proposed changes to the FPB Procurement Policy #16 as outlined in the documents provided to the Board. Jason Delambre seconded the motion. CARRIED. 5 to 0.

5.2 **Consider approval of professional services contract between Wet or Dry Tank Inspection Services and FEWPB for services related to Taylor Tot Tank rehabilitation in the amount of \$64,000. (David Billings will discuss)**

The 1 MG elevated storage tank located on Taylor Rd is in need of some minor alterations and a re-painting of the interior and exterior coatings.

As a matter of course, Wet or Dry was requested to provide a scope of services to provide technical details and construction related inspection services:

Assistance in preparing bidding documents		
Assistance in pre-bid or pre-construction meetings		
Provide contract phase support		
Perform warranty inspections	<u>\$64,000.00</u>	total (LS)

Technical details provided will be utilized as part of FPB's bidding and contract documents. Inspection services provided will ensure compliance with contract documents by painting contractor. Wet or Dry has the personnel, experience, and necessary certifications to provide the scope of services. In addition, Wet or Dry has successfully performed for FPB in the past as well as many utility providers in the region.

The current budget includes \$500,000 for the project. The contract was provided to the Staff Attorney for review and Staff recommends that the Board approve the contract with Wet or Dry Tank Inspection Services contingent on receipt of required certificate of insurance.

Stephen Mason moved to approve the professional services contract between Wet or Dry Tank Inspection Services and FEWPB for services related to Taylor Tot Tank rehabilitation in the amount of \$64,000. Jason Delambre seconded the motion. CARRIED. 5 to 0.

- 5.3 Consider approval of Amendment No. 1 between Strand Associates, Inc. and FEWPB for additional construction related engineering services related to Reservoir construction for a net increase of \$32,100. (David Billings will discuss)

At the April 2020 meeting, the Board approved a professional services agreement with Strand for the final design and construction related activities necessary for the Reservoir. This amendment adjusts the existing engineering agreement to reflect the construction schedule extension approved by the Board in June.

<u>Breakdown</u>	<u>Current</u>	<u>Proposed</u>
Final Design Services	\$63,000	\$63,000 (LS)
Bidding-related Services	\$15,600	\$15,600 (LS)
Construction-related Services	\$162,100	\$162,000 (LS)
Site Landscaping Architecture Services	\$40,800	\$40,800 (T&E NTE)
Reservoir Monitoring Program Extension	\$36,000	\$2,100 (T&E NTE)
If-Authorized Services	\$25,000	\$25,000 (T&E NTE)
Construction-related Services Extension	N/A	\$66,000(LS)
TOTAL	\$342,500	\$374,600

Based on fee adjustments proposed, this amendment increases the total contract amount by \$32,100 and extends the contract administrative services a total of 6 months.

The FY23 budget includes \$2,200,00 for engineering and construction of the project. The amendment has been reviewed by the Staff Attorney and Staff recommends that the Board approve Amendment No. 1 with Strand Associates for a net increase of \$32,100.

Stephen Mason moved to approve Amendment No. 1 between Strand Associates, Inc. and FEWPB for additional construction related engineering services related to Reservoir construction for a net increase of \$32,100. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.

- 5.4 Consider Award of Bid Invitation #1759, Traveling Screen Replacement, to Atlas-SSI for \$194,272. (Brandon Powers will discuss)

The raw water intake station has two traveling screens that remove debris before the water is pumped up to the plant. Screen #1 has been in service for many years and is in need of replacement for reliable service. The second screen was replaced in 2020.

The contractor will remove and dispose of the existing screen and install the new screen.

Invitations to bid were direct mailed to four contractors and publicly advertised on Jul 6, 2022 and July 10, 2022.

On July 20, 2022 one bid was received (see attached bid tabulation):

1. Atlas-SSI \$194,272.00

The Water Treatment Department budgeted \$225,000 in the FY 2022-2023 budget (Page 19, I 840) for the screen replacement. The cost for previous replacement in 2020 was \$191,450.

Atlas-SSI replaced the last screen and performs repairs and inspections as needed. Therefore, based on past work experience, Staff recommends to Board award the bid to Atlas-SSI in the amount of \$194,272.

Stephen Mason moved to award Bid Invitation #1759, Traveling Screen Replacement, to Atlas-SSI for \$194,272. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.

- 5.5 **Consider Award of Bid Invitation #1761– Contract Labor- Coax Cable Installation to JKC Communications. (Adam Hellard will discuss)**

Staff recommends the award of Bid Invitation #1761, Contract Labor for Coax Cable Installation, to JKC Communications. The invitation was sent directly to five vendors and publicly advertised. JKC Communications was the low bidder and met all of the requirements in the bid specifications. They have done work as a sub-contractor for Frankfort Plant Board in the past, and all work was satisfactory. Funds are included in the FTTH line item in the budget. The staff Attorney has reviewed the contract, and it meets with his approval.

Jason Delambre moved to Award Bid Invitation #1761 - Contract Labor - Coax Cable Installation to JKC Communications. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.

- 5.6 **Consider Award of Bid Invitation #1762– Contract Labor- Fiber Installation to Federal Communication on Demand. (Adam Hellard will discuss)**

Staff recommends the award of Bid Invitation #1762, Contract Labor for Fiber Installation, to Federal Communication on Demand. The invitation was sent directly to five vendors and publicly advertised. Federal Communication on Demand was the low bidder and met all of the requirements in the bid specifications. We have received positive responses from all provided

references. Funds are included in the FTTH line item in the budget. The staff Attorney has reviewed the contract, and it meets with his approval.

Jason Delambre moved to award Bid Invitations #1762 - Contract Labor - Fiber Installation to Federal Communications on Demand. Stephen Mason seconded the motion. CARRIED. 5 to 0.

5.7 Consider Approving Amendment to Rovi Agreement. (Harvey Couch will discuss)

Staff recommends the Board approve the amendment to the Rovi agreement for interactive guide services. This amendment extends the term of the current direct agreement three years, until July 31, 2025.

This agreement allows for the continuation of interactive guide services FPB has utilized since the rollout of advanced set top boxes (ASTB) in December 2000. The service allows for the functionality of DVR, VOD, PPV, and search features, in addition to the general function of tuning between channels. The fees for this service are covered in the Gateway Fee, paid by all customers with ASTBs. There is no rate reset with this amendment, it simply continues the annual increase of 3% or CPI, whichever is greater.

This agreement provides for “enriched metadata” for our local origination channel (Cable 10). As we launch Nextband Stream, most channels include poster art and advanced metadata for their programs. This will allow for us to have custom artwork for Cable 10 programs.

The Asst. GM for Administration has reviewed this amendment and it meets with his approval.

Kathryn Dutton-Mitchell moved to approve the Amendment to the Rovi Agreement. Jason Delambre seconded the motion. CARRIED. 5 to 0.

5.8 Consider Adjustment to Pay Compensation Plan Overtime Policy for Mutual Aid Pay. (Nichell Brown to discuss)

Mutual aid agreements specify the manner in which FPB and other utilities coordinate the sharing of crew resources during mutual aid/emergency situations. FPB has executed a number of Mutual Aid agreements over the past several years with utilities from the states of Kentucky, Tennessee, Georgia and Florida. These agreements were primarily used for utilities asking FPB for mutual aid assistance but FPB has requested mutual aid assistance from utilities in Kentucky during ice storms and wind events. FPB uses the APPA (American Public power Association) and the KYWARN (Kentucky Water/Wastewater Agency Response Network) mutual aid forms for responding to or requesting help from utilities during a mutual aid event. It was noticed during recent mutual aid events in western Kentucky that FPB was not compensating its responding

employees consistent with most of the other participants. The current FPB compensation plan does not have a clause for neither Mutual Aid assistance nor or Mutual Aid pay compensation. After consultation with other KMUA (Kentucky Municipal Utilities Association) members it was determined that many of the municipals in the state currently have a policy such as this or are in the process of adopting such a policy.

Staff asks the Board to consider approving Mutual Aid Pay and amend section X Compensation Plan, subsection C. OVERTIME in the Guidelines Governing Employment Electric & Water Plant Board (see the highlighted section of the policy in the detail pages) with effective date August 1, 2022. The proposed Mutual Aid response pay policy will be consistent with industry standards on mutual aid pay used by other utilities when responding to mutual aid requests.

Stephen Mason moved to approve Adjustment to Pay Compensation Plan Overtime Policy for Mutual Aid Pay retroactive to August 1, 2022. John Snyder seconded the motion. CARRIED. 5 to 0.

5.9 **Consider Award of Bid Invitation #1763 –Purchase of Remanufactured Transformers to Sunbelt Solomon and Emerald Transformers. (Jennifer Hellard will discuss)**

In the past, FPB's distribution transformers were purchased from an annual price contract. These transformers are kept in FPB's inventory and need to be replenished periodically. Orders for transformers depend on new development and the replacement of bad transformers. Due to extreme price increases and lead times on new transformers staff decided not to award the bid for the annual price contract.

In lieu of an annual price contract, staff prepared a bid for the purchase of remanufactured transformers. The bid was sent directly to five vendors and publicly advertised. We received two responses. Both vendors met the specifications for reconditioned transformers and offered a warranty.

Staff recommends awarding to the low bidder for each item based on availability. A tab sheet listing all responses and a spreadsheet listing the low bidder for each item is attached.

John Snyder moved to award Bid Invitation #1763 - Purchase of Remanufactured Transformers to Sunbelt Solomon and Emerald Transformers. Jason Delambre seconded the motion. CARRIED. 5 to 0.

6 INFORMATIONAL ITEMS:

6.1 Implementing Electric Vehicles into FPB's Fleet. (Leigh Ann Phillips will discuss)

Staff recommends a slow approach in introducing EVs into FPB's fleet. EVs are relatively new and there is little data on how they perform in a day-to-day work setting. Staff prefers to purchase or lease one or two EV's in the current fiscal year and collect data on the vehicle for a year so that we can make a more informed decision on additional EV purchases. Another reason for a slow approach is that we would eventually need fast DC chargers installed at an FPB facility if we have several EVs. As you know, there is currently a lengthy lead time on fast chargers. The chargers are also expensive. A level two charger is approximately \$10,000 and a level three is \$100,000.

Staff evaluated the needs of each vehicle that is scheduled for replacement in FY23 to determine if an EV would be an adequate replacement. FPB is unique in that we are responsible for maintaining and restoring electric, water, and telecommunication services. There are times when electric is out for an extended period of time and an EV would not be able to be charged, therefore, not being able to use the EV to respond during times of emergencies/disasters. Additional factors are the daily mileage for each vehicle, the weight that it hauls, the work it performs, and if there is an EV equivalent to the vehicle being replaced.

There is one Ford F150 pickup truck that is on the replacement schedule. This truck is driven by the Security Supervisor. The window to order the 2023 model Ford Lightning F150 has already closed. After discussion with the Telecom Superintendent, this replacement can be pushed out an additional year in hopes of getting a 2024 Lightning.

There are three Cable Installer vans that are on the replacement schedule. The new vans that we have been purchasing are the Ford Transit Van Mid-Roof. The EV version of this van is an E-Transit Mid-Roof. The range for an E-Transit Mid-roof is 116 miles. The range would be less with the weight of tools and equipment added and powering/charging tools. The average daily mileage for the three vans is 48.47 miles per day. Both the Transit van and E-Transit van are on the KY State Price Contract. The Transit van is \$44,655 and the E-Transit is \$51,100. After discussions with the Telecom Superintendent, staff recommends replacing one or two of the vans with an E-Transit to serve as test vehicles.

The remaining vehicles on the replacement schedule for FY23 are larger vehicles that do not have an EV equivalent or are critical in responding to outages.

After Board and Staff discussion the Board asked Staff to consider drafting a policy to include EV replacement vehicles to add to the current Fleet Replacement Policy.

- 6.2 **Update on Weatherization Project with Bluegrass Community Action Partnership. (Travis McCullar will discuss)**
- 6.3 **Community Solar Update. (Kathryn Dutton-Mitchell & Jason Delambre to discuss)**
- 6.4 **Discuss IT Positions. (Nichell Brown & Casey Jones/Ryan Henry to discuss)**

7 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS

8 INFORMATIONAL ITEM: OLD & NEW BUSINESS

9 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

- 9.1 **Request Permission to Call a Closed Session pursuant to KRS 61.810(1)(c) to discuss pending or proposed litigation regarding an OSHA matter, contract matter, cost recovery action, and an employment matter; and pursuant to KRS 61.810(1)(g) discussions concerning a specific proposal the open discussion of which would jeopardize the siting of a business.**

John Snyder moved to call a closed session pursuant to KRS 61.810(1)(c) to discuss pending or proposed litigation regarding an OSHA matter, contract matter, cost recovery action, and an employment matter; and pursuant to KRS 61.810(1)(g) discussions concerning a specific proposal the open discuss of which would jeopardize the siting of a business. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.

10 CLOSED DOOR SESSION

- 10.1 **Closed Door Session Held.**

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

11 ACTION ITEM: POSSIBLE ACTION REGARDING CLOSED DOOR DISCUSSION

- 11.1 **OSHA Matter.**

John Snyder moved to direct Counsel to proceed with Settlement as discussed in closed session in the OSHA matter. Stephen Mason seconded the motion. CARRIED. 5 to 0.

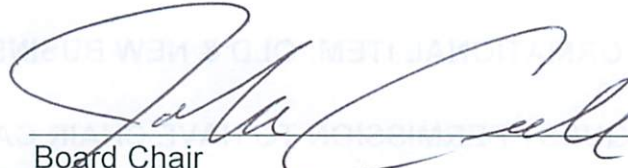
11.2 Employment Matter.

John Snyder moved to direct Counsel to proceed as directed in closed session in regards to the potential employment litigation matter. Kathryn Dutton-Mitchell seconded the motion. CARRIED. 5 to 0.

12 ACTION ITEM: ADJOURNMENT

12.1 Adjourn Board Meeting.

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



Board Chair



Board Secretary/Treasurer