



MINUTES

FPB Board Meeting

5:00 PM - Tuesday, August 17, 2021

Video-Teleconference

The Frankfort Plant Board met in a Video-Teleconference Meeting on Tuesday, August 17, 2021 at 5:00 PM.

ATTENDANCE:

Dawn Hale, Board Secretary/Treasurer
Stephen Mason, Board Vice Chair
John Cubine, Board Chair
John Snyder, Board Member
Kathryn Dutton-Mitchell, Board Member
Gary Zheng, General Manager
David Billings, Director of Water Operations
Harvey Couch, Marketing Video Content Coordinator
Katrina Cummins, Finance Director
David Denton, Chief Financial Officer
Vent Foster, Chief Operations Officer
Adam Hellard, Cable/Telecom Superintendent
Ryan Henry, Assistant IT Director
Scott Hudson, Electric Superintendent
Casey Jones, IT Director
Cathy Lindsey, Communications & Marketing Director
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
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
April Rhodes, Customer Service Supervisor
Brian Bourne, Water Distribution Superintendent
State Journal

1 ACTION ITEM: APPROVAL OF MINUTES

1.1 Consider Approving the Minutes for the July 20, 2021 Board Meeting.

Kathryn Dutton-Mitchell moved to approve the minutes for the July 20, 2021 board meeting. John Snyder seconded the motion.

CARRIED. 5 to 0.

2 ACTION ITEM: ACCEPT FINANCIALS

- 2.1 Consider Accepting the Financial Reports for the Month Ending June 30, 2021, and the Month Ending July 31, 2021.

Dawn Hale moved to accept the financial reports for the month ending June 30, 2021 and the month ending July 31, 2021. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

3 INFORMATIONAL ITEM: PUBLIC COMMENT

None

4 INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

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

5 ACTION ITEMS:

- 5.1 Consider Approval of Income Qualifying Weatherization Project Agreement. (Travis McCullar to discuss)

At the June meeting, the Board requested that Staff contact and work with BGCAP to create an income qualifying weatherization project. BGCAP proposed that it could perform up to 25 home energy audits for FPB and would also

manage the applicant qualification process. The average cost per dwelling will not exceed \$2,000.00. Staff prepared the attached Agreement to share with BGCAP. Staff notes that it contacted BGCAP in accordance with the Board's instructions and did not approach other vendors. While this is an exception to the Board's procurement processes, BGCAP has unique experience in administering income qualifying programs and the total estimated material costs is below the threshold required for bidding.

Stephen Mason moved to Approve Income Qualifying Weatherization Project Agreement with Bluegrass Community Action Partnership. Dawn Hale seconded the motion.

CARRIED. 5 to 0.

- 5.2 Consider approval of professional services agreement between PCS Technologies LLC and FEWPB for integration and programming associated with the Water Treatment Plant SCADA System upgrade at a cost not to exceed \$101,388. (Julie Roney will discuss)

PCS was requested to provide a scope of services as they have the personnel, experience, and necessary certifications to provide the work. In addition, PCS has successfully performed for FPB in the past as well as other utility providers.

The current budget includes \$350,000 for the project. The contract was provided to the Staff Attorney for review and Staff recommends that the Board approve the contract with PCS contingent on receipt of required certificate of insurance.

John Snyder moved to approve the Professional Services Agreement between PCS Technologies, LLC and Frankfort Plant Board for Integration and Programming Associated with the Water Treatment Plant SCADA System Upgrade at a cost not to Exceed \$101,388. Dawn Hale seconded the motion.

CARRIED. 5 to 0.

- 5.3 Consider Amending the FPB's 401(a) Plan Document to Disallow After-tax Voluntary Employee Contributions to Comply with Internal Revenue Code by Unchecking box 11.e. and 32.a. in the Plan Document. (David Denton to discuss)

The Frankfort Plant Board (FPB) started a 401(a) defined contribution plan in January 2020. The plan is offered through the Kentucky Deferred Compensation Authority and managed by Nationwide Financial Services. The Nationwide adoption agreement is a standard template that is used for a variety of retirement plans. The original, approved FPB 401(a) plan document selected boxes 11.e. and 32.a. allowing after-tax voluntary employee contributions to the plan. However, 401(a) plans to not allow after-tax voluntary employee contributions per the Internal Revenue Code.

Staff is requesting the Board approved the attached, revised plan document that unchecks boxes 11.e. and 32.a. to disallow after-tax voluntary employee contributions to comply with Internal Revenue Code.

John Snyder moved to amend FPB's 401(a) plan document to disallow after-tax voluntary employee contributions to comply with Internal Revenue Code by unchecking box 11e and 32a in the plan document. Kathryn Dutton-Mitchell seconded the motion.

CARRIED. 5 to 0.

5.4 Consider Approving Disney Media & Entertainment Networks / NCTC Affiliation Agreements. (Harvey Couch to discuss)

The Cable Advisory Committee and Staff recommend approval of the Disney Media & Entertainment Networks Affiliation Agreements. This NCTC agreement has a term retroactive to August 1, 2021 through July 31, 2025. The agreement contains renewals of the following 10 networks on Classic Cable: ESPN, ESPN2, ESPN Classic, ACC Network, SEC Network, Disney, Freeform, FX, FXX, and Nat Geo as well as Disney XD, Disney Junior, ESPNU, ESPNNews, FXM, and Nat Geo Wild on Preferred Cable. It also renews rights to ABC Broadcast VOD and ESPN3. There are no additional launches required through the term of this agreement.

This agreement allows for FPB to remove ESPN Classic from its channel lineup and save the associated license fees. Staff intends to remove the channel at the end of December and will communicate this to customers in the coming months. ESPN Classic programming will continue to be available to customers via the ESPN app, but there will be no associated license fees. This will save FPB approximately \$150,000 over the term of the agreement and also free up a channel slot in Classic Cable.

As far as financial impact, the average rate increase for the networks on Classic Cable is 3% in the first year. This is significantly lower than budgeted. Annual increases in subsequent years are approximately 6%, right in line with budgeted projections. The staff attorney reviewed the agreement and it meets with his approval.

John Snyder moved to approve Disney Media & Entertainment Networks/NCTC Affiliation Agreements. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

5.5 **Consider Approving the Creation of an Interim Safety Director position. (Nichell Brown to discuss)**

Staff asks the Board to consider approving the creation of an Interim Safety Director position for succession planning purposes in anticipation of the retirement of the current Safety Director in early 2022. The Safety Department is unique in that it is a two-employee department that covers multiple lines of businesses and requires field presence in FPBs entire service territory in addition to the administrative aspects of the job. To avoid having only one person to staff the department and to continue uninterrupted support to the departments and employees, Staff feels that the creation of an interim director position will allow the qualified candidate to directly train with the current Safety Director so that the candidate will be able to smoothly transition into that role.

Based on an evaluation of the job description, the recommended classification of the Interim Safety Director is an exempt position with a grade 116. The minimum starting pay is \$77,522. The impact on the 21/22 budget is estimated to be an increase of approximately \$7,965. Upon completion of training, the Interim Safety Director position will expire and the individual in this position will make the transition to Safety Director following the retirement of the current Safety Director.

If approved, Staff plans to post and fill the Interim Safety Director immediately. The proposed job description is included in the detail pages for this Board item.

Staff asks the Board to approve the Interim Safety Director position and approve a budget amendment in the amount of \$8,000 for the additional compensation required.

Kathryn Dutton-Mitchell moved to approve the creation of an Interim Safety Director position. Dawn Hale seconded the motion.

CARRIED. 5 to 0.

5.6 **Consider Approving Frankfort Plant Board Flex Work Policy. (Nichell Brown to discuss)**

Staff formed a workgroup comprised of five managers and three employees to develop the Frankfort Plant Board (FPB) Flex Work Policy.

Flex Work is the practice of working remotely from an alternate worksite (Flex Location) and the option of flexibility of the workweek schedule (Flex Schedule), as long as these practices do not violate any laws, regulations, policies or other business obligations within a workweek.

Flex Work should provide advantages for both FPB and its employees, including increased productivity and performance, enhanced employee recruitment and

retention, and a greater work-life balance. This tool allows flexible work options that can be of value during a time of emergency, inclement weather or when a rapid response is required.

During the pandemic, it became necessary for some Staff to work from alternate locations and alternate schedules to meet business obligations. This experience gave Managers firsthand knowledge and experience as to what works best for their department.

Staff asks the Board to consider approving the FPB Flex Work Policy and consider amending section X, subsection B Compensation Plan in the Guidelines Governing Employment Electric & Water Plant Board (see detail pages) to align with the FPB Flex Work Policy.

A copy of the FPB Flex Work Policy, Flex Work Agreement form, Flex Work Equipment Form, and revised guidelines are provided in the Board packet.

If approved the new policy will be incorporated into the Internal Policies and provided to employees.

Dawn Hale moved to approve the FPB Flex Work Policy. Kathryn Dutton-Mitchell seconded the motion.

CARRIED. 5 to 0.

5.7 **Consider Approval of the Covid-19 Additional Paid Sick Leave Effective July 1, 2021. (Nichell Brown to discuss)**

With the increase in local Covid-19 cases, Staff asks the Board to reinstate additional paid sick leave (APSL) with effective date of July 1, 2021.

APSL provides up to 80 hours of paid time off for employee absences related to COVID-19. Employees requesting APSL for their own Covid related health condition or requirement to quarantine receive 100% of hourly pay.

Because FPB is a municipal utility and part of the critical infrastructure, the General Manager may deny requests for time off if it would compromise our ability to deliver essential services.

If approved, eligible full-time employees will start with a new balance of 80 hours effective July 1, 2021.

Kathryn Dutton-Mitchell moved to approve Covid-19 Additional Paid Sick Leave (APSL) effective July 1, 2021. John Snyder seconded the motion.

CARRIED. 5 to 0.

5.8 Consider Licensing of FPB trademarks and service marks. (Hance Price and Cathy Lindsey to discuss)

FPB has three marks that it currently uses in its operations: "Frankfort on Tap", "FPB" and "Nextband". The Board has expressed an interest in allowing other businesses to use the FPB logo. Because our marks are important property rights used to promote FPB's operations and the City of Frankfort as well, Staff recommends licensing the use of our logos if that is the Board's preference. A draft agreement is included in the detail section for consideration and includes some factors that the Board could consider when determining whether to execute a license agreement with another business for use of our logos. Staff also recommends registration of any mark we use with the Kentucky Secretary of State and asks that the Board move to authorize Staff to file our various marks.

John Snyder moved to approve the form and direct staff to take all necessary procedures to trademark or register FPB's logos with the Kentucky Secretary of State. Kathryn Dutton-Mitchell seconded the motion.

CARRIED. 5 to 0.

5.9 Consider Approving a Resolution of the Electric and Water Plant Board of the City of Frankfort, Kentucky, in Regards to Environmentally Responsible Energy and Its Increased Inclusion in our Power Supply. (Board members will discuss)

The Board members have suggested the following resolution regarding environmental responsible energy and its increased inclusion in our power supply.

Kathryn Dutton-Mitchell moved to approve the Resolution of the Electric and Water Plant Board of the City of Frankfort, Kentucky in regards to environmentally responsible energy and its increased inclusion in FPB's power supply. John Snyder seconded the motion.

CARRIED. 5 to 0.

5.10 Approval of COVID Preparedness Plan. (Gary Zheng to discuss)

In recent weeks the number of COVID cases have dramatically increased because of the Delta variant. On August 11, 2021, there were 2,961 new COVID cases. As such, Staff has reinstated measures from last year such as separating crews, wearing masks, and working remotely to minimize the risk of infection. Staff asks that the Board move to approve allowing the General Manager to modify FPB policies including but not limited to: FPB's 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 changing conditions, and terms and conditions of

service contained in the tariff until the end of 2021 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.

Dawn Hale moved to approve COVID Preparedness Plan as stated above. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

6 INFORMATIONAL ITEMS:

6.1 Discuss recruitment practices. (Nichell Brown to discuss)

Board members and Staff discussed FPB's current and future recruitment practices and procedures. Ms. Brown will review the possibility of lineman scholarships and co-ops, and research work study programs with local colleges and universities for possible discussion at the Board at the September 21, 2021 board meeting.

7 INFORMATIONAL ITEM: GENERAL MANAGERS COMMENTS

7.1 Mr. Zheng discussed the EBB program for broadband customers and encouraged all families to apply for this program.

8 INFORMATIONAL ITEM: OLD & NEW BUSINESS

8.1 Ms. Hale thanked Mr. Denton for working with the local schools to get water fountains.

Mr. Snyder discussed his participation in the KMUA meetings and networking discussions. He advised that he was impressed with the discussions and the association, that the experience was very beneficial, and that he would be meeting with KMUA representatives in the future.

9 REQUEST PERMISSION TO HAVE CHAIR CALL FOR A CLOSED SESSION

9.1 Move to have the chair call a closed session pursuant to KRS 61.810(1)(c) to discuss pending OSHA matter.

John Snyder moved to go in to closed session pursuant to KRS 61.810(1)(c) to discuss pending OSHA matter. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

10 CLOSED DOOR SESSION

10.1 Closed Session Held.

John Snyder moved to come out of Close Session. Kathryn Dutton-Mitchell seconded the motion.

CARRIED. 5 to 0.

11 ACTION ITEM: POSSIBLE ACTION REGARDING CLOSED DOOR DISCUSSION

11.1 Action Taken.

John Snyder moved to direct Staff Attorney to proceed as directed with instructions given to him in closed session. Stephen Mason seconded the motion.

CARRIED. 5 to 0.

12 ACTION ITEM: ADJOURNMENT

12.1 Adjourn board meeting.

Kathryn Dutton-Mitchell moved to adjourn. John Snyder seconded the motion.

CARRIED. 5 to 0.



Board Chair



Board Secretary/Treasurer