



Frankfort Plant Board

Agenda

FPB Board Meeting

Tuesday, February 21, 2023 @ 5:00 PM

Community Room

Page

1. ACTION ITEM: APPROVAL OF MINUTES

- 11 - 22 1.1. **Consider Approval of Minutes for the January 17, 2023, Board Meeting**
[FPB Board Meeting - 17 Jan 2023 - Minutes \(4\)](#)
- 23 - 26 1.2. **Consider Approval of Minutes for the January 31, 2023, Special Board Meeting.**
[Special Board Meeting - 31 Jan 2023 - Minutes](#)

2. ACTION ITEM: ACCEPT FINANCIALS

- 27 - 102 2.1. **Consider Accepting the Financial Statements for Month Ending January 31, 2023.**
[01 31 23 Financial Statements for board package](#)

3. CONDUCT PUBLIC HEARING

- 103 - 109 3.1. **Conduct a Public Hearing regarding: (1) Increasing rate for Cable Network Pass-Through Fee, (2) Increasing rate for Bulk cable I and Bulk cable II, (3) Reducing Digital Gateway Fee, (4) Reducing Starz/Encore rate, and (5) Update FPB Local Weather Advertising rates.**

This Hearing will come to order. My name is John Snyder; I have been requested by the Board to conduct this Hearing. With me today are Board Members and Staff of the Frankfort Electric and Water Plant Board. We are here to receive comments regarding (1) Increasing rate for Cable Network Pass-Through Fee, (2) Increasing rate for Bulk cable I and Bulk cable II, (3) Reducing Digital Gateway Fee, (4) Reducing Starz/Encore rate, and (5) Update FPB Local Weather Advertising rates. This Public Hearing was advertised in accordance with the Regulations for Public Notification and appeared in the Weekend, February 11-12,

2023 edition of The State Journal newspaper.

To conduct this hearing in an organized fashion, we have asked that anyone wishing to comment register via email with Cathy Jennings (cjennings@fewpb.com) or Cathy Lindsey (clindsey@fewpb.com).

This Hearing will be conducted informally and voluntarily by the Frankfort Electric & Water Plant Board in order to accept comments on the above item. Both oral and written comments will be accepted. Any and all persons present who wish to make a statement will be afforded an opportunity to do so. If you have a written statement to accompany your oral presentation, a copy of the written statement should be provided to the Board prior to your presentation. Oral presentations should be limited to no more than 3 minutes. If necessary, I will interrupt and request the presentation to be completed due to this time limit. I may ask questions of any person presenting oral comments where it is necessary to clarify the nature or substance of the comments.

The Board reserves the right to answer questions at a later date. It is the job of the Board to fairly consider various points of view and information. We want public input and involvement and I hope you do not find our standard procedures restrictive.

Additional oral comments and written comments will be accepted and considered if they are submitted no later than the end of normal business hours on Monday, March 20, 2023. To submit a comment, please contact FPB at 352-4372, or on our website www.fpb.cc.

Before we open the floor for comments, Mr. Harvey Couch will provide a summary of the details

[Notice of Public Hearing 2.21.23 Cable Rate IncreaseRev](#)

[Cable Rates Expense Prices 2023](#)

[Cable TV Retail Rates 2023](#)

[Classic Cable Operation Expense 2023](#)

4. INFORMATIONAL ITEM: PUBLIC COMMENT

5. INFORMATIONAL ITEM: DEPARTMENTAL REPORTS

- PUBLIC INFORMATION
- POTENTIAL or AGREED UPON RELATED PARTY TRANSACTIONS
 - 1. None Reported.
- NETWORK OPERATIONS CENTER (NOC)

- 111
 - 1. [Network Operations Center Board Report January 2023](#)
 - **CUSTOMER SERVICE**
- 113 - 117
 - 1. [Customer Service Report](#)
 - **TELECOMMUNICATIONS**
- 119 - 122
 - 1. [Telecom Report](#)
 - **ELECTRIC DEPARTMENT**
- 123 - 126
 - 1. [Electric Dept Report](#)
 - **SEPA**
- 127 - 129
 - 1. [12 December 2022 SEPA](#)
 - **KyMEA**
 - **SAFETY**
- 131 - 132
 - 1. [February 2023 Board Report Safety](#)
 - **WATER DISTRIBUTION**
- 133 - 135
 - 1. [Water Dept Report](#)
 - **WATER TREATMENT PLANT**
- 137 - 138
 - 1. [WTP Board Report](#)

6. ACTION ITEMS:

- 139 - 148 6.1. **Action Item: Consider Approving A&E Television Networks License Agreement.**
(Harvey Couch will discuss).

Staff and the Cable Advisory Committee recommend approval of the A&E Networks agreement. The current National Cable Television Cooperative (NCTC) agreement expired on December 31, 2022. Under this agreement, carriage, packaging, and all other terms, other than rate, remain the same as the existing agreement. The rate increases are

between 2% and 3%, less than what was budgeted.

A&E Networks include the following channels: A&E, History Channel, Lifetime Network, and Lifetime Movie Network on Classic Cable and FYI, Viceland, and Lifetime Real Women on Preferred Cable. Out-of-home rights and protection against a direct-to-consumer product are included in this agreement.

[AETN2023](#)

6.2. **Action Item: Accept Minutes of December 13, 2022 Cable Advisory Committee Meeting.**

149 6.3. **Action Item: Award of Bid # 1778 to HDPE Conduit.**
(Jennifer Hellard with discuss).
[Board Agenda Item](#)

151 6.4. **Action Item: Consider Award of Bid Invitation #1776 for Two (2) Pickup Trucks to O'Brien Ford in the Amount of \$78,241.92.**
(Leigh Ann Phillips will discuss)

Staff obtained sealed bids for two (2) half ton pickup trucks to be used in the electric department. These trucks are considered additional trucks as they are for the two new AMI Technician positions.

Staff recommends awarding to O'Brien Ford in the amount of \$78,241.92. Although Dan Cummins Dodge is \$49 cheaper per truck, FPB's Heavy Truck and Equipment Technicians are Ford certified. We also have Ford diagnostics programs to diagnose any issues the trucks may later have.

\$84,000 is included in the current budget for the purchase of these trucks (page 17, lines 220 and 225).

[1776 Tab Sheet](#)

153 6.5. **Action Item: Consider Approval of Change Order No. 2 for the Ammonia and Sulfuric Acid Upgrade Project at the Water Treatment Plant for \$16,080. (Bid# 1740)** (Sharmista Dutta to discuss)

In December of 2021, the Board awarded the construction contract for the Ammonia and Sulfuric Acid Upgrade Project to Herrick Company for \$685,000 and Change Order 1 was approved in November 2022.

One of the items in change order #1 was to remove some of the interior walls due to deterioration. This results in one larger space adjacent to the high service pump station room. The existing concrete floor also has surface deterioration, therefore, WTP personnel requested a cost estimate to have the floor in the new larger room match the existing floor in the pump room. The pump room currently has an epoxy floor coating

system.

In order for the two floors to match, the necessary work consists of grinding the existing floor, surface preparation, and applying an epoxy coating with flakes on the existing concrete floor.

Summary:

Original Contract:	\$685,000
Change Order #1:	\$ 46,835
Change Order #2:	\$ 16,080

New Contract Price:	\$747,915
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\$835,000 was budgeted for construction in Fiscal Year 22-23.

Staff recommends the Board approve Change Order #2 with Herrick Company.

[Contract Change Order No. 2 - Not signed by Board](#)

- 155 - 165 6.6. **Action Item: Consider Award of Bid Invitation #1777, (Taylor Tot Elevated Tank Painting Project), to Currens Construction Services Inc. for \$529,800.** (David Billings will discuss).

The Taylor Tot tank is one of two water storage tanks on the east side of town. The 1,000,000 gallon elevated steel tank was built in the early 1960's and last painted around 20 years ago. Prior tank inspections concluded the coating system was at the end of its useful life and it was time to paint again, as well as perform some repairs and improvements during the process.

Staff, together with Wet or Dry Tank Inspection Services, developed specifications for the project and Invitations to Bid were publicly issued January 11, 2023.

On January 27, 2023, bids were received from the following contractors:

1. Currens Construction Services
\$529,800
2. Weiser Construction
\$599,640
2. D & Six Sons Painting
\$610,900
3. Seven Brothers Paintings

\$649,900

The Water Department budgeted \$500,000 in the FY 22-23 budget for the project.

Currens Construction has successfully performed work for industrial clients and utilities alike, and is also being recommended by our project consultant. Staff recommends that the Board award the bid to Currens Construction Services for \$529,800 and amend the project budget to \$667,000. The necessary additional funds will come from other capital additions projects budgeted this year that are either already completed with dollars remaining, or are not expected to be completed this year.

Project Budget:

1. Currens Construction	\$529,800
2. Wet or Dry contract	\$ 64,000
3. Tank Mixing System	\$ 20,000
4. Redundancy (unk.. repairs)	<u>\$ 53,200</u>

\$667,000 new project budget

[Wet or Dry Recommendation letter](#)

[1777 Tab Sheet](#)

[CurrensConstructionContract](#)

- 167 - 180 6.7. **Action Item: Consider Retaining Blue & Co., LLC to Conduct the 2022-2023 Financial Statement Audit for a Fee of \$38,700.**
(David Denton will discuss).

In November 2020 FPB issued a Request for Proposal (RFP) for external audit services for five consecutive years beginning with the fiscal year ended June 30, 2021 and concluding with the fiscal year ended June 30, 2025. Blue & Co., LLC was the firm selected for the audit engagement. Attached is a summary of the audit fee schedule Blue & Co. submitted with their 2020 proposal.

Blue & Co. is requesting to increase the FY 2023 audit fee to \$38,700 up 15% from the FY 2022 audit fee of \$33,650 and up 12% from the \$34,300 fee quoted in 2020. Please see a copy of email from Blue & Co. in the board packet explaining reason for requested increase.

[Audit Item](#)

[2022 02 FY2023 Audit Engagement Agenda Item](#)

[Frankfort Plant Board FY23 Audit Engagement Letter](#)

- 181 - 183 6.8. **Consider Approval of Agreement with Groves Construction and Bowlin Companies for Storm Response.**
(Scott Hudson will discuss).

Staff asks that the board approve agreements with Groves Construction and Bowlin Companies for storm response. In order for FPB to be eligible for FEMA reimbursements we must have on file agreements with contractors that can provide services to FPB in an outage restoration. These two (2) companies have provided pricing and would charge these amounts to FPB for work performed in an outage restoration after an emergency such as a storm. These companies are located in Kentucky and perform quality work. Staff asks that the board approve the agreements and rate sheets with Groves Construction and Bowlin Companies. This has been reviewed and approved by the staff attorney.

[FEPB 2023 Restoration Rates](#)

[Bowlin Energy storm rates 2023 - FPB](#)

- 185 6.9. **Action Item: Approve Sensus Project Management Change Order**
(Travis McCullar to discuss).

The AMI contract with Sensus included an agreed upon amount of \$612,000 for project management services during the duration of deployment. This previously was billed monthly at \$18,545 (less retainage) for an anticipated 33 month deployment. Based on changes to material availability, the currently expected completion date has been extended to May of 2025. To accommodate this extended deployment period, Sensus has agreed to revise the monthly invoices to \$4,550.91 from December of 2022 to May 2025. This change order will not change the total \$612,000 to be paid for the duration of the project.

[Change Request - PM Fees for Frankfort Project](#)

- 187 - 193 6.10. **Action Item: Approve resolution to adopt Joinder Agreement with Kentucky Deferred Compensation Authority**
(Nichell Brown to discuss).

FPB participates in deferred compensation programs administered by Kentucky Deferred Comp. ("KDC"). In order to continue participation in these plans (401(k) and 457) which are administered by KDC and Nationwide, FPB must execute the new Joinder Agreement and Resolution received on or about February 2, 2023. In short, the Joinder Agreement authorizes KDC to perform any and all acts incidental to administration of the plans. Staff recommends the Board move to approve the Joinder Agreement and resolution adopting the same.

[Deferred Comp Item](#)

- 195 - 198 6.11. **Action Item: Approve EV Lease Agreement with Wesbanco**
(Travis McCullar and Hance Price to discuss).

Wesbanco presently owns and maintains the parking lot located at the old L & N Railroad Depot property. Staff worked with Wesbanco and prepared the attached lease. The lease agreement is for an initial term

of three years and may thereafter be terminated on thirty (30) days written notice. It allows FPB to install and maintain a charging station at FPB's sole cost. The charging station will allow for EV charging 24/7 in the downtown area. Staff recommends approval of the lease.

[ELECTRIC VEHICLE CHARGING STATION PLACEMENT AGREEMENT](#)

- 6.12. **Action Item: Consider Amendments to the Job Classification and Compensation Plan: Reclassify Network Operations Center Director position and job title change.** (Nichell Brown to discuss).

Staff asks the Board to consider approving the reclassification of the Network Operations Center (NOC) Director due to assignment of additional job duties related to Frankfort Plant Board's physical security. These new job duties include but are not limited to implements overall security strategy, policies, and standards to ensure the physical safety of all visitors, employees, and customers to FPB facilities and the security of all property and assets.

Based on an evaluation of the job description to include the new job duties, the recommended classification for this position will move to a grade 118 from a grade 116. There is money in the budget for this change.

In addition, Staff recommends changing the title of the NOC Director position to the Security and Network Operations Director to reflect the new scope of the position.

The proposed job descriptions, organizational chart, are included in the detail pages for this Board item.

FPB staff is requesting the Board to approve the new job description and associated salary grade change to 118 effective February 20, 2023.

- 6.13. **Informational Item: Update on FPB's Health Plan Network Situation.** (Nichell Brown 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. **Motion for closed session pursuant to KRS 61.810(1)(b) for deliberations on the future acquisition of real property since publicity would be likely to affect the value of a specific piece of**

property to be acquired for public use and KRS 61.810(1)(c) to discuss pending or proposed litigation regarding property matter.

- 9.2. **Closed Session pursuant to KRS 61.810(1)(b) for deliberations on the future acquisition of real property since publicity would be likely to affect the value of a specific piece of property to be acquired for public use and KRS 61.810(1)(c) to discuss pending or proposed litigation regarding property matter.**
- 9.3. **Motion for a closed session pursuant to KRS 61.810(1)(g) regarding discussions concerning a specific proposal since open discussions would jeopardize the siting, retention, expansion, or upgrading of a business.**
- 9.4. **Motion for closed session 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.**

10. CLOSED DOOR SESSION

- 10.1. **Come out of Closed Session.**

11. ACTION ITEM: POSSIBLE ACTION REGARDING CLOSED DOOR DISCUSSION

12. ACTION ITEM: ADJOURNMENT

- 12.1. **Adjournment.**