

Environmental Quality Committee  
October 8 2013  
Summary

Stinnett called the meeting to order at 11:05 AM. All committee members were in attendance except Farmer & Myers. Kay also attended.

1. September 17, 2013 Committee Summary

On a motion by Akers, second by Gorton the September 17, 2013 Committee summary was approved unanimously.

2. Monthly Financials

Bill O'Mara reviewed the monthly financials for Fund 4002 (Sanitary Sewers Operating Fund), Fund 4003 (Sanitary Sewers Construction Fund), Fund 4051 (Water Quality Operating Fund), Fund 4052 (Water Quality Construction Fund) and Fund 4121 (Landfill Fund).

O'Mara reviewed FY 13 year end financial data followed by FY 14 year through August 31.

In response to a question from Stinnett, O'Mara discussed the impact the LexServe system has had on operating expenditures.

In response to a question from Akers O'Mara stated that the fund balance is dedicated to that fund and its future capital needs. He also discussed the difference between restricted and unrestricted fund balances.

Lane requested information about debt for each of the funds. O'Mara will provide that information.

In response to a question from Stinnett O'Mara discussed the \$ 14.5, million unrestricted fund balance as of 6.30.13. O'Mara noted that that figures was preliminary.

Gorton asked about operating expenses for the closed landfills. In response Richard Moloney stated that staff has been meeting with the State regarding expected expenditures. In response to a follow up question Moloney stated that they hoped to be able to have definitive expenditure estimates by January 2014 and the Administration will bring recommendations regarding future Landfill Fees to the Council.

In response to a question from Lane, O'Mara described the various LexServe collection issues. He stated that progressive collections, including water service shutoffs were being implemented. O'Mara stated that there are numerous methods to pay the bills including monthly, quarterly and annual payments for the customers.

Lane asked about 10-year revenue & expenditure projections. In response O'Mara discussed the process of modeling expenditures and revenue that the Administration has undertaken. O'Mara also discussed the last modeling exercise conducted 2 years ago. He stated that they should be finished with the 10-year projection exercise within 60 days and the Administration will bring ant rate adjustment recommendations to Council in January.

In response to a question from Stinnett, O'Mara stated that the \$ 4.17 million capital expenditure in the Landfill Fund during FY 13 dealt with post closure expenditures.

### 3 Climate Adaption Resolution

Rick Clewett made a presentation on climate change and climate adaptation. Clewett is a retired professor at Eastern Kentucky University.

Clewett discussed the Sustainable Communities for American process and local impacts of extreme weather, energy utilization and economic challenges. He discussed 3 related challenges: extreme weather fueled by climate change, unreliable and costly energy and economic uncertainty. He stated that local governments need to be prepared for these challenges.

He discussed preparedness policies that protect vulnerable populations and natural resources from climate. Clewett also discussed reducing our carbon footprint.

He discussed implementing energy efficiency programs, transitioning to renewable energy sources and using information technology and green infrastructure to optimize efficiencies.

Clewett discussed diversifying the local economy and cited the Lexington-Louisville Advanced Manufacturing Corridor as an example.

He asked that Lexington join with the Local Governments for Sustainability (ICLEI) efforts. He stated that ICLEI has a goal of securing commitments from local governments that agree to

Local officials commit their city to take action to improve resilience and to share their respective progress and solutions with other local governments.

Stinnett discussed what Lexington was doing already regarding climate preparedness and energy security including work through the Division of Emergency Management and the Division of Solid Waste.

Kay stated the proposal was the next logical step and that he was very supportive of the effort.

Henson asked about emergency management practices. She indicated preparedness was an upcoming topic in the Public Safety Committee. In response Clewett stated that most

communities are prepared for natural disasters but not in terms of the public health risks associated with disasters.

Stinnett asked if Clewett had approached the Administration about the initiative. In response Clewett stated that he has been dealing with Scott Shapiro in the Mayor's Office.

Kay suggested that the Committee ask for a response from the Ammonization regarding adoption of the pledge. Stinnett stated that he will follow up with CAO Hamilton.

#### 4. Empower Lexington Plan

Amy Sohner with Bluegrass Greensource made the presentation. She stated that the goal of Empower Lexington was to reduce energy consumption by 1% annually. Sohner stated that the plan was voluntary, compatible with *Kentucky's Action Plan for Energy Efficiency* and has been tracked on both a per capita and absolute basis.

She discussed energy efficiency efforts in several sectors including residential, transportation, industrial/commercial/institutional, land use/food/agriculture and waste management.

Sohner stated that in the "Residential" sector Lexington hosted Midwest Energy Conference, used home energy audit kits, Smart Builders program adopted by the Home Builders Association of Lexington,

Sohner stated that in the "Transportation" sector Lexington increased bicycle and pedestrian opportunities, increases in transit services and ridership and expansions in Ridesharing efforts.

Sohner stated that in the "Industrial" sector Lexington had distributed 1143 LED "EXIT" signs and had secured over 200 Live Green Lexington Energy partners from the business community.

Sohner stated that in the "Land Use/Food/Agriculture" Lexington has started a Tree Canopy survey; continues the Reforest the Bluegrass program; and has initiated local food coordinator pilot program.

Sohner stated that in the "Waste" sector, Lexington has improved its household waste management practices, increased in recycling efforts, and established a drop box for unwanted pharmaceuticals.

Sohner gave 4 year and annual consumption data. She stated that Electricity consumption decreased 7.6 % in the last 4 years and 1.9 % annually in 2011; natural gas consumption increased 1.1% in the last 4 years and 0.3% in 2011; Transportation miles decreased 1.4 in the last 4 years and 0.4 % annually in 2011; and landfill tonnage

decreased 11.3% in the last 4 years and 2.8% in 2011 with the population in Fayette County increased by 8.4% in that 4 year period.

Sohner also discussed greenhouse gas emissions. She stated that since 2007 emissions were reduced in the absolute by 2.9%.

Sohner stated that the community is becoming more energy efficient and is saving money. She also stated that the Empower Lexington efforts complement the 2012 Comprehensive Plan Goals & Objectives.

Sohner stated the Empower Lexington will continue its efforts to make Lexington more energy efficient; it will continue to track energy consumption and usage annually; and will update this committee on its efforts.

Mossotti asked about private solid waste providers. She stated that several don't offer recycling. In response Sohner stated that Lexington has the authority to standardize services offered by vendors.

Moloney stated that Lexington is central to a regional partnership and recycling materials from surrounding counties are processed and distributed from our recycling center.

Stinnett stated that the Waste Management Task Force is examining the standardization issue and will report back with recommendations after they obtain more financial data.

Gorton thanked Sohner for her years of service to the community. She asked about the time table to finish the Canopy Study. In response Webb will obtain that information.

Henson discussed recycling rates and stated that we should try to increase recycling efforts. In response Sohner stated that Bluegrass Greensource was retained by Lexington to manage numerous recycling and waste reduction educational efforts for schools and the business community.

Stinnett stated that the Waste Management Task Force is examining a 'pay as you throw' rate structure that would offer reduced rates when the constituents' recycle.

Moloney stated that the Vice Mayor led an effort to establish a downtown recycling pilot project.

Clarke asked about converting the solid waste vehicles to alternative fuels. In response Moloney stated that are presenting converting 11 solid waste vehicles to use Compressed Natural Gas (CNG). He stated that the Administration is examining an in house option as well as an outsourced option for fueling on the Old Frankfort corridor.

In response to a question from Clarke Moloney stated that Lextran was not involved in this option but that Lextran was pursuing a fueling station at its Loudon Avenue facility.

Kay discussed the Empower Lexington effort and encouraged those managing it to more closely tie the plan to the goals and objectives for better accountability and transparency.

Clarke stated that he agreed with Kay and asked about outreach to the community regarding the results. In response Sohner stated that they can put publicize the results.

#### 5. Distillery District Update

Stinnett noted the more detailed cost estimates for the distillery district cost estimates in the packet.

#### 6. Next Agenda

Stinnett stated that the next meeting agenda will include a discussion of the Energy Investment Fund, CAO Policy 15R regarding change orders in the Division of Water Quality and follow-up on the climate adaptation discussion from the CAO's Office.

The meeting adjourned at 1:05 PM.