



## Environmental Quality & Public Works Committee

### Virtual Meeting

May 5, 2020

### Summary and Motions

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Chair Bill Farmer, Jr. called the meeting to order at 1:00 p.m. Committee Members Steve Kay, Richard Moloney, Josh McCurn, Mark Swanson, Angela Evans, Preston Worley, Fred Brown, Jennifer Mossotti, and Amanda Mays Bledsoe were present. Council Members James Brown, Susan Lamb, Jennifer Reynolds, and Kathy Plomin were also in attendance as non-voting members.

The meeting began with Farmer providing this statement: Due to the COVID-19 pandemic, state of emergency and Governor Beshear's Executive Orders regarding social distancing, this meeting is being held via teleconference pursuant to Senate Bill 150 (as signed by the Governor on March 30, 2020) and Attorney General Opinion 20-05, and in accordance with KRS 61.826, because it is not feasible to offer a primary physical location for the meeting.

#### **I. Approval of February 4, 2020 Committee Summary**

A motion was made by Evans to approve the February 4, 2020 Environmental Quality & Public Works Committee Summary, seconded by Bledsoe. The motion passed without dissent.

#### **II. Energy Improvement Fund Update**

James Bush, Program Manager for Energy Initiatives in the Division of Environmental Policy, provided the annual update on the Energy Improvement Fund (EIF) which is responsible for managing the water, natural gas and electricity for city operations. Bush began with the utility expenditures overview and said the year to year increase is due to rate increases. He described the energy comparison from the start of FY10 through the end of FY19. He spoke about the FY19 lighting retrofits and reviewed the list of those specific projects explaining what was involved in those investments. He stated that the maximum electricity (peak) becomes the minimum paid in the following year. He reviewed the impact of COVID-19 on these figures and said funding was encumbered to offset some of that impact. He concluded the presentation with a look at future opportunities which include potential LED retrofit, building automation for Versailles Road offices, transition from hardware to software, and EIF appropriations.

Farmer asked if the capital funding would be eliminated permanently and Bush said without further appropriations, there would be no general fund money remaining for projects. Farmer asked if that would happen before the end of this budget year and Bush said it would be in June 2021.

F. Brown asked about the personnel structure and Bush explained that EIF is under the Division of Environmental Services. F. Brown asked if they have analyzed how many BTUs would be used if we had a new Government Center building and Bush explained that the number of BTUs would significantly decrease with a new building. F. Brown asked if we have solar panels on new fire stations and Bush said we do not and he explained that the average cost for each building would be \$25,000-30,000. F. Brown asked why we aren't looking all fire stations to install solar panels and Bush said the upfront funding is one concern and he explained that the Resolution that authorizes this fund indicates that projects must have a 10-year return. With a 20-year payback, solar is not as competitive as energy efficiency or a

lighting project.

Farmer spoke about future projects and asked what would be the next priority. Bush said moving the police headquarter lighting project forward is at the top of the list and we need to ensure the contractor is not going to withdraw their bid and that there will be no objection to procuring the materials. Farmer asked for clarification that there is funding for this since there is a bid and Bush confirmed there is.

Lamb commented on the \$236,000 appropriation for professional services and said only \$7,000 has been spent. She asked for an explanation of the \$309,000 and how it relates to all of this. Bush explained that there is \$309,000 from prior year savings and the appropriation is \$236,000 this year and we have approximately \$172,000 encumbered from the COVID-19 impact. He said the expenditure was a purchase for lights they tried to push through and it was easier to use operating dollars. He said \$64,000 is left after the encumbrance is taken from the appropriation and when you deduct the \$7,000 purchase for lights it leaves a remaining balance of \$57,000.

No further comment or action was taken on this item.

### **III. Impact of FY21 Budget on Division of Environmental Services**

Susan Plueger, Director of Environmental Services, provided a presentation to explain the impact of the FY21 budget on her division. She described vacancies and how the FY21 Mayor's Proposed Budget effects the General Fund which includes a proposed reduction of 50%. She reviewed current projects that would not be funded as well as positions that will not be funded and she described the resulting impact. She reviewed the 1101 programs not funded which includes the Energy Improvement Fund, Street Tree Cost Share Program, Reforest the Bluegrass, and Corridors Commission Enhancement Grants. She described how the reduction in contractors impacts mowing, horticulture, nuisance, and forestry contractors. She said the contracted work would be moved to in-house staff who would perform those services at less frequent intervals. She said we want to minimize the loss in aesthetics associated with less frequent mowing and communicate effectively with citizens about this loss.

F. Brown asked about the current balance in the Street Tree Cost Share Program and Plueger said they are fully expended on the General Fund part and she expects to spend about \$6,000 to \$10,000 of MAP money. F. Brown asked about the reduction in turf mowing and how much we would lose on contract labor. Plueger explained that there was a \$156,000 direct loss to contractors, but one thing that helped our mowers was entering an agreement with the Kentucky Transportation Cabinet to function as their contractor for turf mowing in Fayette County. She said this added \$150,000 to our local contractors. F. Brown asked about Forestry and how much was eliminated and Plueger said it was reduced by \$24,000 (from \$34,000 to \$10,000). F. Brown asked if Division of Streets and Roads could assist with the removal of boundary trees. Plueger said we do use that division and we work together with the city arborist to set a schedule.

Farmer asked if there is a strategy for beautification prior to Breeders Cup. Plueger said we will make sure it looks good, but staff will need to be reallocated. She added that several division would be working together to complete this project.

Lamb spoke about the Corridors Commission Maintenance and the \$35,000 request under professional services that was not funded. She asked if that was for a specific program or project and she also asked about the \$20,000 request under assistance that was not funded. Plueger said the \$20,000 was the

Corridors Enhancement Grants for neighborhood and other enhancements and the \$35,000 was for flowers and other annuals to beautify for events like Breeders Cup and it also included a pilot project for beautifying concrete medians. Lamb asked about professional mowing in the budget which is funded and whether that service can be done by staff. Plueger explained that this is for the Kentucky Transportation Cabinet's mowing and there is an expense line for that, but there is also a revenue line so we break-even. Lamb asked about the availability of equipment if staff were to do the work. Plueger said much of the work will be done by inexperienced staff so we will need additional smaller mowers.

Kay said the work the division is unable to do will be noticed by the community and there is funding that will be cut that will be a loss, but it will not be as visible. He said the need to inform the community about what is coming and why it is coming is crucial. He said he feels there is a variety of people who could volunteer to help out.

No further comment or action was taken on this item.

#### **IV. Division of Water Quality Projects Update**

Charlie Martin, Director of Division of Water Quality, provided a presentation on the Water Quality Projects. He said this report is dated February 2020 as COVID-19 protocol took over shortly after that. He explained the format of the projects list and what each colored line indicates. He spoke about construction which has been normal with design easements continuing. He said easement negotiations will be different, but we are working to find a feasible solution for doing that. He said we delayed the deadline for Division of Water Quality management fee to be submitted, but with the Consent Decree projects, there are penalties for missing deadlines. He said a letter was submitted to request an extension at the end of April, but a response has not been received. He is hopeful that moving forward, we will not be impacted by the deadline. He spoke about the Manchester Street project and the loss of an equipment operator for 3 weeks which delayed the progress by about a month with anticipated completion on this being the end of May.

Farmer asked if the pipe for the Euclid project is stored off Oliver Lewis Way. Martin said that is correct and they tried to find a different storage facility but were unable to negotiate that.

Bledsoe asked if there is an update on the Southland Park project and Martin said we have been unable to negotiate or communicate regarding easements. Bledsoe asked if this would be a 2021 project and Martin said if it is going to be this year, he anticipates it will be near the end of 2020. Bledsoe said she does not want this one to lose momentum on the progress that has been made.

Mossotti asked for an update on the interlocal agreement with Jessamine County and Martin explained that this goes back several years. He said we agreed to provide up to 2 million gallons per day on an average day to a specific region within Northern Jessamine County. He said the topography drains toward Fayette County and the state wanted us to work out an agreement with Jessamine County. He said approximately 60% of the 2 million gallons per day has been allocated, but they are not actually using it yet. He explained they cannot go past the 2 million gallons per day without coming before Council to amend the agreement. Mossotti asked what the cost is associated with this. Martin explained that there isn't a cost involved, they become our customers. He said we built the Jessamine County water district and they pay us for everyone in Jessamine County and then they collect from those people. He said they are full paying customers the same as if they were in Fayette County. Mossotti said we provided the infrastructure and they provided the land and she asked if there was cost involved with

that. Martin said there was not and we do not buy the infrastructure, they provide it to us.

Farmer asked about the storage capacity in Jessamine County and Martin said the rate of capacity is approximately 33.6 million gallons per day and there is a 22 million gallon storage tank that handles the surges.

Moloney asked if we can bring back local contractors when the economy comes back or if the current crisis will impact that. Martin said it is too early to tell, but the longer we continue with this economic situation, the more difficult it becomes. Moloney said a lot of our current contractors are from out of state and we want to maintain compliance with social distancing when it comes to inspections. Martin said it is easier to maintain social distancing when working on a pipeline. He said regarding treatment plants we have contractors that come on there and our safety folks along with the plant engineer have developed a more detailed protocol that a contractor has to follow. Moloney asked if there is plenty of PPE gear and Martin said we have had plenty of gloves but masks have been slower to obtain.

No further comment or action was taken on this item.

#### **V. Items Referred to Committee**

No further comment or action was taken on this item.

A motion was made by F. Brown to adjourn, seconded by Mossotti. The motion passed without dissent.

The meeting was adjourned at 2:35 p.m.