Berea Utility Advisory Board

Minutes for April 23, 2019

BMU Conference Room

Present: Josh Bills, Steve Wilkins, Diane Zekind, Rodney Short, Mayor Fraley

Staff Present: Kevin Howard, Josh Gabbard, Adrian Isaacs, Terri Brumley

1. Minutes for March 26, 2019 were approved. Minutes for meetings on March 27, 2018 & June 26, 2018 were approved as amended.
2. Kevin has had discussions with Mayor Fraley regarding new BUAB members. Jordan Williamson has officially resigned as member. Mayor Fraley has a couple of people in mind. The mayor makes the final decision.
3. On-Bill Financing Viability – Mayor Fraley says there are budgetary concerns with BMU & the City being responsible for start up costs. Mayor Fraley says not at this time but maybe at a later date. It is not budgeted nor are we prepared to go forward at this time. Mayor Fraley, Josh Bills & Steve Wilkins will discuss exploring options at a later date.
4. Rate Study: The preliminary suggestion from Paul Garcia is a 13.9% increase in sewer and a 3.95% in water.
5. Looking at Demand Charges – Small commercial is 10kW and under, no demand charges. Large commercial is over 10kW has demand charges. City of Berea Municipal Utility Tariffs don’t ignore energy efficiency but could do better. Josh Bills stated other utilities have demand charges starting at over 50kW.
6. With new Purchase Power contract, the purchase of electricity budget expense line item will go down significantly. BMU is looking at effects this will have on rates and PCA.
7. BMU Updates:

B-Lake – Litigation continues on this project.

WWTP Generator – The bid was awarded to D & B Electric. BMU completed the concrete pad and conduit installation. Contractor is waiting on switch gear and generator delivery to begin the project. Current estimate for delivery is the first of June with completion by the end of June.

Hwy 1016 Sewer Line Extension – The bid was awarded to Clay Pipeline. Construction to begin in the next couple of weeks.

Owsley Fork Reservoir – NRCS submitted a letter of support to SHIPO and USACE in an effort to speed up the process of SHIPO’s response to the final archeological report. Preliminary drilling report is expected back in a month. No negative news as far as permit goes.

Walnut Meadow/Central Park Sewer Project – Design is complete, all easements and permits have been granted. Grant funding has been secured. Project will be released for bid in the next couple of months. We are working with Bell Engineering to finalize design.

Scruggs St., Brown St. and Glades St. Waterline Replacements – Brown St. and Scruggs St. replacements and loop tie-in to Cumberland St. have been completed by BMU crews. Sturgeon Creek currently working on one section of Glades Street. Completion is expected in 2 – 3 weeks. Blacktopping will begin in a month.

Bio-Monitoring (WWTP) – There was a failure in our 4th quarter bio-monitoring as well as a follow-up sample. This triggered additional monthly testing and toxicity identification tests for 6 consecutive months. The toxicity scan identified cleaning agents and antibacterial cleanser as the source. Accelerated testing was completed with no failures. We will now revert to our regular quarterly sampling.

FERC De-Pancaking Ruling – FERC ruled in favor of KU on de-pancaked rates with the ruling all existing contracts with AMP and KYMEA would be honored before the ruling takes effect. We will not see additional transmission charges across MISO until our 5-year contract expires. KU is expected to appeal this ruling.

Berea Hospital Circuit 4KV – 12KV Conversion – Adrian is working with hospital administration in planning and scheduling of conversion to 12KV. Once complete this summer, the inner loop of the Berea College campus will be only remaining 4KV.

Flow Monitoring – The first phase of monitoring is complete, identifying most problematic areas in each sewer shed. 2018 average daily flow was approximately 4 million gallon daily (MGD). This is an increase to our normal 2.9MGD yearly average. We saw 72” rain for the 2018 calendar year. I & I identification and remediation is the #1 area of emphasis at this point. Working to get a general service agreement with a couple of pipeline rehabilitation groups this budget year. We will get Bell Engineering to do a 30-minute presentation on flow monitoring.