Berea Utility Advisory Board

Minutes for July 19, 2019

BMU Conference Room

Present: Josh Bills, Diane Zekind & Rodney Short

Staff Present: Kevin Howard, Josh Gabbard & Adrian Isaacs

Others Present: Steve Wilkins

1. Minutes for May 29, 2019 meeting were approved.
2. Mayor Fraley will be evaluating BUAB appointment choices and will inform BUAB when a

decision has been made.

1. Water Rates: Water/sewer rate increase went into effect on July 1st. We are still negotiating water wholesale rates with Southern Madison Water District.
2. Electric Rates: The current month’s PCA was calculated at 1.4 cents. This formula-based adjustment should remain around the same amount in coming months.
3. Still in litigation with KU over the FERC de-pancaking ruling. Item currently in discussion is the contract term agreements and whether KU will be forced by FERC to honor those contract terms.
4. Josh presented data on rates at other utilities in the region as a start to discussions about rate study, in particular to inform how BMU charges small commercial accounts.
5. BMU future PPA planning:
	1. Kevin doesn’t think a decision needs to be made for next 2 – 3 years.
	2. We are open to consultants who could assist in Power Purchase RFP process.
	3. On Tuesday at 10:00am, Strategic Planning will meet with department heads.
6. Discussed alternatives to a Public Works air curtain burner that could use the biomass to generate electricity for one of BMU’s facilities.
7. Project Update: Walnut Meadow Sewer Pump Station
	1. New design (design has been modified by increasing pipe size)
	2. Going out to bid soon.
	3. Kevin is meeting with Blue Grass Energy regarding solar net metering.
8. BMU Updates:
* **B-Lake Reservoir:** The Bonding Company has obtained a bid from one of the three contractors suggested by BMU. At this point the decision of the Bonding Agent whether to accept the bid will determine the speed moving forward.

* **WWTP Generator**: D&B Electric has installed the generator and all associated electrical equipment. The first generator startup with the generator rep is scheduled for next Wednesday.
* **HWY 1016 Sewer Line Extension:** Clay Pipeline has been on site for the past month. The project is now approximately 60% complete. Progress should remain on schedule once manholes are delivered (July 24th).

* **Owsley Fork Reservoir**: ACoE recently approved our construction permit! Design is moving forward. A couple of meetings and calls are scheduled next week to make final decisions on some of the design parameters: RCC Spillway dimensions, intake structure valving, aeration modifications, access during construction, cover over the downstream side of spillway.

* **Walnut Meadow/ Central Park Sewer Project:** Design is completed, all easements and permits have been granted. CDBG Grant ($950K) was approved and signatures have been obtained. We have repurposed ~$425K of KIA grant money for this project. Project will be released for bid in the next couple of months. BMU currently working with Bell Engineering to finalize design and get project out to bid.
* **HOSPITAL CIRCUIT 4KV-12KV CONVERSION:** BMU is currently working with hospital administration on the planning and scheduling of converting this circuit to 12KV. Project has delayed since administrative personnel we were working with has transferred. We still hope to complete project during 2019.
* Our water/sewer crew is currently working on sewer line cleaning and camera inspections of our creek crossings and problematic areas and water valve exercising.
* We are working on a service agreement with Doss and Horky for the yearly substation maintenance and testing.
* Tree trimming contract will expire at the end of September 2019. We are currently reviewing the existing contract and specifications and will be advertising for bids within the next month for the new contract agreement.
* Current staffing is sufficient with the exception of one opening for a Journeyman Lineman. This position is posted, and we are evaluating applicants as they apply. The position will remain posted until filled.
* I met with Southern Madison Water District Board last night to discuss our proposed wholesale water rate increase. The increase was considered, and they will notify me today of their decision on whether to accept or appeal.