MINUTES
WATER QUALITY FEES BOARD
October 8, 2020
Regular Meeting

I. <u>CALL TO ORDER</u> - George Woolwine, Chairman, called the October 8th Meeting of the Water Quality Fees Board (WQFB) to order at 9:01 a.m. and read the following 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."

<u>Water Quality Fees Board Members Present</u>: Harry Clarke, George Ely, Donna Fogle, David Lowe, and George Woolwine.

<u>Staff Members in Attendance</u>: Charles Martin, P.E., Director, DWQ; Jennifer Carey, P.E., DWQ; Frank Mabson, DWQ; Denice Bullock, DWQ; Amad Al-Humadi, DWQ; and Michael Cravens, Department of Law.

<u>Guests</u>: Erin Hathaway, Gresham Smith was present representing the North Lexington Holdings II, LLC; and Scott Southall and Denise O'Meara, Earthcycle Design, LLC were present representing Opportunity for Work and Learning (OWL), Paladin, Inc., United Landscaping, Wesley United Methodist Church of Lexington, KY, Inc., and Hartland Homeowners Association, Inc.

II. <u>APPROVAL OF MINUTES</u> - Mr. Woolwine asked the WQFB to review the minutes of the August 13, 2020, Water Quality Fees Board Meeting.

<u>Mr. Clarke moved to accept the minutes as written. The motion was seconded by Mr. Lowe, and the motion passed unanimously</u>.

III. <u>OPPORTUNITY FOR WORK AND LEARNING (OWL)</u> - FY2019 Class B Infrastructure Grant - located at 636, 650, 673, 676, 692, and 698 Kennedy Road.

<u>Staff Comment</u>: Mr. Mabson directed the Board's attention to Opportunity for Work and Learning (OWL) and indicated that OWL was awarded an FY2019 Class B Infrastructure Grant for properties located at 636, 650, 673, 676, 692, and 698 Kennedy Road. He explained that there had been a change in leadership and due to unforeseen circumstances, the Grantee is seeking the Board's approval for a change to the project location from what was originally awarded.

Mr. Mabson stated that Scott Southall and Denise O'Meara from Earthcycle Design (ED) were in attendance to petition on behalf of the request.

<u>Representative</u>: Mr. Southall explained that shortly after the grant was awarded the project underwent a leadership change due to a major health issue involving the former Executive Director / President. As such, the new leadership spent time reevaluating the activities for the proposed location. He said that one of the ideas they were looking at was moving forward more rapidly with a change in their headquarters and venue.

Mr. Southall directed the Board's attention to an aerial photograph that was shared via Zoom, and briefly described the existing and proposed facilities that are owned by OWL, as well as the existing parking lots in the general vicinity. He explained that part of the FY2016 feasibility study focused on the parking lot between 636 and 650 Kennedy Road, and the FY2019 Grant focused on the renovation of that same parking lot. They are now requesting to use those funds to construct the parking lot next to 691 Kennedy Road instead.

Mr. Southall then directed the Board's attention to the site plan, and explained that OWL operations are spread out between four (4) buildings. The new leadership is proposing to redevelop 698 Kennedy Road, and as part of the design, the cul-de-sac will be shifted toward the street. The design will allow all operations to be under one roof so the employees, equipment, and materials do not have to travel outside the building for daily operations.

<u>Board comments and questions</u>: Mr. Woolwine clarified that the request was for a change in the proposed location; and asked if the square footage was the same or has that changed as well. Mr. Mabson replied that the original proposal was for a 9,000 square foot permeable lot. Mr. Southall replied that under the new project the proposed area would increase to approximately 12,000 square feet.

Mr. Woolwine confirmed that the Applicant was now requesting the Board to approve the revised concept. Mr. Southall replied affirmatively.

Staff comments and questions: Mr. Al-Humadi asked if the cost would be the same or would there be an increase as well; and if so, would the Applicant be requesting to revise those funds. Mr. Southall replied that the grant amount would not change, but since the parking lot is increasing in size that portion of the cost would be the responsibility of the property owner. Mr. Mabson added that the Applicant would need to submit a revised budget detailing the new construction to the staff for their review. Mr. Woolwine agreed, and said that the proposed request is a substantial change from what was originally approved by the Board.

Mr. Woolwine said that the Grant has already been approved and should the Board decide to move forward with the revised change, a new condition should be added to reflect a revised budget to be submitted to the staff. Mr. Mabson said that, even though the square footage is increasing, staff is comfortable with the concept because they are getting more bang for their buck. Ms. Carey agreed.

Mr. Mabson asked if the educational portion would remain the same. Mr. Southall replied affirmatively, and said that the project elements were not changing. The request was only for a change in location of the permeable pavers. Mr. Mabson asked if there is signage involved; and if so, would that also be relocated. Mr. Southall indicated that he believed there was to be a sign. Mr. Mabson said that the new location for the sign would need to be included in the revised materials. Mr. Southall agreed to include the new location for the sign as well.

Mr. Clarke asked if a revised application should be submitted. Mr. Mabson explained that the original application should not be revised as it would affect the scoring and subsequent approval. He said that staff would be requesting additional documentation to include a revised budget and map showing the new location for the signage.

Mr. Ely moved to accept the change to the project area for the FY2019 OPPORTUNITY FOR WORK AND LEARNING Stormwater Quality Projects Incentive Grant; seconded by Mr. Lowe. The motion passed unanimously.

Mr. Woolwine said that as part of the Board's approval, Mr. Southall would be providing staff with documentation as previously described by the staff. Mr. Southall replied affirmatively.

IV. FY2021 CLASS B INFRASTRUCTURE GRANT SELECTION

a. **SUMMARY OF AVAILABLE FUNDS**
- $300,000 maximum per grant
- Target of $50,000 for Feasibility Only Projects (NOTE: There were four (4) applications submitted in this category.)
- Target of $166,500 for Projects $50,000 or Less (NOTE: There was one (1) application submitted in this category.)
- Available in FY2021 Budget: $1,110,000
- Available from prior FYs: $74,501.60 (available from previous FY Grants that were completed under budget or were cancelled or terminated)
- Available from funds remaining after selecting the FY2021 Class B Education and Class A Grantees: $0.00
- Total available for FY2021 funding = **$1,184,501.60**
- Experimentation / Innovation Pool: $300,000 (available for use in any Grant class)
- $1,139,576.63 requested in the 9 applications

b. **SUMMARY OF APPLICATIONS**

c. **DIRECTOR'S RECOMMENDATIONS** - to include the score, amount requested, and stipulations for each application.

Ms. Carey and Mr. Mabson read the following Director's Recommendations:

1. **Andover Neighborhood Association, Inc.** [Application number BI-APP01-2021] – Score 70.9, $158,701.13 requested. The Grant Project Elements include replacement of the failing concrete spillway at former hole #17 pond; bank stabilization and construction of a riparian buffer along the northern bank of #17 pond; replacement of portions of the cart path with pervious concrete; community stream clean-up extending along East Hickman Creek from Todds Road to

the pond just upstream of Jacobson Reservoir; and placement of permanent signage at the proposed bank stabilization explaining the benefits of riparian buffers and the improved concrete spillway.

Director recommended full funding in the amount of **$158,701.13** requiring a minimum **$39,675.28** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.,* budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; Applicant shall verify the need and ensure all permits are received (*i.e.*, FEMA, Army Corps, DOW, etc.) prior to any streambank stabilization work; Applicant shall obtain written approval / agreement prior to work being done on properties not owned by the Applicant; the project shall not proceed with field work until written approval to proceed is obtained from the Grant Administrator or Director of Water Quality, because of the potential for conflict with future LFUCG projects; the Operations and Maintenance Plan (O&M Plan) shall preclude storage of certain materials on the pervious concrete; the O&M Plan shall be provided at the conclusion of the project; and Organization proposes a larger cost share beyond that required by the grant program. Budget shall reflect the 20.02% cost share offered in the application (approximately $39,729.65).

2. **Beaumont Residential Association, Inc.** [Application number BI-APP02-2021] – Score 61.08, $299,740.50 requested. The Grant Project Elements include stabilizing the existing swale using concrete reinforcing block mats to permit grass and vegetation growth; installing a bioswale that includes large rocks to prevent erosion and reduce runoff velocities; planting vegetation with deep roots to stabilize the banks and encourage infiltration; replacing the asphalt pedestrian trail with pervious pavers; installing sign beside the trail at the pervious pavers to educate residents about the benefits of the pavers; and conducting a community-wide educational seminar at the conclusion of the project's construction.

   The Applicant's proposed project does not meet program eligibility requirements. *Not recommended for funding.*

   Board questions: Mr. Ely asked why Beaumont Residential Association, Inc. was not eligible for funding. Mr. Mabson explained that the application was submitted as a Class B Infrastructure Project, but some project elements are proposed on Class A Neighborhood properties (single-family residential lots). The Incentive Grant Guidelines prohibit Class B funding to be used on Class A properties. Ms. Carey added that the application did include projects elements on a Class B parcel, but the property owner was not acknowledged in the application, nor did they sign the application document.

3. **Huber Realestate, LLC #1** [Application number BI-APP03-2021] – Score 68.64, $12,000.00 requested. The Grant Project Elements include a feasibility study to identify, evaluate, and select BMPs capable of reducing the impact of pollutant loading and flooding at the 701 E 7th Street sinkhole and downstream Royal Spring Aquifer; the feasibility study will also help to identify educational opportunities for showcasing the selected BMPs including, but not limited to, signage for Huber employees, visitors, and pedestrian traffic; facility tours for professional groups; and outdoor classroom curricula for student groups.

   Director recommended full funding in the amount of **$12,000.00** requiring a minimum **$3,000.00** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; Applicant to notify the Royal Spring Aquifer / Wellhead Protection Committee prior to work being done on properties; and Applicant shall provide documentation that the feature at 701 E 7th Street is a sinkhole and part of a karst network.

4. **Lexington Center Corporation** [Application number BI-APP04-2021] – Score 75.79, $234,400.00 requested. The Grant Project Elements include a feasibility study to evaluate the most innovative and best practices in Green Infrastructure and stream restoration appropriate for the proposed urban park; design selected BMPs and stream restoration; develop an educational signage plan; and create signs for the stormwater management BMPs and stream restoration.

   Director recommended full funding in the amount of **$234,400.00** requiring a minimum **$58,600.00** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; and organization proposes a larger cost share beyond that required by the grant program. Budget shall reflect the 20.2% cost share offered in the application, (approximately $59,250.00).

5. **Manley Farm, LLC** [Application number BI-APP05-2021] – Score 76.18, $300,000.00 requested. The Grant Project Elements include design and construction of a rainwater harvesting system and development of an educational component regarding sustainable farming practices, including effective stormwater management and water reuse.

   The Applicant's proposed project does not meet program eligibility requirements. *Not recommended for funding.*

6. **North Lexington Holdings II, LLC** [Application number BI-APP06-2021] – Score 68.56, $49,755.00 requested. The Grant Project Elements include retrofitting an existing parking lot with permeable pavers (approximately 550 square feet); installing an underground detention basin; planting native landscapes; and installing permanent signage as a stormwater educational tool.

   Director recommended partial funding in the amount of **$48,255.00** requiring a minimum **$12,063.75** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; the project shall not proceed with field work until written approval to proceed is obtained from the Grant Administrator or Director of Water Quality, because of the potential for conflict with future LFUCG projects; permeable pavers shall not be installed within 10' either side of an existing sanitary sewer and measures taken to prevent infiltrating water from entering into the sanitary sewer stone trench; the Operations and Maintenance Plan (O&M Plan) shall preclude storage of certain materials on the permeable pavers; the O&M Plan shall be provided at the conclusion of the project; Applicant to coordinate with the Division of Planning prior to starting the project; Applicant to consult with the Royal Spring Aquifer / Wellhead Protection Committee regarding placing infiltration BMPs within the spring recharge area; if underground detention is provided, property owner will be required to conform with LFUCG Code of Ordinances Chapter 16, Article X, Division 2; and Applicant shall submit a revised budget omitting the bike racks ($1,500), which are not eligible for funding or to be counted as cost share, for inclusion in Attachment A to the Grant Award Agreement.

7. **Paladin, Inc.** [Application number BI-APP07-2021] – Score 40.74, $34,980.00 requested. The Grant Project Elements include a feasibility study to evaluate the efficacy of Reverse Vending Machines to encourage residents and visitors to properly recycle, via return for deposit, their disposable, single-use plastic bottles.

   Applicant meets program eligibility requirements; however, the proposed project does not meet the goals set out by the Grant Program. *Not recommended for funding.*

8. **United Landscape (James W. McFarland)** [Application number BI-APP08-2021] – Score 62.50, $26,000.00 requested. The Grant Project Elements include a feasibility study to evaluate and recommend water quality and quantity BMPs in the form of Green Infrastructure that would resolve pollution, siltation, and flooding issues at 729 Bellaire Avenue, while addressing the shared boundary with the Legacy Trail. The project will also include stormwater education via an active demonstration, workshops, and educational and interpretive signage.

   Director recommended full funding in the amount of **$26,000.00** requiring a minimum **$6,500.00** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; and Applicant to notify the Royal Spring Aquifer / Wellhead Protection Committee prior to work being done on the property.

9. **Wesley United Methodist Church of Lexington, KY., Inc.** [Application number BI-APP09-2021] – Score 53.41, $24,000.00 requested. The Grant Project Elements include a feasibility study to evaluate and recommend water quality and quantity BMPs in the drainageway behind the church.

   Director recommended full funding in the amount of **$24,000.00** requiring a minimum **$6,000.00** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; and Applicant to notify the Royal Spring Aquifer / Wellhead Protection Committee prior to work being done on the property.

d. **PUBLIC COMMENT** - Mr. Woolwine opened the floor for public comment. Guests in attendance opted to provide comment on individual applications as they were discussed.

e. **<u>BOARD DISCUSSION</u>** - Mr. Woolwine indicated that there are three (3) applications not recommended for funding, which has left a surplus in the budget. He asked staff to explain the requirements for Class A Neighborhood and Class B Infrastructure Grants. Mr. Mabson briefly explained that recipients of Class B Infrastructure grants must be Class B ratepayers. As for the Beaumont Residential Association, Inc. Application, the issue for this applicant was that the project was located on Class A properties. The HOA does not own those properties, which poses a problem with future maintenance.

1. **Beaumont Residential Association, Inc.** [Application number BI-APP02-2021]

Board comments: Mr. Woolwine clarified that one of the issues for the Beaumont Residential Association, Inc. project, was that the application included properties that the HOA does not own or control. He asked if the HOA obtained authorization from those properties would that alleviate staff's concerns.

Staff comments: Ms. Carey said that throughout the application process, if work is being proposed on a property not owned by the HOA, staff does encourage the Applicant to speak to those property owners or entities to make them aware of their intentions, as well as obtain their signature on the Grant Award Agreement before it goes to the Urban County Council.

Mr. Martin said that outside of the Grant Program, a preliminary engineering study was performed on the stormwater channel behind the houses along Guildford Lane and Savannah Lane. There is a channel erosion problem along this area.

Mr. Martin then commented that aside from the fact that the Beaumont Residential Association, Inc. applied as a Class B ratepayer, the improvements are on a collection of fifteen (15) Class A properties that are not owned by the HOA. The staff found that most of the improvements would only be on two (2) parcels, and what is surprising, the HOA did not have a letter of recommendation from those two (2) properties in its application. The staff has concerns on the viability of this proposal and although this request may help stabilize the channel, the fact that there is too much water trying to flow through this area and there is not enough detention upstream, would actually undermine the long term operation and maintenance of the improvement that the HOA wants to make.

Mr. Martin added that trying to have a maintenance agreement involving fifteen (15) different properties, recorded on fifteen (15) different lots, just seemed untenable to staff. He said that staff is recommending the Board not to approve this request because 1) they did not fall into that classification and 2) it would be appropriate to defer the proposal back to the Stormwater Capital Program because it would allow not only what the HOA is proposing, but also divert some of the water from the problem area. He explained that the root cause of this problem is intense storm events causing too much water trying to enter a narrow area.

Ms. Carey said that had Beaumont Residential Association, Inc. applied as a Class A Neighborhood application, maintenance agreements would still be required; however, the agreement would not need to be recorded with the County Clerk, and the agreement would not follow the title / deed to that property. She indicates that trying to compel a homeowner to maintain an agreement for 15 years and / or tracking the changes to the property ownership, would be too cumbersome for the Grant Program.

Ms. Carey then said that issue also reflects the dollar value of what can be applied under a Class A Neighborhood project versus a Class B Infrastructure project. She added that this request is more suited to the Stormwater Capital Program or resubmitting the project under a Class A Neighborhood application.

Board comments and questions: Mr. Clarke said that there is a serious problem in this area that needs to be fixed. It would be beneficial if this area could be part of the Stormwater Capital Program, and the Board should support some action because it is an important project.

Mr. Martin said that Councilmember Bledsoe made the staff aware of the problem, and she has been informed of the staff recommendation to the Board. He then said that DWQ has solicited Councilmember Bledsoe to help inform the neighborhood, as well as procure funds in the FY2022 budget to make sure a solution can be found and implemented.

Mr. Mabson said that only the Beaumont Residential Association signed the Class B Infrastructure application; the two (2) property owners in question did not sign the application document, nor were they mentioned.

Mr. Woolwine said that Class A Neighborhood properties involve neighborhood associations. Ms. Carey replied that Class A Neighborhood properties consist of single family residential properties, duplexes, and farms.

Mr. Woolwine asked if Homeowners Associations (HOAs) were qualified for Class A Neighborhood Grants. Ms. Carey said that if the HOA owns common property that has impervious surfaces then that HOA is actually considered a Class B Infrastructure ratepayer; however, not all HOAs own common area / property within their neighborhood. As part of the Class A Neighborhood application process, there cannot be a single Class A property owner who applies for a grant. The Class A property owner would have to fall under the umbrella of an HOA, a neighborhood association, or a non-profit entity, who is registered with the Secretary of State. Mr. Martin said that from a government's standpoint, HOAs are difficult to deal with because there is no legal standpoint that forces them to remain active. HOAs are reviewed very carefully because staff wants to make sure that the HOA is not promising something they cannot do.

Ms. Carey said that Beaumont Residential Association already has a Class A Neighborhood Grant that was awarded during FY2018. It seems that the Beaumont Residential Association is having a difficult time starting the FY2018 project and to give them additional funds seems risky.

Mr. Clarke moved to support the Director's Recommendation for the FY2021 Beaumont Residential Association, Inc., Class B Infrastructure Grant Application with the understanding that alternate solutions are pursued; seconded by Mr. Ely. The motion passed unanimously.

2. **Manley Farm, LLC** [Application number BI-APP05-2021]

Staff comments: Mr. Mabson said that Manly Farm, LLC is very similar to Beaumont Residential Association, Inc. and explained that this project was proposed to construct a rain harvesting facility on a farm, which is considered a Class A property. Staff could not qualify this Applicant as a Class B Infrastructure ratepayer. He noted that the Applicant did suggest changing the name on the application to a different entity, owned by him and his brother, but that option was not pursued.

Board comments and questions: Mr. Woolwine said that this application had the highest score out of the Class B Infrastructure applications. Ms. Carey and Mr. Mabson replied affirmatively.

Mr. Woolwine said under the current requirements Manley Farm, LLC would not qualify because the application was filed as a Class B Infrastructure project, but Manley Farm, LLC is considered a Class A parcel. Mr. Mabson replied affirmatively.

Mr. Woolwine asked for clarification that an alternative solution could be suggested for Manley Farm, LLC to add another entity on the application that would qualify as a Class B ratepayer. Ms. Carey said that is part of the solution, but the second part cannot be achieved within the Class B grant requirements because a farm is considered a Class A property. The best course of action for Manley Farm, LLC would be to have some entity, such as Fayette Alliance, to apply on their behalf for a FY2022 Class A Neighborhood Grant.

Ms. Carey explained that the maximum funding that would be awarded to a Class A Neighborhood Grant is $100,000.00 and Class B Infrastructure is $300,000.00. It would not be fair to award a Class A parcel more funds than a Class B parcel since Class A properties are paying fewer ERUs (Equivalent Residential Units) than Class B properties / ratepayers.

Mr. Lowe moved to support the Director's Recommendation for the FY2021 Manley Farm, LLC, Class B Infrastructure Grant Application; seconded by Mr. Clarke. The motion passed unanimously.

3. **Paladin, Inc.** [Application number BI-APP07-2021]

Staff comments: Mr. Mabson said that Paladin, Inc. met the eligibility requirements, but they did not meet the goals set out by the grant program. He briefly explained the intent behind the request, and indicated that the staff felt this project would not be logistically plausible.

Mr. Martin said that Kentucky and other states have tried to pass bottle laws over the years; and while this concept is interesting, staff felt that this type of application would take the Incentive Grant Program on an unprojected course.

Board comments and questions: Mr. Clarke agreed and said that the purpose of the idea is good, and perhaps it could be a citywide project, but this would not be appropriate for the Water Quality Fees Board process.

Mr. Martin agreed and said that there is a lot of merit to this project, and he did let the Recycling Program with the Division of Waste Management know about this project.

Mr. Woolwine said that he thought it was interesting that the Applicant wanted LFUCG to maintain the different sites.

Representative: Mr. Southall, Earthcycle Design (ED), said that historically Kentucky has tried to have a bottle recycling program and this grant would be the start of those conversations. He noted that the Water Quality Fees Board has funded many projects to collect the bottles once the bottles enter the waterway. They believe trying to address the problem beforehand would be the best option. He explained that they were not looking for the LFUCG as the end recipient of maintaining this program. They were looking at the opportunities of starting the conversations by means of the grant process.

Mr. Clarke moved to approve the Director's Recommendation for the FY2021 Paladin, Inc., Class B Infrastructure Grant Application; seconded by Mr. Ely. The motion passed unanimously.

4. **Lexington Center Corporation** [Application number B-APP04-2021]

Staff comments: There was none.

Board comments: Mr. Clarke said that this project is a great opportunity for the Water Quality Fees Board to be part of.

Mr. Woolwine thanked the people who had the foresight to see this vision and bring it to fruition. He said that this will improve the quality of life for all citizens.

Mr. Lowe moved to accept the Director's Recommendations for the FY2021 Lexington Center Corporation, Inc., Class B Infrastructure Grant Application; seconded by Mr. Ely. The motion passed unanimously.

5. **Andover Neighborhood Association, Inc.** [Application number BI-APP01-2021]

Staff Comments: Mr. Mabson indicated that Andover Neighborhood Association, Inc. was also awarded funds for a Class A Neighborhood Grant for bank stabilization and construction along another portion of their property. He explained that even though Andover Neighborhood Association is an association, they own common areas where they pay the Water Quality Management Fee as a Class B ratepayer.

Board comments: Mr. Woolwine asked if the ANA Class A Grant was from a previous fiscal year. Ms. Carey replied affirmatively, and indicated that the grant was awarded during the FY2020 cycle. She added that the Andover Neighborhood Association is making good progress on the FY2020 project. Mr. Mabson agreed.

Mr. Ely moved to accept the Director's Recommendations for the FY2021 Andover Neighborhood Association, Inc. Class B Infrastructure Grant Application; seconded by Mr. Clarke. The motion passed unanimously.

6. **Huber Realestate, LLC #1** [Application number BI-APP03-2021]

Board comments and questions: Mr. Clarke asked if this project is a feasibility study. Mr. Woolwine replied affirmatively.

Mr. Woolwine said that the budget for feasibility studies is $50,000.00 and there are four (4) different feasibility studies listed. He asked what the total funding cost for all four (4) projects is. Ms. Carey replied that the four (4) projects total $96,980.00, which exceeds the $50,000.00 target.

Mr. Ely was not aware of this area having an issue with the sinkhole as a primary conduit. Ms. Carey said that the Cane Run watershed is very karstic in nature and parts of Cane Run Creek disappear from surface flow to underground flow throughout the watershed. She then said that Cane Run also feeds the Royal Springs Aquifer, which is the City of Georgetown's water supply. What happens in the downtown area does have an impact on Georgetown.

Mr. Clarke moved to accept the Director's Recommendations for the FY2021 Huber Realestate, LLC #1 Class B Infrastructure Grant Application; seconded by Mr. Ely. The motion passed unanimously.

7. **North Lexington Holdings II, LLC** [Application number BI-APP06-2021]

Board comments and questions: Mr. Woolwine said that North Lexington Holdings II, LLC was recommended for funding with the deletion of the bike racks. Ms. Carey and Mr. Mabson replied affirmatively.

Staff comments: Ms. Carey explained that for the FY2020 Class B Infrastructure Grants there were five (5) applications that were submitted for the $90,000.00 or Less project target. The North Lexington Holdings II, LLC score fell short for the cutoff last year.

Ms. Carey then said that in January 2020, the target amount was reduced from $90,000.00 to $50,000.00 and since there were no new submittals for this Class B Infrastructure category, the grantee requested to be rescored with the FY2021 round of applications.

Mr. Mabson said that funds were added to this Class B Infrastructure category. Ms. Carey agreed and said that there are extra targeted funds set aside for this category that will not be used for this fiscal year.

Board comments and questions: Mr. Lowe said that the bike rack is a noted concern by the staff, but in reviewing the budget under the site finishing section, there is an entry for one (1) $3,000 bench and an entry for one (1) $3,000 educational sign. He indicated that the dollar amount for the sign seems high considering other applications had shown two (2) signs would cost around $500.00. With this application, it is unclear the number of signs the Applicant is proposing. Mr. Lowe said that he does not know if it is an existing practice for the Water Quality Fees Board to fund benches, and the cost of the sign seemed to be unreasonable.

Ms. Carey said that staff has seen estimates for signs come in at $3,000.00 and the quality of the sign typically drives the cost. She then said that a sign costing $3,000.00 should be made of high quality material that will weather well. She added that staff is comfortable with a sign costing $3,000.00 and under.

Mr. Mabson said that staff is not opposed to incorporating the bench in the stipulation. Ms. Carey agreed.

Mr. Clarke asked the cost of the bench. Mr. Mabson replied $3,000.00. Mr. Clarke replied $3,000.00 for the bench and $3,000.00 for the sign. Mr. Mabson replied affirmatively, and said that the stipulation can be revised to add the bench and reduce the partial funding amount. Mr. Clarke agreed.

Mr. Lowe asked if a representative was present to clarify the number of signs.

Representative: Erin Hathaway, Gresham Smith, said that for this project they are proposing one (1) educational sign, and it has been their experience that for a company to prepare a graphic sign that will hold up to Ultraviolet (UV) and weathering, it would cost between $2,000.00 and $3,000.00.

Mr. Lowe moved to accept the Director's Recommendations for the FY 2021 North Lexington Holdings II, LLC, Class B Infrastructure Grant Application, adding an additional stipulation to read: "Although it does not change the amount recommended for funding, remove the line item for "bench" from the revised budget to be submitted for Attachment A to the Grant Award Agreement"; seconded by Mr. Clarke. The motion passed unanimously.

Mr. Woolwine said that stipulation #8 would be modified to read: "Applicant shall submit a revised budget omitting the bike racks ($1,500) and bench ($3,000), which are not eligible for funding or to be counted as cost share, for inclusion in Attachment A to the Grant Award Agreement." Ms. Carey replied affirmatively.

Ms. Carey said that removing the bench should not have a bearing on their percentage of the cost share. Mr. Mabson said that if the amount of the grant is reduced, then the minimum required cost-share amount will also be reduced.

8. **United Landscape (James W. McFarland)** [Application number BI-APP08-2021]

   Board comments and questions: There were none.

   Mr. Clarke moved to accept the Director's Recommendations for the FY2021 United Landscape (James W. McFarland) Class B Infrastructure Grant Application; seconded by Mr. Ely. The motion passed unanimously.

9. **Wesley United Methodist Church of Lexington, KY., Inc.** [Application number BI-APP09-2021]

   Board comments and questions: There were none.

   Mr. Ely moved to accept the Director's Recommendations for the FY2021 Wesley United Methodist Church of Lexington, KY., Inc., Class B Infrastructure Grant Application; seconded by Ms. Fogle. The motion passed unanimously

V. FY2021 CLASS A NEIGHBORHOOD GRANT SELECTION – REVISIT DUE TO FY2021 FUNDS REMAINING

a. SUMMARY OF AVAILABLE FUNDS

- $100,000 maximum grant request
- Target of $40,000 for Feasibility Only Projects (NOTE: There was one (1) application submitted in this category.)
- Available in FY2021 Budget: $250,000
- Available from prior FYs: $6,582.46 (available from previous FY Grants that were completed under budget or were cancelled or terminated)
- Available from funds remaining after selecting the FY2021 Class B Education Grantees: $12,685.92
- *Available from funds remaining after selecting the FY2021 Class B Infrastructure Grantees: $681,145.47*
- Total available for FY2021 funding = $269,268.38
- Experimentation / Innovation Pool: $300,000 (available for use in any grant class)
- $424,021.10 requested in the 9 applications

b. SUMMARY OF APPLICATIONS

c. DIRECTOR'S RECOMMENDATIONS - to include the score, amount requested, and stipulations for each application.

Mr. Mabson briefly explained the updated summary of the FY2021 Class A Grant applications, and said that with there being additional funding remaining for the FY2021 cycle, staff had reviewed the following applications because they met the program eligibility requirements but were not awarded due to insufficient funds at the time.

Mr. Mabson and Ms. Carey read the following Director's Recommendations:

1. **The Ellerslie at Delong Homeowners Association, Inc.** [Application number A-APP2-2021] – Score 70.0, $100,000.00 requested. The Grant Project Elements include restoring the eroding creek bed and banks, stormwater ditches, and conveyance swales; and providing stormwater education programs that include a field day event and educational signage.

   Director recommended full funding in the amount of **$100,000.00** requiring a minimum **$25,000.00** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; Applicant shall verify the need and ensure all permits are received (*i.e.*, FEMA, Army Corps, DOW, etc.) prior to any streambank stabilization work; Applicant shall obtain written approval / agreement prior to work being done on properties not owned by the Applicant; and the project shall not proceed with field work until written approval to proceed is obtained from the Grant Administrator or Director of Water Quality, because of the potential for conflict with future LFUCG projects.

2. **Griffin Gate Community Association, Inc.** [Application number A-APP4-2021] – Score 65.0, $10,397.60 requested. The Grant Project Elements include addressing erosion by improving grading, amending the soils, and adding plantings to mitigate the bare areas created by heavy runoff and providing stormwater education through a "Think Tank Sundays" event on stormwater management.

   Director recommended partial funding in the amount of **<u>$10,293.20</u>** requiring a minimum **<u>$2,573.30</u>** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; Applicant shall obtain written approval / agreement prior to work being done on properties not owned by the Applicant; the project shall not proceed with field work until written approval to proceed is obtained from the Grant Administrator or Director of Water Quality, because of the potential for conflict with future LFUCG projects; only native plant materials will be allowed within the project area; and since partial funding was awarded due to a conflict between page 1 of the Application and the budget provided in the Application; Applicant shall provide the Division of Water Quality with a revised budget for inclusion in Attachment A to the Grant Award Agreement listing how the approved funds and associated cost share will be allocated.

3. **Hartland Homeowners Association, Inc.** [Application number A-APP5-2021] – Score 77.5, $99,915.00 requested. The Grant Project Elements include improving grading, removing invasive species, stabilizing approximately 300 LF of streambanks, installing native vegetation to address erosion issues and potential pollutants being carried through the drainageway; providing stormwater education through the Hartland HOAs website, and by hosting two (2) seminars.

   Director recommended full funding in the amount of **<u>$99,915.00</u>** requiring a minimum **<u>$25,050.00</u>** cost share with stipulations that LFUCG and Applicant agree to all project elements, eligible expenses (*i.e.*, budget items), terms, and conditions in a Grant Award Agreement to be approved by the Urban County Council; Applicant shall verify the need and ensure all permits are received (*i.e.*, FEMA, Army Corps, DOW, etc.) prior to any streambank stabilization work; Applicant shall obtain written approval / agreement prior to work being done on properties not owned by the Applicant; the project shall not proceed with field work until written approval to proceed is obtained from the Grant Administrator or Director of Water Quality, because of the potential for conflict with future LFUCG projects; Organization proposes a larger cost share beyond that required by the Grant program. Budget shall reflect the <u>20.05%</u> cost share offered in the application (approximately <u>$25,050.00</u>).

d. **<u>PUBLIC COMMENT</u>** - Mr. Woolwine opened the floor for public comments. Guests in attendance opted to provide comment on individual applications as they were discussed.

e. **<u>BOARD DISCUSSION</u>** - Mr. Woolwine opened the floor for discussion of the remaining Class A Neighborhood Grant Applications.

   <u>Board comments and questions</u>: Mr. Clarke asked if the Applicants are aware that their applications are being reconsidered. Mr. Mabson replied that Griffin Gate Community Association, Inc., is aware.

   Ms. Carey replied that Scott Southall is present and he represents the Hartland Homeowners Association, Inc., but the Ellerslie at Delong Homeowners Association, Inc. may not be aware.

   Mr. Clarke asked if these Applicants would still be interested in obtaining the Grant. Mr. Southall indicated his agreement. Ms. Carey replied affirmatively, and said that Ms. DiMarco, who represents The Ellerslie at Delong Homeowners Association will be happy to receive the funding.

   1. **Hartland Homeowners Association, Inc.** [Application number A-APP5-2021]

      Mr. Woolwine and Mr. Ely recused themselves from commenting on this item.

      <u>Board comments and questions</u>: There were none.

      <u>Mr. Lowe moved to approve the Director's Recommendations for FY2021 Hartland Homeowners Association, Inc., Class A Neighborhood Grant Application; seconded by Ms. Fogle. The motion passed 3-0</u>.

      Aye - Clarke, Fogle, and Lowe

Nay - None

Recused - Woolwine and Ely

2. **The Ellerslie at Delong Homeowners Association, Inc.** [Application number A-APP2-2021]

   Board comments and questions: Mr. Lowe asked if staff concerns about Delong, LLC signing the application was taken care of. Ms. Carey and Mr. Mabson replied affirmatively. Ms. Carey said that the Delong, LLC is aware of the project and has indicated they are willing to sign the Grant Award Agreement as the property owner.

   Mr. Clarke moved to accept the Director's Recommendations for the FY2021 Ellerslie at Delong Homeowners Association, Inc., Class A Neighborhood Grant Application; seconded by Lowe. The motion passed unanimously.

3. **Griffin Gate Community Association, Inc.** [Application number A-APP4-2021]

   Mr. Ely recused himself from commenting on this item.

   Board comments and questions: There were none.

   Mr. Clarke moved to approve the Director's Recommendations for the FY2021 Griffin Gate Community Association, Inc., Class A Neighborhood Grant Application; seconded by Ms. Fogle. The motion passed 4-0.

   Aye - Woolwine, Clarke, Fogle, and Lowe

   Nay - None

   Recused - Ely

VI. REMAINING FUNDS RECOMMENDATION / DISCUSSION

Ms. Carey briefly gave an update on the remaining funds, and said that there is approximately $550,178.15 in unallocated grant funds remaining for FY2021. She indicated that it is the staff's recommendation for these funds to be reallocated to the Fiscal Year 2022 grant program and added to the appropriate grant class that had the funds remaining from FY2021.

Ms. Carey then said that staff will be able to advertise the Incentive Grant Program early in 2021 in hopes to have more Applicants submit grant proposals to the Water Quality Fees Board.

Board questions and comments: Ms. Fogle asked if the remaining FY2021 funds will be rolled over to the FY2022 budget for the use of additional funding for new project submissions or city publication on the Incentive Grant Program. Mr. Mabson said staff is suggesting shifting $550,178.15 to next year's budget and redistributing those funds accordingly to the originating class for the next round of grants.

Ms. Carey replied that the staff is projecting approximately $2,000,000.000 to fund FY2022 grants.

Mr. Clarke asked if carrying over funds would be allowed in terms of the budget. Ms. Carey replied that it should not be a problem since the grant program is categorized as a 4052 fund which is essentially capital funding and those monies can transfer from fiscal year to fiscal year. She then said that the Ordinance for the Water Quality Management Fee does stipulate that 10 percent of the revenue from each year be used to fund the Grant Program. She added that by Ordinance the monies are protected and are to be allocated to the grant program.

Mr. Mabson said that there is a yearly process to ensure the funds are stable and untouched for these projects.

Mr. Clarke said that it's fairly common for funds to be carried over to the next fiscal year. Ms. Carey replied affirmatively. Mr. Mabson replied affirmatively, and said that with capital projects there is a process, by which staff provides a list of all open projects, to ensure those funds stay in place.

Mr. Ely moved to allocate the remaining funds for FY 2022 Stormwater Quality Projects Incentive Grants; seconded by Mr. Clarke. The motion passed unanimously.

VII. INCENTIVE GRANT STATUS UPDATE - Mr. Mabson and Ms. Carey briefly provided an update on the Incentive Grants between FY2016 to FY2020; commenting on a few select projects.

Scott Southall, Earthcycle Design, LLC, gave a brief update on the Incentive Grants his company is involved with.

VIII. OTHER MATTERS - The next meeting will be Thursday, January 14, 2021.

Mr. Woolwine asked if there were any other matters to address.

a. **Public Notice for 2021 Meetings** – Mr. Mabson presented the Public Notice for 2021 meeting dates. He recommended a vote to accept the meeting dates as January 14; April 8; July 8; and October 14, 2021, unless there were any schedule conflicts.

The WQFB had no objections to the proposed future meeting dates for the 2021 calendar year.

Mr. Clarke moved to accept the date(s), as listed above, for the 2021 Calendar Year Meeting schedule; seconded by Mr. Lowe. The motion passed unanimously.

IX. ADJOURNMENT - The meeting was adjourned at 11:05 a.m.