MINUTES
WATER QUALITY FEES BOARD
October 9, 2025

I. **CALL TO ORDER** – George Woolwine, Chairman, called the October 9th Meeting of the Water Quality Fees Board (WQFB) to order at 9:00 a.m.

Water Quality Fees Board Members in Attendance: David Lowe, Bill Sallee, and George Woolwine. Aaron Vaught and Donna Fogle were absent.

Staff Members in Attendance: Mark Sanders, P.E., DWQ; Bailee Young, P.E., DWQ; Frank Mabson, DWQ; Denice Bullock, DWQ, Becky Irwin, DWQ and Todd Henning, Law Department.

Guests in Attendance: Scott Southall, Earthcycle Design, LLC; Will Hanrahan, 1000 Delaware, LLC; Nathan Krebs, Stantec; Kelley McKight, Stantec; Jacob Crouch, Stantec; and Russ Turpin, EcoGro.

II. **APPROVAL OF MINUTES** - Mr. Mabson explained that at the July 24th meeting, the information provided on FY24 Partin Lex Acquisitions, LLC (2414 Regency Road) was correct, but Table 1 incorrectly listed the amounts. The staff would like the correct amounts listed below to be incorporated in the Board's approval of the July 24th meeting minutes.

Table 1		
*Maximum LFUCG Award for Any Project	$ 360,000.00	
Design Fee / Grant Administration (no change)	~~$ 78,212.00~~	**$ 77,310.00**
Bid Amount for grant project elements	$ 266,823.00	
Total Project Cost w/ Bid	~~$ 345,035.00~~	**$ 344,133.00**
less LFUCG Round 1 grant award	$ (186,983.63)	
less Partin Lex Acquisitions Round 1 grant match	$ (47,792.53)	
Project Funding Gap	~~$ 110,258.84~~	**$ 109,356.83**
*Additional Funds - LFUCG (Not to exceed $360,000 when added to Round 1 award)	~~$ 87,802.24~~	**$ 86,916.64**
Additional Funds – Partin Lex Acquisitions	~~$ 22,456.60~~	**$ 22,440.20**

Board questions and comments: Mr. Woolwine confirmed that the staff would like the Board to amend the July 24th draft meeting minutes with the correct amounts listed below in Table 1. Mr. Mabson agreed.

Mr. Woolwine asked the WQFB if there were any further changes to the July 24, 2025, Water Quality Fees Board Meeting minutes.

Mr. Lowe moved to accept the minutes as written, incorporating the change made to Table 1 for FY24 Partin Lex Acquisitions, LLC (2414 Regency Road). The motion was seconded by Mr. Sallee, and the motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

III. **POSTPONEMENTS/WITHDRAWALS** – There were none.

IV. **OLD BUSINESS** – There was none.

V. **NEW BUSINESS**

a. **Incentive Grants**

1. **FY 2026 Class B Infrastructure Grants -** Mr. Mabson provided the Board with an overview of the funds available for allocation for the FY 2026 Class B Infrastructure Grants**:**
   - $360,000.00 maximum per grant
   - Target of $55,000.00 for Feasibility Only Projects
   - Target of $192,217.57 for Projects $75,000.00 or Less
   - Innovation / Experimentation (IE) Pool: $156,800.00 (available for use in any grant class)
   - (NOTE: There were no applications submitted in this category.)
   - Available in FY26 Budget: $1,312,584.20

- Available from unused grant funds: $754,345.21 available from previous FYs' grants that were completed under budget or were cancelled/terminated; **$315,742.16** available after funding FY26 Class A [$209,301.14] & Class B Education [$106,441.02] grant applications
- Available from remaining FY25 funds: $109,584.90
- Total available for FY26 funding: $2,492,256.47
- $955,195.28 requested in the 6 applications

<u>Summary of Applications</u>

Mr. Mabson and Ms. Young read the Director's Recommendations including the score, amount requested, and stipulations for each FY 2026 Class B Infrastructure grant application as follows:

BBPH Properties, LLC [Application number BI-APP1-2026] – Score 70, $113,800.00 requested. To address excessive algae in a commercial retention pond along Pasadena Drive, the following project elements are proposed to improve water quality with a green infrastructure benefit: remove invasive species surrounding the pond (±0.4 acre); install a solar powered aerating diffuser; install wetland plantings - native trees, shrubs, wildflowers and sedges (±0.2 acre); Stormwater Education – install an educational sign near the project for the general public to learn about water quality.

Director recommended full funding in the amount of $113,800.00 requiring a minimum $28,450.00 cost share with Stipulations that the Applicant shall obtain written approval/agreement prior to work being done on properties not owned by the Applicant. The Applicant shall verify the need and ensure all permits are received (e.g., State, Local, and Federal) prior to any work. Tree plantings shall be coordinated with existing utilities prior to plantings, and if possible, trees shall not be planted within 10' of an existing utility. Tree removal and planting activities shall be reviewed and approved by Division of Environmental Services Urban Forester and/or Arborist prior to any tree removal or planting activities. A maintenance plan for tree plantings shall be provided for approval to the Grant Manager prior to plantings. An Inspection, Operations, and Maintenance (IOM) Plan shall be provided at the conclusion of the project. Both electronic and hard copies of all materials intended for the workshop are to be provided to LFUCG, for its use, as part of the grant deliverables. Permanent signage designs to be approved by the Grant Manager or Administrator prior to production. Organization proposes a larger cost share beyond that required by the grant program. Budget shall reflect the 20.08% cost share offered in the application (approximately $28,600.00).

1000 Delaware, LLC [Application number BI-APP2-2026] – Score 66.63, $231,984.38 requested. The grant request implements items identified in the FY25 1000 Delaware, LLC - Feasibility Study Grant that identified landscape and stormwater BMPs to address water quality issues using criteria like the Sustainable SITES Initiative, LEED Rating System, and other comprehensive rating systems for sustainable landscapes. The grant project elements include permeable paver pedestrian plaza (approx. 1,550 sq ft); a rainwater harvesting system for use at community garden; tree wells at plaza and street frontage; tree canopy (approx. 18,850 sq ft); impervious area removal (approx. 19,600 sq ft) and stormwater education – permanent signage (4).

Director recommended full funding in the amount of $231,984.38 requiring a minimum $57,996.10 cost share with Stipulations that the Applicant shall obtain written approval/agreement prior to work being done on properties not owned by the Applicant. The Applicant shall verify the need and ensure all permits are received (*e.g.*, State, Local, and Federal) prior to any work. Sidewalks must conform to LFUCG Code of Ordinances Chapter 17, Article III requirements and LFUCG Standard Drawings. Work in the right-of-way must conform to Chapter 17C of the LFUCG Code of Ordinances and adhere to the LFUCG Standard Drawings. In accordance with the LFUCG Stormwater Manual Chapter 10, permeable pavement and bio-infiltration swales shall be located at least 10 feet from existing and proposed buildings and sanitary sewer lines. If known sanitary sewer or basement infiltration problems exist, a greater distance shall be used. If an underdrain is not proposed, applicant to provide soil infiltration test results in accordance with LFUCG Stormwater Manual Chapter 10.3.3. Encroachment agreements shall be obtained when working within any private utility areas. Tree plantings shall be coordinated with existing utilities prior to plantings, and if possible, trees shall not be planted within 10' of an existing utility. Tree removal and planting activities shall be reviewed and approved by Division of Environmental Services Urban Forester and/or Arborist prior to any tree removal or planting activities. Because of modifications to the parking areas, the applicant will need to work with LFUCG Division of Planning to verify the regulatory requirements. An Inspection, Operations, and Maintenance (IOM) Plan shall be provided at the conclusion of the project. Both electronic and hard copies of all materials intended for the workshop are to be provided to LFUCG, for its use, as part of the grant deliverables. Work in the right-of-way must conform to Chapter 17C of the LFUCG Code of Ordinances and adhere to the

LFUCG Standard Drawings. Since the project involves work in the right of way, Applicant shall obtain a ROW (surety) Bond with LFUCG to ensure contractors follow applicable regulations and guidelines pertaining to the project. Permanent signage designs are to be approved by the Grant Manager or Administrator prior to production. Organization proposes a larger cost share beyond that required by the grant program. Budget shall reflect the 21.5% cost share offered in the application (approximately $63,637.50).

The Sanctuary Lexington, LLC [Application number BI-APP3-2026] – Score 52.63, $224,646.90 requested. The grant project elements include removal of impervious areas (approx. 4,225 square feet) and retrofit a portion of the existing pavement/gravel parking areas with permeable pavers (approx. 3,500 square feet); and install approximately 4,400 square feet of tree canopy.

Director recommended partial funding in the amount of $211,155.49 requiring a minimum $52,788.87 cost share with Stipulations that the Applicant shall obtain written approval/agreement prior to work being done on properties not owned by the Applicant. The Applicant shall verify the need and ensure all permits are received (e.g., State, Local, and Federal) prior to any work. Sidewalks must conform to LFUCG Code of Ordinances Chapter 17, Article III requirements and LFUCG Standard Drawings. Work in the right-of-way must conform to Chapter 17C of the LFUCG Code of Ordinances and adhere to the LFUCG Standard Drawings. Since the project involves work in the right of way, Applicant shall obtain a ROW (surety) Bond with LFUCG to ensure contractors follow applicable regulations and guidelines pertaining to the project. In accordance with the LFUCG Stormwater Manual Chapter 10, permeable pavement and bio-infiltration swales shall be located at least 10 feet from existing and proposed buildings and sanitary sewer lines. If known sanitary sewer or basement infiltration problems exist, a greater distance shall be used. If an underdrain is not proposed, applicant to provide soil infiltration test results in accordance with LFUCG Stormwater Manual Chapter 10.3.3. Encroachment agreements shall be obtained when working within any private utility area. Tree plantings shall be coordinated with existing utilities prior to plantings, and if possible, trees shall not be planted within 10' of an existing utility. Tree removal and planting activities shall be reviewed and approved by Division of Environmental Services Urban Forester and/or Arborist prior to any tree removal or planting activities. An Operations and Maintenance Plan shall be provided at the conclusion of the project. Budget Items #8 (Clear and Grubb Parking Lot Area) and #33 (6' Privacy fence) are not eligible grant expenses. Applicant to provide the Division of Water Quality with a revised budget omitting the "Clear and Grubb Parking Lot Area" and "privacy fence" budget items for inclusion in the Grant Award Agreement – Attachment A document. Organization proposes a larger cost share beyond that required by the grant program. Budget shall reflect the 23.3% cost share offered in the application (approximately $64,001.52).

LFUC Airport Board [Application number BI-APP4-2026] – Score 51.50, $250,000.00 requested. Lexington Blue Grass Airport (LEX), identified on the IRHC list, proposes green infrastructure improvements in alignment with Best Management Practices (BMPs) from the South Elkhorn Watershed Assessment. The proposed project looks to make improvements in two (2) key areas: 1) Area 1: Air Freight Road (Rental Car Facilities) - stormwater from this site currently sheet-flows into eroding ditches and an oversized 170-foot cul-de-sac before entering the detention pond network and 2) Area 2: Terminal Pipe Rehabilitation - due to incremental development, some downspouts and restaurant plumbing connections may be improperly routed. The project includes pavement reduction; tree planting (canopy); infiltration trenches; ditch and pond stabilization/enhancement; and terminal pipe rehabilitation

The Applicant meets program eligibility requirements. The project is not recommended for funding due to limited and unclear information in the application. The application did not meet the general standards in terms of information or detail.

Not recommended for funding this fiscal year.

Griffin Gate Community Association, Inc. [Application number BI-APP5-2026] – Score 33.38, $20,836.25 requested. The overall purpose of this project is to mitigate an existing stormwater drainage issue located at Pintail Drive. The project elements include demo and replace existing 6-inch drainage line on lower south end of Pintail Drive and extending to the north retaining wall along stream's edge with 18-inch HDPE piping; and replace (2) existing undersized drainage structures with larger drainage catch basin structures to accept the new piping, and pipe across roadway to existing catch basin.

The Applicant meets program eligibility requirements. The proposed project does not meet the intended goals of the program as the project elements do not provide any water quality enhancement or water quantity reduction.

Not recommended for funding this fiscal year.

Andover Neighborhood Association, Inc. [Application number BI-APP6-2026] – Score 29.63, $36,900.00 requested. The Feasibility Study will consider the following Best Management Practices (BMPs) to improve water quality: 1) Trash Collection System, 2) Failing Infrastructure Hard Armoring, 3) Naturalize Stream, 4) Reconnect Stream and Floodplain, 5) Enhance Riparian Buffer, 6) Streambank Stabilization, 7) Linear Utility Protection, and 8) Outreach and Education. The project deliverables will include the proposed location of the BMPs, conceptual designs, design and construction opinions of probable cost, and special design and construction conditions such as necessary permits, coordination with outside stakeholders, etc.

Director recommended full funding in the amount of $36,900.00 requiring a minimum $9,225.00 cost share with Stipulations that Both electronic and hard copies of all materials are to be provided to LFUCG, for its use, as part of the grant deliverables and Organization proposes a larger cost share beyond that required by the grant program. Budget shall reflect the 20.01% cost share offered in the application (approximately $9,230.00).

Public Comment – Mr. Woolwine opened the floor for public comments.

- **BBPH Properties, LLC** [Application number BI-APP1-2026]

  Public comment and questions: Russ Turpin, EcoGro, was present to answer any questions the Board may have on this request. The Board had no questions at this time.

- **1000 Delaware, LLC** [Application number BI-APP2-2026]

  Public comment and questions: Scott Southall, Earthcycle Design, LLC, was present to answer any questions the Board may have on this request. The Board had no questions at this time.

- **The Sanctuary Lexington, LLC** [Application number BI-APP3-2026]

  Public comment and questions: There were no comments or questions.

- **LFUC Airport Board** [Application number BI-APP4-2026]

  Public comment and questions: There were no comments or questions.

- **Griffin Gate Community Association, Inc.** [Application number BI-APP5-2026]

  Public comment and questions: There were no comments or questions.

- **Andover Neighborhood Association, Inc.** [Application number BI-APP6-2026]

  Public comment and questions: There were no comments or questions.

Board Discussions – Mr. Woolwine opened the floor for discussion of the Class B Infrastructure Grant Applications.

- **BBPH Properties, LLC** [Application number BI-APP1-2026]

  Board comments and questions: Mr. Lowe asked for clarification on the number of trees to be planted. Mr. Turpin said they are proposing 345 trees, and 225 shrubs for a total of 570. The type of trees being planted are not recognized in the LFUCG Planting Manual so there is a discrepancy between the number of trees being planted that will be considered as tree canopy credits. There is a difference between new development/redevelopment plantings versus natural area/riparian buffer area plantings.

  Mr. Sallee asked if the minimum tree canopy requirement was being met or will a variance be requested from the Board of Adjustment. Mr. Turpin said that since this is a retrofit and not new construction/development, he is not aware of the minimum that should be met. The proposed plantings will be in addition to what is required to maintain above and beyond the requirements. With the tree canopy being made part of the Stormwater Manual this is a learning process.

Mr. Woolwine said it is important to address these changes now, so they don't fall through the cracks in the future. Mr. Mabson said that there is a gap between enhancing the riparian buffer area versus tree canopy credits.

Mr. Lowe asked for clarification on the aerator concerns. Mr. Mabson said that the aerator will help clean up the algae in the pond.

Mr. Woolwine asked how big the pond is. Mr. Turpin replied the pond is 6/10 acre. It is mostly shallow with a lot of sediment built up. An aerator has been recommended for a number of years, and solar power is the most cost-effective option and easier to maintain.

Mr. Lowe moved to accept the Director's Recommendations for BBPH Properties, LLC [Application number BI-APP1-2026]; seconded by Mr. Sallee. The motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

- **1000 Delaware, LLC** [Application number BI-APP2-2026]

  Board comments and questions: Mr. Lowe referenced B4 of the application and asked how this project exceeds the regulatory requirements. Mr. Southall explained that the property is located in the infill and redevelopment boundary and is nearly 100 percent covered with impervious surface. Will Hanrahan, the property owner, has obtained funding through the LFUCG's Public Infrastructure Program to replace sections of the parking lot with permeable pavement. The requested grant funds will be used toward the permeable paver pedestrian plaza, tree wells along Manchester Street, rainwater harvesting and tree canopy throughout the site.

  Mr. Lowe asked if the staff was concerned about whether the regulatory requirements are being met. Mr. Mabson said that there will be a 20 percent reduction in impervious surface. Mr. Southall said that the regulatory requirements are being met by simply removing pavement from the parking lot area and the plaza area.

  Mr. Sallee moved to accept the Director's Recommendations for BBPH Properties, LLC [Application number BI-APP1-2026]; seconded by Mr. Lowe. The motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

- **The Sanctuary Lexington, LLC** [Application number BI-APP3-2026]

  Board comments and questions: Mr. Woolwine referenced the Grant Determination Form, Item Number 12, and asked if the staff has spoken with the Grantee about the change to the budget. Mr. Mabson replied that he does not know if the grantee has seen the Directors recommendation.

  Mr. Sallee said those two items are a small percentage of the budget.

  Mr. Woolwine said that items such as these need to be consistent with other applications.

  Mr. Sallee moved to accept the Director's Recommendations for The Sanctuary Lexington, LLC [Application number BI-APP3-2026]; seconded by Mr. Lowe. The motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

- **LFUC Airport Board** [Application number BI-APP4-2026]

  Board comments and questions: Mr. Woolwine said that the application lacked sufficient information needed. Mr. Mabson and Ms. Young explained that with the applicant not clearly defining the project elements, BMP areas and drainage areas treated by individual BMPs, the Scoring Panel had difficulty scoring the application. Also, the application mentioned a video survey and targeted repairs will address cross-connections and ensure compliance with current standards for materials, grease traps, and stormwater drainage, but these are regulatory requirements.

Mr. Woolwine asked if a representative from the LFUC Airport Board was present. The Grantee was not present.

Mr. Sallee asked when an application is disapproved, is there a waiting period before the Grantee can reapply for a stormwater grant. Mr. Mabson said that the Grantee can reapply with a new application during the next grant cycle.

Mr. Sallee said that the airport is within the Rural Service Area and asked if they are treated the same as the Urban Service Area. Mr. Mabson explained that the Airport needs to comply with Federal, State and Local requirements.

Mr. Woolwine asked if the Grantee will receive a letter informing them of the Boards decision. Mr. Mabson replied they will receive an email.

Mr. Woolwine asked if the staff would give the Grantee the opportunity to sit down to discuss their application. Mr. Mabson said the staff has met with applicants in the past to discuss what they need to do before they submit their next application.

Mr. Lowe moved to accept the Director's Recommendations for LFUC Airport Board [Application number BI-APP4-2026]; seconded by Mr. Sallee. The motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

- **Griffin Gate Community Association, Inc.** [Application number BI-APP5-2026]

  Board comments and questions: Mr. Sallee asked if there was a representative from the Griffin Gate Community Association present. The Grantee was not present.

  Mr. Sallee moved to accept the Director's Recommendations for Griffin Gate Community Association, Inc. [Application number BI-APP5-2026]; seconded by Mr. Lowe. The motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

- **Andover Neighborhood Association, Inc.** [Application number BI-APP6-2026]

  Board comments and questions: There were no comments or questions.

  Mr. Lowe moved to accept the Director's Recommendations for Andover Neighborhood Association, Inc. [Application number BI-APP6-2026]; seconded by Mr. Sallee. The motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

VI. **REMAINING FUNDS RECOMMENDATION/DISCUSSION** – Mr. Mabson said that the FY 2026 Class B Infrastructure Grant Awards totaled $593,839.87. The staff recommend reallocating the remaining funds of $1,898,416.60 to Fiscal Year 2027.

Board comments and questions: In response to a question from Mr. Woolwine, Mr. Mabson said that Water Quality wants to market the Stormwater Quality Projects Incentive Grant Program to increase the number of applications being submitted.

Mr. Woolwine said that the program has left over funds that should be used on future projects. Ms. Young mentioned that Council District 10 has been asking questions concerning the program and the remaining funds. There will be a presentation on the Stormwater Quality Projects Incentive Grant Program at the November Environmental Quality and Public Works Committee with recommendations made by Council District 10.

Mr. Woolwine asked if the staff had any idea why the application submittals are decreasing. Ms. Young said that when the Stormwater Quality Projects Incentive Grant Program was created there were flooding issues in neighborhoods/businesses, but some of those issues have been addressed.

Mr. Mabson commented that there is a financial concern to consider such as price increases in material/labor and meeting the 20% cost-share.

Ms. Young said that another thing to consider is the Stormwater Quality Projects Incentive Grant Program is not a money-making venture for the applicant. The Grantee must put in 20% of the funding to exceed stormwater regulations and for developers this may not be looked at favorably.

Mr. Lowe said that the breakdown helps us to see what is remaining.

Mr. Sallee commented that since the beginning of the program, it is possible that the easy projects are done with all that remains are the tougher projects. Mr. Mabson said that it is hard to say with all of the construction going on through town. It is fair to say that over time the program has plateaued out and perhaps there will be an increase over time.

Mr. Lowe said that WaterwaysLex will be able to get involved and help. Mr. Mabson agreed.

No action was taken.

VII. **INCENTIVE GRANT STATUS UPDATE** - Mr. Mabson and Ms. Young briefly provided an update on the Incentive Grants from FY 2016 to FY 2025; commenting on a few select projects.

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

Russ Turpin, EcoGro, gave a brief update on the Incentive Grants projects his company is involved with.

VIII. **OTHER MATTERS**

a) **Public Notice for 2026 Meetings** – Mr. Mabson presented the Public Notice for 2026 meeting dates. He recommended a vote to accept the meeting dates as January 8, April 9, July 23, and October 8, 2026, unless there were any scheduling conflicts.

The WQFB had no objections to the proposed future meeting dates for the 2026 calendar year.

Mr. Sallee moved to accept the date(s), as listed for the 2026 Calendar Year Meeting schedule; seconded by Mr. Lowe. The motion passed unanimously. Ms. Fogle and Mr. Vaught were absent.

b) **Term Expirations –** Mr. Woolwine (WQFB Chairman) has served on the WQFB since 2014, replacing former Chairman, Ms. Bonita Hall who resigned. Mr. Woolwine was able to serve two (2) additional full terms. Mr. Mabson thanked Mr. Woolwine for his years of service on the Water Quality Fees Board and wished him well in the future.

Mr. Woolwine expressed his gratitude and commented that the Board has been a part of many great projects. Perhaps the Board is not seeing as many projects because now they are experiencing the positive results and rewards of hard work from the Grantees and the projects that have been funded through the Stormwater Quality Projects Incentive Grant Program. He said that it has been a great experience working with talented people with creative minds on great projects. The staff is very diligent and dedicated and he has enjoyed his time on the Board.

Mr. Mabson noted that the Election of Officers would be postponed to the January 2026 meeting agenda.

c) **Audience Comments** - Scott Southall, Earthcycle Design, LLC, invited the Board and the staff to the Unitarian Universalist Church of Lexington located at 3564 Clays Mill Road for their ribbon cutting event on October 19th from 1:00 pm to 2:00 pm.

IX. **ADJOURNMENT** – Mr. Woolwine asked LFUCG staff if there were any other matters to address. There were none.

Mr. Sallee moved to adjourn the meeting. The motion was seconded by Mr. Woolwine, and the motion passed unanimously. The meeting was adjourned at 9:57 a.m. Ms. Fogle and Mr. Vaught were absent.