

**PUBLIC HEARING**  
**May 5, 2021**

THE BOARD OF SANITARY COMMISSIONERS conducted a public hearing previously scheduled and advertised in the Muncie Star Press.

Board members present; Stephen Brand, Board President; Brian Stephens-Hotopp, Board Vice President, Joseph Evans, Board Secretary; Tonya Brothers-Bridge, Board Member and David Smith, Board Member.

Staff present: Department managers and staff present; Mark McKinney, Legal Counsel; John Barlow, District Administrator; Deana Cox, Financial/Billing Manager; John Anderson, District Engineer; Harvey Wright, Sewer Maintenance Superintendent; Tim Stover, IT Administrator; Rick Conrad, BWQ Director; Jason Ingram, WPCF Superintendent; Melanie Lanich, Health Administrator; Phil Reagon, Sanitation Superintendent and Megan Huff, Executive Office Manager.

Public: No one signed in from the Public

**Public Hearing Topic: Solar Performance Services**

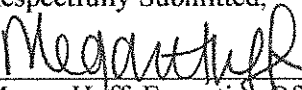
Mr. Stephens-Hotopp said at the last Board meeting we discussed that we would have a special public meeting on April 29, but due to unforeseen circumstances that did not happen. He said it ended up being the best option for us to have the public meeting regarding the Solar Power Project on the same date as regularly scheduled Board meeting. Mr. Stephens-Hotopp said today Performance Services and GM Development is in attendance today to give a brief presentation and answer any questions there may be from the public. He said during the regularly scheduled meeting that follows we will approve the Resolution to formally establish this agreement. Mr. Stout began the presentation showing the size that was decided on for the final layout of the solar panels at the Plant. He said we were able to increase the system size to offset a little larger than we were expecting. Mr. Stout said there will be some trees removed and planting new trees. He said the numbers came in right at budget with the increasing prices of materials and metals. Mr. Stout said he has updated the numbers and has shown an interest rate of 2.75% and we will have \$172,000 in gross savings at year 1 with an interest payment at \$35,000 per year. He said it is just after 16 years for payback if you reinvest the money back in or there is a 20-year payback schedule. Mr. Stephens-Hotopp asked what the life expectancy of the panels is when installed. Mr. Stout said they have a 30-year warranty, and the life expectancy would be 45-50 years. He said they are crystalline technology panels, and it is a proven technology in the real-world service. Mr. Evans asked if the power degrades overtime from the panels as they age. Mr. Stout said yes, we show a .5% decrease in power each year. Mrs. Brothers-Bridge asked if we have net savings. Mr. Stout said yes, it is about \$134,000 the first year in net savings. Mr. Stout said net metering ends in 2032 but you will be over net metering because you are under 30% of your offset. The way the WPCF runs you will not be pushing power back instead you will be using it within your facility. Mr. Stout said the construction timeline is based on the end of May. He said the biggest issue is one piece of specialized gear is about a 4-6-month lead time. Mr. Stout said once the agreement is approved, we can do a PO on long lead time materials and at that point we will have a better idea on a timeline. He said we will not mobilize until the middle of August with a completion date in December 2021. Mr. Evans asked if the work would be self-performed. Mr. Stout said the work was bid out and four companies responded with one being from Muncie. He said he felt like many did not bid due to the metal rates and the project being so spaced out from the bid date some people do not want to bid on a project so far in advance. Mr. Brand asked if the vendor chosen is not from Muncie would it be a requirement to try to use local vendors for their materials. Mr. Stout said yes and that was put in the bid packages to use local labor trades as preferred. Mr.

Stephens-Hotopp asked if there was a prevailing wage specification in the bid package. Mr. Stout said yes. He moved on to the next installation property at Jake's Creek. Mr. Stout said is the best system of the remaining with only the awaiting of an approval from DNR. He said you are looking at about \$661,000 for that system, but we will not know until we receive bids. Mr. Stout said at the new Sanitation building we may need some easements but if we cannot get those for some reason, we have figured out how to place the panels on the roof. He recommended that once the new building is fully up and operating it may be good to get a couple months' worth of utility bills so we can make sure we are installing the correct size of panels. Mr. Stout said we are going to hold off until mid-July for the McCulloch park panels until we know what will be done with the old Sanitation building. Mr. Stout said the CNG Station panels will probably not go through. He said after receiving the civil report we learned there is a levee where the panels are showing they would be placed. He said we can still run the numbers if the Board would like to see it, but he does not think it will be very cash flow positive like the other installations. Mr. Stephens-Hotopp asked how it would affect our overall financing to not have the CNG Station as one of our potential sites. Mr. Martz from GM Development said the project that was bid is the WPCF part of the project and it was set up so that the interest is only paid as the funds are drawn. He said decisions can be made on the other projects on January 15<sup>th</sup> whatever the outstanding principal balance would be what is paid annually. Mrs. Brothers-Bridge said so it could be viewed as a line of credit between now and January and then it would be considered permanent after January 15<sup>th</sup>. Mr. Martz said that is a great way to think about it other than it is not a revolving line of credit. Mr. Stephens-Hotopp asked when the interested rate would be locked in. Mr. Martz said it would be locked in at the time of closing. He said the lowest bank right now is at 2.75% for 10 of the 20 years. Mr. Martz said we are not looking for approval of financing today we are only looking for the approval of the initial project and project budget. He said now that we have some numbers in, we will speak with your financial advisor and attorney to view the bank bids as well as drafting documents for them to review. Mr. Stephens-Hotopp asked if there were any current or future legislative actions that would impact the performance or feasibility of the project. Mr. Stout said no he said outside of the potential net metering being expanded would not affect the WPCF, but it would affect the other sites. He said we did show in the numbers for the other sites 11 years so if anything, that could be set back to 30 years. Mr. Evans asked after the panels have served their life how do we dispose of them. Mr. Stout said because of their materials, aluminum, and sand they are technically able to be thrown in a dumpster. He said there is an aftermarket for the panels. Mr. Brand said after this we are going to approve the budget for the WPCF only. Mr. Stout said that is correct because we are still waiting on some to be determined items from the other properties that have not allowed us to get bids yet. Mr. Brand asked if the delay on the specific piece of equipment Mr. Stout mentioned was related to the semiconductor shortages. Mr. Stout said yes and even some metals that is highly specialized. Mr. Brand said so with that May date for you to lock in material costs and lead times. He asked who bares the risk if material costs shift. Mr. Stout said we do but the only thing he is worried about right now would be the metals. He said we did talk to our installers and if there is a drastic decrease, we will pass that along as well. If there is a shift, they would work with us and we would pass that along. Mr. Brand asked if that was contractual. Mr. Stout said yes. Mr. Brand said he knows you mentioned speaking with Omni regarding the types of cabling. He asked if there has been a tech review done. Mr. Stout said yes. Mr. Brand asked if there were any other risks. Mr. Stout said if we get those components locked in, he does not feel there are any other factors other than our long lead times. He said there are never any change orders, so Performance Services are the ones bearing any risk if there is one. Mr. Stephens-Hotopp said he believes the Resolution today is for the WPCF specifically, but the future design and construction of the other sites are included in the overall not to exceed pricing in the Resolution. He said there may be additional contracts moving forward but the goal is to look at all the sites as one compressive project.

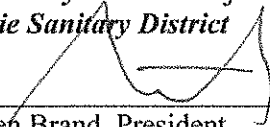
**Public Comments:** There were no public comments.

**Adjourn:** Mr. Stephens-Hotopp moved to adjourn the Public Hearing and open the regularly scheduled Muncie Sanitary District Board Meeting. Mr. Evans seconded the motion. The motion was approved. (5-0).

Respectfully Submitted,


  
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Megan Huff, Executive Office Manager


*Approved by the Board of Sanitary Commissioners  
Muncie Sanitary District*

  
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Stephen Brand, President

  
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Joseph Evans, Secretary

  
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Tonya Brothers-Bridge, Board Member

  
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Brian Stephens-Hotopp, Vice President

  
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David Smith, Board Member