

January 23, 2024

Mayor Guy Titus Board of Public Works and Safety 10 South State Street Greenfield, IN 46140

Re: Wastewater Utility Gas Service Line Installation

Mayor and Board Members,

The natural gas fuel lines were not incorporated into the construction contract for the WWTP Improvements Project due to the application requirements for new commercial service from the provider. CenterPoint Energy's engineering group presented us with the following options for our site:

- CenterPoint would install a meter at each building needing service and run the feed lines to each meter at a minimal upfront cost to the Utility (estimated at \$6,543.11 after service credits). However, we would then have monthly base charges for multiple meters instead of just 1 or 2 master meters and the fuel lines would be owned by CenterPoint.
- 2. CenterPoint would install a master meter to serve the entire site and fuel lines would need to be ran to each building. The cost for the fuel lines would be paid for by the Wastewater Utility and the lines would be owned by the City.

Option #2 was the preferred option of CenterPoint Energy's engineering group. After reviewing these options, it was determined that this would also be best for the Wastewater Utility since it would limit the number of meters at our site and reduce our monthly base charges. We requested an estimate from FA Wilhelm to run the fuel lines to each location off of one master meter, but it turned out to be cost prohibitive.

After some discussions with representatives from CenterPoint, they were agreeable to serve our site with 2 meters, one new meter on the south end and to reuse the existing meter on the maintenance garage to serve the north end. We also reached out to Miller Pipeline and they provided the attached proposal to install the fuel lines to each building. The existing lines that run from the garage to the administration and chemical feed building will also be pressure tested and reused if possible. The total proposed cost for this work is \$21,721.90 and would only change if the existing lines fail the required pressure test.

Wastewater Utility 809 South State Street: Greenfield, Indiana 46140 wwtp@greenfieldin.org Phone 317-477-4360 Fax 317-477-4361



The difference between the 2 options is \$14,456.89. Based on the current base rate of approximately \$47.00 per month, the return on investment for this would be around 8 years. When compared to the 50 year expected service life of underground natural gas lines, this is a good investment in our site infrastructure.

At this time, I am requesting that the Board approve the proposal from Miller Pipeline in the total amount of \$21,721.90 for the installation and testing of the natural gas fuel lines for the WWTP Improvements Project. A copy of the proposal and the site routing has been included for your review. Please let me know if you have any questions or if any other information is needed at this time.

Best Regards,

Nicholas Dezelan, CHMM, ASP Wastewater Utility Manager

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