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**MINUTES OF THE
BOUNTIFUL LIGHT & POWER COMMISSION
April 22, 2025 - 8:00 a.m.**

Those in Attendance

Power Commission

Susan Becker, Chairman
Dan Bell, Commissioner
David Irvine, Commissioner
John Marc Knight, Commissioner
Matthew Myers, Commissioner
Jed Pitcher, Commissioner

Power Department

Allen Johnson, Director
Alan Farnes, Generation Supt.
Jess Pearce, Supt. of Operations
Tyrone Hansen, Accountant
Luke Veigel, Engineer

City Officials

Kendalyn Harris, Mayor
Kate Bradshaw, City Council
Beth Child, City Council
Gary Hill, City Manager
Galen Rasmussen, Asst. City Manager
Jessica Sims, City Human Resources

Visitors

Charles Benson, Street Department
Scott Redding, Street Department
Jared Edge, Street Department
Gary Davis

Recording Secretary

Nancy Lawrence

EXCUSED

Cecilee Price-Huish, City Council
Richard Higginson, City Council

WELCOME

Chairman Becker called the meeting to order at 8:00 a.m. and welcomed those in attendance. The prayer was offered by Matt Myers.

BUDGET PRESENTATION

Mr. Hansen presented an overview of the Budget Report which included major roles and critical functions of the Bountiful City Power Department and a description of the department. The proposed budget for FY 2026 is balanced at \$43,910,181, which includes the following increases: 3% rate; 3% Feed-in Tariff; and 10% in Fees. It also includes a Solar net Metering buy back rate reduction to \$0.07. The Annual Pole Attachment fee will be increased from \$14 to \$15. Bountiful City Light & Power (BCLP) provides electrical power to approximately 17,300 customers – 15,652 residential, 1,647 commercial, and 1 industrial.

BCLP staff includes a 24-hour Dispatch, Line crews, Tree crews, Substation Technicians, Engineer and Power System Planners, Metering Technicians, a Safety Director, 4 on-call personnel with 20-minute response and Office Staff. The department is composed of 6 substations, with 42 miles of transmission lines and 225 miles of distribution lines. There are also 75 miles of street light circuits. He identified the following Power Resources: Colorado River Storage project, Intermountain Power Project, a natural gas fired power plant, hydro

1 projects, solar projects, and contracts from industry suppliers. He summarized that the priorities
2 for the upcoming budget year are: upgrades and replacement of equipment and acquiring power
3 resources to stabilize the cost of power and increase "green" and carbon-free resources. The
4 details of these priorities were presented next by Mr. Pearce, Mr. Veigel and Mr. Farnes.

5
6 Mr. Pearce recognized that BCLP has had over 7 years of "no lost time" accidents (over
7 2,555 days) and this safety record has received recognition from the Intermountain Power
8 Superintendents Association and the American Public Power Association national award. He
9 said that the 5-year average system reliability rate is .999992%. Approximately 126 poles are
10 replaced each year. At this rate, it will take 20 years to replace the remainder of the poles
11 identified as rejects. These poles are approximately 50 years old and will not last 20 years.

12
13 Mr. Pearce showed the group an example of an underground bare concentric cable,
14 reviewed statistics for installation and replacement since 1970, and said that at the current
15 replacement rate, it will take 30+ years to replace the remaining bare concentric cable. The tree
16 trimming program has one in-house and two contract tree crews (currently in contract with
17 Diamond Tree Company). Based on a 5-year average, 4,476 trees are worked on each year.

18
19 Supply Chain is a critical component of maintenance on the system. Mr. Pearce
20 reviewed lead times for butt treated poles, transformers, switch cans, fuses, and ACSR wire
21 which ranged from three months to 104 weeks, which makes it critical for supplies to be
22 closely managed and budgeted. Wire prices have increased 60% plus since 2021. Rubber
23 goods, terminations and connections have increased substantially in price.

24
25 Mr. Veigel reported that Capital Expenditures (\$8,510,000) are up \$3,060,000 and
26 include M&E vehicles at \$420,000. Feeders will be upgraded (including cable, conduit,
27 equipment and installation for #573), as follows:

28 Feeder #273: \$160,000

29 Feeder #573: \$700,000

30 Feeder #576: \$100,000

31 Feeder #571: \$130,000

32 Conduit, cable, and equipment is included for Renaissance Distribution (\$500,000) and
33 \$200,000 is included for Bountiful High, 400 South Main, Bolton Property, Renaissance Lot
34 11, and other miscellaneous expenditures.

35
36 Mr. Farnes presented the portion of Capital Expenditures associated with the Hydro
37 *beginning* upgrades for controls, (\$1,150,000) and installation of a new flow meter. The total
38 cost for upgrades for these resources is estimated at \$7 to 8 million. The Northwest substation
39 upgrade is \$5,150,000 to upgrade the low bus which is a safety hazard, and funding for outdated
40 breakers and an aging transformer.

41
42 Mr. Hansen reviewed changes in fees as follows: Pole attachment fee – increased from
43 \$14 to \$15; and a 10 percent increase on all customer fees based on personnel and equipment
44 costs, fees have not been adjusted in several years, and personnel costs have increased.

1 Mr. Hansen then explained changes in the market resources (which are variable
2 expenses that only can be estimated), including the day-ahead market, (through UAMPS), coal,
3 natural gas (through IPP) and the plant. Allocation of these resources is weather-dependent and
4 based on past history. The average system cost for power in fiscal Year 2025-26 is \$0.0698.
5 Solar rates are based on a proposed hybrid solar rate as follows. The current solar rate system
6 which is based on a work session and City Council approval on October 12, 2021, with the
7 following additions: (1) the current Net Metering buy back rate will become equal to the Hybrid
8 rate by July 2030; and (2) we will continue to keep the feed-in-tariff rates equal to current rates.
9 He said IPP repowering to natural gas is still scheduled to be online July 2025. San Juan will
10 no longer be an energy source, but we will pay our share of expenses to shut down the plant
11 (\$193,200). Future power options are a UAMPS gas plant, solar with batteries, a geothermal
12 plant, and wind. With the resources currently used, it is proposed that the following rates are
13 proposed: 3% rate increase, 3% Feed-in-tariff increase, Net Metering buy back rate reduced to
14 \$0.07, and a 10% fee increase to connect, reconnect, temporary, and photovoltaic requests.

15
16 The balanced budget is based on Operating Revenue at \$36,048,043 (up \$1,343,261).
17 Operating Expenses are set as follows: Personnel Services, \$6,511,135 (up \$529,352);
18 Operations & Maintenance at \$25,528,092 (up \$682,362); Net Operating Transfers In (Out): a
19 transfer IN from Retained Use of Retained Earnings (\$7,105,000) and a transfer OUT
20 (\$3,164,831) to the General Fund. The **10-Year** Capital Plan includes expenditures of
21 \$45,410,000.

22
23 The staff recommends approval of the following proposed balanced budget of
24 \$43,910,181 for FY 2026 which includes the following:

25
26 3% rate increase effective July 1, 2025
27 3% Feed-in-Tariff rate increase
28 10% increase to Fees
29 Solar Net Metering buy back rate reduced to \$0.07
30 Annual Pole attachment increase from \$14 to \$15
31

32 Commissioner Irvine motioned to approve BCLP's Proposed FY 2026 as presented and
33 discussed above and send it to the City Council. Commissioner Pitcher seconded the motion
34 which passed unanimously with Commissioners Becker, Bell, Knight, Myers and Pitcher voting
35 "aye".

36 Councilwoman Child motioned that the Budget Committee make a recommendation to
37 the City Council to adopt the BCLP proposed FY 2026 budget as presented and recommended
38 by the Power Commission. Councilwoman Bradshaw seconded the motion and voting was
39 unanimous. Mayor Harris and Councilwomen Bradshaw and Child voted "aye".
40

41 The Budget Presentation concluded at 9:45 a.m. and the members of the Council Budget
42 Commission and the City Council and others, as desired, were excused.
43

44 The meeting reconvened at 9:50
45

46 **MINUTES – APRIL 22, 2025**

Minutes of the meeting of the Bountiful Power Commission held April 22, 2025, were presented and approved as written. Councilman Irvine made the motion to approve, and Commissioner Irvine seconded the motion. Commissioners Becker, Bell, Knight, Irvine, Myers and Pitcher voted “aye”; Commissioner Myers abstained from voting.

BUDGET REPORT – YEAR TO DATE 8 MONTH PERIOD

Mr. Hansen presented the Budget Report for the Year to Date 8-Month period ended February 28, 2025. Total Revenues YTD were \$26,122,300, above the HAB by \$1,815,158. The major items above budget were: Electric Metered Sales at \$1,283,273, 6.1% above its HAB; Air Products income, \$66,071 was above its HAB with an average load factor of 66.7%; Sundry Revenues were \$153,694 above budget and Interest Income on Investments was above its HAB by \$305,084. Contribution in Aid to Construction was \$(21,113), below its HAB.

Total Operating Expenses YTD were \$20,882,349, below the HAB by \$569,233. Power Cost Expense was below its HAB at \$474,178 (Power Generation was under \$270,000 and Power Resources Cost was under \$203,000). Other operating expenses that were below the HAB were Distribution Expense at \$204,902; Transformer Expense at \$81,505, Street Light Expense at \$64,529, and Substation Expense at \$106,983. Operating Expenses that were above the HAB were Hydro Transmission Expense at \$(639,388) and the Transfer to the General Fund Expense at \$(47,754).

Total Capital Expenditures YTD were \$1,674,557, which included \$41,000 at 400 South Main, \$15,000 for Renaissance Lot 11, \$154,000 for Feeder 572/574 tie, \$138,000 for Vehicles, and \$1,200,000 for the Northwest Substation.

Total Labor and Benefits was \$3,381,326. As of 15 February, the last pay period paid in the YTD period), 63% or \$3,769,343 could have been spent; the actual TL&B was \$388,017 below that target.

The Net Margin for the YTD was \$3,565,394, as revenues are above budget and power costs are coming in under budget.

Total cash and equivalents were a net \$25,541,625 at month end, up \$2,481,252 from \$23,060,363 at 30 June 2024, and \$9,367,625 above the \$16,174,000 total reserved cash requirement. Major sources and (uses) of cash at month end compared to fiscal year-end 2024 included the \$905,728 decrease in total accounts receivable; increase of \$(986,214) in total inventories; decrease in total accounts payable \$(184,067); \$(123,562) decrease in Accrued benefits and payroll; and the \$(646,917) decrease in other equity (excluding the net margin). Following a brief discussion, Commissioner Pitcher made a motion to accept the budget report as presented, and Commissioner Bell seconded the motion which passed unanimously. Commissioners Becker, Bell, Irvine, Myers and Pitcher and Councilwoman Price-Huish voted “aye”.

RESOURCE UPDATE

Mr. Johnson noted that the majority of items to be discussed regarding resources were discussed during the Budget Presentation. He said that UAMPS is still looking at the Idaho

1 resource, but the interconnection and transmission issues are not resolved. Both IPP projects
2 are moving forward, with several issues still not complete.

3
4 *The following items were included in the packet but not discussed in the meeting.*

5
6 **POWER SYSTEM OPERATION REPORT**

- 7 a. February 2025 Resource Reports
8 b. March 2025 Lost Time/Safety Reports
9 c. February 2025 Public Relation Reports
10 d. 2025 Outage Reports
11

12 **OTHER BUSINESS**

13 None
14

15 **NEXT MEETING**

16 The next meeting will be held May 27, 2025, at 8:00 a.m.
17

18 **ADJOURN**

19 The meeting adjourned at 10.00 a.m. with a motion made and seconded by
20 Commissioners Bell and Pitcher, respectively. Voting was unanimous with Commissioners
21 Becker, Bell, Knight, Myers and Pitcher, voting "aye".
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Susan Becker, Chairman

