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**MINUTES OF THE MEETING OF THE  
THE BOUNTIFUL CITY POWER COMMISSION  
October 25, 2022 - 8:00 a.m.**

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**Those in Attendance**

**Power Commission**

Paul C. Summers, Chairman  
Susan Becker  
Dan Bell  
Richard Higginson, CC Rep (via Zoom)  
David Irvine (via Zoom)  
John Marc Knight (via Zoom)  
Jed Pitcher

**Power Department**

Allen Johnson, Director  
Alan Farnes  
David Farnes  
Tyrone Hansen  
Jess Pearce  
Luke Veigel

**Recording Secretary**

Nancy T. Lawrence

**Visitor**

Gary L Davis, Bountiful CERT

**WELCOME**

Chairman Summers called the Power Commission meeting to order at 8:00 a.m. and welcomed those in attendance. The invocation was offered by Commissioner Becker.

**MINUTES, June 28, 2022**

Minutes of the regular meeting of the Bountiful Power Commission held September 27, 2022, were presented, and unanimously approved as corrected on a motion made by Commissioner Pitcher and seconded by Councilman Higginson. Commissioners Becker, Bell, Irvine, Knight, Pitcher and Summers and Councilman Higginson voted "aye"

**BUDGET REPORT – YEAR-TO-DATE 2-MONTH PERIOD ENDNG 31 AUGUST 2022**

Mr. Hansen presented a summarized Budget Report for the Fiscal Year-to-date 2-Month period ended 31 August 2022. Total **Revenues** YTD were \$6,552,759, above its HAB by \$315,458. Major items above budget were: Electric Metered Sales, above its HAB by 3.4% -- \$193,038; Air Products, with an average load factor of 74.8% -- above its HAB by \$46,738; Interest Income on Investments was above its HAB by \$8,255—the August allocation was \$36,000.

Total operating expenses YTD were \$5,779,665, above its HAB by \$(542,161). Major items (above) their HABS were: Power Costs, (above) their HABS by \$(691,587), which included natural gas and plant repair costs; Insurance Expense was (above) budget by \$(45,531); and the transfer to the General Fund was (above) budget by \$(19,098) due to higher EMS. In response to a question regarding the overage of Insurance Expense, it was noted that the City is self-insured (property, vehicle, and casualty) and the annual premium varies. Major Operating Expenses below the HABS included Distribution Expense--\$47,566; Street Light Expense--\$13,712; Transformers Expense--\$52,577.

1 Total Capital Expenditures were \$81,255 and included: \$14,000 for Creekside  
2 Views Cul-de-sac, \$33,000 for Feeder 574, and \$33,000 for the Renaissance MRI.

3  
4 Total **Labor & Benefits** YTD expenses was \$636,994. As of 20 August 2022, 14%  
5 or \$750,362 of the total Labor and Benefits Expense budget could have spent; the actual  
6 TL&B was \$113,369 below that target.

7  
8 The **Net Margin** for the YTD was \$691,840, as on-budget revenues plus many low  
9 operating expenses were partially offset by high power costs.

10  
11 Total Cash and cash equivalents were a net \$19,489,358 at month end, down  
12 \$905,556 from \$20,394,914 at 30 June 2022 and \$4,381,358 above the \$15,108,000 total  
13 reserved cash requirement. Commissioner Pitcher asked if the revenues included the rate  
14 increase and Mr. Hansen confirmed “yes” – 3%. A brief discussion followed regarding  
15 whether a mid-year increase will be necessary and Mr. Johnson said the City Manager  
16 would prefer to not assess a mid-year increase if possible. Councilman Higginson made a  
17 motion to accept the Budget Report, as presented. Commissioner Becker seconded the  
18 motion and voting was unanimous in the affirmative. Commissioners Becker, Bell, Irvine,  
19 Knight, Pitcher and Summers, and Councilman Higginson voted “aye”.

#### 20 21 **TRANSFORMER PURCHASE APPROVAL**

22 Mr. Pearce explained that we are trying to stay ahead on our transformer inventory,  
23 with lead times as long as four (4) *years* out. Invitations to bid were sent to two vendors;  
24 only one responded. It is the recommendation of the Department to approve the bid from  
25 Anixter Power Solutions for 24 (ea.) 37.5 Kva 1-phase O.H. transformers and 24 (ea.) 50  
26 Kva 1-phase O.H. transformers (with a delivery time of 26-30 weeks) for a total cost of  
27 \$129,264.00. He said this price is in the same price range as the last transformer purchase  
28 that was made. Commissioner Bell made a motion to accept the staff recommendation and  
29 Commissioner Pitcher seconded the motion. Voting was unanimous with Commissioners  
30 Becker, Bell, Irvine, Knight, Pitcher and Summers and Councilman Higginson voting “aye”.

#### 31 32 **2023 TENTATIVE CALENDAR APPROVAL**

33 Mr. Johnson presented the Tentative Schedule for 2023 Power Commission  
34 meetings, noting that it follows the typical fourth Tuesday for normal meetings. He pointed  
35 out known budget meeting schedules, no regular meetings in July and December, June  
36 APPA meetings, Thanksgiving, IPA, and the UAMPS annual meetings.

37  
38 January 24, 2023 Tuesday – 8:00 a.m.  
39 February 21, 2023 Tuesday – 8:00 a.m.  
40 March 28, 2023 Tuesday – 8:00 a.m.  
41 **April 25, 2023 Tuesday – 8:00 a.m. Joint PC & CC – Budget**  
42 *(This meeting might need to be re-scheduled to conform with the CC budget meeting schedules).*  
43 May 23, 2023 Tuesday – 8:00 a.m.

44  
45 **APPA National Conference June 17-21 Seattle, WA**

46  
47 June 27, 2023 Tuesday – 8:00 a.m.

1 July 2023 No PC Meeting Scheduled

2  
3 UAMPS Annual Meeting Aug 13-16, 2023 Jackson, WY

4  
5 August 22, 2023 Tuesday – 8:00 a.m.  
6 September 26, 2023 Tuesday – 8:00 a.m.  
7 October 24, 2023 Tuesday – 8:00 a.m.  
8 **November 21, 2023 Tuesday – 8:00 a.m.**

9  
10 December 5, 2023 IPA Annual Meeting  
11 December 19, 2023 UAMPS Annual Meeting

12  
13 December 2023 No PC meeting scheduled

14  
15 In response to a question from Commissioner Becker, Mr. Johnson explained that the  
16 IPA and UAMPS Annual Meetings were for the purpose of reporting (not training).  
17 Commissioner Pitcher made a motion to accept the 2023 Tentative Calendar, as presented.  
18 Commissioner Becker seconded the motion with carried unanimously. Commissioners  
19 Becker, Bell, Irvine, Knight, Pitcher and Summers, and Councilman Higginson voted “aye”.

20  
21 **RESOURCE UPDATE**

22 Mr. Johnson reported that **CRSP** continues with the reduced power output – still in  
23 the neighborhood of 50% chance of going into dead pool with a total restriction on  
24 generating anything. We will be in the 40% range of what we have been getting.

25  
26 **Red Mesa solar** (5.8 MW) is scheduled to start supplying power in February. The  
27 **Steel** project (5.9 MW) has filed an additional force majeure due to supply issues and it  
28 could be until January 2024 before that is available. **San Juan** completely shut down on  
29 September 28, 2022 and the **Enchant** project appears to no longer be a viable resource.  
30 Farmington, New Mexico has filed a lawsuit naming UAMPS for breach of contract.

31  
32 **Muddy Creek** (the waste heat project from Kern River) has been canceled due to the  
33 high cost of insurance required for the project. We have **quit looking** at this one. **IPP**  
34 repowering is still scheduled to be online June 2025, and it is anticipated that it will be able  
35 to run 30% hydrogen. Coal delivery is still a big issue with IPP—due to transportation  
36 issues and the Lila Mine fire which is still burning. Enchant is talking to IPP about buying  
37 the coal plant. They have been talking to the State Legislatures to try and make some  
38 progress. Many issues stand in their way, including cooling ponds and BOR regulations and  
39 air quality. We are working on purchasing additional power through March 2024. (This will  
40 be down in February rather than summer).

41  
42 Mr. Johnson said that he and Councilman Higginson and the City Manager went to  
43 Corvallis to tour the **NuScale Carbon Free Power Plant** on October 11-12, 2022.  
44 Subscription is still an issue, but we have signed a nondisclosure agreement for the project.

1 It has been determined that there is a bad seal on one of the engines at the **Power**  
2 **Plant**. Solar has offered to replace the two Titan engines (with the assumption that if one  
3 has a known problem, it is possible that it is a manufacturing error and might affect both  
4 engines). Solar wants to study our engines to determine why there is a premature failure.  
5 He reviewed the normal life of these engines and the deviation which appears with the seal  
6 failure. The normal cost to replace one engine is \$3,794,889. Solar has offered to replace  
7 Unit #2 for \$962,900; and Unit #3 for \$1,000,427. They would do this project in February  
8 which would be good timing for our other resources. Following discussion, Commissioner  
9 Knight made a motion to accept this proposal from Solar at a total cost of \$1,963,327.  
10 Councilman Higginson seconded the motion which carried unanimously. Commissioners  
11 Becker, Bell, Irvine, Knight, Pitcher and Summers and Councilman Higginson voted "aye".  
12

13 *The following items were included in the packet, but not discussed in the meeting:*  
14

15 **POWER SYSTEMS OPERATIONS REPORT**

- 16 a. August 2022 Resource Reports
  - 17 b. August 2022 Lost Time/Safety Reports
  - 18 c. August 2022 Public Relation Reports
  - 19 d. August 2022 Outage Reports
- 20

21 **OTHER BUSINESS**

22 There was a brief discussion regarding a rate increase. Mr. Johnson said that he  
23 would prefer to get the last piece of power resources in place, as well as known maintenance  
24 expenses and anticipated weather trends before taking action on a rate increase.  
25

26 Mr. Johnson reminded the group of the UAMPS Annual meeting on December 20  
27 (dinner) and December 21 (meeting); the IPA Annual Meeting on December 6, 2022; and  
28 the Department Christmas Party on December 15, 2022, to be held at the former  
29 "Canterbury Hall" on 500 South. Invitations to the Department party will be mailed to all  
30 Commissioners.  
31

32 **NEXT POWER COMMISSION**

33 The next meeting of the Power Commission will be held on November 22, 2022, at  
34 8:00 a.m.  
35

36 **ADJOURN**

37 The meeting adjourned at 9:25 a.m. on a motion by Commissioner Pitcher and  
38 seconded by Commissioner Becker. Voting was unanimous with Commissioners Becker,  
39 Bell, Irvine, Knight, Pitcher, and Summers and Councilman Higginson voting "aye".  
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Paul C. Summers, CHAIRMAN