

1 **Minutes of the**
2 **Power Committee Budget Review Meeting**
3 **(Joint Meeting with Power Commission)**

4 Bountiful City Power Department
5 April 28, 2026 (8:00 a.m.)
6

7 Present:

8 Committee Members: Richard Higginson (Chair), Kate Bradshaw, Dan Bell
9 Council Members: Beth Child
10 Power Commissioners: Susan Becker (Chair), Matthew Myers, David Irvine
11 City Manager: Gary Hill
12 Assistant City Manager: Tyson Beck
13 Department Personnel: Allen Johnson, Alan Farnes, Jess Pearce,
14 Tyrone Hansen, Luke Veigel, Nancy Lawrence,
15 Jessica Sims,
16

17 Official Notice of this meeting was given by posting an Agenda at Bountiful City Hall and on the Bountiful
18 City Website and the Utah Public Notice Website.
19

20 Power Commission chair Susan Becker called the meeting to order at 8:00 a.m. and she welcomed those
21 in attendance.

22 **PRESENTATION OF BUDGET**

23 The meeting was turned over to Tyrone Hansen, Light & Power Department Accountant, to review key
24 points of the power system and budget request via PowerPoint presentation.

25 Budget highlights for the Fiscal Year 2027 were presented as follows:

- 26
- 27 • Overall budget for adoption of \$43,080,097
 - 28 • 4% increase in power rates
 - 29 • 4% Feed-in-tariff increase in power rates
 - 30 • Solar Net Metering buy back rate reduced from \$0.07 to \$.065
 - The annual Pole attachment fee increased from \$15 to \$16

31 Major Roles and Critical Functions were outlined as follows:

- 32
- 33 • Ensure the safety of everyone that interacts with the electrical system.
 - 34 • Buy and generate electricity at economical prices.
 - Deliver reliable electricity to residential, commercial, and industrial customers.

35 Department Description:

- 1 • Services are provided to 17,400 total customers (15,744 residential; 1,655 commercial; 1
2 industrial)
- 3 • 24-hour operation
- 4 • Staffing:
 - 5 ○ Substation Technicians (6 substations)
 - 6 ▪ Hydro Inspection and Maintenance (2 hydros – Echo and Pineview)
 - 7 ▪ Traffic Controller Maintenance (15 city-owned controllers)
 - 8 ▪ SCADA maintenance
 - 9 ○ Line Crews
 - 10 ▪ Outage and system damage
 - 11 ▪ Capital Improvement Projects
 - 12 ▪ System maintenance
 - 13 ▪ Support of city events
 - 14 ○ Tree Crews
 - 15 ▪ Manage the 3-year vegetation management cycle
 - 16 ○ Engineer and Power System Planners
 - 17 ▪ Design projects
 - 18 ▪ Blue Staking
 - 19 ▪ Update of GIS and system records
 - 20 ▪ Monitor pole attachments
 - 21 ▪ Work with customers and contractors
 - 22 ○ Metering Technicians
 - 23 ▪ Gather meter readings monthly
 - 24 ▪ Respond to customer inquiries and billing concerns
 - 25 ▪ Approving new solar and battery installations
 - 26 ▪ Audit meter operations
 - 27 ▪ Complete customer connects and disconnects
 - 28 ▪ Maintain school crossing flashers
 - 29 ○ Office Staff
 - 30 ▪ Handle overall customer relations
 - 31 ▪ Coordinate building maintenance
 - 32 ▪ Maintain records and accounting
 - 33 ▪ Prepare financial reports
 - 34 ▪ Inventory management and purchasing
 - 35 ○ Safety Director
 - 36 ▪ Organizes monthly safety and training meetings
 - 37 ▪ Places orders for personal protective equipment
 - 38 ▪ Processes system damage claims

1 ○ On Call staff with a 30-minute response time

2 The electrical system includes:

- 3 • 6 substations
- 4 • 42 miles of 46KV transmission lines
- 5 • 90 miles of 15KV overhead distribution lines
- 6 • 135 miles of 15KV underground distribution lines
- 7 • 75 miles of street light circuits

8 Resource List:

- 9 • Colorado River Storage Project
- 10 • Intermountain Power Project
- 11 • Natural Gas Fired Power Plant
- 12 • Hydroelectric projects at Echo and Pineview reservoirs
- 13 • Red Mesa and Steel Solar projects
- 14 • Contracts from industry suppliers

15 Fiscal Year 2027 Priorities:

- 16 • Upgrade of feeders #573
- 17 • Replacement & updated of Echo Hydro control systems
- 18 • Relocate transmission and distribution lines for UDOT I-15 expansion
- 19 • Continue replacing insulators on the Echo Hydro transmission line
- 20 • Acquiring power resources to stabilize the cost of power and increase green and carbon-free
- 21 resources

22 Jesse Pearce was asked to provide information on field operations for the department:

- 23 • Over 8 years with no lost time accidents
- 24 • 70,000+ hours worked per year
- 25 • National awards from Intermountain Power Superintendents and American Public Power
- 26 Association national award
- 27 • Outage restoration statistics were presented graphically from fiscal years 2017 through 2025
- 28 with a five-year average system reliability rate of .9999985%
- 29 • Distribution pole replacements data was presented including mention of 2,488 poles being
- 30 replaced out of a total of 4,938 in the system since the year 2000. An average of 126 poles are
- 31 replaced per year which equates to a 50-year replacement cycle.

- 1 • The department’s underground system includes 1,293,500 feet of cable (18,000 feet of cable is
2 replaced or added per year on average). All the new jacketed cable comes with a 40-year
3 warranty but can be expected to have up to an 80-year life.
- 4 • Tree trimming – 4,322 trees worked per year on average (1 in-house and 2 contracted crews)
- 5 • Supply chain delivery delays and wire price increases were cited with up to 60%+ price increase
6 since the year 2021.

7 Luke Veigel was asked to review the capital requests for Fiscal Year 2027:

- 8 • Total capital request is \$4,139,097. Various power line projects were discussed in detail but the
9 largest was the \$1,375,000 to cover the control replacement project at Echo Hydro.

10 Tyrone reviewed the needs behind the requested 4% rate increase. He discussed current power
11 resources and the load/energy demands of the City. He also discussed the “Day Ahead Market” and
12 “Energy Day Ahead Market” (EDAM) that are requirements beginning May 1, 2026. These will require
13 that Bountiful Power must have at its daily disposal 109% of its anticipated power demand. These new
14 requirements will change how Bountiful Power has traditionally purchased power as at times they will
15 have to buy blocks of power in excess of what is actually required by residents. Staff is estimating that
16 this new requirement will be the largest contributor to the almost \$3 million budgeted increase to
17 power costs for fiscal year 2027.

18 Tyrone led a discussion regarding the city’s Colorado River Storage Project (CRSP) and the concerning
19 water levels at Lake Powell due to the drought. The projected reduction in hydro generation from CRSP
20 is also a factor, along with EDAM, for the proposed 4% rate increase for fiscal year 2027. Even with the
21 4% increase it is projected that approximately \$1.5 million will be needed from reserves/retained
22 earnings

23 The meeting concluded with a summary of the budget request which included:

- 24 • 4% metered electric rate increase
- 25 • 4% Feed-in-tariff rate increase
- 26 • Net Metering buy back rate reduction from \$0.07 to \$.0065
- 27 • Operating revenue of \$38,342,032 up by \$2,293,989
- 28 • Even with the 4% rate increase we will still be lower than Rocky Mountain Power rates
- 29 • Personnel Services costs at \$6,933,685 up by \$359,140
 - 30 ○ This budget includes one additional full-time substation technician
 - 31 ○ 38 full-time and 4 part-time total employees
- 32 • Operations and Maintenance costs at \$28,552,019 up by \$3,023,927
- 33 • A transfer to the General Fund of \$3,291,424
- 34 • A total of \$49,409,097 in planned capital expenses (at 2026-dollar values) in the next 10 years

- \$43,080,097 total proposed budget for Fiscal Year 2027

Power cash reserves were discussed and a cash projection schedule was presented by Tyrone based on future estimated operations and the 10-year capital plan.

Councilman Bell asked Allen Johnson to explain the rationale behind the proposed 4% rate increase when it is projected that reserves will be needed to balance the budget. Allen explained that originally when they were considering the new requirements for EDAM, increased operating expenses, and capital needs, a 9% increase seemed warranted. It was ultimately decided that due to this being the first full fiscal year of EDAM and that the Power Fund has enough reserves to absorb some hit, a 4% increase is a reasonable increase. Councilman Higginson asked if 4% was enough. Allen responded that with the use of potentially \$1.5 million in reserves it should be enough. This will also allow us to gain insight from the first year of EDAM and adjust as needed with that additional experience. David Irvine asked if a 5% might be a safer increase. Gary Hill responded that 4% allows us to remain under the Rocky Mountain Power/Pacific Corp rate and still be okay with the financial status of the fund.

Following the discussions, Power Commission chair Susan Becker called for a motion to approve the Fiscal Year 2027 budget request with all items as outlined. Commissioner Irvine motioned to approve the budget with a 5% increase (also Feed-in-tariff) and Commissioner Myers seconded the motion. Commissioner Becker vote nay on that motion and Commissioner Higginson put forth a new motion at the original 4% rate increase. That was seconded by Commissioner Myers and all commissioners voted aye.

Council Committee Member Bradshaw made a motion to accept that Power Commission recommendation at the 4% rate. That motion was seconded by Committee Member Bell. All on the Power Budget Committee voted unanimously aye (Higginson, Bradshaw, and Bell).

The budget review portion of the meeting adjourned at 10:29 a.m. by consent of the Power Commissioners and City Council Budget Committee members.



Mayor Kate Bradshaw



City Recorder

