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2
3 **MINUTES OF THE MEETING**
4 **OF THE**
5 **BOUNTIFUL CITY POWER COMMISSION**
6 **JUNE 25, 2024 - 8:00 a.m.**

7 **Those in Attendance**

8 **Power Commission**

9 Susan Becker, Acting Chairwoman
10 Dan Bell, Commissioner
11 David Irvine, Commissioner (via Zoom)
12 John Marc Knight, Commissioner
13 Cecilee Price-Huish, Councilwoman
14 Paul C. Summers, Chairman

Power Department

Allen Johnson, Director
Alan Farnes, Generation Superintendent
Dave Farnes, Safety/Customer Service
Tyrone Hansen, Accountant
Jess Pearce, Superintendent of Operations
Luke Veigel, Engineer
Nancy Lawrence, Recording Secretary

15
16 **Excused**

17 Jed Pitcher Commissioner

18
19 **WELCOME**

20 Acting Chairwoman Becker called the meeting to order at 8:00 a.m. and welcomed
21 those in attendance. Commissioners Summers and Pitcher were excused. The invocation was
22 offered by Alan Farnes.
23

24 **MINUTES – April 23, 2024 and May 28, 2024**

25 Minutes of the regular meetings of the Bountiful Power Commission held April 23,
26 2024, and May 28, 2024, were presented. Minutes of April 23, 2024 were approved as written
27 and minutes of May 28, 2024 were approved as corrected. Commissioner Bell made the motion
28 to approve, and Councilwoman Price-Huish seconded the motion, which passed unanimously.
29 Commissioners Becker, Bell, Irvine and Knight and Councilwoman Price-Huish voted “aye”.
30

31 **BUDGET REPORT – YEAR TO DATE 9-MONTH PERIOD**
32 **ENDING APRIL 30, 2024**

33 Mr. Hansen presented a summarized Budget Report for the Fiscal Year-to-date 10-
34 Month period ending April 30, 2024. Total revenues Year-to-Date were \$28,294,052, below
35 its HAB by (\$334,850). Major Items above their HABs included Air Products, at \$79,366,
36 with an average load factor of 65.1 % for the year-to-date period; Sundry Revenues was above
37 by \$17,549; and Interest Income on Investments was above its HAB by \$233,781. Revenues
38 (below) their HABs included Electric Metered Sales, (\$336,489), below its HAB by 1.3%; and
39 Contribution in aid to Construction, at (\$308,577), which included \$75,000 for line extensions
40 and \$17,000 for Utopia Huts.
41

42 Total Operating Expenses YTD were \$23,107,010, below the HAB by \$2,685,728.
43 Major items (above) budget was Credit Card Merchant Fees, at (\$21,033); and Insurance
44 Expense at (\$34,113). Expenses below budget included Power Cost Expense at 2,013,580.
45 Power Generation was \$994,000 under, with a major factor being hedging on gas purchases
46 and being able to use the plant generation rather than buying off the market. Power Resources

1 were also below budget by \$1,000,000, largely due to the CRSP resource being available.
2 Distribution Expense was below its HAB by \$130,563; Street Light Expense was below its
3 HAB by \$76,161; Substation Expense was below the HAB at \$46,785; and Meters Expense
4 was below the HAB at \$120,198.

5
6 Total Capital Expenditures YTD were \$401,610 and included \$28,000 for 2055 South
7 Main Townhomes, \$197,000 for a cable puller, \$98,000 for a service truck, and \$43,000 for a
8 Ford Explorer.

9
10 Total Labor and Benefits was \$3,984,619. As of 13 April (the last pay period paid in
11 the YTD period), 78.9% or \$4,185,305 of the TL&B could have been spent; the actual TL&B
12 was \$200,686 below that target. In response to a question from the Commissioners, Mr.
13 Johnson said that Labor and Benefits was below budget mostly because we have not been fully
14 staffed this year.

15
16 The Net Margin for the YTD was \$4,785,433. Total Cash & Cash Equivalents were a
17 net \$22,667,495 at month end, up \$6,220,531 from \$16,446,965 on 30 June 2023, and
18 \$6,221,496 above the \$16,446,000 total reserved cash requirement. Major sources and (uses)
19 of cash at month end compared to fiscal year-end 2023 included the \$1,384,489 decrease in
20 total accounts receivable; increase of \$859,265 in accounts payable; an increase of \$(253,280)
21 in prepaid expenses, and an increase of \$(323,197) in net fixed assets.

22
23 Following a brief discussion regarding the estimated margin at the end of the year,
24 Commissioner Knight made a motion to accept the budget report, as presented. Councilwoman
25 Price-Huish seconded the motion which passed unanimously. Commissioners Becker, Bell,
26 Irvine, Knight, and Councilwoman Price-Huish voted “aye”.

27
28 **TRANSFORMER PURCHASE APPROVAL**

29 Mr. Pearce stated that due to supply chain issues, we are focusing on maintaining our
30 transformer inventory and are requesting to purchase (2) 75 KVA three phase 208/120 Pad
31 Mounted transformers and one 750 KVA three phase 208/120 Pad Mounted transformer. Three
32 suppliers were contacted, and two bids were received. It is recommended that we accept the
33 low bid from Western United Electrical for three “Ermco” transforms at a total cost of
34 \$65,691.25 and an 80-week delivery. Following a brief discussion, Commissioner Bell made
35 a motion to approve the staff recommendation to purchase three transformers from Western
36 United Electrical, as presented. Councilwoman Price-Huish seconded the motion which
37 carried unanimously. Commissioners Becker, Bell, Knight and Irvine, and Councilwoman
38 Price-Huish voted “aye”.

39
40 **POWER POLE PURCHASE APPROVAL**

41 Mr. Pearce presented a request to purchase (25) 35’ Western red Cedar poles, and (25)
42 45’ Western Red Cedar poles for the purpose of replenishing inventory. He explained that the
43 bid is a single source bid because Stella-Jones, Tacoma, Washington is the only vendor able to
44 bid butt treated poles. This type of pole holds up very well and is safer for our linemen to
45 climb. They are used in back yards where bucket trucks cannot be used. Councilwoman Price-
46 Huish motioned to approve the bid from Stella Jones for a total sum of \$50,168.00, as

1 recommended by staff. Commissioner Knight seconded the motion. Voting was unanimous
2 with Commissioners Becker, Bell, Irvine, and Knight and Councilwoman Price- Huish voting
3 “aye.”
4

5 **STREETLIGHT SYSTEM DIRECTIONAL BORING APPROVAL**

6 Mr. Veigel noted that in March, we previously approved a bid for directional boring
7 work. We identified two additional underground streetlight circuits that the underground wire
8 had failed and will need to have new conduit and wire installed. We are requesting that these
9 two additional projects be included in the existing bid with Big Iron Drilling. The original bid
10 included \$70,122 for the streetlight portion. They bid an amount of \$37,308 for the two
11 additional bores. Each bore is a single conduit, with 750 total linear feet, and staff recommends
12 approval. Commissioner Bell motioned to approve extension of the bid for the two additional
13 directional bores from Big Iron Drilling, for a total sum of \$107,430. Commissioner Knight
14 seconded the motion and voting was unanimous. Commissioners Becker, Bell, Irvine, and
15 Knight and Councilwoman Price-Huish voted “aye”.
16

17 **RES. NO. 2024-08 PRE-PAY TAX CERTIFICATE AND AGREEMENT**
18 **WITH UAMPS FIRM POWER SUPPLY**

19 Mr. Johnson reviewed that we currently have two contracts for solar power through
20 UAMPS’ Firm Power Supply Project. UAMPS is working with Southeast Energy Authority
21 (SEA) on a prepay agreement to issue bonds for a 30-year prepayment for gas and electricity.
22 The bonds would be issued through a special purpose entity (“Prepay LLC” organized by Aron
23 & Company) which is a commodities affiliate of Goldman Sachs & Co. UAMPS and Bountiful
24 have no obligation on the bonds issued by SEA. The initial discount is expected to be at least
25 8.0% and will be reset periodically over the term of the prepay (every five to ten years) when
26 the bonds are refinanced.
27

28 Following a discussion regarding the proposed resolution, Commissioner Knight made
29 a motion to recommend approval of Bountiful City Resolution 2024-08, A Resolution
30 authorizing a Tax Certificate and Agreement for UAMPS’ Firm Power Supply Project; and
31 Related Matters, and to authorize the Mayor to sign. Councilwoman Price-Huish seconded the
32 motion which carried unanimously. Commissioners Becker, Bell, Irvine, and Knight and
33 Councilwoman Price-Huish voted “aye”:
34

35 **RESOURCE UPDATE**

36 Mr. Johnson briefly reviewed the status of resources we are currently using and/or are
37 following for potential future use. Future power options include a geothermal project (CRQZ
38 through UAMPS) revising their proposed price. Fremont Solar and Batteries is not a current
39 option because it is not possible to get on PacifiCorp network transmission. UAMPS is looking
40 for a site for a gas plant. They are looking at two different options; both are out at least five
41 years. The Uinta Wind Project in southwest Wyoming currently does not have enough
42 subscription to move forward.
43

44 Mr. Johnson reported that we have called back 12 MW’s of IPP for Summer 2024, and
45 we are planning to run one unit through the winter months. The natural gas operation should
46 be running for the Summer of 2025, and we are planning to call back 3 MW of power for

1 Winter 2024-25. The update on SB 161 Special Session in June addressed most of the critical
2 things that were a problem for UAMPS. IPA did have to sign an official letter by July 1, 2024,
3 stating that they would get an air quality permit. Mr. Johnson noted that this would be
4 committing to a lot of different issues. He also pointed out that the costs to upgrade could be
5 as much as \$1.5 billion, and that the California users no longer want coal-fired power.
6 Transmission costs have been increased with PacifiCorp by 45% effective June 1st. UAMPS
7 rate went from \$6.93 to \$9.45 MWH. In the previous 9 years the change has ranged from 1%
8 to 12%.

9
10 *Commissioner Summers arrived the meeting at 9:00 a.m.*

11
12 **POWER SYSTEMS OPERATIONS REPORT**

13 *(These items were not discussed in the meeting but included in the packet.)*

- 14
15 a. April 2024 Resource Reports
16 b. May 2024 Lost Time/Safety Reports
17 c. May 2024 Public Relation Reports
18 d. April 2024 Outage Reports
19

20 **OTHER BUSINESS**

21 Mr. Johnson referred to the APPA national conference, which was held in San Diego
22 June 9-12, 2024, and expressed appreciation to those who attended. He reviewed that the
23 UAMPS conference (August 20-22) will be held in Midway, Utah and he asked the
24 Commissioners to let him know if they wanted hotel reservations at the Zermatt.

25
26 **NEXT POWER COMMISSION**

27 The next meeting of the Power Commission will be held on August 27, 2024 .at 8:00
28 a.m.

29
30 **ADJOURN**

31 The meeting adjourned at 9:15 a.m. on a motion by Commissioner Bell and seconded
32 by Councilwoman Price-Huish. Voting was unanimous with Commissioners Becker, Bell,
33 Irvine, Knight, Pitcher and Summers, and Councilwoman Price-Huish voting "aye."
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Susan Becker, Acting Chairwoman