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**MINUTES OF THE REGULAR MEETING OF THE  
THE BOUNTIFUL CITY POWER COMMISSION  
June 29, 2021 - 8:00 a.m.**

**Those in Attendance**

**Power Commission**

Jed Pitcher, Chairman  
Susan Becker  
Dan Bell  
Richard Higginson, City Council Rep.  
David Irvine  
Paul Summers

**Power Department**

Allen Johnson, Director  
Jay Christensen  
Alan Farnes  
Jess Pearce  
Luke Veigel

**Absent**

John Marc Knight, Commissioner

**Recording Secretary**

Nancy Lawrence

**WELCOME**

Chairman Pitcher called the meeting to order at 8:00 a.m. and welcomed those in attendance. Commissioner Becker offered the invocation.

**MINUTES –MAY 25, 2021**

Minutes of the regular meeting of the Bountiful Power Commission held May 25, 2021 were presented and unanimously approved as written on a motion made by Commissioner Summers and seconded by Commissioner Becker. Commissioners Becker, Bell, Irvine, Pitcher and Summers, and Councilman Higginson voted “aye”.

**BUDGET REPORT – YEAR-TO-DATE 10-MONTH PERIOD ENDED 30**

**APRIL 2021**

Mr. Christensen presented the Budget Report for the Fiscal Year-to-date (YTD) 10-Month period ended 30 April 2021 and is final. It was noted that wind event costs have not been changed since the last report and we are waiting to hear from FEMA regarding the next step.

Total revenues YTD were \$32,920,579, above its HAB by \$320,287. Major items above or (below) budget included: Electric Metered Sales, above its HAB by \$354,477 or 1.7% percent; and Contribution in Aid to Construction, above its HAB by \$106,214 as a result of several major projects. Air Products income was below its HAB by \$(192,457) with an average load factor of 52.4% percent.

Total operating expenses YTD were \$29,363,781, below its HAB by \$1,909,384. Major items included: Power Cost Expense, below its HAB by \$1,184,454 due to careful purchasing and scheduling of power resources and selective use of the three turbines; Substation Expense, below its HAB by \$173,278, due to timing differences; and Street Light expense, below its HAB by \$106,317. The transfer to the general fund was below its HAB by \$102,917 as it did not include the EMS estimate but it is trued up at the end of the year.

1 Distribution Expense was above its HAB by \$(20,353) and included \$295,452 of  
2 unbudgeted wind expense.

3  
4 Total capital expenditures YTD were \$721,290. Major items, excluding labor,  
5 included: \$255,430 for a new double bucket truck; \$293,024 for feeder #575; \$32,129 for  
6 The Cottages on Main St.; \$24,991 for the Renaissance Center; \$24,726 for feeder #272;  
7 \$22,568 for the Stone Creek project; \$15,509 for 500 W. Orchard; and \$14,498 for the 400  
8 North Pump.

9  
10 Total Labor and Benefits Expense YTD (included in Operating Expenses YTD and  
11 Capital Expenditures listed above) was \$3,735,302. As of 17 April 2021, (the last pay  
12 period in the YTD period), 79.7% or \$3,754,653 of the TL&B could have been spent and the  
13 actual TL&B was \$19,351 below that target.

14  
15 The Net Margin YTD was \$2,835,507 due to low power costs, high EMS, and low  
16 other operating costs.

17  
18 Total cash and cash equivalents, \$19,446,002, were down \$(7,119,467) from  
19 \$26,565,468 on 30 June 2020.

20  
21 Following a brief discussion, Councilman Higginson motioned to accept the Budget  
22 Report, Commissioner Irvine seconded the motion and voting was unanimous.  
23 Commissioners Becker, Bell, Irvine, Pitcher and Summers, and Councilman Higginson  
24 voted "aye".

25  
26 **TRANSFORMER BID APPROVAL**

27 Mr. Veigel reported that the inventory of pad mount transformers is running low, and  
28 we need to purchase some to replenish it. The transformers will be used to replace damaged  
29 or leaking transformers on the system and future construction projects throughout the City.  
30 Bid requests were sent to three (3) major suppliers for the purchase of single phase  
31 transformers as follows: (30) ea. 50 kva pad mount transformers; (10) ea. 37.5 kva single  
32 overhead; and (10) ea. 50 kva single overhead. Staff recommends that the bids from Anixter  
33 Power Solutions for the Ermco overhead transformers be approved for \$34,880. This is the  
34 next to low bid but has an 8-week lower delivery time. It is also recommended that the pad  
35 mount transformers from Irby be approved for \$62,850 because those transformers are in  
36 stock. Commissioner Summers motioned to support the staff recommendation for purchase  
37 of the transformers, as presented. Commissioner Bell seconded the motion and voting was  
38 unanimous with Commissioners Becker, Bell, Irvine, Pitcher and Summers and Councilman  
39 Higginson voting "aye".

40  
41 **BORING QUOTE APPROVAL**

42 Mr. Veigel explained that Black and McDonald has been contracted to do directional  
43 boring and install conduit on several projects throughout the city and it is proposed that two  
44 additional bore projects be added to this contract. The additional projects are streetlight bores  
45 for burned up streetlights, located at 300 East and 500 South and 325 West 1000 North. Black  
46 and McDonald have submitted a quote to perform this work in the amount of \$23,815.00. It

1 is the recommendation of staff to accept this quote, bringing the total contract to \$365,866.00.  
2 Following a brief discussion, Councilman Higginson made a motion to recommend approval  
3 of the addition to the contract, as presented and recommended by staff. Commissioner  
4 Summers seconded the motion which carried unanimously. Commissioners Becker, Bell,  
5 Irvine, Pitcher and Summers and Councilman Higginson voted “aye”.

6  
7 **ECHO TRANSMISSION LINE UPDATE/REPAIR APPROVAL/UPDATE**

8 Mr. Pearce reviewed that the City’s 46KV line which runs from the city limits to the  
9 hydro-electric plant on the Echo Dam was recently damaged by a wildfire. Because our  
10 department does not have the equipment necessary to reach the site and make the necessary  
11 repairs (due to the terrain), a large excavator was used by Hunt Electric. (Hunt Electric owned  
12 the first excavator of this model in the United States, and it is one of three being used in the  
13 US).

14  
15 Due to the timing of repairs (replacement of a 70-ft. tangent pole and one span of  
16 conductor) and the lack of water in the Echo reservoir, June 8, 2021 was the last day we were  
17 able to generate power from the Echo hydro. There is not enough water to generate the rest  
18 of the year.

19  
20 Mr. Pearce included photographs of the damages and explained the repairs that were  
21 necessary. Hunt Electric and our crews completed all the restoration work on June 15, 2021.  
22 The cost for Hunt Electric to supply the labor and equipment to change the pole is \$19,110.58.  
23 This amount is under \$20,000.00 and so does not need approval.

24  
25 **COVID UPDATE**

26 Mr. Pearce reported that our COVID status is about the same as last month (about 66  
27 percent of BCL&P employees have been vaccinated) and it is estimated that when all  
28 employees who are willing to get vaccinated have received their shots, that number will be 70  
29 percent). Per City policy, if an employee is in the process of getting vaccinated, they are  
30 eligible for 80 hours of sick leave for COVID – different from regular City sick leave.

31  
32 **RESOURCE SOLAR RATE UPDATE/APPROVAL**

33 Mr. Johnson reported that the San Juan plant is still scheduled to be shut down June  
34 2022. The Enchant Project is taking San Juan over. It is anticipated that production will start  
35 in July 2022. Draft contracts for this project are projected to be available by July 2021;  
36 however, the carbon capture function at this plant has been delayed until 2025. The Muddy  
37 Creek project (wasted heat from Kern River) is still in the preliminary stage, and we are  
38 working on an agreement with Kern River. The Red Mesa Solar project will most likely be  
39 delayed until July 2022 and the Steel project is currently reported to be on schedule (June  
40 2022).

41  
42 Power purchases are billed on an hourly time period, and the rate is market driven. A  
43 demand charge is included with all power (including our behind the meter plant generation).  
44 Mr. Johnson referred to line graphs to define power costs for June, comparing June 2020 to  
45 June 2021 and pointed out that the higher temperatures have resulted in losses for power  
46 purchased. He noted that use of the generation at the power plant has helped considerably in

1 reducing the deficit, as well as the practice of pre-scheduling/hedging. He said that the plant  
2 has saved several million dollars just this month.

3  
4 The proposed solar projects (Red Mesa and Steel Solar LLC) were reviewed, and Mr.  
5 Johnson noted that the projected average cost for Red Mesa is 2.966 cents/kwh; the projected  
6 average cost for Steel Solar is 3.145 cents/kwh. The average solar delivered cost (including  
7 transmission costs and losses) is 3.87 cents/kwh. Mr. Johnson reviewed monthly customer  
8 examples of solar total production for net metering customers and the excess which the City  
9 purchases, which demonstrates that solar customers are being subsidized by the other  
10 customers in the city. In discussion which followed, it was noted that we (BCL&P) are a  
11 business and should run like a business – without subsidizing customers. Mr. Johnson  
12 concurred with this theory, but also pointed out that supporting solar customers and by  
13 including solar in our portfolio provides green credits which we are required to have. He said  
14 that we will continue discussion of the solar resource and rate schedule and the nuclear  
15 resource at the next meeting. (Commissioner Bell was excused at 9:13 a.m.; Commissioner  
16 Becker was excused at 9:20.)

17  
18 *The following items were included in the packet, but not discussed in the meeting:*

19  
20 **POWER SYSTEMS OPERATIONS REPORT**

- 21 a. April 2021 Resource Reports  
22 b. May 2021 Lost Time/Safety Reports (There was a brief discussion on this item).  
23 c. May 2021 Public Relation Reports  
24 d. May 2021 Outage Reports

25  
26 **OTHER BUSINESS**

27 The UAMPS member conference will be held in Squaw Valley August 15-17, 2021.  
28 Masks will be required.

29  
30 **NEXT POWER COMMISSION**

31 The next meeting of the Power Commission will be held on August 24, 2021, at 8:00  
32 a.m.

33  
34 **ADJOURN**

35 The meeting adjourned at 9:30 a.m. on a motion by Commissioner Summers and  
36 seconded by Commissioner Irvine. Voting was unanimous with Commissioners Irvine,  
37 Pitcher and Summers, and Councilman Higginson voting “aye”.

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Jed Pitcher, CHAIRMAN