

1
2 **MINUTES OF THE**
3 **BOUNTIFUL CITY POWER COMMISSION**
4 May 28, 2024 - 8:00 a.m.

5 **Those in Attendance**

6
7 **Power Commission**

8 Susan Becker, Acting Chairwoman
9 Dan Bell, Commissioner
10 David Irvine, Commissioner
11 Jed Pitcher, Commissioner
12 Cecilee Price-Huish, Councilwoman

7 **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

13
14 **Excused**

15 Paul C. Summers, Chairman
16 John Marc Knight, Commissioner

17
18 **WELCOME**

19 Acting Chairwoman Becker called the meeting to order at 8:00 a.m. and welcomed those in
20 attendance. The invocation was offered by Commissioner Bell.

21
22 **MINUTES**

23 Minutes of the regular meeting of the Bountiful Power Commission held April 23, 2024
24 were presented and action was delayed to the next meeting to accommodate a revision to the
25 minutes regarding the Operating Transfer on line 43, page 3 of 6.

26
27 **BUDGET REPORT – YEAR TO DATE 9-MONTH PERIOD ENDING MARCH 31, 2024**

28 Mr. Hansen presented a summarized Budget Report for the Fiscal Year-to-date 9-Month
29 period ending March 31, 2024. Total revenues Year-to-Date were \$25,863,081, below its HAB by
30 (\$405,473). Major items (below) their HABs were: Electric Metered Sales (EMS) at \$(334,208)
31 which was 1.5% below its HAB; Contribution in Aid to Construction at \$(292,213) with line
32 extensions at \$40,000, and Utopia Huts at \$17,000. Pole Rental Income was below budget by
33 \$(24,370). However, a check was recently received which changed this total. Revenues above
34 budget were Air Products, above its HAB by \$58,573 with an average load factor of 65.7% for the
35 YTD period; Sundry Revenues were above HAB by \$14,301; and Interest Income was above its
36 HAB by \$168,821. March’s interest allocation was \$58,000.

37
38 Total Operating Expenses YTD were \$21,522,800, below its HAB by \$1,773,364. Major
39 items below their HABs included Power Cost Expense--\$1,190,235, with Distribution Expense--
40 \$106,326, Street Light Expense--\$68,783, Meters Expense at \$108,193, and Transfer to the
41 General Fund Expense at \$110,958. Major items (above) budget were Credit Card Merchant fees
42 at \$(21,033), and Insurance Expense at \$(34,113).

43
44 Total Capital Expenditures YTD were \$358,943 and included \$20,000 for Brooks Fabrics,
45 \$28,000 for 2055 Main Townhomes, \$197,000 for a cable puller and \$98,000 for a service truck.
46

1 Total Labor and Benefits Expense YTD was \$3,605,312. This was \$173,089 below the
2 target 71.2% of the total Labor and Benefits budget for the last pay period paid in the YTD period.
3 The Net Margin for the YTD period was \$3,981,338, as revenues are on budget and power costs
4 are coming in under budget. Total Cash Equivalents were a net \$20,761,850 at month end, up
5 \$4,314,885 from June 30, 2023 and \$4,315,850 above the \$16,446,000 total reserved cash
6 requirement. Major sources and (uses) of cash at month end compared to fiscal year-end 2023
7 included \$3,981,338, Net Margin YTD, decrease in total accounts receivable \$1,076,036, decrease
8 in total inventories \$68,095, increase in prepaid expense \$(150,050), decrease in total accounts
9 payable, \$(20,040), decrease in accrued benefits and payroll \$(87,313), increase in net fixed assets
10 \$(317,905), and decrease in other equity – July EMS Estimate \$(305,095).
11

12 Commissioner Pitcher made a motion to accept the financial report as presented.
13 Commissioner Irvine seconded the motion which carried unanimously. Commissioners Becker,
14 Bell, Irvine, Pitcher and Councilwoman Price-Huish voted “aye”.
15

16 **RELA DYNE VARNISH MITIGATION APPROVAL**

17 Mr. Farnes reviewed that we have three gas turbine generators at the Power Plant (Taurus
18 rated at 5.1 Mw, and two Titan turbines rated at 13.5 Mw each). The Taurus has been
19 experiencing overheating issues when running during the hot part of the summer and following
20 testing and filtering out the varnish in April and May, it has been determined that the filtering has
21 significantly reduced the varnish levels in the Taurus cooling oil. It is the recommendation of staff
22 to mitigate the varnish in the Taurus at \$14,750 and the total cost to mitigate the varnish in the two
23 Titans at \$23,250.00, as proposed by RelaDyne, at a total of \$38,000.
24

25 Following a brief discussion, Commissioner Bell motioned to accept the staff
26 recommendation and for RelaDyne to complete the varnish mitigation on all three turbines.
27 Councilwoman Price-Huish seconded the motion which carried unanimously. Commissioners
28 Beck, Bell, Irving, and Pitcher and Councilwoman Price-Huish voted “aye”.
29

30 **RES. NO. 2024-04 PRE-PAY TAX CERTIFICATE AND AGREEMENT** 31 **WITH USAMPS FIRM POWER SUPPLY**

32 Mr. Johnson explained that we currently have two contracts for solar power through
33 UAMPS’ Firm Power Supply Project. UAMPS is working with Southeast Energy Authority
34 (SEA) on a prepay agreement to issue bonds for a 30-year prepayment for gas and electricity. It
35 was hoped to grant approval to this resolution at this meeting; however, negotiations are ongoing,
36 and this matter will be brought back to the Agenda next month. No action taken.
37

38 **RESOURCE UPDATE**

39 Mr. Johnson reviewed that the **Steel Solar** project commenced commercial operation on
40 March 31, 2024 and had its ribbon cutting ceremony on May 21, 2024. There is ongoing
41 discussion regarding batteries for this project. Other future power options include the **CROZ**
42 **geothermal** project through UAMPS, with ongoing discussion on prices; **Freemont Solar** and
43 batteries with a COD of 6/20/2026, (however, it is not currently possible to get on PaciCorp
44 network transmission); UAMPS is looking for a site for a **gas plant** and has identified two sites;
45 and the **UINTA wind** project in southwest Wyoming, with a COD of December 31, 2026.

1 We have called back 12 MW's for summer 2024 from **IPP** and are planning on running
2 one unit through the winter months. Natural gas is planned for the Summer of 2025.

3
4 **Legislative Update.** Mr. Johnson reported that SB 161 was signed by the Governor on
5 Thursday, March 21, 2024. However, a Special Session has been called for June 2024 to further
6 review this action.

7
8 *The following items were included in the packet, but not discussed in the meeting.*

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10 **POWER SYSTEMS OPERATIONS REPORT**

- 11 a. March Resource Reports
12 b. April 2024 Lost Time/Safety Reports
13 c. April 2024 Public Relation Reports
14 d. March 2023 Outage Reports

15
16 **OTHER BUSINESS**

17 None

18
19 **NEXT POWER COMMISSION**

20 The next meeting of the Power Commission will be held on June 25, 2024 at 8:00 a.m.

21
22 **ADJOURN**

23 The meeting adjourned at 8:00 a.m. on a motion by Commissioner Pitcher and seconded by
24 Commissioner Bell. Voting was unanimous with Commissioners, Becker, Bell, and Irvine and
25 Councilwoman Price-Huish voting "aye".

26
27
28 
29 Susan Becker, Acting Chairwoman

