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**MINUTES OF THE REGULAR MEETING OF THE
BOUNTIFUL CITY POWER COMMISSION
September 22, 2020 - 8:00 a.m.**

Those in Attendance

7 **Power Commission**

8 Jed Pitcher, Chairman
9 Susan Becker*
10 Dan Bell*
11 John Cushing
12 Richard Higginson, City Council Rep.
13 David Irvine
14 Paul Summers

Power Department

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

15
16 **City Administration**

17 Gary Hill, City Manager*
18 Clint Drake, City Attorney*

Recording Secretary

Nancy Lawrence*

19
20 **Visitors**

21 Ron Mortensen, Utah Taxpayer Association

22
23 *Attended electronically via Zoom, Meeting ID #941 6239 0435 in conformance with
24 COVID-19 guidelines and restrictions.

25
26 **WELCOME**

27 Chairman Pitcher called the meeting to order at 8:05 a.m., Allen Johnson took roll
28 call, and Chairman Pitcher welcomed those in attendance. Commissioner Summers offered
29 the invocation.

30
31 **MINUTES –AUGUST 25, 2020**

32 Minutes of the Regular Meeting of the Bountiful Power Commission held August 25,
33 2020 were presented and unanimously approved as written on a motion made by
34 Commissioner Cushing and seconded by Commissioner Summers. Commissioners Becker,
35 Bell, Cushing, Irvine, Pitcher and Summers, and Councilman Higginson voted “aye
36

37 **BUDGET REPORT – YEAR-TO-DATE 1-MONTH PERIOD ENDED 31 JULY 2020**

38 Mr. Christensen reported that the Fiscal Year 2020 Budget Report is not yet final due
39 to the independent audit not yet being completed. The Fiscal Year-to-Date 1-Month Period
40 Ended 31 July 2020 is preliminary, but only missing the interest income on rate stabilization
41 (which is not expected to materially affect the net margin).
42

43 Mr. Christensen then reviewed that a new process is now being implemented for
44 recording Electric Metered Sales (EMS), Air Products, and UAMPS Power Costs, which
45 basically recognize a time delay of two months for the budget reports. Because the numbers
46 for these accounts are not available until toward the end of the month, in the past the data for

1 these accounts has been estimated for budget reporting. Actual data will be used in the
2 future, but this process will result in the Budget Report being delayed by two months. He
3 noted that this change of reporting is intended to improve the accuracy of the financial
4 statements and the Budget Report; he also pointed out that it is a “work in progress” and
5 further changes will be made as needed. The 2010 Bond Principal and Interest contributions
6 are made to the bond cash account and fund the one annual principal payment and the two
7 semi-annual interest payments.

8
9 Total Revenues YTD were \$2,948,062, below its historically allocated budget
10 (HAB) by \$(145,042). Major items included: EMS, below its HAB by \$(205,832); Air
11 Products, below its HAB by \$(2,977); Street Light Income, above its HAB by \$23,415; and
12 Interest Income on Investments, above its HAB by \$41,190.

13
14 Total Operating Expenses YTD were \$2,262,937, below its HAB by \$345,357.
15 Major items included: power cost expense, below its HAB by \$274,094; and computer
16 expense, below its HAB by \$46,998.

17
18 Total Capital Expenditures YTD were \$68,409 and included \$26,748 for feeder
19 #575, an unbudgeted \$24,991 for the Renaissance Center, and an unbudgeted \$14,498 for
20 the 400 North pump.

21
22 Total Labor and Benefits (included in Operating Expenses YTD and Capital
23 Expenditures YTD) was \$272,694. As of 25 July 2020, 6.8% of \$322,565 of the TL&B
24 could have been spent; the actual TL&B was \$49,871 below that target.

25
26 The net margin for the YTD was \$616,716 with low power costs.

27
28 In response to questions from the group, Mr. Johnson acknowledged that the
29 expenses incurred during the wind storm (an additional approximate 5,000 man hours, plus
30 meals and rooms for the personnel who help us through the IPSA Mutual Aid agreement,
31 and 51 poles and 7,000 feet of wire, plus other related expenses) will wipe out our \$600,000
32 margin. Chairman Pitcher asked if we would get assistance from FEMA. Mr. Johnson
33 indicated that it would depend on the total amount allocated for the County, but he thought it
34 would be a FEMA event.

35
36 Commissioner Irvine asked if there were a way to pay additional performance
37 incentive pay for the line crews and he noted they had exhibited a Herculean effort and he
38 was hopeful that the City would approve an “above and beyond call duty pay” of \$800 per
39 person. Mr. Johnson praised all employees who had participated in getting power restored.
40 It was also pointed out that other departments in the City had also felt the effects of the
41 windstorm and should be considered for additional pay.

42
43 Commissioner Irvine made a motion to accept the budget report, as presented.
44 Councilman Higginson seconded the motion and voting was unanimous. Commissioners
45 Becker, Bell, Cushing, Irvine, Pitcher and Summers, and Councilman Higginson voted
46 “aye”.

1
2 **WIND POWER POLES PURCHASE**

3 Mr. Veigel reviewed that due to the damaging east wind event, it is necessary to
4 order additional poles to replace our inventory and to meet the anticipated future needs to
5 repair and maintain the system. He noted that the cost to repair the system was not budgeted
6 nor purchased in the typical bidding fashion but acquired via materials from Vendors stock
7 and from other cities.
8

9 It is recommended that approval be given to purchase 20 35-foot poles and 26 45-
10 foot poles from McFarland Cascade for the sum of \$30,068.00. Commissioner Cushing
11 made a motion to approve this purchase, as recommended. Commissioner Summers
12 seconded the motion and voting was unanimous. Commissioners Becker, Bell, Cushing,
13 Irvine, Pitcher and Summers, and Councilman Higginson voted "aye".
14

15 **EAST WIND DISCUSSION**

16 Mr. Pearce narrated a slide show of photos taken of damages incurred during the
17 recent windstorm. He noted that because the trees were full of leaves, the damage was
18 considerably worse than when branches are bare. Many very large trees were blown down
19 and/or lost significant branches. The weight of the branches on power lines then caused
20 power poles to break. He referenced sites which were extremely dangerous for our crews to
21 be working in because of the pressure on the power lines. Our crews first responded at
22 approximately 3:00 a.m. Tuesday morning and worked almost 'around the clock' until late
23 afternoon on Saturday, September 12th.
24

25 Mr. Johnson pointed out that it took longer to get customers back on line during this
26 event because there were so many damages on lines which served individual homes, as
27 opposed to main lines where one repair can restore the power to a larger number of
28 customers. He also noted that many customers have been delayed in getting power due to
29 the high demand on contractors and suppliers for personal property damage.
30

31 Mr. Pearce said that although many employees were working 15-18-23-hour days,
32 there were only two injuries (a minor cut on the hand and a rolled ankle). He praised the
33 line crews and tree trimming crews and the backup from all department personnel in
34 coordinating and assisting with repairs. It was noted that an AMI system would be helpful
35 in identifying every service that has lost power, and would also make meter reading and
36 billing more efficient. There are currently three line crews and one in-house tree trimming
37 crew. The permanent addition of one more line crew would be helpful for on-going
38 maintenance of our system.
39

40 Mr. Pearce pointed out that since line crews across the State train through IPSA,
41 their protocols are similar and results in efficiency and safety while working together via the
42 Mutual Aid Agreement. He again expressed appreciation for the superior work ethic of
43 BCL&P employees and the support that this department receives from the Commission.
44

1 Chairman Pitcher requested that Councilman Higginson follow up with the proposal
2 for a one-time bonus for the employees who participated in the windstorm repairs, as well as
3 the possibility for FEMA assistance.

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

5
6 **POWER SYSTEMS OPERATIONS REPORT**

7 a. July 2020 Resource Reports

8
9 b. August 2020 Lost Time/Safety Report

10
11 c. August 2020 Public Relations Report

12
13 d. July 2020 Outage Reports

14
15 **UAMPS CARBON FREE PROJECT**

16 Mr. Johnson reported that there have been ongoing meetings regarding the UAMPS
17 Carbon Free Project, with major items of discussion being the subscription level and
18 finances. The DOE award for the project has been delayed because UAMPS had to
19 resubmit the application. DOE was asking for additional information on NuScale and their
20 ability to make a profit on modules 2-12. DOE is going through the process and their new
21 estimated timeline is to make the award the first part of October. Mr. Johnson noted that,
22 without the DOE award, involvement with this project makes no sense.

23
24 He said that the UAMPS Project Management Committee (PMC) has also put the
25 Development Agreement, Development Cost Reimbursement Agreement, and the Interim
26 PMC budget on hold contingent to the DOE award being made. Based on these extensions,
27 UAMPS has extended the Withdrawal/Reduction period to the end of October. This will
28 allow us more time to make our final decision on the project.

29
30 Discussion followed regarding the subscriptions of other public utilities in Utah and
31 it was noted that as entities drop out, the cost/share for BCL&P increases. If this project is
32 not cost effective, it would make more sense to pull back resources from the IPP project to
33 cover our demand. In general, the group expressed support for the NuScale project,
34 contingent on favorable subscription levels of other entities and support from the DOE. Mr.
35 Johnson said that the next Power Commission meeting is October 27th, and we will have to
36 make an official recommendation to the City Council that night.

37
38 **OTHER BUSINESS**

39 None.

40
41 **NEXT POWER COMMISSION**

42 The next meeting of the Power Commission meeting is scheduled for October 27,
43 2020. Depending on conditions of the pandemic, Allen Johnson will confirm the format of
44 the meeting.

45
46 **ADJOURN**

1 The meeting adjourned at 9:45 a.m. on a motion made by Commissioner Summers
2 and seconded by Commissioner Irvine. Voting was unanimous with Commissioners Pitcher,
3 Becker, Bell, Cushing, Irvine and Summers, and Councilman Higginson voting "aye".

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Jed Pitcher, CHAIRMAN

