

**MINUTES OF THE
BOUNTIFUL CITY POWER COMMISSION**

March 26, 2024 - 8:00 a.m.

Those in Attendance

Power Commission

Paul C. Summers, Chairman
Susan Becker, Commissioner
Dan Bell, Commissioner
David Irvine, Commissioner
John Marc Knight, Commissioner
Jed Pitcher, Commissioner
Cecilee Price-Huish, Councilwoman

Power Department

Allen Johnson, Director
Dave Farnes
Tyrone Hansen
Jess Pearce
Luke Veigel
Alan Farnes

City Council Members

Richard Higginson
Kate Bradshaw

Recording Secretary

Nancy T. Lawrence – Excused

UAMPS

Mason Baker
Jackie Coombs

WELCOME

Chairman Summers called the meeting to order at 8:00 a.m. and welcomed those in attendance. The invocation was offered by Commissioner Bell.

MINUTES – February 20, 2024

Minutes of the regular meeting of the Bountiful Power Commission held February 20, 2024, were presented, and unanimously approved as written with a motion made by Commissioner Becker and seconded by Commissioner Knight. Commissioners Becker, Bell, Irvine, Knight, and Summers voted “aye”.

Councilwoman Cecilee Price-Huish and Commissioner Jed Pitcher arrived.

UAMPS PRESENTATION

Mason Baker and Jackie Coombs, representing UAMPS, were present. Mr. Baker narrated a presentation about the upcoming planning and resources for the UAMPS members. He explained current UAMPS projects and shared information about generation projects and the projects that Bountiful is involved in. The presentation included Flat Market Prices from 2005 – 2023, and the plans for the volatility of pricing and Energy Transition Challenges. Those challenges include the use of low/no carbon resources, transmission, and balancing resources with acknowledgment that there are real and critical issues associated with the energy supply chain. He reviewed the UAMPS

1 Integrated Resource Plan, as follows: (1) develop an aggressive thermal plant
2 development/acquisition; (2) pursue opportunities to identify and acquire additional solar and wind,
3 approximately 300 MW each; (3) keeping older resources until new resources are up and running.
4 And, (4) since generation development activities can be long-lead-time items (due primarily to issues
5 related to transmission), UAMPS should evaluate feasible generation sites and either procure land
6 options for future development or acquire the land now. It was noted that since both Nebo and Hunter
7 2 will reach the end of their commercial operating lives in 2045 and 2032, respectively, UAMPS
8 should evaluate opportunities to extend the lives of both resources and undergo project life extension
9 feasibility.

10
11 Mr. Baker used pie charts to define Bountiful's 2023 (1) resource usage and (2) resource type.
12 Purchasing through the PX (wholesale market) provides 53 percent of our resources and the next
13 largest segment was CRSP, which provides 18 percent of total resources. By "type" BCLP purchases
14 56 percent, hydro accounts for 28 percent, and natural gas (7 percent), coal (5 percent), and solar (4
15 percent) account for the balance.

16
17 Firm Power Projects that Bountiful is participating in include Steel Solar (a 2-phase 80 MW
18 project located in Box Elder County scheduled to come online the last week of March 2024—Steel
19 Solar 1A; and Steel Solar 1B the last week of May 2024); and Fremont Solar plus Storage project
20 located in Iron County, which is scheduled to be operational Summer of 2026. UAMPS is pursuing
21 65 MW of geothermal energy from two locations in Nevada with scheduled commercial operation
22 dates of fourth quarter 2027 and third quarter of 2029.

23
24 UAMPS is doing a multipronged investigation on Natural Gas Generation which includes an
25 RFP to identify two sites and consideration of additional Enyo Solar plus natural gas, and an ongoing
26 evaluation to ensure that gas will remain economically competitive. There was discussion about
27 implementation of New Tools including FY23 Budget to Actual Dashboard, All-Requirements Pool
28 Project Option and Financial Healthy Checks.

29
30 Discussion followed regarding possible nuclear options. This subject is still under review, with
31 the possibility of working with a developer to help with questions. The possibility of working with
32 PacifiCorp was also discussed. In response to a question from the Commission, Mr. Baker stated that
33 UAMPS is not currently looking in water tank reclamation projects.

34
35 Discussion followed regarding SB161 and there were questions and comments from our City
36 Council members about being a difference in the industry as it relates to investor-owned systems vs
37 municipal systems. It was noted that these are vastly different models, and we need to embark on a
38 joint endeavor to educate the electorate and our elected representatives and senators. There will be a
39 special legislative session regarding this bill in June.

40
41 *Commissioner Bell left the meeting at 9:40 a.m.*

42
43 **BUDGET REPORT – YEAR TO DATE 7-MONTH PERIOD**

44 Mr. Hansen presented a summarized Budget Report for the Fiscal Year-to-date 7-Month period
45 ending January 31, 2024. Total revenues Year-to-Date were \$20,699,585, below its HAB by

1 (\$454,080). Major items above (below) their HABs were: Electric Metered Sales (EMS) at
2 \$(402,189) which was 2.2 % below its HAB; Contribution in Aid to Construction at \$(239,156) with
3 line extensions at 1227 Lorien Court--\$7K, 344 South 500 West--\$12K, and 952 East 500 South--
4 \$10K, and Utopia Huts at \$17K. Revenues above budget were Air Products, above its HAB by
5 \$72,939 with an average load factor of 68.5% for the YTD period; Sundry Revenues were above HAB
6 by \$21,375; and Interest Income was above its HAB by \$124,661. January's interest allocation was
7 \$54K.

8
9 Total Operating Expenses YTD were \$17,495,144, below its HAB by \$1,476,743. Major items
10 below their HABs included Power Cost Expense--\$1,036,858, Distribution Expense--\$75,546, Street
11 Light Expense--\$65,566, Meters Expense at \$90,014, and Transfer to the General Fund Expense at
12 \$88,929. Major items (above) budget were Credit Card Merchant fees at \$(19,174), and Insurance
13 Expense at \$(35,023).

14
15 Total Capital Expenditures YTD were \$336,641 and included \$28K for 2055 S. Main
16 Townhomes, \$197K for a cable puller and \$98K for a service truck.

17
18 Total Labor and Benefits Expense YTD was \$2,867,014. This was \$97,577 below the target
19 (55.9% of the total Labor and Benefits budget for the last pay period paid in the YTD period). The
20 Net Margin for the YTD period was \$2,867,799, as revenues are on budget and power costs are coming
21 in under budget. Total Cash Equivalents were a net \$19,655,293 at month end, up \$3,208,328 from
22 June 30, 2023 and \$3,209,293 above the \$16,446,000 total reserved cash requirement. Major sources
23 and (uses) of cash at month end compared to fiscal year-end 2023 included \$2,867,799 Net Margin
24 YTD, decrease in total accounts receivable \$902,524, decrease in total inventories \$100,863, decrease
25 in accrued benefits and payroll \$(87,313), \$(317,905) increase in net fixed assets, and \$(305,095)
26 decrease in other equity—excluding the net margin.

27
28 Commissioner Pitcher made a motion to accept the financial report as presented.
29 Commissioner Becker seconded the motion which carried unanimously. Commissioners Becker,
30 Irvine, Knight, Pitcher and Summers, and Councilwoman Price-Huish voted "aye".

31
32 **ECI ENGINEERING NORTHWEST SUBSTATION**

33 Mr. Farnes presented the report for Electrical Consultants Inc (ECI) Engineering Service
34 Approval for the proposed substation east of Viewmont High football field. The Northwest substation
35 was built in 1971-72 and is the oldest substation on our system. Much of the equipment has reached
36 the end of its useful life and would need to be upgraded. ECI was originally approved to begin the
37 project in the fall of 2019. The City postponed the project due to an increase in resource costs. Staff
38 recommends the approval of ECI for engineering services for the Northwest substation for a bid not
39 to exceed \$844,131.

40
41 Commissioner Knight made a motion to approve the bid for ECI Engineering service not to
42 exceed \$844,131. Commissioner Price-Huish seconded the motion which carried unanimously.
43 Commissioners Becker, Irvine, Knight, Pitcher and Summers, and Councilwoman Price-Huish voted
44 "aye".
45

1 **DIRECTIONAL BORING BID**

2 Mr. Veigel presented the report for a Directional Boring bid for the Spring Bore Package. The
3 Power department received 4 sealed bids and accepted the bid from Big Iron for \$215,122.
4 Commissioner Pitcher made a motion to approve the Directional Boring Bid report for \$215,122 as
5 presented. Commissioner Price-Huish seconded the motion which carried unanimously.
6 Commissioners Becker, Irvine, Knight, Pitcher and Summers, and Councilwoman Price-Huish voted
7 “aye”.

8
9 **TRANSFORMER BID**

10 Mr. Pearce presented the report for a transformer purchase approval. Bids were requested for
11 108 transformers: 40 (ea.) 50 KVA single phase Pad; 20 (ea.) 75 KVA three phase Pad; 24 (ea.) 37.5
12 KVA single phase overhead transformer; and 24 (ea.) 50 KVA single phase overhead transformers.
13 Three bids were received, and it is the recommendation of staff to accept the low bid from Western
14 United Electrical for \$373,765.86. In response to questions from the Commissioners, Mr. Pearce said
15 the lead times have not changed, ranging from 36 weeks to 60 weeks; and prices are about the same
16 as we have seen the last year. These transformers will be put into inventory and billed out when they
17 are installed on the system. Commissioner Knight made a motion to accept the transformer bid with
18 Western United Electrical for 108 transformers at \$373,765.86, as presented. Commissioner Price-
19 Huish seconded the motion which carried unanimously. Commissioners Becker, Irvine, Knight,
20 Pitcher and Summers, and Councilwoman Price-Huish voted “aye”.

21
22 **AWARDS**

23 Mr. Pearce discussed the Power Department’s Safety Procedures and reported that during a
24 recent Intermountain Power Superintendents Association (IPSA) awards meeting, the Bountiful City
25 Power Department received an award in recognition of achieving five consecutive years without a lost
26 time accident. He noted that this is a “huge” accomplishment in this industry. A 1st Place Group D
27 award was also received for 2023 for “working 70,000 or more hours with 0 lost time accidents”.
28 (Group D correlates with the number of employees and hours). It was also noted that as of March
29 14th, BCL&P has entered the 7th year of no lost time accidents. (Mr. Johnson also noted that in two
30 weeks the Department will be getting a National Safety Award which is an Engineering Operations
31 award). The Commissioners congratulated the staff members on these prestigious awards, recognizing
32 that the employees should be given a “shout out” for these achievements. Both Mr. Johnson and Mr.
33 Pearce recognized that the support from the Power Commission and City Council in having
34 appropriate equipment and supplies is a factor that contributes to the excellent accident-free status,
35 and they expressed their appreciation.

36
37 **WINDSTORM**

38 Mr. Pearce discussed the last windstorm and the issues that were between Bountiful City and
39 Comcast and Century Link business utilities. Currently Century Link does not have a contract for
40 pole attachment and their customers are having problems with these two communication businesses
41 (Comcast and Century Link) taking ownership for downed or unrepaired line problems. He noted that
42 a customer contacted us, who had been out of service for 22 days with Century Link, due to several
43 lines being severed and the company would not repair them. The city currently receives multiple calls
44 about communication lines down and how they are unable to get ahold of the communication
45 businesses to repair lines.

1
2 Commissioner Becker left the meeting at 10:00 a.m.

3
4 **RESOURCE UPDATE**

5 **Legislative Update.** Mr. Johnson reported that he didn't have anything further to report other
6 than what had been previously reviewed by the UAMPS and Councilwomen Bradshaw.

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

9
10 **POWER SYSTEMS OPERATIONS REPORT**

- 11 a. December 2023 Resource Reports
12 b. January 2024 Lost Time/Safety Reports
13 c. January 2024 Public Relation Reports
14 d. December 2023 Outage Reports
15

16 **OTHER BUSINESS**

17 Mr. Johnson referred to the APPA national conference which will be held in San Diego June
18 9-12, 2024 and asked who would be going. Commission Pitcher will not, Councilwoman Price-Huish
19 is not sure. Others will get back to Mr. Johnson, or already have done so.
20

21 **NEXT POWER COMMISSION**

22 The next meeting of the Power Commission will be held on April 23, 2024 at 8:00 a.m.
23

24 **ADJOURN**

25 The meeting adjourned at 10:17 a.m. on a motion by Commissioner Pitcher and seconded by
26 Commissioner Price-Huish. Voting was unanimous with Commissioners Irvine, Knight, Pitcher and
27 Summers, and Councilwoman Price-Huish voting "aye".
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31 
32 Paul C. Summers, CHAIRMAN

