

**MINUTES OF THE JOINT MEETING OF  
BOUNTIFUL CITY COUNCIL POWER COMMITTEE AND  
THE BOUNTIFUL CITY POWER COMMISSION**

April 23, 2024 - 8:00 a.m.

**Those in Attendance**

**Power Commission**

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

**Power Department**

- Allen Johnson, Director
- Tyrone Hansen, Accountant
- Jess Pearce, Superintendent of Operations
- Luke Veigel, Engineer
- Alan Farnes, Generation Superintendent
- Nancy Lawrence, Recording Secretary

**City Council Power Committee**

- Kendalyn Harris, Mayor
- Cecilee Price-Huish, Councilwoman
- Richard Higginson, Councilman

**Other Visitors**

- Ron Mortensen, City Resident

**Other City Officials**

- Kate Bradshaw, Councilwoman
- Gary Hill, City Manager
- Galen Rasmussen, Assistant City Manager
- Jessica Sims, Human Resources Director
- Charles Benson, Street Department

**WELCOME**

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

**BUDGET PRESENTATION**

The meeting was turned over to Allen Johnson, Light & Power Department Director, and the department staff to present the detailed budget for the Light & Power fund. Tyrone Hansen, Light & Power Department Accountant, was asked to review key points of the power system and budget request via PowerPoint presentation. Budget highlights for Fiscal Year 2024-2025 were presented as follows:

- Overall budget for adoption of \$39,556,787
- 5% increase in power rates
- 5% increase in the Feed-in-Tariff rate
- Solar Net Metering buy back rate reduced to \$0.075
- Annual Pole attachment fee increased from \$13 to \$14
- Customer Service Policies update

- 1 • Proposed addition of a 3-person line crew
- 2 • Services are provided to 17,300 total customers (15,652 residential; 1,647 commercial; 1
- 3 industrial)

4  
5 The electrical system includes:

- 6 • 6 substations
- 7 • 42 miles of 46KV transmission lines
- 8 • 90 miles of 15KV overhead distribution lines
- 9 • 135 miles of 15KV underground distribution lines
- 10 • 75 miles of street light circuits

11  
12 Power resources include:

- 13 • Colorado River Storage Project (CRSP)
- 14 • Intermountain Power Project (IPP)
- 15 • Natural gas fired central power plant
- 16 • Hydro Electric plants at Echo and Pineview Reservoirs
- 17 • Red Mesa & Steel solar projects
- 18 • Contracts with industry suppliers

19  
20 Major Roles and Critical Functions were outlined as follows:

- 21 • Ensure the safety of everyone that interacts with the electrical system.
- 22 • Buy and generate electricity at economical prices.
- 23 • Deliver electricity to residential, commercial, and industrial customers.
- 24 • Provide reliable electric service.

25  
26 Items needed to fulfill major roles and critical functions:

- 27 • Upgrade feeders #572, #573, #574 and #576.
- 28 • Begin replacement and upgrade of Hydro control systems.
- 29 • Begin a rebuild of the Northwest Substation.
- 30 • Acquire power resources to stabilize the cost of power and increase “Green” and carbon free
- 31 resources.

32  
33 Jess Pearce provided information on field operations for the department:

- 34 • The department has had over six years of no lost work time due to accidents and has received
- 35 awards for their safety record.
- 36 • The five-year average system reliability rate for the Power department is 0.9999992%.
- 37 • Since the year 2000, the department staff has replaced total of 2,257 distribution poles of a
- 38 total 4,938 poles in the system. This averages to 125 poles replaced per year (if the year 2020
- 39 is excluded due to the windstorm which resulted in additional pole damage that needed
- 40 replacement over and above the average).
- 41 • Remaining poles in the system are approximately 50 years old and all need replacement.
- 42 • The underground system for the department is comprised of 1,261,100 feet of cable. This
- 43 includes 239,122 feet of bare concentric cable that was installed between 1970 and 1986.
- 44 This bare concentric cable has a life expectancy of only 20 years and is increasingly in need of

1 replacement. Newer, jacketed, cable is being installed now at an average rate of 18,000 feet  
2 per year. This jacketed cable has a 40-year life expectancy.

- 3 • The tree trimming program is inclusive of one in-house crew and two contracted crews that  
4 are employed to mitigate tree growth impacts to system resources. Approximately 3,700 trees  
5 are trimmed or removed per year by these crews.
- 6 • Supply chain issues were noted including a 6-to-8-month delay in receiving poles and 36-to-  
7 104-week delays in receiving transformers.

8  
9 Luke Veigel provided an overview of the capital requests for Fiscal Year 2024-2025:

- 10 • Total capital request is \$5,450,000 which is up by \$3,115,000 from the current fiscal year.
- 11 • The request includes the following:
  - 12 ○ \$290,000 for vehicles
  - 13 ○ \$200,000 for upgrade of Feeder #573
  - 14 ○ \$260,000 for an intertie of Feeder #572 to #574
  - 15 ○ \$100,000 for an upgrade of Feeder #576
  - 16 ○ \$250,000 for distribution at Renaissance Town Center
  - 17 ○ \$200,000 for distribution work at four new business locations

18  
19 Alan Farnes provided an overview of capital improvements scheduled for the Hydro locations as  
20 follows:

- 21 • \$400,000 for update of controls at the Echo Hydro
- 22 • \$750,000 for update of controls at Pineview Hydro

23  
24 Other capital improvements included in the request are:

- 25 • \$3,000,000 for the Northwest Substation.

26  
27 Jess Pearce reviewed the request for a one dollar increase in the annual fees for pole attachments.

28 The fee will rise from \$13 to \$14 to assist the department in funding additional maintenance and pole  
29 replacement.

30  
31 Additional discussion was held on the changes proposed in customer service policies for:

- 32 • Townhomes, condominiums, and any customer with multi-gang meter bases.
- 33 • Battery and electric vehicle definitions and inverter driven systems.

34  
35 Tyrone Hansen presented examples of how the electric system load is balanced during two time  
36 periods in a typical year and showed a schedule of power costs and metered sales by month. There  
37 was also a discussion between management and the commissioners regarding solar power and IPP  
38 power resources.

39  
40 The proposed rate increase of 5% will result in Bountiful Power being 8.3% higher than Rocky  
41 Mountain Power rates.

42  
43 The meeting concluded with a summary of the budget request which included:

- 44 • Operating revenue of \$34,704,782
- 45 • Personnel Services costs at \$5,979,963
- 46 • Operations and Maintenance costs at \$24,847,551 and

- 1 • A net operating transfer in of \$1,077,349
- 2     ○ (\$3,072,651) transferred out to the General Fund
- 3     ○ \$4,150,000 transferred in from Retained Earning for Capital Projects (NW Sub,
- 4         Controls at Echo and Pineview)
- 5 • A total of \$42,145,000 in planned capital expenses in the next 10 years

6  
7 Following the discussions, Power Commission chair Paul Summers called for a motion to approve the  
8 Fiscal Year 2024-2025 budget request with all items as outlined. Commissioner Pitcher motioned to  
9 approve the budget and Commissioner Bell seconded the motion. All commissioners voted aye.

10  
11 City Council Budget Committee chair Cecilee Price-Huish called for a motion on the Power Fund  
12 budget with all items as presented. The budget was passed with a motion from Committee member  
13 Price-Huish with a second from Committee member Higginson. Voting was unanimous with  
14 Committee member Price-Huish voting, Higginson, and Harris aye.

15  
16 Chairman Paul Summers commented that the Safety Award recently given to BCL&P is “worth a lot  
17 of money and we can be really proud of our people”.

18  
19 The budget review portion of the meeting adjourned at 9:45 a.m. on a motion made by Councilman  
20 Higginson and seconded by Councilwoman Price-Huish. Voting was unanimous with all members  
21 voting “aye”.

22  
23 Chairman Summers resumed the meeting of the Power Commission and noted that Commissioner  
24 Dan Bell was excused at this time.

25  
26 **MINUTES – March 26, 2024**

27 Minutes of the regular meeting of the Bountiful Power Commission held March 26, 2024, were  
28 presented and unanimously approved as written with a motion made by Commissioner Pitcher and  
29 seconded by Commissioner Becker. Commissioners Becker, Irvine, Knight, Pitcher, and Summers,  
30 and Councilwoman Price-Huish voted “aye”.

31  
32 Commissioner Pitcher noted that the staff had done a great job in preparing the budget documentation  
33 and presentation.

34  
35 **BUDGET REPORT – YEAR TO DATE 8-MONTH PERIOD**

36 Mr. Hansen presented a summarized Budget Report for the Fiscal Year-to-date 8-Month period  
37 ending February 29, 2024. Total revenues Year-to-Date were \$23,189,872, below its HAB by  
38 (\$604,566). Major items above (below) their HABs were: Electric Metered Sales (EMS) at  
39 \$(388,739) which was 1.9 % below its HAB; Air Products at \$134,209, with an average load factor of  
40 66.4%. It was noted that February’s payment posted in March. Contribution in Aid to Construction  
41 at \$(262,478) with line extensions at 1227 Lorien Court--\$7K, 344 South 500 West--\$12K, and 952  
42 East 500 South--\$10K, and Utopia Huts at \$10K. Revenues above budget were Sundry Revenues  
43 above HAB by \$20,940; and Interest Income above its HAB by \$177,440.00. February’s interest  
44 allocation was 88K.

45  
46 Total Operating Expenses YTD were \$19,394,125, below its HAB by \$1,814,846. Major items  
47 below their HABs included Power Cost Expense--\$1,320,787, Distribution Expense--\$82,690, Street

1 Light Expense--\$65,435, Meters Expense at \$97,678, and Transfer to the General Fund Expense at  
2 \$104,970. Major items (above) budget were Credit Card Merchant fees at \$(20,196), and Insurance  
3 Expense at \$(35,023).  
4

5 Total Capital Expenditures YTD were \$337,886 and included \$28K for 2055 S. Main Townhomes,  
6 \$197K for a cable puller and \$98K for a service truck.

7 Total Labor and Benefits Expense YTD was \$3,233,162. This was \$138,334 below the target (63.6%  
8 of the total Labor and Benefits budget for the last pay period paid in the YTD period). The Net  
9 Margin for the YTD period was \$3,457,861, as revenues are on budget and power costs are coming in  
10 under budget. Total Cash Equivalents were a net \$20,253,601 at month end, up \$3,806,637 from  
11 June 30, 2023 and \$3,807,601 above the \$16,446,000 total reserved cash requirement. Major sources  
12 and (uses) of cash at month end compared to fiscal year-end 2023 included \$3,457,861 Net Margin  
13 YTD, decrease in total accounts receivable \$1,141,310, decrease in total inventories \$117,062,  
14 decrease in total accounts payable (\$231,111), \$(317,905) increase in net fixed assets, and \$(305,095)  
15 decrease in other equity—excluding the net margin.  
16

17 Commissioner Pitcher made a motion to accept the financial report as presented. Commissioner  
18 Becker seconded the motion which carried unanimously. Commissioners Becker, Irvine, Knight,  
19 Pitcher and Summers, and Councilwoman Price-Huish voted “aye”.  
20

21 **RESOLUTION 2024-02 PRE-PAY TAX CERTIFICATE**  
22 **AND AGREEMENT WITH UAMPS FIRM POWER SUPPLY**

23 This Agenda item was tabled pending action by Rocky Mountain; no action taken.  
24

25 **RESOURCE UPDATE**

26 Mr. Johnson reported that he has not heard anything re: SB 161 but anticipates hearing something by  
27 the first of June.  
28

29 Gas operation of the IPP renewed plant is still moving forward, and IPA is working on gas contracts.  
30 UAMPS is also looking at two gas resources: Long Roads solar and batteries project near Fremont is  
31 estimated to come online in 2026. UAMPS is also looking at a wind project, and the necessary  
32 transmission details were discussed.  
33

34 Commissioner Irvine noted that he had seen a “long coal train” and wondered both where it was  
35 coming from and its destination. Mr. Johnson gave several possible destinations, including the Inland  
36 Port for overseas. He noted that in addition to Wyoming coal, there is also good coal coming from  
37 Illinois. He said that we should have enough coal to run us thru the shutdown of the IPP plant.  
38

39 The focus of discussion turned to the dilemma faced by BCL&P in hiring a third line crew. Mr.  
40 Johnson explained that, generally speaking, this process has been that we can hire apprentice linemen,  
41 (generally who are not from Davis County), we train them, and then they seek employment closer to  
42 their original home. Solutions for that dilemma were discussed, including a contractual required time  
43 with BCL&P in exchange for the training, and the possibility of working with high school students  
44 from our area who would “be home” once they are linemen. Wage comparisons with other  
45 jurisdictions was also discussed.  
46  
47

1 *The following items were included in the packet, but not discussed in the meeting.*  
2

3 **POWER SYSTEMS OPERATIONS REPORT**

- 4 a. February 2024 Resource Reports  
5 b. March 2024 Lost Time/Safety Reports  
6 c. March 2024 Public Relation Reports  
7 d. February 2024 Outage Reports  
8

9 **OTHER BUSINESS**

10 None  
11

12 **NEXT POWER COMMISSION**

13 The next meeting of the Power Commission will be held on May 28, 2024 at 8:00 a.m.  
14 Councilwoman Price-Huish requested to be excused from that meeting.  
15

16 **ADJOURN**

17 The meeting adjourned at 10:25 a.m. on a motion by Commissioner Pitcher and seconded by  
18 Commissioner Becker. Voting was unanimous with Commissioners, Becker, Irvine, Knight, Pitcher  
19 and Summers, and Councilwoman Price-Huish voting "aye."  
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Susan Becker, Acting Chairwoman