

*Subject to approval at the
June 11, 2019
City Council Meeting*

CITY OF LA JUNTA)
COUNTY OF OTERO) SS
STATE OF COLORADO)

A Regular Meeting of the Board of Utilities Commissioners of the City of La Junta, Colorado, was called to order by Chairman Lorenz Sutherland on Tuesday, May 14, 2019, at 4:00 p.m. in the Power Board Room of the Municipal Building.

Roll was called and the following Board Members were present:

Present Mike Bourget, Commissioner
 Frank McKenzie, Vice-Chairman
 Jeffri Pruyn, Mayor (arrived 4:09 p.m.)
 P. Lorenz Sutherland, Chairman

Absent: Mike Bourget, Commissioner

Also present: Rick Klein, City Manager
 Bill Jackson, Asst. City Manager
 Melanie Scofield, City Clerk
 Gary Cranson, ARPA Representative
 Tom Seaba, Director of Water & Wastewater
 Rick Gumke, Line Crew Chief
 Darren Adame, Director of Engineering
 Shannon Lovato, Council Member
 Elaine McIntyre, Council Member
 Edward Vela, Council Member
 Kathy DelRio, La Junta
 Bette McFarren, Tribune Democrat

MINUTES OF PREVIOUS MEETING

Chairman Sutherland asked if there were any corrections to the minutes of the Regular Meeting of April 9, 2019. Hearing none, he declared the minutes approved as published.

CITIZEN PARTICIPATION

1. There was no citizen participation.

REPORTS

A. ARPA Board. Gary Cranson gave the following report:

1. Financial Reports April 2019 (abbreviated)
 - YTD Revenues from Power Sales are better than budget by \$134,720 (2.1%).
 - YTD Total COGS are over budget by \$108,974 (2.7%).
 - YTD Gross profits are better than budget by \$107,231.
 - YTD Total A & G Expenses are under budget by \$161,169.
 - YTD Net Revenues are \$696,436.
 - Net Revenues for the month are \$187,465.
 - Operating Debt Service Coverage Year to Date is 1.25X.
 - Member energy sales 2019 YTD are 0.4% less than 2018.
 - Member energy sales are about 3.5% better than budget YTD.
 - All in Power Cost to members for March 2019 was \$0.1015 per kWh.

- March energy supplied primarily by TWIN EAGLE and WAPA:

TWIN EAGLE 68%	\$54.20 per mWh
WAPA 25%	
Loveland Area (LAP)	\$34.66 per mWh
CO River Storage (CRSP)	\$30.80 per mWh
Wind 7%	\$41.80 per mWh
- Blended rate for March was \$50.08 per mWh (budget \$50.15).
- Blended rate is \$2.55 per mWh higher in 2019 compared to the 2018 rate of \$47.53.
- Twelve-month average energy rate of \$46.80 per mWh.
- March revenue from Member sales of \$2.17 million.
 - Revenue from energy sales was \$1.9 million
 - Revenue from demand units was \$221,357

2. General Manager Report

- TRI-STATE: Tri-State has a new CEO, Duane Highley, who began his employment in early April. Tri-State also approved changes to the association's bylaws that will allow the Tri-State board of directors to establish new membership classes. Additional classes could provide for partial-requirements contracts and a municipal membership class. A contract committee will convene in the coming months to review the options and make recommendations to the board of directors.
- SOUTHWEST POWER POOL: The Southwest Power Pool has begun discussions with utilities from the Mountains West to develop an Energy Imbalance Market. The discussions are in the initial stages.
- CAMU LEGISLATIVE BILLS TRACKING-UPDATE: Rigel provided a report on bills that Colorado Association of Municipal Utilities is tracking in the state legislature that may affect electric utilities. He briefed the Board on the Greenhouse Gas Reduction Bill (HB19-1261) which could have a significant impact on electric utility operations. This Bill requires a reduction of greenhouse gases by certain dates. CAMU is working with the bill sponsors to clarify participation by municipal electric systems. Other bills reviewed were SB19-236, Colorado PUC Sunset Review; SB19-107, Electric Utility Broadband Easement Bill; and HB19-1313, Xcel Energy Clean Resource Bill.
- TWIN EAGLE: GM Rigel announced Twin Eagle Resource Management filed an application with the Federal Energy Regulatory Commission to assign ARPA's Partial Requirements Agreement to Public Service Company of Colorado. In its filing, Twin Eagle requested a July 1, 2019 closing date for the transaction.
- SAFETY TRAINING: Staff member Morris reported on the safety training that was held in La Junta on April 18, and also the Lineman Appreciation Day barbeque that was held on the same day. The training was attended by twenty-seven line workers from five ARPA member municipal utilities.

B. Water & Wastewater Treatment. Tom Seaba gave the following report:

1. R.O. Plant

- Continue interior/exterior LED light conversion.
- Repair sprinkler system at the 3-million gallon tank.
- Begin seasonal grounds maintenance.
- Additional well-house maintenance preparing them for summer heat and high demand season.
- GIS training.

2. Distribution

- Continued work with contractors for new water main/service on 4th Street between Grant and Hayes (New Sonic).
- New hydrant installed at 4th & Hayes.
- Attended Arkansas River Basin Water Forum in Pueblo.
- Meter reading.

3. Wastewater

- WFI completed clean, cut, and camera work for the spring.
- Treated 29.874 million gallons. Removed 38 ft³ of screenings and 20 ft³ of grit.
- Jetted 7,349 feet of main in reference to twelve emergency calls and forty-five man-hole locates.
- New plant rated at 92% complete.
 - Clean water test began 05/07/19. Process controls verified. System checks almost complete.
 - Final training on bar screen, dewatering press, SCADA controls on 05/14/19.
 - Backup generator undergoing testing 05/13-05/14/19.
 - Date set to “Punch the pipe,” (new plant start up): 05/15/19 at 4:00 a.m.

4. All Departments

- Safety meeting concerning trenching and shoring.
- Several attended training at CRWA in Pueblo West.

C. Power Distribution. Rick Gumke gave the following report in Reuben's absence:

1. Line Crew

- Conduit is in and riser pole done at new Sonic.
- Assisted service man with monthly cut-offs.
- Set new pole just west of Elm in North La Junta.
- Painting downtown lights.
- Sent two men and two trucks to Lamar to help with some lines.
- Had around thirty linemen go through Pole Top and Bucket Truck Rescue with ARPA Members.
- Still reading a few meters on the system.
- Helped find a fault in the Golf Course sprinkler line.
- Had about 50 feet of 500 mcm wire stolen off the Mobile Sub at the Warehouse.
- Installed two poles and four 400 hps lights at the Warehouse for more lighting.
- Had to replace the base of a light pole struck by a City bus.

4:09 P.M. MAYOR PRUYN JOINED THE MEETING.**C. Power Plant.** Bill Jackson gave the following report:

1. Met with HDR, the plan is about 90% ready for the bid. We are determining whether to rent generators during the transition and should have this projection to discuss prior to the bid going out. All but one will run on natural gas. The generator at the R.O. Plant runs on diesel. The price of the generator for the new Waste Water Treatment Facility was included in the original project.

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D. Sanitation. Darren Adame gave the following report:

1. April report.

	Month to Date	Month to Date	Over/Under	Year to Date	Year to Date	Over/Under
April 2019	2019	2018	Month	2019	2018	Year
Special Pickups	4	6	(2)	9	16	(7)
New 40 Yd Box	6	3	3	8	10	(2)
New 20 Yd Box	7	10	(3)	14	19	(5)
40 Yd Box Service	20	19	1	70	59	11
20 Yd Box Service	8	8	0	27	39	(12)
Overage on Wt on Boxes	8	5	3	26	8	18
Compactor Box Service	3	4	(1)	14	15	(1)
Bagsters	0	0	0	0	0	0

2. Mayor Pruyn suggested using the bagsters for a community cleanup.
3. The annual cleanup will be done the same as last year with 40 yd boxes in staged areas.
4. Started working on the alleys on the west end of town.
5. Clean Valley Recycling is increasing in participants.

NEW BUSINESS

A. City Manager's Comments.

1. Things are looking great with a lot of blight being demoed and new changes happening along Hwy 50/1st Street.

B. City Attorney's Comments.

1. Not in attendance

C. Governing Body's Comments.

1. There were no governing body comments.

There being no further business, the meeting adjourned at 4:33 p.m.

CITY OF LA JUNTA

ATTEST:

P. Lorenz Sutherland, Chairman

Melanie R. Scofield, City Clerk