

*Subject to approval at the
September 11, 2018
City Council Meeting*

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

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, August 14, 2018, 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
 Jim Goodwin, Commissioner
 Frank McKenzie, Vice-Chairman
 Jeffri Pruyn, Mayor
 P. Lorenz Sutherland, Chairman

Absent: None

Also present: Rick Klein, City Manager
 Bill Jackson, Asst. City Manager
 Phil Malouff Jr., City Attorney
 Melanie Scofield, City Clerk
 Tom Seaba, Administrative Coordinator
 Reuben DeLeon, Electric Superintendent
 Darren Adame, Director of Engineering
 Aliza Libby-Tucker, Director of Finance
 Cynthia Nieb, Director of ED/UR
 Gary Cranson, ARPA Representative
 Elaine McIntyre, Council Member
 Edward Vela, Council Member
 Nancy Bennett, La Junta
 Beverly Babb, La Junta
 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 July 10, 2018. Hearing none, he declared the minutes approved as published.

CITIZEN PARTICIPATION

1. Beverly Babb, La Junta: Renewables are the future. La Junta needs to start paying attention to what needs to be done to make sure we are first in this venture.
2. Kathy DelRio, La Junta: Curious about a huge claw of an animal found in her alley.

REPORTS

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

1. R.O. Plant
 - Changed all 528 cartridge filters.
 - Repaired leak on west booster control valve.
 - Flushed and maintained all air relief valves.
 - Mowing and weed control.

2. Distribution
 - Replaced two old service lines and meters.
 - Installed new valve at high school.
 - Repaired and reconnected fire line connection at DeBourgh Manufacturing.
 - Repair and extend main at 14th and Raton.
 - Repair main break in 100 block of Dalton.
3. Wastewater
 - Treated 34.4 million gallons. Removed 38 ft³ of screenings and 16 ft³ of grit.
 - Jetted 9,094 feet of main in emergency calls and 14,670 feet in annual jetting program.
 - New plant rated at 60% complete. July pay app should be ready on Wednesday.
4. All Departments
 - Drought Conditions Update:
 - October through June of this year has been the third warmest and the third driest October through June period in the 123 years of record keeping, with no single month reporting below average temperatures.
 - Southern Colorado remains in exceptional drought conditions, with D4 conditions now present in the Southwest, Rio Grande and Arkansas River basins. Northwest Colorado has seen a two level degradation over the last two months.
 - Long term forecasts indicate an increased likelihood of above average temperatures for September through October statewide. An El Nino watch has been issued, meaning there is a greater than 70 percent change of an El Nino developing, which could bring an increased chance of wet extremes for September through November in Colorado.

B. Power Distribution. Reuben DeLeon gave the following report:

1. Line Crew
 - Finished up with the tree trimming on the east side which is the LP52-4 and also finished tree trimming at the Industrial Park. The crew will now begin trimming on the west side which is the G52-20.
 - The crew has upgraded the transformer at the Primary School for the new addition that is being built and it is in service.
 - Reading meters and installed ninety new radio read meters and will continue to do so as the meters arrive.
 - There was some lightning action on the LP52-4 and the LP52-2 which is the east loop and the south side of town. We lost arresters on the east loop and a pole burnt in two at 10th and Park and had to be replaced.
 - Replaced four more steel street light poles along 3rd street and added four more aluminum poles.
 - Set a pole and new metering station for the new building at the Lewis Bolt & Nut Anchor Plant. Will set two 1500 KVA transformers at that location when contractors are ready.

C. Power Plant. Bill Jackson gave the following report:

1. Everything still on schedule. Hope to have a cost report in October.

D. Sanitation. Darren Adame gave the following report:

1. Year-to-date numbers are as follows:
 - Special pickups down by 22
 - 40-yard boxes up by 13
 - 20-yard boxes down by 2
 - Containers from the shop down by 8
 - Compactor Box Service down by 1
 - New dumpster down by 3

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- New 40-yard box rents down by 6
 - New 20-yard box rents up by 13
 - Bagster up by 1
2. New sanitation trucks are operating well.
 3. Everything at OCLI continues to be great.
 4. Will be trying something different for alley clean-up this year.

E. Summary of Dormant Fee Accounts. Aliza Libby-Tucker gave the following report:

1. Huge start-up costs to begin program but eventually the word gets around and the debt will begin to diminish bringing costs down.

		2018							
		DORMANT FEE							
	ELECTRIC		WATER		WASTE WATER				
JANUARY	50	397.75	45	970.82	45	673.92	CYCLE 1		
	94	814.00	107	2,469.27	102	1690.10	CYCLE 2		
	144	1,211.75	152	3,440.09	147	2364.02	TOTAL		
FEBRUARY	60	333.00	58	956.34	58	630.40	CYCLE 1		
	117	642.87	132	2,189.12	127	1431.86	CYCLE 2		
	177	975.87	190	3,145.46	185	2062.26	TOTAL		
MARCH	42	388.50	41	1,053.63	41	364.52	CYCLE 1		
	93	712.25	103	2,284.34	103	797.29	CYCLE 2		
	135	1,100.75	144	3,337.97	144	1161.81	TOTAL		
APRIL	53	351.50	52	957.03	50	637.97	CYCLE 1		
	83	730.75	92	2,333.58	88	1554.69	CYCLE 2		
	136	1,082.25	144	3,290.61	138	2192.66	TOTAL		
MAY	43	397.75	42	1,085.03	40	727.90	CYCLE 1		
	98	610.50	96	2,141.34	104	1328.56	CYCLE 2		
	141	1,008.25	138	3,226.37	144	2056.46	TOTAL		
JUNE	44	407.00	43	1,109.23	41	744.40	CYCLE 1		
	85	666.00	83	2,176.26	78	1429.60	CYCLE 2		
	129	1,073.00	126	3,285.49	119	2174.00	TOTAL		
TOTAL	144	6,451.87	149	19,725.99	146	2174.00			
WRITE-OFF	15	1,098.33	14	2,570.77	13	1675.08	CYCLE 1		
	44	2,351.39	46	6,848.72	43	4488.65	CYCLE 2		
	59	3,449.72	60	9,419.49	56	6163.73	TOTAL		

F. Suggested Policy Changes. Jim Goodwin gave the following report:

1. Landlord meeting was beneficial. We decided that fees should be based on risk and that the City will still continue to work with landlords. Have also agreed to charge landlords for water. The following is a "Suggested Policy Changes":

1. Raise deposit amounts.
 - A. Create a new classification and create a different rate for governmental owned housing property:
 - 1) “Government-Owned Residential” Rate: \$100
 - a) Not applicable to Section 8;
 - 2) “Residential” Rate: \$300
 - 3) “Commercial” Rate: 3 times average use
 - B. Deposit payments could spread over three months.
2. Require every non-owner to have a written lease as a condition to eligibility to hook up utilities.
3. The following lease provisions are required before any tenant can get utilities hooked up.
 - A. Lease must be signed by both the landlord and tenant.
 - B. Tenant must grant permission to the City to allow a copy of sent cut-off notice or other billing information to be sent to the landlord.
 - C. Lease must name all tenants (adults and children) who will live on premises.
 - D. Lease must be signed by all adults living on the premises.
 - E. City should send confirmation to all landlords or landlord liability for unpaid water bills (per current ordinance).
4. The City will not provide a “form lease” nor provide any legal advice to the landlord or the tenant other than to provide a copy of this policy (if requested).
5. Effective date: _____, 2018.

NEW BUSINESS

A. **City Manager’s Comments.**

1. Happy to be here.

B. **City Attorney’s Comments.**

1. Always a privilege.

C. **Governing Body’s Comments.**

1. Mayor Pruyn: Everyone received a copy of the article “Rural electric cooperatives look at cutting the cord.” As a Council, we are trying to do our due diligence regarding the PPA. It’s important to see that there are communities that have signed contracts with Tri-State that are now paying a lot of money to get out of those contracts right now. I would just ask that everyone take the time to please read this information.

2. Commissioner Goodwin: Was questioning whatever happened to the debt with Lamar because that never changed, it's still there. It makes a big difference on things. I'm backing away from my original thought.

Chairman Sutherland: Under the PPA, Tri-State assumes ARPA's entire debt. Tri-State provided a firm price for electricity. That included an adder to come up with that firm price to the six municipalities to cover their debt load.

3. Commissioner Bourget: Last year we discussed the farm ground leases but the leases had already been signed. I've been approached again by farmers in that area inquiring when or if that is going to be opened up.

City Manager Klein: Tom and I are getting through this new wastewater treatment plant. Then we will sit down and re-evaluate some of those farms. Next year, we're going to try to make some changes with these leases.

Commissioner Bourget: Should there be competition on the leases or is it just a sweetheart deal to whoever currently has it?

City Manager Klein: Next year we'll start to go out to bid again.

Commissioner Bourget: When is next year?

City Attorney Malouff: April.

4. Commissioner McKenzie: Regarding the alley clean-up. I know you've got a plan and I hope it works. I'm behind you on whatever you try to do but I am skeptical for several reasons. We're finally getting people to clean this town up and their own mess and the people here do pay quite a bit of money for waste disposal. We've shrunk alley clean-up from twice a year to once a year. I know it's expensive; I know it's hard. People look forward to that. A lot of them don't have any other means. They don't have a pick-up to haul to the compactor which we've limited its use as well. Going to the county is getting hugely expensive and it's hard to get to. I just hate pulling back on that service. I'm afraid we're going to lose what we've been trying to do as far as cleaning up the town is concerned. I'm willing to go with the plan but let's evaluate what the place looks like when we get through.

There being no further business, the meeting adjourned at 5:18 p.m.

CITY OF LA JUNTA

ATTEST:

P. Lorenz Sutherland, Chairman

Melanie R. Scofield, City Clerk