

1 the general provisions, term, funding, upgrades, operating
2 agreement, budgets/billings/payments, and default. She clarified
3 that the first involvement by UAMPS will be in the construction of
4 the transmission line between Craig and Bonanza; and when that
5 project is completed, UAMPS will purchase a percentage entitlement
6 share of the existing 345 line between Bonanza and Mona. The
7 cities will sign a transmission service agreement with DAMPS and
8 UAMPS will in turn participate in an agreement with WAPA. Ms.
9 McNeil stated that a management committee will be formed to assist
10 in overseeing the contract and will be made up of representatives
11 from the participating municipalities and UAMPS.

12
13 At 6:45 p.m. Commissioner Allen made a motion that the meeting
14 adjourn to an executive session to discuss the acquisition of real
15 property. Councilman Barton seconded the motion and voting was
16 unanimous.

17
18 At 7:00 p.m. the joint meeting re-convened and financing for
19 the project was discussed. Bountiful's share of the project will
20 be \$3,755,498.00; it is hoped that Bountiful can cash flow this
21 amount by using the bond money which has been retired and borrowing
22 from the City on an intra-fund basis for a period of approximately
23 one year (1990-1991)--or bonding through UAMPS for this time
24 period. Following discussion, Councilman Barton made the motion
25 that a recommendation be made to the City Council to approve
26 Resolution No. 89-1, entitled "A RESOLUTION APPROVING THE FORM AND
27 AUTHORIZING THE EXECUTION OF A TRANSMISSION SERVICE CONTRACT
28 BETWEEN UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS AND THIS
29 MUNICIPALITY AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION
30 THEREWITH", providing for participation with UAMPS in the Craig to
31 Mona transmission agreement. Commissioner Bingham seconded the
32 motion which carried unanimously.

33
34 Councilman Barton then made a second motion that a
35 recommendation be made to the City Council to fund the Craig to
36 Mona project as outlined in Resolution No. 89-2, entitled "A
37 RESOLUTION PROVIDING FOR THE APPROPRIATION OF FUNDS FROM THE
38 BOUNTIFUL LIGHT AND POWER FUND TO THE GENERAL FUND, CAPITAL
39 IMPROVEMENTS FUND AND FUTURE POWER RESOURCES FUND". Commissioner
40 Bingham seconded this motion which carried unanimously.

41
42 Mayor Stahle called for action from the City Council and
43 Councilman Gramoll made the motion that Res. No. 89-1 be approved
44 as recommended, with authorization for the Mayor and City Recorder
45 to sign. Councilman Barton seconded the motion which carried
46 unanimously.

47
48 Councilman Barton then made a motion that Res. No. 89-2 be
49 approved as recommended and that authorization be given for proper
50 signature. Councilwoman Southwick seconded the motion and voting
51 was unanimous. Mayor Stahle expressed appreciation to Mr.
52 Michaelis and UAMPS personnel for the presentation and noted that
53 it is a significant occasion in Bountiful's history to become
54 involved in the transmission of electricity. He also recognized

1 the Power Commission, present and former staff personnel, and past
2 elected officials for their foresight in making this possible.

3

4 Report on Comparative KWH Study. Mr. Hess noted that the City
5 Council had requested a study showing a comparison between the Kwh
6 used before and after the rate adjustment which was implemented in
7 May, 1988. He presented a graph which depicted usage for a 6-month
8 period (July - December) in 1987 and 1988 for each classification
9 of customer, and a similar graph which showed the dollar charge
10 comparison. These charts showed that consumption and revenue are
11 both up about the same percentages. Revenue from municipal
12 customers showed an increase greater than the corresponding
13 increase in usage, which was anticipated when the new rate
14 structure was implemented. The study confirmed that the rate
15 adjustment is basically revenue neutral.

16

17 The Mayor and City Council left the meeting at this time.

18

19 FINANCE REPORT

20 Mr. Hess responded to questions from the Commission regarding
21 the finance report and stated that installation of the improvements
22 in Granada Hills No. 9 subdivision account for the fact that the
23 budget is over in this category. The recent sale of four lots in
24 that subdivision will recoup the cost of the improvements, as well
25 as the cost of the land. The report indicated that Electric
26 Metered Sales are at 51.2% of budget, with overall revenue at 38.8%
27 of budget and expenses at 28 percent. The net profit at this point
28 is \$824,000.00. Commissioner Allen made the motion that the
29 finance report be approved, Commissioner Bate seconded the motion
30 and voting was unanimous.

31

32 HYDROELECTRIC PROJECTS

33 Pineview: Mr. Michaelis referred to the written update on
34 the Pineview hydroelectric project which was included in the
35 packet. He pointed out that the construction schedule will be
36 changed; however, it should not affect the finish date, scheduled
37 for plant operation in the spring of 1990. Consideration is being
38 given to combining all the civil work which would eliminate extra
39 bidding costs. The 4-Party Construction, Operation and Maintenance
40 Agreement should be executed within the next two weeks.

41

42 POWER SYSTEMS OPERATION REPORT

43 Engineering Proposal for New Cooling Tower and System. Mr.
44 Michaelis noted that the bid which came in for the engineering on
45 this project came in excessively high; therefore, he requested that
46 this matter be tabled to permit further study.

47

48 Outage Report - Months of November and December, 1988. Mr.
49 Thomas acknowledged that the heavy snows and bad winds during the
50 months of November and December tested the system well, concluding
51 that the system and the personnel did very well. The Commissioners
52 praised the Power Department personnel for the fine job which was
53 done during this time and Councilman Bate requested that a letter
54 of recognition be sent to the employees. It was noted that the
55 outages seemed to be worst in the northwest sector of the City, the

1 area serving the outdoor pool "Bubble" and Mr. Thomas said that
2 consideration is being given to putting a line underground to
3 service the Bubble.

4
5 Mr. Thomas reported that the transmission line from the Echo
6 hydro plant is out of service due to a static wire sagging from a
7 heavy snow load into the 44 Kv line. Information is being gathered
8 regarding the proper way to resolve this problem on a permanent
9 basis.

10
11 Mr. Thomas also reported that an inspector from the
12 Environmental Protection Agency (EPA) made a "surprise" visit to
13 the Power Department last week to check our facilities for PCB.
14 Although there was an initial paperwork mix-up, he was impressed
15 with the amount of money and effort which has been committed to
16 take care of our PCB problem.

17
18 Systems Resource Report - Months of September and October,
19 1988. This item was included in the packet, but not discussed in
20 the meeting.

21
22 OTHER INFORMATION

23 Mr. Hardy expressed appreciation to the Light and Power crews
24 who assisted with snow removal on Christmas night and December
25 26th. He commented that he gets more calls complimenting the City
26 crews than he gets complaints, a situation unique to Bountiful.
27 The Commissioners joined in expressing their appreciation.

28
29 ADJOURNMENT

30 The meeting adjourned at 8:20 p.m.

31
32
33 /s/Harold L. Pope
34 Power Commission Chairman

35
36
37 Dean S. Stable
38
39 MAYOR

40
41
42 Arden T. Jensen
43
44 CITY RECORDER
45
46