

Minutes of the regular meeting of the City Council held December 12, 1990 at 7:00 p.m. in the Council Chambers of the City Hall, Bountiful, Utah.

Present:	Mayor:	Bob Linnell
	Council Members:	C. Harold Shafter, ReNee Coon, Bob Gramoll, and Leslie Foy
	City Manager:	Tom Hardy
	City Attorney:	Layne B. Forbes
	City Engineer:	Jack P. Balling
	City Recorder:	Arden F. Jenson
	Dep. Recorder:	Kim Coleman
	Rec. Secretary:	Nancy T. Lawrence
	Dept. Heads:	Jerry Lemon, Fire Cliff Michaelis, Power David Wilding, Water/Sewer
	Excused: Councilwoman:	Barbara Holt
	Planning Director:	Jon Reed Boothe

Official Notice of this meeting had been given by posting a written notice of same and an Agenda at the City Hall and providing copies to the following newspapers of general circulation: Davis County Clipper, Deseret News, and Salt Lake Tribune.

Mayor Linnell called the meeting to order, following which Councilwoman Coon led the pledge of allegiance to the flag. The invocation was given by Councilman Foy.

Minutes of the regular meeting of the City Council held December 5, 1990 were presented and unanimously approved as amended on a motion made by Councilman Foy and seconded by Councilman Shafter.

EXPENDITURE AND EXPENSE REPORT APPROVED FOR PERIODS NOVEMBER 30, 1990 AND SUMMARY OF NOVEMBER

Mr. Jenson presented the Expenditure and Expense Reports for the Period November 30, 1990 (\$465,738.68) and the Summary for November (\$2,592,407.95) and he noted several corrections to the annotation. Following discussion, both expenditure reports were unanimously approved on a motion made by Councilman Gramoll and seconded by Councilwoman Coon.

MAYOR WELCOMES BOY SCOUTS

Mayor Linnell welcomed the visiting Boy Scouts and their leaders and briefly explained the duties and responsibilities of the elected officials and staff.

PRESENTATION OF RETIREMENT GIFT TO MARY HOFFMAN

Mayor Linnell and members of the Council expressed their appreciation to Mary Hoffman for her 12 years of service with the city as executive secretary to the mayor, city manager, and city attorney. Mary was recognized as being dedicated, committed, efficient and

sensitive. Mr. Hardy recognized her ability to handle herself with dignity and class and Mr. Forbes expressed appreciation for the way she was able to deal effectively with the public. Assuring her that she would be missed, Mayor Linnell presented Mary with a memento on behalf of the elected officials, the city personnel, and citizenry and wished her well in her retirement.

COUNCIL APPROVES PURCHASE OF NEW COMPUTER HARDWARE/SOFTWARE SYSTEM FOR WATER DEPARTMENT

Mr. Wilding explained to the Council that inasmuch as the telemetry system for the Water Department has reached its capacity, it has been planned to replace or upgrade this equipment. Since a portion of the telemetry equipment failed about one month ago, it has necessitated that the system be repaired. Remote Control Systems (RCS) has given a quote on a new computer w/software which will be 100 percent compatible with all existing equipment at a cost less than \$50,000, installed and ready to operate in about 60 days.

Mr. Wilding also reviewed other options available, including (1) the purchase of all new equipment at a cost of ± \$600,000; (2) fixing the old computer (less than \$5,000), but not having capacity for the new treatment plant, reservoir, and pump house; or (3) in addition to replacing the computer and telemetry equipment, also replace the phone lines with radio or microwave. It is staff recommendation to replace the computer and software, but keep the existing tone telemetry equipment. Mr. Wilding stated that the existing equipment was purchased from RCS and in addition to fully understanding the existing system, the company has been good to work with and has provided excellent service.

The Council considered this matter briefly and was advised by Mr. Hardy that it was not necessary to go out to bid, considering the existing circumstances. Mr. Wilding noted that a North Ogden utility went out to bid with a similar project and only one bidder responded--RCS. Councilwoman Coon made a motion to accept staff recommendation and approve the purchase of a new computer and software from RCS. Councilman Gramoll seconded the motion with the stipulation that the project not exceed \$50,000.00. Councilwoman Coon agreed to the stipulation and voting on the motion was unanimous.

CONSIDER REQUEST BY BOUNTIFUL HISTORIC COMMISSION TO PURCHASE PROPERTY -- DISCUSSION POSTPONED TO DEC. 19TH

Mr. Hardy reported that this item was discussed by the Parks, Recreation, and Fine Arts Committee and they have requested one more week before presenting a recommendation to the Council. This matter will be placed on the Agenda for December 19th.

PUBLIC MEETING SET TO DISCUSS KERN RIVER PIPELINE MATTERS

Mayor Linnell reviewed that the Council requested last week to have a public hearing scheduled for the purpose of giving citizens an opportunity to direct questions to Kern River representatives and city officials regarding the pipeline which is proposed for the east foothill area. He said that Lonnie Newton from Kern River has agreed to come for a hearing and he recommended that this hearing be set on January 2, 1990 at 7:30 p.m. Councilwoman Coon made

a motion to set the hearing as recommended, clarifying that the purpose is for the public to have the opportunity to ask any questions which are related to this matter. Councilman Shafter seconded the motion and voting was unanimous.

MISCELLANEOUS FROM MAYOR

Mayor Linnell shared a Christmas card which he had received from a citizen today in which appreciation was expressed for the fine services which the City provides.

Update on Pipeline. Mayor Linnell referred to copies of letters addressed to: (1) Kenley Brunsdale and (2) Bountiful City from J. S. Tixier, Regional Forester, in which he noted that the request for an oral presentation and stay of the decision from the Bountiful Hills Residents and Concerned Citizens Association were denied. Bountiful's request for a stay of the decision was granted, with no action to be taken to amend the Forest Plan until the Reviewing Officer has rendered a decision and the 15-day period for discretionary review following this decision has lapsed.

With these two matters answered, the Mayor asked if the Council still wished to keep the upcoming meeting with the Forest Service on the calendar. Councilwoman Coon made a motion to postpone the meeting with the Forest Service, Councilman Gramoll seconded the motion and voting was unanimous.

COUNCIL ACCEPTS ELECTRIC COST OF SERVICE STUDY - POWER DEPARTMENT

Councilman Shafter reported that the Power Department met last night and considered a Cost of Service study which was prepared by J. S. Sawvel (consulting firm). He said that there are no recommendations for rate changes at the present time as a result of the study, but that the study will be used as a tool in the years to come in financial planning for the Power Department. Mr. Michaelis said that the study was based on an analysis of over 100,000 accounts (all customers over a one-year time period). He introduced Richard Brady, J. S. Sawvel, who stated that the study was requested for three primary purposes: (1) to provide a tool to consider when rates are changed; (2) to review residential all-electric rates; and (3) to review the reasonability of the other fees and service charges which have recently been implemented by the Power Department.

The approach to the study was (1) collection of a variety of data; (2) identification of revenue requirements necessary to support operating expenses; and (3) a cost of service analysis (with the study being composed of a comparison between the annual dollar revenues and monthly data). He presented the following conclusions:

1. The City has a good data base. There are some discrepancies on distribution losses (power purchased vs power sold to the customer).
 2. An analysis of revenue requirements indicates that there should not be a need for an increase in rates for 5-6 years, subject to the amount of power required to be purchased
- 4- (C.C. minutes December 12, 1990)

and the costs associated, growth, and the policies set with regard to contributions to the Power

Resource Fund and the City General Fund.

The study reflected an adjustment to power costs for the test year (this current budget year) due to the 46 percent increase made effective by CRSP in October. The net effect of the adjustment was a zero base from which to base other factors. The study showed where the loads are, how they are occurring, and how the customers are using power. Customers were broken into six classes: residential, all-electric, small commercial, large commercial, Air Products, and lighting. He said that in general, the customers recover the cost of service. However, within the six customer classifications, the rates fluctuate. He said that most utilities have phased out the all-electric rate and those companies which still use it have very strict insulation standards and other restrictions in order to qualify for the all-electric rate.

As a relief measure for all-electric homeowners, Mr. Brady suggested a strong energy conservation program. He further recommended that the rate structure not be modified at this time and that a record be maintained of customers who have all-electric homes so that this information will be available in the future.

With regard to the line extension fees and other newly implemented fees, Mr. Brady stated that they were founded on reasonable approaches. Inasmuch as the financial accountability of these fees is administered by another department, he recommended that the Power Department work closely with the record keeping function at City Hall to make sure that the plan is implemented as envisioned.

Councilman Shafter stated that the Power Department is a business and needs to be competitive. The Cost of Service study indicates that the minimum fee should be increased; however, Mr. Michaelis noted that this would place the rates of many customers in a close position with the competition and he supported the position of Mr. Brady to not change rates at this time. Following further discussion, Councilman Foy made a motion that the Cost of Service study be accepted as reviewed. Councilman Shafter seconded the motion and voting was unanimous.

David Piggott, citizen and all-electric customer in attendance, complimented the City for making the study; however, he questioned the philosophy of City officials with regard to distribution of the surpluses. He reviewed the impact which he suffered when the all-electric rate was dispensed with last year and requested that the council consider implementation of a higher customer service charge. Mayor Linnell reviewed that Bountiful had had a very large increase in the cost of power from one of the major power sources (CRSP) and he noted that the next budget year will need to address the philosophy of contributions from the Light and Power Fund. He thanked Mr. Piggott for his comments and then expressed appreciation to Mr. Brady and commended him for the objectivity reflected in the study.

REPORT FROM COUNCILWOMAN COON

-5- (C.C. minutes December 12, 1990)

Councilwoman Coon reported that she had met with the County Commission today and that they are favorably considering the concept of limiting the distance from the City limits where hunting

can take place. They will try to meet the January deadline to permit a change in the hunting proclamation for 1991.

The meeting adjourned at 8:20 p.m. on a motion made by Councilman Gramoll and seconded by Councilman Shafter.