

**MINUTES OF THE JOINT MEETING OF THE CITY COUNCIL  
AND BOUNTIFUL LIGHT AND POWER COMMISSION  
April 25, 2000**

**Those in Attendance**

**Power Commission**

H. Keith Barton, Chairman  
Jack Barnett  
Richard Foster  
Sam Fowler, Council Representative  
David Irvine  
Lowell Leishman  
Ralph Mabey

**Mayor City Council**

Mayor John Cushing  
Barbara Holt  
Stewart Knowlton  
J. Gordon Thomas

**Visitors**

Tom Hardy, City Manager  
Galen Rasmussen, Administrative Services Director  
Julie Christensen

**WELCOME**

Chairman Barton called the meeting to order at 6:30 p.m. and welcomed those in attendance.

**INVOCATION**

The invocation was offered by Councilman Fowler.

**REVIEW & RECOMMENDATION FOR APPROVAL OF THE 2000-2001  
FISCAL YEAR BUDGET**

Mr. Michaelis stated that our CRSP resource is our most significant (both in terms of cost and volume) and he reviewed the events which have occurred since CRSP was required to do an Environmental Impact Study in 1989. The very existence of this resource was threatened and after 11 years of study and consideration, we have received a new contract which extends are CRSP allocation to the year 2024. (The resource is guaranteed for that period, but the price is not).

Mr. Michaelis presented the proposed Bountiful City Light and Power Budget for FY 2000-2001 and summarized that it is in the tenth revision and is very tight. However, it does not compromise the system and allows for upgrading to keep the system reliable. The budget, balanced at **\$17,949,381.00**, includes a 2 percent projected increase over 1999-2000 for electric

**Power Department**

Clifford Michaelis, Director  
Jay Christensen  
Allen Johnson  
Brent Thomas  
Mike Velarde

**Excused**

Councilman John Pitt

**Recording Secretary**

Nancy Lawrence

metered sales, and a 2.46 percent projected increase above our yearly estimate for Air Products, based on volume growth only; *there is no rate increase*. Mr. Christensen reviewed highlights of the proposed budget, including power generation and resources, with a projected 3.48% increase due to growth and higher spot market prices. Operating Expenses reflect a 3 percent cost of living adjustment, as well as a contribution of \$126,142 toward a new office building. Capital Expenditures include the underground distribution line on 200 West, Phase 5 of the 46 kV transmission line project, impact of Legacy Highway on the 138 kV substation and transmission line, installation of fiber optic cable (if and when needed), and an upgrade of the SCADA system.

BCL&P carries the principal and interest payment on the San Juan payment, transferred to the City's general budget, and a contribution of 15% of electric metered sales to the City General Fund. An allocation of \$950,000 to the Future Power fund is also included in the proposed budget. The actual costs (\$1,317,580.00) for the purchase of the Val Verda Annexation (and separation costs) were less than estimated (\$1,324,200.00) and Bountiful Power requests that its budget be opened and balanced in this amount from the Operating Fund "Cash in Bank" account.

Mr. Christensen concluded the budget presentation with a brief review of the five-year capital projects plan, which includes paying off the San Juan loan (intra-city), construction of a second 138 kV substation, minor rebuild of the Northwest and Southwest substations, completion of the rebuild of the 46 kV transmission line, construction of a new office building for BCL&P, and a possible future power resource capable of supplying 5 megawatts, plus.

Mr. Michaelis and Mr. Christensen responded to questions from the group, and Mayor Cushing expressed appreciation for the work of the staff and Committee in preparing this budget. As a member of the Power Committee and representing Councilmen Fowler and Thomas on that committee, Mayor Cushing made a motion to approve the budget as presented. Councilman Fowler seconded the motion and it was unanimously approved. Mayor Cushing also expressed appreciation to the members of the Power Commission for their service to the City staff and the citizens of the community. The Mayor and City Council members were excused at this time.

### **MINUTES - MARCH 2000**

Minutes of the regular meeting of the Power Commission held March 21, 2000, were presented and unanimously approved with one correction on a motion made by Commissioner Foster and seconded by Councilman Fowler .

### **FINANCE REPORT - MARCH 2000**

Mr. Christensen presented the Review of Financial Statements for the Year-to-Date Nine Month Period Ended February 29, 2000 which resulted in a net difference between total revenue and total operating expenses and capital expenses of \$<487,799> (negative figure). He explained that the affects of the Val Verda annexation and lower than expected income from Air Products accounted for the shortfall, which was partially offset by Electric Metered Sales which

was 1.05% over budget. Capital Expenditures at this point were slightly over the YTD budget (2.02%) due to the annexation and one-time adjustments of \$339,434 to various capital accounts to reflect actual inventory usage which had not been previously recorded. Following a brief discussion, Commissioner Leishman made a motion to accept the financial statement review as presented. Commissioner Barnett seconded the motion and voting was unanimous.

**46 KV TRANSMISSION ENGINEERING BID APPROVAL**  
**PHASE V / 138 SUBSTATION/ LEGACY HIGHWAY UPDATE**

Mr. Velarde reported that Phase 3 of the 46 kV transmission line is complete, with the exception of a hold on the optic guy wire due to uncertainties regarding the Legacy Parkway project.

Conceptual plans (including costs) have been prepared for the relocation of the impacted facilities as it relates to the 138 substation and impacts from the Legacy Highway. Both cost estimates for overhead and underground alternatives were developed and forwarded to UDOT this week.

Due to recent developments with plans for reconstruction of State Highway SR 102 (200 West) between 500 South and 400 North, construction of Phase IV will be placed on hold until fall of 2001. Finalization of the engineering for the project cannot be completed until materials are purchased and geotechnical work has been performed.

Phase V of the 46 kV transmission project has been prioritized due to the reconstruction of 200 West street between 400 North and 500 South. This project includes widening of the road and necessitates relocating the power facilities. The under built distribution system will be placed underground. This work, as well as the steel transmission structure foundations for the transmission lines which remain overhead need to be installed prior to hard winter conditions (fall 2000). In response to a request from BCL&P, SSR Engineering submitted a proposal to provide the engineering services for Phase V in the amount of \$29,663.00. It is staff recommendation to approve this proposal. Commissioner Barnett made a motion to this effect, Commissioner Leishman seconded it and voting was unanimous. In response to a question from Chairman Barton, Mr. Michaelis said that the State will be participating in the costs of this project, replacing overhead with overhead construction; however, the costs of putting the distribution system underground will be greater than if we were to have remained with overhead construction and this cost difference will come from the BCL&P budget.

Mr. Velarde explained that the staff has asked SSR Engineering to provide a proposal to implement drawing changes to the Power Plant, Central Substation, and Southeast Substation drawing sets. The drawing updates include 63 drawings, and is to be performed in conjunction with As-built updates that are to be performed by SSR Engineering for previous projects. It is the staff recommendation that the proposal from SSR in the amount of \$1,284.00 be approved. Commissioner Leishman motioned for approval of the \$1,284.00 proposal, Commissioner Mabey seconded the motion and voting was unanimous.

**POWER SYSTEMS OPERATIONS REPORT**

**UAMPS PX Report.** Mr. Michaelis referred to the write-up in the packet and noted that a more formal report will be given at the next meeting.

The following sub-reports were referenced in the packet, but not discussed in the meeting:

- March 2000 Work Related Injuries/Safety Report
- March 2000 Public Relations Report
- Outage Report - March 2000
- Systems Resource Report - February 2000

**OTHER BUSINESS**

The next meeting of the Power Commission will be held May 16<sup>th</sup>. Commissioner Mabey indicated that he may be out of town that evening.

Mr. Michaelis asked if members of the Commission would let him know if they would like to attend the national conference in Orlando. Reported as attendees at this time are Mayor Cushing, Councilman Fowler, and Commissioners Barton and Foster.

Mr. Michaelis expressed appreciation to the Power Commission members for the tremendous support that they give to the City and specifically, to the operation of BCL&P.

**NEW BUSINESS**

None

**ADJOURN**

The meeting adjourned at 7:56 p.m. on a motion made by Commissioner Leishman and seconded by Commissioner Foster.

*NOTE: These minutes were officially approved in the Bountiful Light and Power Commission meeting held on May 16, 2000.*