

**MINUTES OF THE JOINT MEETING OF THE CITY COUNCIL  
AND  
BOUNTIFUL LIGHT AND POWER COMMISSION  
April 30, 2002**

**Those in Attendance**

**City Council**

Joe L. Johnson, Mayor  
Barbara Holt  
R. Fred Moss  
John Pitt  
Gordon Thomas

**Power Department**

Clifford Michaelis, Director  
Mark Athay  
Jay Christensen  
Allen Johnson  
Kent Servoss

Brent Thomas

**Power Commission**

H. Keith Barton, Chairman  
Jack Barnett  
Richard Foster  
David Irvine  
Lowell Leishman  
R. Fred Moss

**Recording Secretary**

Nancy T. Lawrence

**Visitors**

Tom Hardy, City Manager  
Galen Rasmussen, Administrative Services Director  
Mark McRae, City Treasurer

**Excused**

Thomas Tolman, Councilman  
Ralph Mabey, Power Commissioner

**WELCOME**

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

**INVOCATION**

The invocation was offered by Commissioner Barnett.

**2002 - 2003 BUDGET**

Mr. Michaelis expressed appreciation to Allen Johnson, Brent Thomas, Mark Athay, and Jay Christensen for their help on the budget and then presented the Proposed 2002-2003 Fiscal Year Budget with Operating Revenues of \$19,695,890.00. Mr. Johnson reviewed a PowerPoint presentation of the projected rates and contribution, revenues, and expenses, as well as the plan for scheduling resources.

It was noted that the proposed budget does not include a rate increase, but does include a modest growth index. Mr. Christensen explained the proposed change in fees which is designed

to recover costs of unusual or nonrecurring work (connect/disconnect and reconnect fees), a monthly finance charge on past due balances, and a slight increase in temporary service fees for small and large commercial customers, and the pole attachment fee. In response to a question from the Council, Mr. McRae indicated that consideration is being given to implementing credit card payments which will facilitate on-line payments. Sundry revenues include payments made by individuals who damage the system and an anticipated insurance settlement on the No. 8 engine crankshaft repair.

Operating expenses include salary and benefits for 34 full-time employees (no increase in full-time employees and a reduction of 4 part-time seasonal employees). Upgrades for the Echo Hydro spillway in the amount of \$150,000 are included in the resource expenses. Mr. Johnson reviewed proposed expenditures for capital improvements totaling \$1,407,371.00. Power Generation and Resource expenses reflect a projected decrease in costs from the current year, based on current market costs and the recent renegotiations which have been made on several resource contracts. The budget also provides for cost recovery charge(CRC) payments to UAMPS for CRC loan repayment.

Mr. Johnson reviewed the firm power resources and a comparison of the total blended power costs from 1997 to 2003. Mr. Michaelis noted that Bountiful Light and Power rates are no longer lower than UP&L in the winter months, but in the summer with a/c load we still have a lower rate. A discussion followed regarding the rate comparison.

In response to questions from the Council, Mr. Michaelis explained that the increase in transmission supplies reflects a right-of-way issue with an easement on the D & R G railroad tracks. A new expense category has been created to track expenses associated with traffic signal installation and labor. Mr. Hardy stated that the insurance benefit package for employees is up 12 percent, which includes changes in the census (families instead of single, age of employees, etc.). Following further discussion, Commissioner Irvine made a motion to recommend to the City Council that the proposed rates, fees and deposits for the 2002-03 Fiscal Year Budget be approved as presented and discussed. Commissioner Leishman seconded the motion and voting was unanimous. Commissioner Foster then motioned to recommend approval of the proposed 2002-03 budget, as presented. Commissioner Irvine seconded the motion and voting was unanimous.

Based on the presentation made by staff and the recommendation of the Power Commission, Councilman Moss made a motion to adopt the Bountiful Power 2002-03 Fiscal Year Budget, including the proposed rates, fees, and deposits as presented and discussed. Councilman Thomas seconded the motion which carried unanimously. Councilpersons Holt,

Moss, Pitt, and Thomas voted "aye". Chairman Barton recommended that the proposed rate and

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fee changes be included in the June issue of the City newsletter.

The City Council and visiting staff members were excused at this time (8:25 p.m.).

JOE L. JOHNSON, Mayor

KIM J. COLEMAN, City Recorder

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