

1 **MINUTES OF THE BOUNTIFUL LIGHT AND POWER COMMISSION**
2 **January 16, 1997**

3
4 **Those in Attendance**

5
6 **Power Commission**

7 H. Keith Barton, Chairman
8 Ralph Mabey
9 William P. Moore
10 C. Harold Shafter, Council Representative

6 **Power Department**

7 Clifford Michaelis, Director
8 Alan Farnes
9 Vernile Hess
10 Allen Johnson
11 Brent Thomas

12 **Excused**

13 Richard Foster
14 Lowell Leishman
15 Jed Pitcher

13 **Recording Secretary**

14 Pat Wood/Nancy Lawrence

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17 **WELCOME**

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

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21 **INVOCATION**

22 The invocation was offered by Vernile Hess.

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24 **MINUTES**

25 Minutes of the regular meeting of the Power Commission held December 3, 1996 were
26 presented and unanimously approved as corrected on a motion made by Councilman Shafter and
27 seconded by Commissioner Moore .

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29 **FINANCE REPORT - DECEMBER 1996**

30 Chairman Barton opened discussion on the Finance Report for the Period Ended
31 December 1996 and noted that it looked good with Operating Revenue at 51% at the 6-month
32 point of the year. It was noted that Interest in the Future Power fund is higher than budget
33 because the funds from that account have not yet been transferred out for capital expenditures.
34 Expenditures for the year are at 41% of budget. Mr. Michaelis explained that the demands and
35 idiosyncrasies of each season weigh differently on the budget and actual expenditures will come
36 closer to budget as the year progresses. Councilman Shafter asked why the inactive accounts are
37 included on the reports and it was suggested that these accounts be taken off the financials. Mr.
38 Hess said that he will check and if an account has not had activity in the past four-year history,
39 he will remove it from the financial reports. Commissioner Moore made a motion to accept the
40 Financial Report ending December 31, 1996, with a note of commendation for an excellent
41 report. Councilman Shafter seconded the motion and voting was unanimous.

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44 Mr. Hess asked if the Commissioners had any questions regarding the Audit Report from

1 the independent auditor for the fiscal year 1996, which had been sent to them. There were no
2 questions.

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4 **SOUTHEAST SUBSTATION UPDATE**

5 Mr. Johnson reported that the contractor (Brundle and Brundle) is still making progress,
6 although the work has been slowed down due to weather. They have requested a 3-week
7 extension on their contract (which ended January 4, 1997). The Power Department is willing to
8 extend the 3 weeks to compensate for the lost time (approximately 2 weeks) when the trees were
9 moved and the addition of rebar to the concrete in the feeder conduit runs and additional
10 conduits in the control house. However, it is anticipated that they will still be another 4-6 weeks
11 and in the penalty phase they will be charged \$100 per day. Some negotiations may take place
12 and consideration will be given to the heating expenses which they have experienced due to the
13 contract not being completed by January 4th.

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15 Councilman Shafter brought up the fact that Bountiful is frequently asked for
16 recommendations on contractors and it is important to be honest in our reports.

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18 **46 KV TRANSMISSION LINE PHASE I CONSTRUCTION BID APPROVAL**

19 Mr. Johnson reported that bids were opened on January 13th for the construction of the
20 first phase of the 46 KV transmission line (from the Northwest substation to the frontage road
21 along Pages Lane). The bid documents included an option for the contractor to (1) remove the
22 old line materials -- poles, wire, etc., and return it to Bountiful, or (2) keep the old materials and
23 be responsible for salvaging it. Because of the critical nature of getting this project completed, it
24 includes a 90-day completion requirement, with a \$500/day penalty for days over 90. There is
25 also a \$500/day bonus (up to 15 days) for days that the project is completed prior to the 90 days.

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27 It is the recommendation of staff and SSR that the low bid from TPC in the amount of
28 \$178,472 (alternate bid) be accepted. He said that references and previous contract holders
29 provided very positive recommendations for TPC. Councilman Shafter noted that he would not
30 be voting on this matter because he works for Wasatch Electric (the 2nd low bid). Mr. Michaelis
31 also stated that his cousin works with Wasatch and he distanced himself from the
32 recommendation. Following discussion, Commissioner Mabey made a motion to recommend
33 that the bid be awarded to the low bidder, TPC, as presented. Commissioner Moore seconded
34 the motion which carried by a majority. Councilman Shafter abstained. Because a majority of
35 the Commission did not vote, Chairman Barton requested that Mr. Michaelis poll absent
36 commission members via telephone to determine if they were comfortable with the bid
37 recommendation.

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39 Chairman Barton requested that the staff keep the Commission apprized of the actual cost
40 of the project compared with budget.

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43 **POWER SYSTEMS OPERATIONS REPORT**

1 **CRSP Update.** Mr. Michaelis reported that we are moving forward with a new contract
2 with CRSP which would provide more power in the winter and about the same in the summer.
3 He noted that with the upcoming congressional year, we may well see activity regarding the
4 proposed sale of Power Marketing Agencies. He referred to a letter regarding the GAO's report
5 on the financial status of the Power Marketing Agencies. This letter raises significant concerns
6 about the methodology used by GAO, the hearing process related to the release of the report and
7 the potential impacts of PMA privatization in general.

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9 **EMF Update.** Mr. Michaelis referred to the information in the packet regarding EMF,
10 and a publication by the National Academy of Sciences reviewing the health effects of electric
11 and magnetic fields (EMF). The conclusion of this report is that the current body of evidence
12 does not show exposure to these fields causes a human health hazard. Commissioner Mabey
13 summarized that an article sent out by LEBOEUF, LAMB, GREENE and MACRAE cautions
14 that further research be done as it relates to costs and health effects.

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16 The following items were included in the packet but not discussed in the meeting:

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18 *Work Related Injuries/Safety Report*
19 *November and December 1996 Public Relations Report*
20 *Outage Report - November and December 1996*
21 *Systems Resource Report - October 1966*

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24 **OTHER BUSINESS**

25 Next month's Power Commission will be held on February 13th.

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27 **UNFINISHED BUSINESS - EXECUTIVE SESSION**

28 The meeting adjourned to executive session at 7:30 p.m.

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30 **NEW BUSINESS**

31 None

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33 **ADJOURN**

34 The meeting adjourned from executive session at 9:00 p.m.

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 H. KEITH BARTON, Chairman