

CITY OF LA JUNTA)
COUNTY OF OTERO) SS
STATE OF COLORADO)

A Regular Meeting of the Board of Utilities Commissioners of the City of La Junta, Colorado, was called to order by Chairman Gary Cranson on Tuesday, April 16, 2024, at 4:00 p.m. in the Council Chambers of the Municipal Building.

Roll was called and the following Board Members were present:

Present Joe Ayala, Mayor
 Patrick Berg, Commissioner
 Mike Bourget, Commissioner
 Gary Cranson, Vice-Chairman

Absent: Paul Velasquez, Council Member

Also present: Brad Davidson, Interim City Manager
 Erin Harris, City Attorney
 Melanie Scofield, City Clerk
 Aliza Libby, Director of Finance
 Tom Seaba, Director of Water/WW
 Meghan Wiker, RO Plant ORC
 Martin Montoya, Director of Engineering
 Mike Weber, Denver
 Scott Wiker, La Junta
 Bette McFarren, RF Gazette

MINUTES OF PREVIOUS MEETING

Chairman Cranson asked if there were any corrections or additions to the minutes of the Regular Meeting of March 19, 2024.

MOTION TO ACCEPT THE MARCH 19, 2024 MINUTES: Ayala

SECOND: Bourget

DISCUSSION: Chairman Cranson had a typographical correction to the ARPA report.

VOTE: The motion carried 4-0 (Velasquez absent)

CITIZEN PARTICIPATION

1. There was no citizen participation.

REPORTS

A. ARPA Board. Gary Cranson gave the following report:

1. **Summary of February 2024 Financial and Operating Statements:** During the month of February, revenue from power sales was less than budget by \$120,422 (5.7%) and total revenue was less than budget by \$47,466. Total cost of goods sold was under budget by \$62,938. Purchased power costs were under budget by \$118,717 (12.6%). Transmission expenses were under budget by \$16,870 (6.0%). Net Revenue from Operations for the month was \$325,042.
2. **Year to Date Income Statement:** Revenue from power sales was right on budget. Total revenues were better than budget \$161,332 YTD. Interest income was \$75,620 which is better than budget. Total cost of goods sold was greater than budget by \$10,482 (0.3%). YTD purchased power costs were under budget by \$40,611 (2.1%). YTD transmission expenses were

under budget by \$16,885. Total YTD A & G expenses are under budget by \$129,677 (10.8%). YTD net revenue is \$566,551. Debt Service Coverage YTD is 1.34X.

3. **Operating Report:** ARPA paid \$53.24 per mWH for 24.185 mWH produced by member solar installations. Energy sales for February was 4.3% less than budget and 2.2% more than 2023. Energy sales YTD was 1.4% better than budget and 1% greater than 2023. *Coincidental peak demand* was 36.3 mW. It occurred on February 16th in the hour ending 11:00 a.m. and was 11.0% less than the 2023 peak. All in cost of power to members YTD is \$0.09878 per kWh; 2.1% lower than 2020.
4. **Next Meeting** –May 30, 2024, 10:00 a.m. at Otero College in La Junta.

B. Water & Wastewater Treatment. Tom Seaba gave the following report:

1. R.O. Plant
 - New SCADA system installation during the week of March 25th.
 - Routine maintenance: Preventive maintenance on air handling units and degasifiers, changed oil and grease on wells 1, 4, 5, 6, 7, 9, 11, 13 and all booster stations, checked static levels of all wells.
 - Final grant-funded PFAs testing cycle completed.
 - Flushed raw water line to remove sediment in advance of higher summer usage.
 - Starter failure on well #9. Failing electrical panel installed in 1970.
 - Crafted and installed work platforms around the elevated wellfield generators.
 - Meter reading and facilities maintenance.
2. Distribution
 - Continue installations of services and hydrant replacement at new sheriff's office.
 - Major main break at 6th and Adams Avenue. Additional work will be done in the area in the coming months to correct additional system issues to include replacing/repairing/installing valves.
 - Fire hydrant maintenance.
 - Repair leaks in meter pits.
 - Meter reading and utility billing office generated work orders, equipment maintenance.
3. March 2024 Water Fund Financials. The 2024 budget is \$3,793,700 less \$701,621.27 in expenses and \$215,503.08 in encumbrances leaving a remaining budget of \$2,876,575.65. Expenses exceed revenue by \$76,214.68.
4. Wastewater
 - Treated 28.396 million gallons. Removed 32.0 ft³ of screenings and 31.0 ft³ of grit.
 - RO concentrate discharge to plant was 14.850 million gallons.
 - Jetted 5,725 feet of line for nine emergency calls and twenty-four manhole locate requests.
 - Received new office/operations computer and moved all programs onto it.
 - Provided facility tour for Arkansas River Basin Water Forum.
 - Maintenance on both clarifiers to include oil and grease changes, rust removal and painting.
 - Additional plant, collection system, and grounds maintenance.
5. March 2024 Wastewater Fund Financials. The 2024 budget is \$3,503,900 less \$944,833.52 in expenses and \$298,437.01 in encumbrances leaving a remaining budget of \$2,260,629.47. Expenses exceed revenue by \$244,410.88.

6. Other Notables:

- Several employees attended the annual CRWA conference for training.
- Keith Manweiler was awarded Water Treatment Operator of the Year for the State of Colorado.
- Continue lead and copper survey on city.
- Received Technical Assistance Grant focused on treatment of Emerging Contaminants.
- Contracted with Valley Resource & Water Management to assist in developing a management plan to satisfy the re-vegetation requirements of our Holbrook Farms.

C. Electric Department. Brad Davidson gave the following report:

1. Line Crew

- Daily reads, disconnects and maintenance.
- A new 15 kVA transformer was installed for the new tree dump shed.
- A pole was changed out on Highway 50 and Dalton Avenue.
- We are adding a new service to the new Otero County Sheriff's Office.
- A tree was cut down at 3rd and Maple Avenue for the Street Department.
- The crew changed out a broken cross-arm brace on south San Juan Avenue.
- Bad suspension insulators were replaced at West 14th Street and Carson Avenue.
- A pole and service were removed at 12th Street and Grace Avenue.
- In addition to battery maintenance, substation maintenance was also performed.
- In March, meter testing, service verification, substation readings, and AMR readings were conducted.

2. SOLAR Accounts

- The total kWh returned to the system was 19,688 from 14 customers. A total of \$1,063.00 was rebated at the avoided costs. There are currently 34 residential and 2 commercial solar customers.

3. System Update

- Continue identifying old and failing equipment for replacement and repair.
- The drone has been an excellent tool to aid in equipment maintenance and identifying trouble spots.

4. February 2024 Electric Fund Financials. The 2024 budget is \$12,206,700 less \$2,433,537.66 in expenses and \$246,896.95 in encumbrances leaving a remaining budget of \$9,610,065.39. Revenue exceeds expenses by \$408,811.17.

D. Sanitation. Martin Montoya gave the following report:

1. In the process of replacing damaged totes with the new black and orange ones.
2. Haven't received any more complaints over the last month regarding the issues of the dumpsters needing locks.
3. Southeast and East Center Recycling is having a few issues. They may be raising their rates at the beginning of the year from 20 cents per person per capita to 25 cents.
4. March 2024 Sanitation Fund Financials. The 2024 budget is \$1,513,500 less \$279,941.98 in expenses and \$28,147.73 in encumbrances leaving a remaining budget of \$1,205,410.29. Revenue exceeds expenses by \$50,571.35.

NEW BUSINESS**A. Interim City Manager's Comments.**

1. Trying to clean up homeless areas.
2. Handed out rate study/rate increase packets for the board to review.

B. Governing Body's Comments.

1. Commissioner Bourget: Would like the cost of the lost water included with the detailed breakdown of the costs of the water breaks this year.
2. Mayor Ayala: Congratulated Keith Manweiler.
3. Chairman Cranson: Last month an increase for wastewater residential was passed but the other rates were not were not increased. The other six rate schedules need to be addressed.

Proposed to go back to the old meeting time of the Utility Board meeting on the second Tuesday of each month.

MOTION [FOR THE UTILITY BOARD MEETINGS] TO GO BACK TO THE SECOND TUESDAY [OF EACH MONTH]: Bourget

SECOND: Ayala

DISCUSSION: There was no discussion

VOTE: The motion carried 4-0 (Velasquez absent)

There being no further business, the meeting adjourned at 4:53 p.m.

ATTEST:

CITY OF LA JUNTA

Melanie R. Scofield, City Clerk

Gary Cranson, Chairman