

BOARD OF UTILITIES COMMISSIONERS – May 13, 2025

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 Patrick Berg on Tuesday, May 13, 2025, 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, Chairman
 Mike Bourget, Commissioner
 Keith Manweiler, Commissioner
 Paul Velasquez, Council Member/Vice-Chair

Absent: None

Also present: Michael Hart, City Manager
 Bill Jackson, Asst. City Manager
 Erin Harris, City Attorney
 Melanie Scofield, City Clerk
 Aliza Libby, Director of Finance
 Tom Seaba, Director of Water/WW
 Chris Arguello, Electric Superintendent
 Martin Montoya, Director of Engineering
 Paula Mahoney, Admin. Asst.

MINUTES OF PREVIOUS MEETING

Chairman Berg asked if there were any corrections or additions to the minutes of the Regular Meeting of April 8, 2025. Hearing none, the Chairman asked for a motion to approve the minutes as published.

MOTION TO APPROVE THE APRIL 8, 2025 MINUTES AS PUBLISHED: Ayala

SECOND: Velasquez

DISCUSSION: There was no discussion

VOTE: The motion carried 5-0

CITIZEN PARTICIPATION

1. There was no citizen participation.

REPORTS

A. **ARPA Board:** Gary Cranson submitted the following report:

1. **Summary of March 2025 Financial and Operating Statements:** In March, revenue from power sales was \$114,222 (5.9%) less than budget. Cost of goods sold was \$51,298 under budget. Net operating revenue for March was \$349,399. Revenue from power sales was less than budget by \$39,379 (0.7%). Total revenues were better than budget by \$7,823. Total cost of goods sold was on budget at \$4,040,379 (0.1%). Total A & G expenses are under budget by \$20,548 (1.3%). YTD Net Revenue is \$516,393 (6.3%) better than budget. Average of 137 days cash on hand. Debt service coverage year-to-date is 1.09X.

2. **March Operating Report:** Member Energy sales were 3.9% less than budget in March and 2.8% less than they were in March 2024. Member Energy sales YTD are 0.8% better than budget and 0.3% better than YTD 2024 sales. Member demands of 37.2 mW was about 2.0% lower than March 2024. All in cost to members YTD is \$0.09101 per kWh which is 7.7% lower than 2024 and 9.7% lower than 2020. The avoided cost rate for March is \$40.84 per mWh.
3. **Next Regular Meeting:** May 29, 2025 10:00 AM at Otero College in La Junta.

B. Electric Department (Chris Arguello):

1. Line Crew
 - Daily reads, disconnects and maintenance.
 - We had a transformer go bad behind DeBourgh Manufacturing. We also replaced multiple HPS parking lot lights with LEDs.
 - A new lift pole was added at 4th Street and Harriet Avenue.
 - A large tree fell on a service in the alley at CDS near 9th Street and Grace Avenue.
 - The crew set a new dead-end pole at the Cemetery.
 - We pole enforced a broken pole north of Casa Del Sol.
 - A phase broke off a cross arm near Highway 109. We replaced the arm and pole.
 - A semi-truck hit the traffic light on 3rd Street and Colorado Avenue.
 - During a maintenance period at the Light Plant Substation, there was a brief system-wide outage at 4:00 a.m.
2. SOLAR Accounts
 - The total kWh returned to the system was 24,960 from 43 customers. A total of \$1,198.08 was rebated at the avoided cost. There are currently 40 residential and 2 commercial solar customers.
3. System Update
 - Eaton will be performing a walk through to kick off the project in mid-June.

Electric Superintendent Arguello: Gave a shout out to Bill and his service that he's done for the city and the Electric Department. He's been a great leader and all his experiences of life has made it easy for a lot of people. I've sat in his office and had people come through with a stressed look and they leave with some knowledge and it makes them feel better. The city's losing a great leader. Congratulations on your retirement.

Asst. City Manager Jackson: This will be my last utility board meeting. Thank you for allowing me to be the Electric Director. It was one of the best things that ever happened in my career.

C. Water & Wastewater Treatment (Tom Seaba):

1. R.O. Plant
 - Routine maintenance: Changed membrane and electrolyte in chlorine analyzer, changed oil and grease in FIBROC pump, calibrated lab equipment, replaced seal on manganese filter lid, repaired minor chlorine leak.
 - Repaired AC units.
 - Installed meter at 3MG tank for irrigation.
 - Meter Reading, additional facilities maintenance.
2. Distribution
 - Continuing hydrant maintenance.
 - Work on 6th Street main replacement.
 - Replaced lead service at 6th Street and Santa Fe Avenue and the 600 block of East 10th Street.
 - Farm seeding/weed control/irrigation.

- Installed new service on South San Juan Avenue.
 - Meter Reading and utility billing office generated work orders, equipment maintenance.
3. Wastewater
- Treated 25.872 million gallons. Removed 50ft³ of screenings and 26ft³ of grit.
 - RO concentrate discharge to plant was 16.896 million gallons.
 - Jetted 6,187 feet of line for seven emergency calls and forty-two manhole locate requests.
 - Fixed seals on sludge loadout station.
 - Rebuilt motor bearings on south clarifier arm.
 - Began weekly effluent testing of industries pending industrial pretreatment permitting.
 - Continued work on dewatering press.
4. Other Notables
- Continuing data requests for D&E grant. Locates being conducted.
 - Continue sampling and data collection for EC grant.
 - CCR published and submitted.
 - Environmental Justice Program and grants through the EPA were terminated.
 - Farm management planning meetings and grass seed purchase. Preliminary IGA with Otero County completed and under review.

D. Sanitation (Martin Montoya):

1. April 2025 supplemental information

CUSTOMER INFORMATION

CUSTOMERS	2025	2024
RESIDENTIAL	2,804	2,791
COMMERCIAL	439	431
INDUSTRIAL	10	10
MUNICIPAL	29	29
	3,282	3,261

LANDFILL

TONS	2025	2024	2025	2024
	April	April	YTD	YTD
OTERO COUNTY LANDFILL	647.23	483.79	2,138.02	1,867.97
SOUTHEAST RECYCLING	23.45	13.01	185.18	74.15
CLEAN VALLEY - CURBSIDE	5.04	2.73	13.92	12.81
CLEAN VALLEY - TRAILER	1.53	2.91	4.60	10.73
	677.25	502.44	2,341.72	1,965.66

OTHER INCOME

ITEM	2025	2024	2025	2024
	April	April	YTD	YTD
SPECIAL PICK-UP	4	4	10	10
40-YD BOXES	35	29	140	94
20-YD BOXES	17	40	62	80
OVERAGES	20	20	53	35
COMPACTOR	6	6	17	20
TRX STATION (OPEN BOX)	47.95	42.75	130.95	125.08
TRX STATION (COMPACTOR)	14.44	19.80	36.96	5.30
TOTE REPLACEMENT	11	12	31	37

2. SECRA (Southeast & East Central Colorado Recycling Association): They're having a few issues with the way it has been managed and are in dire straits at this point. There's been discussion that they may no longer exist. There's another organization that's willing to take over the routes created by SECRA so that we still have some kind of recycling service at the same cost.
3. JK Study/Sanitation Fund: A study was done in 2023 for an increase in all the utility rates. There was an initial increase and then an annual increase for the next 3 years (2024, 2025, 2026.) Sanitation has yet to see any of the annual increases which are supposed to be at 3%.

Director of Finance Libby: Every single utility was below the standard in order to function. At the time of the study, every utility rate was increased to the citizens of La Junta and it was an overwhelming increase. The following year, the concentration was on water and wastewater with the intention to get them where they need to be without overwhelming the citizens. Then in the next budget session, we would look at electric and sanitation for 2026. Just the water and wastewater were voted on because no board can vote to raise rates for consecutive years. This board can only vote for one year at a time.

(There was lengthy discussion amongst the board regarding the utility rate increases in the JK Study, when they were to go into effect, and the process taken to request of the board for these increases.)

MOTION TO RAISE THE SANITATION RATE BY 3%, UNTIL BUDGET TIME, IN ACCORDANCE WITH THE JK STUDY, BEGINNING JULY 1, 2025: Ayala

SECOND: Velasquez

DISCUSSION: There was no further discussion

VOTE: The motion carried 5-0

4. Transfer Station: Right now, we're coming out of being really busy and all of our people are being used in the projects that we're working on. Whenever the transfer station employee can't make it; we generally close the transfer station. It is open Tuesday, Thursday and Saturdays.

We're planning on moving the guard shack down to the bottom of the hill at the end of the parks & recreation building. We'll be putting some signs up to make sure that we're checking everybody as they're coming in because we've been getting a lot of materials that we shouldn't be getting.

NEW BUSINESS

A. City Manager Comments.

1. There were no City Manager comments.

B. Governing Body's Comments.

1. Mayor Ayala:
 - Martin has been doing a vacant property enforcement. He has found ninety-three residential and 23 commercial vacant properties. It got me thinking about the dormant fee. Where can I find how many we're collecting? (Aliza Libby will make copies of the report.)

There being no further business, the meeting adjourned at 4:51 p.m.

ATTEST:

CITY OF LA JUNTA

Melanie R. Scofield, City Clerk

Patrick Berg, Chairman