

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, May 14, 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
 Paul Velasquez, Council Member

Absent: none

Also present: Brad Davidson, Interim City Manager
 Bill Jackson, Asst. City Manager
 Erin Harris, City Attorney
 Melanie Scofield, City Clerk
 Tom Seaba, Director of Water/WW
 Chris Arguello, Electric Superintendent
 Martin Montoya, Director of Engineering
 Aliza Libby, Director of Finance
 Paula Mahoney, Admin. Asst.
 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 April 16, 2024.

MOTION TO ACCEPT THE APRIL 16, 2024 MINUTES AS PUBLISHED: Ayala

SECOND: Berg

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):

1. **Summary of March 2024 Financial and Operating Statements:** In March, revenue from power sales was \$63,573 (3.0%) under budget. Cost of goods sold was \$54,021 under budget. Net operating revenue for the month was \$420,289.
2. **Year to Date Income Statement:** Revenue from power sales was under budget \$61,001 (0.9%). Total revenues were better than budget \$176,062. Total cost of goods sold was less than budget by \$43,538 (1.0%). Total A & G expenses are under budget by \$144,308 (8.2%). YTD net revenue is \$814,978. Average of 106 days cash on hand. Debt Service Coverage YTD is 1.33X.
3. **Operating Report:** Member Energy sales were 1.3% less than budget and 2.6% less than they were in 2023. Member Energy sales YTD are 0.5% better than budget and 0.2% less than sales

in 2023. Member demands of 37.9 mW were 2% higher than March 2023. All in cost to members YTD is 0.09864 per kWh, 2.1% lower than 2020 when ARPA last changed its rates. The avoided cost rate for April is \$52.58 per MWh.

4. **ARPA Website:** arpapower.org.
5. **ARPA Activities:** ARPA continues to move forward with its distribution planning study for its members. This study was contracted with CLP Engineering of Evergreen, Colorado. The study will develop engineering plans for infrastructure improvements for its members' distribution systems. The study will include the creation of a list of priority projects to enhance the resiliency of the electric systems as well as proposed upgrades for substations and microgrid development. ARPA also continued its commitment to providing reliable energy resources to its members by investing in its wind turbines and implementing maintenance upgrades for its generating assets in both Trinidad and Holly.
6. **Next Meeting:** May 30, 2024, 10:00 a.m. at Otero College in La Junta.

B. Water & Wastewater Treatment (Tom Seaba):

1. R.O. Plant
 - Routine maintenance: Change filters on chlorine analyzer, mixed reserve chlorine drums, calibrated field equipment.
 - Replaced diaphragms on chloring pumps.
 - Continuing finishing work on new SCADA system. Received control tablets, creating trends, and completed the "punch list" for remaining fixes for Brown's Hill Engineering.
 - Property inspection of buildings with CIRSA.
 - Meter reading and additional facilities maintenance.
2. Distribution
 - Continue installations of services and hydrant replacement at new sheriff's office.
 - Meter test bench certified by State.
 - Additional work at 6th and Adams Avenue.
 - Quoting materials to install water main to Brick and Tile Park for irrigation.
 - Repair service leaks and leaks in meter pits.
 - Meter reading and utility billing office generated work orders, equipment maintenance.
3. April 2024 Water Fund Financials. The 2024 budget is \$3,793,700 less \$943,471.81 in expenses and \$218,414.38 in encumbrances leaving a remaining budget of \$2,631,813.81. Expenses exceed revenue by \$91,307.80.
4. Wastewater
 - Treated 25.927 million gallons. Removed 41.0 ft³ of screenings and 44.0 ft³ of grit.
 - RO concentrate discharge to plant was 16.865 million gallons.
 - Jetted 7,597 feet of line for five emergency calls and thirty-one manhole locate requests.
 - Began replacing/repairing explosive lights in headworks building.
 - Met with Direct Discharge Consulting to begin flow monitoring study's and biosolids planning.
 - Discharge permit renewal process has begun.
 - Additional plant, collection system, and grounds maintenance.
5. April 2024 Wastewater Fund Financials. The 2024 budget is \$3,503,900 less \$1,108,640.34 in expenses and \$327,832.94 in encumbrances leaving a remaining budget of \$2,067,426.72. Expenses exceed revenue by \$177,719.59.

6. Other Notables:

- Several employees attended training and passed certification tests.
- Continue lead and copper survey on city.
- Received Technical Assistance Grant focused on treatment of Emerging Contaminants. Waiting CDPHE finance committee to approve submitted budget before pilot testing and data collection.
- Management plan submitted by Valley Resource & Water Management to assist in revegetation requirements of Holbrook Farms. In May, will begin planting a cover crop to assist with weed control and ground stability for fall grass planting.
- Collecting data as part of an internal rate study to help facilitate upcoming water rate discussions.
- Continue submitting data as part of the PFAS class action lawsuit.
- Following and commenting CDPHE recommendations as they develop state PFAS regulations and limits.
- River and alluvial water quality control discussions as part of the Ag/Muni committee of the Arkansas Basin Round Table.
- Selected as the small community representative of the Feasibility and Implementation group of the Water Quality Control Commission concerning water quality regulations of the Arkansas River and other Colorado waterways.
- Researching the purchase of Catlin Canal water rights by the City of Aurora and how that purchase may affect the Arkansas Valley.

C. Electric Department (Chris Arguello/Bill Jackson):

1. Line Crew

- Daily reads, disconnects and maintenance.
- There was a quick outage on the LP52-4. The crew rode the line to see if they could find the issue and they did not. It might have been attributed to a small bird.
- Had an underground fault on Jackson Avenue & Circle Drive caused by a bad primary elbow on the A phase.
- A broken primary pole was changed out on 10th Street and Barnes Avenue.
- The crew helped move some transformers at the warehouse.
- A primary pole that had really bad shell rot was replaced on south San Juan Avenue.
- The crew cut down a tree that was in the power lines near Johnston Avenue.
- All the substations were sprayed for weeds.

2. SOLAR Accounts

- The total kWh returned to the system was 23,627 from 35 customers. A total of \$1,300.00 was rebated at the avoided costs. There are currently 35 residential and 2 commercial solar customers.

3. System Update

- Training is provided to all Electric Department employees on a continuous basis.
- A new apprentice was added in April.
- The wind always finds weak poles and infrastructure; the equipment is continually being replaced as it ages and fails.
- 2024 La Junta Electric Department/ARPA Scholarship recipient: Calei Armendariz.

4. April 2024 Electric Fund Financials. The 2024 budget is \$12,206,700 less \$3,311,252.16 in expenses and \$242,682.92 in encumbrances leaving a remaining budget of \$8,736,564.92. Revenue exceeds expenses by \$478,542.49.

D. Sanitation (Martin Montoya):

1. Customer Information

CUSTOMERS	2024	2023	DIFF.	CHANGE
Residential	2,791	2,768	23	0.82%
Commercial	431	479	(48)	-11.14%
Industrial	10	18	(8)	-80.00%
Municipal	29	3	26	89.66%
Total	3,261	3,268	(7)	-0.66%

2. Landfill

TONS	2024	2023	DIFF.	CHANGE	TONNAGE	
Otero County Landfill	483.79	382.22	101.57	20.99%	Open Top	37.67
Southeast Recycling	13.01	16.93	(3.92)	-30.13%	Compactor	0
Clean Valley - Curbside	2.73	2.91	(0.18)	-6.59%	Residential	204.72
Clean Valley - Trailer	2.91	2.39	0.52	17.81%	Commercial	127.15
					Roll Offs	99.14
Total	502.44	404.45	97.99	2.08%		463.02

3. Other Income

ITEM	Apr.2024	Apr.2023	YTD 2024	YTD 2023	DIFF.	CHANGE
Special Pick-Up	4	8	10	22	-12	-120.00%
40-YD Boxes	29	21	94	75	19	20.21%
20-YD Boxes	40	17	80	45	35	43.75%
Overages	20	14	35	41	-6	-17.14%
Compactor	6	3	20	15	5	25.00%
Trx Station (Open Box)	52.38	43.8	147.27	121.45	25.82	17.53%
Trx Station (Compactor)	10.17	18.08	22.73	41.45	-19	-82.36%
Tote Replacement	12	3	90	12	78	86.67%

4. April 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. Changing Water Rates for the City of La Junta.** Chairman Cranson gave a summary of the new suggested rate schedule for water revenue.

MOTION TO ADOPT THE PROPOSED WATER RATE INCREASE, INCLUDING THE \$5,000 CHANGE FOR THE HYDRANT DEPOSIT: Bourget

SECOND: Berg

DISCUSSION: The proposed rate increases will only bring the water fund up to par. In the future, increases will need to be looked at more often. These increases are driven by necessity from either aging infrastructure or increased regulations.

VOTE: The motion carried 5-0

B. Interim City Manager's Comments.

1. Kudos to all of the different departments.
2. Working on a system to better communicate with citizens.

C. Governing Body's Comments.

1. Mayor Ayala: Would like the receiving of information to be streamlined more efficiently and to verify that the information being sent out is accurate.
2. Commissioner Bourget: The focus needs to be placed on the accuracy of the information.
3. Chairman Cranson: Would appreciate documentation being dated. This will greatly help when it comes to revisions or updates. Also, would like the original pdf's sent, not a scanned pdf.

There being no further business, the meeting adjourned at 5:21 p.m.

ATTEST:

CITY OF LA JUNTA

Melanie R. Scofield, City Clerk

Gary Cranson, Chairman