

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, July 9, 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
 Mike Bourget, Commissioner – via phone
 Gary Cranson, Chairman
 Paul Velasquez, Council Member/Vice-Chair

Absent: Patrick Berg, Commissioner

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
 Dee Hostetler, Clean Valley Recycling
 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 June 11, 2024. Hearing none, he declared the minutes approved as published.

CITIZEN PARTICIPATION

1. There was no citizen participation.

REPORTS

A. ARPA Board (Gary Cranson):

1. **Summary of May 2024:** Financial and Operating Statements: In May, revenue from power sales was \$17,492 (0.8%) better than budget. Cost of goods sold was \$75,160 under budget. Net operating revenue for the month was \$510,123.
2. **Year to Date Income Statement:** Revenue from power sales was under budget \$30,510 (0.3%). Total revenues were better than budget \$214,235. Total cost of goods sold was less than budget by \$153,477 (2.1%). Total A & G expenses are under budget by \$248,149 (8.5%). YTD Net Revenue is \$ 1,376,406. Average of 109 days cash on hand. Debt service coverage year to date is 1.26X.
3. **Operating Report:** Member Energy sales were right on budget and the same as they were in 2023. Member energy sales YTD are 0.55% better than budget and 0.59% better than sales in 2023. Member demands of 47.0 mW were 4.4% higher than May 2023. All in cost to members YTD is \$0.09920 per kWh, 2.5% lower than 2020 when ARPA last changed its rates. The avoided cost rate for May will be \$50.22 per mWh.
4. **Next Meeting:** August 29, 2024, 10:00 a.m. at Otero College in La Junta.

B. Water & Wastewater Treatment (Tom Seaba):

1. R.O. Plant
 - Routine maintenance: flushed fire line, inspection of degasifier systems, changed generator coolant hoses, changed oil in chemical pumps.
 - Repaired well #4 drain, tightened packing on well #7.
 - Replaced scale inhibitor lines and pumps to the injector. Quoting out new pumps.
 - Changed all cartridge filters.
 - Repaired A/C.
 - Meter Reading, additional facilities maintenance.
2. Distribution
 - Installing water line to Brick and Tile Park.
 - Farm work to include irrigation, cover crop, weed control, and planting grass.
 - Repaired/replaced meters and services while assisting customers with leak issues.
 - Meter Reading and utility billing office generated work orders, equipment maintenance.
3. June 2024 Water Fund Financials. The 2024 budget is \$3,793,700 less \$1,549,198.74 in expenses and \$245,928.91 in encumbrances leaves a remaining budget of \$1,998,572.35. Expenses exceed revenue by \$56,457.96.
4. Wastewater
 - Treated 28.141 million gallons. Removed 35ft³ of screenings and 37ft³ of grit.
 - RO concentrate discharge to plant was 27.133 million gallons.
 - Jetted 7,118 feet of line for five emergency calls and twenty-one manhole locate requests.
 - Continued work on repair/rehabilitation on the orbal basin.
 - Repaired broken motor/pump track on Wal-Mart lift station.
 - Began DMR-QA 44 study. This study ensures the integrity and accuracy of the data we submit.
 - Additional plant, collection system, and grounds maintenance.
5. June 2024 Wastewater Fund Financials. The 2024 budget is \$3,503,900 less \$1,701,151.18 in expenses and \$195,099.61 in encumbrances leaving a remaining budget of \$1,598,649.21. Expenses exceed revenue by \$295,982.28.
6. Other Notables:
 - Continue lead & copper survey on city.
 - Conducted tri-annual lead and copper testing per permit requirement.
 - Meeting concerning the Arkansas Valley Conduit costs being updated. Current cost estimates bring the project up to \$1.375 billion.
 - Initiating emerging contaminants technical assistance grant.
 - Creating an active water conservation planning to include benefits to customers.
 - Expanding farm management plan for next phases of revegetation and change of use.

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

1. Line Crew
 - Daily reads, disconnects and maintenance.
 - Line Crew hosted the annual pole-top and bucket truck rescue training for all ARPA members.
 - A new transformer was added to split the load at 1514 Belleview Avenue.
 - Six blown cut-outs were replaced at the Industrial Park.
 - A primary power pole was replaced at 10th and Carson Avenue. It was hit by a vehicle.
 - The crew added patch-rod to some damaged conductors at the airbase.
 - A snapped primary pole on Highway 109 was changed out.

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- We relocated the fault indicators from the feeder line to the laterals.
 - A pole in front of the old Gibsons building was replaced.
 - Lewis Bolt & Nut had a 1500 kVA transformer fail. It has been replaced.
2. SOLAR Accounts
- The total kWh returned to the system was 12,404 from 35 customers. A total of \$645.00 was rebated at the avoided costs. There are currently 35 residential and 2 commercial solar customers.
3. System Update
- Hot weather tests our equipment on a daily basis, especially as we get further into the summer months.
 - We have already peaked at over 20MW demand on several days.
4. June 2024 Electric Fund Financials. The 2024 budget is \$12,316,800 less \$5,179,650.67 in expenses and \$199,704.43 in encumbrances leaves a remaining budget of \$6,937,444.90. Revenue exceeds expenses by \$469,212.45.

D. Sanitation (Martin Montoya):

1. Customer Information (June)

CUSTOMERS	2024	2023	DIFF.	CHANGE
Residential	2,798	2,810	(12)	-0.43%
Commercial	437	473	(36)	-8.24%
Industrial	10	2	8	80.00%
Municipal	29	17	12	41.38%
Total	3,274	3,302	(28)	112.71%

2. Landfill

TONS	2024	2023	DIFF.	CHANGE	TONNAGE	
Otero County Landfill	540.22	713.81	(173.59)	-32.13%	Open Top	36.86
Southeast Recycling	20.48	17.92	2.56	12.50%	Compactor	12.87
Clean Valley - Curbside	3.25	4.87	(1.62)	-49.85%	Residential	237.72
Clean Valley - Trailer	1.9	2.06	(0.16)	-8.42%	Commercial	129.55
					Roll Offs	118.7
Total	565.85	738.66	(172.81)	-77.90%		535.7

3. Other Income

ITEM	June.2024	June.2023	YTD 2024	YTD 2023	DIFF.	CHANGE
Special Pick-Up	5	6	19	23	-4	-21.05%
40-YD Boxes	27	26	149	113	36	24.16%
20-YD Boxes	23	31	156	66	90	57.69%
Overages	6	21	79	71	8	10.13%
Compactor	4	4	28	22	6	21.43%
Trx Station (Open Box)	36.86	34.65	235.89	165.25	70.64	29.95%
Trx Station (Compactor)	12.87	20.62	35.6	59.53	-24	-67.22%
Tote Replacement	9	9	107	22	85	79.44%

4. The pumps on 1st Street run on diesel. The gate that keeps the water from the river coming back through into the vault for the pumps runs on electricity. SBT has installed a switch that would allow a connection of a portable generator. It can also be operated by hand.
5. The trash trucks are finished. Still waiting on a laptop that will diagnose issues that come up.
6. June 2024 Sanitation Fund Financials. The 2024 budget is \$1,513,500 less \$655,706.47 in expenses and \$327,558.75 in encumbrances leaving a remaining budget of \$530,234.78. Revenue exceeds expenses by \$26,066.66.

NEW BUSINESS

- A. Clean Valley Recycling – Rate Increase (Dee Hostetler).** At Clean Valey Recycling's last board meeting, it was decided to raise residential curbside fees by \$2.00 due to the increase expenses of labor, fuel and insurance costs. Currently the City reimburses CVR \$6.50 and keep \$.50 for administrative costs. The proposed \$9.00 per month is a great deal compared to surrounding communities.

MOTION TO INCREASE THE RESIDENTIAL CURBSIDE RECYCLING (SANITATION SERVICE) RATE BY \$2.00 EFFECTIVE SEPTEMBER 1, 2024: Ayala

SECOND: Velasquez

DISCUSSION: The recycling service is on a month-to-month basis

VOTE: The motion carried 3-0 (Berg absent, Cranson abstained)

MOTION TO AUTHORIZE THE CITY MANAGER TO ENTER INTO CONTRACT NEGOTIATIONS WITH CLEAN VALLEY RECYCLING: Ayala

SECOND: Velasquez

DISCUSSION: There was no discussion

VOTE: The motion carried 3-0 (Berg absent, Cranson abstained)

- B. A Resolution Amending the 2024 Operating Budget for City Utility Funds.** Resolution No. RUB-3-2024 was presented for the Board's consideration.

MOTION TO ADOPT RESOLUTION RUB-3-2024: Velasquez

SECOND: Ayala

DISCUSSION: There was no discussion

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

C. Interim City Manager Comments.

- Aliza Libby reminded everybody that there is a new online utility and text messaging is now available.
- All of the departments have been extremely busy. Thank you to the Electric, Water, Street and Sanitation departments.
- In the process of making the Brick & Tile Park safer due to the flooding issue. The existing bridge will be moved for safety reasons.
- Working on the phone system for reporting after hour utility emergencies.
- The new website should be up and running by August 1st. It will be user friendly and meet ADA requirements.

D. Governing Body's Comments.

1. Mayor Ayala:
 - Good job on the pumps on 1st Street. They are working well.
2. Council Member Velasquez:
 - Martin's done a tremendous job. On Sunday night, Bradish was closed along with the access off of 109 to Bradish due to flooding. Firemen were in the water while an electric pole was still energized. Hats off to everybody.
3. Chairman Cranson:
 - Need to address the tardiness of information received by the Board.
4. Commissioner Bourget:
 - The tardiness of reports is unacceptable.

There being no further business, the meeting adjourned at 5:07 p.m.

ATTEST:

CITY OF LA JUNTA

Melanie R. Scofield, City Clerk

Gary Cranson, Chairman