

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, August 13, 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 – arrived 4:03 p.m.
 Patrick Berg, Commissioner
 Gary Cranson, Chairman
 Paul Velasquez, Council Member/Vice-Chair

Absent: Mike Bourget, 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
 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 July 9, 2024. Hearing none, he declared the minutes approved as published.

CITIZEN PARTICIPATION

1. Director of Finance Libby: Reminded everyone to check out the online for utilities. It has been upgraded.

REPORTS

A. ARPA Board (Gary Cranson):

1. **Summary of June 2024:** Financial and Operating Statements: In June, revenue from power sales was \$303,911 (11.8%) better than budget. Cost of goods sold was \$135,312 over budget. Net operating revenue for June was \$706,814.
2. **Year to Date Income Statement:** Revenue from power sales was better than budget by \$273,401 (2.1%). Total revenues were better than budget \$524,261. Total cost of goods sold was less than budget by \$18,167 (0.2%). Total A & G expenses are under budget by \$250,457 (7.1%). YTD Net Revenue is \$1,915,858. Average of 108 days cash on hand. Debt service coverage year to date is 1.32X.
3. **Operating Report:** Member Energy sales were 10.3% better than budget in June and 32% more than they were in 2023. Member energy sales YTD are 2.5% better than budget and about 6% better than sales in 2023. Member demands of 67.0 mW were 20% higher than June 2023. All in cost to members YTD is \$0.09970 per kWh, 2.4% lower than 2020 when ARPA last changed its rates. The avoided cost rate for June will be \$52.07 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 air relief valves, calibrated testing equipment, repaired outlets in south booster, completed quarterly tank inspections.
 - Repaired significant break in chlorine line on July 3rd.
 - Changed cartridge filters after large turbidity spike. Found pieces of metal in cartridge filters. Tested wells that were running when this occurred and found high volumes of sand coming from well #5. Possibly a column pipe or intake screen failure. The well is offline pending camera inspection.
 - Continuing electrical diagnostics on well #8.
 - Meter Reading, additional facilities maintenance.
2. Distribution
 - Repaired several leaks in meter pits.
 - Replaced complete service in 700 block of Cimarron Avenue.
 - Assisted Parks Department with a leak at the rodeo grounds and a major leak at Tippy Martinez Ball Park.
 - Continued work at Brick and Tile Park.
 - Assisted Street Department with asphalt patching water cuts all over town.
 - Repaired/replaced meters and services while assisting customers with leak issues.
 - Meter Reading and utility billing office generated work orders, equipment maintenance.
3. July 2024 Water Fund Financials. The 2024 budget is \$4,129,100 less \$1,851,994.36 in expenses and \$141,025.96 in encumbrances leaving a remaining budget of \$2,081,079.68. Revenues exceed expenses by \$14,020.63.
4. Wastewater
 - Treated 30.568 million gallons. Removed 28ft³ of screenings and 24ft³ of grit.
 - RO concentrate discharge to plant was 27.730 million gallons.
 - Jetted 7,590 feet of line for ten emergency calls and thirty manhole locate requests.
 - Completed repair/rehabilitation work on the orbal basin.
 - Cleaned south clarifier inner ring, arm and trough. Cleaned UV channel and scum pit.
 - Additional plant, collection system, and grounds maintenance.
5. July 2024 Wastewater Fund Financials. The 2024 budget is \$3,810,300 less \$2,308,417.82 in expenses and \$146,775.87 in encumbrances leaving a remaining budget of \$1,355,106.31. Expenses exceed revenue by \$650,723.36.
6. Other Notables:
 - Continue lead & copper survey on city.
 - Applied for grant to test PFAS levels in WWTP discharge and biosolids.
 - Helping initiate Otero County Agriculture/Municipal Partnership Project, a wholistic approach to deal with high levels of naturally occurring contaminants.
 - Brown's Hill Engineering scheduled to be onsite first full week of August to continue SCADA upgrade.
 - Several employees have passed certification exams.
 - Raul Ortiz to be the new Water Quality Technician. Chris Menges is leaving for a new job opportunity.
 - Jan Fisher and Keith Manweiler are retiring on August 30th. Jan has been with the Water Department since 2001 and Keith with the city in various departments since 1991. Their knowledge, attention to detail, willingness to instruct and to learn, and desire to ensure our Water Department is consistently one of the best in the state will be missed.

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

1. Line Crew

- Daily reads, disconnects and maintenance.
- The crew completed drone inspections on sixty-nine lines.
- Street light poles were replaced at the following sites:
 - Highway 50 and Lewis Avenue that was hit by a vehicle.
 - Highway 50 and Belleview Avenue which was also hit by a vehicle.
 - A pole went down at the Flight for Life building.
 - A broken pole was replaced at La Junta City Park.
 - A power pole was replaced and a 208-transformer bank was upgraded at 2018 Cimarron Avenue.
- Did a cross-arm change out due to tracking at 2107 Colorado Avenue.
- A burnt transformer jumper was repaired at 515 Belmont Avenue.
- Upgraded a 25 kVA transformer to a 37.5 kVA transformer at 416 Harriet Avenue.
- Old combo cutouts were switched out for polymer ones at 4th and Colorado Avenue.
- Maintenance was performed at the rodeo grounds for the 87th Kids Rodeo.

2. SOLAR Accounts

- The total kWh returned to the system was 14,538 from 40 customers. A total of \$756.00 was rebated at the avoided costs. There are currently 38 residential and 2 commercial solar customers.

3. System Update

- On July 15th, the city had to shed some load off of our system for our electric provider, Tri-State, who was having transmission issues.
- Engineers are working on the AB-Sub breaker exchange.
- Solomon has ordered parts for the Main Transformers at the LP-Sub.
- Continue to replace damaged/outdated equipment in the system.

4. July 2024 Electric Fund Financials. The 2024 budget is \$12,352,800 less \$6,324,379.66 in expenses and \$209,884.17 in encumbrances leaving a remaining budget of \$5,818,536.17. Revenue exceeds expenses by \$570,319.99.

D. Sanitation (Martin Montoya):

1. Customer Information (July)

CUSTOMERS	2024	2023	DIFF.	CHANGE
Residential	2,807	2,814	(7)	-0.25%
Commercial	430	458	(28)	-6.50%
Industrial	10	0	10	100.00%
Municipal	29	12	17	58.62%
Total	3,276	3,284	(8)	151.87%

2. Landfill

	2024	2024	2023	2023				
TONS	July	YTD	July	YTD	DIFF.	CHANGE	TONNAGE	
Otero County Landfill	635.61	3747.73	679.28	3722.12	(43.67)	-6.87%	Open Top	36.48
Southeast Recycling	36.04	120.85	16.18	124.92	19.86	55.11%	Compactor	17.35
Clean Valley - Curbside	3.63	23.99	3.63	27.29	0.00	14.00%	Residential	282.22
Clean Valley - Trailer	2.95	19.53	1.86	20.07	1.09	36.95%	Commercial	146.24
							Roll Offs	120.65
Total	678.23	3912.1	700.95	3894.4	(22.72)	99.19%		602.94

3. Other Income

ITEM	July.2024	July.2023	YTD 2024	YTD 2023	DIFF.	CHANGE
Special Pick-Up	4	6	23	38	-15	-65.22%
40-YD Boxes	30	40	179	179	0	0.00%
20-YD Boxes	22	24	178	121	57	32.02%
Overages	16	15	95	107	-12	-12.63%
Compactor	5	5	33	31	2	6.06%
Trx Station (Open Box)	36.48	34.46	272.37	234.36	38.01	13.96%
Trx Station (Compactor)	17.35	66.13	52.95	146.28	-93	-176.26%
Tote Replacement	17	2	124	33	91	73.39%

4. Trash trucks: Looking at the balance sheet and taking out inventory and fixed assets, there is about \$1.3 million. That's specifically and only for equipment. The last trash trucks were purchased for \$160,000 five years ago. Adding the costs of repairs/maintenance onto the purchase price, the old trucks are well over what we're looking at paying for the new trucks. The new trucks have a five-year warranty. We will only be paying \$160,000 for these trucks over five years. There won't be any additional cost onto these trucks as opposed to the previous two trucks that we had and we will be able to trade them in at a higher rate than these last two. It's a really good program.
5. 1st Street pumps: Got called out simply because of how much rain we got in a small amount of time. Right now, because the river is so low, the gate that we have on the other end is open. So, a lot of that water is just going right through. The big problems that we have when it's flooding over there is when the river is high, we have to close the gate. The pumps then have to pump all the water out and gravity is not helping at that point.
6. July 2024 Sanitation Fund Financials. The 2024 budget is \$1,683,800 less \$1,090,326.16 in expenses and \$1,996.43 in encumbrances leaving a remaining budget of \$591,477.41. Expenses exceeds revenues by \$282,438.82.

NEW BUSINESS

A. Interim City Manager Comments.

- Thanked the Sanitation, Water and Electric Departments on all their hard work they've been doing lately.
- Working on the budget process. Had meetings the last two days with supervisors. Asked the board to think about having a work session within the next week or so, so we can have some guidance and move forward to get the budget prepared for council. (Aliza Libby went over a packet of information regarding different tier structures and rate increases recommended by the JK Engineering study.

B. Governing Body's Comments.

1. Mayor Ayala:
 - Requested that the board have a joint work session with City Council. It would be more efficient with everyone in the room together.
2. Chairman Cranson:
 - Thanks for getting the reports sent in a timely fashion. It's appreciated.

There being no further business, the meeting adjourned at 4:58 p.m.

ATTEST:

Melanie R. Scofield, City Clerk

CITY OF LA JUNTA

Gary Cranson, Chairman