

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 Vice-Chairman Gary Cranson on Tuesday, December 19, 2023, 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: Bill Jackson, Asst. City Manager
 Melanie Scofield, City Clerk
 Paula Mahoney, Admin. Asst.
 Tom Seaba, Director of Water/WW
 Martin Montoya, Director of Engineering
 Aliza Libby, Director of Finance

MINUTES OF PREVIOUS MEETING

Vice-Chairman Cranson asked if there were any corrections or additions to the minutes of the Regular Meeting of November 21, 2023. Hearing none, the Vice-Chairman asked for a motion to approve the minutes as published.

MOTION TO ACCEPT THE NOVEMBER 21, 2023 MINUTES AS PUBLISHED: Ayala

SECOND: Velasquez

DISCUSSION: There was no discussion

VOTE: The motion carried 5-0

CITIZEN PARTICIPATION

1. Aliza Libby, Director of Finance: Reminded people that this time of year is really hard on some of our citizens and they have problems paying their utility bill. A lot of charities are out of money. If you want to do something nice for your neighbor, you can put a little bit towards their utility bill.

REPORTS

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

1. **Summary of October 2023 Financial and Operating Statements:** During the month of October, revenue from power sales was more than budget by \$10,473 (0.5%) and total revenue was more than budget by \$82,447. Total cost of goods sold was under budget by 5.1%. Purchased power costs were under budget by \$24,031 (3.0%). Transmission expenses were under budget by \$44,127. Net Revenue from Operations for the month was \$459,873.

2. **Year to Date Income Statement:** Revenue from power sales was less than budget by \$702,170 (3.0%). Total revenues were less than budget by \$398,870 YTD. Interest income was \$299,151 which is better than budget. Total cost of goods sold was less than budget by \$1,153,354 (7.3%). YTD purchased power costs were under budget by \$764,068 (8.1%). YTD Transmission expenses were under budget by \$422,730. Total YTD A & G expenses are under budget by \$69,513 (1.3%). YTD Net Revenue is \$3,677,542. Debt Service Coverage YTD is 1.43X.
3. **Operating Report:** ARPA paid \$52.23 per MWh for 27.9 MWh reported as produced by member solar installations. Energy sales for October was 0.3% less than budget and 4.3% more than 2022. Energy Sales YTD was 3.5% less than budget and 1.8% less than 2022. *Coincidental peak demand* was 1% more than at 38.0 mW and occurred on October 2nd in hour ending 2:00 p.m. All in cost of power to members YTD is \$0.10023 per kWh; 2.1% lower than 2020.
4. **Other Business:** a) ARPA 2024 budget was approved. Proposed Wholesale Rate IV, Schedule E was approved. Schedule E stipulates that ARPA will provide replacement energy for delivery shortfalls anticipated in Western Area Power Administration's (WAPA) Colorado River Storage Project (CRSP) sales to Lamar Utility Board. Replacement energy will be priced at ARPA's then current fixed energy rate. b) Discussion with JK Energy Consulting regarding the Cost-of-Service study for rates for 2025 and beyond after the change to Guzman Energy at that time. The Guzman contract is a 17-year fixed rate contract which will provide some reduction in costs to ARPA. c) Update on "Power Supply Portfolio" options. Reviewed progress on ARPA's ongoing work to incorporate additional (bulk) renewable energy resources into the area and facilitate local projects of that type. Several projects are in various stages of planning and implementation, (Sandhills energy project for total of 11.4 mW – La Junta and Lamar will have 4.8 mW, Trinidad 1.8 mW).
5. **Next Meeting** –February 29, 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**
 - Routine maintenance: tested emergency lights, flushed/cleaned all chemical lines, injectors, pumps to manganese filters, flushed pressure transducers, sampled all RO's.
 - Moved tank level transducer from sulfuric acid tank to sodium hydroxide tank and adjusted the backpressure valve. Will order replacement transducer in 2024.
 - Repaired vent hood on 3MG tank.
 - Moved meter from well #12 to well #11 to replace broken meter.
 - Installed new flow transmitter on scale inhibitor feed line.
 - Replaced coolant line on west field generator and refilled generator with coolant. Old line burst during testing.
 - Meter reading, building maintenance, and groundskeeping.
2. **Distribution**
 - Main break at Main Street and Vine, North La Junta.
 - Valve inserted for Sutherlands fire service.
 - Service connection repairs on San Juan and Bradish Avenue.
 - New service installed on south San Juan.
 - Service repairs and reconnects on North Highway 109.
 - Meter reading and utility billing office generated work orders, equipment maintenance.
3. **Wastewater**
 - Treated 28.080 million gallons. Removed 30.0 ft³ of screenings and 49.0 ft³ of grit.
 - RO concentrate discharge to plant was 5.931 million gallons.
 - Jetted 3,884 feet of line for ten emergency calls and thirty-six manhole locate requests.
 - Complete quarterly jetting of known trouble spots.
 - Waiting on parts to repair heater in headworks building.

- Repairs made to grit PLC controls.
 - Brown's Hill fixed PLCs to main boards and VFD's.
 - Received quotes for heater/AC unit replacement in disinfection building. Will pause project until 2024.
 - Additional plant, collection system, grounds maintenance.
4. Other Notables:
 - Monthly safety meeting topic was first aid for common injuries.
 - Wastewater training for lagoons conducted by Colorado Rural Water.
 - Compiling data for PFAS class-action liability litigation.
 - Continue data collection for lead and copper rule.
 5. Tom Seaba and Meghan Yergert are on the Arkansas River Basin Water Forum Planning Committee. The Water Forum will be in La Junta on March 6th and 7th next year at Otero College with a local leader's dinner which will be held March 5th.
 6. Lengthy discussion regarding the summary vs. financials along with solar companies.

C. Electric Department. Bill Jackson gave the following report:

1. Line Crew
 - Daily reads, disconnects and maintenance.
 - The crew did some troubleshooting on the speakers that play music downtown. All the Christmas decorations are up!
 - New outlets were installed at the new Brick & Tile Park. They are located on the south-east and northwest corners of the park.
 - Two poles were changed out at Highway 350 & 6th Street and 10 Cactus Drive; both were hit by vehicles.
 - Two crewmen went to Las Animas for a flagger certification class and another is completing an advanced distribution class online.
 - Overloaded connectors at the La Junta Mill & Elevator were replaced.
 - Set up the electric trailer at the compactor for the Street Department. A digger truck is securing a power pole at 5th Street and Gardner so that a new culvert can be installed.
 - Several light services were dropped in order for TLM to be able to get a cement truck onto the new trail.
 - A pole was relocated for the construction crew working on the parking lot at 315 W. 3rd Street.
2. SOLAR Accounts
 - The total kWh returned to the system was 8,694 from 25 customers. A total of \$469.48 was rebated at the avoided costs. There are currently 30 solar customers.
3. System Update
 - Planning continues on the AB Sub breaker replacement and upgrades.
 - Solar providers and net metering was discussed at the last Operating Committee meeting.

D. Sanitation. Martin Montoya gave the following report:

1. Will be doubling up sanitation routes due to the Christmas holiday. Friday will be picked up on Thursday and Monday will be picked up on Tuesday.
2. Rocky Ford has been having some trouble with their trash trucks. We've been helping them out.

NEW BUSINESS

A. Election of Officers for 2024

1. **Chairman.** The Vice-Chairman opened the floor for nominations. Ayala nominated Gary Cranson for Chairman, seconded by Bourget. Hearing no further nominations, the Vice-Chairman closed the nominations and called for the vote. Gary Cranson was unanimously elected as Chairman.
2. **Vice-Chairman.** The Vice-Chairman opened the floor for nominations. Ayala nominated Paul Velasquez for Vice-Chairman, seconded by Bourget. Hearing no further nominations, the Vice-Chairman closed the nominations and called for the vote. Paul Velasquez was unanimously elected as Vice-Chairman.

B. Asst. City Manager's Comments.

1. Merry Christmas and Happy New Year to everybody. Hope everybody has a great holiday.
2. There were twenty people who responded to Facebook to come look at their Christmas lights. But there was probably sixty we could have looked at.

C. Governing Body's Comments.

1. Vice-Chairman Velasquez: Asked about the notice for applications for the executive director for Southeast Water Conservancy. Who retired? Mr. Seaba confirmed that Mr. Broderick is retiring.

There being no further business, the meeting adjourned at 5:00 p.m.

ATTEST:

CITY OF LA JUNTA

Melanie R. Scofield, City Clerk

Gary Cranson, Chairman