

BOARD OF PUBLIC UTILITY COMMISSION

The regular meeting of the CITY OF FARMINGTON BOARD OF PUBLIC UTILITY COMMISSIONERS was held Wednesday, January 9, 2019 at 3:00 p.m., in the Executive Conference Room, City Hall, 800 Municipal Dr., Farmington, New Mexico in full conformity with the laws and ordinances of the Municipality.

GENERAL

Commission members present:

James Spence  
Jeff Parkes  
Gordon Glass  
Alex Uhl  
Tory N. Larsen  
Kyle Westfall  
Connie Dinning  
Joanne Duckwitz  
Chris Hunter

Commission members absent:

Marty Johnson

City personnel present:

Electric Utility Director  
Electric Generation Manager  
Customer Service  
Electric Business Operations  
Public Works Department  
JACOBS  
Administrative Services  
Administrative Services  
Administrative Services  
PUC Secretary

Hank Adair  
Britt Chesnut  
Nicki Parks  
Brandon Hill  
David Sypher  
Teresa Brevik  
Andy Mason  
Teresa Emrich  
Sheree Wilson  
Amy McKinley

Chair Spence called the meeting to order at 3:00 pm with a quorum present to conduct the business of the Commission.

Chair Spence asked for a motion to approve the Minutes of the December 12, 2018 meeting of the Public Utility Commission and Commissioner Uhl made this motion; Commissioner Larsen seconded. Upon voice vote the motion to approve the December 12, 2018 PUC meeting minutes passed.

**BUSINESS**

**Water/Wastewater Report:**

Mr. Jeff Smaka offered a review of the activities for the Public Works Water/Wastewater divisions report for December. Regarding the 2P Waterline Phase I project, due to the winter weather this project received an extension from the State on this until June 2019. Regarding the 2P Phase II project, the work to lay line along McCormick School Road is complete; curb and gutter work as well as some hydrant work still needs to be completed. The work on Murray Drive is beginning; some milling work has been done and work will continue as weather permits.

Mr. Smaka briefly reviewed the status of various renewal and replacement projects are taking place throughout the city.

**Water/Wastewater Operations Report:**

Ms. Brevik offered a review of the water/wastewater operations activities for December, 2018. She said the Animas River flow stayed pretty consistent. Farmington Lake is back up to full capacity.

Commissioner Hunter asked how many metered water customers are in the system. Mr. Smaka said there are approximately 16,500 meters.

**Electric Utility Report:**

Mr. Brandon Hill offered the electric utility report for the month of November, 2018. He reported the total GWH Sales for November was 77 GWH; 18 GWH for Residential, in line with last year; 31 GWH for Commercial, which is up slightly over last year; 28 GWH for Industrial which is down a bit; this has been the trend for Industrial. Regarding Capital Expenditures, Mr. Hill noted that for November \$1.7 million was expended with a budget estimate of \$2.2 million; year to date \$4.6 million has been spent against a \$13 million budget.

The PCA continues at \$0.005 per kWh.

Commissioner Hunter asked for an update on wholesale power and the costs experienced especially while Bluffview was in outage. Mr. Adair noted the November purchase power prices were higher due to the planned outage at the Bluffview plant; the month of December did see some lower purchase power costs.

**Director's Report:**

Mr. Hank Adair offered information on the activities of the utility for the month of December 2018. Mr. Adair noted the LTC equipment issue which caused the outage at the Foothills substation was corrected with the installation of a new LTC. When the substation was re-energized crews noted some noises that are atypical so the substation was shut back down so crews can troubleshoot the matter. Mr. Adair said the circuit is double loaded while these troubleshooting activities take place.

Mr. Adair reported that work orders were released for a new Dollar General Store on Wildflower. Crews also worked on relocating some street lights for the Public Works Department.

Regarding FEUS generation sources, the Navajo Hydro Plant continues to be off-line due to work being performed by the USBR. He informed the commission that the Bluffview/Animas spring outage is anticipated to occur in May, 2019. Mr. Adair said the reciprocating engine owners engineer report is expected the week of January 14.

A recent outage occurred at the Vista substation and Mr. Adair shared that the outage was caused by ice and a bird nest. This outage also caused an outage for customers serviced by the Bergin Substation. An unfortunate coincidence with this outage was a problem with the city's phone system which did cause some problems with customers reporting the outage. Staff was able to spread information about the outage via Facebook and the internet. Commissioner Larsen observed that information about the outage was widely spread via the various forms of social media and he applauded city staff for these communication efforts.


Mr. Adair reported that the PNM IRP was accepted by the PRC. It is expected that PNM will file its plan of abandonment by Spring 2019.

Commissioner Hunter asked about the status of another water rate study. He noted there had been discussion about asking commission members to be engaged in policy input discussions. Mr. Sypher said an RFP for a water rate study is being prepared and should go out within the next sixty days. He said staff would keep the Commission apprised on activities taking place regarding this RFP.

**ADJOURNMENT**

There being no further business to come before the Commission, upon motion duly made and seconded, the meeting was adjourned at 3:38 p.m.

Approved this 13<sup>th</sup> day of February, 2019.

  
James Spence, MD, Chair