

## BOARD OF PUBLIC UTILITY COMMISSION

The regular meeting of the CITY OF FARMINGTON BOARD OF PUBLIC UTILITY COMMISSIONERS was held Wednesday, September 11, 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  
Connie Dinning  
Tory N. Larsen  
Joanne Duckwitz

#### Commission members absent:

Marty Johnson  
Kyle Westall

#### City personnel present:

Electric Engineering  
Electric Generation  
Electric Utility Operations  
Public Works Department  
Jacobs  
Administrative Services  
Administrative Services  
Legal  
PUC Secretary

John Armenta  
Britt Chesnut  
Brandon Hill  
David Sypher  
Teresa Brevik  
Teresa Emrich  
Sheree Wilson  
Jennifer Breakell  
Amy McKinley

Chair Spence called the meeting to order at 3:06 pm with a quorum present to conduct the business of the Commission.

Chair Spence asked for a motion to approve the Minutes of the August 14, 2019. Commissioner Larsen moved to approve the Minutes and Commissioner Uhl seconded the motion. Upon voice vote, the motion passed unanimously.

### BUSINESS

#### **Water/Wastewater Report**

Mr. David Sypher offered a review of the water and wastewater activities around the city for the month of August. He reported that the city awarded the Cost of Service Study contract to NewGen Strategies. Once all contract signatures are obtained the subcommittee will begin the process of obtaining and providing input to NewGen.

Chair Spence asked if manhole lids will be raised during these projects. Mr. Sypher said that in future projects manhole covers will be included as part of the construction project.

#### **Water/Wastewater Operations Report**

Ms. Teresa Brevik offered a presentation regarding water/wastewater operations for August 2019. She noted that after experiencing a downward trend Animas River flows have leveled off thanks to some recent rainfall in the higher elevations. Ms. Brevik's report indicated the installation of nine new meters in August. She noted the water utility experienced 13 line breaks in August; 3 main lines and 10 service lines.

Ms. Brevik offered an update about the new unidirectional flushing truck that will be used to flush fire hydrants. Use of this vehicle will aid in the conservation of water.

Commissioner Glass asked for clarification on capital expenditures noting that wastewater revenues for FY2007-2020 is \$22 million and only \$15 million will be spent. He observed this is a significant difference and asked if it is due to planned projects that have not been implemented. Mr. Sypher commented that some project completion dates do not correlate with the fiscal year calendar and when project loan funds are received, they are applied to the specific project. These financial matters do not always correlate with the fiscal year calendar which allows the balance sheet to be off balance, but projects are being completed and fund are being spent for those projects.

#### **Electric Utility Report**

Mr. Brandon Hill offered information from the Electric Utility Report for the month of July 2019. Mr. Hill commented that in GWH Sales, all three customer classes, Residential, Commercial, and Industrial were down. He reviewed the data with Nick Parks, Customer Care Manager, and no particular causal factor was identified that would cause this dip in sales. Numbers will continue to be monitored to determine if this is the start of a trend or if it is possibly just a one-off month. He noted that in Revenue, Residential revenue was \$2.72 million, up slightly from last FY. Commercial and Industrial revenues are slightly lower from last fiscal year. Mr. Hill's report demonstrated the projected Capital Expenditures in July was \$3.4 million; Actual Capital Expenditures for July was \$617 thousand.

#### **Director's Report**

Ms. Nicki Parks, Customer Care Manager, presented the Director's Report as Mr. Adair was away on utility business. Ms. Parks reported the city council approved the MOU between FEUS and the City of Aztec. The projects detailed within the MOU will help with redundancy within the electric system.

Ms. Parks highlighted a few of the distribution/transmission projects. There was general discussion regarding the maintenance project on the Westloop to Hood Mesa 115KV line; three structures were replaced and five structures were repaired.

Regarding generation, Ms. Parks reported that Navajo has seen continued higher flows than normal and, due to plant maintenance reasons, had more total generation in the month of August than San Juan Generating Station; Navajo saw 20,143 MW and San Juan produced 19,642 MW. San Juan Generating Station did experience maintenance issues, which did affect their power production.

Commissioner Glass asked for a count of electric customers and if this number has declined very much. Ms. Parks noted the last report showed a count of approximately 44,600; this customer count fluctuates by less than 20 meters per month; it grows and declines in small increments. Commissioner Glass noted that population figures seem to show a decline of about 4%, but it sounds as though the number of accounts does not show such a decline. Ms. Parks said while there is a minimal change in the number of accounts, total payments are up, but this also has to do with the rate increase. She said with the customer count changes being so minimal, it can be difficult to determine whether there is a trend either up or down. Staff will continue to monitor this matter.

Vice-Chair Parkes asked for an update on the Cottonwood Substation project. Engineering Manager Armenta offered information regarding the delays which include issues regarding rights of way, design changes, equipment delivery timelines, etc.

Commissioner Uhl asked about the status of the Twin Peaks project. Mr. Armenta commented that communications with the property owners has been complicated. He noted FEUS has made to contact the property owner but has received no response.

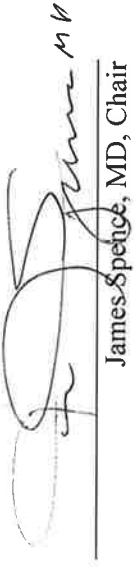
#### **BUSINESS FROM THE FLOOR**

None.

**ADJOURNMENT**

There being no further business to come before the Commission, upon motion duly made and seconded, the meeting adjourned at 3:50 pm.

Approved this 9<sup>th</sup> day of October 2019.

  
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James Spetice, MD, Chair