BOARD OF PUBLIC UTILITY COMMISSIONERS

The special meeting of the CITY OF FARMINGTON BOARD OF PUBLIC UTILITY COMMISSIONERS was held Wednesday, April 13, 2016 at 9:00 a.m., at the Farmington Civic Center, 200 W. Arrington Street, Farmington, New Mexico, in full conformity with the laws and ordinances of the Municipality.

GENERAL

1. Commission members present: James Spence, Jeff Parkes, Rubin Armenta, Gordon Glass, Bill Standley, Bill Hall, Tory Larsen, Chris Hunter, Carol Cloer

   Commission members absent: Marty Johnson

   City Council Liaison: Gayla McCulloch

   City personnel present:

Electric Utility Director	Rodney Romero
Business Operations Manager	Susan Nipper Greaves
Electric Transmission & Distribution	Luke Lugenbeel
Electric Generation Manager	Britt Chesnut
Electric Engineering Manager	John Armenta
Electric Compliance Manager	Linda Jacobson-Quinn
Customer Service	Nicki Parks
Public Works Department	Jeff Smaka
OMI/CH2MHill	Ron Rosen
Administrative Services	Andy Mason
Administrative Services Accounting	Sheree Wilson
City Manager	Rob Mayes
Legal	Jennifer Breakell
PUC Secretary	Amy McKinley

2. Chair Spence called the meeting to order at 9:00 AM with a quorum present to conduct the business of the Commission.

   Chair Spence asked for a motion to approve the Minutes of the March 9, 2016 meeting. Commissioner Parkes made the motion to approve the Minutes and Commissioner Standley seconded the motion. The motion passed unanimously.

BUSINESS

1. Open Meetings Resolution:

   Ms. Breakell presented the Open Meetings Resolution for the open meetings for the Public Utility Commission and stated the meetings would be held the second Wednesday of every month at 3:00 pm in the Executive Conference Room at City Hall. Ms. Breakell asked for recommendation to City Council for the acceptance of the resolution to accept the date, time and place as presented.

   The motion to approve the recommendation to the City Council to approve the Open Meetings Resolution No. 2013-1466 was made and seconded and passed unanimously.

2. Water/Wastewater Report:

Mr. Smaka offered a brief review of the activities of the Water/Wastewater division. Mr. Smaka said the Wastewater Treatment Plant project bid opening took place on March 3, 2016 and 3 bids were received. He said the estimate for this project is approximately $14 million and the lowest bid came in at $16.7 million. Mr. Smaka said staff is looking at a loan amendment with the NMED Financing Group.

Mr. Smaka reported that the electrical improvements project at Water Treatment Plant 2 is complete and the plant is in operation.

Mr. Smaka commented on the status of various water and sewer renewal and replacement projects taking place throughout the city.

3. Water/Wastewater Operations Report:

Mr. Ron Rosen, CH2M, presented the 2015 annual report for CH2M's water/wastewater operations for the City of Farmington. Mr. Rosen noted staff participated in 1,809 total safety training hours and completed 571 safety courses. Mr. Rosen's report also indicated that 13,865 work orders were completed in 2015.

Ms. Monica Peterson detailed two regulatory compliance challenges the City faced in 2015: 1) NPDES permit renewal: CH2M staff and City of Farmington representatives met with EPA personnel to discuss obtaining a waiver for the 400mg/l limit of the TDS levels. B) Gold King Mine River Monitoring: monitoring probes were installed at the two locations where water is pumped from the Animas River into Lake Farmington; if turbidity levels exceed a certain limit the pumps will automatically shut off to prevent contaminated water entering the lake.

Commissioner Glass asked if there was a concern regarding staffing turnover. Mr. Rosen stated the largest concern for obtaining and keeping qualified water/wastewater personnel is retirements of qualified personnel and the lack of younger people who want to enter the water/wastewater field.

Commissioner Hunter requested a report demonstrating Farmington's work order statistics for 2015 compared to previous years as well as a comparison of similar communities.

4. Update on FEUS Director's Search:

City Manager Rob Mayes updated the PUC on current events affecting the City of Farmington. He introduced Julie Baird, who recently accepted the position of Assistant City Manager.

Mr. Mayes discussed the misleading USA Today article about Farmington being the fastest shrinking city in America. Mr. Mayes commented that the majority of these national reports are not talking about the City of Farmington as an incorporated city but rather it talks about the Farmington MSA. The Farmington MSA is a statistical territory established by the federal government. Farmington is a subset of the overall MSA - - Aztec, Kirtland, Bloomfield, Shiprock, unincorporated areas of San Juan County, and parts of the Navajo Nation are also part of the "Farmington MSA." There are only four MSA's in the State of New Mexico; Farmington, Albuquerque, Santa Fe and Las Cruces.

Mr. Mayes offered an update on the San Juan Regional Medical Center's solar project. Mr. Mayes stated the hospital interim CEO contacted him saying the panels have already been purchased and shipped and therefore the hospital will move forward with the project. Mr. Mayes reaffirmed that the Farmington City Council is in favor of solar. The issue brought before the City Council at the April 12, 2016 meeting was regarding a zoning issue involving the property the hospital wants to utilize for its solar facility.

Commissioner Hunter encouraged Mr. Mayes to continue to dialogue with the hospital regarding this issue.

City Manager Rob Mayes discussed the search for a director for the Farmington Electric Utility System. He said the city contracted with another national executive search firm; the search will be open until the end of April. Mr. Mayes commented that finalists for the position will be brought to Farmington to participate in various interview panels. Mr. Mayes invited all the PUC members to participate in the PUC assessment panel.

5. Electric Utility Report:

   Ms. Sue Nipper Greaves offered a condensed version of the Electric Utility Report with year to date utility information presented.

6. Director's Report:

   Mr. Romero reviewed the activities of the utility for March 2016. Mr. Romero reported the RFP for Cost of Service Study was awarded and this work will begin soon. Mr. Romero stated FEUS received notice from FERC regarding the compliance audits that will take place in July and August 2016.

   Mr. Romero said the power transformer for the Aztec substation was delivered; this transformer is the largest and most expensive component of this substation.

ADJOURNMENT

There being no further business to come before the Commission, upon motion duly made and seconded, the meeting was adjourned.

The meeting was adjourned at 10:00 a.m.

Approved this 11th day of May, 2016.

James Spence, MD, Chair