

BOARD OF PUBLIC UTILITY COMMISSIONERS

The regular meeting of the CITY OF FARMINGTON BOARD OF PUBLIC UTILITY COMMISSIONERS was held Wednesday, June 8, 2016 at 3:00 p.m., in the Executive Conference Room at 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
Bill Standley
Chris Hunter
Carol Cloer
Tory N. Larsen

Commission members absent:

Marty Johnson
Rubin Armenta
Bill Hall

City Council Liaison:

Gayla McCulloch

City personnel present:

Electric Utility Director	Rodney Romero
Electric Generation Manager	Britt Chesnut
Customer Service	Nicki Parks
Public Works Department	Jeff Smaka
OM/CH2MHill	Ron Rosen
Administrative Services	Andy Mason
Administrative Services Accounting	Sheree Wilson
Legal	Jennifer Breakell
PUC Secretary	Amy McKinley

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

Chair Spence asked for a motion to approve the Minutes of the May 11, 2016 regular PUC meeting noting the minor adjustment to show Commissioner Larsen was present at this meeting. A motion was made by Commissioner Standley to approve the Minutes as modified and seconded by Commissioner Larsen, and upon voice vote the motion passed unanimously.

Chair Spence asked for a motion to approve the Minutes of the May 17, 2016 Special PUC meeting. A motion was made by Commissioner Hunter to approve the Minutes and seconded by Commissioner Cloer, and upon voice vote the motion passed unanimously.

BUSINESS

Water/Wastewater Report:

Mr. Smaka offered a review of the various activities of the Water/Wastewater division for May 2016.

While discussing the status of the 2P Waterline Replacement Phase I Project, Mr. Smaka informed commissioners the design phase is 90% complete and staff is working with NMFA on the loan process; the \$3.2 million loan is expected to close in August 2016. Mr. Smaka reported the preliminary project interest form has been submitted to NMED for the 2P Waterline Replacement Project Phase II, which runs along US 64 from the intersection of Carnina Flora to Miller Avenue. He said the estimated cost of this phase of the project is

\$3.6 million. Mr. Smaka commented he received a call from the State reporting this project ranked fairly well in the state's project listing; the amount of grand funding will depend on how high the project ranks in the state's rating process.

Mr. Smaka noted the bid opening for the Wastewater Treatment Plant project is on June 21, 2016. He said the pre-bid meeting for this project received good attendance by several contractors.

Mr. Smaka reviewed the many renewal and replacement projects underway throughout the city.

In response to an inquiry by Vice-Chair Parkes Mr. Smaka explained the state gets involved regarding loan funds for water projects when city staff submits fund request documentation. Mr. Smaka said the state's drinking water revolving loan fund receives funding from the federal government; the state administers this fund. Mr. Smaka said there is a great deal of criteria staff must meet to supply the state with information about a project and this information is reviewed and rated to determine project ranking in this loan fund.

Water/Wastewater Operations Report:

Utilizing a Prezi Presentation format, Mr. Ron Rosen offered a report of the operations for Water and Wastewater utilities for May 2016. Mr. Rosen reported Farmington Lake is at 100% capacity; he also noted that while the turbidity levels have been low, the water sampling indicated levels of lead had increased above the drinking water standard so the pumps from the Animas River have been turned off; water sampling continues and as the levels drop a decision will be made regarding a timeline for reactivating the pumps.

Mr. Rosen's report supplied 2015/2016 comparison information for various water/wastewater operations activities; 22 new meter installations in 2015 compared to 41 installed in 2016 for the same 5 month period; 14 water main breaks in 2015 compared to 12 breaks in 2016 and 42 service line breaks in 2015 compared to 60 breaks in 2016 for the same 5 month period.

Commissioner Hunter commented he found Mr. Rosen's new report format very informative.

Schedule Update-Cost of Service Study:

Mr. Romero supplied an update on the development of the Cost of Service Study by NewGen Strategies and Solutions (NewGen). He said NewGen is reviewing current FEUS customer classes to determine if any changes to the customer classes are appropriate. Mr. Romero's presentation highlighted the review of the FEUS General Service and Large General Service rates and the proposed re-structuring of these rate classes. Mr. Romero noted this report indicates a preliminary review of the rate structure, no true cost to serve these customers has been determined at this time.

The commissioners offered various suggestions and points for FEUS staff and NewGen to review and consider when determining possible changes to FEUS rates.

Director's Report:

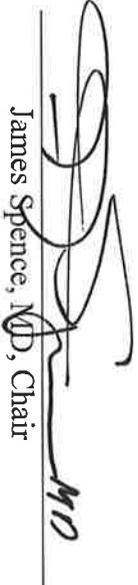
Mr. Romero reviewed the activities of the utility for May 2016. He said FEUS is beginning its participation in the 20th Street Clean Streets project with the burying of electric lines and removing poles. Mr. Romero commented on two power outages, one involving the Lakeview circuit and one involving the College Blvd. circuit which was due to a semi truck hitting lines and therefore pulling down the poles. Mr. Romero reported on the incident that occurred at the MOC Customer Service lobby which involved an irate customer and Farmington Police. Mr. Romero said a representative for the customer did meet with staff the following day to obtain information about the steps necessary to resolve the account issues.

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 4:40 p.m.

Approved this 13th day of July, 2016.



James Spence, MD, Chair