

BOARD OF PUBLIC UTILITY COMMISSION

The regular meeting of the CITY OF FARMINGTON BOARD OF PUBLIC UTILITY COMMISSIONERS was held Wednesday, October 12, 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
Bill Standley
Marty Johnson
Chris Hunter
Gordon Glass (arrived at 3:06 p.m.)
Bill Hall (arrived at 3:12 p.m.)

Commission members absent: Carol Cloer
Rubin Armenta
Tory N. Larsen

City Council Liaison: Gayla McCulloch

City personnel present:
Electric Utility Director Hank Adair
Electric Business Operations Manager Sue Nipper Greaves
Electric Transmission and Distribution Luke Lugenbeel
Electric Generation Manager Britt Chesnut
Customer Service Nicki Parks
Public Works Director David Sypher
Public Works Department Jeff Smaka
OMI/CH2MHill Monica Peterson
Administrative Services Andy Mason (arrived at 3:28 p.m.)
Administrative Services Accounting Sheree Wilson
Deputy City Clerk Andrea Jones

Guests:
Monty Sedlak, OMI/CH2MHill

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

Chair Spence asked for a motion to approve the Minutes of the September 14, 2016 regular PUC meeting. Commissioner Standley made the motion to approve the Minutes as presented and Commissioner Johnson seconded the motion, and upon voice vote the motion passed unanimously.

BUSINESS

Water/Wastewater Report:

Mr. Smaka reviewed the Water/Wastewater activities for the month of September, 2016. He provided a photographic presentation of the Wastewater Treatment Plant Phase III project's progress and reported that the 2P Waterline Project, Phase II has been verbally approved for approximately \$1 million in grant funding from NMFA. Mr. Smaka stated that Kimo Constructors was awarded the bid for the Penny Lane low head dam modifications and reported that construction is anticipated to commence in late October. He also reviewed the current status of various renewal and replacement projects.

Water/Wastewater Operations Report:

Ms. Peterson, OMI/CH2MHill, briefly noted that Lake Farmington's water level is going down to accommodate some planned projects and introduced Monty Sedlak, Project Services Director for OMI/CH2MHill. Mr. Sedlak presented a Field Service Optimization program and stated that it seeks to fit the current resources to the needs of the organization. He reported that Farmington has emerged as a candidate to pilot this program on a wastewater management system.

Cost of Service and Rate Design Update:

Ms. Nipper Greaves announced that additional time is needed to analyze and develop the new rates and stated that it is anticipated that NewGen Strategies & Solutions will provide their presentation at the November regular PUC meeting.

Electric Utility Report:

Ms. Nipper Greaves offered the Electric Utility Report for August, 2016. She provided a three-year comparison of GWH sales and noted that industrial sales are dropping. Ms. Nipper Greaves reviewed the revenue and expense comparisons for the past three years and reported that capital expenditures are up significantly in FY17 over FY16. She presented the reliability statistics for SAIDI and CAIDI and stated that APPA has been updated with national figures rather than regional.

Director's Report:

Mr. Adair provided an update on the progress of the Aztec Substation and stated that energizing is planned for the end of October. He reported that the bids received for the grading and drainage for Cottonwood Substation were much higher than anticipated and explained that the redesign of the project using concrete instead of brick is underway in order to rebid the project. Mr. Adair stated that the transmission infrastructure upgrades from Fruitland to Hood Mesa completed ahead of schedule and reviewed the status of the distribution project on 20th Street. He provided an update on the Navajo #2 and Bluffview outages and discussed the Hart Canyon Lock Out. Mr. Adair briefly presented the Osprey Project which entails the installation of platforms for Osprey to nest upon and stated that a presentation will be provided in the future with more details.

ADJOURNMENT

There being no further business to come before the Commission, upon motion duly made and seconded, the meeting was adjourned at 3:56 p.m.

Approved this 9th day of November, 2016.



James Spence, MD, Chair