

**LAMAR UTILITIES BOARD
MINUTES OF THE UTILITIES BOARD MEETING
May 26, 2020**

The Lamar Utilities Board met in regular session in the Utilities Board Room at 12:05 p.m. with Chairman Thrall presiding.

Present: Jay Brooke, Doug Thrall, Patrick Leonard, Clifford Boxley, Don Steerman, Houssin Hourieh, Lisa Denman, Linda Williams
Kirk Crespin arrived at 12:11 p.m.

Absent: Leala Owen

Minutes of Previous Meeting – May 12, 2020

Boardmember Brooke moved and Boardmember Boxley seconded to approve meeting minutes of May 12, 2020.

Voting Yes: Brooke, Thrall, Leonard, Boxley

Voting No: None

Purchase Orders #89399 through #89432

Boardmember Boxley moved and Boardmember Leonard seconded to approve purchase orders #89399 through #89432 in the amount of \$10,925.75.

Voting Yes: Brooke, Thrall, Leonard, Boxley

Voting No: None

Payment of Bills

Boardmember Leonard moved and Boardmember Boxley seconded to approve payment of bills: Vouchers #49839 through #49885 for a total of \$734,095.41.

Voting Yes: Brooke, Thrall, Leonard, Boxley

Voting No: None

Consider Approval of Bid #1984 – Pole Mount and Pad Mount Transformers

Boardmember Brooke moved and Boardmember Leonard seconded to approve and award Bid #1984 – Pole Mount and Pad Mount Transformers to Western United in the amount of \$58,704.15.

Voting Yes: Brooke, Thrall, Leonard, Boxley

Voting No: None

Consider Approval of Bid #1985 – Ductile Iron Poles

Boardmember Brooke moved and Boardmember Boxley seconded to approve and award Bid #1985 – Ductile Iron Poles to Western United in the amount of \$56,042.00.

Voting Yes: Brooke, Thrall, Leonard, Boxley

Voting No: None

2020 First 3rd Financial Report

Superintendent Hourieh reviewed the first third of 2020 financials which included the following:

Balance Sheet – Cash is down \$668,954.00 from December 2019 and accounts receivable has decreased by \$101,764.00.

Income Statement – Total operating revenue is \$1,001,492.00 with total operating costs being \$938,053.00 for a gross operating income of \$63,439.00. Adding in non-operating revenues and expenses brings the net loss to \$98,249.00.

YTD Income Statement – YTD operating revenue is \$4,124,873.00 and total operating costs are \$3,695,018.00 resulting in gross operating income of \$429,855.00. Adding in non-operating revenues and expenses, there is a net loss of \$237,412.00.

YTD Comparison to 2019 – Retail sales are up \$71,593.00 or 2%. However, operating expenses are up approximately \$107,868.00 or 3% resulting in a net loss of \$237,412.00 for the year.

Update and Discussion on Covid19 Status of Operations

Superintendent Hourieh reported that per the Governor's orders LUB is following "Stay at Home" and "Safer at Home" orders. On March 26, 2020 LUB started working modified hours of 5 hour days, staggered schedules of breaking up the crews would not work well for operations due to the size of the crews and projects. To ensure the safety and health of our customers and employees we have restricted in-person access to all city buildings including the Light and Power office and warehouse. Customers are encouraged to use online, phone, and drop box for payments. He stated they have taken other measures such as cancelling all travels, the use of PPE and continued to practice social distancing. Employees are taking daily temperatures and screening to protect themselves and the public from spreading the virus. He stated that the office opened to the public on May 11, 2020 with appropriate protection measures. He also reported that per the Governor's order they have suspended all utility disconnections until May 30, 2020 and that all operations will return to normal after the "Safer at Home" order expires at 11:59 p.m. on May 26, 2020.

System Operating Report

Superintendent Hourieh reported that in continuous efforts to improve system reliability and efficiency they have been discussing and planning with Siemens and Schweitzer Engineering Laboratories the upgrade of the 4.16kv switch gear and its protective relays. The switch gear and relays had been installed in the 1960's by G.E. and it is becoming difficult to find replacement parts and support. The switchgear systems are made of 11 breakers that provide power to the central section of Lamar including downtown, east, southeast, north side and Dragon's main circuit. The plans are to retrofit 3-4 breakers (circuits) per year in the spring or fall when the load is the lowest, where the affected circuits have to be re-routed to other circuits in the switch gear system. The upgrade will be carried out over a 3-4 year period without any power interruptions to the customers.

Superintendent Hourieh reported the wind turbine crew will be starting the semi-annual maintenance and inspection program on all 5 wind turbines. Each turbine will be shut down for approximately 12 hours on a calm day so preventative maintenance can be performed safely per G.E's recommended maintenance program.

Superintendent Hourieh announced that the ARPA Board Meeting will be Thursday, May 28, 2020 by webcast.

Executive Session

Boardmember Leonard moved and Boardmember Boxley seconded to enter into an executive session for:

- Receive Legal Advice on Specific Legal Questions Regarding a Conflict Related to LUB Service Area – Attorney – Client Communication pursuant to C.R.S. 24-6-402(4)(b).

Voting Yes: Thrall, Boxley, Leonard, Brooke

Voting No: None

The meeting was recessed and the executive session convened at 1:00 p.m.

Attorney Ric Fanyo attended meeting by phone.

Boardmember Leonard moved and Boardmember Boxley seconded to adjourn executive session and the meeting reconvened at 1:40 p.m.

Voting Yes: Thrall, Boxley Leonard, Brooke

Voting No: None

Boardmember Brooke moved and Boardmember Boxley seconded to approve the authorization of Attorney Fanyo filing complaint with PUC against SECPA regarding the May Valley Water customer issue.

Voting Yes: Thrall, Boxley Leonard, Brooke

Voting No: None

Adjournment

There being no further business to come before the Board, Boardmember Brooke moved and Boardmember Leonard seconded that the meeting adjourn.

Voting Yes: Brooke, Thrall, Leonard, Boxley

Voting No:

The meeting adjourned at 1:42 p.m.

Don Steerman, as Board Attorney, attests pursuant to C.R.S. 24-6-402(2)(d.5)(II)(B) that the portion of the executive minutes not recorded constituted a privileged attorney-client communication.

Don Steerman – Attorney

Linda Williams – City Clerk

Doug Thrall – Chairman