The Public Utility Advisory Board of the City of Truth or Consequences, New Mexico, in the County of Sierra, and State of New Mexico, met in Regular Session in full conformity with the Law and Ordinances of said Board, at the Commission Chambers of said City, on Tuesday the 20th day of February, 2007 at 5:30 P.M.

The meeting was called to order by Alvin Siffring, Chairman and Hazel F. Peterson acted as Secretary.

Upon calling the roll the following members were reported present:

Alvin Siffring, Chairman  
Lola Polley, Vice Chairman  
Charles Hibler, Member  
James Hunt, Member  
Bill Jacka, Member

Absent Was/Were:

There being a quorum present the Board proceeded with the business at hand.

Alvin Siffring, Chairman called for approval of the Agenda.

"Lola Polley moved to approve the Agenda as submitted."

Seconded by James Hunt  
Motion carried unanimously.

Alvin Siffring, Chairman called for review and approval of the minutes of the Regular meeting held Tuesday, January 16, 2007.

"Bill Jacka moved to approve the minutes of the Regular meeting held Tuesday, January 16, 2007 as submitted."

Seconded by James Hunt  
Motion carried unanimously.

Alvin Siffring, Chairman called for review and approval of the minutes of the Special meeting held Tuesday, January 30, 2007.

"Charles Hibler moved to approve the minutes of the Special meeting held Tuesday, January 30, 2007 as submitted."

Seconded by James Hunt  
Motion carried unanimously.

Alvin Siffring asked if anyone had any input at this point beyond where they were just hoping to start collecting data and information so they can put together a file if ideas.

Bill Jacka stated he thinks it is still in that stage.

Mr. Siffring stated he wanted to remind them that as they run across articles in the news or wherever of ways that people are attacking the problem of trying to get into compliance with water
CONTRACT/ASH STREET REBUILD:

Gil Avelar stated they are at the same stage they talked about at the last meeting, they’re not finished yet.

He stated he has five items he would like for them to address, they have not completed two three phase overhead switches. He stated they have all the hardware for the switch itself but these switch are supposed to be operated from the ground. The whole mechanism from the top to the ground is not there, was not installed initially. They said they would do it and he is going to hold them to it. He stated that’s going to tie two other circuits together. He stated they notified him that those pieces will be delivered to our substation and when they are delivered they will install them, they are not here as of yet.

Mr. Avelar stated there are also two three phase line to underground loops that were installed just before they left, and he thought the loop was a little bit to tight and when that loop is to tight you have possible stress right there and undue stress causes fault so he want’s them to redo those loops.

He stated last but not least when they finished those switch those circuits have to be phased in to make sure that when they close that switch there the rotation is alright and they will be good to go.

Lola Polley asked if on the contract for the Ash Street rebuild there was a date for conclusion.

Mr. Avelar stated that they had 180 days to do that in, and they have gone past that 180 days.

Ms. Polley asked if there was a penalty involved in that.

Mr. Avelar stated there was a clause in the contract which will have to be addressed when they come back.

James Hunt asked how long they estimated it would take to finish the work.

Mr. Avelar stated that the switch aren’t here and once they get here it should take three days at the most and that would be if they were dragging their feet, most of the work is done.

Further discussion ensued

Mr. Avelar stated that callouts in that area are almost nil and that’s what it was all about.

Discussion only, no action taken.

FINANCIAL REPORT:

Alvin Siffiring stated that the Utility Director was present and he hopes he will have some financial data for them.

Mike Atchley asked what kind of financial data they were asking for.

Mr. Siffiring stated that Lola Polley had asked him about some data.

Mr. Atchley stated yes, about the rate hike, and that was what he
was doing before he came to the meeting, that's why he was late.

He stated it's pretty much like in the letter that went out, or will be going out with everybody's utility bill. He stated that one of their suppliers, they did not have a contract with, and when they renegotiated another contract, and since it has been so long, they raised the rates, so we subsequently passed those on to the customers. He stated they raised the rates about two and a half cents.

Mr. Atchley stated he went back and looked at rates in 2006 and the one he just got today. He stated that there are other fees that go with that but as far as he could tell those were not raised, in other words they have what they call a supervision inspection fee, which is very small, 5/100, it was not increased. He stated the demand charge, and he knows this board knows something about that, and that fluctuates a lot. He stated this fluctuates from month to month, anywhere from what he saw, about eight thousand to anywhere to around sixty thousand, and the larger rates being usually in the summer months.

He stated that the only thing he could see from looking at previous years, specifically last year, and the rate after the first was Sierra Electric Coop did raise their rates by about 2 ½ cents. He stated that the reason the city didn't raise it that much is because the city only gets, again going back to the letter, a portion of our electricity from them, apparently a smaller portion and so we didn't have to pass on the full rate.

Mr. Atchley stated exactly how they decided on the rate that was passed on to the residential customers and the commercial customers was 1 ½ cents, exactly how they formulated they would have to ask the City Commission because he didn't have anything to do with it. He stated that was already done when he came on the job.

He stated that was about all he could tell them about it.

Charles Hibler stated he would give him a little bit of background.

He stated that the City Commission really did not approach the subject at all; it was done with the City Manager.

Mr. Atchley stated that was what he heard.

Mr. Hibler stated that what this Board did was they went back and took some data which was old and they applied the new rates from Sierra Coop and came up with the fact that if they would take as a base line, those twelve months, then they would be short about 1 ½ cents per kwh. He stated this board did not recommend this; they just pointed it out to the City Manager that this was what the shortfall was going to be. He stated that actually this board had very little to do with anything as far as raising the rate.

He stated this board did recommend that the city do a formal increase in rates per kwh. He stated that the City Manager at this board's last meeting indicated that they didn't really want to do this, so that's where it stands at this point.

Mr. Hibler stated that one thing he needed to bring up is this board has to have some good data from the Utility Office before they can come up with what should be passed through. He stated they haven't received a report for about seven months now, and what they need is information from all three power suppliers to
fill in the history they have to date. He stated they also need some sales data, which says how many kwh they have sold to the cities customers. He stated this is the only way they can come up with a fair and accurate pass-through.

He stated he would like to request that this board get a hold of this, and that until they get this data there’s not much the board can do.

Lola Polley stated she would like to tandem off of Charlie’s comments on the pass-through. She stated she would like to see if they can have the pass-through amount separated out of the bill, be a separate line item. She stated she would like that information.

Mr. Atchley asked why.

Ms. Polley stated because as a person that conserves energy she can’t tell what the pass-through is or she can’t tell if she is turning extra lights on or doing something that she shouldn’t be doing at home as a user at home. She stated she would like to know why her bill’s inflated, is that money for the pass-through that’s being passed along or is she using more power than she normally does, and there’s no way to tell that on the bill.

Mr. Atchley stated that on the bill there is a usage that they have there that tells how many kwh they have.

Ms. Polley stated that as a board member and a consumer she would like to see the pass-through on a separate line item.

Charles Hibler stated that if they pass this through and it’s not itemized on the bill how do they know that they are actually passing through what they are supposed to pass through. He stated that he thinks this is the big question.

He stated that he thinks this is relatively a simple thing to put into their billing program, and actually, it’s a law that all utilities do this with the exception of Municipalities. He stated that municipalities are not under the PRC, they are exempt from this, but that doesn’t mean that they shouldn’t do it.

Mr. Atchley stated he would have to look into that. He stated he doesn’t think it’s going to be as easy as he says it is, because the program that he understands it is not designed to do that.

Alvin Siffring stated it has been done in the past, and there’s really no reason in the world that it can’t be done now.

“Lola Polley moved that the City Utility Department add a line item itemizing the pass-through of the electric rate.”

Seconded by Charles Hibler

Mr. Siffring stated that this Board was working in the dark, and they’ve got to have more information and they are going to be leaning on Mr. Atchley to get it to them. He stated that he would suggest highly that Mr. Atchley capitalize on the expertise and experience of Mr. Hibler and his computer ability in addition to his experience so this board can get that information. He stated they are not getting what they need to function at this point and they are going to have to do better than they are doing now.

Mr. Atchley stated that the problem is that they cut the people in his department you might say from five to three.
Mr. Siffring stated that he does not want to be hard nosed, but this board is not looking for problems, they are looking for answers and they need information and the only place they can get it is from Mr. Atchley’s office. He stated they cannot function with out it.

Mr. Atchley stated he understands their problem, but if he doesn’t have time to do it, how is he going to be able to do it.

Mr. Siffring stated that wasn’t his problem.

Mr. Atchley stated it is his problem when they don’t get anything.

Mr. Siffring asked then who are they looking at.

Mr. Atchley stated like he said right now...

Mr. Siffring stated he didn’t want to argue about it, all he is telling him is they are not getting the information they need to function and they are going to have to get that problem solved first.

Mr. Atchley stated then they have to go to the City Council and they need to hire some more people.

Mr. Siffring stated that was not their business, their bailiwick is to work with utilities and they will have to have information in order to make recommendations to the City Commission, that’s the long and short of it.

Motion carried unanimously.

Ms. Polley stated she would be willing to work with Michael on that. She stated they didn’t have to have the data in the format that Brit used to provide. She stated that if they have the raw data they can manipulate at this juncture.

Mr. Hibler stated he thinks they can volunteer to help out. He stated that if Mike can get them copies of the power bills for the past seven or eight months, he could give him the exact data, and if he can get a report on the billing system. A report showing the sales then they can do the rest.

Mr. Atchley asked if he meant the total amounts or what.

Mr. Hibler stated that the bi product of any billing system should have a summary of billing month by month showing how many kwh were billed for each classification and how much revenue was derived by classification.

Mr. Atchley stated yes they have that.

Mr. Hibler stated this allows them to check the pass-through to make sure that the pass-through is adequate to cover the additional cost of power and at the same time is not over taxing the consumers.

Mr. Atchley stated that won’t be a problem as long as it legal, as long as he can legally give them that information.

Mr. Hibler stated they are not asking for names, they are asking for the total.

Mr. Atchley stated he understands that.
Mr. Hibler stated this is an accounting system the Utility Office is into. He stated they are dealing with a multi-million dollar organization, and they have got to have some better data to make sure that this multi-million dollar organization is working as it should.

Mr. Hunt stated that this board was designed by the people of this city to monitor the utility company and they need this data in order to advise the Commissioner’s. He stated that if they don’t get the data this Board is nonfunctional, they can’t do anything.

Mr. Atchley stated he has no problem with an oversight board, he thinks that every city and probably some of the department individually need one here, it’s just that they don’t have the staff to do what they are asking.

He stated they can get angry or they can get mad, you can get impatient, but it still comes down to that.

Mr. Hunt stated they have always gotten this data in the past, it’s legal, and this is what this board is functionally doing. If they don’t that this data, they can’t advise them.

Mr. Siffring explained to Mr. Atchley that he was missing an opportunity by not leaning a little harder on the expertise that’s available here from the members of this board, especially Charlie.

Mr. Atchley stated the data they are referring to, that’s no problem as long as he gets the okay from the City Manager that this board can have it, they are welcome to it.

He stated that as far as going much further than that he would have to have assistance to do it. He stated that whether they like it or not, that’s the way it is.

Mr. Jacka stated that not just the electric, they need it for the trash and the water.

Mr. Atchley stated no problem they get all of that as long as he gets the okay from the City Manager that they can have a copy of it, they can have it.

Ms. Polley asked Mr. Atchley if he knew if any of the utilities were running in the red.

Mr. Atchley stated no he didn’t know that.

Ms. Polley showed Mr. Atchley a copy of the last report and stated they didn’t need anything quite that fancy, but that was the information they needed.

Mr. Siffring stated that most of the report being shown was Charlie’s work, if he has the information to input he will manipulate it and it will come out looking like what they had in the past. He stated this is what they are used to getting until all of a sudden the information dried up.

Mr. Atchley stated that there would be a lot of reports because they will have one on each cycle, and they will have to do a little adding. He stated that was basically what they have and the board is welcome to it, he doesn’t see why they couldn’t have it as long as he gets the okay they can have it.

Mr. Hibler told Mr. Atchley if he could give him copies of the reports that were given them in the past. He stated the reports
they got were given were summarized and he thinks the billing program provides this data, he thinks there is a reporting system built into the billing system that is just a matter of telling it what you want and it will print it out for you.

Mr. Hibler stated they are not being ornery about wanting this; this is something that if we’re going to perform our duties we’ve got to have it. Because here you are basing a pass-through, a significant pass-through in rates with no supporting data at this point.

Mr. Atchley stated he had nothing to do with that.

Mr. Hibler stated they are not accusing him of that they are just trying to point out to him.

Mr. Atchley stated they are trying to squeeze blood out of a turnip.

Mr. Siffring stated he senses the problem, he thinks there is a problem there that does not exist. He stated he thinks if the reports can be generated, and then manipulated with all volunteer help they can have the information that they need.

He stated the thing is this board cannot be functional unless they have the data. He stated there is not much sense meeting if they don’t have any information to talk with, and the only place they can get it is from the Utility Department, but that’s their only excuse for being in existence.

Mr. Atchley stated he understands every word they are saying, and he does not disagree with anything they are saying.

Mr. Hibler stated just to point out how sincere they are in this request…

Mr. Atchley stated his stance hasn’t changed on it either, if I don’t have the time to do it then all he can give them is raw data in those reports. He stated he doesn’t have any problem as long as that’s legal.

Mr. Hibler stated that was a start let’s go from there.

ADJOURNMENT: There being no further business to come before the Public Utility Advisory Board Alvin Siffring, Chairman declared the meeting adjourned.

APPROVAL: PASSED AND APPROVED this 14th day of April, 2007, on motion duly made by Charles Hibler, seconded by Charles H., and carried.

Alvin Siffring, Chairman
Public Utility Advisory Board