CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, MARCH 20, 2017

REGULAR MEETING

Action Minutes

Regular meeting of the Public Utility Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, March 20, 2017 at 5:30 P.M.

INTRODUCTION:

PRESENT:

George Szigeti, Chairman
Jeff Dornbusch, Vice-Chairman
Ron Pacourek, Member
Gil Avelar, Member
Randy Ashbaugh, Member

ALSO PRESENT:

Juan Fuentes, City Manager
Andy Alvarez, Sanitation Director
Jesus Salayandia, Water/Wastewater Admin. Director
Arnie Castaneda, Water Department Supervisor
Traci Burnette, Grant Project Coordinator
Sonya Williams, Utility Office Manager
Ruby Otero-Vallejos, Water/Wastewater Admin. Assistant
Tammy Gardner, Electric Division Admin. Assistant
Angela A. Torres, Deputy City Clerk

APPROVAL OF AGENDA:

Vice Chairman Dornbusch moved approval of the agenda.

Member Pacourek seconded the motion. Motion carried unanimously.
APPROVAL OF MINUTES - REGULAR MEETING HELD TUESDAY FEBRUARY 21, 2017:

Member Pacourek moved approval of the February 21, 2017 minutes as submitted.

Vice Chairman Dornbusch seconded the motion. Motion carried unanimously.

COMMENTS FROM THE PUBLIC:

Klaus Wittern recommended that “comments from the public” be added to the agenda right before the item “comments from the Board.” Then the Board could reflect on what has been said while it is fresh in their minds.

Ron Fenn approached the podium and expressed his concerns about the Solar Farm not showing savings for the city. He feels that we are losing money rather than saving the city money.

Grants Coordinator, Traci Burnette invited the Board to attend the celebration for the new city vehicles on Monday, April 10, 2017 at the Healing Waters Plaza.

NEW BUSINESS:

Discussion/Update: Water/Wastewater Department - Jesus Salayandia, Water/Wastewater Director:

Jesus Salayandia, Water/Wastewater Director reported the following:

- Phase I which started last June is almost complete. They have until April 1st to get it completed.
- The UV disinfection is working great! He briefly reviewed the work that had been done in Phase I so Mr. Ashbaugh could be up to date on the process.
- The Concrete Pad for the solids handling has been completed.
- They will hopefully soon have training on the belt filter press.
- Phase II (which includes the secondary clarifiers) will hopefully start on April 4th. Smith Co. was awarded the contract.
- Mr. Salayandia introduced the new Water Dept. Supervisor Arnie Castaneda.

Vice Chairman Dornbusch asked if the O2 levels in the aeration basins were lower.

Mr. Salayandia replied that they vary depending on if the blowers or the mixers are running. They usually go from .08 to 1.07 which is good. And we can control when the blowers are on & off.

Member Ashbaugh asked about the effluent average daily discharge amount.

Mr. Salayandia replied that we have been averaging about 750 thousand gallons per day.
Arnie Castaneda, Water Department Supervisor reported that the crews dug up the spring on Magnolia Street. It took about 3 days to get that under control. There were some drain lines that went into the River and they were 98% blocked due to roots.

Member Pacourek asked how the compost was moving.

Mr. Salayandia replied that samples were taken to Las Cruces last week so they should know some time this week if it's going to pass. The compost that they have at the Wastewater Facility is almost gone.

Discussion/Update: Sanitation Department – Andy Alvarez, Sanitation Director:

Andy Alvarez, Sanitation Director reported the following:

- Mr. Alvarez handed out pictures of the new fork lift that they bought with Grant Funds. The total cost of the forklift was $36,742. They were awarded $32,200 for the purchase of the forklift and the remaining balance was paid with money he had in his budget.
- The Sanitation Department has been approved to purchase additional trucks.
- He is in search of funding for a new backhoe.
- He has been talking to Businesses on Broadway (where they are doing construction on the sidewalks) about keeping dumpsters off the sidewalks. He is probably going to be pushing them into Poly-carts. He doesn't want to see dumpsters go back in the alley because that will eventually end in illegal dumping.

Member Pacourek asked if there is going to be an annual or bi-annual pickup of white boxes, or couches.

Mr. Alvarez responded that is something they need to look into down the road. If they decide to start providing that service then a truck will have to be purchased for that. Right now there is no charge for white goods like stoves, freezers, refrigerators, air conditioners, and hot water heaters. They just need to take it to the Facility.

Member Avelar asked if Mr. Alvarez has enough CDL Drivers.

Mr. Alvarez replied "yes". He is working with a few of his employees to get their permits.

Discussion/Update: Electric Department – Tammy Gardner, Electric Division Admin. Assistant:

Tammy Gardner, Electric Division Admin Assistant reported the following:

- They are waiting on the engineers for High School fitness center and hospital.
- They just received their new bucket truck on March 10th.
- They will start on the 3 phase connection for the T or C Brewery Co.
- They are in the process of getting the electric put in for the RV spots at the City Rodeo Arena.
- She has been in contact with other Municipalities to see how they factor their pass-thru.
Discussion/Action: Electric pass-thru/Energy Cost Adjustment—George Szigeti, Chairman:

Chairman Szigeti reviewed his proposal of the pass-thru/Energy Cost. He believes that the pass-thru rate worked back before the Solar Array was installed, but now it does not accurately reflect the cost of electricity. Pass-thru charge kind of makes it sound like “tax” and the name pass-thru does not reflect what it actually is. He feels that using the term “energy cost adjustment” would be more meaningful to the customer; it will tell them exactly what it is. We are changing that cost based upon what we are paying for electricity.

Vice Chairman Dornbusch noted that if we are going to be doing one rate why not just call it a tax and add it to the bottom line of the Utility Bill so were are not paying a “tax on tax”.

Chairman Szigeti mentioned that the Electric Department may be affected by this change.

City Manager Fuentes noted that the Electric Department’s revenue would not be affected. Any changes would affect other departments such as Water, Wastewater, and Solid Waste.

Chairman Szigeti noted that they don’t want to adversely impact the city by taking away the money that they are counting on having there. With the $450,000 that the city is not getting from the state this year, that makes this money even more critical to the city for operational purposes.

Vice Chairman Dornbusch noted that it is a formula to calculate the changes in the cost of electricity and when it’s not done on a monthly basis then it looks more like a “tax” if it’s just set annually at a certain rate. He would recommend that the city start implementing a monthly re-calculation of the pass-thru and/or energy cost adjustment so that the consumer doesn’t feel like this is just a tax that has been thrown on above the final line for revenue purposes.

Member Ashbaugh asked why they have to adjust this rate right now, because it seems to him that the city seems to be having some budget issues.

Member Pacourek noted that it’s been in discussion for a while and the Solar has not been applied to this pass-thru rate. He feels that it should be calculated monthly and the Solar Array should be included in the calculation.

City Manager Fuentes noted that the system ADG that we used to have was not a sophisticated system. As you are all aware, we went to a new system Tyler, which is a lot more sophisticated. We have had a few issues with Tyler, but we seem to be getting back on track. Even with a more sophisticated system, to try to do this monthly would be a challenge. Even some of the things we have had to deal with in other areas like water, and wastewater fees sometimes is a challenge and have to be adjusted on an annual basis. He feels that an annual adjustment would work best.

Chairman Szigeti feels that this is a simple enough formula that you can make an excel sheet, set up to where you input seven numbers, and it gives you a total at the bottom, then that number would have to be put into Tyler for that rate.

Chairman Szigeti moved that they recommend to the City Commission that they change from the pass-thru to the energy cost adjustment using the new inclusive formula, and that this value be re-calculated and applied to the bills on a monthly basis. (Chairman Szigeti will provide the formula at a later date).
Member Pacourek seconded the motion.

Member Ashbaugh asked to abstain from the motion due to sheer ignorance.

Chairman George Szigeti voted aye
Vice Chairman Jeff Dornbusch voted aye
Member Ron Pacourek voted aye
Member Gil Avelar voted aye

Motion carried.

COMMENTS FROM THE BOARD:

Member Ashbaugh thanked the Board for electing him to serve on the Board.

Vice Chairman Dornbusch made a statement concerning Mr. Wittern’s comment. He would like to see some way for when everything is finalized, and they are having a discussion, to have interested members of the public be able to briefly give their input during that period so the Board will have additional information to base their decisions upon.

Chairman Szigeti noted that he spoke with the Utility Department about having the billing format hard coded into the Tyler system. In order to do so, they would have to purchase a software upgrade, and then be trained on how to perform that operation.

Member Pacourek asked about status of the Impact Fee Board.

City Manager Fuentes responded that the item the Utility Board voted on was the makeup of the Board, so that has already been determined, and will be taken to the Commission. The issue the staff was working on with the impact fees (because we had some threatened litigation upon the impact fees) is getting an audit on that done, and checking and comparing that with our plan. Now our staff has a good handle on the impact fees and we are now prepared to move forward with the whole process. The item will go before the City Commission at their next scheduled meeting.

COMMENTS FROM STAFF:

There were no additional comments from staff.

ADJOURNMENT:

There being no further business to come before the Public Utility Advisory Board, George Szigeti, Chairman, declared the meeting adjourned.
PASSED AND APPROVED this 17th day of April, 2017, on a motion duly made by Jeff Durbin, seconded by Bill Avelar, and carried.

George Szigeti, Chairman
Public Utility Advisory Board