



County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

Agenda - Final Board of Public Utilities

*Jeff Johnson, Chair; Stephen McLin, Vice-chair; Paul
Frederickson, Kathleen Taylor and Carrie Walker, Members
Tim Glasco, Ex Officio Member
Harry Burgess, Ex Officio Member
Susan O'Leary, Council Liaison*

Wednesday, September 20, 2017

5:30 PM

1000 Central Avenue
Council Chambers

REGULAR SESSION

Complete Board of Public Utilities agenda packets, past agendas, videos, legislation and minutes can be found online at <http://losalamos.legistar.com/Calenar.aspx>. Learn more about the Board of Public Utilities at <http://www.losalamosnm.us/gov/bcc/utilitiesboard>.

PUBLIC COMMENTS:

Please submit written comments to the Board at bpu@lacnm.us. Oral public comment is accepted during the two periods identified on the agenda and after initial board discussion on a business item, prior to accepting a main motion on an item. Oral comments should be limited to four minutes per person. Requests to make comments exceeding four minutes should be submitted to the Board in writing prior to the meeting. Individuals representing or making a combined statement for a large group may be allowed additional time at the discretion of the Board. Those making comments are encouraged to submit them in writing either during or after the meeting to be included in the minutes as attachments. Otherwise, oral public comments will be summarized in the minutes to give a brief succinct account of the overall substance of the person's comments.

1. CALL TO ORDER

2. PUBLIC COMMENT

This section of the agenda is reserved for comments from the public on Consent Agenda items or items that are not otherwise included in this agenda.

3. APPROVAL OF AGENDA

4. BOARD BUSINESS

4.A. Chair's Report

4.B. Board Member Reports

4.C. Utilities Manager's Report

4.D. County Manager's Report**4.E. Council Liaison's Report****4.F. Environmental Sustainability Board Liaison's Report****4.G. General Board Business**

- 4.G.1** [9893-17](#) Follow-up to Board of Public Utilities/ County Council Subcommittee Meetings and Joint Meeting on September 19th, 2017

Presenters: Jeff Johnson, Chair of the Board of Public Utilities

PG. 1

- 4.G.2** [9604-17](#) Approval of Department of Public Utilities Mission, Vision and Values, Goals and Objectives

Presenters: Tim Glasco, Utilities Manager

PG. 2 - 22

- 4.G.3** [9468-17](#) Quarterly Conservation Program Update

Presenters: James Alarid, Deputy Utilities Manager - Engineering

PG. 23

4.H. Approval of Board Expenses**4.I. Preview of Upcoming Agenda Items****5. PUBLIC HEARING(S)**

There are no public hearings scheduled for this meeting.

6. CONSENT AGENDA

The following items are presented for Board approval under a single motion unless any item is withdrawn by a member for further Board consideration in the "Business" section of the agenda.

CONSENT MOTION -

I move that the Board of Public Utilities approve the items on the Consent Agenda as presented and that the motions in the staff reports be included in the minutes for the record.

OR

I move that the Board of Public Utilities approve the items on the Consent Agenda as amended and that the motions contained in the staff reports, be included in the minutes for the record.

6.A [9915-17](#)

Approval of Board of Public Utilities Meeting Minutes

Presenters: Board of Public Utilities

PG. 24 - 35

6.B [9867-17](#)

Approval of Budget Carryover from FY2017 to FY2018 for Electric Production and Budget Revision 2018-05

Presenters: Bob Westervelt, Deputy Utilities Manager - Finance/Admin

PG. 36 - 38

6.C [9891-17](#)

Award of IFB 18-08 for the Purpose of the Los Alamos Canyon Non-potable Water Line Installation to Gandy Dancer, LLC in the Amount of \$600,350.00, plus Applicable Gross Receipts Tax.

Presenters: James Alarid, Deputy Utilities Manager - Engineering

PG. 39 - 41

6.D [9909-17](#)

Approval of Amendment #1 to Task Order No. 1 Under Services Agreement No. AGR17-45 with Alpha Southwest, Inc. in the amount of \$12,650.24, for a Revised Task Order Amount of \$73,695.24, plus Applicable Gross Receipts Tax, for the Purpose of Chlorine Generator Equipment Acquisition and Installation for Pajarito Booster 2

Presenters: Jack Richardson, Deputy Utilities Manager - GWS Services

PG. 42 - 61

6.E [9913-17](#)

Approval of Task Order No. 2 Under Services Agreement No. AGR17-45 with Alpha Southwest, Inc. in the amount of \$72,195.24, plus Applicable Gross Receipts Tax, for the Purpose of Chlorine Generator Equipment Acquisition and Installation for Otowi Booster Station No. 2

Presenters: Jack Richardson, Deputy Utilities Manager - GWS Services

PG. 62 - 64

7. BUSINESS

There are no items on the Business section of the agenda.

8. STATUS REPORTS**8.A [9916-17](#) Status Reports**

Presenters: Board of Public Utilities

PG. 65 - 77

9. PUBLIC COMMENT

This section of the agenda is reserved for comments from the public on any items.

10. ADJOURNMENT

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the County Human Resources Division at 662-8040 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes can be provided in various accessible formats. Please contact the personnel in the Department of Public Utilities (505) 662-8132 if a summary or other type of accessible format is needed.



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.G.1
Index (Council Goals): BCC - N/A
Presenters: Jeff Johnson, Chair of the Board of Public Utilities
Legislative File: 9893-17

Title

Follow-up to Board of Public Utilities/ County Council Subcommittee Meetings and Joint Meeting on September 19th, 2017

Recommended Action

None

Staff Recommendation

None

Body

By the time of the September 20th regular Board of Public Utilities meeting, the BPU/Council subcommittee will have met twice and the full BPU and Council will have had a joint meeting on September 19th. This item is a placeholder for the Board to have any continued discussions from those meetings and gives the subcommittee members an opportunity to report to the rest of the Board.

Alternatives

None

Fiscal and Staff Impact

None

Attachments

None



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.G.2
Index (Council Goals): BCC - N/A
Presenters: Tim Glasco, Utilities Manager
Legislative File: 9604-17

Title

Approval of Department of Public Utilities Mission, Vision and Values, Goals and Objectives

Recommended Action

I move that the Board of Public Utilities affirm the existing Mission, Vision and Values statements, and adopt the FY2019 Goals and Objectives as presented.

Staff Recommendation

Staff recommends adoption of the FY2019 Objectives and Goals and affirmation of the existing Mission, Vision and Values statements.

Body

DPU Senior Staff held our annual Strategic Planning Meeting on August 29th and 30th of this year. At that time the Mission, Vision and Values were evaluated to see if changes were required. Input from the Utilities Board was that the existing statements were acceptable for another year. Staff did not see any need for revising the Mission, Vision and Values statements either. Goals were reviewed and somewhat simplified to the list as shown in the attachment. Action Plans were developed and prioritized for each strategic objective and correspond to the work the DPU will be doing over the coming year to ultimately accomplish the Goals and Objectives.

The strategic objectives remain basically the same as previous years, although some items which were previously listed as objectives have been revised and reclassified as measures. For instance, there was previously a goal for reducing sewer overflows per mile of pipe. It is now a measure that is measured against a national standard. An attempt was made to match measures to correspond to each strategic objective. The list of measures and strategic objectives is attached. The Objective of decreasing Gallons Per Capita Per Day (GPCD) water use by 12% was revised, as we have already met that objective. The new Objective is to reduce our GPCD by 9% below the previous 10 year average (to 131 GPCD).

The Mission Vision and Values statements are provided below for reference. The revised Strategic Objectives and Performance Measures are provided in the attachments.

MISSION

Provide safe and reliable utility services in an economically and environmentally sustainable fashion.

VISION

Be a high-performing utility matched to our community, contributing to its future with diversified and innovative utility solutions.

VALUES

We value our:

CUSTOMERS by being service oriented and fiscally responsible;

EMPLOYEES AND PARTNERSHIPS by being a safe, ethical and professional organization that encourages continuous learning;

NATURAL RESOURCES through innovative and progressive solutions;

COMMUNITY by being communicative, organized and transparent.

Alternatives

The Board can accept the Mission, Vision and Values as retained by the DPU, or change them. Similarly, the Board can change the Goals and Objectives if necessary.

Fiscal and Staff Impact

None

Attachments

A - DPU Goals and Strategic Objectives (For Approval)

B - Strategic Objective Performance Measures Summary List (Informational)

C - Presentation - Examples of Strategic Objective Performance Measures (Informational)

FOCUS AREA - OPERATIONS & PERFORMANCE

GOAL - 1.0 Provide safe and reliable utility services.

- 1.1 OBJECTIVE - WATER (WP/NP/DW) - Efficiently deliver safe and reliable water utility services.
- 1.2 OBJECTIVE - GAS - Efficiently deliver safe and reliable gas utility services.
- 1.3 OBJECTIVE - SEWER (WWC & WWT) - Efficiently deliver safe and reliable sewer utility services.
- 1.4 OBJECTIVE - ELECTRIC (EP) - Efficiently deliver safe and reliable electric production utility services.
- 1.5 OBJECTIVE - ELECTRIC (ED) - Efficiently deliver safe and reliable electric distribution utility services.
- 1.6 OBJECTIVE - BUSINESS SYSTEMS - Efficiently implement and maintain secure and reliable business systems.
- 1.7 OBJECTIVE - Utility control and mapping systems and processes are accurate, safe and secure.
- 1.8 OBJECTIVE - Develop a culture of continuous improvement.

FOCUS AREA - FINANCIAL PERFORMANCE

GOAL - 2.0 Achieve and maintain excellence in financial performance.

- 2.1 OBJECTIVE - Utilize revenues to provide a high-level of service while keeping rates competitive with similar utilities.
- 2.2 OBJECTIVE - Conduct cost of service studies for each utility at least every 5 years.
- 2.3 OBJECTIVE - Meet financial plan targets by 2025.
- 2.4 OBJECTIVE - Achieve workplans while operating within budget.

FOCUS AREA - CUSTOMERS & COMMUNITY

GOAL - 3.0 Be a customer service oriented organization that is communicative, efficient, and transparent.

- 3.1 OBJECTIVE - Customer service processes and systems are efficient and user-friendly.
- 3.2 OBJECTIVE - Stakeholders are engaged in and informed about Utilities operations affecting the community.

FOCUS AREA - WORKFORCE

GOAL - 4.0 Sustain a capable, satisfied, engaged, ethical and safe workforce focused on customer service.

- 4.1 OBJECTIVE - Leaders invest in employee training and professional development.
- 4.2 OBJECTIVE - Employees promote a culture of safe and ethical behavior.
- 4.3 OBJECTIVE - Employees are engaged, satisfied and fairly compensated.

FOCUS AREA - ENVIRONMENTAL SUSTAINABILITY

GOAL - 5.0 Achieve environmental sustainability.

- 5.1 OBJECTIVE - ELECTRIC (EP & ED) Be a carbon neutral electric provider by 2040.
- 5.2 OBJECTIVE - ELECTRIC (ED) - Electrical efficiency is promoted through targeted energy conservation programs.
- 5.3 OBJECTIVE - WATER (DW) – Gallons per capita per day (GPCD) potable water use is reduced by 9% by 2030.
- 5.4 OBJECTIVE - GAS – Customer heating efficiency is improved to reduce gas usage by 3% by 2030.
- 5.5 OBJECTIVE - SEWER (WWT) - Class 1A effluent water is provided in White Rock.

FOCUS AREA - PARTNERSHIPS

GOAL - 6.0 Develop and strengthen partnerships with stakeholders.

- 6.1 OBJECTIVE - Communicate with stakeholders to strengthen existing partnerships and identify new potential mutually beneficial partnering opportunities.

DEPARTMENT OF PUBLIC UTILITIES
STRATEGIC OBJECTIVE
PERFORMANCE MEASURES
SUMMARY LIST

INTRODUCTION

The Department of Public Utilities (DPU) is committed to continuous improvement as a data driven organization. The DPU has historically used a variety of operational and performance measures for reviewing overall performance, improving operations, accomplishing change management, strategic planning and comparing performance with best-practice and industry benchmarks.

Using the framework of the Malcolm Baldrige criteria for performance excellence, the DPU has defined key strategic goals and objectives tied directly to its mission, vision and values. More recent focus on tying measures to specific strategic objectives as key performance indicators has progressed since the 2014 Quality New Mexico Zia application and feedback process. Measures continue to be refined by establishing quantitative targets related to each strategic objective. *Some of the measures are new and were identified as a result of the Strategic Planning Workshop held in August 2017.*

The DPU regularly tracks many different measures, which are not all included in this document. Those specifically related to the strategic objectives track at a very high level the Departments progress in achieving overall desired goals and outcomes.

Every fiscal year, the DPU Senior Management Team (SMT) identifies annual action plans that correspond to each strategic objective to either maintain an already high level of performance or to improve operations where necessary. When determining how best to allocate resources for action plans, the data from the strategic objective metrics can serve as an important tool, especially when faced with competing priorities and limited resources. According to the Baldrige Criteria for Performance Excellence, "Action Plan development represents the critical stage in planning when strategic objectives and goals are made specific so that effective, organization-wide understanding and deployment are possible." Annual action plans are fluid, as they should be, to account for unforeseen challenges or to take advantage of opportunities. Action plans may include capital improvement projects, ongoing operations and maintenance activities, implementing new processes, responding to Board of Public Utilities directives, acting on regulatory requirements, training employees, working with partners or communicating with the community.

This document is a summary list of strategic objective measures; therefore, details about specific targets and benchmarks are not necessarily included here. Some measures are selected specifically because they have industry benchmarks against which DPU can compare itself, while others may be selected because the data simply provides a good snapshot of overall performance. Measures may be tracked at different frequencies through different methods, which might include division operational dashboards, budget reports, safety reports and survey results.

The order in which goals and measures are displayed on the following pages does not indicate level of importance.

**DEPARTMENT OF PUBLIC UTILITIES
STRATEGIC OBJECTIVE
PERFORMANCE MEASURES
SUMMARY LIST**

FOCUS AREA - OPERATIONS & PERFORMANCE

GOAL - 1.0 Provide safe and reliable utility services.

STRATEGIC OBJECTIVES	#	MEASURE
1.1 WATER (WP/NP/DW) - Efficiently deliver safe and reliable water utility services.	1.1.1	(SAF) Safe drinking water compliance
	1.1.2	(REL) Main breaks per 100 miles of line (WP/NP/DW)
	1.1.3	(EFF) Unaccounted for water loss (DW)
	1.1.4	(EFF) Energy consumption per million gallons of water produced (WP)
	1.1.5	(EFF) O&M expenditures per 1000 gallons (WP/NP)
	1.1.6	(EFF) O&M expenditure per customer account (DW)
1.2 GAS - Efficiently deliver safe and reliable gas utility services.	1.2.1	(REL SAF) Gas leaks per mile of main
	1.2.2	(REL SAF) Gas leaks per number of services
	1.2.3	(EFF) Revenue per therm delivered
	1.2.4	(EFF) Unaccounted for gas %
	1.2.5	(EFF) O&M expenditure per customer account
	1.2.6	(SAF) PHMSA (pipeline safety) recordable incidents
1.3 SEWER (WWC & WWT) - Efficiently deliver safe and reliable sewer utility services.	1.3.1	(REL SAF) Sewer claims and total payout per year
	1.3.2	(REL SAF) Sewer overflow events per 100 miles of pipe
	1.3.3	(EFF) Sanitary sewer affordable index (MHI)
	1.3.4	(REL SAF) Compliance for the WWTP effectiveness
	1.3.5	(EFF) Energy consumption per million gallons treated
	1.3.6	(EFF) O&M expenditure per customer account
1.4 ELECTRIC (EP) - Efficiently deliver safe and reliable electric production utility services.	1.4.1	(EFF) Total power supply expense per total kWh sold
	1.4.2	(EFF) Purchase power cost per kWh
	1.4.3	(REL) Hydroelectric equivalent availability factor (EAF) by unit
1.5 ELECTRIC (ED) - Efficiently deliver safe and reliable electric distribution utility services.	1.5.1	(REL) System Average Interruption Duration Index (SAIDI)
	1.5.2	(REL) System Average Interruption Frequency Index (SAIFI)
	1.5.3	(EFF) Capital cost per kWh delivered
	1.5.4	(EFF) System losses %
	1.5.5	(EFF) O&M expenditures per kWh
1.6 BUSINESS SYSTEMS - Efficiently implement and maintain secure and reliable business systems.	1.6.1	Write-offs as a % of revenue
	1.6.2	# of billing adjustments
	1.6.3	# of meter rereads/total number of reads
	1.6.4	% of calls answered before going to voicemail
	1.6.5	High/Low read volume
1.7 Utility control and mapping systems and processes are accurate, safe and secure.	1.7.1	Damages per 1000 locates
1.8 Develop a culture of continuous improvement.	1.8.1	Emergency exercises completed
	1.8.2	# of safety and work improvement forms received and implemented
	1.8.3	# of operational procedure reviews and revisions

**DEPARTMENT OF PUBLIC UTILITIES
STRATEGIC OBJECTIVE
PERFORMANCE MEASURES
SUMMARY LIST**

FOCUS AREA - FINANCIAL PERFORMANCE

GOAL - 2.0 Achieve and maintain excellence in financial performance.

STRATEGIC OBJECTIVES	#	MEASURE
2.1 Utilize revenues to provide a high-level of service while keeping rates competitive with similar utilities.	2.1.1	Administrative cost per customer account
	2.1.2	Past due receivables by dollar and number of accounts
	2.1.3	Average bill by utility compared to similar utilities
	2.1.4	Debt ratio
	2.1.5	Operating ratios - Actual total operating revenue vs. budgeted
	2.1.6	Operating ratios - Actual O&M expenditures vs. budgeted
	2.1.7	Return on assets
2.2 Conduct cost of service studies for each utility at least every 5 years.	2.2.1	Was a study conducted annually on a different utility service each time
2.3 Meet financial plan targets by 2025.	2.3.1	Amount of cash reserves by utility for each reserve category
2.4 Achieve workplans while operating within budget.	2.4.1	Budget vs. actuals for each utility

FOCUS AREA - CUSTOMERS & COMMUNITY

GOAL - 3.0 Be a customer service oriented organization that is communicative, efficient, and transparent.

STRATEGIC OBJECTIVES	#	MEASURE
3.1 Customer service processes and systems are efficient and user-friendly.	3.1.1	Average customer wait time
	3.1.2	Average talk time
	3.1.3	% of abandoned calls
	3.1.4	Call volume
	3.1.5	# of customers using alternative payment methods
	3.1.6	Customer service complaints per 1000 accounts
	3.1.7	Customer perception - are employees knowledgeable
	3.1.8	Customer perception - are employees courteous
	3.1.9	Customer perception - are employees able to handle customer requests
	3.1.10	Customer perception - overall value of cost vs. quality of services
	3.1.11	Customer perception - reliability of services
	3.1.12	Customer perception - customer satisfaction by utility service
	3.1.13	Customer perception - overall customer satisfaction for department
3.2 Stakeholders are engaged in and informed about Utilities operations affecting the community.	3.2.1	Net Promoter Score (residential and commercial)
	3.2.2	# of online Open Forum visits and responses annually
	3.2.3	# of public meetings held and attendance
	3.2.4	Website and social media visits and analytics
	3.2.5	# of communications to inform the community (e.g. press releases)

**DEPARTMENT OF PUBLIC UTILITIES
STRATEGIC OBJECTIVE
PERFORMANCE MEASURES
SUMMARY LIST**

FOCUS AREA - WORKFORCE

GOAL - 4.0 Sustain a capable, satisfied, engaged, ethical and safe workforce focused on customer service.

STRATEGIC OBJECTIVES	#	MEASURE
4.1 Leaders invest in employee training and professional development.	4.1.1	Training time spent per FTE
	4.1.2	Training dollars spent per FTE
	4.1.3	Succession matrix - % of employees cross-trained to fill critical functions
4.2 Employees promote a culture of safe and ethical behavior.	4.2.1	OSHA Incident Rate Report
	4.2.2	# of disciplinary actions
	4.2.3	% of employees completing the County Conflict of Interest forms
	4.2.4	% of employees completing County ethics related training
	4.2.5	# of employees nominated for Safety Employee of the Quarter
4.3 Employees are engaged, satisfied and fairly compensated.	4.3.1	Comparative turnover rate (voluntary separations)
	4.3.2	# of employee grievances
	4.3.3	Total sick leave hours taken per employee
	4.3.4	Promotions per years of service
	4.3.5	Minorities in management or supervisory positions
	4.3.6	Average salary (salary survey for field personnel)
	4.3.7	Average salary increase
	4.3.8	Employee perception – overall satisfaction with their job
	4.3.9	Employee perception – how engaged do employees feel

FOCUS AREA - ENVIRONMENTAL SUSTAINABILITY

GOAL - 5.0 Achieve environmental sustainability.

STRATEGIC OBJECTIVES	#	MEASURE
5.1 ELECTRIC (EP & ED) Be a carbon neutral electric provider by 2040.	5.1.1	Total non-hydrocarbon electric generation resource projections (kilowatts)
	5.1.2	% of power derived from non-hydrocarbon sources
	5.1.3	Increased distributed generation compared per capita
5.2 ELECTRIC (ED) - Electrical efficiency is promoted through targeted energy conservation programs.	5.2.1	# of student participation in PEEC educational presentations
	5.2.2	# of contacts made with people through outreach programs
5.3 WATER (DW) – Gallons per capita per day (GPCD) potable water use is reduced by 9% by 2030.	5.3.1	Gallons of non-potable water used (in thousands)
	5.3.2	Total system gallons per capita per day (GPCD) used (NP/WP)
5.4 GAS – Customer heating efficiency is improved to reduce gas usage by 3% by 2030.	5.4.1	Winter natural gas consumption
	5.4.2	Therms per capita per heating degree day used
5.5 SEWER (WWT) - Class 1A effluent water is provided in White Rock.	5.5.1	Efforts continue to be made to provide class 1A effluent water in White Rock with a new date target to be defined in FY2018.

FOCUS AREA - PARTNERSHIPS

GOAL - 6.0 Develop and strengthen partnerships with stakeholders.

STRATEGIC OBJECTIVES	#	MEASURE
6.1 Communicate with stakeholders to strengthen existing partnerships and identify new potential mutually beneficial partnering opportunities.	6.1.1	# of meetings with stakeholders

Department of Public Utilities

Examples of
Strategic Objective Performance Measures
September 20, 2017
Timothy A. Glasco, Utilities Manager



DPU MISSION / VISION / VALUES

MISSION

Provide safe and reliable utility services in an economically and environmentally sustainable fashion.

VISION

Be a high-performing utility matched to our community, contributing to its future with diversified and innovative utility solutions.

VALUES

We value our:

- ❖ CUSTOMERS by being service oriented and fiscally responsible;
- ❖ EMPLOYEES AND PARTNERSHIPS by being a safe, ethical and professional organization that encourages continuous learning;
- ❖ NATURAL RESOURCES through innovative and progressive solutions;
- ❖ COMMUNITY by being communicative, organized and transparent.



The DPU tracks a variety of operational and performance measures for:

Reviewing overall performance

Improving operations

Strategic planning

Change management

Comparisons to best-practices & industry benchmarks



STRATEGIC OBJECTIVE MEASURES

DPU has defined key strategic goals and objectives tied directly to its mission, vision and values.

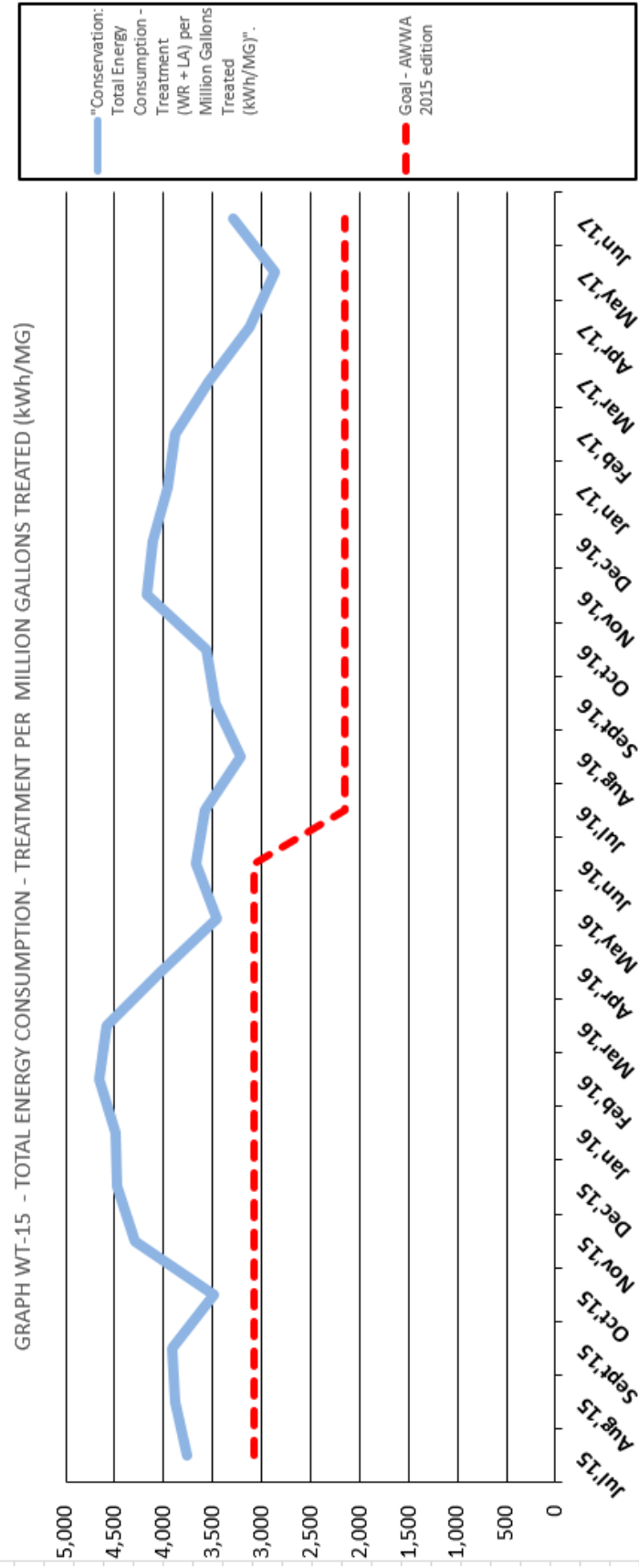
Those measures tied to specific strategic objectives track at a *very high level* the Department's progress in achieving overall desired goals and outcomes.

These types of measures help to guide action plan development, which is the critical stage in planning when strategic objectives and goals are made specific for effective, organization-wide understanding and deployment.

The following slides show just a few examples of strategic objective measures DPU regularly tracks against quantitative targets.

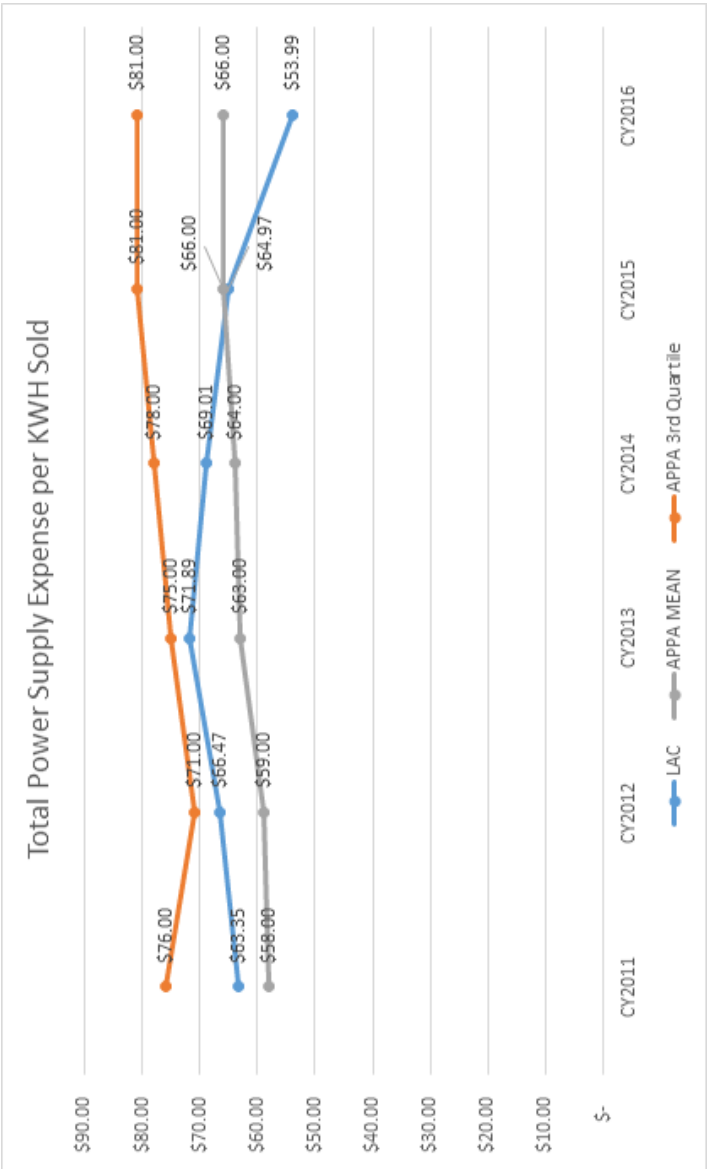


Strategic Objective 1.3 – SEWER (WWC & WWT) – Efficiently deliver safe and reliable sewer utility services.
Example Measure 1.3.5 – Energy consumption per million gallons treated.

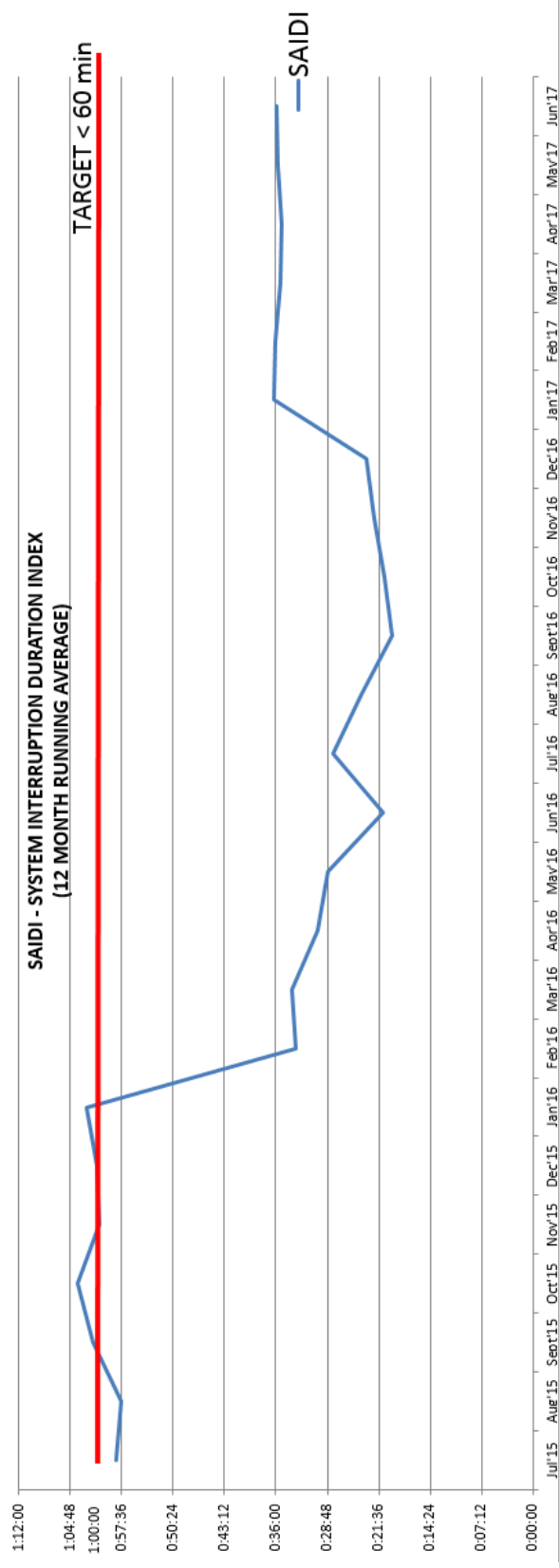


Strategic Objective 1.4 – ELECTRIC (EP) Efficiently deliver safe and reliable electric production utility services.

Example Measure 1.4.1 – Total power supply expense per total kWh sold



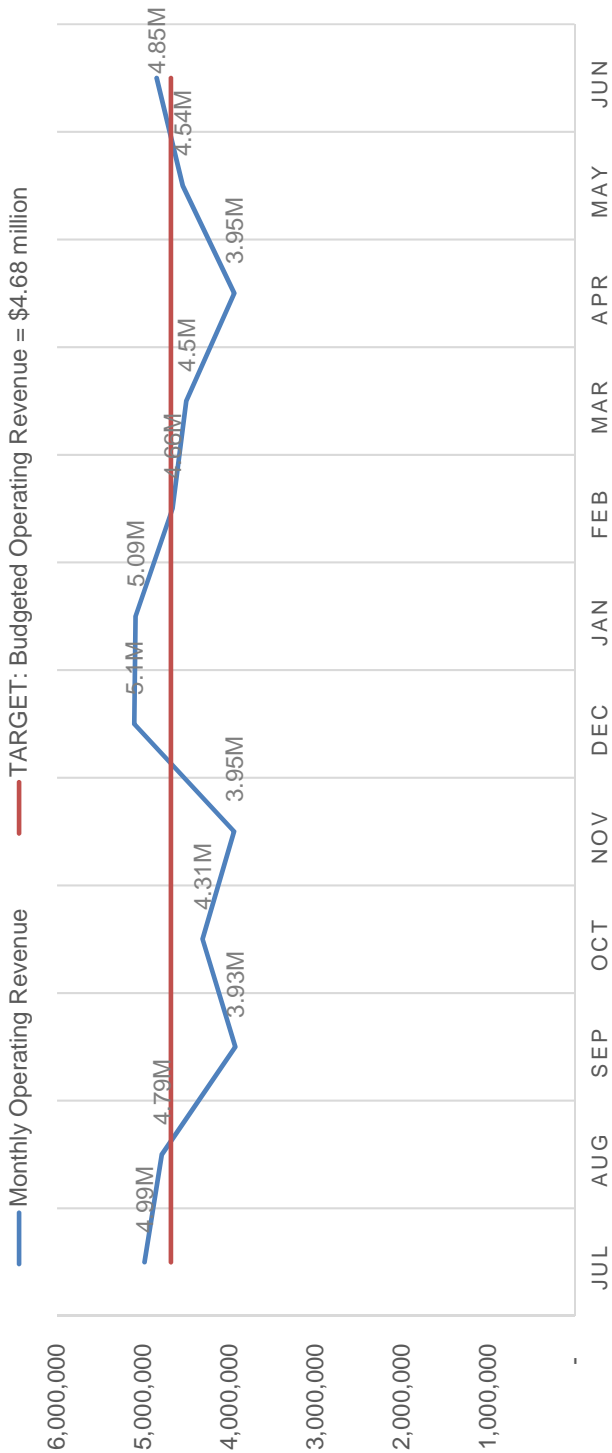
Strategic Objective 1.5 – Efficiently implement and maintain secure and reliable business systems.
Example Measure 1.5.1 – System Average Interruption Duration Index (SAIDI)



Strategic Objective 2.1 – Utilize revenues to provide a high-level of service while keeping rates competitive with similar utilities.

Example Measure 2.1.5 – Operating ratios - actual total operating revenue vs. budgeted

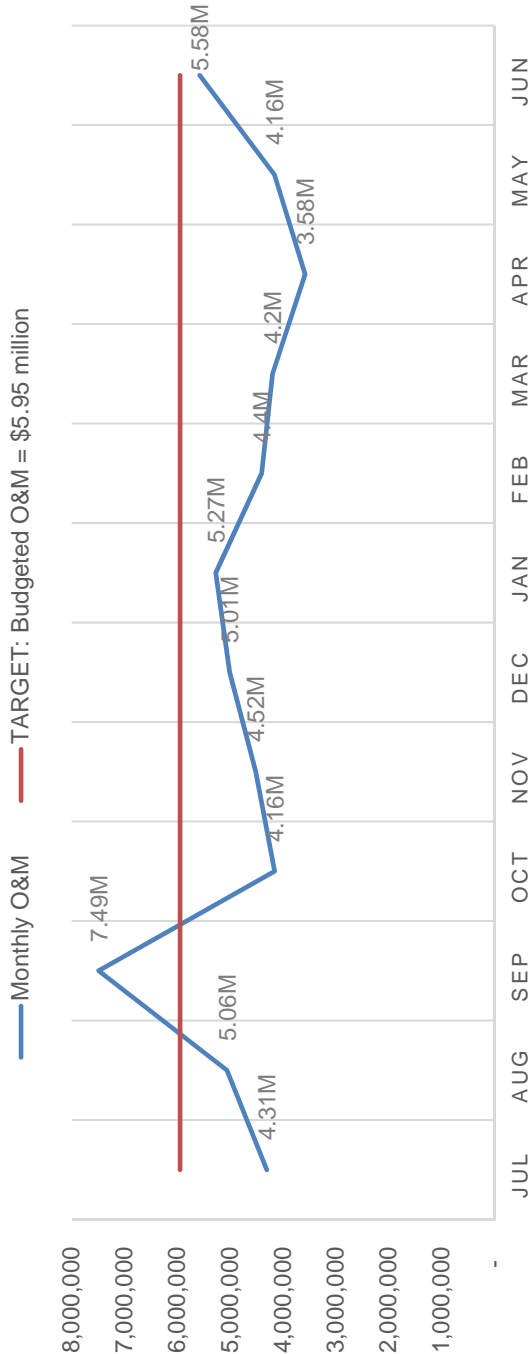
TOTAL OPERATING REVENUE FY17



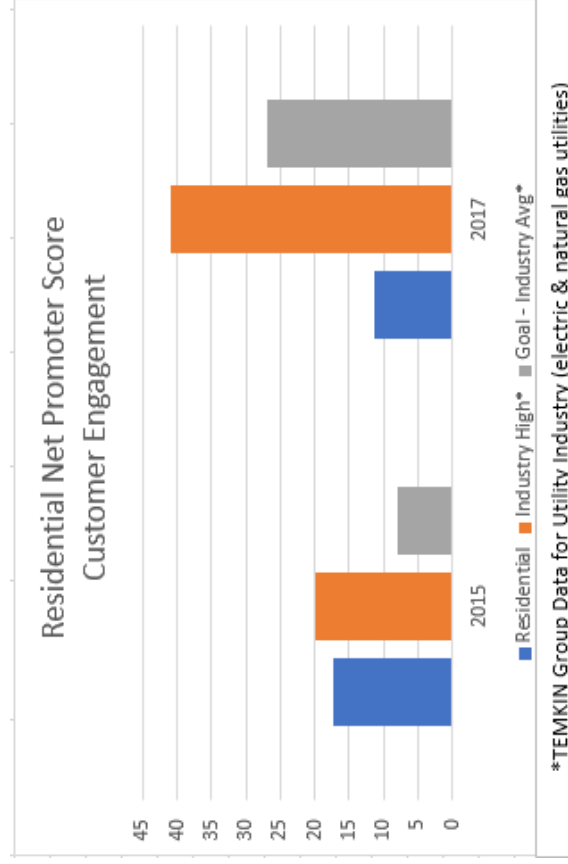
Strategic Objective 2.1 – Utilize revenues to provide a high-level of service while keeping rates competitive with similar utilities.

Example Measure 2.1.6 – Operating ratios - actual total O&M expenditures vs. budgeted

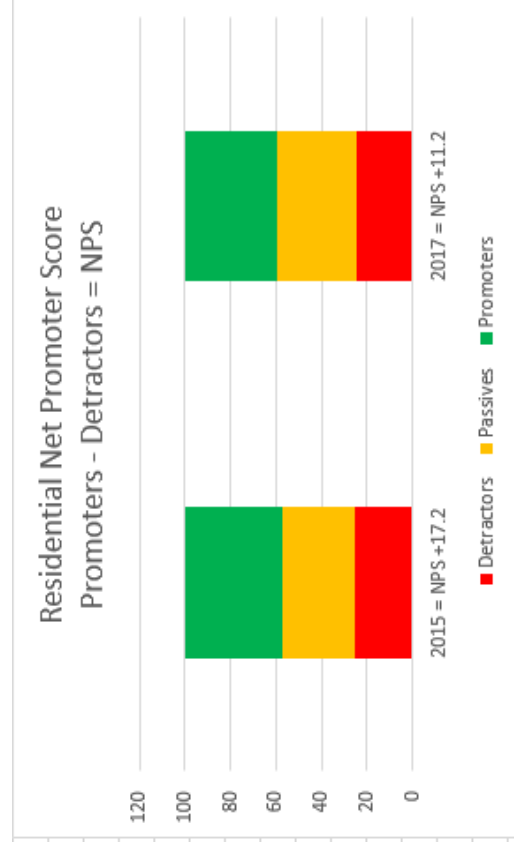
TOTAL O&M EXPENDITURES FY2017



Strategic Objective 3.2 – Stakeholders are engaged in and informed about Utilities operations affecting the community.
Example Measure 3.2.1 – Net Promoter Score (Residential)

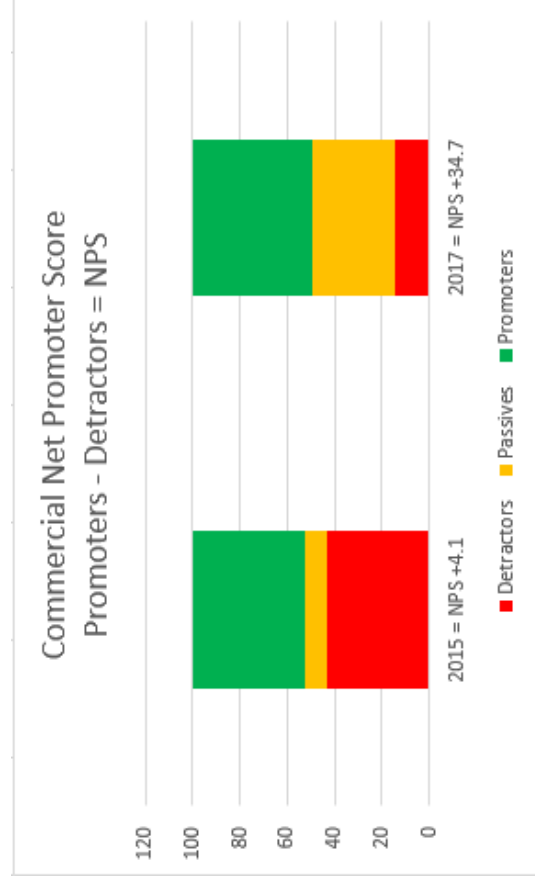
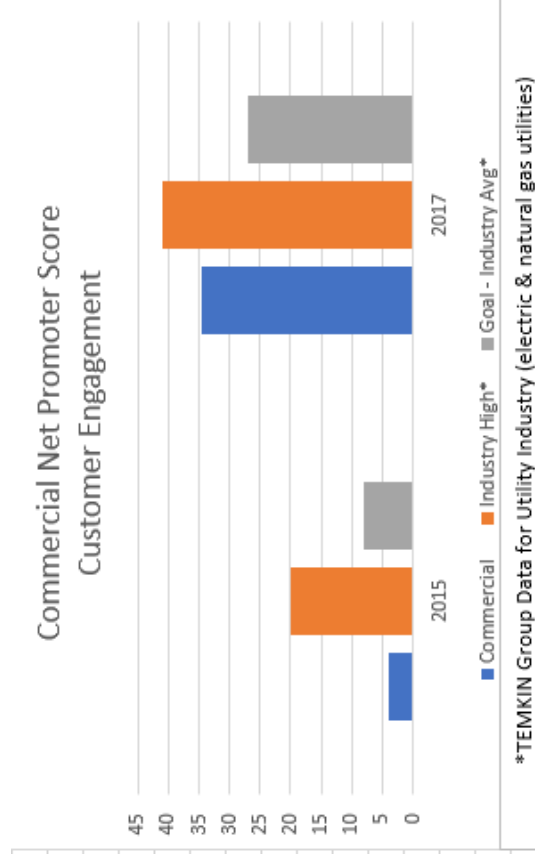


*TEMKIN Group Data for Utility Industry (electric & natural gas utilities)



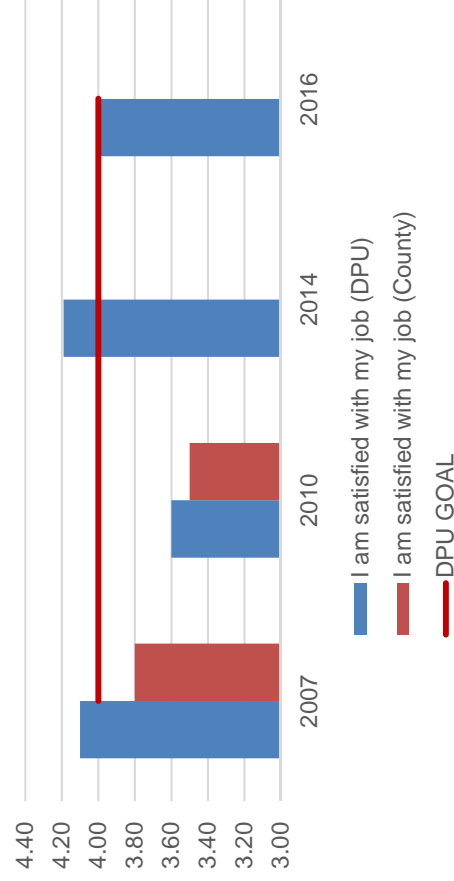
Strategic Objective 3.2 – Stakeholders are engaged in and informed about Utilities operations affecting the community.

Example Measure 3.2.1 – Net Promoter Score (Commercial)

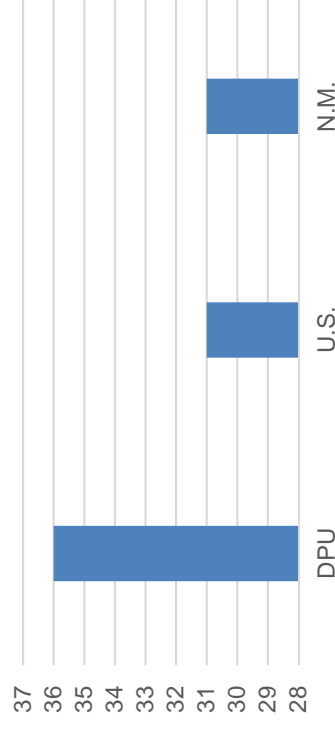


Strategic Objective 4.3 – Employees are engaged, satisfied and fairly compensated.
Example Measure 4.3.8 – Employee perception – overall satisfaction with their job
Example Measure 4.3.9 – Employee perception – how engaged do employees feel

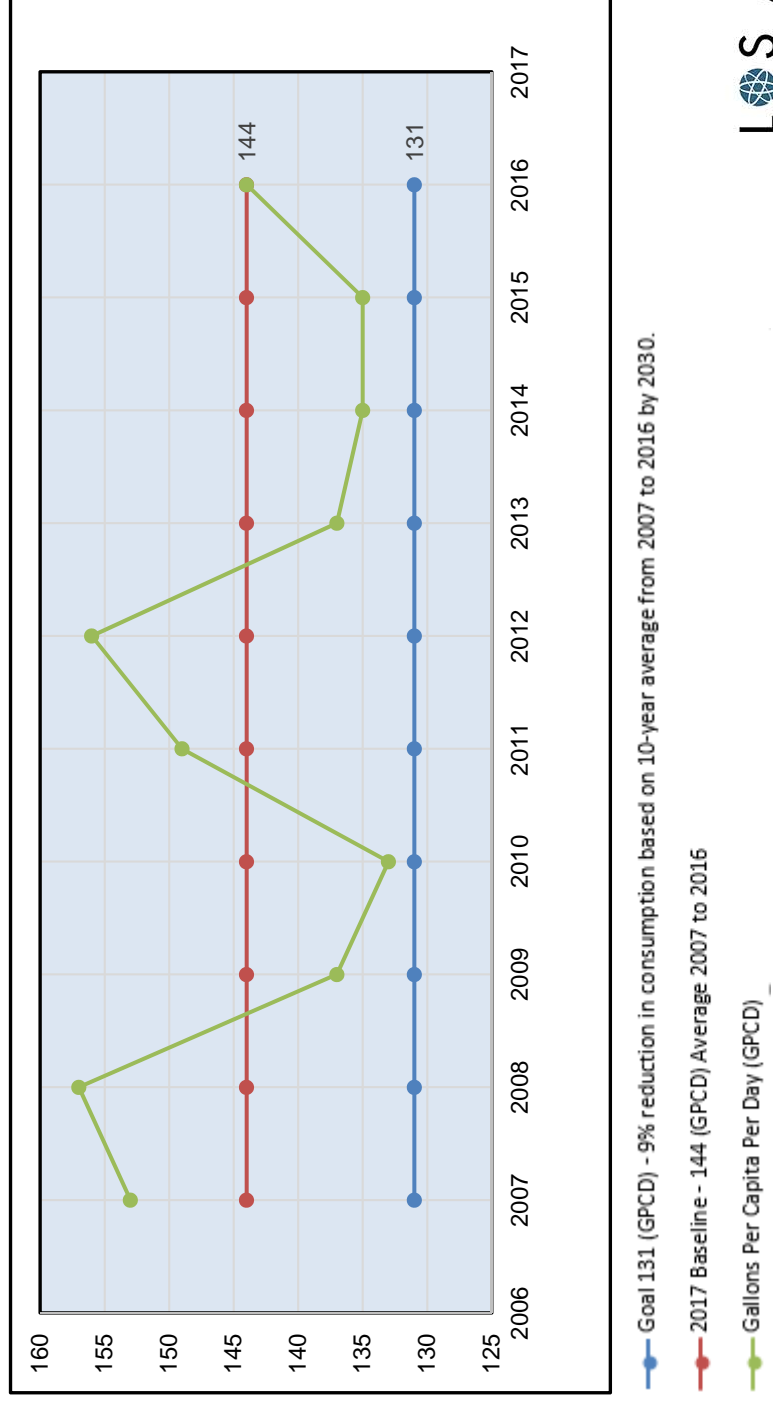
2016 Employee Satisfaction Graph



2016 Percentage of Employees Engaged



Strategic Objective 5.3 – Gallons per capita per day (GPCD) potable water use is reduced by 9% by 2030.
Example Measure 5.3.2 – Total system GPCD used



Questions?





County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.G.3
Index (Council Goals): BCC - N/A
Presenters: James Alarid, Deputy Utilities Manager - Engineering
Legislative File: 9468-17

Title

Quarterly Conservation Program Update

Recommended Action

None

Staff Recommendation

None

Body

Briefing on the third annual water festival and native landscaping outreach at the nature center.

Alternatives

N/A

Fiscal and Staff Impact

None

Attachments

None



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.:	6.A
Index (Council Goals):	BCC - N/A
Presenters:	Board of Public Utilities
Legislative File:	9915-17

Title

Approval of Board of Public Utilities Meeting Minutes

Recommended Action

I move that the Board of Public Utilities approve the meeting minutes of August 16th, 2017 as presented.

Body

REQUESTED REVISIONS TO THE DRAFT MINUTES

Draft minutes are sent to members after each meeting for their review. Members may then send changes to be incorporated prior to final approval of the minutes at the next regular meeting. No changes were requested.

Attachments

A - Draft BPU Regular Session Minutes - August 16th, 2017



LOS ALAMOS

County of Los Alamos
Minutes
Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

*Jeff Johnson, Chair; Stephen McLin, Vice-chair; Paul Frederickson, Kathleen Taylor and
Carrie Walker, Members
Tim Glasco, Ex Officio Member
Harry Burgess, Ex Officio Member
Susan O'Leary, Council Liaison*

Wednesday, August 16, 2017

5:30 PM

1000 Central Avenue
Council Chambers

REGULAR SESSION

1. CALL TO ORDER

The regular meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, August 16, 2017 at 5:30 p.m. at 1000 Central Ave., Council Chambers. Board Chair, Jeff Johnson, called the meeting to order at 5:30 p.m.

Present 5 - Board Member Johnson, Board Member McLin, Board Member Taylor, Board Member Walker and Board Member Burgess

Absent 2 - Board Member Frederickson and Board Member Glasco

Deputy Utilities Manager for Finance and Administration, Mr. Bob Westervelt, attended as Acting Utilities Manager.

2. PUBLIC COMMENT

Mr. Johnson opened the floor for public comment on items on the Consent Agenda and for those not otherwise included on the agenda. There were no comments.

3. APPROVAL OF AGENDA

Mr. McLin moved to approve the agenda as presented. The motion passed by the following vote:

Yes: 4 - Board Member Johnson, Board Member McLin, Board Member Taylor and Board Member Walker

Absent: 1 - Board Member Frederickson

4. BOARD BUSINESS

4.A. Chair's Report

Mr. Johnson reported on the following items:

1) On August 31st at 8:30 a.m., the first BPU and County Council subcommittee meeting will be held. The Board representatives are Kathleen Taylor and Steve McLin. DPU staff representatives are Tim Glasco and Jack Richardson. The Council representatives are

Rick Reiss and Christine Chandler. The County staff representatives are Steve Lynne and Philo Shelton. Mr. McLin is thinking of sending out an e-mail to discuss an agenda for that meeting.

2) On September 19th, the BPU and Council are scheduled to have a joint session. That is a regular Council work session that begins at 6:00 p.m.

3) The Utah Associated Municipal Power Systems (UAMPS) Carbon Free Power Project (CFPP) informational meeting is scheduled for September 12th. If any members wish to attend, they should contact Jaime Kephart or Bob Westervelt.

4.B. Board Member Reports

Board members had nothing to report.

4.C. Utilities Manager's Report

Mr. Glasco was absent. Mr. Bob Westervelt was Acting Utilities Manager. Mr. Westervelt provided a written report, which is included in the minutes as an attachment.

4.D. County Manager's Report

Mr. Burgess reported on the following items:

1) Last week, the Los Alamos Ski Club held a meeting to determine a path forward with respect to their property. The County has been engaged in conversations for several years now. Due to a variety of circumstances, the Ski Club has now taken the tack of transferring 100% of the property to a private operator, Pajarito Recreation, also known as the Sipapu Group. Where the County was going to be a land holder at one time, the difficulties related to the Ski Club's mortgage have caused them to take a different path. Because of that, the County has been working with them on the water line proposed to go up to the ski hill. It is important for the Board to know that as part of that land transfer, one of the requirements the Ski Club is proposing is that the new owners participate in the installation and the cost of the waterline up to 50% of the costs. The County has been waiting to get an agreement after the property transfer, which looks like it may be proceeding at this point. Utilities staff has been working on and a contractor has been looking to complete National Environmental Policy Act (NEPA) permitting activities within the next 12 months. Given that the land is being transferred, it makes this project more doable.

4.E. Council Liaison's Report

Ms. Susan O'Leary was not present. No report was given.

4.F. Environmental Sustainability Board Liaison's Report

Ms. Sue Barns provided a written report, which is included in the minutes as an attachment.

4.G. General Board Business

4.G.1 [9469-17](#) Review of Department of Public Utilities Quarterly Report

Presenters: Tim Glasco

Acting Utilities Manager, Mr. Bob Westervelt, presented this item. The following is the

substance of the item being considered.

The Board requested that the quarterly report be presented each quarter with salient features explained.

The Board discussed this item and requested clarification where necessary.

4.G.2 [9794-17](#)

**Board of Public Utilities Input for the Department of Public Utilities
Upcoming Strategic Planning Workshop for FY2019 and the Annual
Review of the Mission, Vision and Values**

Presenters: Tim Glasco

Board Chair, Mr. Jeff Johnson, presented this item. The following is the substance of the item being considered.

On August 28th & 29th, the Department of Public Utilities Senior Management Team is planning to hold its annual two-day staff workshop for fiscal year 2019 strategic planning. As always, Board members are invited to attend part or all of the workshop as observers as they have in the past; however, in accordance with the Open Meetings Act, any discussion of public business among a quorum of the Board must be held as an open public meeting. At the June meeting, the Board decided to discuss this at the August meeting to provide input prior to the workshop. The Mission, Vision and Value (MVV) statements and the previously approved DPU Goals and Objectives were sent to the Board for review on July 26th. During the 2014 Board self-assessment, the Board decided that it should assume increased ownership and responsibility for the MVV statements. Prior to the workshop, the Board should review the current MVV statements that were approved in 2016, affirm them as-is through general consensus, suggest changes or give additional feedback to staff. The Board may also provide feedback for the goals and objectives to be considered at the workshop. The Board will be asked to formally approve the MVV statements, goals and objectives at the September or October meeting.

The Board discussed this item and requested clarification where necessary.

No changes were suggested for the MVV statements and individual member feedback will be used during the workshop.

4.G.3 [9754-17](#)

**Annual Review and Revision of Board of Public Utilities Policies and
Procedures Manual**

Presenters: Jeff Johnson

Board Chair, Mr. Jeff Johnson, presented this item. The following is the substance of the item being considered.

The Board of Public Utilities Policies and Procedures Manual (PPM) Section 1.5 states, "[...] These policies will be reviewed and revised as necessary at least annually at the regular July BPU meeting. The Utilities Manager will help the BPU formulate new language in the PPM by distributing proposed changes in advance using software that shows all changes for BPU members to review. Any changes to this PPM must be approved by a vote of at least four of the five voting members of the BPU. Any BPU member as well as the Utilities Manager may submit proposed changes." Prior to the July meeting, members were invited to send proposed changes to staff to include in the July agenda packet. None were submitted. On July 26th, a revised PPM showing the changes proposed at the July meeting was sent to the members, and they were once again invited to send additional changes. No additional changes were submitted. As

required, all proposed changes were provided in advance.

The Board discussed this item and requested clarification where necessary.

Mr. McLin moved that the Board of Public Utilities approve the revised Policies and Procedures Manual as presented. The motion passed by the following vote:

Yes: 4 - Board Member Johnson, Board Member McLin, Board Member Taylor and Board Member Walker

Absent: 1 - Board Member Frederickson

4.G.4 [9791-17](#)

Planning for Upcoming Board of Public Utilities Annual Boards & Commissions Presentation to Council on September 19th, 2017

Presenters: Jeff Johnson

Board Chair, Mr. Jeff Johnson, presented this item. The following is the substance of the item being considered.

The Board Chair will give the Board's annual presentation to Council on September 19th. This meeting will be a joint meeting with Council and the BPU. The agenda will be a presentation of 2017 DPU / BPU initiatives and actions, a discussion about funding options for the White Rock Wastewater Treatment Plant and a discussion about the merits of a commodity based rates structure vs. a fixed rate structure for potable water. Mr. Johnson presented possible topics to be presented to Council.

The Board discussed this item and requested clarification where necessary.

The following actions were identified for follow-up:

1) The Board provided to Mr. Johnson suggestions for additions to his presentation topics. Mr. Johnson will send the draft presentation to the Board for review prior to the meeting.

4.H. Approval of Board Expenses

Mr. McLin moved to approve travel expenses for Board members to attend the UAMPS conference [the Carbon Free Power Project informational meeting in September]. The motion passed by the following vote:

Yes: 4 - Board Member Johnson, Board Member McLin, Board Member Taylor and Board Member Walker

Absent: 1 - Board Member Frederickson

4.I. Preview of Upcoming Agenda Items

4.I.1 [9795-17](#)

Tickler File for the Next 3 Months

Presenters: Board of Public Utilities

In addition to the items already listed in the tickler provided in the agenda packet, the

following items were identified for the tickler for upcoming meetings:

1) October or November 2017 - Follow-up to Customer Service Survey Presentation (Tim Glasco)

5. PUBLIC HEARING(S)

Ms. Taylor moved that item number 5.A from the July 19th, 2017 agenda be removed from the table for further consideration. The motion passed by the follow vote:

Yes: 4 - Board Member Johnson, Board Member McLin, Board Member Taylor and Board Member Walker

Absent: 1 - Board Member Frederickson

5.A CO0508-17

Approval of Incorporated County of Los Alamos Code Ordinance No. 02-277; An Ordinance Amending Chapter 40, Article III, Section 40-173 of the Code of the Incorporated County of Los Alamos Pertaining to Nonpotable Water Rates

Presenters: Bob Westervelt

Deputy Utility Manager of Finance and Administration, Mr. Bob Westervelt, presented this item. The following is the substance of the item being considered.

The FY2018 budget includes an increase in non-potable rates from \$1.15 per 1,000 gallons delivered to \$2.50 per 1,000 gallons delivered. The proposed ordinance presented to the Board is required to effect implementation of that budget. As has been discussed previously, the non-potable function was previously absorbed by the water production subfund. There is now accounting in place to track non-potable costs separately. On a purely cost based basis, the rate proposed still does not completely cover the anticipated costs for FY2018. In fiscal year 2015 the Department began an aggressive program to refurbish and upgrade the non-potable system to maximize utilization of this important resource. This fits with the Department's stated mission to operate in an environmentally sustainable fashion. These upgrades and system improvements continue through FY2018, but by year-end it is anticipated that the Department will be able to budget continuing operations and maintenance at a level that can be sustained by the rate proposed. Thus, staff is not proposing an increase in the rate for "full cost recovery" of the FY2018 budget, but rather to establish a rate that is anticipated to sustain the function for the next several years without adjustment. There is also some value to the water production system in terms of reduced pumping at the well-head, reduced treatment and storage costs, and reduced consumption from the aquifer. While these benefits are hard to quantify economically, leaving the non-potable as a subfund and supplemented by water production makes sense. At the July meeting, County Manager Harry Burgess raised some questions about the presentation and the rate calculation. To allow time to fully explore these concerns with Mr. Burgess the item was tabled. After meeting with Mr. Burgess, staff believes the concerns have been addressed with Mr. Burgess' endorsement of the ordinance.

The Board discussed this item and requested clarification where necessary.

Ms. Taylor moved that the Board of Public Utilities approve Incorporated County of Los Alamos Code Ordinance No. 02-277; An Ordinance Amending Chapter 40, Article III, Section 40-173 of the Code of the Incorporated County of Los Alamos Pertaining to Nonpotable Water Rates, and forward to Council for adoption. The motion passed by the following vote:

Yes: 4 - Board Member Johnson, Board Member McLin, Board Member Taylor and Board Member Walker

Absent: 1 - Board Member Frederickson

6. CONSENT AGENDA

Mr. McLin moved that the Board of Public Utilities approve the items on the Consent Agenda as presented and that the motions contained in the staff reports be included in the minutes for the record. The motion passed by the following vote:

Yes: 4 - Board Member Johnson, Board Member McLin, Board Member Taylor and Board Member Walker

Absent: 1 - Board Member Frederickson

6.A 9792-17 Approval of Board of Public Utilities Meeting Minutes

Presenters: Board of Public Utilities

I move that the Board of Public Utilities approve the meeting minutes of July 19th, 2017 as presented.

6.B 9444-17 Approval of Budget Carryovers from FY2017 to FY2018

Presenters: Bob Westervelt

I move that the Board of Public Utilities approve the budget carryovers from FY2017 to FY2018 and forward to Council with a recommendation for approval.

6.C AGR0518-17 Approval of Amendment No. 1 to Services Agreement No. AGR16-4289 with Paymentus Corporation in the amount of \$50,000.00, for a Revised Total Agreement Amount of \$99,000.00, plus Applicable Gross Receipts Tax, for the Purpose of Credit Card and Electronic Payment Processing Services.

Presenters: Bob Westervelt

I move that the Board of Public Utilities approve Amendment No. 1 to Services Agreement No. AGR16-4289 with Paymentus Corporation in the amount of \$50,000.00, for a Revised Total Agreement Amount of \$99,000.00, plus Applicable Gross Receipts Tax, for the Purpose of Credit Card and Electronic Payment Processing Services.

- 6.D [9766-17](#) Award of IFB No.18-05 for the Purpose of the Abiquiu and El Vado Hydroelectric Plants Battery Replacement Project to NGH Power Systems Inc. in the Amount of \$67,533.20.

Presenters: James Alarid

I move that the Board of Public Utilities approve the Award of IFB No. 18-05 for the Purpose of the Abiquiu and El Vado Hydroelectric Plants Battery Replacement Project to NGH Power Systems Inc. in the Amount of \$67,533.20 and a contingency in the amount of \$7,000.00, for a total of \$74,533.20, plus Applicable Gross Receipts Tax.

- 6.E [9768-17](#) Approval of Task Order No. 2 Under Services Agreement No. AGR17-16b with Santa Fe Engineering Consultants, LLC, in the amount of \$61,300.00, plus Applicable Gross Receipts Tax, for the Purpose of Los Alamos Canyon Road Stabilization Project.

Presenters: James Alarid

I move that the Board of Public Utilities approve Task Order No. 2 Under Services Agreement No. AGR17-16b with Santa Fe Engineering Consultants, LLC, in the amount of \$61,300.00 and a contingency in the amount of \$20,000.00, for a total of \$81,300.00, plus applicable gross receipts tax, for the purpose of the Los Alamos Canyon Road Stabilization Project.

7. BUSINESS

- 7.A [8984-17](#) Presentation of 2017 Department of Public Utilities Customer Service Survey Results

Presenters: Julie Williams-Hill

Public Relations Manager, Ms. Julie Williams-Hill, presented this item. Ms. Williams-Hill introduced Mr. Chris Cordova of Southwest Planning. The following is the substance of the item being considered.

The seventh biennial survey was completed by Chris Cordova, Owner of Southwest Planning & Marketing. DPU has a strategic goal to be a customer service oriented organization that is communicative, efficient and transparent. One way DPU measures success is to conduct a customer satisfaction survey. The objective is to achieve and maintain a mean customer satisfaction rating equal to or greater than 3.5 on a scale of 1 through 4, with 1 representing "poor" and 4 representing "excellent." Mr. Cordova sampled 421 residential customers and 78 commercial customers utilizing phone, text, emails and in-person intercepts surveys. Based on the sample size the margin of error is a 95% confidence interval plus or minus 4.65 percent. Satisfaction with DPU's overall performance was rated by residential customers at 3.3 and commercial customers at 3.4

The Board discussed this item and requested clarification where necessary.

The following actions were identified for follow-up:

- 1) The Board requested that staff return in October or November to discuss follow-up actions planned to address any issues from the survey.

8. STATUS REPORTS

8.A [9793-17](#) Status Reports

Presenters: Board of Public Utilities

The following informational status reports were provided to the Board in the agenda packet:

- 1) Electric Reliability Update
- 2) Accounts Receivables Report

The following actions were identified for follow-up:

- 1) The monthly safety reports were not provided by the Risk department. Mr. Westervelt will discuss with the Utilities Manager possible alternate methods of reporting safety related information when the Risk department does not provide its normal monthly report in time for the meeting.

9. PUBLIC COMMENT

Mr. Johnson opened the floor for public comment on any items. There were no comments.

10. ADJOURNMENT

The meeting adjourned at 7:39 p.m.

APPROVAL

Board of Public Utilities Chair Name

Board of Public Utilities Chair Signature

Date Approved by the Board

ATTACHMENT
OFFICER REPORTS
SUBMITTED AT THE MEETING

Utilities Manager Report 8-16-17

Last night there was an issue with a water main on Sandia just up the street from Diamond. GWS crews discovered a 2" open ended tap on the dead-end leg of the main line on Sandia. As our valve maintenance crews were in that area they found the valve off. They exercised the valve and left it on, which is SOP, not knowing the BAR contractor never installed a cap on a 2" test port. It must have taken the water a couple hours to surface. While excavating for repairs, crews hit a gas line, which required service disruption to ten homes. Repairs were completed early this morning and crews began visiting homes to relight gas appliances and restore gas service to those homes. Although there was some traffic disruption, there were no road closures, no water outages, ten gas services were affected around midnight, five have been re-lit as of 8:30am, and streets have been backfilled.

Safety employee of the quarter – Rick Herrera, Water Production: "Working at night and performing field checks alone, which is a regular requirement in Rick's position, demands a great deal of vigilance and awareness of your surroundings. While maintaining high performance standards, Rick keeps the safety culture vision in mind at all times."

Tim Glasco and Steve Cummins at the UAMPS Annual Membership meeting. This is not specifically about the CFPP, but rather a forum for all projects, budgets, and planning to be reviewed.

Last week we conducted a very successful emergency exercise which involved a simulated dam break in Los Alamos Canyon. Utilities Katlyn Mahoney and Julie Williams Hill coordinated the multi-agency exercise and consensus is that it was very worthwhile and informing. We are expecting a final review report from the consultant that ran the exercise early next month.

On July 26, there was a major electrical outage in White Rock. It was caused by a fault on the LANL owned segment of the Norton Line bringing power into the service area, which is owned by PNM and LANL.

We are working with LANL to coordinate a potential closure of State Road 4 that will be required for installation of a new water transmission line associated with the new Ottowi Well #2. That is anticipated for some time in October.

UAMPS is hosting an information session on Sept. 12 to provide an overview and current status of the Carbon Free Power Project. Any Board or Council members desiring to attend should contact Jaime or me as soon as possible. There is a large convention in Salt Lake City that same week, so Hotel accommodations are running scarce. NOTE: we will need a motion this evening during the general Board business section of the agenda (Item 4H) approving expenses for Board and members to attend the meeting.

Both El Vado and Abiquiu hydros have been returned to service and are performing well.

Environmental Sustainability Board (ESB) liaison report

Susan Barns, ESB Liaison *8/16/2017*

Recent activities include:

- At our July meeting, the ESB hosted a presentation on composting by Walter Dods of Soilutions, a commercial composting facility in Albuquerque. The ESB is looking at expanding our municipal composting to include food waste, as a way of diverting and recovering more of our waste stream.
- The ESB also discussed bear issues, and got an update from Chris Wilson, Parks and Recreation Open Space Division Manager, on bear deterrent actions taken in county parks.
- The truck for curbside brush collection has been ordered and is scheduled to be delivered in December.
- Members of the ESB and Councilor Sheehy enjoyed an excellent tour of the Los Alamos wastewater treatment plant and composting facility on 7/20. Thanks to the DPU for arranging that.
- Interviews have been held to fill two vacancies on the ESB. Recommendations have been sent to the County Council for review and appointment at their Aug. 22 meeting.
- Tomorrow night, the ESB will hear a presentation on the Jemez House Thrift Store, finalize the color of the new brush roll carts, and discuss several bear related issues, including new grizzly resistant roll carts, and a proposed Wildlife Ordinance aimed at minimizing wildlife/trash issues.
- ESB members Danny Katzman and Becky Chamberlin finished their terms last month, and we thank them very much for their excellent service!
-



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 6.B
Index (Council Goals): BCC - N/A
Presenters: Bob Westervelt, Deputy Utilities Manager - Finance/Admin
Legislative File: 9867-17

Title

Approval of Budget Carryover from FY2017 to FY2018 for Electric Production and Budget Revision 2018-05

Recommended Action

I move that the Board of Public Utilities approve an additional budget carryover for Electric Production from FY2017 to FY2018, approve budget revision 2018-05 and forward to Council with a recommendation for approval.

Staff Recommendation

Staff recommends the Board of Public Utilities approve the budget carryovers as presented and forward to Council with recommendation for approval.

Body

Requirements for carryover of budget authority are as follows:

1. The project was budgeted in FY2017 but was not completed, so we are planning on completing in FY2018
2. We do not have an encumbrance in FY2017 already
3. We have FY2017 Budget left to cover the amount we want to carry over
4. We did NOT re-budget the project in FY2018

All of these requirements have been met for the project listed below. We are seeking Board approval to carry these funds over in anticipation of completing this project in FY2018. Upon Board approval this \$80,000 carryover will be presented by Finance Staff for Council approval.

Electric Production budgeted \$80,000 for work on the floors at the El Vado Hydroplant. Due to competing priorities during FY2017, the project was not begun. As such, \$80,000 of budgeted funds needs to be carried forward into FY18 for this initiative.

Alternatives

If these funds, budgeted but not expended in FY2017, are not carried over the project could be funded with FY2018 funds (requiring a FY2018 budget adjustment), postponed and re-budgeted in FY2019, or cancelled.

Fiscal and Staff Impact

\$80,000 transfer of budget authority from FY2017 for expenditures in FY2018.

Attachments

A - Budget Revision 2018-05 DPU Carryover

Budget Revision 2018-05 Department of Public Utilities Carryovers

	Fund/Dept	Brass Org	Revenue (decrease)	Expenditures (decrease)	Transfers In(Out)	Fund Balance (decrease)
1	Utilities - Electric Production	511-851122	\$ -	\$ 80,000	\$ -	\$ (80,000)
<p>Description: The purpose of this budget revision is to carryover budget expenditure authority from FY2017 to FY2018 to refinish the floors at the El Vado Hydroplant. The carryover from Electric Production is from operational savings.</p> <p>Fiscal Impact: The impact on the Joint Utilities Fund in FY2018 is to increase the expenditure budget and decrease the fund balance by \$80,000.</p>						



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 6.C
Index (Council Goals): BCC - N/A
Presenters: James Alarid, Deputy Utilities Manager - Engineering
Legislative File: 9891-17

Title

Award of IFB 18-08 for the Purpose of the Los Alamos Canyon Non-potable Water Line Installation to Gandy Dancer, LLC in the Amount of \$600,350.00, plus Applicable Gross Receipts Tax.

Recommended Action

I move that the Board of Public Utilities approve the Award of IFB 18-08 for the Purpose of Los Alamos Canyon Non-potable Water Line Installation to Gandy Dancer, LLC in the Amount of \$600,350.00, and a contingency in the amount of \$75,000.00, for a total of \$675,350.00, plus Applicable Gross Receipts Tax, and forward to Council for approval.

Staff Recommendation

Staff recommends that the Board approve as presented.

Body

The existing waterline from the Los Alamos Reservoir has been out of service due to damages sustained from repeated flooding in the canyon. The flooding is a direct result of the damaged watershed from the Cerro Grande and Las Conchas fires. This project will replace 7,200 feet of 10" waterline under the access road to the reservoir. Once installed, non-potable water will be available from the reservoir to a number of sites along the Diamond Drive corridor through a new pipeline installed as part of the Diamond Drive Reconstruction projects.

The project is funded primarily by a loan/grant from the New Mexico Finance Authority Water Trust Board in the amount of \$538,400. Six bids were received that ranged from \$600,350 to \$844,950. Gandy Dancer LLC was the low bidder. Gandy Dancer LLC is currently working on a utility and roadway construction project for the County and has demonstrated their capability to execute this project successfully. Work will begin as early as November 2017 and due to the likelihood that there will be a work suspension during the winter, the completion date is expected to be in spring 2018.

Alternatives

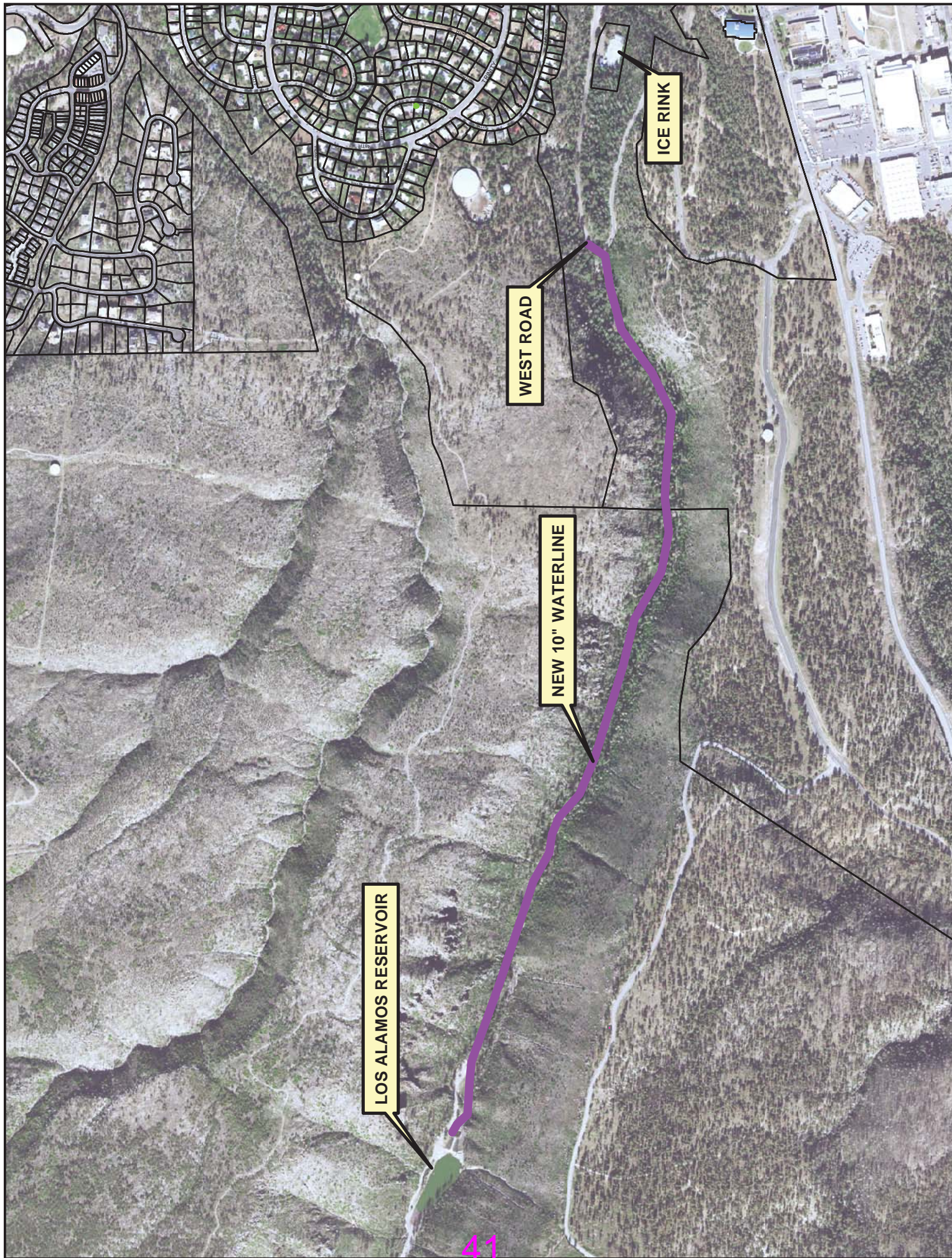
If the project is not awarded, the project will be re-bid immediately to avoid delays that could keep the project from being completed by the loan/grant deadline.

Fiscal and Staff Impact/Planned Item

Water Trust Board loan/grant no. 3557-WTB will fund \$538,400 of the project. \$484,560 is grant and \$53,840 is a low interest 20-year loan. The balance of the cost will be paid by approved capital funds in the water production fund.

Attachments

A - Vicinity Map



LOS ALAMOS RESERVOIR

WEST ROAD

ICE RINK

NEW 10" WATERLINE



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 6.D
Index (Council Goals): BCC - N/A
Presenters: Jack Richardson, Deputy Utilities Manager - GWS Services
Legislative File: 9909-17

Title

Approval of Amendment #1 to Task Order No. 1 Under Services Agreement No. AGR17-45 with Alpha Southwest, Inc. in the amount of \$12,650.24, for a Revised Task Order Amount of \$73,695.24, plus Applicable Gross Receipts Tax, for the Purpose of Chlorine Generator Equipment Acquisition and Installation for Pajarito Booster 2

Recommended Action

I move that the Board of Public Utilities approve Amendment #1 to Task Order No. 1 Under Services Agreement No. AGR17-45 with Alpha Southwest, Inc. in the amount of \$12,650.24, for a Revised Task Order Amount of \$73,695.24, and a contingency of \$5,000.00, for a total of \$78,695.24, plus Applicable Gross Receipts Tax, for the Purpose of Chlorine Generator Equipment Acquisition and Installation for Pajarito Booster 2.

Staff Recommendation

Staff recommends that the BPU approve the motion as presented.

Body

The original Task Order that was previously brought before the Board of Public Utilities, and approved by the Board, was inaccurate due to a misunderstanding in the interpretation of the contract between DPU staff and the Contractor (Alpha Southwest). The wording in the contract regarding labor costs led staff to believe that labor was included in the equipment acquisition cost - but after a request by the Contractor and review by Purchasing and Legal, labor (and miscellaneous materials) are additional costs estimated per job over and above the quoted cost for each piece of equipment. Based on this final interpretation the original Task Order amount plus contingency was exceeded by \$2,650.24. Staff is requesting this amended Task Order be approved so that we may move forward with the purchase of the first of two new chlorine generating units for the Water Production system.

The scope of this task order 1 is identical to the original scope as detailed in the original Services Agreement (AGR 17-45). The schedule has slide a few months while the contract language was being discussed. We believe we now have an exact estimate for what this work will entail but we are requesting a small \$5,000 contingency just in case something comes up in the field during installation that causes some unforeseen costs.

The original agreement is attached for your reference.

Alternatives

DPU could delay the project but that would adversely affect the ability of Water Production to

meet its regulatory requirements for maintaining an adequate chlorine reserve in the water systems. The existing equipment is old and has little active life remaining and Water production has already scavenged parts from redundant systems to keep the active system equipment operating.

Fiscal and Staff Impact

Funds are budgeted for this work in the O&M budget. Project Management will be absorbed within the routine functioning of the DPU with personnel from Water Production expected to be involved.

Attachments

A - AGR17-45 Task Order No. 1 Amendment No. 1

B - Services Agreement AGR17-45



**INCORPORATED COUNTY OF LOS ALAMOS
SERVICES AGREEMENT**

This **SERVICES AGREEMENT** (this "Agreement") is entered into by and between the **Incorporated County of Los Alamos**, an incorporated county of the State of New Mexico ("County"), and **Alpha Southwest, Inc.**, a New Mexico corporation ("Contractor"), to be effective for all purposes June 7, 2017.

WHEREAS, the County Purchasing Agent determined in writing that the use of competitive sealed bidding was either not practical or not advantageous to County for procurement of the Services and County issued Request for Proposals No. 17-45 (the "RFP") on March 16, 2017, requesting proposals for On-site Hypochlorite Generation System, as described in the RFP; and

WHEREAS, Contractor timely responded to the RFP by submitting a response dated April 14, 2017 ("Contractor's Response"); and

WHEREAS, based on the evaluation factors set out in the RFP, Contractor was the successful Offeror for the services listed in the RFP; and

WHEREAS, the Board of Public Utilities approved this Agreement at a public meeting held on May 17, 2017; and

WHEREAS, the County Council approved this Agreement at a public meeting held on June 6, 2017; and

WHEREAS, Contractor will provide the Services, as described below, to County.

NOW, THEREFORE, for and in consideration of the premises and the covenants contained herein, County and Contractor agree as follows:

SECTION A. SERVICES:

Contractor Services. Contractor shall furnish up to four (4) on-site chlorination systems and equipment as specified below, including all accessories and controls necessary for a complete and operable chlorination system. Contractor shall install, inspect, startup, calibrate, and provide equipment and operator training to County.

1. Contractor shall provide the equipment at the costs provided in Exhibit A.1-9.
2. Task Orders. County shall issue a task order for each set of equipment to be installed. At the written instruction of County, Contractor shall evaluate and provide the required County installed items as provided in paragraph No. 3 below. County shall then issue an order to proceed once all items have been installed in accordance with the Contractor's directive. Within thirty (30) days Contractor shall deliver and install the ordered parts at the pricing agreed upon in Exhibit "A."
3. The following pre-installation items are to be provided as follows:

- a. Any underground or structural work by County;
 - b. Anchor bolts and seismic restraints by Contractor;
 - c. Valves, fittings, appurtenances not specifically listed above by Contractor and Contractor will provide items only specific to the "equipment system" we are providing, any isolation valves, electrical equipment, or other appurtenances feeding the "equipment system" are not included;
 - d. Heat tracing and insulation of all interconnecting piping, if required by County;
 - e. Electrical power to control panel and transformer rectifier by Contractor;
 - f. All electrical conduit, wiring, electrical material, etc. between control panel, brine tank, OSHG skid, Hypochlorite tank, and metering pumps by Contractor;
 - g. Supervisory Control and Data Acquisition ("SCADA") connectivity and programming provided by County;
 - h. Room ventilation, air conditioning, or lighting if required by County; and
 - i. Any video recording by County.
4. Contractor shall provide to County all Operation and Maintenance Manuals for installed equipment, as needed, to include:
 - a. Submittal: sent electronically to County.
 - b. Operations and Maintenance Manual: sent electronically to County.
 5. Contractor shall provide a one (1) year warranty including a lifetime technical support during the term of the Agreement and as included in the fees provided in the price schedule. Electrolytic cells carry a prorated warranty for years two (2) through seven (7).
 6. Contractor shall have labor, equipment and materials available to provide technical support throughout the life of supplied equipment at the rates stated in the rate schedule.
 7. Contractor shall provide all Field Services and installation services, as needed, as follows:
 - a. One (1) day at jobsite per installation;
 - b. Installation Inspection and verification of compliance with County requirements;
 - c. System start-up; and
 - d. Operator Training if requested.

SECTION B. TERM: The term of this Agreement shall commence June 7, 2017 and shall continue through June 6, 2021, unless sooner terminated, as provided herein. At County's sole option the Agreement may be renewed for up to two (2) consecutive one-year periods, unless sooner terminated, as provided therein.

SECTION C. COMPENSATION:

1. **Amount of Compensation.** County shall pay compensation for performance of the Services in an amount not to exceed THREE HUNDRED THOUSAND DOLLARS (\$300,000.00), which amount does not include applicable New Mexico gross receipts taxes ("NMGR"). Compensation shall be paid in accordance with the rate schedule set out in Exhibit "A," attached hereto and made a part hereof for all purposes.
2. **Invoices.** Contractor shall submit itemized invoices to County's Project Manager showing amount of compensation due, amount of any NMGR, and total amount payable, upon Owner's acceptance of Contractor's installation. Payment of undisputed amounts shall be due and payable thirty (30) days after County's receipt of the invoice. All disputes related to performance and payment shall be governed by the County's Procurement Code, Chapter 31.

SECTION D. TAXES: Contractor shall be solely responsible for timely and correctly billing, collecting and remitting all NMGRV levied on the amounts payable under this Agreement.

SECTION E. STATUS OF CONTRACTOR, STAFF, AND PERSONNEL: This Agreement calls for the performance of services by Contractor as an independent contractor. Contractor is not an agent or employee of County and will not be considered an employee of County for any purpose. Contractor, its agents or employees shall make no representation that they are County employees, nor shall they create the appearance of being employees by using a job or position title on a name plate, business cards, or in any other manner, bearing County's name or logo. Neither Contractor nor any employee of Contractor shall be entitled to any benefits or compensation other than the compensation specified herein. Contractor shall have no authority to bind County to any agreement, contract, duty or obligation. Contractor shall make no representations that are intended to, or create the appearance of, binding County to any agreement, contract, duty, or obligation. Contractor shall have full power to continue any outside employment or business, to employ and discharge its employees or associates as it deems appropriate without interference from County; provided, however, that Contractor shall at all times during the term of this Agreement maintain the ability to perform the obligations in a professional, timely and reliable manner.

SECTION F. STANDARD OF PERFORMANCE: Contractor agrees and represents that it has and will maintain the personnel, experience and knowledge necessary to qualify it for the particular duties to be performed under this Agreement. Contractor shall perform the Services described herein in accordance with a standard that exceeds the industry standard of care for performance of the Services.

SECTION G. DELIVERABLES AND USE OF DOCUMENTS: All deliverables required under this Agreement, including material, products, reports, policies, procedures, software improvements, databases, and any other products and processes, whether in written or electronic form, shall remain the exclusive property of and shall inure to the benefit of County as works for hire; Contractor shall not use, sell, disclose, or obtain any other compensation for such works for hire. In addition, Contractor may not, with regard to all work, work product, deliverables or works for hire required by this Agreement, apply for, in its name or otherwise, any copyright, patent or other property right and acknowledges that any such property right created or developed remains the exclusive right of County. Contractor shall not use deliverables in any manner for any other purpose without the express written consent of County.

SECTION H. EMPLOYEES AND SUB-CONTRACTORS: Contractor shall be solely responsible for payment of wages, salary or benefits to any and all employees or contractors retained by Contractor in the performance of the Services. Contractor agrees to indemnify, defend and hold harmless County for any and all claims that may arise from Contractor's relationship to its employees and subcontractors.

SECTION I. INSURANCE: Contractor shall obtain and maintain insurance of the types and in the amounts set out below throughout the term of this Agreement with an insurer acceptable to County. Contractor shall assure that all subcontractors maintain like insurance. Compliance with the terms and conditions of this Section is a condition precedent to County's obligation to pay compensation for the Services and Contractor shall not provide any Services under this Agreement unless and until Contractor has met the requirements of this Section. County requires Certificates of Insurance or other evidence acceptable to County that Contractor has met its obligation to obtain and maintain insurance and to assure that subcontractors maintain like

insurance. Should any of the policies described below be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. General Liability Insurance and Automobile Liability Insurance shall name County as an additional insured.

1. **General Liability Insurance:** ONE MILLION DOLLARS (\$1,000,000.00) combined single limit per occurrence; TWO MILLION DOLLARS (\$2,000,000.00) aggregate.
2. **Workers' Compensation:** In an amount as may be required by law. County may immediately terminate this Agreement if Contractor fails to comply with the Worker's Compensation Act and applicable rules when required to do so.
3. **Automobile Liability Insurance for Contractor and its Employees:** ONE MILLION DOLLARS (\$1,000,000.00) combined single limit per occurrence; TWO MILLION DOLLARS (\$2,000,000.00) aggregate on any owned, and/or non-owned motor vehicles used in performing Services under this Agreement.

SECTION J. RECORDS: Contractor shall maintain, throughout the term of this Agreement and for a period of six (6) years thereafter, records that indicate the date, time, and nature of the services rendered. Contractor shall make available, for inspection by County, all records, books of account, memoranda, and other documents pertaining to County at any reasonable time upon request.

SECTION K. APPLICABLE LAW: Contractor shall abide by all applicable federal, state and local laws, regulations, and policies and shall perform the Services in accordance with all applicable laws, regulations, and policies during the term of this Agreement. In any lawsuit or legal dispute arising from the operation of this Agreement, Contractor agrees that the laws of the State of New Mexico shall govern. Venue shall be in the First Judicial District Court of New Mexico in Los Alamos County, New Mexico.

SECTION L. NON-DISCRIMINATION: During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the obligations of Contractor under this Agreement, with regard to race, color, religion, sex, age, ethnicity, national origin, sexual orientation or gender identity, disability or veteran status.

SECTION M. INDEMNITY: Contractor shall indemnify, hold harmless and defend County, its Council members, employees, agents and representatives, from and against all liabilities, damages, claims, demands, actions (legal or equitable), and costs and expenses, including without limitation attorneys' fees, of any kind or nature, arising from Contractor's performance hereunder or breach hereof and the performance of Contractor's employees, agents, representatives and subcontractors.

SECTION N. FORCE MAJEURE: Neither County nor Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence.

SECTION O. NON-ASSIGNMENT: Contractor may not assign this Agreement or any privileges or obligations herein without the prior written consent of County.

SECTION P. LICENSES: Contractor shall maintain all required licenses including, without limitation, all necessary professional and business licenses, throughout the term of this Agreement. Contractor shall require and shall assure that all of Contractor's employees and subcontractors maintain all required licenses including, without limitation, all necessary professional and business licenses.

SECTION Q. PROHIBITED INTERESTS: Contractor agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. Contractor further agrees that it will not employ any person having such an interest to perform services under this Agreement. No County Council member or other elected official of County, or manager or employee of County shall solicit, demand, accept or agree to accept a gratuity or offer of employment contrary to Section 31-282 of the Los Alamos County Code.

SECTION R. TERMINATION:

1. **Generally.** County may terminate this Agreement with or without cause upon ten (10) days prior written notice to Contractor. Upon such termination, Contractor shall be paid for Services actually completed to the satisfaction of County at the rate set out in Section C. Contractor shall render a final report of the Services performed to the date of termination and shall turn over to County originals of all materials prepared pursuant to this Agreement.
2. **Funding.** This Agreement shall terminate without further action by County on the first day of any County fiscal year for which funds to pay compensation hereunder are not appropriated by County Council. County shall make reasonable efforts to give Contractor at least ninety (90) days advance notice that funds have not been and are not expected to be appropriated for that purpose.

SECTION S. NOTICE: Any notices required under this Agreement shall be made in writing, postage prepaid to the following addresses, and shall be deemed given upon hand delivery, verified delivery by telecopy (followed by copy sent by United States Mail), or three (3) days after deposit in the United States Mail:

County:

Water System Superintendent
Incorporated County of Los Alamos
1000 Central Avenue, Suite 130
Los Alamos, New Mexico 87544

Contractor:

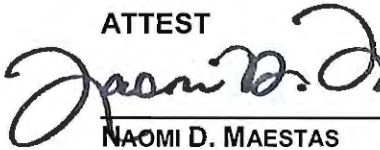
David M. Yates, Vice President
Alpha Southwest, Inc.
P.O. Box 9263
Albuquerque, New Mexico 87119

SECTION T. INVALIDITY OF PRIOR AGREEMENTS: This Agreement supersedes all prior contracts or agreements, either oral or written, that may exist between the parties with reference to the services described herein and expresses the entire agreement and understanding between the parties with reference to said services. It cannot be modified or changed by any oral promise made by any person, officer, or employee, nor shall any written modification of it be binding on County until approved in writing by both County and Contractor.

SECTION U. CAMPAIGN CONTRIBUTION DISCLOSURE FORM: A Campaign Contribution Disclosure Form was submitted as part of the Contractor's Response and is incorporated herein by reference for all purposes. This Section acknowledges compliance with Chapter 81 of the Laws of 2006 of the State of New Mexico.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

ATTEST



NAOMI D. MAESTAS
COUNTY CLERK



INCORPORATED COUNTY OF LOS ALAMOS



TIMOTHY A. GLASCO, PE
UTILITIES MANAGER

6-7-17
DATE

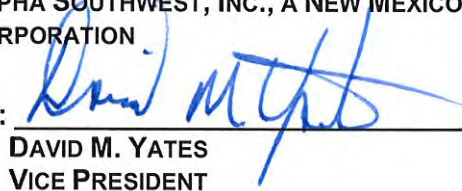
Approved as to form:



J. ALVIN LEAPHART
COUNTY ATTORNEY

ALPHA SOUTHWEST, INC., A NEW MEXICO
CORPORATION

BY:



DAVID M. YATES
VICE PRESIDENT

DATE

Exhibit A
AGR17-45
Price and Compensation Rate Schedule

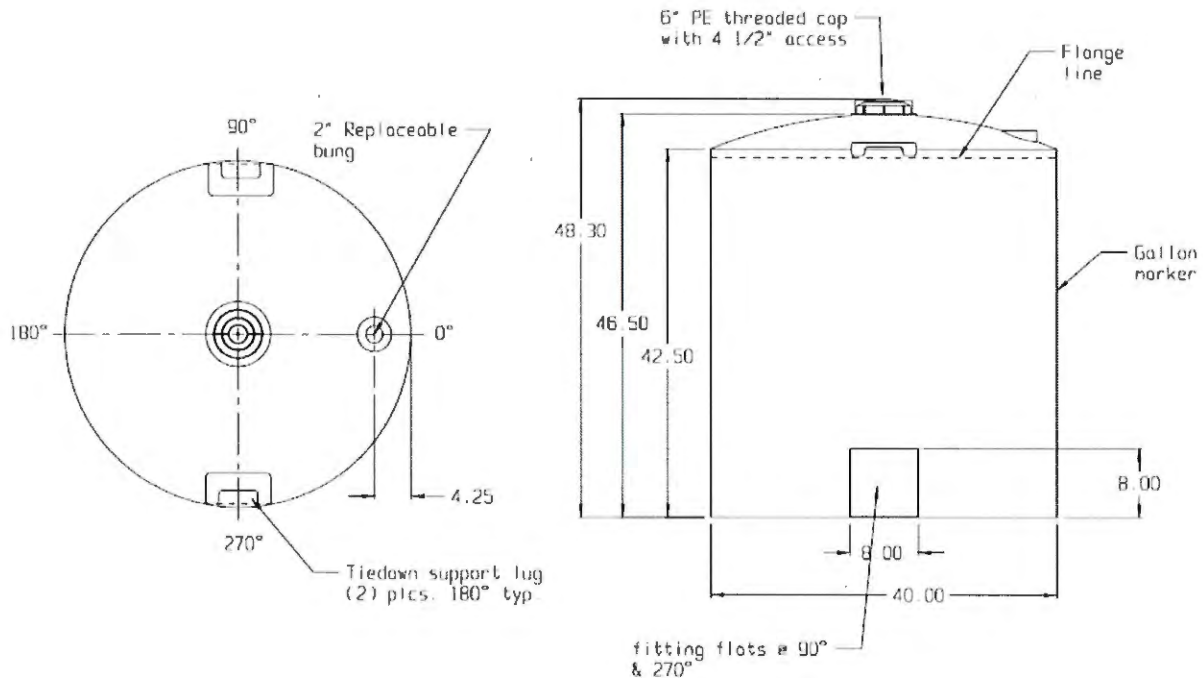
	COST CATEGORY Per item	QTY/UNIT	UNIT PRICE YR. 1	UNIT PRICE YR. 2	UNIT PRICE YR. 3	UNIT PRICE YR. 4
1	Water softener	1 EA	\$1,105.00	\$1,160.25	\$1,218.26	\$1,279.18
2	Brine Storage Tank	1 EA	\$2,316.85	\$2,425.19	\$2,538.95	\$2,658.40
3	Control Panel	1 EA	Included w/ generator	Included w/ generator	Included w/ generator	Included w/ generator
4	Sodium Hypochlorite Generator	1 EA	\$57,200.00	\$59,488.00	\$61,867.52	\$64,342.23
5	Rectifier	1 EA	Included w/ generator	Included w/ generator	Included w/ generator	Included w/ generator
6	Sodium Hypochlorite Storage Tank	1 EA	\$3,845.24	\$4,030.00	\$4,224.00	\$4,227.70
7	Chlorine Analyzer	1 EA	\$4,106.70	\$4,312.04	\$4,527.64	\$4,754.02
8	Circular Chart Recorder	1 EA	\$2,919.15	\$3,065.11	\$3,218.36	\$3,379.28
9	Sodium Hypochlorite Dosing Pump	1 EA	\$9,922.24	\$10,414.60	\$10,931.58	\$11,474.41
10	Technician per Hour	1 EA	\$85.00	\$85.00	\$85.00	\$85.00
11	Supervisor per Hour	1 EA	\$125.00	\$125.00	\$125.00	\$125.00
12	Travel to Site from Albuquerque per Trip	1 EA	\$75.00	\$75.00	\$75.00	\$75.00

Exhibit A. 2.
Brine Storage Tank

The following equipment is included in the pricing of Exhibit A:

The Brine Storage Tank will be provided to Alpha Southwest, Inc from **Harrington Industrial Plastics**. They are the local representatives for Snyder Industries the manufacturers of the tanks.

ASW will provide an upright, cylindrical, flat bottom 200-gallon tank, made of heavy duty plastic, that is 48" tall and 40" in diameter. We are also providing tank restraints with anchor plates. Connections are shown in drawing.



Includes the following components:

Tank-154000N45- 200-gallon vertical tank, HPDE, 40" x 48" 1.9S.G. 6" MNWY

Inlet-342015-2" fitting BKHD SxT PVC EDPM Gasket

Outlet-342066-1/2" Fitting BKHD SxT PVC EDPM Gasket

Drain-342179-1" Fitting BKHD SxT PVC EDPM Gasket

Anchors & mounts & restraints

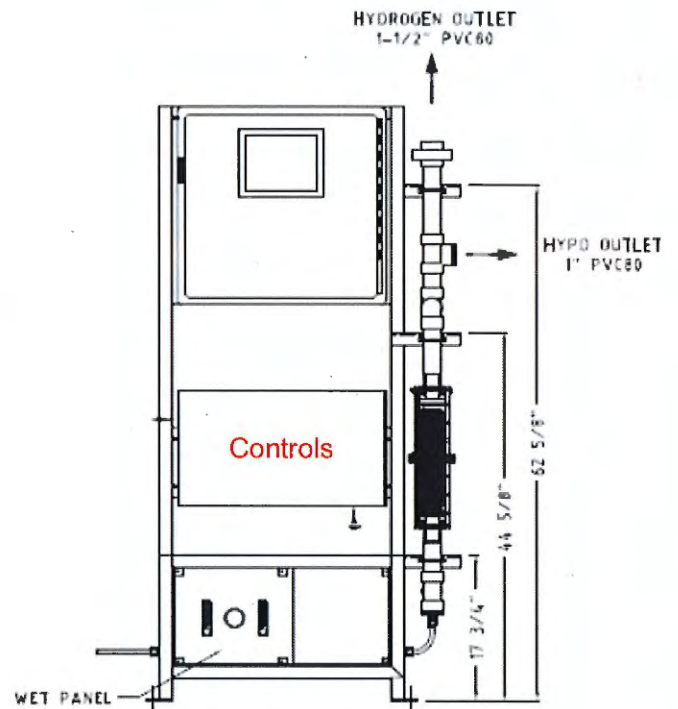
Exhibit A. 3. Control Panel

The following equipment is included in the pricing of Exhibit A:

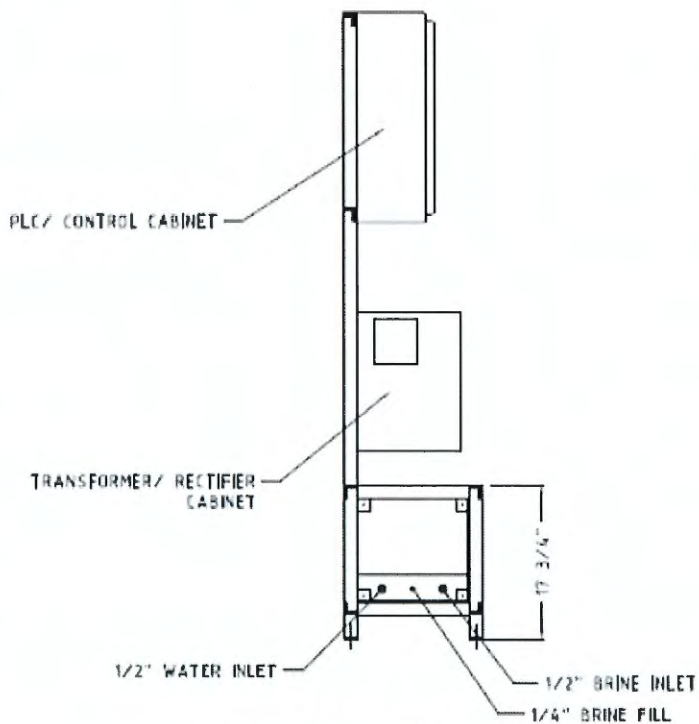
This item is integrated with the on-site generator and rectifier;

Skid-Mounted Electrical Control Panel, including:

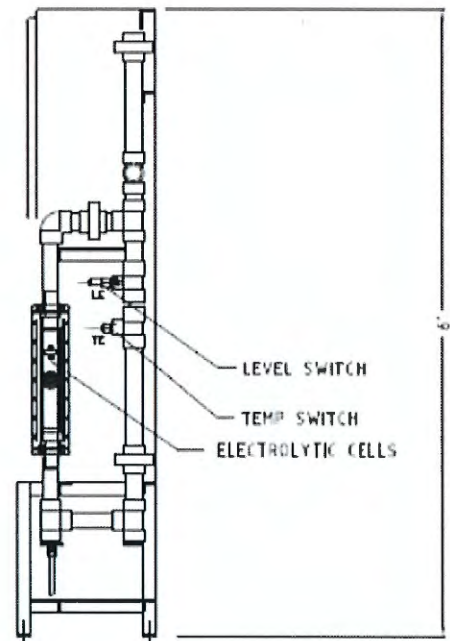
- NEMA 4X Enclosure – 304 Stainless Steel Construction
- Allen-Bradley SLC 5/04 Programmable Logic Controller with
- Ethernet Communication
- 6" Color Touchscreen HMI
- 24 VDC Power Supply
- Emergency Stop Pushbutton
- Panel-Mounted Disconnect Switch



FRONT ELEVATION



LEFT SIDE VIEW



RIGHT SIDE VIEW

Exhibit A. 4. Sodium Hypochlorite Generator

The following equipment is included in the pricing of Exhibit A:

Microclor® MC-20 On-Site Hypochlorite Generation System, including:

- 20 ppd Electrolytic Cell
 - Stainless Steel Brine Gear Pump with Integral Speed Control
 - Water and Brine Rotameters
 - Analog Water Flow Sensor
 - Optical Level Switch (Qty. 1)
 - Temperature Sensor (Qty. 1)
 - Water and Brine Makeup Solenoid Valves
 - 304 Stainless Steel, Electropolished Open Frame Equipment Skid
- In Wet Panel*

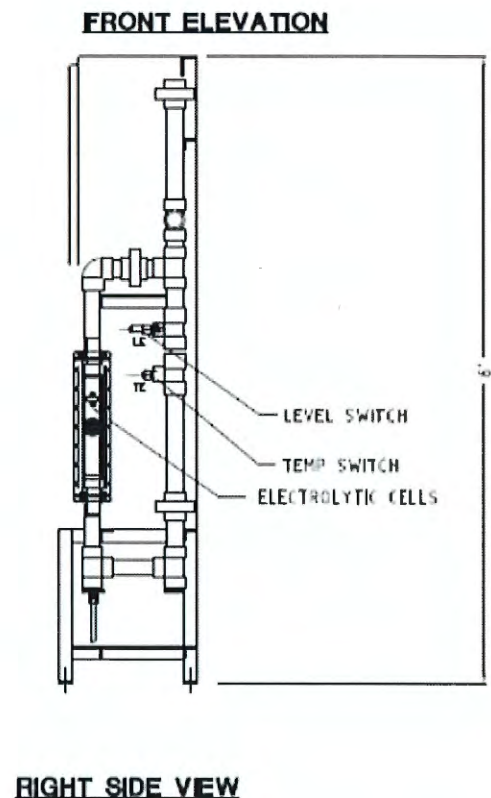
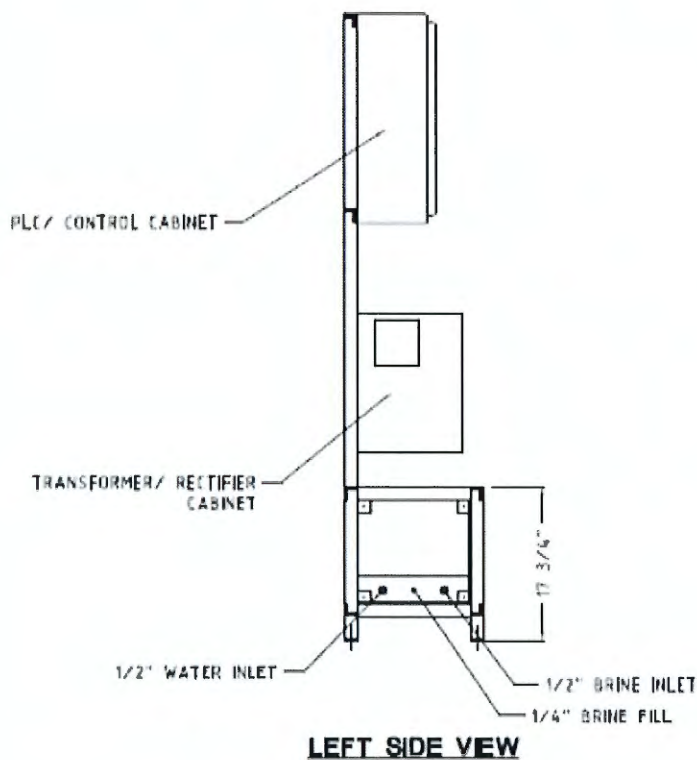
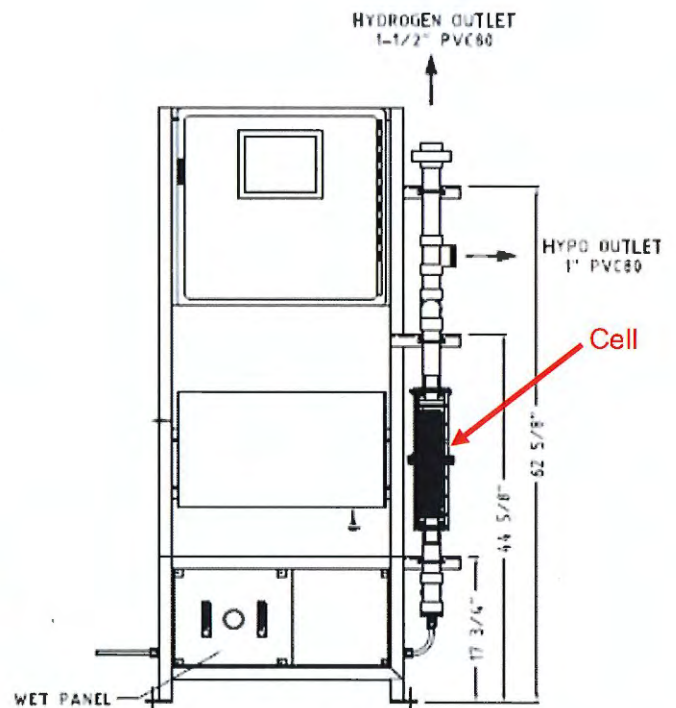
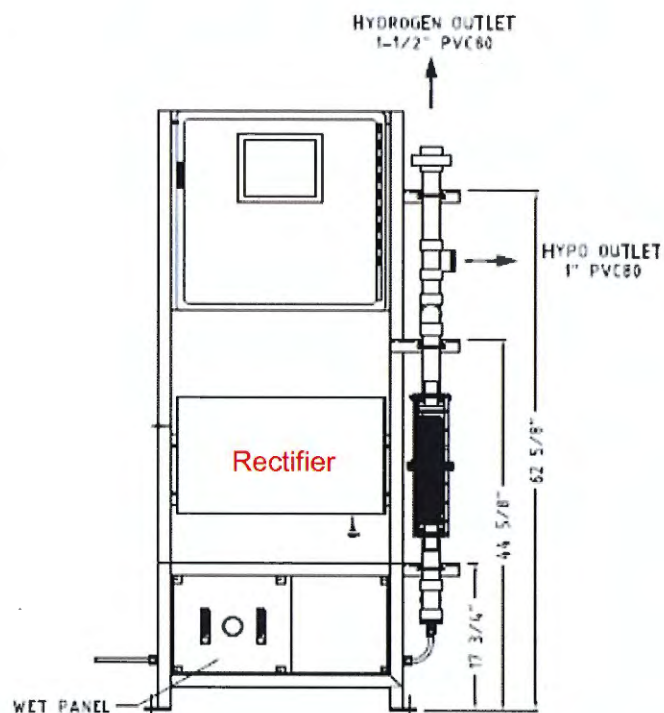


Exhibit A. 5. Rectifier

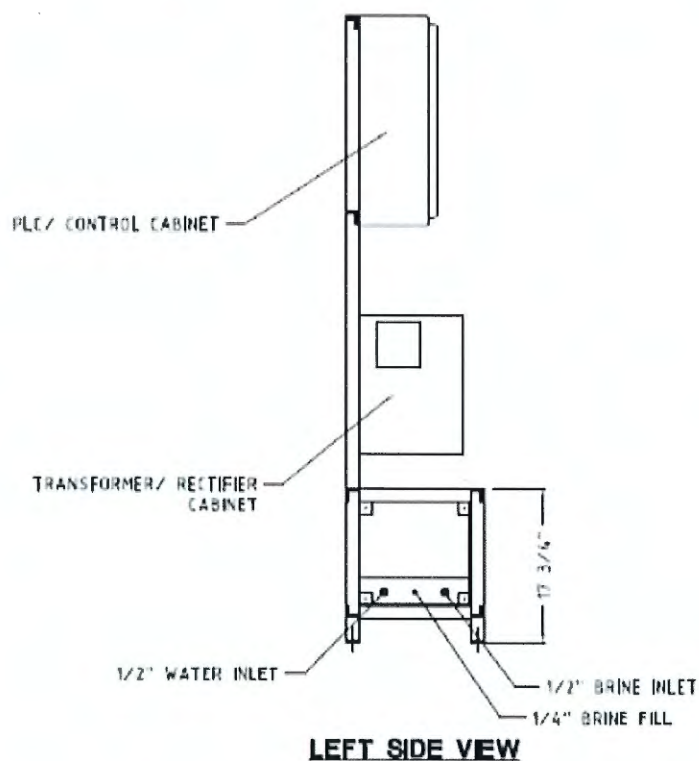
The following equipment is included in the pricing of Exhibit A:

• Skid-Mounted Transformer Rectifier, including:

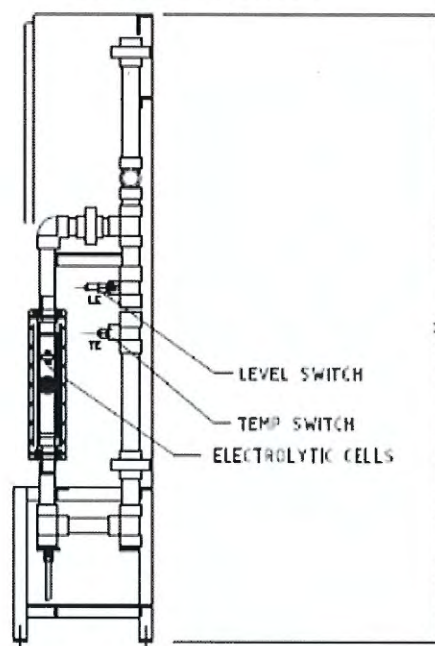
- NEMA 1 Enclosure – 304 Stainless Steel Construction
- 2.4 kVA Step-Down Transformer – 60 VDC @ 40 A
- DC Bridge Rectifier with Diode Assemblies and Aluminum Heat Sink with Cooling Fan
- DC Current Transducer
- Panel-Mounted Disconnect Switch



FRONT ELEVATION



LEFT SIDE VIEW

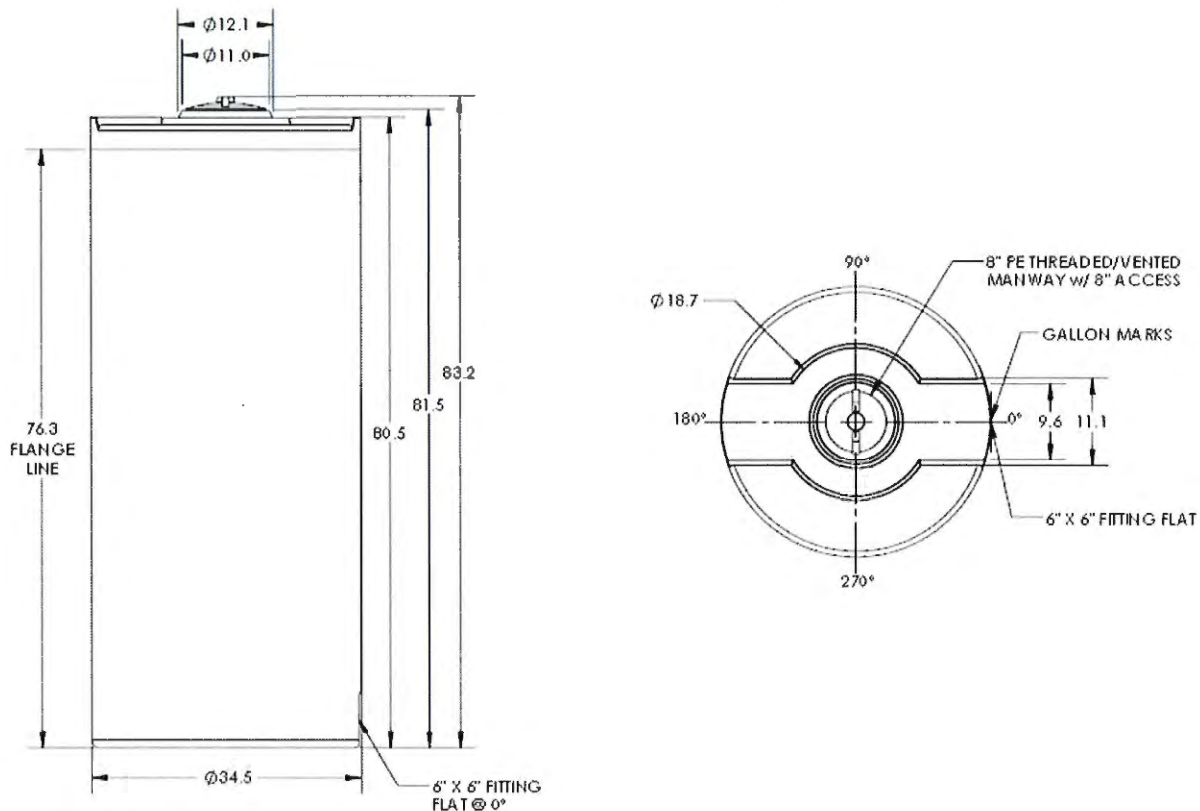


RIGHT SIDE VIEW

Exhibit A. 6. Sodium Hypochlorite Storage Tank

The following equipment is included in the pricing of Exhibit A:

The Sodium Hypochlorite Storage Tank will be provided to Alpha Southwest, Inc from **Harrington Industrial Plastics**. They are the local representatives for Snyder Industries the manufacturers of the tanks. ASW will provide an upright, cylindrical, flat and/or cone bottom 300-gallon 35" x 82" tank molded in one piece seamless construction by rotational molding. The tanks are designed for above ground, vertical installation and are capable of containing chemicals at atmospheric pressure. We will provide tank restraints w/ anchor plates. Included in the detailed specifications are requirements for materials, properties, design, construction, dimensions, tolerances, workmanship, and appearance. The tank capacities are from 375 gallons (1,453 L) up to 16,500 gallons (62,453 L).



Includes the following components:

Tank-1011200N45, 300-gallon tank vertical, Nat HDPE, 35"x82" 1.9 S.G. 8" MNWY
 Fitting-347239, 3" fitting, BKHD SxT Viton gasket
 Flange Adaptor-347870, 3" flange adaptor MPT PVC SCH80 for BKHD FTG
 Flange-853-030, 3" blind flange PVC SCH80 WBD
 Flange Adaptor-347869, 2" flange adaptor MPT PVC SCH80 for BKHD FTG
 Inlet-347238, 2" fitting BKHD SxT PVC Viton gasket
 Flange Adaptor-347869, 2" flange adaptor MPT PVC SCH80 BKHD FTG
 Outlet-347236, 1" fitting BKHD SxT PVC Viton gasket
 Anchors & mounts & restraints

Exhibit A. 7. Chlorine Analyzer

The following equipment is included in the pricing of Exhibit A:

Alpha Southwest will provide the Rosemount Analytical chlorine analyzer model 1056-03-24-38-AN.

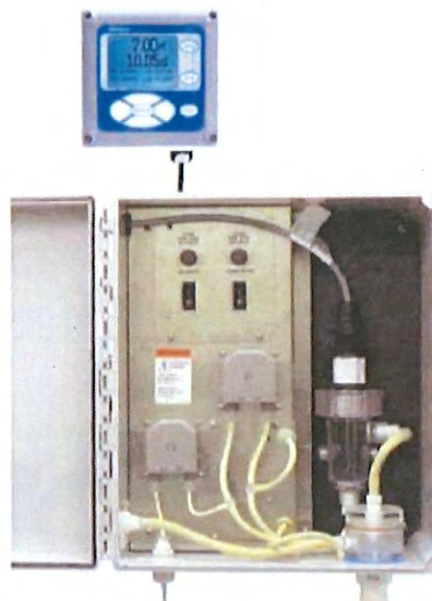
The analyzer is housed in a rugged NEMA 4X polycarbonate enclosure.

Operation of the analyzer is through a front panel keypad. The large full color display indicates chlorine concentration and temperature along with six other user-selectable parameters, such as analog output and relay state. Menu screens for calibrating and programming are simple and intuitive, and screens providing information about configuration, calibration, and troubleshooting are available at the touch of a button.

A data logger, storing up to 30 days of data, including diagnostic measurements as well as process variables is standard. A dual graphical display allows the data to be shown in one hour, one day, seven days and one month intervals. An event logger, which holds up to 300 events, is also standard.

The chlorine probe(sensor) is a model number 499 ACL-02-54. The model 499 ACL has been discontinued and Rosemount, the manufacturer is recommending the new model.

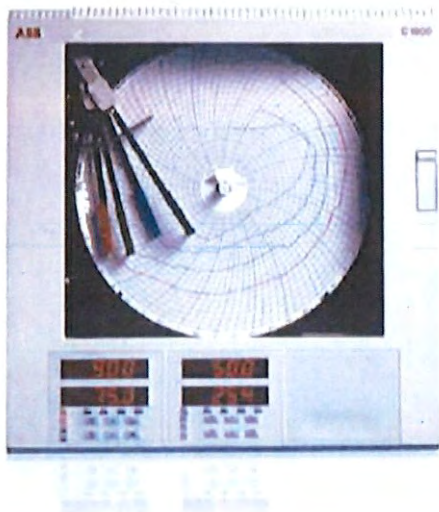
The sensor consists of a gold cathode and a silver anode in an electrolyte solution. A silicone membrane, permeable to iodine is stretched over the cathode. The analyzer applies a voltage to the cathode sufficiently negative to reduce all the iodine reaching it.



Model 1056 Chlorine Analyzer

Exhibit A. 8.
Circular Chart Recorder

The following equipment is included in the pricing of Exhibit A:



Alpha Southwest will provide the ABB Commander 1900 chart recorder as requested in the RFP.

The C1900 is a fully programmable circular chart recorder for up to four process signals. The C1900 lets you see the status of your process at a glance: high visibility 6-digit displays provide a clear indication of up to four process values simultaneously and active alarms are signaled by flashing LED's below the main display.

The chart is easily set up to show the information needed in the way you require. Pen ranges are individually set up to give the best resolution for each signal: the time per revolution can be selected between 1 hour and 32 days. Additionally, a true time event pen facility enables one pen to be set up as a 3-position event marker on the same time as Pen 1. The clearly labeled keypad gives direct access for operator adjustments and configuration programming without the need to open the recorder door. Prompts on the display guide the user through the menus. A password protected security system prevents unauthorized access to configuration adjustment menus.



Exhibit A. 9.
Sodium Hypochlorite Dosing Pump

The following equipment is included in the pricing of Exhibit A:

The Alldos Model KM254 requested in the RFP is now provided by Grundfos. The equivalent pump is the Grundfos DHM 254 102-10.

Alpha Southwest is an authorized Grundfos pump distributor in New Mexico. The pump is rated at 32.2 GPH up to 145 psi. Pump materials will be PVDF.



DMH Information	
Motor size:	0.13 to 3 hp
Flow, Q:	0.069 to 2 x 278 gph
System pressure:	max. 2900 psi
Suction/discharge connections:	1/4 to 1-1/4 in.
Enclosure class:	IP 65
Dosing flow variation:	below +/- 1% (DMH 28x)
Dosing flow linearity:	below +/- 1% (DMH 28x)

254	50-10	15.8	145	32
	97-16	30.6	232	65
	102-10	32.2	145	65
	136-16	43	232	90
	143-10	45.4	145	90
	166-16	52.8	232	110
	175-10	55.4	145	110
	202-16	63.9	232	134
	213-10	67.3	145	134

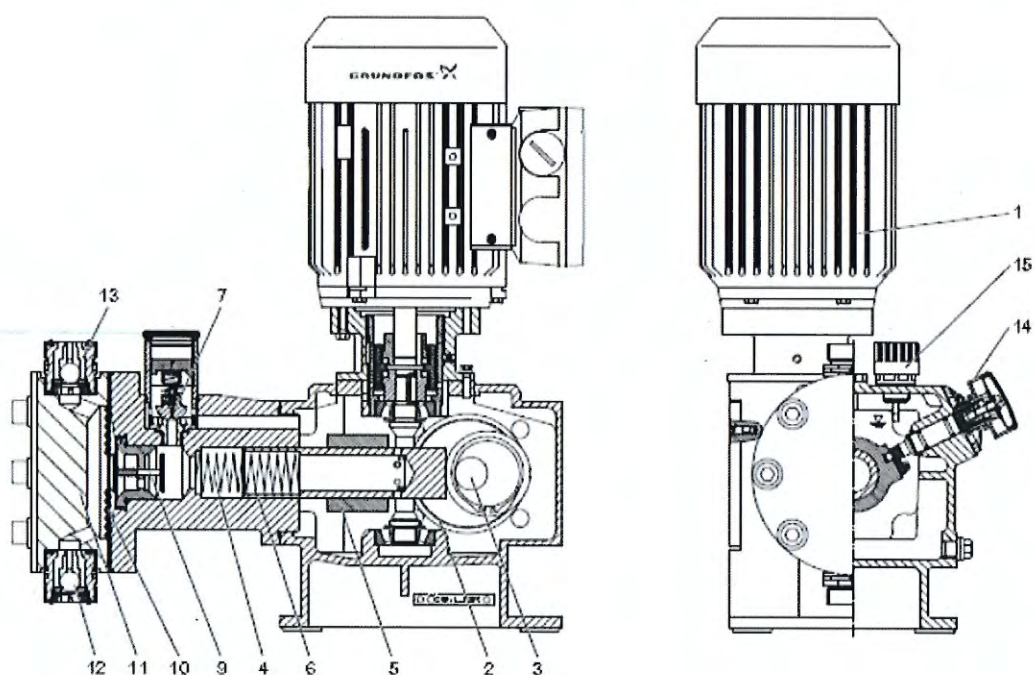


Fig. 19 Sectional drawing, DMH model 254

Legend

Pos.	Description
1	Motor
2	Worm gearing
3	Eccentric
4	Return spring (not for all models)
5	Control slide
6	Piston
7	Combined pressure relief and degassing valve
9	Diaphragm protection system (AMS)
10	Dosing diaphragm
11	Dosing head
12	Suction valve
13	Discharge valve
14	Stroke-length adjustment knob
15	Venting screw with oil-level gauge



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 6.E
Index (Council Goals): BCC - N/A
Presenters: Jack Richardson, Deputy Utilities Manager - GWS Services
Legislative File: 9913-17

Title

Approval of Task Order No. 2 Under Services Agreement No. AGR17-45 with Alpha Southwest, Inc. in the amount of \$72,195.24, plus Applicable Gross Receipts Tax, for the Purpose of Chlorine Generator Equipment Acquisition and Installation for Otowi Booster Station No. 2

Recommended Action

I move that the Board of Public Utilities approve Task Order No. 2 Under Services Agreement No. AGR17-45 with Alpha Southwest, Inc. in the amount of \$72,195.24, and a contingency of \$5,000.00, for a total of \$77,195.24, plus Applicable Gross Receipts Tax, for the Purpose of Chlorine Generator Equipment Acquisition and Installation for Otowi Booster Station No. 2.

Staff Recommendation

Staff recommends that the BPU approve the motion as presented.

Body

This is the second of two Chlorine Generator Equipment purchases we have budgeted for in FY 2017 (rollover) and FY2018 for Water Production. This second unit is slated to be installed at the Otowi Booster Station No. 2 to replace the aging equipment at that high volume booster station. Staff is requesting this Task Order be approved so that we may move forward with the purchase of the second of two new chlorine generating units for the Water Production system.

The scope of this Task Order # 02 is identical to the original scope as detailed in the original Services Agreement (AGR 17-45) and the scope of Task Order # 01 Amendment # 1 except the installation will be at a different location with slightly different labor and material conditions. The schedule has slid a few months as discussed in the narrative for Task Order # 01 Amendment # 1. We believe we now have an exact estimate for what this work will entail but we are requesting a small \$5,000 contingency just in case something comes up in the field during installation that causes some unforeseen costs.

The original agreement is attached for your reference.

Alternatives

DPU could delay the project but that would adversely affect the ability of Water Production to meet its regulatory requirements for maintaining an adequate chlorine reserve in the water systems. The existing equipment is old and has little active life remaining and Water Production has already scavenged parts from redundant systems to keep the active system equipment

operating.

Fiscal and Staff Impact

Funds are budgeted for this work in the O&M budget. Project Management will be absorbed within the routine functioning of the DPU with personnel from Water Production expected to be involved.

Attachments

A - AGR17-45 Task Order #2

Refer to agenda item for Task Order # 01 Amendment # 1 for the original agreement

AGR17-45

TASK ORDER #02

**COUNTY OF LOS ALAMOS UTILITIES DEPARTMENT
PRICE AGREEMENT AGR 17-45
Alpha Southwest INC
September 20, 2017**

PROJECT TITLE: Chlorine generator install For Otowi Booster 2

Description: Provide and install new chlorine generating unit and hypochlorite storage tank at OB2.
Provide necessary materials for installation and onsite training for county personnel.

Estimated Project Term: 30 Days

1. Bid Item 3: Control panel.....Included w/generator
2. Bid Item 4: 20# day Sodium Hypochlorite Generator.....\$57,200.00
3. Bid Item 5: Rectifier.....Included w/generator
4. Bid Item 6: Hypo Storage Tank (300 gallon) includes mounts, ultrasonic sensor.....\$3,845.24
5. Bid Item 11: Supervisor, 40 hours @ \$125.00/hr (not to exceed), demolition, remove old tank,
install new piping, tank and training..... \$4,000.00
6. Bid Item 10: Technician 1 week @ \$85.00/hr (not to exceed), demolition, remove old tank,
install new piping, tank and training.....\$3,400.00
7. Bid Item 12: Travel to site, 5 trips @ \$150.00/trip, two men.....\$750.00
8. Materials: piping, mounts, wire.....\$3,000.00

Estimated Construction Cost: \$ \$72,195.24(less GRT)

Charge Code Number: WP 1513

Acceptance of Conditions and Items of Work

Department of Public Utilities: _____
Timothy Glasco _____ Date

Alpha Southwest INC: _____

Date

Name: _____
Print



County of Los Alamos

Staff Report

September 20, 2017

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 8.A
Index (Council Goals): BCC - N/A
Presenters: Board of Public Utilities
Legislative File: 9916-17

Title

Status Reports

Body

Each month the Board receives in the agenda packet informational reports on various items. No presentation is given, but the Board may discuss any of the reports provided.

Attachments

- A - Electric Reliability Report
- B - Accounts Receivables Report
- C - Safety Report

STATUS REPORTS

ELECTRIC RELIABILITY

Los Alamos County Utilities



Electric Distribution Reliability

September 20, 2017

Stephen Marez
Senior Engineer

Prepared by Stephen Marez
Senior Engineer L.A.C.U.

[illegible]

[illegible]

Twelve Month History	August 2017	
Total # Accounts	9045	
Total # Interruptions	27	
Sum Customer Interruption Durations	3619:47:00	hours:min:sec
# Customers Interrupted	3461	
SAIFI(APPA AVG. = 1.0)	.38	int./cust.
SAIDI (APPA AVG. = 1:00)	:24	hours:min
CAIDI	1:02	hours:min/INT
ASAI	99.9998%	% available

- **SAIFI - System Average Interruption Frequency Index**

A measure of interruptions per customer (Per Year)

$$\text{SAIFI} = \frac{(\text{Total number of customer interruptions})}{(\text{Total number of customers served})}$$

- **SAIDI – System Average Interruption Duration Index**

A measure of outage time per customer if all customers were out at the same time (hours per year)

$$\text{SAIDI} = \frac{(\text{Sum of all customer outage durations})}{(\text{Total number of customers served})}$$

- **CAIDI – Customer Average Interruption Duration Index**

A measure of the average outage duration per customer (hours per interruption)

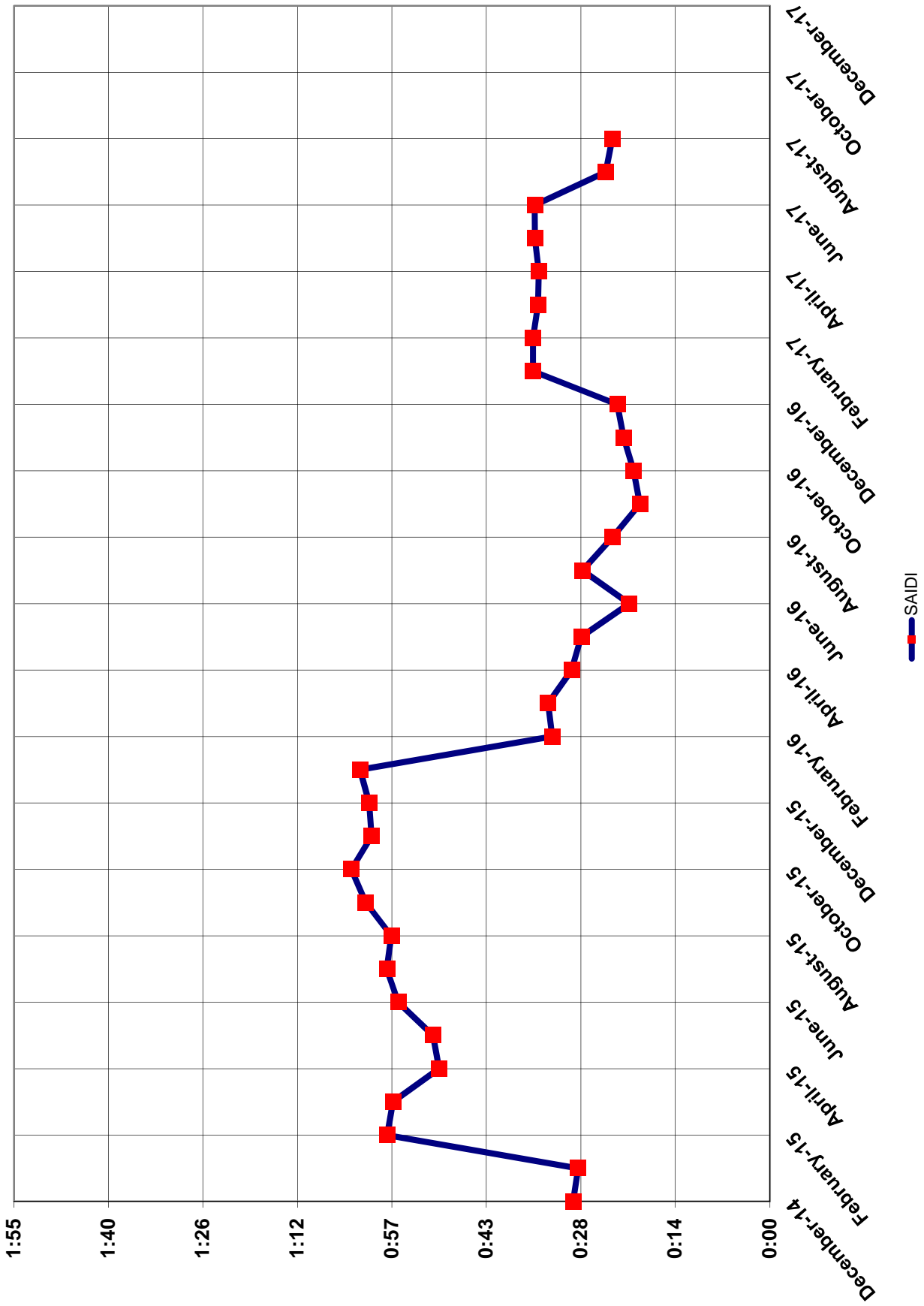
$$\text{CAIDI} = \frac{(\text{Sum of all customer outage durations})}{(\text{Total number of customer interruptions})} = \frac{\text{SAIDI}}{\text{SAIFI}}$$

- **ASAI – Average System Availability Index**

A measure of the average service availability (Per unit)

$$\text{ASAI} = \frac{(\text{Service hours available})}{(\text{Customer demand hours})} = \frac{8760 - \text{SAIDI}}{8760}$$

EACH POINT IS A 12 MONTH SAIDI HISTORY
1:00:00 = APPA BENCHMARK SAIDI



STATUS REPORTS

ACCOUNTS RECEIVABLES

Los Alamos County Utilities Department
Active Receivables Over 90 Days Past Due
September 1, 2017

<i>Account</i>	<i>Acct Type</i>	<i>Comments</i>	<i>90 - 119</i>	<i>120 +</i>
2040938	RES	Paid \$200 on 9/5	154.25	-
2017639	RES	Utilities to be shut off - Lien to be filed	944.19	20.44
2021703	COMM	Account does not indicate payment made since 9/1	170.34	32.83
2021698	COMM	Account does not indicate payment made since 9/1	209.56	38.30
2016678	RES	Account does not indicate payment made since 9/1	-	499.27
2053328	COMM	Payment arrangement on file	2,121.91	4,659.73
			3,600.25	5,250.57
			TOTAL \$	8,850.82

Los Alamos County Utilities Department
Receivables More than 60 Days Inactive
September 1, 2017

<i>YEAR</i>	<i>OUTSTANDING 9/1</i>	<i># OF ACCOUNTS</i>	<i>OUTSTANDING 8/1</i>	<i># OF ACCOUNTS</i>
FY13	1,094.31	7	15,982.04	70
FY14	28,242.22	96	28,068.17	97
FY15	27,009.62	99	27,489.62	99
FY16	22,099.40	129	22,099.40	129
FY17	34,315.69	134	36,626.26	180
TOTAL	\$ 112,761.24	465	\$ 130,265.49	575

STATUS REPORTS

SAFETY

DOI	REPT DT	TYPE	DESC
		PD	Property Damage
		BI	Bodily Injury
		PI	Personal Injury
08/01/17	08/24/17	PD	Climnt alleges damage from LAC Electrical

