



County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

Agenda - Final Board of Public Utilities

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

Wednesday, April 17, 2019

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 losalamos.legistar.com. Learn more about the Board of Public Utilities at rebrand.ly/LACBPU.

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.A.1 [11760-19](#) Reminder for Upcoming Boards & Commissions Luncheon

Presenters: Board of Public Utilities

PG. 1

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 [11554-19](#)** Briefing from County Manager on the County Strategic Objectives

Presenters: Harry Burgess, County Manager

PG. 2-8

4.G.2 [11555-19](#) Quarterly Update on Utility System - Wastewater System

Presenters: Jack Richardson, Deputy Utilities Manager - GWS
Services

PG. 9-54

4.H. Approval of Board Expenses**4.I. Preview of Upcoming Agenda Items****4.I.1 [11889-19](#)** Tickler File for the Next 3 Months

Presenters: Board of Public Utilities

PG. 55-57

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** [11887-19](#) Approval of Board of Public Utilities Meeting Minutes

Presenters: Board of Public Utilities

PG. 58-69

- 6.B** [RE0400-19](#) Incorporated County of Los Alamos Resolution No.19-05; A Resolution Relating to the Natural Gas Supply Agreement Between the Incorporated County of Los Alamos and the New Mexico Municipal Energy Acquisition Authority, As Amended by a First Amendment; Authorizing Action Necessary or Advisable to Obtain a Gas Discount Pursuant to the Supply Agreement, As Amended, Including the Execution and Delivery of Certificates and Agreements Relating to the Foregoing; Ratifying, Approving and Confirming Prior Action Taken Related to the Foregoing; and Repealing Action Inconsistent Herewith

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

PG. 70-77

- 6.C** [AGR0622-19](#) Approval of Task Order No. 52 Under Services Agreement No. AGR16-044 with Paul Parker Construction in the amount of \$78,575.68, plus Applicable Gross Receipts Tax, for the Purpose of TA-21 LANL Electric Line Extension

Presenters: Department of Public Utilities

PG. 78-80

7. BUSINESS

There are no Business items under this section.

8. STATUS REPORTS

8.A [11888-19](#) Status Reports

Presenters: Board of Public Utilities

PG. 81-94

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

April 17, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.A.1
Index (Council Goals): BCC - N/A
Presenters: Board of Public Utilities
Legislative File: 11760-19

Title

Reminder for Upcoming Boards & Commissions Luncheon

Body

The month prior to a Boards & Commissions luncheon, the attendee schedule will be included in the agenda packet as a reminder during the Chair's report.

For the luncheon, the member should prepare a brief report that outlines recent important activities of the Board and highlights upcoming events. The report will be included in the luncheon minutes.

11:30 a.m. - 1:00 p.m. - Council Chambers

2019 Schedule

January 17 - Steve McLin
March 14 - Steve McLin
May 16 - Jeff Johnson
September 19 - Carrie Walker
November 14 - Kathy Taylor
January 16, 2020 - New member



County of Los Alamos

Staff Report

April 17, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.G.1
Index (Council Goals): BCC - N/A
Presenters: Harry Burgess, County Manager
Legislative File: 11554-19

Title

Briefing from County Manager on the County Strategic Objectives

Recommended Action

None

Staff Recommendation

None

Body

The 2015 Board of Public Utilities Self-evaluation, the Board suggested that the County Manager present the County's goals and objectives to the Board and discuss overlap with the Department of Public Utilities. In December 2015, this was added to the Board's Policies and Procedures manual under the County Manager's responsibilities.

Alternatives

None

Fiscal and Staff Impact

None

Attachments

A - 2019 Los Alamos County Strategic Leadership Plan

2019

STRATEGIC LEADERSHIP PLAN

L  S ALAM  S

Vision

Los Alamos is a world-renowned community where discovery and innovation are inspired by its dramatic history and magnificent mountain setting. We offer extraordinary educational, recreational, and cultural opportunities in a vibrant small town atmosphere.



Communication & Transparency



In January, 2019, the Los Alamos County Council identified 7 strategic priorities; these were subsequently adopted on February 5, 2019. These priorities address issues important to the community that the Council agrees to focus and make progress on in the coming year; they are hard and cross-cutting and will support and help enable multiple initiatives currently underway. This does not mean that the county will only work on and invest in these priorities; they are a tool to help assure that in the context of all of the ongoing county efforts, a focus on a few high-level, important but challenging goals is maintained.

For each of these priorities, concrete actions for addressing them will be identified. Additionally, multiple mechanisms will be used to promote engagement with the community to clearly and more broadly communicate what the priorities are and elicit ideas and creative solutions for making progress. The status of the priorities will be reviewed and reported on a regular basis.

Ongoing improvement in communication and transparency in county policy setting is an overarching Council goal that will be a component of all our efforts.

These priorities were identified in the context of uncertainty regarding the County's Gross Receipts Tax revenue; it is understood that addressing priorities that require funding outlays will be contingent on the resolution of this uncertainty.



Priority Areas

Increasing the amount and types of housing options.

This includes a variety of housing options for all segments of the community, from affordable, entry level, and live-work housing to new options for those interested in downsizing or moving closer to central areas of the community.

Enhancing support and opportunities for the local business environment.

This includes appropriate support for existing businesses, growing new businesses, and supporting technology start-ups and spin-offs.

Addressing long-term building vacancies in our community.

Land availability in Los Alamos County, and in particular in the downtown areas, is limited and there is a desire to work towards better utilization, opportunities for new businesses, and improved aesthetics.

Protecting, maintaining and improving our open spaces, recreational, and cultural amenities.

Los Alamos County open spaces and cultural attractions are greatly valued by the community and provide opportunities for recreational and economic growth; appropriately allocating resources to ensure their health and sustainability is important to our citizens.

Supporting social services improvement.

Behavioral, mental and physical health and social services are important quality of life components; there are key areas where appropriate types and levels of county support could help address current needs.

Investing in infrastructure.

Appropriately balancing maintenance of existing infrastructure with new investments in county utilities, roads, facilities and amenities will help improve environmental stewardship, sustainability, and quality of life.

Planning for appropriate levels of county services.

Making sure we understand the level of services our citizens want will allow us to make appropriate investments in processes and staff to achieve them.

As noted, establishing these priorities is intended to help maintain focus on issues important to the community and support and help enable multiple ongoing initiatives important to the future of our community. These initiatives have benefitted from significant public involvement, time, and expertise and it is essential that we continue to work on:

Implementation of the 2016 Comprehensive Plan, including an emphasis on neighborhoods and effectively managing commercial growth.

Implementation of the 2018 Tourism Strategic Plan.

Utilizing the recommendations of the Community Development Advisory Board.

Addressing issues noted in the 2018 State of Health in Los Alamos.

Pursuing key goals described in 2018 DRAFT Los Alamos County Economic Vitality Plan.

Partnering with Los Alamos Public Schools and the University of New Mexico-Los Alamos, as appropriate, to support the high-quality educational opportunities in the community.

Maintaining and improving transportation and mobility.

Strengthening coordination and cooperation between County government, LANL, and regional and national partners.

Collaborating with Los Alamos National Laboratory as the area's #1 employer.

Work towards the Department of Public Utilities Strategic Goals and integration of these efforts with activities in support of the County's strategic priorities will be essential for achieving desired outcomes effectively and efficiently; mechanisms for improving this integration are being implemented.



County of Los Alamos

Staff Report

April 17, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.G.2
Index (Council Goals): BCC - N/A
Presenters: Jack Richardson, Deputy Utilities Manager - GWS Services
Legislative File: 11555-19

Title

Quarterly Update on Utility System - Wastewater System

Recommended Action

No recommendation, for information only.

Staff Recommendation

None

Body

The Board has requested a quarterly system assessment on a different utility each quarter. This quarter, Jack Richardson, Deputy Utilities Manager for Gas, Water and Sewer, will present an update on the wastewater system. The emphasis with this update is on the comparison of primary key organizational performance measures trending from FY13 to the latest full FY18. A financial health analysis comparing the FY19 forecast to the FY20 forecast is included - showing significantly improved and continuing improving financial health of the wastewater fund.

Alternatives

None

Fiscal and Staff Impact

None

Attachments

A - Wastewater System Presentation 2019

Quarterly Update to BPU Waste Water Systems (WC & WT)

By: Jack Richardson, PE

Deputy Utility Manager – Gas, Water, Sewer (GWS)

BPU Meeting – April 17, 2019

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WR WWTP

Original Tricking Filter
Recirculation Pump Area

WR WWTP

FY18 New Pumps - Tricking
Filter Recirculation Pump Area

1

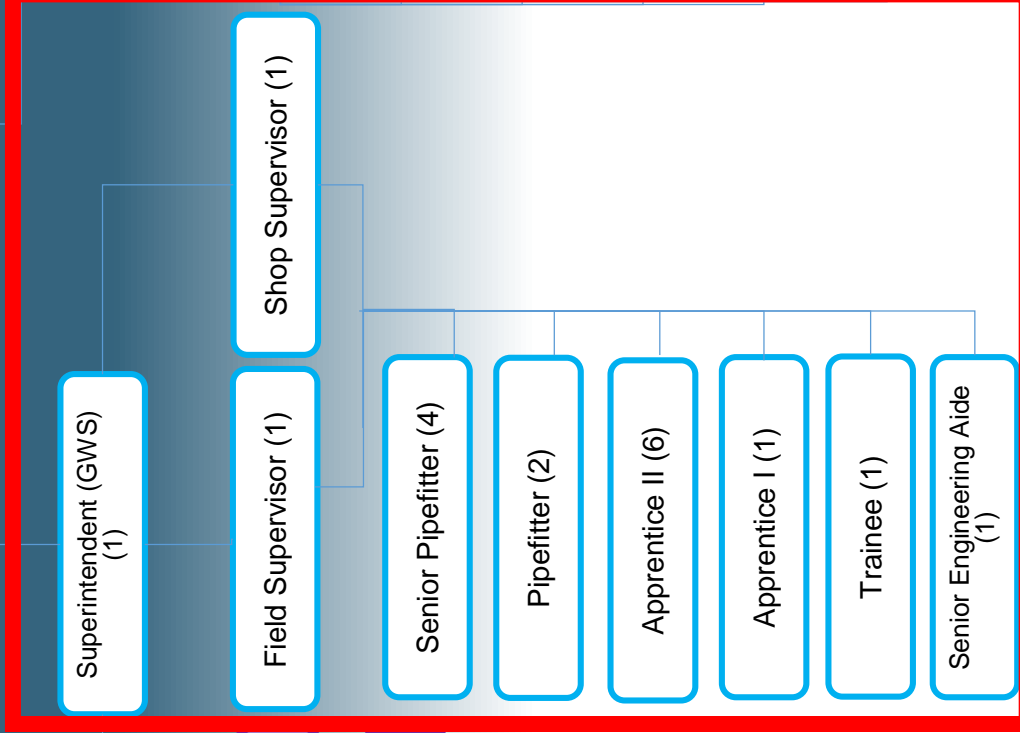


GWS ORGANIZATIONAL STRUCTURE

These folks in the red box are responsible for all wastewater collection (WC) system O&M – but they are also responsible for all gas distribution and water distribution system O&M.

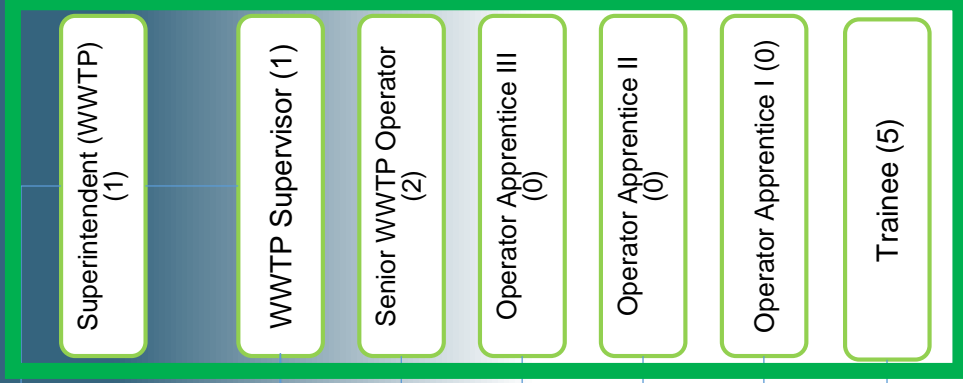
These folks in the green box are responsible for all wastewater treatment (WT) system O&M – both the Los Alamos & White Rock WWTP's.

Deputy Utilities Manager
Gas, Water, Sewer (GWS)



Meter Reading {5}

Gas Distribution
Water Distribution
Sewer Collection
GWS Total {19}



Superintendent (WP) (1)

Senior Water System Operator (5)

Water System Electrical Tech. (2)

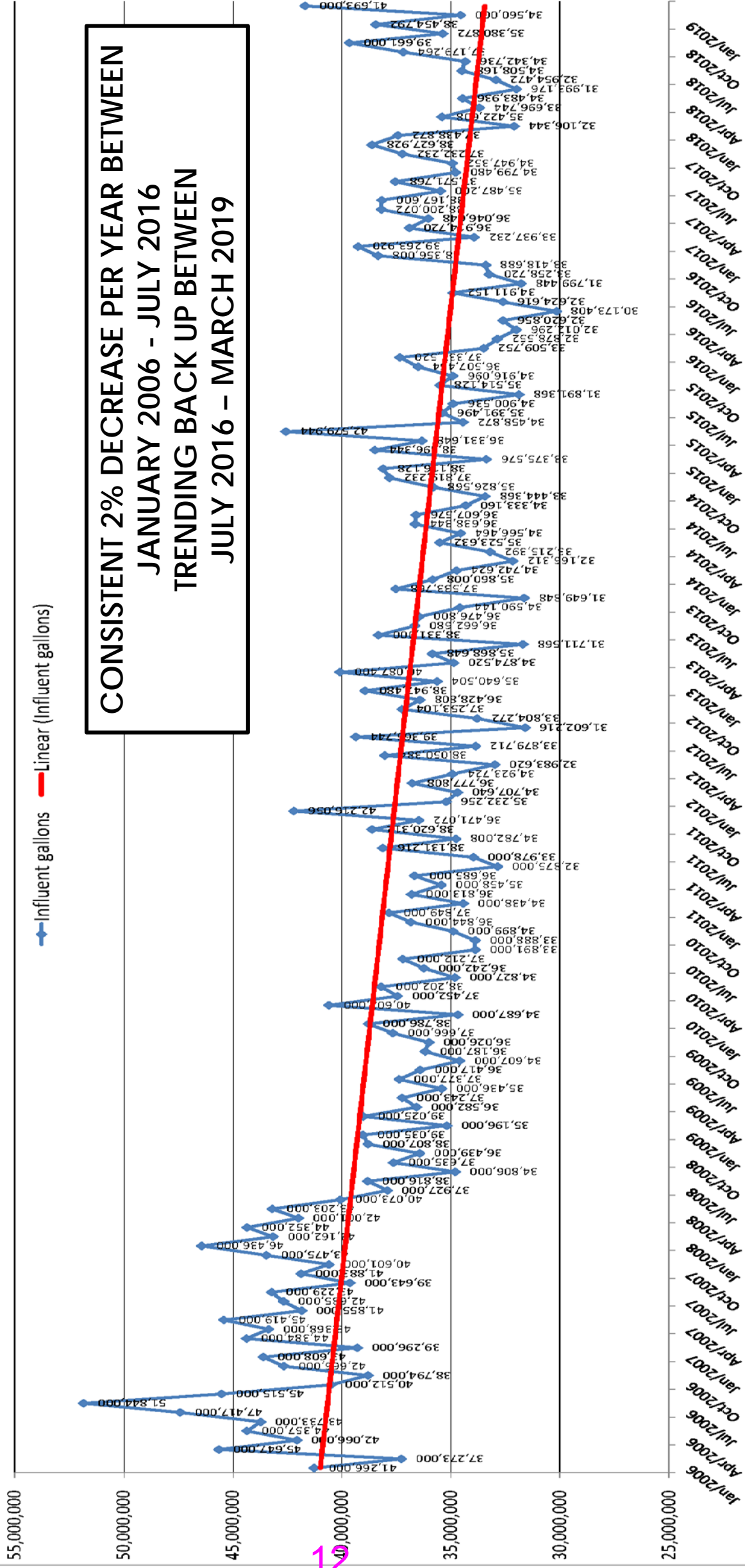
Water Systems Trainee (1)

Water Production
Potable and
Non-Potable {9}

Wastewater Treatment {9}

Total Wastewater System Flows or "Sales" (Gallons per Month)

Los Alamos and White Rock - Total WWTP Influent Flow (gallons) - January 2006 thru March 2019



Wastewater Collection System 2005 Condition Assessment Discussion Points

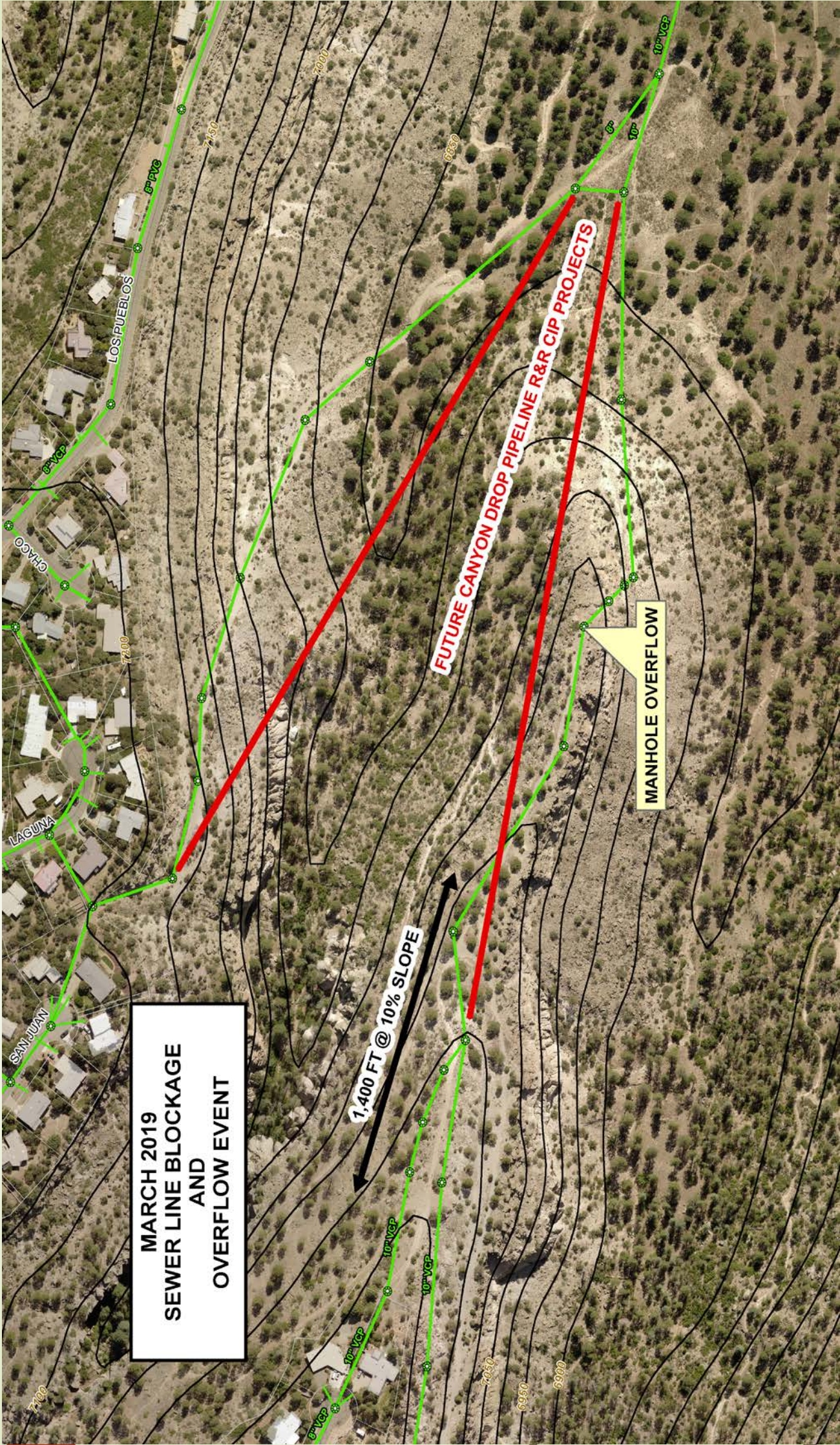
TOWNSITE & WHITE ROCK WASTEWATER COLLECTION SYSTEMS DISCUSSION POINTS						
Pipeline Type	Townsite			White Rock		
	Lineal Feet	Miles	% of Total	Lineal Feet	Miles	% of Total
Gravity Main	423,850	80.27	94.42%	159,594	30.23	94.67%
Force Main	25,050	4.74	5.58%	8,985	1.70	5.33%
SubTotal	448,900	85.02	100.00%	168,579	31.93	100.00%
Pipeline Material						
Clay (VCP)	196,163	37.15	43.70%	152,435	28.87	90.42%
Poly Vinyl Chloride (PVC)	137,037	25.95	30.53%	5,717	1.08	3.39%
Concrete	15,498	2.94	3.45%	0	0.00	0.00%
PE Inserted (in other pipe type)	45,971	8.71	10.24%	1,689	0.32	1.00%
Transite (ACP)	154	0.03	0.03%	0	0.00	0.00%
Polyethylene (PE stand alone)	29,543	5.60	6.58%	0	0.00	0.00%
Steel / Cast Iron / Ductile Iron	21,049	3.99	4.69%	8,738	1.65	5.18%
Unknown	3,485	0.66	0.78%	0	0.00	0.00%
SubTotal	448,900	85.02	100.00%	168,579	31.93	100.00%
Pipeline Age						
Older than 1960 (58+ Years Old)	264,851	50.16	59.00%	0	0.00	0.00%
Between 1960 and 1979 (48+ Years Old)	49,379	9.35	11.00%	160,338	30.37	95.11%
Newer than 1979 (39- Years Old)	134,670	25.51	30.00%	8,241	1.56	4.89%
SubTotal	448,900	85.02	100.00%	168,579	31.93	100.00%

Canyon Drop Wastewater Collection Pipeline Overflow Event





- 6 PERSON TEAM – LATE AFTERNOON INTO NIGHT TIME WORK
- SEWER FLUSHING EQUIPMENT TRAILER (TO BREAK UP BLOCKAGE) (7 TONS)
- TRAILER WATER TANK HOLDS 500 GALLONS OF WATER (2 TONS)
- DUALY 1-TON PICKUP (TO HAUL TRAILER)
- VACTOR TRUCK (HAUL ADDITIONAL WATER SUPPLY FOR TRAILER EQUIPMENT)
- BACKHOE (TO HELP HAUL EQUIPMENT TRAILER OFF THE CANYON LEDGE)
- ACCESS ROAD ENTRY TO CANYON LEDGE
- WINTER ACCESSIBILITY ONLY BY PARKER CONSTRUCTION BULLDOZER HAULING EQUIPMENT



Examples of Operation & Maintenance Program Efficiency

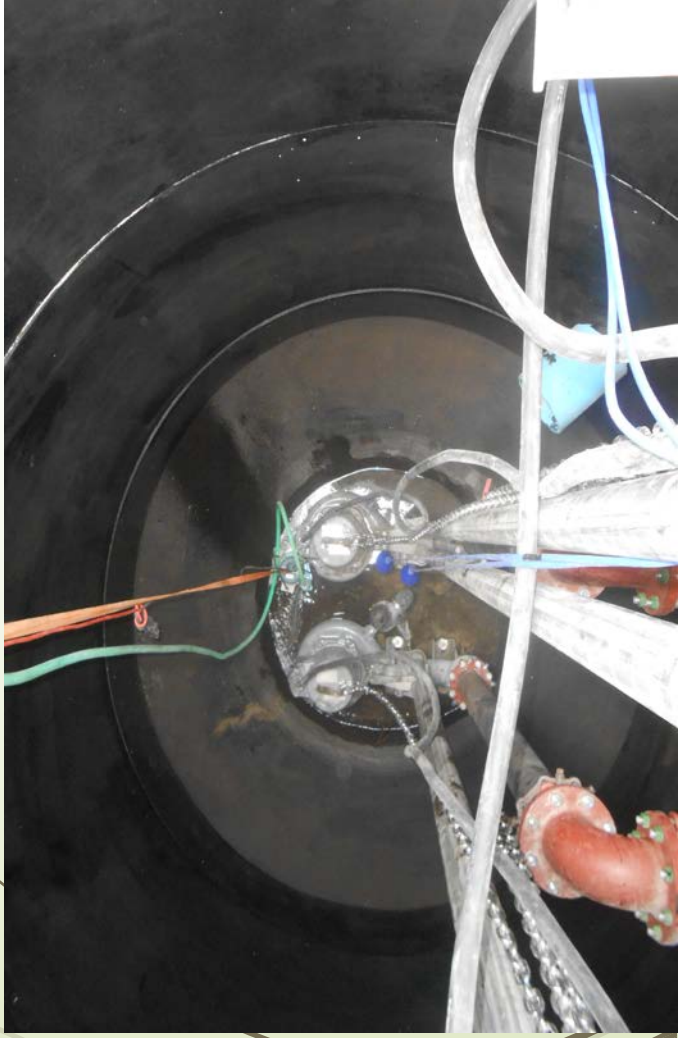
8

- ❖ **Eliminated One FTE in Overall Gas/Water/Sewer Crew Size (FY17)**
 - ▶ One regular employee FTE was not replaced after retirement in FY 2017
 - ▶ Reduced the number of FTE's in the entire GWS from 21 to 20 (which affects WC as well as DW & GA)
 - ▶ Loss of FTE is coincident with a realignment in DPU lessening emphasis on CIP full replacement projects and increasing emphasis on O&M type specific detailed R&R type projects
- ❖ **Enhanced Sewer Lift Station O&M in Wastewater Collection (FY18 thru FY20)**
 - ▶ Sewer Lift Station field inspection forms are being upgraded so that asset management condition assessment information will be collected annually and placed into a digital file related to the GIS
 - ▶ GWS staff have recommended multiple approaches to the renewed emphasis on O&M, in lieu of full CIP replacement. Suggestions that have been or will be implemented:
 - ❑ Inspection of pump vibration, power usage, electric control functions, etc. added to the routine inspection program.
 - ❑ Replace corroded fasteners with new SS fasteners. Add full coverage wet well & piping coating to routine R&R efforts. This effort should minimize the number of SLS's that require full replacement and minimize the SLS portion of the CIP plan.
 - ❑ Replace old control panels with new panels – utilizing existing structures, pumps, piping, valves, conduit, etc.
- ❖ **Incorporating GIS More as an O&M Tool in Addition to Being the Standard Mapping Tool (FY18 through FY20)**
 - ▶ Will provide for easier and quicker access to wastewater system documentation by adding field form data to the GIS data sets either by attaching scanned images of the field forms or inputting the field form data into a GIS data set
 - ▶ Will provide for easy access to records during preparation for AMT meetings and other information requests
 - ▶ Enhanced field forms for all infrastructure (not just SLS's) matched to upgraded GIS data sets are being developed, tested and implemented

Typical Sewer Lift Station Replacement Project – Before Photos



Typical Sewer Lift Station Replacement Project – After Photos



- ❖ **Renewed Emphasis on O&M Type R&R Rather Than Large Scale CIP Replacement Projects (WC & WT)**
- ▶ Critical Infrastructure receives a higher risk factor and a higher probability of large scale replacement
 - ▶ Risk Factors and Existing Condition Assessments are being developed with the enhanced GIS Condition Assessment System
 - ▶ Enhanced GIS Condition Assessment System will assist the DPU in developing and justifying future CIP plans and/or O&M R&R projects
 - ▶ Enhanced GIS Condition Assessment System will also assist the DPU in analyzing and reporting system values: Installed Cost; Present Worth (depreciated net book value); Full Replacement Cost. This will enable better coordination and tracking of system value with the Office of Management & Budget.
- ▶ Legacy small diameter sewer lines serving more than a single structure (FY19 – FY21)
 - ▶ These legacy small diameter wastewater collection pipelines, that serve more than a single structure, are in technical violation of the current DPU Rules & Regulations (Rule S-2)
 - ▶ These legacy small diameter wastewater collection pipelines, while not comprising a large number of WC collection pipelines, are responsible for a disproportionately large volume of sewer service backup emergency calls
 - ▶ R&R of these legacy small diameter pipelines through an O&M program (not CIP) will ultimately improve the performance measures for O&M Expenditures per 100 Miles of Main Pipeline & Sewer Overflow Events per 100 Miles of Main Pipeline.

Proposed Risk Assessment Matrix

RISK MATRIX		Hazard Effect / Consequence				
Risk Type		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Harm To People (Safety - Health)		No injury or health risk	First aid case - exposure to minor health risk	Medical treatment case - exposure to major health risk	Serious injuries requiring medical treatment - reversible impact on health	Fatality or loss of quality of life - irreversible impact on health
Environmental Impact		No environmental harm	Minimal environmental harm - easily remediable	Material environmental harm - remediable short term	Serious environmental harm - remediable with major effort and expense	Major environmental harm - remediable for restoration not possible - only mitigation
Business Impact - Material or Financial Loss		No business disruption - no material or financial loss	Brief business disruption - minor material or financial loss	Partial shutdown - moderate material or financial loss	Partial loss of operation - major material or financial loss	Substantial or total loss of operation - significant material or financial loss
Legal & Regulatory		None to low /level legal issue	Minor legal issue or breach of law - non-compliance	Serious breach of law - investigation & report to authorities - prosecution and/or moderate penalty possible	Major breach of law - considerable prosecution and penalties	Very considerable penalties and prosecutions - multiple law suits and jail terms possible
Impact on Reputation - Social - Community		Slight impact - public awareness may exist but no public concern	Limited impact - local public concern	Considerable impact - regional public concern	National impact - national public concern	International impact - international public concern
		Risk Factor				
Almost Certain	5	2	3	4	5	5
Likely	4	2	2	3	5	5
Possible	3	1	2	3	4	5
Unlikely	2	1	1	2	3	4
Rare	1	1	1	2	2	3
Risk Factor		Risk Level				
5	Extreme	Guidelines for Risk Matrix Eliminate, avoid, implement specific action plans & procedures to manage & monitor. Immediate action required. Proactively manage. Prioritised action required. Actively manage. Planned action required. Monitor and manage as appropriate. Actioned by routine procedures. Routine monitoring. No action required.				
4	High					
3	Medium					
2	Low					
1	Virtually None					

Wastewater System CIP Planning Considerations : 2 of 2

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❖ Renewed Emphasis on Sustainable Cash Flows and Cash Balances Meeting Financial Policy Goals (WC & WT)

- ▲ Financial Policy Goals have been established.
 - Financial Policy Goals will continue to help drive the rate setting discussions into the future.
 - The overarching goal is to reliably provide safe wastewater collection, treatment and disposal with excellent customer service. One of the main goals is also to establish and maintain adequate cash balance reserves in each of the Wastewater Fund sub-funds: Wastewater Collection & Wastewater Treatment independently respective to each sub-fund.

❖ Enhanced Sewer Lift Station (SLS) O&M Program (WC)

- ▲ Original CIP project was to replace virtually all sewer lift stations. Many stations exhibit advanced corrosion of fasteners, valves & piping – as well as antiquated motor controls.
 - Cost of CIP projects was reduced from an original estimate of full replacement of 15 SLS's to a current estimate to refurbish, through an R&R O&M project, 9 SLS's over 20 years. Saving at least 50% of the full replacement cost (\$180,000 FY19 dollars) for each SLS refurbished instead of replaced.
 - Success of the proposed SLS O&M program may allow for additional savings on SLS replacements.
 - The new O&M routine program: developed in FY18; material acquisition and field initiation in FY19; completion in FY20.

❖ Deferral of Two Major Sewer Lift Station Elimination Projects from the 10-Year CIP Plan to the 20-Year Plan (WC)

- ▲ Original CIP plan, developed for the 10-year planning period, included the elimination of both major sewer lift stations planned to be replaced with gravity sewer pipelines. These stations are all have feasible gravity pipeline alternatives.
 - In order to lower the average annual projected CIP costs for the wastewater collection system, these projects have been deferred to beyond the existing 10-year planning period and have been incorporated into the 20-year planning period. The financial analyses used for this presentation include these projects within the 20-year planning period. Elimination of these SLS's should help the performance measure for Energy Cost per 100 Miles of Main Pipeline improve.

❖ **PRIMARY KEY ORGANIZATIONAL PERFORMANCE MEASURES (all)**

▶ Sewer Service Affordability – Based on Ave Res Monthly Bill per Median Household Income (%)

▶ O&M Expenditures per 100 Miles of Main Pipeline (\$/100 miles)

▶ Sewer Overflow Events per 100 Miles of Pipeline (#/100 miles)

❖ **SECONDARY KEY ORGANIZATIONAL PERFORMANCE MEASURES (all)**

▶ Monthly Video Inspection Footage (feet/mon.)

▶ Monthly Sewer Main Cleaning Footage (feet/mon.)

▶ O%M Expenditures per All Accounts (\$/all acc.) (Conveyance)

▶ Total System Revenue per All Accounts (\$/all acc.)

▶ Energy Consumption – Conveyance per Million Gallons (kWhr/MG)

▶ Planned Maintenance as a Percent of Total Maintenance (planned maint. hours/planned + corrective maint. hours) (%)

▶ System Renewal and Replacement (CIP Expenditures for R&R/Total Present Worth of WC System) (%)

❖ **PERFORMANCE MEASURES WITH TARGETS OR BENCHMARKS**

▶ Performance Measures with known national standards for system comparison are in GREEN (Typically AWWA standards)

▶ Performance Measures with a DPU Strategic Plan or Conservation Plan Goal are in Magenta

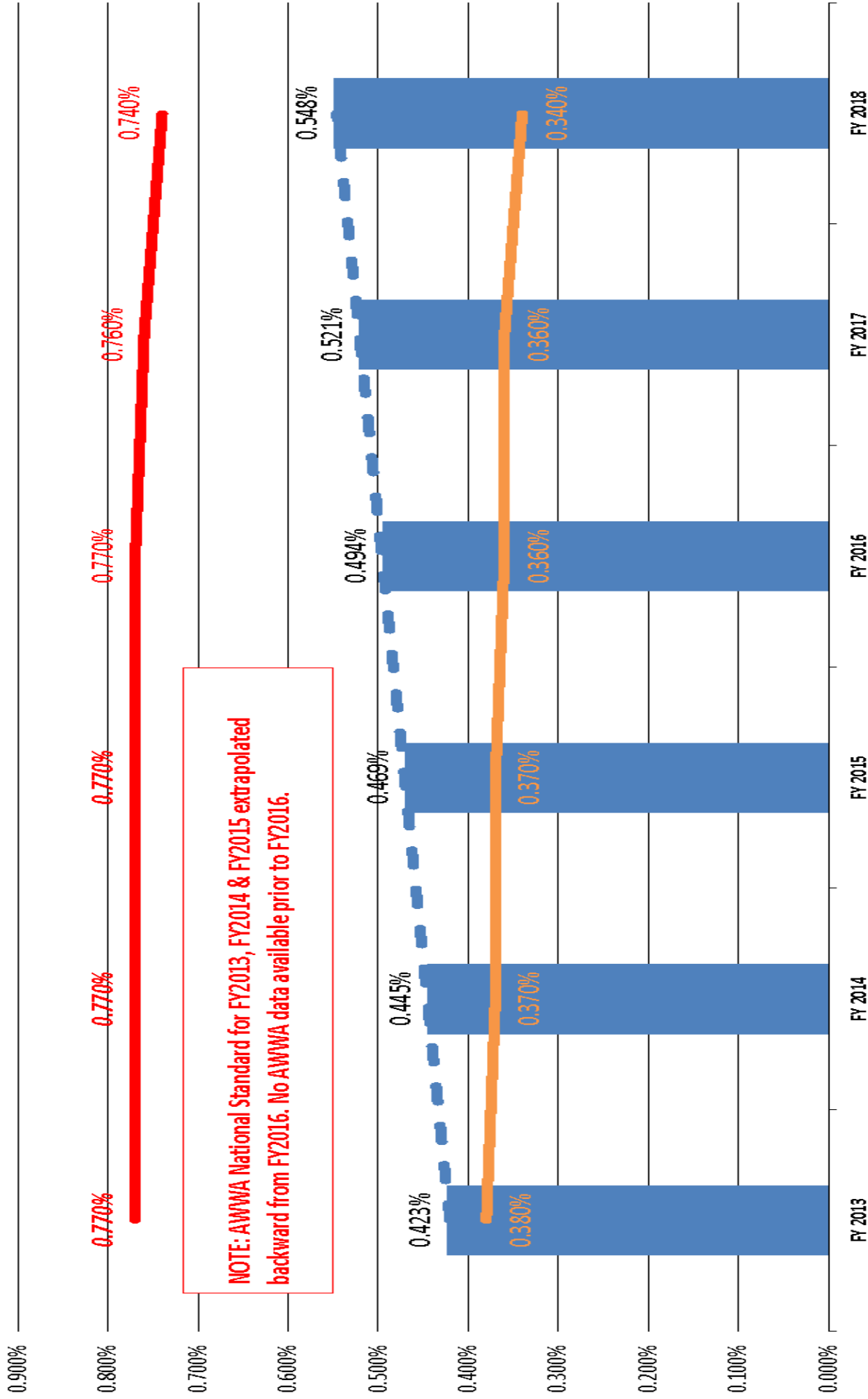
▶ Performance Measures with both a DPU Strategic Plan or Conservation Plan Goal and a national standard comparable goal are in Cyan

▶ Measures are collected and reviewed monthly via a 12 month moving average graph. Annual FY performance measures data is transferred from the annual data sets to a multi-year data set for year over year / multi-year comparison. Full implementation scheduled for late FY 2018

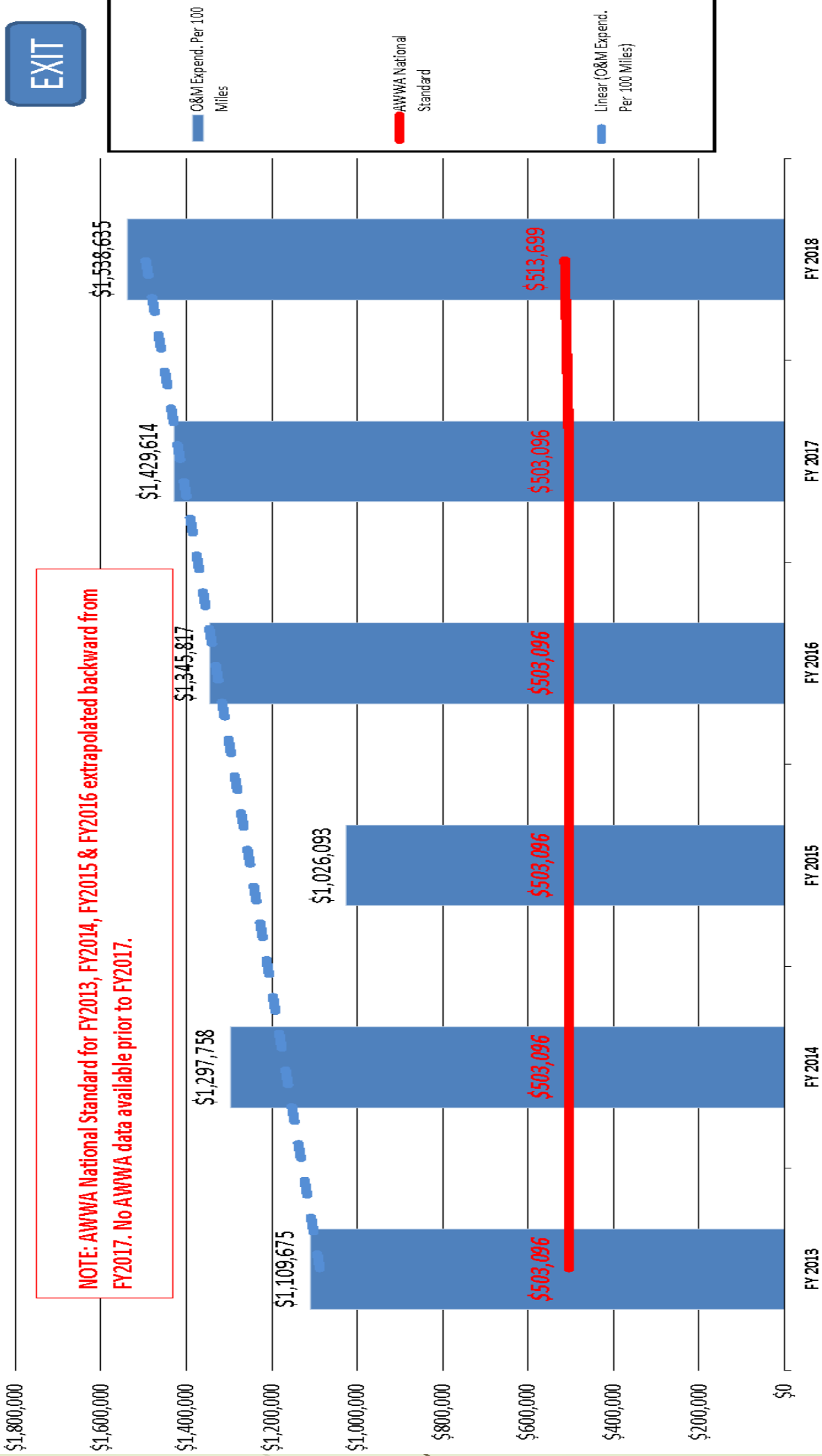
- Abbreviated summary of dashboard data for Wastewater Collection.
- WC-1: Primary/Long term trend upward – not optimum. Due to recent annual rate increases. Still good compared to national standard. Not a good trend compared to New Mexico standard (assumed 1.25% [here]vs 2.50% [budget] growth NM MHI).
- WC-2: Primary/Not a good 6-year trend upward – needs to be researched. Difficult (but still valid) comparison to national standard – because DPU system is expensive due to terrain compared to other WC utilities across the country. Example: DPU has 28 sewer lift stations and pipelines in canyons and on canyon rims that are expensive to safely reach for maintenance.
- WC-3: Primary/Excellent 6-year trend downward and toward national standard. Emphasis on annual video inspection and sewer cleaning of known trouble pipelines is paying dividends. Future increased O&M expenditures for small scale delivery pipeline R&R should continue this excellent trend.

EXIT

GRAPH IWC-1 / SEWER AFFORDABILITY (AVE SF RES ANNUAL SEWER BILL AS A % OF MEDIAN HOUSEHOLD INCOME)

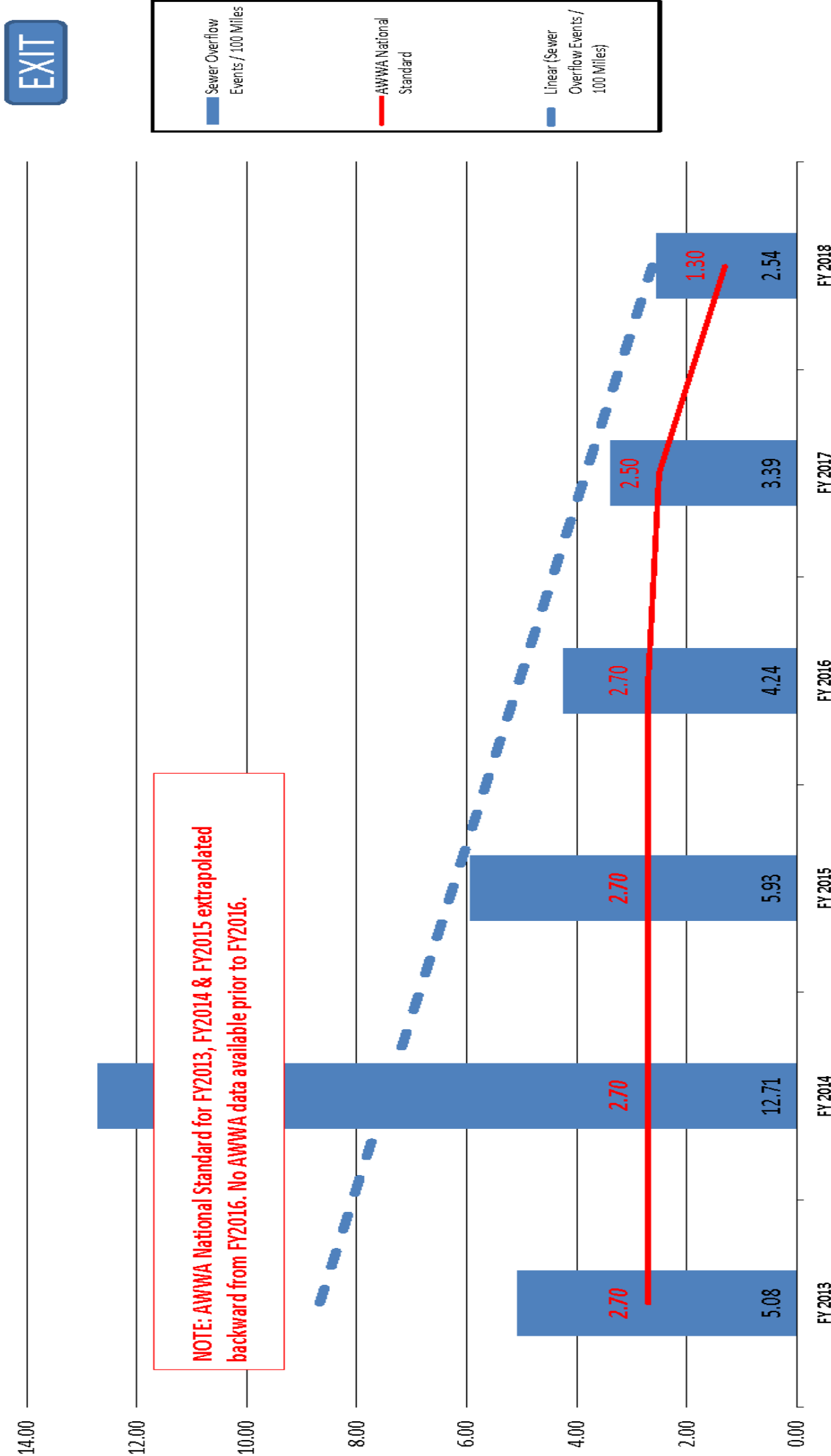


GRAPH WC-2 / O&M EXPENDITURES (CONVEYANCE) PER 100 MILES OF MAIN PIPELINE



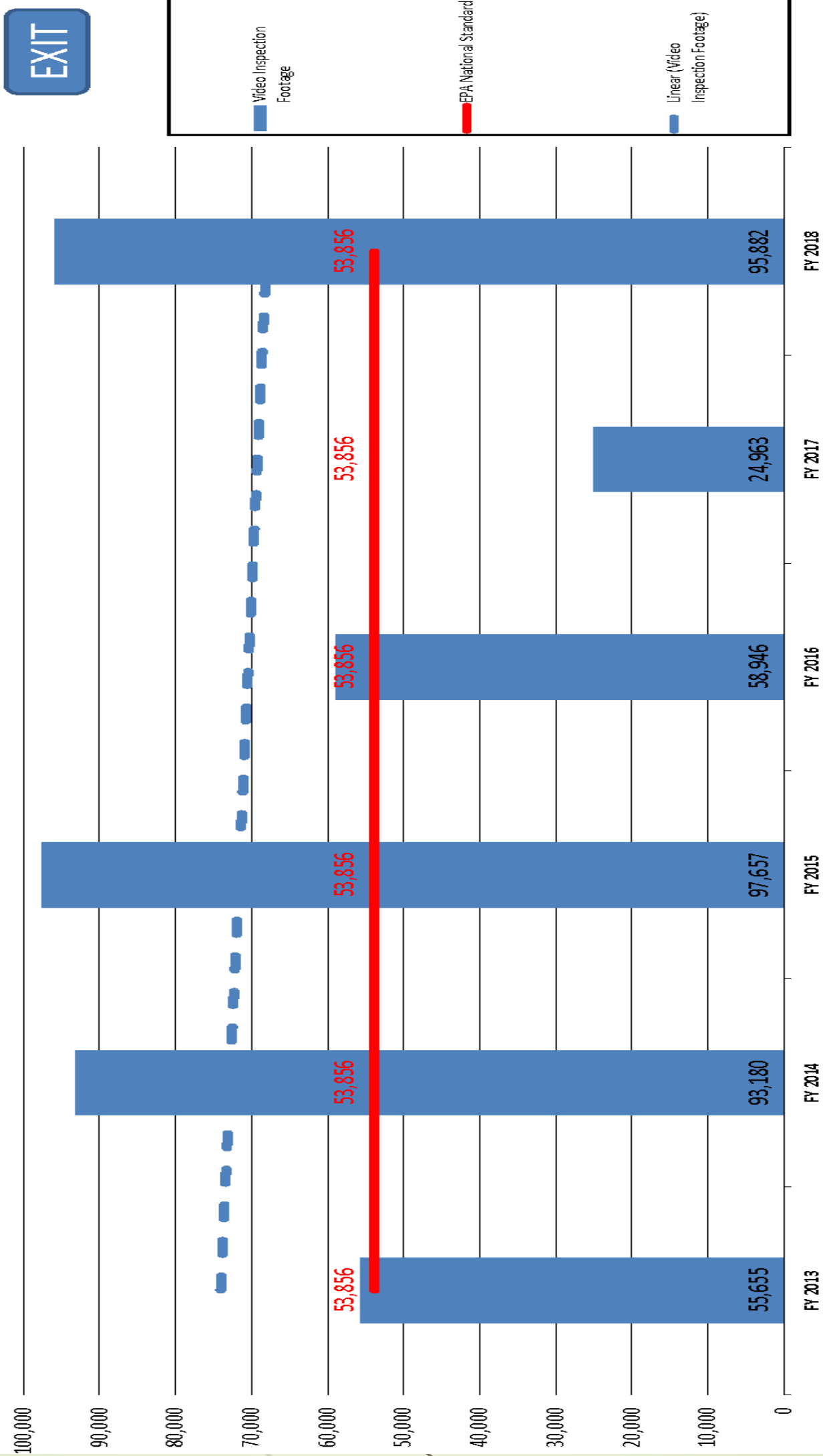
EXIT

GRAPH WC-3 / SEWER OVERFLOW EVENTS PER 100 MILES MAIN PIPELINE



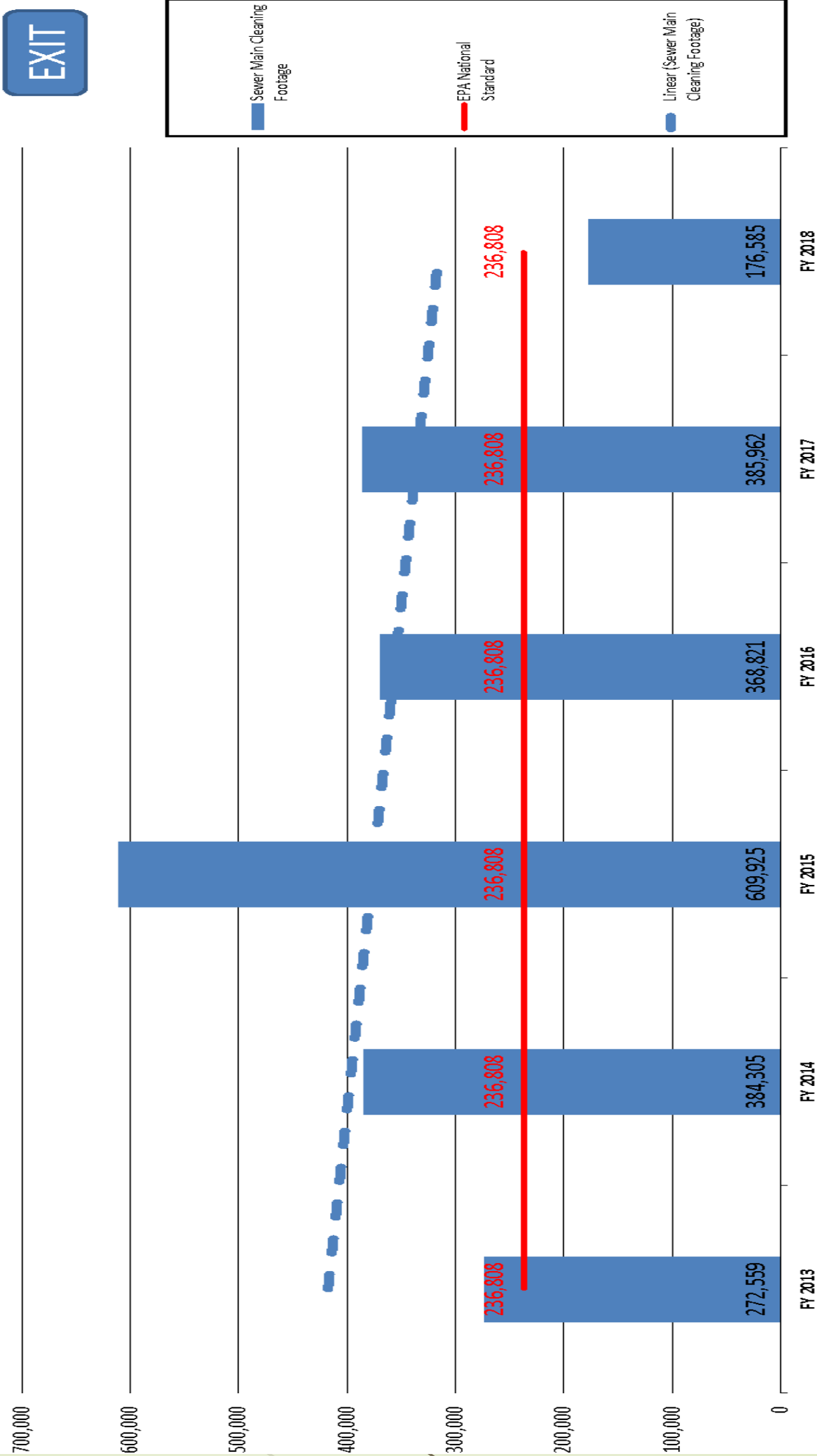
- Abbreviated summary of dashboard data for Wastewater Collection.
- WC-4: Secondary/6-year trend downward is okay because it is heading toward matching our national standard. FY17 value was excessively low due to equipment failure/replacement down time.
- WC-5: Secondary/6-year trend downward is okay because it is heading toward matching our national standard.
- WC-6: Secondary/Even though DPU is averaging above the national standard the difference is not great. 20-year CIP projects should enable this performance measure to continue to trend toward the national standard.
- WC-7: Secondary/Upward trend is not good. One reason is improved electric metering & reading. 20-year CIP projects to eliminate major lift stations with gravity flow will help reverse this trend.

GRAPH WC-4 / VIDEO INSPECTION FOOTAGE

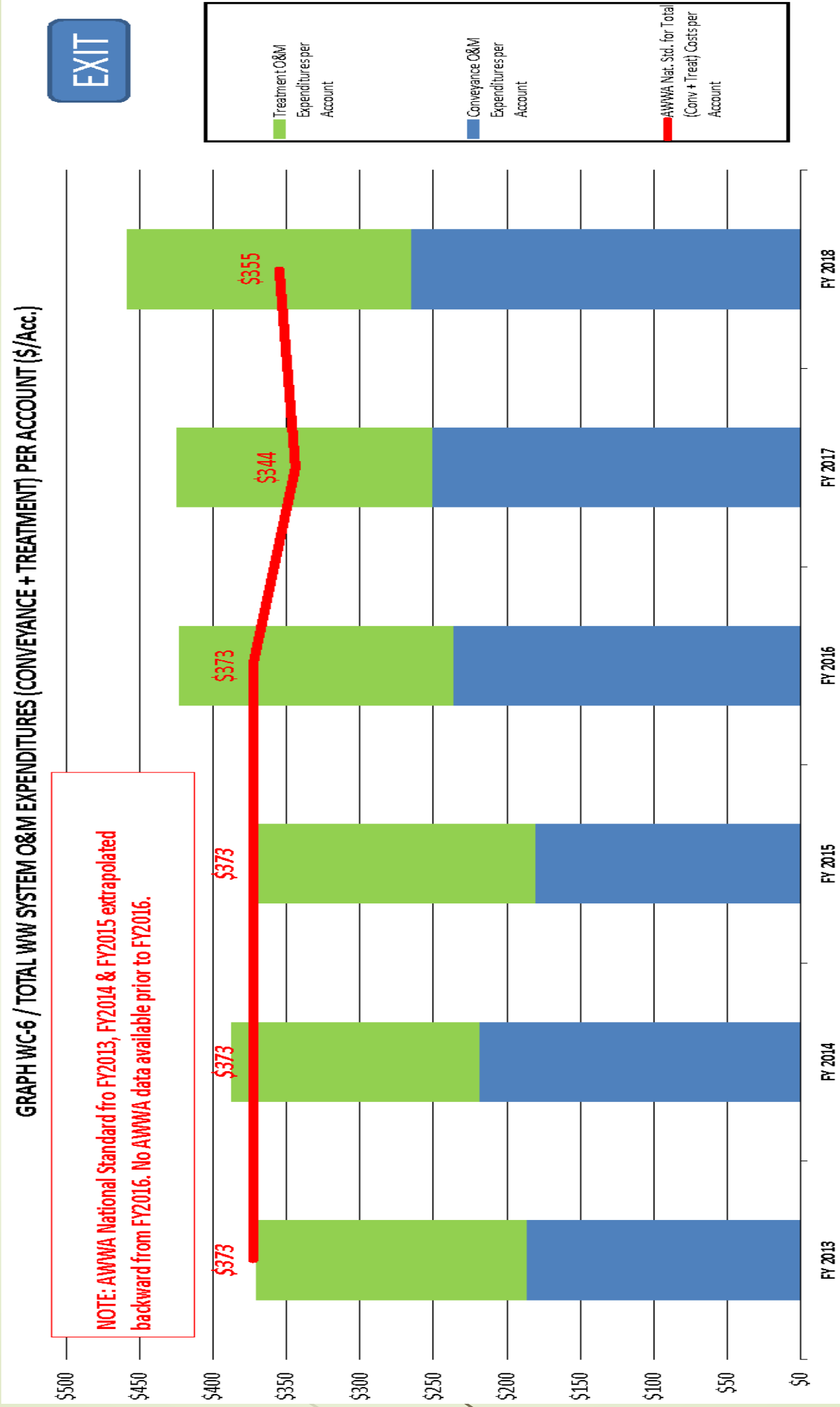


EXIT

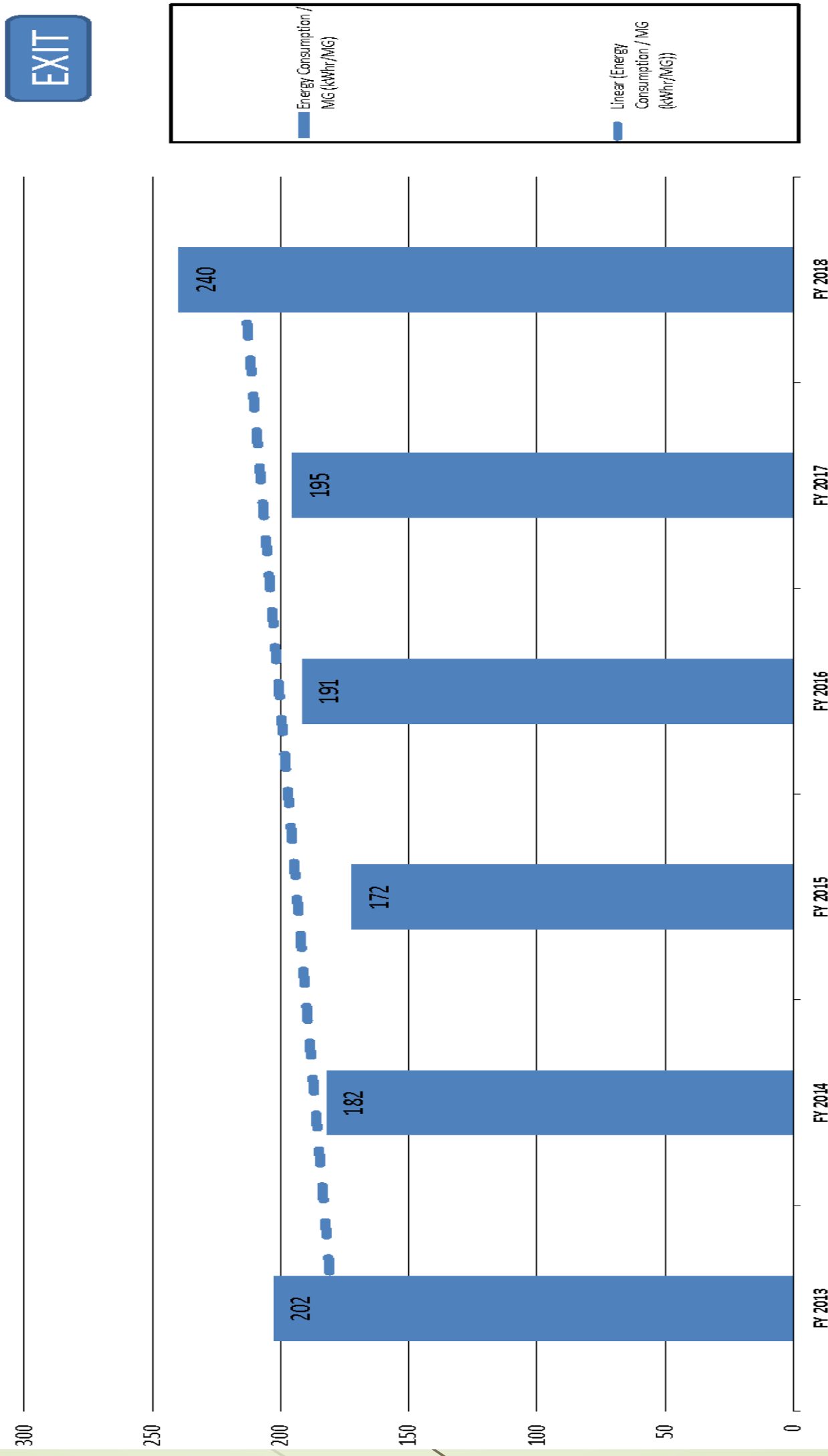
GRAPH WC-5 / SEWER MAIN CLEANING FOOTAGE



EXIT

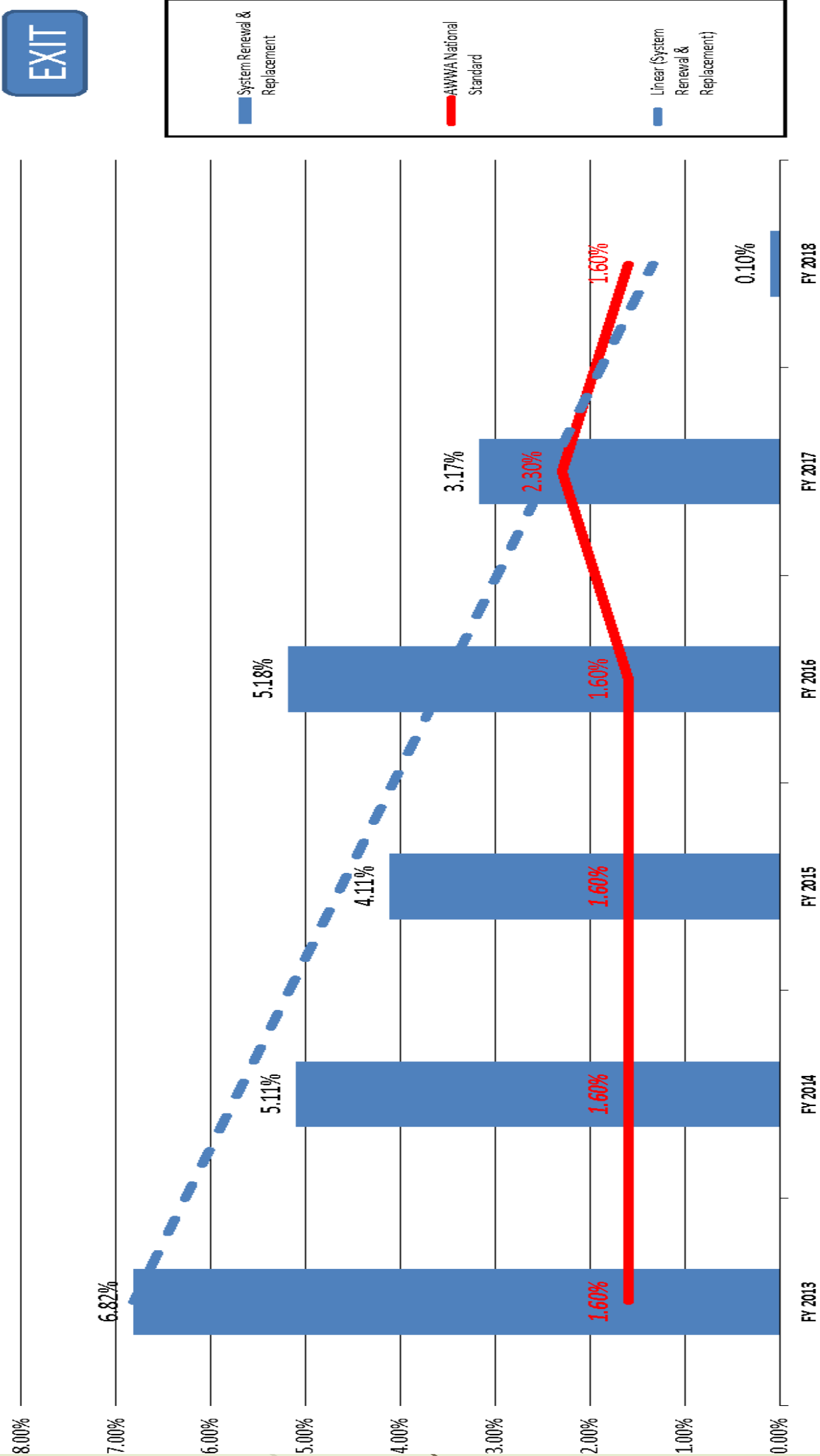


GRAPH WC-7 / ENERGY CONSUMPTION (CONVEYANCE ONLY) PER MILLION GALLONS (kW/hr/MG)



- Abbreviated summary of dashboard data for Wastewater Collection.
- WC-9: Secondary/6-year trend is drastically downward because, due to budget constraints, WC CIP projects have been decreasing in annual value – especially the FY18 value when we deferred all WC CIP projects. This trend will continue downward because we deferred all major WC CIP projects again for FY20 through FY22 due to the expenditure hit to the wastewater fund budget of the White Rock WWTP replacement project. The 20-year plan proposes that after the White Rock WWTP project is over and the WC CIP projects are again planned on an annual basis (starting FY23) the long term goal of WC R&R expenditures versus the national standard should effectively trend with the national standard at a slightly higher value than the selected median value national standard over the next 20 years – until the wastewater collection system is considered to meet acceptable modern standards. (see slide following Graph WC-9)

GRAPH WC-9 / SYSTEM RENEWAL & REPLACEMENT - CONVEYANCE



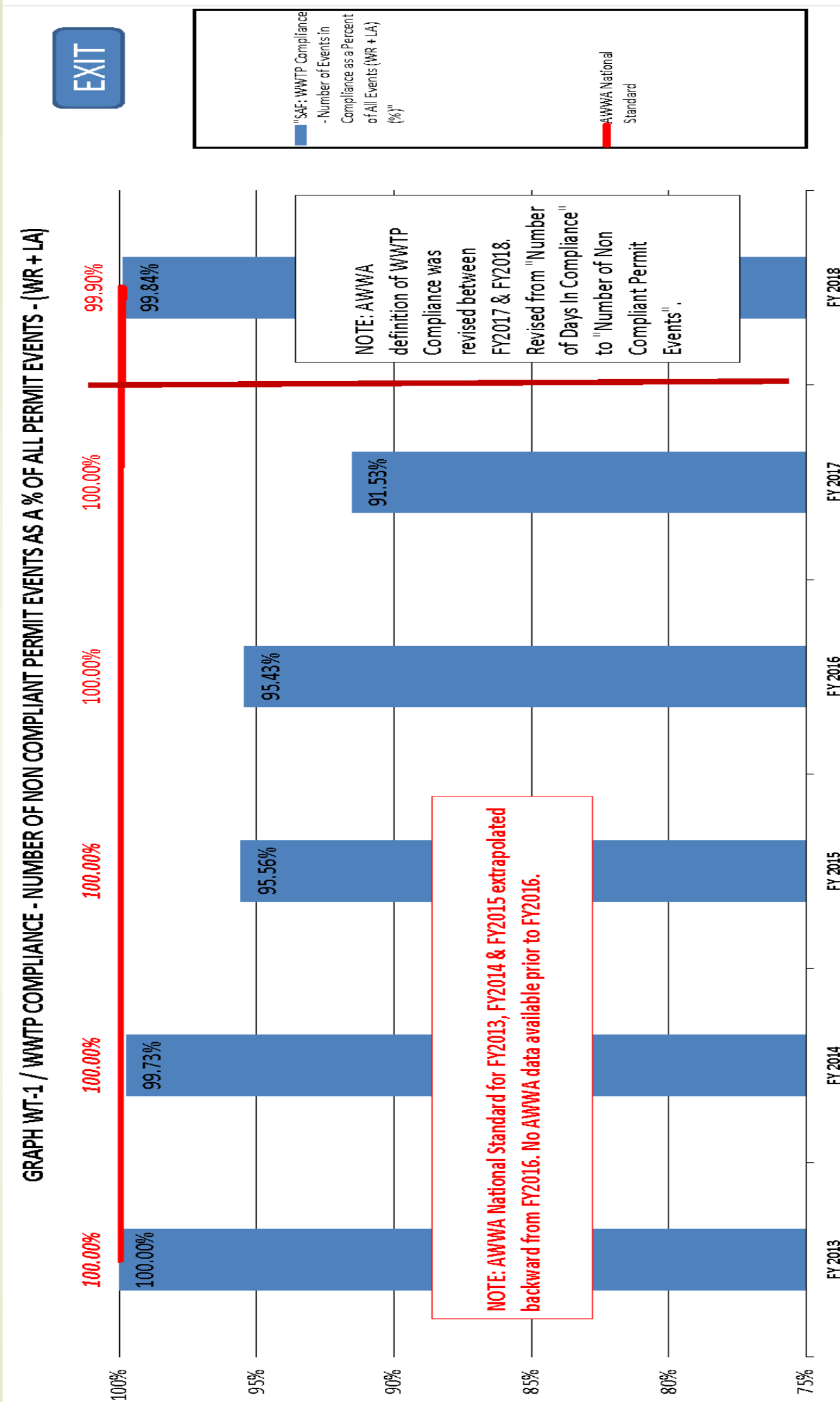
AWWA / Wastewater System R & R

System Renewal & Replacement AWWA National Standard Percentages						
Asset Class	System Repair & Replacement			Present Worth Value of the GWS Group System	Annual Repair & Replacement National	
	Bottom Quartile	Median	Top Quartile		Bottom Quartile	Median
Water Supply	0.8%	1.5%	3.7%			
Water Treatment Facilities	0.7%	1.9%	5.0%			
Water Pump Station	0.6%	2.6%	5.5%			
Water Transmission and Distribution	1.0%	2.4%	4.5%			
Wastewater Collection	1.3%	2.5%	5.2%			
Wastewater Pump Stations	0.7%	2.1%	5.9%			
Wastewater Treatment	1.1%	2.2%	4.4%			
FUTURE CIP COSTS FOR WC & WT						
Water Production	0.775%	2.1%	4.675%	\$39,939,696	\$309,533	\$838,734
Water Distribution	1.0%	2.4%	4.5%	\$17,117,013	\$171,170	\$410,808
\$559,000 - Proposed Annual CIP for WC						
Wastewater Collection	1.0%	2.3%	5.55%	\$19,989,785	\$199,898	\$459,765
\$66,450 (w/out) & \$1,293,700 (with wwtp projects) - Proposed Annual CIP for WT						
Wastewater Treatment	1.10%	2.20%	4.40%	\$13,326,524	\$146,592	\$293,184
						\$586,367

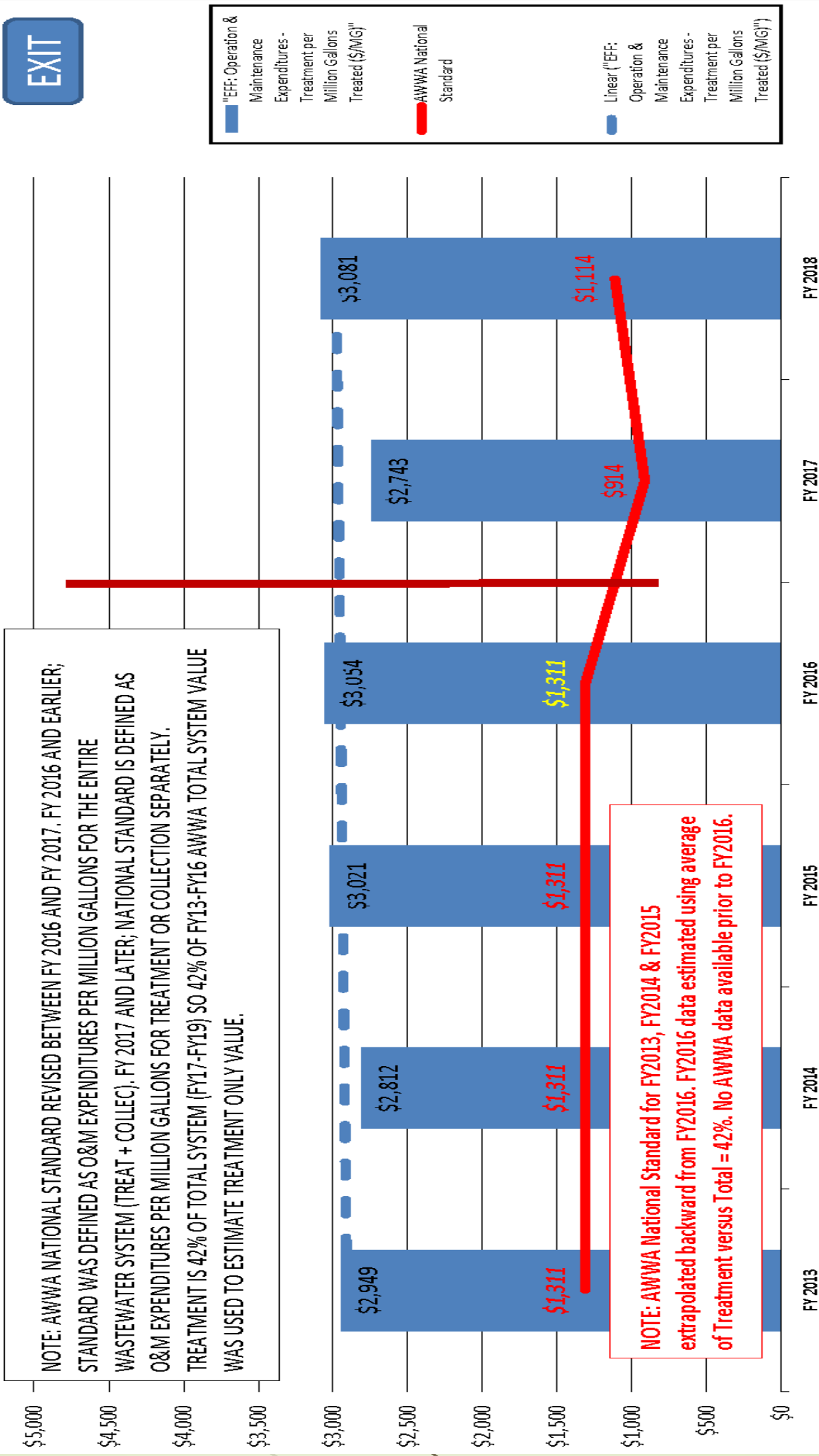
- ❖ **PRIMARY KEY ORGANIZATIONAL PERFORMANCE MEASURES (all)**
 - ▶ Permit Events in Compliance as a Percent of All Permit Events (%) (Combined LA & WR WWTP's)
 - ▶ O&M Expenditures per Million Gallons (\$/MG)
 - ▶ Energy Consumption per Million Gallons Treated (kWhr/MG) (Combined LA & WR WWTP's)
 - ▶ Million Gallons of Sewage Conveyed & Treated (MG)
- ❖ **SECONDARY KEY ORGANIZATIONAL PERFORMANCE MEASURES (all)**
 - ▶ Permit Events in Compliance as a Percent of All Permit Events (%) (Separate LA & WR WWTP's)
 - ▶ Energy Consumption per Million Gallons Treated (kWhr/MG) (Separate LA & WR WWTP's)
 - ▶ Planned Maintenance as a Percent of Total Maintenance (Planned Maint. Hours/Planned + Corrective Maint. Hours) (%)
 - ▶ System Renewal and Replacement (CIP Expenditures for R&R/Total Present Worth of Gas System) (%)
- ❖ **PERFORMANCE MEASURES WITH TARGETS OR BENCHMARKS**
 - ▶ Performance Measures with known national standards for system comparison are in GREEN (Typically AWWA standards)
 - ▶ Performance Measures with a DPU Strategic Plan or Conservation Plan Goal are in Magenta
 - ▶ Performance Measures with both a DPU Strategic Plan or Conservation Plan Goal and a national standard comparable goal are in Cyan
 - ▶ Measures are collected and reviewed monthly via a 12 month moving average graph. Annual FY performance measures data is transferred from the annual data sets to a multi-year data set for year over year / multi-year comparison. Full implementation scheduled for late FY 2018

■ Abbreviated summary of dashboard data for Wastewater Treatment.

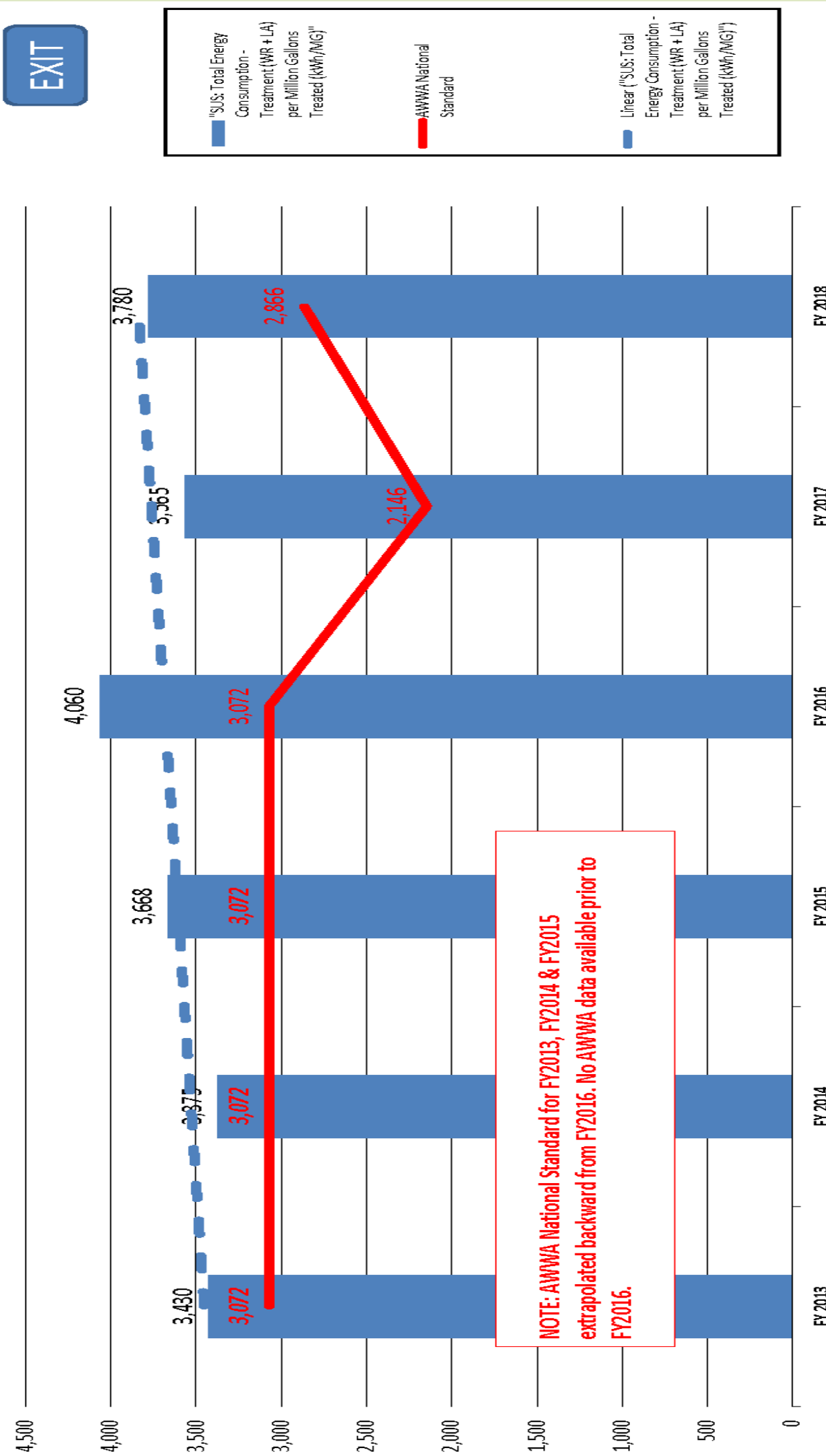
- WT-1: Primary/6-year trend upward is not good but due to increased permit non-compliance events at the White Rock WWTP. Refer to WT-5 to compare individual LA & WR WWTP's. AWWA revised the national standard definition between FY17 & FY18.
- WT-2: Primary/Consistently level 6-year trend is good. Difficult comparison to the national standard because DPU has two WWTP's serving a small population (small flow) relative to other utilities across the country – but still a valid performance measure to track. AWWA revised the national standard definition between FY16 & FY17.
- WT-3: Primary/Considering that DPU has two WWTP's serving a relatively small population (small flow) this comparison to the national standard is considered very good. The consistently level trend may trend upward soon because the new WR WWTP will have an increased consumption of energy – but this may be offset with improved efficiencies at the LA WWTP after the second new blower is installed in FY20.
- WT-4: Primary/The comparison of actual flow data to the budget estimates indicates that the revision of the budgeted estimated flow volumes between FY16 & FY17 now more accurately reflect the actual expected values.

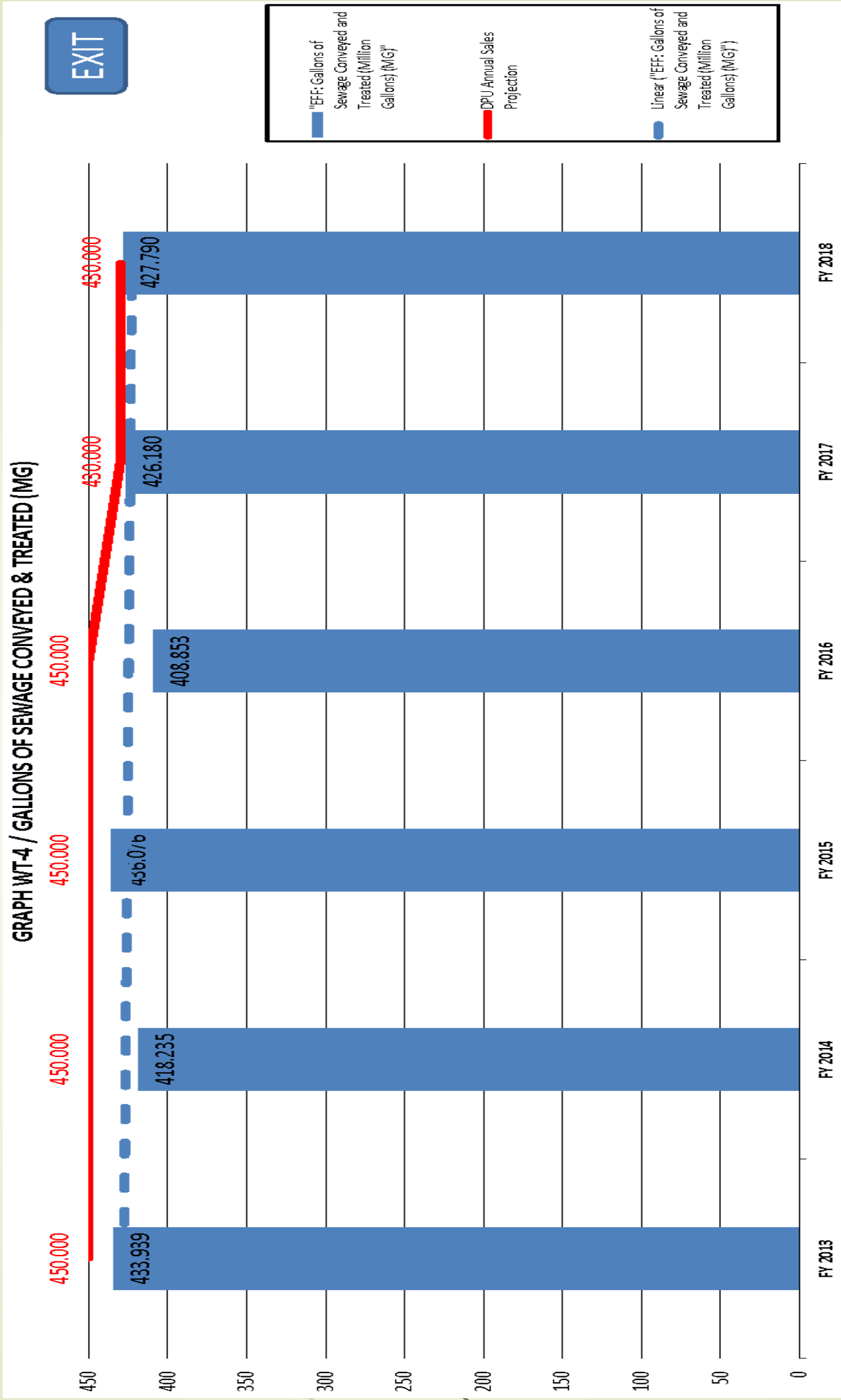


GRAPH WT-2 / OPERATION & MAINTENANCE EXPENDITURES - TREATMENT PER MILLION GALLONS TREATED (\$/MG)



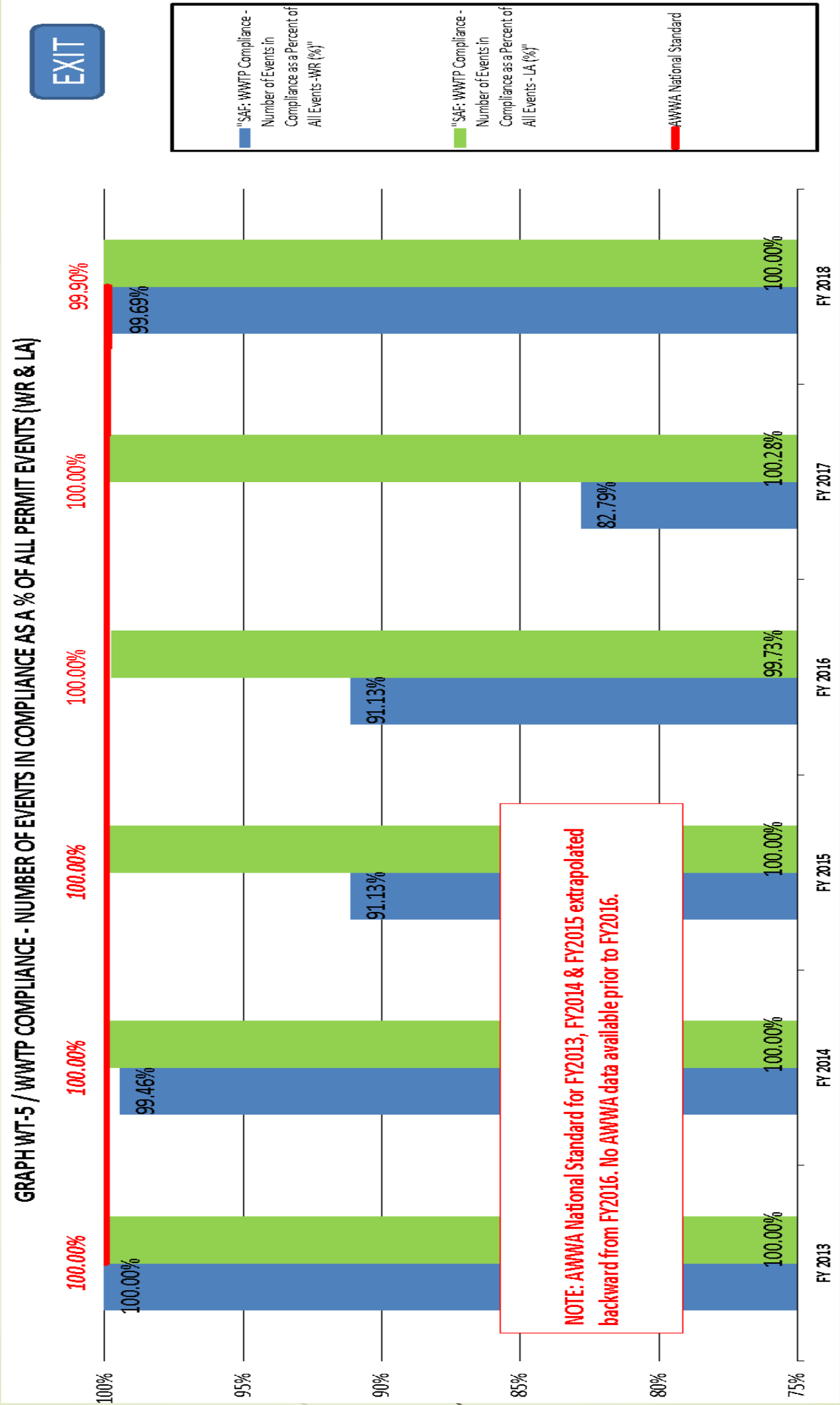
GRAPH WT-3 / TOTAL ENERGY CONSUMPTION - TREATMENT (WR + LA) PER MILLION GALLONS TREATED (kWhr/MG)





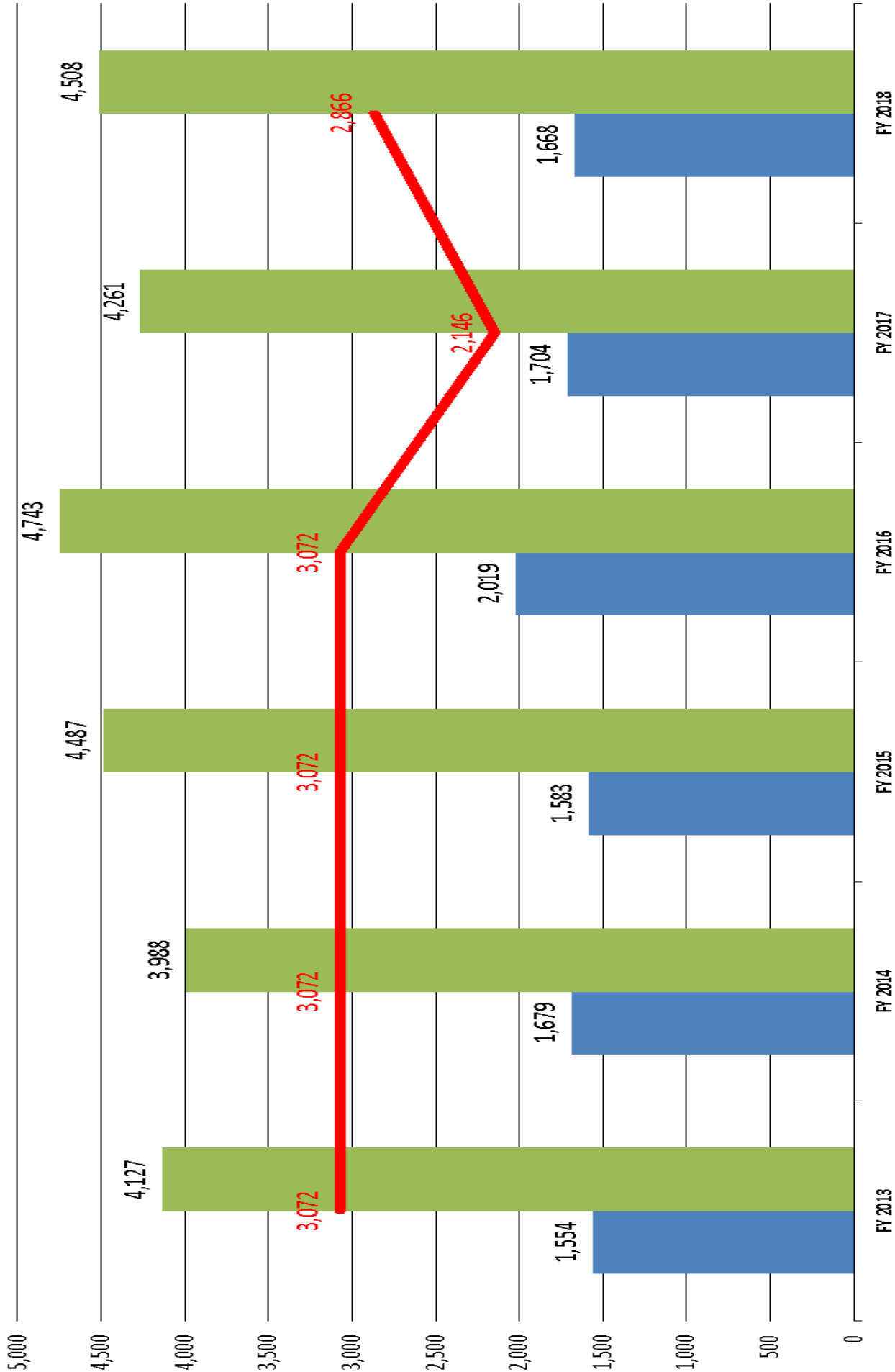
Abbreviated summary of dashboard data for Wastewater Treatment.

- WT-5: The new definition by AWWA for this national standard makes the WR WWTP look a lot better in terms of environmental compliance. That is because, even though the White Rock WWTP does have problems meeting all of the permit requirements all of the time, the actual low number of test result exceedances versus the high number of parameters tested for means the White Rock WWTP still does not meet the national standard but the percentage difference is visually less drastic.
- WT-6: Secondary/This performance measure showing the individual WWTP's values is a more realistic comparison to the national standard. The LA WWTP value is expected to fall after a few planned energy efficiency O&M projects are completed. The WR WWTP value is expected to increase after the new WWTP is in place.
- WT-8: Secondary/The value of WT system R&R is expected to increase to a more realistic level due to the restructuring of the approach to WWTP R&R initiated in FY18 from a major project every 5 to 10 years to a more gradual smaller annual project to replace or repair major equipment/facilities at either WWTP.

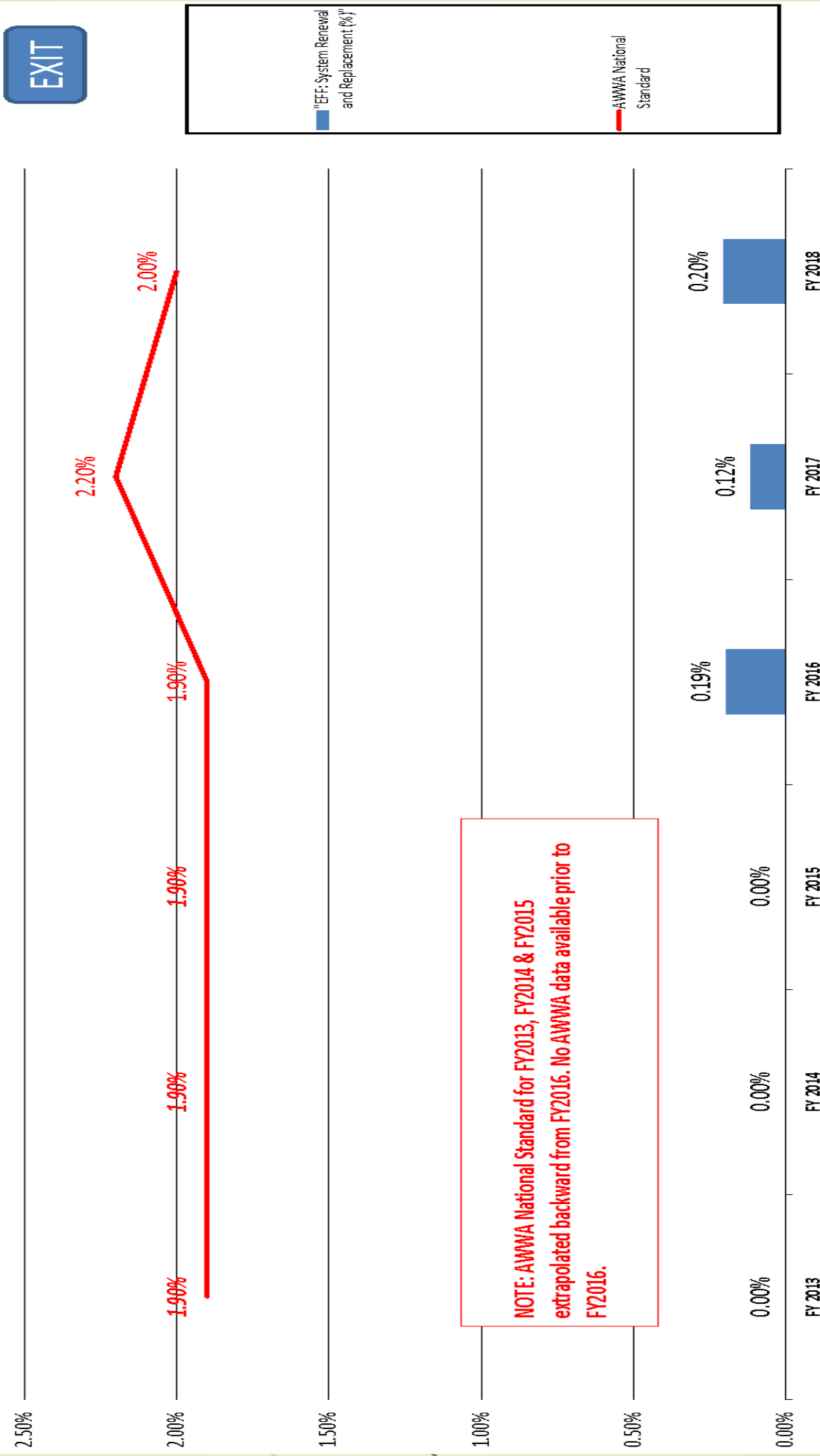


EXIT

GRAPH WT-6 / ENERGY CONSUMPTION PER MILLION GALLONS TREATED - WR & LA (kWh/MG)



GRAPH WT-8 / SYSTEM RENEWAL AND REPLACEMENT - TREATMENT AS A PERCENTAGE OF PRESENT WORTH VALUE OF TREATMENT SYSTEM

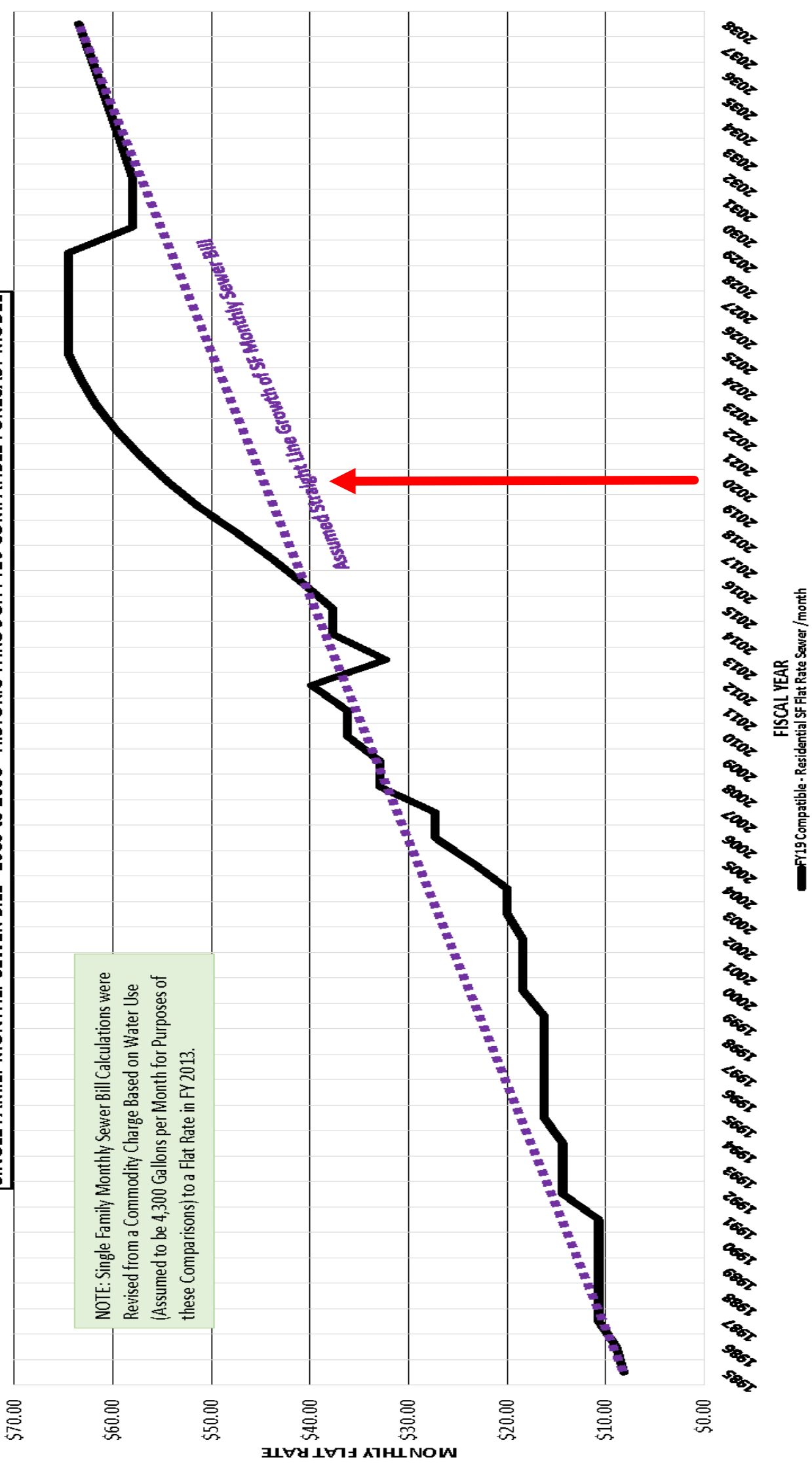


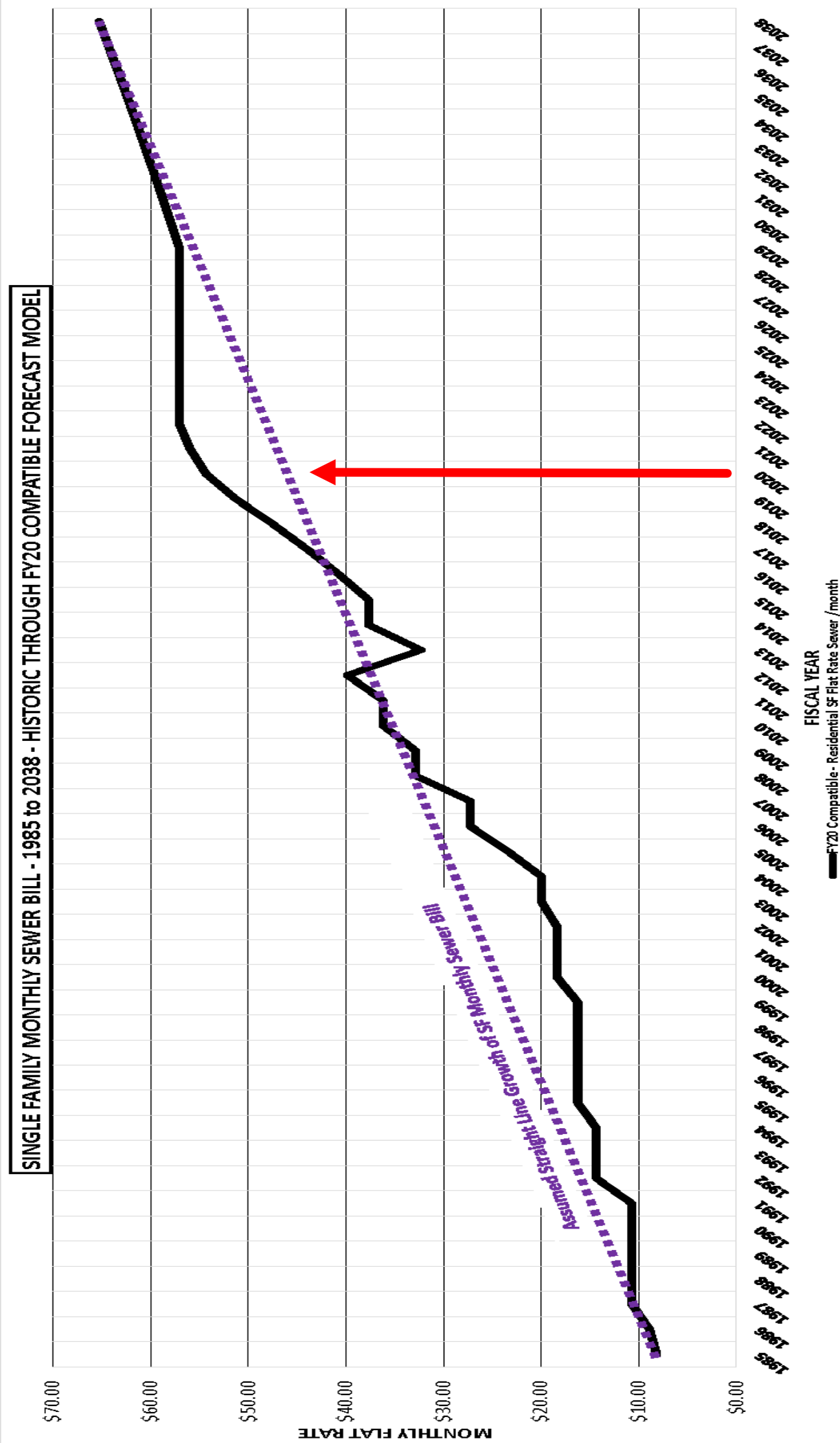
DPU Financial Policy for Cash Reserves

In Each Utilities Sub Fund:

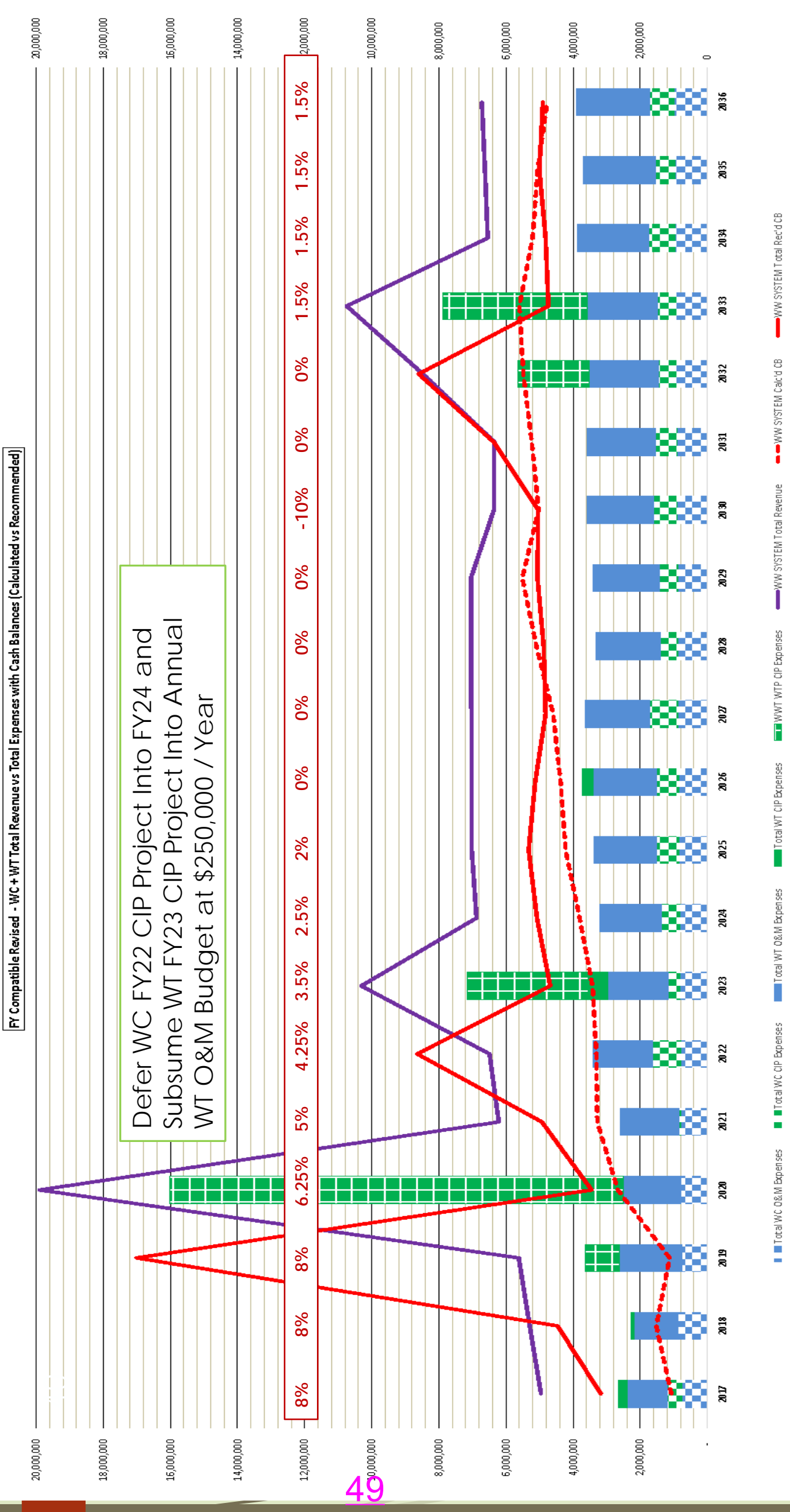
- **180-Days of Budgeted O&M Expenditures Recommended – or – 90-Days Minimum Floor**
- **Debt Service Reserve (Sufficient to Fund All Debt Service for the Following Year)**
- **Contingency Reserve (**Only One Occurrence in any Single Year in Either WC or WT**)**
 - **WC = \$750,000 Replace a Washed Out Section of Wastewater Collection Interceptor Pipeline**
 - **WT = \$250,000 Replace a Treatment System Component (Clarifier, Disinfection System, etc)**
- **Retirement/Reclamation Reserve (**Only One Occurrence in any Single Year in Either WC or WT**)**
 - **WC = \$150,000 Abandon a Sewer Lift Station**
 - **WT = \$150,000 Abandon a Treatment System Basin & Equipment (Disinfection, Digester, etc.)**
- **Cash Balance and Cost / Risk Sharing Between Wastewater Sub-Systems**
 - **WC and WT Group's Budget for Contingency and Retirement/Reclamation Reserves are in reality a single Wastewater Fund amount = \$750,000 + \$150,000 = \$900,000 Total WW Fund**
- **Actual (or Annuitized) CIP Program Expenditures for the Following Year – or – The System's Annual Depreciation Plus 2.5% (whichever is greater)**
 - **WC = \$11,198,000 (FY19 – FY38) = \$559,900 / Year. Compared to \$18,109,223 (FY01-FY16) = \$1,131,826 / Year Historic CIP**
 - **WT = \$25,874,000 over 20 Years = \$1,293,700 per Year / Compared to \$17,213,189 (FY01-FY16) = \$1,075,824 / Year Historic CIP**

SINGLE FAMILY MONTHLY SEWER BILL - 1985 to 2038 - HISTORIC THROUGH FY19 COMPATIBLE FORECAST MODEL

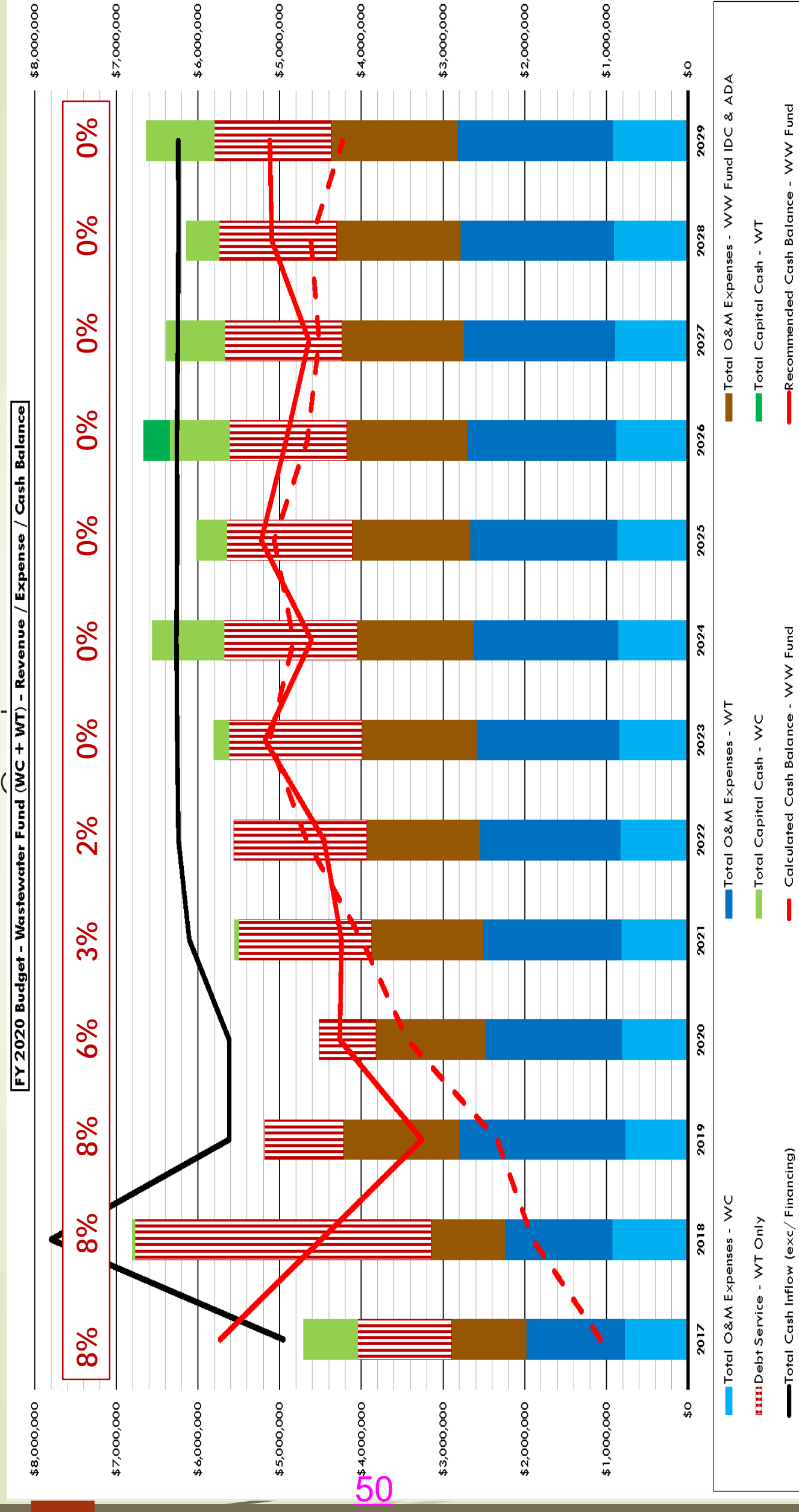




Wastewater System / FY19 Compatible / 20-Year Revenue – Expenditure - Cash Balance Graph



Wastewater Fund / FY20 Budget 10-Year Forecast / Revenue - Expenditure - Cash Balance



- The current physical condition of the Wastewater Collection sub-system overall is fair to good; with significant known pipeline portions in poor condition (same as last year).
- The known poor condition portions are typically clay material pipelines that have been in the ground for 60 + years, are difficult to access, and are often small diameter. It is known, through visual inspection, that much of this known deficient older pipe has significant root intrusion that requires constant attention on routine schedules.
- The highest risk critical infrastructure in the WC sub-system remain the sewer lift stations and the exposed canyon drop pipelines. The 2005 Condition Assessment recognized this and DPU has completed some CIP projects and initiated some O&M R&R programs in response. One canyon drop full replacement and five (three last year) major emergency repairs have been completed in the recent past.
- The enhanced O&M emphasis in WC was initiated by prioritizing these facilities; while maintaining the efforts required on the other known deficient pipelines.
- There are both short range (10-Year) and long range (20-Year) CIP plans that balance the correction of these deficiencies. Over the 20-Year planning horizon the following projects are proposed: 14 Pipeline Projects; 18 Sewer Lift Station Projects (6 Full Replacement / 9 R&R / 2 Eliminations); 7 Canyon Drop Pipeline Replacement Projects.

- After full completion of the long range CIP plan, the Wastewater Collection sub-system should be considered to meet acceptable modern standards for material safety and capacity conditions such that future CIP projects could be considered to be typical R&R or O&M program efficiency enhancement projects.
- In FY19 the first phase of the GIS upgrade project has been completed. In FY20 the second phase will complete reporting on the data incorporated in phase one. Sewer inspection videos are now linked to pipeline segments inside the DPU GIS system and available for viewing.
- The Sewer Lift Station (SLS) upgrade program first phase (planning & materials acquisition) of the project was completed in FY19. In FY20 the second phase (field implementation / construction) is scheduled.

- The current physical condition of the Wastewater Treatment system overall is fair to good – because of the condition of the White Rock WWTP (same as last year).
- The White Rock WWTP, and its age and current condition, are well documented. The DPU was successful in delaying the replacement of this WWTP for over 12 years without significant violations of the WWTP's discharge permits but further delay is not possible without a significant risk of major failure and permit violation. The proposed full replacement project, design in FY20/construction in FY21/start up in FY22, will allow for the WT system physical condition assessment to improve from fair/good to good/excellent.
- The Los Alamos WWTP is now 14 years old but is still in good condition. Some significant items are reaching the end of their useful lives. Planned consistent R&R of these items through the annual O&M budget is now occurring. The addition of filtration equipment, currently scheduled for FY23, is required in order to continue the expansion of the NP system to meet County sustainability goals.
- The short range (10-Year) CIP plan (both WWTPs) no longer includes any major plant CIP projects. One major anniversary (23-year for LA & 10-year for WR) CIP project is planned in the long range (20-year) CIP plan - both funded through outside financing – if necessary.
- The increased emphasis on annual O&M R&R activities – as opposed to lump sum major CIP project completion – has been implemented. It is expected that this approach will help to flatten out the System R&R performance measure to match the national standard.

- The current overall financial condition of the Wastewater Fund (WC + WT) is good and continuing to improve (last year fair but improving).
- The financial condition assessment of good is because the cash balance fund has increased and is on an increasing trend relative to the cash balance reserve amount recommended in the DPU financial policy. The RECB graphs visually show this positive trend.
- This positive long term trend occurs even with the proposed FY19 thru FY21 CIP project for full replacement of the White Rock WWTP.
- Increased rates per the approved multi-year rate increase schedule, the gas fund transfer/buy down of LA WWTP debt and remaining debt re-financing, excellent WR WWTP financing costs & rates and temporary deferral of WC sub-system CIP projects for FY18 through FY22 are the main reasons for this positive trend. CIP planning for annual WC sub-system projects starts up again in FY23 and continues throughout the remainder of the planning period on a regular annual basis.
- Consistency with the rate adjustments recommended in the 10 & 20-year forecast models will keep the Wastewater Fund on an increasingly stable financial foundation while simultaneously providing the cash reserves necessary to implement the proposed CIP Plan that is required to bring the overall Wastewater Fund System to acceptable modern standards for capacity and reliability.



County of Los Alamos

Staff Report

April 17, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.I.1
Index (Council Goals): BCC - N/A
Presenters: Board of Public Utilities
Legislative File: 11889-19

Title

Tickler File for the Next 3 Months

Attachments

A - Tickler File for the Next 3 Months



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Tickler

**Criteria: Agenda Begin Date: 5/1/2019, Agenda End Date: 7/31/2019, Matter Bodies:
Board of Public Utiliti**

File Number	Title
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Agenda Date: 05/15/2019

11474-18	Briefing/Report (Dept,BCC) - Action Requested	07 Business
	Power Purchase Agreement for Solar Power (RENAME THIS ITEM)	
	Department Name: DPU	Length of Presentation: Apx. 20 min.
	Drop Dead Date:	Sponsors: Steve Cummins, Deputy Utilities Manager - Power Supply

Agenda Date: 06/19/2019

11699-19	Report	04G General Board Business
	Quarterly Conservation Program Update	
	Department Name: DPU	Length of Presentation: Apx. 10 Min.
	Drop Dead Date:	Sponsors: James Alarid, Deputy Utilities Manager - Engineering

AGR0619-19	General Services Agreement	06 Consent
	Approval of Services Agreement No. AGR19-47 with [vendor] in the amount of \$[amount], plus Applicable Gross Receipts Tax, for the Purpose of Design of the White Rock Waste Water Treatment Plant	
	Department Name: DPU	Length of Presentation: N/A
	Drop Dead Date:	Sponsors: James Alarid, Deputy Utilities Manager - Engineering

AGR0621-19	General Services Agreement	06 Consent
	Approval of Services Agreement No. AGR__-__ with [vendor] in the amount of \$[amount], plus Applicable Gross Receipts Tax, for the Purpose of 2019 Water Tank Coating & Cathodic Protection Inspection	
	Department Name: DPU	Length of Presentation: N/A
	Drop Dead Date:	Sponsors: Jack Richardson, Deputy Utilities Manager - GWS Services

Agenda Date: 07/17/2019

11894-19	Briefing/Report (Dept, BCC) - No action requested	04G General Board Business
	Planning for Upcoming Board of Public Utilities Annual Boards & Commissions Presentation to Council on September 17th, 2019	
	Department Name: DPU	Length of Presentation: Apx. 20 Min.
	Drop Dead Date:	Sponsors: Jeff Johnson

File Number	Title	
11895-19	Briefing/Report (Dept,BCC) - Action Requested	04G General Board Business
	Annual Review and Affirmation of the Board of Public Utilities Policies and Procedures Manual	
	Department Name: DPU	Length of Presentation: Apx. 20 Min.
	Drop Dead Date:	Sponsors: Board of Public Utilities
11705-19	Briefing/Report (Dept, BCC) - No action requested	04G General Board Business
	Quarterly Update on Utility System - Electric System	
	Department Name: DPU	Length of Presentation: Apx. 30 Min.
	Drop Dead Date:	Sponsors: Steve Cummins, Deputy Utilities Manager - Power Supply



County of Los Alamos

Staff Report

April 17, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 6.A
Index (Council Goals): BCC - N/A
Presenters: Board of Public Utilities
Legislative File: 11887-19

Title

Approval of Board of Public Utilities Meeting Minutes

Recommended Action

I move that the Board of Public Utilities approve the meeting minutes of March 20th, 2019 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. There were no changes requested.

Attachments

A - Draft BPU Regular Session Minutes - March 20th, 2019



LOS ALAMOS

County of Los Alamos
Minutes
Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

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

Wednesday, March 20, 2019

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, March 20, 2019 at 5:30 p.m. at 1000 Central Ave., Council Chambers. Board Chair Carrie Walker called the meeting to order at 5:30 p.m.

Present 6 - Board Member Walker, Board Member Johnson, Board Member Frederickson, Board Member McLin, Board Member Taylor and Board Member Glasco

Absent 1 - Board Member Burgess

Deputy County Manager Mr. Steve Lynne attended for Mr. Burgess.

2. PUBLIC COMMENT

Ms. Walker 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 that the agenda be approved as presented. The motion passed by the following vote:

Yes: 5 - Board Member Walker, Board Member Johnson, Board Member Frederickson, Board Member McLin and Board Member Taylor

4. BOARD BUSINESS

4.A. Chair's Report

Ms. Walker had nothing to report.

4.B. Board Member Reports

Board members reported on the following items:

1) Mr. McLin - Mr. McLin attended the March Boards and Commissions Luncheon. He informed the Board that his written update of Board activities will be included in the minutes of that luncheon should any members wish to view it.

4.C. Utilities Manager's Report

Mr. Glasco provided a written report, which is included in the minutes as an attachment.

Mr. Glasco briefly explained for Mr. Johnson the Quality New Mexico award structure and clarified that the Department will be applying for the Zia level award in the summer.

4.D. County Manager's Report

Mr. Lynne reported on the following items:

1) There is a NM 502 project public meeting happening at Fuller Lodge at the same time as this Board meeting. Mr. Burgess is at that meeting, which is why he could not attend the Board meeting.

4.E. Council Liaison's Report

Mr. Pete Sheehey was not present. No report was given.

4.F. Environmental Sustainability Board Liaison's Report

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

Ms. Barns asked the Board if they would like her to continue to give monthly reports. Mr. Glasco gave a brief history of why the Environmental Sustainability Board (ESB) Liaison gives a monthly report of ESB activities to the BPU. The Board decided through general consensus that they would like for her to continue her monthly reports.

4.G. General Board Business

4.G.1 [11698-19](#) Quarterly Conservation Program Update

Presenters: James Alarid

Deputy Utility Manager of Engineering Mr. James Alarid presented this item. The following is the substance of the item being considered.

Upon approval of the Energy and Water Conservation Plan in March 2015, the Board requested that staff provide quarterly updates on the Conservation Program and on progress towards the goals and actions identified in the plan. Mr. Alarid presented a summary of recent conservation activities.

4.H. Approval of Board Expenses

There were no expenses.

4.I. Preview of Upcoming Agenda Items

[11806-19](#) Tickler File for the Next 3 Months

Presenters: Board of Public Utilities

No additional items were identified for the tickler.

5. PUBLIC HEARING(S)

There were no public hearings.

6. CONSENT AGENDA

Mr. Johnson 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: 5 - Board Member Walker, Board Member Johnson, Board Member Frederickson, Board Member McLin and Board Member Taylor

6.A [11804-19](#) 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 February 20th, 2019 as presented.

6.B [AGR0614-19](#) Approval of Services Agreement No. AGR19-39 with Wagner Equipment in the amount of \$748,075.00, plus Applicable Gross Receipts Tax, for the Purpose of Pajarito Well No. 4 Natural Gas Engine Replacement and consideration of Budget Revision 2019-33.

Presenters: James Alarid

I move that the Board of Public Utilities approve Services Agreement No. AGR19-39 with Wagner Equipment in the amount of \$748,075.00 and a contingency in the amount of \$50,000.00, for a total of \$798,075.00, plus applicable gross receipts tax, for the purpose of the Pajarito Well No. 4 Natural Gas Engine Replacement Project, and forward to Council for approval. I further move that the Board of Public Utilities Approve Budget Revision 2019-33 in the amount of \$856,435.00 and forward to Council for approval.

7. BUSINESS

7.A [11756-19](#) Approval of Department of Public Utilities FY2020 Budget

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.

Staff presented the proposed budget for FY2020. The FY20 proposed expenditure budget is 2.48% less than the FY19 approved budget and 19.96% less than the FY19 projected actuals, which includes carryovers and budget adjustments for several large projects

discussed previously, including the design of the White Rock treatment plant, the drilling and equipping of the new Otowi Well, the new Pajarito Well Motor, and the Advanced Metering Infrastructure Project. Mr. Westervelt presented changes from the previous meeting and highlighted important additional information not presented in February.

The Board discussed this item and requested clarification where necessary.

Ms. Walker opened the floor for public comments. Members of the public gave the following summarized comments:

1) Mr. Nicholas Seat, 4283 Walnut Street - Mr. Seat thanked crews for dealing with the recent power outages. Mr. Seat discussed the recent meeting on March 3rd hosted by Kit Carson Electric Coop along with renewable Taos. Representatives from Los Alamos County attended. The purpose of the meeting was to discuss what Taos did to buy their way out of their coal power contract and move to full solar power. He encouraged the Board to read the full write up of the meeting in the Los Alamos Daily post and watch the meeting online. He informed the Board that a group called Renewable Los Alamos was also launched, which is designed to be an interface between the community and the Board. A letter was sent to the Board offering assistance or information in general. This group has been working with the Deputy Utility Manager for Power Supply, Mr. Steve Cummins and hopes to be able to assist the Board as it evaluates all of the various renewable energy options of Los Alamos.

Ms. Taylor moved that the Board of Public Utilities approve the Fiscal Year 2020 budget presented, adjusted for the salary package adjustments adopted by Council at its meeting of March 19, 2019, and forward to Council for adoption. The motion passed by the following vote:

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

No: 1 - Board Member Frederickson

8. STATUS REPORTS

8.A 11805-19 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
- 3) Safety Report

9. PUBLIC COMMENT

Ms. Walker opened the floor for public comment on any items. Members of the public gave the following summarized comments:

1) Ms. Susan Barns, 3406 Ridgway Drive - With regards to the item on the tickler titled "Power Purchase Agreement for Solar Power," she feels the wording is vague given that it will also encompass topics like a community solar garden. She suggested that those

kinds of things be included in the titles in the tickler to encourage more public comments on topics that are of great interest to the community.

10. **ADJOURNMENT**

The meeting adjourned at 7:00 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

**Utility Manager's Report
March 20, 2019**

1. At the County Council meeting last night, there was considerable discussion around the 5% revenue transfer from gas and electric funds. Council would like to set up a discussion on this topic to determine if the practice should be continued or altered.
2. Contractor has begun to set up traffic control signage on NM502 for the reconstruction project. The clock is now running on the project after delaying a couple of months because of the unexpectedly severe winter weather this year. It is anticipated to take two years to complete.
3. Staff met with our Contractor, Human Strategies, LLC, on March 14 and 15 completing the last elements of the 5-year management audit. We decided to complete and submit a Zia Award application to Quality New Mexico in July. We will therefore be receiving a QNM feedback report in the Fall of 2019. We are arranging with our contractor to appear before the Board and explain the salient findings of the feedback report and give prescriptive recommendations to correct the most important Opportunities for Improvement (OFIs).
4. The contractor is running a month behind on the A-19 development in White Rock. We anticipate connecting the gas, water and sewer lines to our system in about another month. They should start putting the first houses up in late May.
5. Otowi Well No. 2 drill rig has been demobilized and is gone from the site. The contractor is now setting up the erosion protection for the pump testing, which should begin in about another week. We still have not seen the change order from Wilson for final miscellaneous claims. We should be sending out an RFP for engineering design of the pump house and well pump in late May or early June. We must first get the results of the pump test to size the pump to the recommended well yield.
6. WRWWTP RFP for design engineer was issued on March 10. A mandatory pre-proposal meeting is scheduled for Wednesday, March 27. Should be at the BPU for approval of the engineering services contract in June. As State money is being utilized, we must use an NMED standard form contract and NMED construction programs bureau will be a co-signatory.
7. March Madness quarterly employee engagement social was held today.
8. AMI contract signed and will have the kick-off meeting by mid-April.
9. On Wednesday, March 13 Los Alamos experienced a high wind storm. Beginning at 3:00 AM linemen were called out to a power outage on Fairway. Multiple trees had fallen into the line. Over the course of the next 18 hours linemen responded to 25 calls for power outages, mostly from downed trees. Power was restored to all customers except the ski hill by 7:00PM. The crew was out again at 7:30AM and worked all day to restore power to the ski hill, which was accomplished by 4:00PM Thursday. During the height of the wind storm Wednesday afternoon, the Customer Care Center fielded over 250 calls. A tremendous effort was put forth by all the DPU staff during this emergency.

Environmental Sustainability Board (ESB) liaison report

Susan Barns, ESB Liaison 3/20/2019

Last month's activities include:

- Appointment of Amanda MacDonald as new board member
- Discussion and approval of the ESB Work Plan for FY20
- Review of 2018 report to NMED
- Discussion of Environmental Services FY19 Quarter 2 financial report
- Discussion of tiered rates for residential trash collection, and appointment of a Save As You Throw Research Subcommittee
- An awards ceremony for the winners of the 2018 October EcoChallenge
- A presentation on food waste composting at Reunity Resources in Santa Fe
- Presentation on Identification of Regional Composting Facility Sites and Costs

Tomorrow night's ESB meeting will include:

- Discussion of commercial trash rates
- Presentations on climate change and solutions, a waste audit done by Barranca School students, and food waste source reduction

Budget Revision 2019-33 Otowi Well

Board of Public Utilities Meeting Date: Mar 20, 2019

Council Meeting Date: Apr 2, 2019

	Fund/Dept	Brass Org	Revenue (decrease)	Expenditures (decrease)	Transfers In(Out)	Fund Balance (decrease)
1	Water Production Fund	54285699 8369		\$ 856,435		\$ (856,435)
<p>Description: The purpose of this budget revision is to increase the expenditure budget by \$856,435 for Services Agreement AGR19-39 in the amount of \$748,075, contingency of \$50,000 plus GRT of \$58,360 for the purchase and installation of a natural gas engine for Otowi Well No 2.</p> <p>Fiscal Impact: The net fiscal impact to the Water Production Fund is an increase to expenditures and a decrease to fund balance in the amount of \$856,4535.</p>						



BOARD OF PUBLIC UTILITIES

ADDITIONAL MEETING DOCUMENTS

Additional or revised information or documents are often passed out to the Board at the meetings.

Whenever possible, this informational cover page will accompany those documents.

MAKE 20 COPIES OF ANY DOCUMENTS, INCLUDING THIS COVER SHEET, AND RETURN TO JAIME KEPHART PRIOR TO THE MEETING.

MEETING DATE	03/20/2019
AGENDA ITEM	7.A. Approval of Department of Public Utilities FY2020 Budget
DOCUMENT TITLE(S)	Summary of Expenditure Budget
FROM	Bob Westervelt, Deputy Utility Manager for Finance & Administration
NEW OR REVISED? Is this a revision that is different from what was in the agenda packet or is it something entirely new?	Revised
RECOMMENDED ACTION If you have a new or revised recommended motion for the Board, enter it here.	<u>REVISED MOTION:</u> I move that the Board of Public Utilities approve the Fiscal Year 2020 budget presented, adjusted for the salary package adjustments adopted by Council at its meeting of March 19, 2019, and forward to Council for adoption.
ADDITIONAL INFORMATION Please VERY BRIEFLY explain the purpose of this information or document.	Revision to budget to include raises that were approved by Council on March 19 th .

Los Alamos County Utilities Department
Fiscal Year 2020 Budgets
Summary Of Expenditure Budget

	FY 2018 Actual	FY 2019 Adopted	FY 2019 Projected	FY 2020 Proposed	FY 2020 Proposed Adjusted for March 19, 2019 Council Action
Electric Production	35,092,654	39,108,336	40,661,012	40,373,670	40,437,440
Electric Distribution	12,957,522	14,284,001	16,740,757	13,091,609	13,135,889
Less Interdivision Electric Sales	(5,865,876)	(7,381,676)	(7,381,676)	(6,017,156)	(6,017,156)
Total Electric Fund	\$ 42,184,300	\$ 46,010,661	\$ 50,020,092	\$ 47,448,123	\$ 47,556,173
Gas	\$ 3,876,097	\$ 4,556,908	\$ 6,713,718	\$ 4,251,106	\$ 4,278,539
Water Production	5,436,210	6,616,951	11,271,627	5,475,048	5,520,759
Water Distribution	4,880,407	5,185,937	7,066,253	5,221,179	5,236,006
Less Interdivision Water Sales	(3,218,051)	(2,829,409)	(2,829,409)	(2,985,026)	(2,985,026)
Total Water Fund	\$ 7,098,566	\$ 8,973,480	\$ 15,508,471	\$ 7,711,201	\$ 7,771,739
Wastewater	\$ 6,801,910	\$ 6,015,412	\$ 6,848,974	\$ 4,517,480	\$ 4,554,928
Total Expenditure Budget	\$ 59,960,873	\$ 65,556,460	\$ 79,091,255	\$ 63,927,910	\$ 64,161,379
					233,469 Difference



County of Los Alamos

Staff Report

April 17, 2019

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: RE0400-19

Title

Incorporated County of Los Alamos Resolution No.19-05; A Resolution Relating to the Natural Gas Supply Agreement Between the Incorporated County of Los Alamos and the New Mexico Municipal Energy Acquisition Authority, As Amended by a First Amendment; Authorizing Action Necessary or Advisable to Obtain a Gas Discount Pursuant to the Supply Agreement, As Amended, Including the Execution and Delivery of Certificates and Agreements Relating to the Foregoing; Ratifying, Approving and Confirming Prior Action Taken Related to the Foregoing; and Repealing Action Inconsistent Herewith

Recommended Action

I move that the Board of Public Utilities approve Incorporated County of Los Alamos Resolution No.19-05; A Resolution Relating to the Natural Gas Supply Agreement Between the Incorporated County of Los Alamos and the New Mexico Municipal Energy Acquisition Authority, As Amended by a First Amendment; Authorizing Action Necessary or Advisable to Obtain a Gas Discount Pursuant to the Supply Agreement, As Amended, Including the Execution and Delivery of Certificates and Agreements Relating to the Foregoing; Ratifying, Approving and Confirming Prior Action Taken Related to the Foregoing; and Repealing Action Inconsistent Herewith, and forward to the Los Alamos County Council with a recommendation for adoption.

Staff Recommendation

Staff recommends the Board approve the Resolution as presented and forward to Council with a recommendation for adoption.

Body

In 2009, the Department entered into a gas prepay arrangement through The New Mexico Municipal Energy Acquisition Authority (NMMEAA) for approximately 80% of our historical gas usage. Although all of our gas is purchased at the first of the month San Juan index price, the prepay arrangement generates a discount on those purchases. NMMEAA has one gas supply contract, the special 2009 prepaid gas contract with Royal Bank of Canada (RBC). RBC has entered into an interest rate swap transaction through which RBC is able to use the rate difference between taxable and nontaxable securities to generate the discount.

Under section 7.02(c)(1) of the original Prepay Agreement, RBC was allowed to terminate the

agreement upon a change to regulatory or accounting regulations which materially adversely affects the economics of the transaction. By letter to NMMEAA's General Council dated October 1, 2013, NMMEAA received notice of RBC's opinion that RBC had the legal right to terminate the 2009 prepayment transaction, based upon changes to the Canadian banking regulations known as the Basel III Accord. In November 2013 RBC met with NMMEAA and proposed a restructuring that would maintain the relationship and provide for a continuing discount, although somewhat more modest than the discount previously available.

The original agreement locked the participants into a set discount formula for the term of the agreement, originally 30 years. The revised agreement adopted in 2014 was for a five-year term. This gave both RBC and the NMMEAA participants to opportunity to seek other alternatives every five to seven years should market conditions change. If the revised deal is still economically viable, renewal is possible. If conditions have changed, the deal can be collapsed and NMMEAA or the participants can seek other market opportunities.

After conducting appropriate due diligence, the NMMEAA Board is prepared to proceed with renewal of the revised deal. Because of fluctuating market conditions, both in markets for taxable and tax-exempt bonds, and in the gas commodity futures market, the exact discount available cannot be determined until within days of actual closing. Thus, the resolution presented includes language that the transaction will not close unless the NMMEAA Board receives written representation from the Board's Financial Advisor on the deal, The Majors Group, that the discount offered meets or exceeds any potential alternative discount that may be obtained from other sources. The Major's Group represented NMMEAA as Financial Advisor both in the original deal in 2009 and in the restructuring in 2014 and has thorough knowledge and understanding of the industry and Gas Prepay Agreements such as this.

There is mention in the resolution of a "2019 New Money Transaction". This is an option under investigation by RBC and the NMMEAA Board, whereby the transaction could be extended to achieve an additional discount on current and future gas purchases. This is available because interest rates in 2014 were significantly lower than in 2009 when the original bonds were issued, so more of the payments made went to principle, shortening the remaining term of the deal. Although to a lesser degree, the same has occurred with the 2014 refinancing. RBC has proposed issuing new, additional bonds, increasing the prepaid gas quantities, and extending the gas supply agreement back out to the original term, which action would provide a few more cents potential discount on the entire deal. The Tax Attorneys on the Bond Issue have indicated that under certain circumstances such action would not affect the tax-exempt status of the NMMEAA Bonds upon which the economics of the deal are based. NMMEAA, RBC, the Tax Attorneys, NMMEAA's general Counsel, and The Majors Group are evaluating the proposal and would move forward only if doing so would be in the best economic interests of the participants. The language in the resolution simply provides for proceeding with the "New Money Transaction", and any requisite amendment to the Gas Supply Agreement, should such extension be determined feasible and beneficial.

Alternatives

Should the County elect not to adopt the resolution and participate in the refinancing and potential extension, the alternative is to make a Remarketing Election, essentially withdrawing from the deal, and simply accept market prices with no discount, or pursue other potential prepay

arrangements with other counterparties.

Fiscal and Staff Impact

While, as noted, it is not possible to know the exact fiscal impact until at or near closing, NMMEAA has taken steps to ensure the discount offered will be the best reasonably attainable for this type of prepay transaction. Historic savings to Los Alamos from the original and the restructured deal are shown on Attachment 2. It would be reasonable to expect savings to the rate payers along the lines of those seen since the 2014 restructuring.

Attachments

- A - Resolution 19-05 Relating to the NMMEAA Gas Supply Agreement
- B - Life to date savings derived from the prepay agreement

INCORPORATED COUNTY OF LOS ALAMOS RESOLUTION NO. 19-05

A RESOLUTION RELATING TO THE NATURAL GAS SUPPLY AGREEMENT BETWEEN THE INCORPORATED COUNTY OF LOS ALAMOS AND THE NEW MEXICO MUNICIPAL ENERGY ACQUISITION AUTHORITY, AS AMENDED BY A FIRST AMENDMENT; AUTHORIZING ACTION NECESSARY OR ADVISABLE TO OBTAIN A GAS DISCOUNT PURSUANT TO THE SUPPLY AGREEMENT, AS AMENDED, INCLUDING THE EXECUTION AND DELIVERY OF CERTIFICATES AND AGREEMENTS RELATING TO THE FOREGOING; RATIFYING, APPROVING AND CONFIRMING PRIOR ACTION TAKEN RELATED TO THE FOREGOING; AND REPEALING ACTION INCONSISTENT HEREWITH

WHEREAS, the Incorporated County of Los Alamos ("County") is an incorporated county organized and existing pursuant to the laws of the State of New Mexico ("State"); and

WHEREAS, the County, through its Department of Public Utilities, owns and operates a natural gas distribution utility system ("Gas Utility") that supplies gas to customers of the Gas Utility within the boundaries of, or in proximity to, County; and

WHEREAS, the County, in November 2009 and in resolution number 08-19, entered into a natural gas supply agreement ("Gas Supply Agreement") for the County's Gas Utility with the New Mexico Municipal Energy Acquisition Authority ("Authority"), a joint powers authority organized pursuant State law for the purpose of financing and acquiring long-term natural gas supplies for its public body member and contract purchasers, including the County; and

WHEREAS, on July 8, 2014, the County Council approved by resolution, Resolution No. 14-11, the first amendment to the Gas Supply Agreement ("Amended Gas Supply Agreement"); and

WHEREAS, the natural gas deliveries made by the Authority to County pursuant to the Amended Gas Supply Agreement were financed with proceeds of the Authority's Gas Supply Revenue Bonds, Series 2014 ("2014 Bonds"); and

WHEREAS, the Authority's 2014 Bonds are subject to mandatory redemption on August 1, 2019, and must be refinanced in order to enable the Authority to continue to deliver natural gas to County at a discount pursuant to the Amended Gas Supply Agreement; and

WHEREAS, the Amended Gas Supply Agreement provides that County may elect to have all or a portion of its Daily Contract Quantities (as defined in the Amended Gas Supply Agreement) remarketed for the remaining term in the event that the Available Discount, as defined in the Amended Gas Supply Agreement, is less than the Minimum Discount of THIRTY-SEVEN CENTS (\$0.37) per MMBtu (a "Remarketing Election"); and

WHEREAS, the amount of discount that shall be available through the refunding and refinancing of the 2014 Bonds (the "2019 Refunding Transaction") is a function of the pricing and

final terms of the 2019 Refunding Bonds under the bond market conditions in effect on the day of pricing of the 2019 Refunding Bonds and shall be determined at the time that the 2019 Refunding Bonds are sold to Royal Bank of Canada ("Gas Supplier"); and

WHEREAS, the available discount will be increased by extending term of the Amended Gas Supply Agreement for up to an additional 10 years and providing for the delivery of additional volumes of natural gas through the issuance by the Authority of bonds to finance the prepayment for those additional volumes (the "2019 New Money Transaction" and, together with the 2019 Refunding Transaction, the "2019 Transaction"); and

WHEREAS, the 2019 Refunding Transaction cannot proceed if County makes a Remarketing Election; and

WHEREAS, in connection with the 2019 Refunding Transaction, it shall be necessary for authorized officer of County to execute and deliver certain closing certificates and agreements, including but not necessarily limited to, a general County certificate and a continuing disclosure certificate or agreement, and such other certificates and agreements that may be necessary or appropriate to County's participation with the Authority, including such certificates and agreements which may be reasonably requested in connection with the Bonds issued by the Authority ("Closing Documentation"); and

WHEREAS, the Authority retained the Majors Group as its Municipal Advisor in connection with the issuance of the 2014 Bonds, and has retained the Majors Group for the 2019 Refunding Transaction; and

WHEREAS, the Council desires to authorize the execution, delivery and performance by County of the Closing Documentation; and

WHEREAS, it is in the best interest of County and its residents that County not make a Remarketing Election if the conditions specified in Section 3 of this Resolution are satisfied.

NOW, THEREFORE, be it resolved by the County Council that:

Section 1. Determination of Best Interest of Los Alamos Gas Utility. The County Council finds and hereby determines that it is in the best interest of County and its Gas Utility customers for the County to continue to obtain a discount to its natural gas costs, and that terminating deliveries of natural gas from the Authority by making a Remarketing Election is not in the best interest of County if the discount is reasonable based on current market conditions.

Section 2. Delegation of Authority to Effect the 2019 Refunding Transaction. The Utilities Manager is hereby authorized and directed to take all action necessary or appropriate under the Amended Gas Supply Agreement and in connection with the Remarketing Election, to effectuate the 2019 Refunding Transaction, including, without limiting the generality of the

foregoing, the execution of the Closing Documentation, subject to the provisions of Section 3 of this Resolution.

Section 3. No Remarketing Election upon Satisfaction of Condition. The County will not make a Remarketing Election if, at the time that the final terms of the 2019 Refunding Transaction are established, the Majors Group, as Municipal Advisor to the Authority, provides a written opinion, addressed to the Authority and County (which may include the other member-local governments of the Authority), certifying that the new discount amount is comparable to the highest discount reasonably achievable under then-current market conditions and is otherwise in the best interests of the Authority and County as such interests are understood by the Majors Group.

Section 4. Ratification. All prior action of County and the respective officers, agents or employees of County taken in connection with the Closing Documentation is hereby ratified, approved and confirmed, except to the extent that such action is inconsistent with the provisions of this Resolution or the authorization contained herein to execute and deliver the Closing Documentation.

Section 5. Severability. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. Repealer. All resolutions or parts, thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, or part thereof, heretofore repealed.

Section 7. Limited Obligations. All financial obligations incurred hereunder are limited to revenues of County's Gas Utility.

Section 8. Effective Date. This Resolution shall be effective immediately upon adoption by the County Council.

PASSED AND ADOPTED this _____ day of May, 2019.

**COUNCIL OF THE INCORPORATED COUNTY
OF LOS ALAMOS, NEW MEXICO**

**Sara C. Scott,
Council Chair**

ATTEST: (Seal)

**Naomi D. Maestas,
Los Alamos County Clerk**

Los Alamos	
9-Oct	0
9-Nov	90,000
9-Dec	137,981
10-Jan	129,983
10-Feb	112,000
10-Mar	93,992
10-Apr	51,990
10-May	30,008
10-Jun	15,000
10-Jul	15,004
10-Aug	17,980
10-Sep	21,000

714,938 \$ 0.2000 \$ 142,987.60
 rate stabilization rebate \$ -
 total \$ 142,987.60

10-Oct	59,985
10-Nov	90,000
10-Dec	137,981
11-Jan	129,983
11-Feb	112,000
11-Mar	90,496
11-Apr	51,990
11-May	30,008
11-Jun	15,000
11-Jul	15,004
11-Aug	17,980
11-Sep	21,000

771,427 \$ 0.2000 \$ 154,285.40
 rate stabilization rebate \$ 178,303.00
 total \$ 332,588.40

11-Oct	59,985
11-Nov	90,000
11-Dec	137,981
12-Jan	129,983
12-Feb	116,000
12-Mar	93,992
12-Apr	51,990
12-May	30,008
12-Jun	15,000
12-Jul	15,004
12-Aug	17,980
12-Sep	21,000

778,923 \$ 0.2000 \$ 155,784.60
 rate stabilization rebate \$ 233,677.00
 total \$ 389,461.60

12-Oct	59,985
12-Nov	90,000
12-Dec	137,981
13-Jan	129,983
13-Feb	112,000
13-Mar	93,992
13-Apr	51,990
13-May	30,008
13-Jun	15,000
13-Jul	15,004
13-Aug	17,980
13-Sep	21,000

774,923 \$ 0.2000 \$ 154,984.60
 rate stabilization rebate \$ 222,787.00
 total \$ 377,771.60

13-Oct	59,985
13-Nov	90,000
13-Dec	137,981
14-Jan	129,983
14-Feb	112,000
14-Mar	93,992
14-Apr	51,990
14-May	30,008
14-Jun	15,000
14-Jul	15,004

735,943 \$ 0.2000 \$ 147,188.60
 rate stabilization rebate \$ 95,206.00 est
 total \$ 242,394.60 est

Los Alamos	
14-Aug	17,980
14-Sep	21,000

38,980 \$ 0.2894 \$ 11,280.81

14-Oct	59,985
14-Nov	90,000
14-Dec	137,981
15-Jan	129,983
15-Feb	112,000
15-Mar	93,992
15-Apr	51,990
15-May	30,008
15-Jun	15,000
15-Jul	15,004
15-Aug	17,980
15-Sep	21,000

774,923 \$ 0.2894 \$ 224,262.72

15-Oct	59,985
15-Nov	90,000
15-Dec	137,981
16-Jan	129,983
16-Feb	116,000
16-Mar	93,992
16-Apr	51,990
16-May	30,008
16-Jun	15,000
16-Jul	15,004
16-Aug	17,980
16-Sep	21,000

778,923 \$ 0.2894 \$ 225,420.32

16-Oct	59,985
16-Nov	90,000
16-Dec	137,981
17-Jan	129,983
17-Feb	112,000
17-Mar	93,992
17-Apr	51,990
17-May	30,008
17-Jun	15,000
17-Jul	15,004
17-Aug	17,980
17-Sep	21,000

774,923 \$ 0.2894 \$ 224,262.72

17-Oct	59,985
17-Nov	90,000
17-Dec	137,981
18-Jan	129,983
18-Feb	112,000
18-Mar	93,992
18-Apr	51,990
18-May	30,008
18-Jun	15,000
18-Jul	15,004
18-Aug	17,980
18-Sep	21,000

774,923 \$ 0.2894 \$ 224,262.72

18-Oct	59,985
18-Nov	90,000
18-Dec	137,981
19-Jan	129,983
19-Feb	112,000
19-Mar	93,992

623,941 \$ 0.2894 \$ 180,568.53

total to date \$ 2,349,841.29



County of Los Alamos

Staff Report

April 17, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 6.C
Index (Council Goals): BCC - N/A
Presenters: Department of Public Utilities
Legislative File: AGR0622-19

Title

Approval of Task Order No. 52 Under Services Agreement No. AGR16-044 with Paul Parker Construction in the amount of \$78,575.68, plus Applicable Gross Receipts Tax, for the Purpose of TA-21 LANL Electric Line Extension

Recommended Action

I move that the Board of Public Utilities approve Task Order No. 52 Under Services Agreement No. AGR16-044 with Paul Parker Construction in the amount of \$78,575.68 and a contingency in the amount of \$7,000.00, for a total of \$85,575.68, plus Applicable Gross Receipts Tax, for the Purpose of TA-21 LANL Electric Line Extension.

Staff Recommendation

Staff recommends approval of the task order as presented.

Body

The task order is initiated at the request of N3B and LANL to obtain three phase electric service at the TA-21 site. The existing three phase service lines are approximately 1300 feet west of that location on DP Road. The line extension will also provide for future electric service access to the county and school properties on the north and south sides of DP Road. N3B will pay \$166,000.00 for the line extension, which includes the materials for the project with Task Order #52 for installation services. Task Order #52 is in the amount of \$78,575.68. The utility will pay \$7,969.00 for the additional conduit for county use.

Alternatives

If not completed the N3B remediation of the TA-21 site will not proceed as they have planned.

Fiscal and Staff Impact

\$7,969.00 for additional materials.

Attachments

A - Task Order No. 52 Under AGR16-044

TASK ORDER # 52

**COUNTY OF LOS ALAMOS UTILITIES DEPARTMENT
PRICE AGREEMENT AGR16-044
PAUL PARKER CONSTRUCTION COMPANY
May 4, 2016**

PROJECT TITLE: TA-21 LANL ELECTRIC LINE EXTENSION

Trench and installation of 6" AND 4" Conduit with facilities for three phase power to TA21

The project is initiated by LANL (N3B) for the purpose of installing electric service to TA21.

Additional conduit and boxes for Fiber were also requested by LANL

Los Alamos County is requesting installation of three phase power to property along DP Road.

The trench will include 4" conduit for redundancy in service, the County will pay for the 4" conduit.

This page represents total costs for installation services.

LACU crews will supply and install conductors, switches and transformers.

Estimated Project Term: 25 Days from date of notice to proceed

1. Bid Item 82: Trench in soil (12" wide x 48" deep)..... 1500LF @ \$8.44/LF = \$12,660.00
2. Bid Item 79: Install 6" PVC..... 1500 @ \$2.32 /LF= \$3,480.00
3. Bid Item 78: Install 4" PVC..... 4500 @ \$1.32 /LF= \$5,940.00
4. Bid Item 98: 444 vault install.....4 @ \$1,318.41= \$5,273.64
5. Bid Item 123: Laborer...(Install Concrete).....8 hrs.@ \$44.30= \$354.4
6. Bid Item 122: foreman ... (Install Concrete).....8 hrs.@ \$63.28= \$506.24
7. Bid Item 123: Laborer...Install Rigid Elbows24hrs.@ \$44.30= \$1,063.20
8. Bid Item 95: Sleeve Pad install.....2@ \$632.84 = \$1,265.68
9. Bid Item 5: Potholing4 @ \$421.89= \$1,687.56
10. Bid Item 1: Pavement removal and replacement.....4050 sq. ft. @\$9.49 = \$38,434.50
11. Bid Item 96: Install manhole.....3 @ \$2,636.82 = \$7,910.46

TASK ORDER # 52

**COUNTY OF LOS ALAMOS UTILITIES DEPARTMENT
PRICE AGREEMENT AGR16-044
PAUL PARKER CONSTRUCTION COMPANY
May 4, 2016**

PROJECT TITLE: TA-21 LANL ELECTRIC LINE EXTENSION

Estimated Construction Cost: \$78,575.68

Contingency: \$7,000.00

Total \$85,575.68

Acceptance of Conditions and Items of Work

Department of Public Utilities: _____
Tim Glasco Date

Paul Parker Construction: _____
Brad Parker Date

Name: _____
Print



County of Los Alamos

Staff Report

April 17, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 8.A
Index (Council Goals): BCC - N/A
Presenters: Board of Public Utilities
Legislative File: 11888-19

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

April 17, 2019

Stephen Marez
Electrical Engineering Manager

Note:

The March super storm event had many small outages that were not recorded due to the weather conditions and the demands on staff. The major events are indicated in the report.

Electric Distribution Reliability Study
Twelve Month Outage History

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

Date	Call Rcd.	Circuit	Cause	Start Time	End Time	Duration	Customers Affected (Meters)	Combined Customer Outage Durations	Total Outage H:M:S	Running SAIDI
4/17/2018	Utilities	16	URD Failure	17:00	20:00	3:00	2	6:00:00	6:00:00	0:00:02
4/26/2018	Utilities	WR1	Planned	9:50	12:20	2:30	7	17:30:00	23:30:00	0:00:09
5/27/2018	Utilities	16	URD Failure	12:00	13:30	1:30	30	45:00:00	68:30:00	0:00:27
5/30/2018	Utilities	WR2	Planned	9:05	11:05	2:00	8	16:00:00	84:30:00	0:00:34
6/3/2018	Utilities	WR2	URD Failure	15:00	16:00	1:00	50	50:00:00	134:30:00	0:00:54
6/3/2018	Utilities	WR2	URD Failure	15:00	16:45	1:45	27	47:15:00	181:45:00	0:01:12
6/3/2018	Utilities	WR2	URD Failure	15:00	17:45	2:45	21	57:45:00	239:30:00	0:01:35
6/12/2018	Utilities	13	URD Failure	20:45	9:30	12:45	15	191:15:00	430:45:00	0:02:51
6/17/2018	Utilities	16	URD Failure	18:30	20:00	1:30	2	3:00:00	433:45:00	0:02:53
7/15/2018	Utilities	14	URD Failure	23:30	5:30	6:00	30	180:00:00	613:45:00	0:04:04
7/20/2018	Utilities	WR2	URD Failure	10:10	11:30	1:20	12	16:00:00	629:45:00	0:04:11
8/7/2018	Utilities	13	URD Failure	20:00	1:00	5:00	50	250:00:00	879:45:00	0:05:50
8/19/2018	Utilities	WR2	URD Failure	19:00	23:00	4:00	24	96:00:00	975:45:00	0:06:28
9/1/2018	Utilities	WR2	URD Failure	5:00	8:30	3:30	21	73:30:00	1049:15:00	0:06:58
9/3/2018	Utilities	WR1	OH Failure	13:30	16:30	3:00	15	45:00:00	1094:15:00	0:07:16
9/4/2018	Utilities	WR1	Weather	17:50	19:30	1:40	15	25:00:00	1119:15:00	0:07:25
9/13/2018	Utilities	WR1	HUMAN	14:45	15:15	0:30	14	7:00:00	1126:15:00	0:07:28
9/13/2018	Utilities	WR2	URD Failure	9:30	11:15	1:45	24	42:00:00	1168:15:00	0:07:45
10/3/2018	Utilities	WR2	URD Failure	8:00	11:30	3:30	7	24:30:00	1192:45:00	0:07:55
11/13/2018	Utilities	13	SAFETY	9:45	15:00	5:15	87	456:45:00	1649:30:00	0:10:57
11/23/2018	Utilities	13	URD Failure	11:45	12:00	0:15	7	1:45:00	1651:15:00	0:10:57
11/30/2018	Utilities	13	TREE	19:00	20:52	1:52	15	28:00:00	1679:15:00	0:11:08
11/30/2018	Utilities	13	TREE	19:00	0:00	5:00	15	75:00:00	1754:15:00	0:11:38
2/4/2019	Utilities	WR2	HUMAN	9:30	9:34	0:04	961	64:04:00	1818:19:00	0:12:04
2/8/2019	Utilities	WR2	URD Failure	15:57	17:15	1:18	25	32:30:00	1850:49:00	0:12:17
2/14/2019	Utilities	WR1	URD Failure	4:00	6:00	2:00	30	60:00:00	1910:49:00	0:12:41
3/3/2019	Utilities	EA4	OH Failure	14:41	17:45	3:04	15	46:00:00	1956:49:00	0:12:59
3/12/2019	Utilities	WR2	OH Failure	14:30	14:58	0:28	13	6:04:00	1962:53:00	0:13:01
3/12/2019	Utilities	13	TREE	3:00	9:40	6:40	104	693:20:00	2656:13:00	0:17:37
3/12/2019	Utilities	13	TREE	3:00	0:00	21:00	12	252:00:00	2908:13:00	0:19:17
3/12/2019	Utilities	13	TREE	14:30	17:10	2:40	1541	4109:20:00	7017:33:00	0:46:33
3/12/2019	Utilities	13	TREE	14:30	17:30	3:00	114	342:00:00	7359:33:00	0:48:49
3/12/2019	Utilities	13	TREE	16:30	20:30	4:00	2	8:00:00	7367:33:00	0:48:52
3/12/2019	Utilities	15	TREE	15:00	17:10	2:10	10	21:40:00	7389:13:00	0:49:01

CIRCUIT SAIDI IS CALCULATED ACCORDING TO THE NUMBER OF CUSTOMERS IN EACH CIRCUIT RESPECTIVELY											
Running SAIDI Circuit 13	Running SAIDI Circuit 14	Running SAIDI Circuit 15	Running SAIDI Circuit 16	Running SAIDI Circuit 17	Running SAIDI Circuit 18	SAIDI Circuit EA4 & Royal Crest	Running SAIDI Circuit WR1	Running SAIDI Circuit WR2	Monthly SAIDI	Monthly Customer Minutes out of service	WEATHER SAIDI
			0:00:12				0:00:40		APRIL 0:00:09	23:30:00	
			0:01:40								
								0:01:00	0:00:24	61:00:00	
								0:04:07			
								0:07:04			
								0:10:41			
0:06:56									JUNE 0:02:19	349:15:00	
	0:20:02		0:01:46								
0:16:00								0:01:00	JULY 0:01:18	183:00:00	
								0:07:00	AUGUST 0:02:18	346:00:00	
								0:11:35			
							0:02:22				
							0:03:19				0:00:10
							0:03:35				
0:32:33								0:14:12	SEPTEMBER 0:01:17	49:00:00	
0:33:34								0:15:44	OCTOBER 0:00:10	66:30:00	
0:36:17											
				0:00:30							
								0:18:12	NOVEMBER 0:03:43	561:30:00	
								0:17:46			
							0:05:51		FEBRUARY 0:01:02	259:34:00	
						0:16:44		0:18:08			
0:25:08											
0:34:16											
3:03:15											
3:15:39											
3:15:56		0:00:42									
									MARCH 0:36:20	4481:00:00	0:36:20
Circ 13 1655	Circ 14 539	Circ 15 1875	Circ 16 1842	Circ 17 209	Circ 18 213	Circ EA4 165	Circ WR1 1586	Circ WR2 961	Total 9045		0:36:30

Twelve Month History	March 2019	
Total # Accounts	9045	
Total # Interruptions	34	
Sum Customer Interruption Durations	7389:13:00	hours:min:sec
# Customers Interrupted	3325	
SAIFI(APPA AVG. = 1.0)	.37	int./cust.
SAIDI (APPA AVG. = 1:00)	00:49	hours:min
CAIDI	2:13	hours:min/INT
ASAI	99.9996%	% 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)

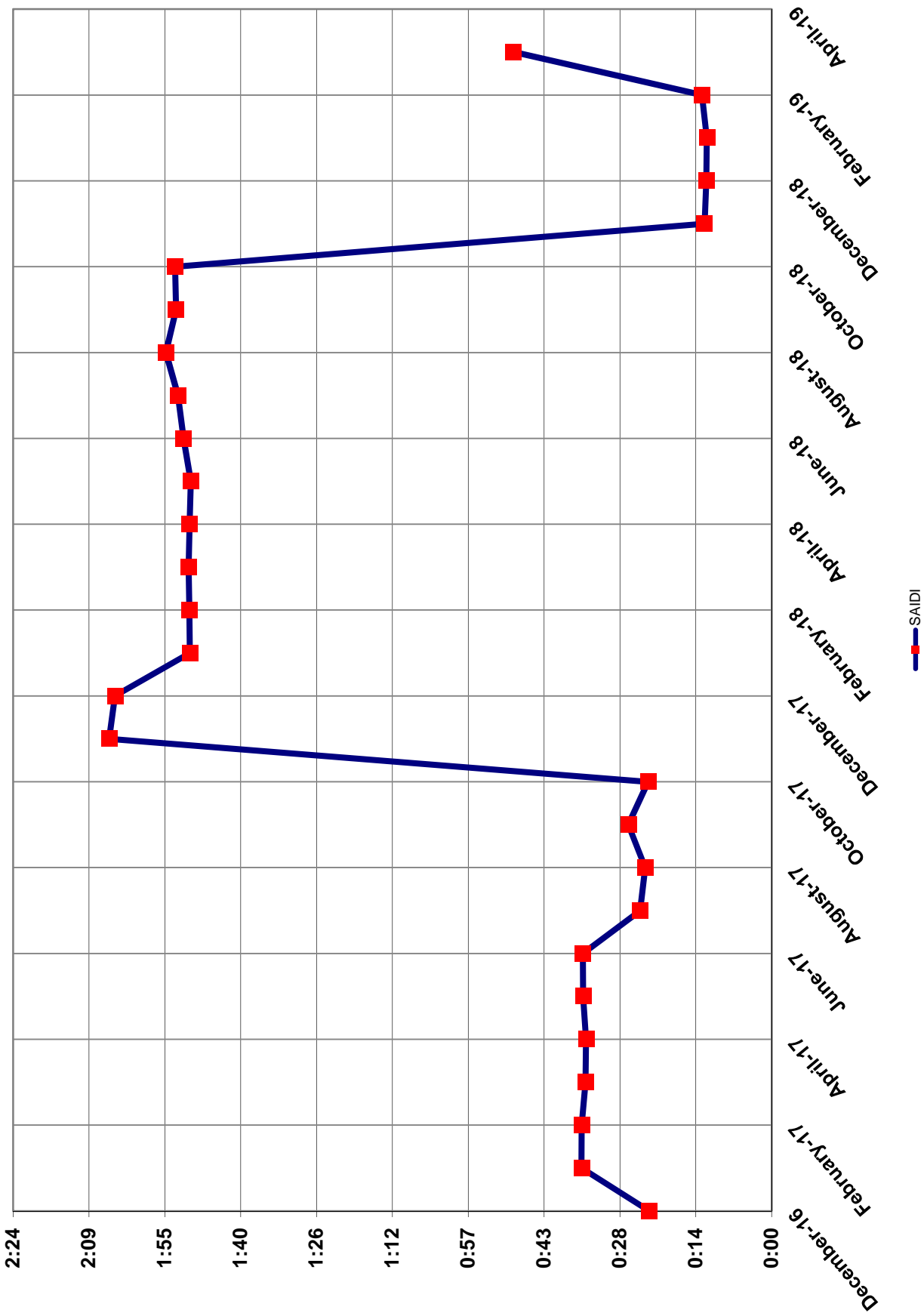
$$\text{CAIDI} = \frac{(\text{Sum of all customer outage durations})}{(\text{Total number of customer interruptions})} = \frac{\text{SAIDI}}{\text{SAIFI}}$$

- **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
April 1, 2019

Account	Customer ID	Acct Type	Comments	90 - 119	120 +
3002738	2104728	RS	Only \$0.53 over 90 days	0.53	-
3009343	2026627	RS	Door Tag - Due 4/15	5.76	-
3004280	2029758	RS	Door Tag - Due 4/15	6.21	-
3005205	2016759	RS	Meter was placed at incorrect location, adjustment	8.84	-
3005569	2093008	RS	Paid \$1,000 on 3/25	11.45	-
3004257	2009984	RS	Paid \$275 on 4/2	13.23	-
3002822	2093218	RS	Door Tag will be issued 4/9	19.28	-
3005508	2017823	RS	Door Tag - Due 4/15	21.28	-
3009736	2027737	RS	Door Tag will be issued 4/9	27.98	-
3006238	2200183	RS	Paid \$160 3/21	38.10	-
3002327	2129578	RS	Door Tag will be issued 4/9	42.17	-
3004050	2201306	RS	Door Tag - Due 4/15	50.37	-
3005470	2017719	RS	Door Tag will be issued 4/9	62.39	-
3004182	2013181	RS	Door Tag - Due 4/15	65.53	-
3003242	2107258	RS	Door Tag will be issued 4/9	66.87	-
3004522	2015155	RS	Paid \$540 on 4/2	72.68	-
3009717	2027489	RS	Door Tag - Due 4/15	77.50	-
3003932	2020421	RS	Should be final account - will contact to pay bill	80.05	-
3004213	2103178	RS	Paid \$562.56 on 3/25	90.42	-
3004508	2116188	RS	Door Tag - Due 4/15	110.71	-
3000231	2135078	RS	Door Tag - Due 4/15	119.59	-
3002813	2114338	RS	Door Tag will be issued 4/9	134.06	-
3005810	2132968	RS	Door Tag - Due 4/15	147.32	-
3004866	2134538	RS	Door Tag - Due 4/15	148.24	-
3002786	2016870	RS	Paid \$546 on 4/5/19	162.10	-
3006224	2056848	RS	Door Tag - Due 4/15	166.94	-
3008662	2024829	RS	Paid \$1,319.69 on 4/2	178.85	-
3009779	2027356	RS	Door Tag - Due 4/15	204.95	-
3002354	2091608	RS	Paid \$200 on 4/1	208.78	-
3002424	2032538	RS	Paid \$400 on 3/26	212.10	-
3000666	2002399	CM	Paid \$1,100 on 4/1	212.22	-
3005233	2112888	RS	Door Tag - Due 4/15	241.96	-
3005566	2064548	RS	Door Tag - Due 4/15	242.42	-
3004032	2126238	RS	Door Tag - Due 4/15	246.94	-
3006079	2041858	RS	Paid \$750 on 3/26	257.13	-
3002435	2049258	RS	Door Tag will be issued 4/9	260.13	-
3007814	2117198	RS	Paid \$200 on 3/25	271.68	-
3002472	2129338	RS	Door Tag will be issued 4/9	407.63	-
3006378	2020208	CM	Tyler Ticket - Adjustment not working	7,672.39	-
3008008	2104158	RS	Door Tag - Due 4/15	-	19.51
3003669	2011580	CM	Sent bills to customer by email	-	23.61
3003676	2011587	CM	Sent bills to customer by email	-	28.37
3002306	2112518	RS	Paid \$120 on 4/2	37.48	31.72
3002477	2009142	RS	Paid \$250 on 3/29	273.45	36.00
3001795	2132098	RS	Paid \$250.00 on 3/29/19	182.55	43.44
3008266	2125238	RS	Paid \$880 on 4/4	234.13	46.89
3008964	2021244	RS	Paid \$185 on 4/2	180.29	65.15
3008802	2112508	RS	LIHEAP paying \$320	80.94	69.66
3002202	2034638	RS	Paid \$174.73 on 4/4	21.28	73.98
3004168	2094658	RS	Paid \$333 on 4/1	364.48	102.20
3009369	2026665	RS	Will pay in full end of April	315.84	105.91
3002303	2090608	RS	EAP \$90 elect and \$350 one time	33.28	125.00
3006941	2135958	RS	Paid \$553.54 on 4/8	49.01	125.41
3008959	2127588	RS	Paid \$200 on 4/3	213.70	133.86
3003818	2066808	RS	Paid \$300 on 3/15 and \$500 on 3/18	196.10	150.92
3004509	2102258	RS	Door Tag - Due 4/15	33.95	155.33

3006388	2020218	SC	Audit and bill sent to customer on 4/7	-	160.63
3007023	2021641	CM	Door Tag will be issued 4/9	159.07	176.32
3000068	2113668	RS	Payment Arrangement on file	182.78	182.67
3003791	2138758	CM	Sent bills to customer by email	-	207.32
3004702	2083378	RS	Paid \$100 on 3/19	178.49	209.14
3001411	2126808	RS	Paid \$500 on 4/1	206.59	218.28
3008793	2110268	RS	Scheduled for Shut off 4/9	46.24	232.82
3008792	2121088	RS	Scheduled for Shut off 4/9	55.01	319.37
3002756	2135128	RS	Paid \$400 3/15	187.98	322.18
3006387	2020217	SC	Audit and bill sent to customer on 4/6	-	344.24
3005078	2016362	RS	Door Tag will be issued 4/9	403.97	348.42
3000118	2128758	RS	Door Tag issued 3/26/19	130.45	349.12
3005883	2082788	RS	Paid \$900 on 4/3	317.18	354.69
3006260	2135358	RS	Paid \$600 on 4/3	222.60	369.97
3000096	2000380	RS	Door Tag - Due 4/15	206.76	381.89
3003668	2011579	CM	Sent bills to customer by email	-	386.23
3008923	2094088	RS	Paid \$400 on 4/3	197.08	388.54
3002334	2126448	RS	Paid \$732 on 3/25	387.16	393.85
3005323	2055738	RS	Shut off scheduled for 4/9	201.14	394.73
3004234	2120468	RS	EAP one time payment \$350	226.23	402.99
3009964	2038698	RS	Shut off 4/9	304.11	406.10
3003382	2011085	RS	Paid \$500 on 4/3	-	420.30
3007360	2015299	RS	Paid \$250 on 4/1	305.46	444.52
3000229	2030188	RS	Paid \$500 on 4/1	142.38	447.36
3000529	2106068	RS	Paid \$727.99 on 4/3	114.26	456.50
3003894	2069898	RS	Paid \$300 on 3/18	239.09	499.18
3003672	2011583	CM	Sent bills to customer by email	-	534.27
3003694	2138758	CM	Sent bills to customer by email	-	589.30
3009448	2128228	RS	Door Tag - Due 4/15	37.11	590.74
3007272	2074278	RS	Paid \$1,804.67 on 4/2	222.13	608.22
3007663	2008610	RS	Paid \$900 on 4/2	284.88	614.35
3005737	2028518	RS	Paid \$400 on 4/2	297.79	614.62
3004207	2012492	RS	Paid \$250 on 4/4	253.24	643.90
3006151	2019497	RS	Deceased - Property Liened	155.93	665.97
3005468	2017711	RS	Paid \$1,126.67 on 4/3	209.54	690.90
3000222	2129908	RS	Shut off 4/3	235.77	767.37
3005461	2093888	RS	Door Tag will be issued 4/9	218.21	815.08
3003508	2124208	RS	Paid \$400 on 4/1	264.58	824.19
3008948	2008575	RS	Paid \$826.54 on 4/5	183.64	826.54
3006505	2020433	RS	Paid \$800 on 4/3	275.34	883.31
3005989	2019015	SC	Audit and bill sent to customer on 4/10	-	893.92
3002769	2009914	RS	Paid \$1,277.70 on 4/8	176.56	895.94
3005372	2030808	RS	Door Tag - Due 4/15	100.14	970.15
3003789	2138758	SC	Audit and bill sent to customer on 4/5	-	980.79
3004678	2014731	RS	Paid \$800 on 4/5	254.84	1,000.92
3006123	2019390	RS	Paid \$1,014.00 on 4/3	215.38	1,014.24
3004060	2085918	RS	Shut off scheduled for 4/9	240.77	1,037.18
3009159	2085388	RS	Shut of 4/3	164.62	1,131.30
3005998	2019026	SC	Audit and bill sent to customer on 4/12	-	1,208.71
3006296	2019976	RS	Paid \$3,906.67 on 4/8	388.47	1,300.52
3007573	2134368	RS	Paid \$500 on 4/2	288.20	1,731.14
3001539	2005415	CM	Paid \$1,100 on 4/1	-	4,120.14
3001509	2136448	CM	Paid \$11,675.02 on 4/8/19	1,544.52	4,689.96
3010119	2074628	SC	Audit and bill sent to customer on 4/13	-	6,454.71
3006953	2053328	CM	Payment Arrangement with Bob	2,389.00	6,638.06
3005988	2019014	SC	Audit and bill sent to customer on 4/9	-	7,786.95
3002136	2007943	SC	Audit and bill sent to customer on 4/8	-	8,051.65
3006304	2019990	SC	Audit and bill sent to customer on 4/5	-	12,592.99
3005991	2019017	SC	Audit and bill sent to customer on 4/11	-	23,753.46
				27,397.95	106,075.81
				Total	133,473.76

Los Alamos County Utilities Department
Receivables More than 60 Days Inactive
April 1, 2019

<i>YEAR</i>	<i>OUTSTANDING 4/1</i>	<i># OF ACCOUNTS</i>	<i>OUTSTANDING 3/1</i>	<i># OF ACCOUNTS</i>
FY15	21,443.26	80	21,443.26	80
FY16	18,111.27	72	18,111.27	72
FY17	26,448.39	68	26,448.39	68
FY18	70,632.45	354	65,845.58	331
FY19	20,405.09	142	20,594.07	131
TOTAL	\$ 157,040.46	716	\$ 152,442.57	682

STATUS REPORTS

SAFETY

DEPARTMENT OF PUBLIC UTILITIES CLAIMS

MARCH 2019

(Information provided by the County Risk Department)

TORT CLAIMS

None

WORKERS COMPENSATION

None

COUNTY PROPERTY DAMAGE

None

OSHA INCIDENT REPORT

Attached

	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked
	ADMIN	EL DIST	EL PROD	GWS	WA PROD	WWTP		
MONTH								
Jan - 2019	3589.0	1793.0	2317.0	4119.0	1678.0	1139.0		
Feb - 2019	3221.0	1358.0	3244.0	3319.0	1132.0	1244.0		
Mar - 2019	2563.0	1941.0	2332.0	3955.0	1641.0	1281.0		
Apr - 2018	3229.0	1323.0	1682.0	3225.0	1165.0	1344.0		
May - 2018	3980.0	1279.0	1814.0	3331.0	1284.0	1093.0		
June - 2018	3523.0	1292.0	1586.0	3754.0	1155.0	1168.0		
July - 2018	3825.0	1292.0	1641.0	3553.0	1286.0	1420.0		
Aug - 2018	4982.0	1471.0	2240.0	3947.0	2456.0	2771.0		
Sept - 2018	3150.0	1168.0	1421.0	3242.0	1198.0	1059.0		
Oct - 2018	2499.0	1194.0	1270.0	3847.0	1181.0	1009.0		
Nov - 2018	3476.0	1416.0	1506.0	3398.0	1182.0	1201.0		
Dec - 2018	3204.0	1251.0	1372.0	3047.0	2427.0	946.0		
Total Hrs Worked ->	41241.0	16778.0	22425.0	42737.0	17785.0	15675.0		
Number of Recordable Injury and Illness Cases	0	0	0	1	0	0		
OSHA Recordable Injury & Illness Incidence Rate	0.00	0.00	0.00	4.68	0.00	0.00		
Number of OSHA Days Away Days Restricted (DART) cases	0	0	0	3	0	0		
OSHA Days Away Days Restricted (DART) Rate	0.00	0.00	0.00	7.00	0.00	0.00		