



LOS ALAMOS

County of Los Alamos

Minutes

Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

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

Tuesday, November 20, 2018

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 Tuesday, November 20th at 5:30 p.m. at 1000 Central Ave., Council Chambers. Board Chair Jeff Johnson called the meeting to order at 5:31 p.m.

Present 5 - Board Member Johnson, Vice-chair Walker, Board Member Frederickson, Board Member McLin and Board Member Taylor

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

2. PUBLIC COMMENT

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

3. APPROVAL OF AGENDA

Ms. Walker asked that item 6.B. be removed from consent.

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

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

4. BOARD BUSINESS

4.A. Chair's Report

Mr. Johnson reported on the following items:

1) Mr. Johnson reminded the Board that it is time to start conducting the annual self-evaluation. He passed out hard-copies of the evaluation and criteria from the previous year. Mr. Johnson asked staff to schedule a special meeting before December 25th to conduct the evaluation.

4.B. Board Member Reports

Board members had nothing to report.

4.C. Utilities Manager's Report

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

4.D. County Manager's Report

Mr. Burgess was absent. Mr. Lynne reported on the following items:

1) To answer an earlier question, Mr. Lynne informed the Board that the next Boards & Commissions Luncheon will be held on January 17th.

4.E. Council Liaison's Report

Ms. Christine Chandler was absent. 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.

4.G. General Board Business

There were no items on General Board Business.

4.H. Approval of Board Expenses

There were no Board expenses.

4.I. Preview of Upcoming Agenda Items

4.I.1 [11418-18](#) Tickler File for the Next 3 Months

Presenters: Board of Public Utilities

In addition to the items already listed in the tickler provided in the agenda packet, the following items were identified for the tickler for upcoming meetings:

1) TBD - Special Meeting to Conduct the Annual Self-Evaluation (Jeff Johnson)

5. PUBLIC HEARING(S)

There were no public hearings scheduled for this meeting.

6. CONSENT AGENDA

Ms. Walker moved 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. The motion passed by the following vote:

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

6.A [11412-18](#) 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 October 17th, 2018 as presented.

6.C [11263-18](#) Approval of Services Agreement No. AGR19-13 With Human Strategies, LLC In An Amount Not To Exceed \$69,500.00, Plus Applicable Gross Receipts Tax, For The Purpose Of Complying With Section 510 Of The County Charter To Perform a Five-Year Management Audit

Presenters: Julie Williams-Hill

I move that the Board of Public Utilities approve Services Agreement No. AGR19-13 with Human Strategies, LLC in an amount not to exceed \$69,500.00, and a contingency of \$3475.00 for a total of \$72,975.00, plus applicable gross receipts tax, for the purpose of complying with Section 510 of the County Charter to perform a Five-Year Management Audit.

6.D [MOU018-18](#) Approval of Memorandum of Understanding MOU19-16 with Comcast for the Installation of Communication Conduit As Part of the New Mexico 502 Project

Presenters: James Alarid

I move the Board of Public Utilities approve Memorandum of Understanding MOU19-16 with Comcast for Installation of Communication Conduit as part of the New Mexico 502 (NM502) Project and forward to the County Council for approval.

6.E [11327-18](#) Approval of Amendment No. 1 to the Utility Cooperative Agreement between the New Mexico Department of Transportation and Los Alamos County for NM 502 Project No. 5100650

Presenters: James Alarid

I move that the Board of Public Utilities Approve Amendment No. 1 to the Utility Cooperative Agreement between the New Mexico Department of Transportation and Los Alamos County for NM 502 Project No. 5100650 and forward to Council for approval.

7. BUSINESS

7.A [11354-18](#) Update on RDX Contamination in Aquifer

Presenters: Tim Glasco

This item was taken up after item 7.B. because the presenter was late to the meeting.

Utilities Manager Mr. Timothy Glasco presented this item. The following is the substance of the item being considered.

Information was recently released from Los Alamos National Laboratory concerning contamination in the regional aquifer from RDX, an explosive compound used in nuclear weapons research. DPU staff met with DOE Environmental Management staff and with N3B, Inc., the contractor performing environmental research and remediation work at the laboratory, to obtain the latest information about this potential threat. The Board of Public Utilities requested an update on this situation, so DOE/EM and N3B were invited to present their information. Mr. Glasco introduced Mr. Danny Katzman from N3B, who gave a presentation.

The Board discussed this item and requested clarification where necessary.

Mr. Johnson opened the floor for public comments. Members of the public gave the following summarized comments:

1) Mr. Antonio Maggiore, 4102 Fairway - Mr. Maggiore clarified that he was speaking predominantly for himself as a citizen and not as a Councilor. He felt the presentation was lacking details and hopes that when it comes before Council it will have more information, especially about how quickly the RDX moves in the water in relation to the chromium plume. He expressed frustration about the numerous inquiries he felt he had to make before the topic was openly discussed.

- 7.B [AGR0602-18](#) Reconsideration of the Board of Public Utilities' Policy Regarding Smart Meter Opt Outs; Approval of Services Agreement AGR19-912 with Ferguson Incorporated in the Amount of \$5,559,480.00, Plus Applicable Gross Receipts Tax for Advanced Metering Infrastructure (AMI) Equipment and Services; Approval of the License and Technical Support Agreement with Sensus Incorporated; and Approval of Related Budget Revision 2019-04

Presenters: Bob Westervelt

Ms. Taylor moved to remove this item from the table. The motion passed by the following vote:

**Yes: 4 - Board Member Johnson, Vice-chair Walker, Board Member
Frederickson and Board Member Taylor**

No: 1 - Board Member McLin

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

The agreement with Ferguson was also presented to the Board for consideration at the August and September 2018 meetings. This contract is for equipment, supplies, installation, software and project management services for implementation of a systemwide advanced metering infrastructure (AMI). The system will provide accurate, near real time read capability for electric, water and gas services for DPU customers. DPU began considering implementation of AMI several years ago as the capabilities of the available systems improved in response to the development of more complex pricing models which began to emerge, primarily in the electric industry, in the early 2000s. The DPU conducted a pilot deployment as part of the New Energy and Industrial Technology Development (NEDO) Project in 2012 through 2014. While the project was limited in

scope and distribution, the Department did learn and realize the impact advanced metering could have on its systems and business model and made the strategic decision to explore the business case for system-wide deployment. In 2015, the Department engaged Power Systems Engineering, a consulting firm specializing in electric grid modernization and utilities metering systems, to conduct a business case analysis for full implementation of advanced metering in all of the metered services (electric, gas, and water) system wide. The study identified both economic benefits and non-economic benefits, both of which have been considered in the decision to move forward. Due to privacy concerns expressed by citizens in prior meetings, staff also recommended the Board reconsider its no-opt-out direction to staff, which was approved on July 20, 2016.

The Board discussed this item and requested clarification where necessary.

Mr. Johnson opened the floor for public comments. Members of the public gave the following summarized comments:

1) Mr. Cornell Wright, 700 Totavi - Mr. Wright does not think an opt out is a long-term solution, but he thinks it is very reasonable. He is glad to hear that staff is pursuing legislation.

2) Mr. Antonio Maggiore, 4102 Fairway - Mr. Maggiore clarified that he was speaking solely for himself as a citizen and not as a Councilor. He is concerned that the opt-out policy does not have actual fiscal impacts. He is curious about what the cost impact would be, especially for rental properties where people move frequently.

The following actions were identified for follow-up:

1) Staff will return to the Board at a later date to discuss in more detail how the opt out provision might be implemented, after which they will bring a proposed rule to the Board for consideration and approval.

Ms. Taylor moved that the Board of Public Utilities revise the Board policy on smart meter opt outs to allow customers the option of not having smart meters installed at their service locations. Ms. Taylor further moved that the Board of Public Utilities approve Services Agreement AGR19-912 with Ferguson Incorporated in the amount of \$5,559,480, plus a contingency in the amount of \$971,950 for a total project budget amount of \$6,531,430.00, plus applicable gross receipts tax. Ms. Taylor further moved that the Board of Public Utilities approve execution of the License and Technical Support Agreement between The Incorporated County of Los Alamos and Sensus, Incorporated, funding for which is included in and payable through the Ferguson agreement. Ms. Taylor further moved that the Board of Public Utilities approve budget revision 2019-04 and that it be included in the minutes as an attachment; and she further moved that the agreements and budget revision be forward to Council for approval.

Yes: 4 - Board Member Johnson, Vice-chair Walker, Board Member Frederickson and Board Member Taylor

No: 1 - Board Member McLin

6.B [AGR0598-18](#) Approval of Services Agreement No. AGR19-10 with Julian Herrera, dba Allied Tree Service and Fencing in the amount of \$1,000,000.00, plus

Applicable Gross Receipts Tax, for the Purpose of Electric Power Line Trimming

Presenters: Rafael De LaTorre

ITEM 6.B. WAS MOVED FROM CONSENT TO BUSINESS.

Deputy Utility Manager of Electric Distribution Mr. Rafael De La Torre presented this item. The following is the substance of the item being considered.

The trimming and cutting of trees near and around energized power lines is a critical operation and maintenance (O&M) program for the department. Failure to clear trees from power line contacts can result in lengthy power outages and cause fires. The department trims and cuts trees near power lines for emergencies or during routine trouble calls; however, the department's overhead maintenance crew has other project deadlines and O&M priorities, including pole and cross-arm replacement. This type of work generally costs more for a contractor to perform than tree trimming. Due to the increased work load and time required for tree trimming activities, it is more cost effective to contract with a third-party rather than utilize the department's overhead maintenance crew. The contract amount is expected to be spent over a five to six year term.

The Board discussed this item and requested clarification where necessary.

Ms. Taylor moved that the Board of Public Utilities approve Services Agreement No. AGR19-10 with Julian Herrera, dba Allied Tree Service and Fencing in the amount of \$1,000,000.00, plus applicable gross receipts tax, for the purpose of Electric Power Line [Tree] Trimming and forward to Council for approval. The motion passed by the following vote:

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

8. STATUS REPORTS

8.A [11413-18](#) 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

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

10. ADJOURNMENT

The meeting adjourned at 7:48 p.m.

APPROVAL

Board of Public Utilities Chair Name

Board of Public Utilities Chair Signature

Date Approved by the Board

Budget Revision 2019-04 AMI (Advanced Metering Infrastructure)

Board of Public Utilities November 20, 2018

Council Meeting Date: December 18, 2018

	Fund/Dept	Munis Org	Revenue (decrease)	Expenditures (decrease)	Transfers In(Out)	Fund Balance (decrease)
1	Joint Utilities Fund - Elec Prod	51185199-8839		\$ 2,500,000		\$ (2,500,000)
2	Joint Utilities Fund - Elec Dist	51285299-8839		\$ 2,500,000		\$ (2,500,000)
3	Joint Utilities Fund - Elec Dist	51285299-8839		\$ 832,000		\$ (832,000)
4	Joint Utilities Fund - Elec Prod	51185199-8839		\$ (1,960,752)		\$ 1,960,752
5	Joint Utilities Fund - Gas	53185399-8839		\$ 1,960,752		\$ (1,960,752)
6	Joint Utilities Fund - Elec Prod	51185199-8839		\$ (539,248)		\$ 539,248
7	Joint Utilities Fund - Water Dist	54185499-8839		\$ 539,248		\$ (539,248)
8	Joint Utilities Fund - Elec Dist	51285299-8839		\$ (1,040,593)		\$ 1,040,593
9	Joint Utilities Fund - Water Dist	54185499-8839		\$ 1,040,593		\$ (1,040,593)

Description: The purpose of this budget revision is to carryover remaining budget authority from FY2018 to FY2019 for the Advanced Metering Infrastructure (AMI) Project, to add budget authority to the project and to move budget authority from Electric Production and Electric Distribution to the Gas and Water Distribution Funds. Work will begin after July 1, 2018 (FY2019). Line 1 is to carryover FY18 budget authority for Electric Production. Line 2 is to carryover FY18 budget authority for Electric Distribution. Line 3 increases budget authority in the Electric Distribution Fund. Lines 4 & 5 move budget authority to the Gas Fund. Lines 6 through 9, move budget authority to the Water Distribution Fund.

Fiscal Impact: The net fiscal impact to the Joint Utilities Fund in FY2019 is to increase expenditures and decrease Fund Balance by \$5,832,000.

ATTACHMENT
OFFICER REPORTS
SUBMITTED AT THE MEETING

MANAGER'S REPORT

November 20, 2018

1. Received report from NMED concerning the October, 2018 sanitary survey compliance inspection of drinking water production system. We received a clean bill of health with no negative findings. This inspection is conducted every three years.
2. New employees Alfred Lucero as SCADA Technician and Heather Garcia as Business Operations Manager. Both started work on November 19th.
3. Sent letter to NNSA formally requesting meeting to begin negotiations on water sales contract. First meeting is to agree on procedures, set meeting schedule and identify participants and their authorities. Suggest a closed session with Board and Council after first of year to discuss negotiation strategy and issues.
4. Water Production Superintendent Wayne Witten will be retiring on November 30. Wayne has been with DPU since 2001, and previously had a career with a well drilling and service company.
5. DPU Christmas Party will be December 7 at 11:30 AM. Board members are invited.
6. New Councilors orientation will be December 19th. We traditionally also invite new Councilors to the DPU new employee orientation, that will be held in late January, or early February.
7. Kick-off meeting for the 5-year Management Audit will be December 13 at 9:00 AM. Any interested Board member is invited to attend.
8. Safety employee of the quarter is Victor Tanuz, Water Production Senior Operator.

Environmental Sustainability Board (ESB) liaison report

Susan Barns, ESB Liaison 11/20/2018

Recent activities of the ESB include:

- Tour of food waste composting facilities at Reunity Resources in Santa Fe
- Approval of the installation of a sunflower sculpture by Ed Grothus at the EcoStation
- Presentations on food waste prevention and illegal dumping issues in Los Alamos
- Preliminary discussion of surveys of trash, recycle and yard trimmings roll carts use conducted in October by ESB members and Environmental Services staff. Among the findings so far are that over 80% of residents participate in recycling, which is very high given lack of extrinsic incentives.
- Placement of additional corrugated cardboard collection sites around LA and WR to accommodate holiday cardboard generation
- Participation in the Recycled Fair and Fashion Show at Chamisa School

Upcoming ESB meeting topics include:

- Revision of the LAC Environmental Sustainability Plan
- Options for at-home composting systems

Due to James Robinson's election to County Council, the ESB will have an opening starting in January. If you have any family, friends or co-workers who might be interested in joining our Board, please encourage them to apply!



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	11/20/2018
AGENDA ITEM	7.A. Update on RDX Contamination in Aquifer
DOCUMENT TITLE(S)	Los Alamos National Laboratory's RDX Campaign Project Overview
FROM	Danny Katzman, N3B
NEW OR REVISED? Is this a revision that is different from what was in the agenda packet or is it something entirely new?	New
RECOMMENDED ACTION If you have a new or revised recommended motion for the Board, enter it here.	<u>N/A</u>
ADDITIONAL INFORMATION Please VERY BRIEFLY explain the purpose of this information or document.	Mr. Katzman's presentation was not available at the time of agenda publication.



U.S. DEPARTMENT OF
ENERGY

OFFICE OF
ENVIRONMENTAL
MANAGEMENT

~~DRAFT – These minutes have not yet been approved by the Board of Public Utilities.~~

Los Alamos National Laboratory's RDX Campaign Project Overview

**Presentation
to
Los Alamos County
Board of Public Utilities
November 20, 2018**



ENVIRONMENTAL MANAGEMENT
SAFETY ♦ PERFORMANCE ♦ CLEANUP ♦ CLOSURE



- Background
 - Groundwater setting
 - Source and history
 - Remediation conducted to date
- Extent of RDX in groundwater
- Is RDX present in Los Alamos County water-supply wells?
- Next Steps



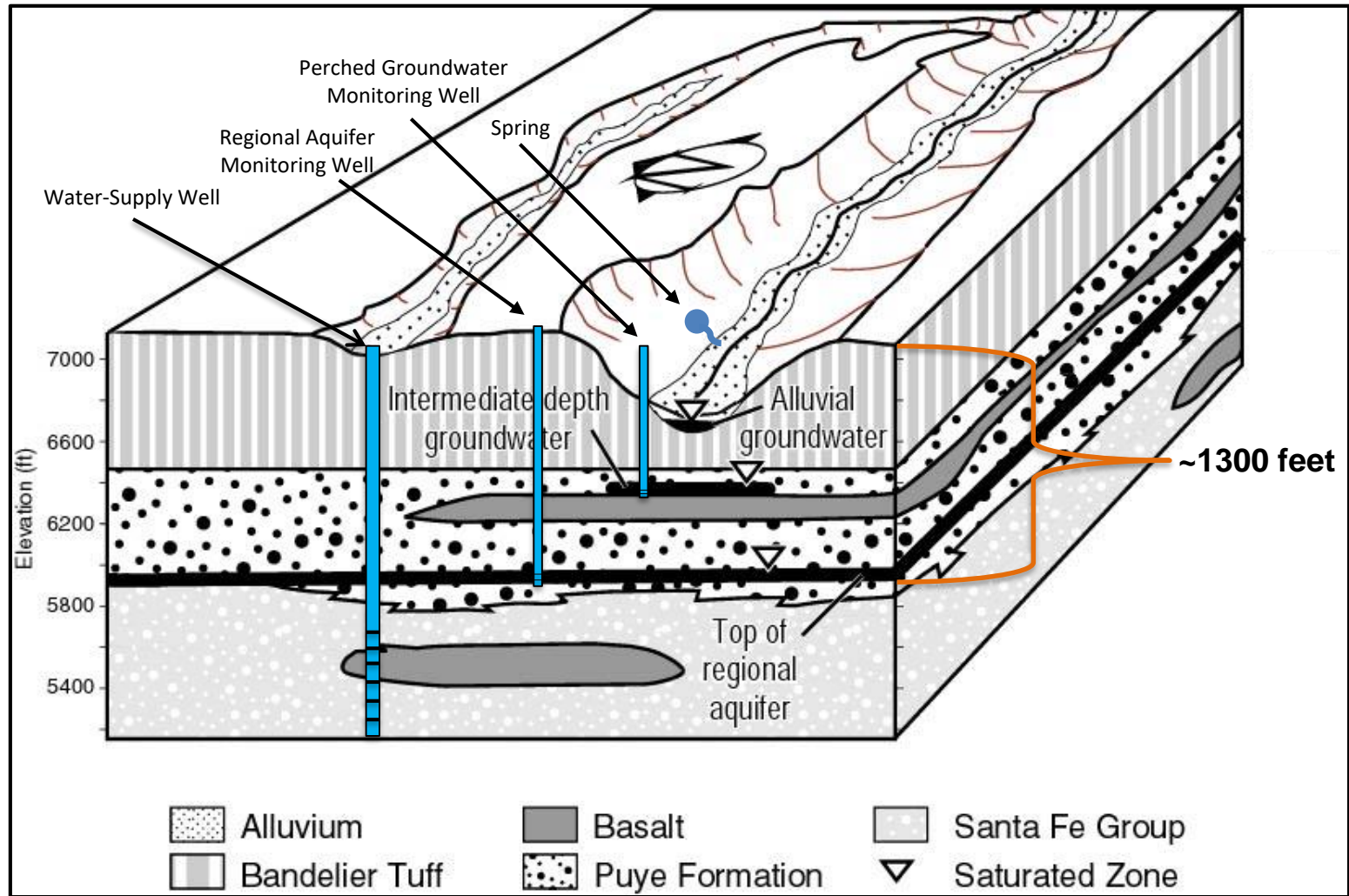


U.S. DEPARTMENT OF
ENERGY

OFFICE OF
**ENVIRONMENTAL
MANAGEMENT**

Groundwater beneath Los Alamos

DRAFT - These minutes have not yet been approved by the Board of Public Utilities.

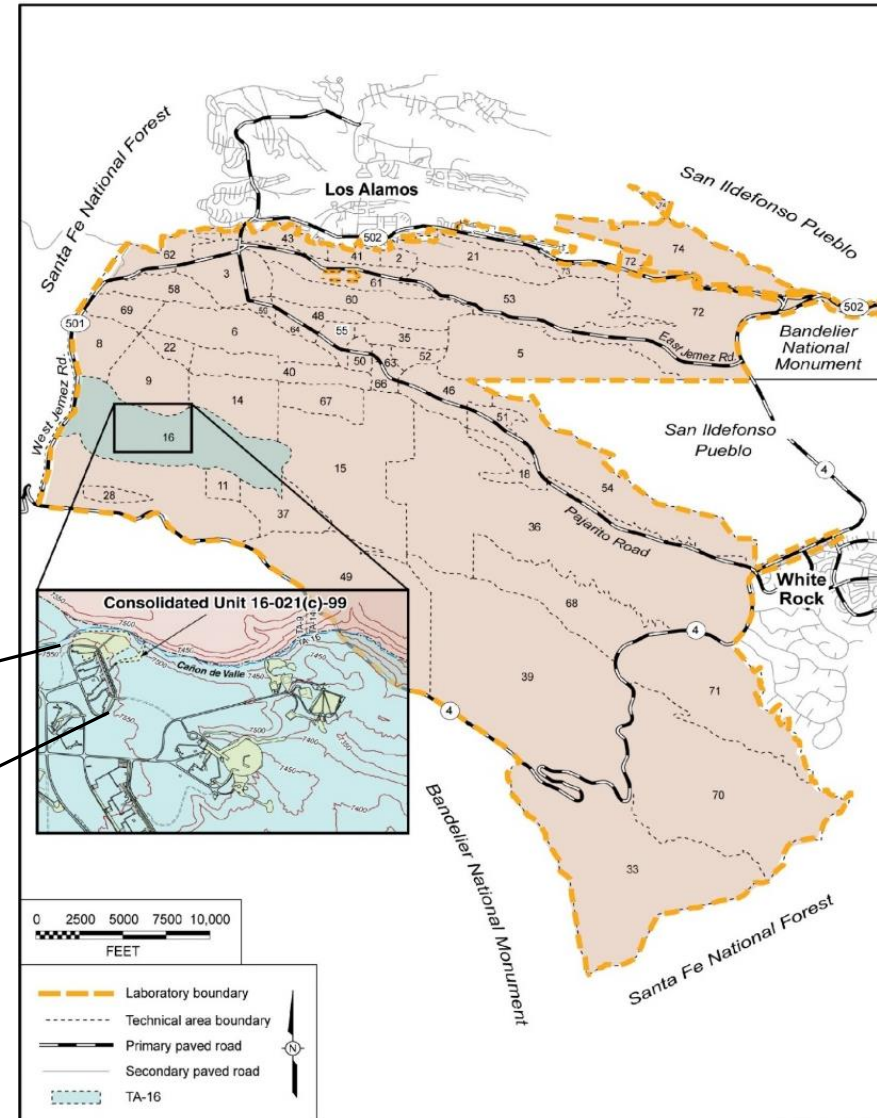


ENVIRONMENTAL MANAGEMENT
SAFETY ♦ PERFORMANCE ♦ CLEANUP ♦ CLOSURE



Background

- TA-16 facilities established in early 1950s to develop high explosive (HE) formulations
 - Explosives (RDX, HMX, TNT) were casted and machined for nuclear weapons
 - Building 260 used since 1951 to machine HE
 - Several million gal/yr of HE-contaminated water discharged to Cañon de Valle (CdV) between 1951 – 1996
 - The 260 Building outfall was primary source of RDX
 - Other potential sources include operations in other buildings at TA-16 and at TA-09.
- First investigations of RDX in soils occurred in the mid 90s
- Groundwater investigations first identified RDX (below standards) in perched and regional groundwater in the late 1990s
- Present-day RDX contamination is low in nearby springs, surface water, and shallow groundwater





RDX Remediation Activities

- Surface soil cleanup conducted in outfall area in 2000 – 2001 under an Interim Measure, and in 2009 – 2010 under a Corrective Measures Implementation
 - More than 1500 yd³ HE-contaminated soil excavated & disposed of offsite
 - Significantly reduced contamination in surface soils
- Injection of grout in permeable rock layers to cut off infiltration pathways
- Completion of Surface Corrective Measures Activities
 - Included documentation of no further requirements for cleanup for RDX in surface setting
 - Includes Long-Term Monitoring Plan and reporting requirements
 - Surface water, springs, shallow alluvial wells





Deep Groundwater Investigation

- Installation of monitoring wells to investigation “nature and extent” of contamination
 - Intermediate-depth wells screened in perched groundwater
 - Deep wells screened in the regional aquifer
- Studies to understand the hydrology and “fate and transport” of contamination
 - Tracer studies
 - Aquifer tests



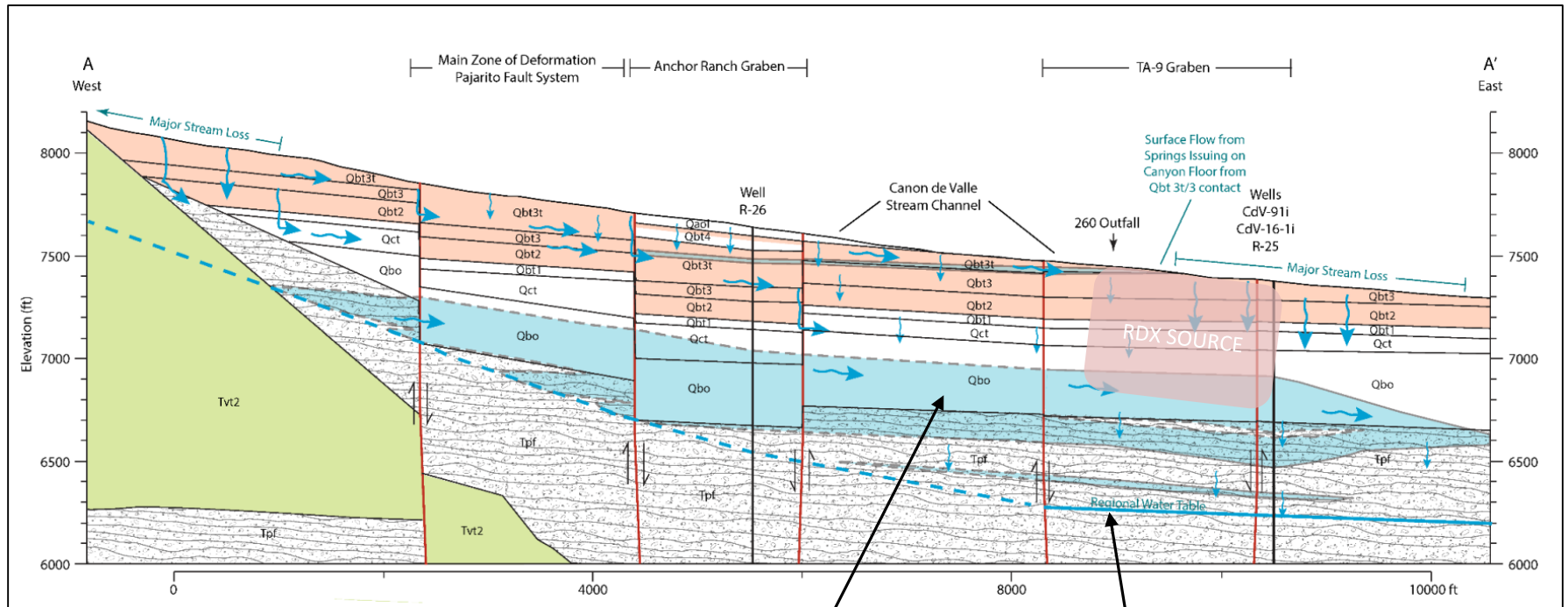


RDX in Perched Groundwater





Conceptual Model



Perched-Intermediate Groundwater

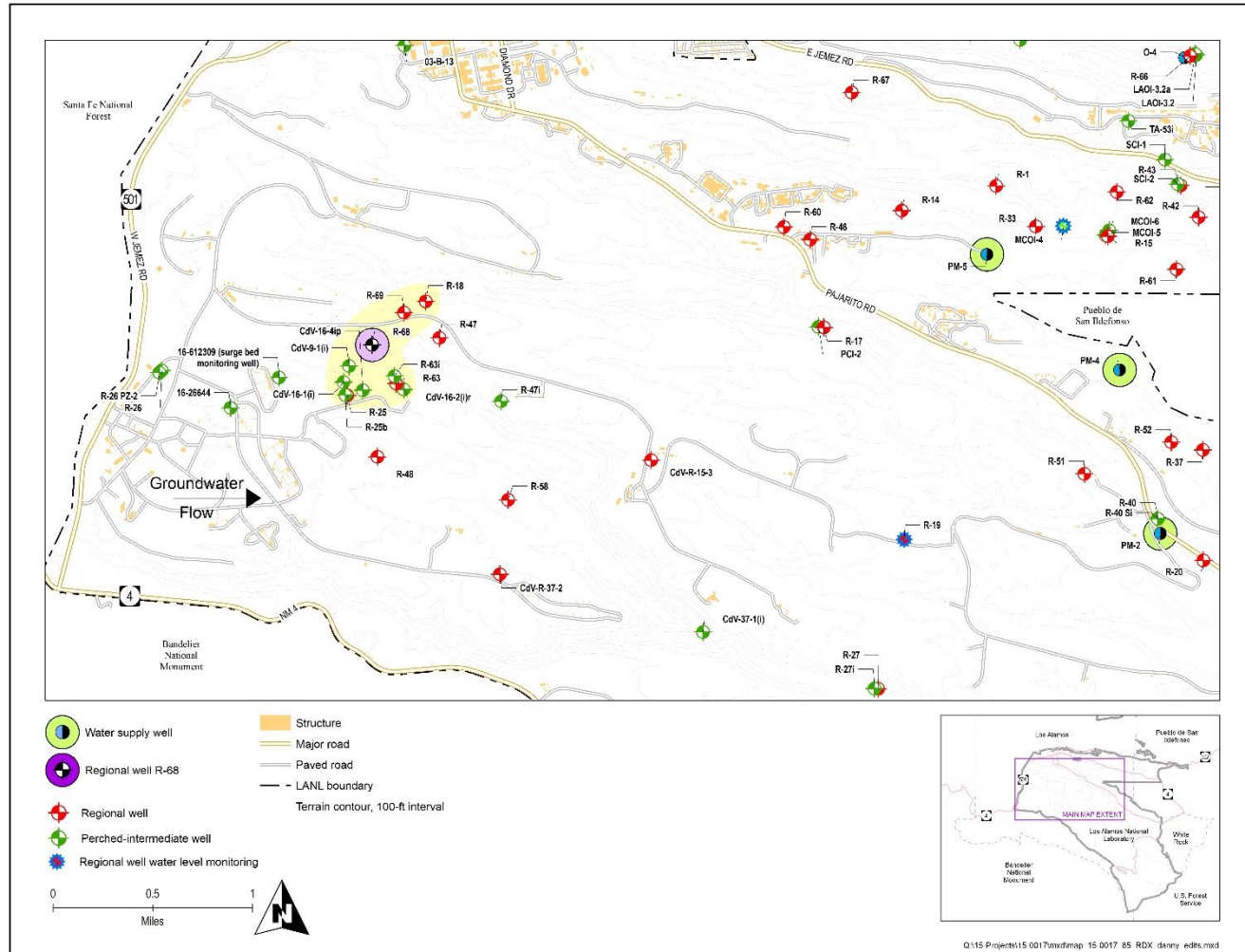
Regional Aquifer Water Table





RDX in Regional Aquifer

- RDX is present in several regional groundwater monitoring wells
- Known since 2005
- Only one monitoring well (R-68, completed in 2017) has RDX above the NMED's 7.02 ppb screening level
- RDX is not present in LAC water-supply wells (approx. 3 miles away)
- DOE collects groundwater samples from water-supply wells for RDX analysis
 - sampled since 1998
 - Current semi-annual sampling supplements LAC's sampling requirements
- DOE will continue to monitor for RDX in water-supply wells and in upgradient monitoring wells closer to the RDX project site





Upcoming Activities

- **Deep Groundwater Investigation Report (DGIR)**
 - Due in August 2019 (Consent Order “Appendix B” Deliverable)
- **Field Activities to support DGIR**
 - R-69 aquifer testing, monitoring
- **DGIR Path Forward**
 - DGIR will include a groundwater model that includes
 - Model long-term fate of RDX in regional aquifer
 - Determine whether groundwater remediation is necessary at this time to protect regional aquifer
 - Long-term monitoring will follow

