



LOS ALAMOS

County of Los Alamos
Minutes
Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

*Kathleen Taylor, Chair; Carrie Walker, Vice-chair; Jeff Johnson, Stephen McLin and Steve
Tobin Members*
Philo Shelton, Ex Officio Member
Harry Burgess, Ex Officio Member
Randall Ryti, Council Liaison

Wednesday, April 15, 2020

5:30 PM

1000 Central Avenue
Council Chambers

REGULAR SESSION

1. CALL TO ORDER & ROLL CALL

The regular meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, April 15th at 5:30 p.m. at 1000 Central Ave., Council Chambers. Board Chair Kathleen Taylor called the meeting to order at 5:30 p.m.

Some Department of Public Utilities (DPU) staff presented to the BPU in Council Chambers; however, all BPU members participated by phone. This social distancing was to comply with the recommendations of the Centers for Disease Control (CDC) to prevent the spread of COVID-19. Members of the public were able to live-stream the meeting online and submit public comment via email prior to or during the meeting. Comments would then be read into the record by staff during the appropriate agenda item.

Present 1 - Board Member Shelton

Absent 1 - Board Member Burgess

Remote 5 - Board Member Johnson, Board Member McLin, Board Member Tobin, Board Member Walker and Board Member Taylor

2. PUBLIC COMMENT

Ms. Taylor opened the floor for public comment on items on the Consent Agenda and for those not otherwise included on the agenda. Public Relations Manager Julie Williams-Hill informed the Board that no public comment had been received via e-mail prior to the meeting. She reminded those who might be live-streaming that the bpu@lacnm.us e-mail address would continue to be monitored during the meeting and public comments could still be submitted to be read during the meeting.

3. APPROVAL OF AGENDA

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

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

4. BOARD BUSINESS

4.A. Chair's Report

Ms. Taylor had nothing to report.

4.B. Board Member Reports

Board members had nothing to report.

4.C. Utilities Manager's Report

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

Ms. Walker requested clarification on the Utilities Assistance Program (UAP) and whether or not County funding of or donations to the program would be a violation of anti-donation laws. Assistant County Attorney Kevin Powers confirmed that it would be a violation.

Ms. Walker requested clarification on the eligibility requirements and proof required to demonstrate financial need to qualify for assistance under the UAP. Deputy Utility Manager for Finance and Administration Bob Westervelt explained that the eligibility for recurring assistance is determined by median household income, in which case, proof of income is required. To be eligible to receive one-time hardship assistance, the customer need only provide a statement of need for the occurrence.

Ms. Walker asked if the Department is being flexible with late fees during the COVID-19 emergency declaration. Mr. Westervelt explained that late fees and disconnections for non-payment are currently suspended, at least until the Governor's emergency orders are lifted. If there is a need to extend the suspension, that can be determined later.

Ms. Taylor asked if there is a timeline for the Enchant agreement with Farmington for the San Juan Generating Station. Mr. Shelton explained that it will be a multi-year endeavor to put all the pieces of the agreement in place. He should know more in May.

4.D. County Manager's Report

Mr. Burgess was absent. No report was given.

4.E. Council Liaison's Report

Councilor Ryti provided a written report, which is included in the minutes as an attachment.

5. CONSENT AGENDA

As a follow-up item, Ms. Taylor would like the Board to revisit when on the agenda and how the Consent Agenda is approved.

Ms. Taylor 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 Johnson, Board Member McLin, Board Member Tobin, Board Member Walker and Board Member Taylor

5.A [12960-20](#) 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 March 25th, 2020 as presented.

5.B [12956-20](#) Approval of Purchase of ClaVal Altitude Valves from Core & Main per Quote # 1277753 in the Amount of \$64,674.75, Plus Applicable Gross Receipts Tax, for the Purpose of Replacing Failed Valves in the Sycamore and Pajarito 4 Water Tanks

Presenters: Jack Richardson

I move that the Board of Public Utilities approve the purchase of ClaVal Altitude Valves from Core & Main per Quote # 1277753 in the Amount of \$64,674.75, Plus Applicable Gross Receipts Tax, for the Purpose of Replacing Failed Valves in the Sycamore and Pajarito 4 Water Tanks

6. BUSINESS

6.A [12841-20](#) New Mexico Performance Excellence Awards Program, 2019 Feedback Report on the Department of Public Utilities' Zia Application

Presenters: Philo Shelton

Mr. Shelton presented this item. The following is the substance of the item being considered.

This past fiscal year, the Board of Public Utilities (BPU) chose to apply for a Zia award from Quality New Mexico (QNM) to satisfy a charter requirement that every five years an outside agency review DPU's operations. QNM administers the New Mexico Performance Excellence Awards program based on the national Malcolm Baldrige framework for performance excellence. While the Department did not win the Zia Award, it was recognized at the Roadrunner level just below the Zia Award. Mr. Shelton discussed the feedback report and the identified strengths, opportunities for improvement and the steps that are planned to address issues. The QNM process is beneficial to the Department to improve operations. However, to seek a Malcolm Baldrige designation, this quality improvement process needs to be repeated more often than once every five years so that the organization can better learn and adapt to changes in operations. Therefore, staff recommends reapplying for a Zia designation in two years and is seeking Board direction.

The Board discussed this item and requested clarification where necessary.

The following actions were identified for follow-up:

1) Through general consensus, the Board agreed that additional information would be helpful before deciding whether or not to support applying for a Zia award again in two years. It was noted that there may be other more beneficial and cost effective ways to 1) meet the 5-year management audit Charter requirement and 2) assess the effectiveness of the Department's operational performance and continuous improvement efforts. Mr. Shelton was asked to return at a future meeting to present a summarized cost comparison and a benefit analysis for multiple options so that the Board can make a more informed decision.

6.B [12954-20](#)

Fiscal Year 2021 Department of Public Utilities Proposed Staffing Levels

Presenters: Philo Shelton

Mr. Shelton presented this item. The following is the substance of the item being considered.

In preparing the Department's budget for fiscal years 2021 and 2022, there were several requests for additional staff to support the Department. Mr. Shelton did not feel comfortable presenting a budget with an increase in Full Time Equivalent (FTEs) and worked with his team to maintain the same number of FTEs while making changes to where these employees are working within the Department. This staffing transition is anticipated to occur over the first six to nine months in FY2021 as Advanced Metering Infrastructure (AMI) is implemented, fully on-line, and functional and as retirement vacancies occur. The AMI project proposed that three to four-meter reading positions would no longer be needed and will result in a staff cost savings. The FY2021 staffing plan proposes to transition three-meter reader FTEs and use these FTEs to serve the Department needs as outlined in detail in the staff report and in a proposed organizational chart included in the agenda packet. Mr. Shelton discussed these proposed changes and requested Board support.

The Board discussed this item and requested clarification where necessary.

Mr. Johnson moved to support Utilities Manager's recommendations for FY2021 proposed staffing levels as presented in Attachment B, FY2021 Department Proposed Organizational Chart. The motion passed by the following vote:

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

No: 1 - Board Member McLin

7. PUBLIC COMMENT

Ms. Taylor opened the floor for public comment on any items. There were no comments.

8. ADJOURNMENT

The meeting adjourned at 6:59 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
April 15, 2020**

1. Continued to have multiple discussions and meetings with staff in response to COVID-19 Pandemic and related operational changes required. Customer Care Center (CCC) Staff now have surfaces and cell phones to handle calls remotely and one-third of the staff are working at the office to process payment and divert calls to these remote staff. This plan is in place to handle anticipated volume of property tax payments coming in over the next month. Also, staff is seeing an increase in requests for application to the Utilities Assistance Program (UAP). Currently, demand for this program exceeds incoming donations at a rate of approximately \$442/month. We are working on a donate now button on DPU website to help facilitate receiving donations. Finally, a big shout-out to Heather Garcia, Business Operations Manager, for sewing cloth masks for the department in order to keep our employees safe.
2. Prepared DPU's budget presentation to County Council. We saw a small increase in water usage in March over last year and since most people are working from home, DPU's revenues are anticipated to be slightly higher. On the other hand, the laboratory usage and costs will be somewhat lower, but these costs do not impact the enterprise as negatively since wholesale rates closely match the costs of the utilities services provided.
3. Staff continues to work with NMED and Laboratory to cleanup an area of the soil containing the oil of approximately 1.2 cubic yards of soil located next to Otowi Well #4 at DP Los Alamos Canyons confluence. The Laboratory sampled the spill area to confirm if DPU staff can clean the spill or if it needs to be performed by the Laboratory. The soil sample results will be provided to DPU at the end of this month. For the pump house Notice of Violation (NOV), NMED has accepted the riser pipe solution and this matter is now closed.
4. The PRC has made a ruling to support the SJGS decommissioning. Next activities will be to continue to monitor PNM replacement resources and the Farmington/Enchant proposal.
5. Attended the LANL Cleanup Technical Working Group meeting and reviewed the Material Disposal Area C project. The next meeting will go into more detail on the remedial measures for this project that will include protecting the ground water.
6. Attended the project management committee meeting with UAMPS and the project continues its design efforts. Funds are anticipated to run out by the end of July and in May UAMPS will be making another funding request with an amendment to the plan of finance. UAMPS will give its members 60-days to consider this request. I anticipate bringing this request to BPU in June.

7. Working with NNSA to reactive the DP Road Lift Station Project. The Lab will clear, observe and support the Project while work and excavations are occurring. A site meeting is schedule for the end of this week.
8. The Water Rights Agreement has been finalized between LANL and the County and has been forwarded to the DOE Property Division in Albuquerque for approval of the contract. While this is ongoing, staff and LANL are working on the Water Sales Agreement. Both agreements will have an effective date of October 1, 2020 that is consistent with the water year and expiration of the current water sales agreement.

Council Liaison Report, Randall Ryti Vice Chair

Apr 15, 2020

February 25, 2020 Regular Session

Correction. Electric distribution franchise fee changed from 2% to 2.5%. No change to gas.

March 31, 2020 Regular Session

Presentation on 2019 salary market study

April 7, 2020 Regular Session

Approved golf course irrigation system replacement project funding (\$2,650,000). Left funding available for other course improvements (\$1,874,000).

Potential Development

North Mesa Housing Feasibility Study (Los Alamos Public Schools property), report is in preparation

DP Road parcels transferred from DOE and available for development. A-8-A and A-16-A