



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, April 17, 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, April 17th, 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 7 - Board Member Walker, Board Member Johnson, Board Member Frederickson, Board Member McLin, Board Member Taylor, Board Member Glasco and Board Member Burgess

Ms. Walker reported to staff that as authorized by §10-15-1 (H)(2) of the New Mexico Open Meetings Act, NMSA 1978, the Board of Public Utilities met in closed session on March 6th and March 14th, 2019 to discuss information pertaining to limited personnel matters - Utilities Manager hiring process. She reported that the matters discussed were limited only to those specified in the meeting notice.

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

Ms. Taylor 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 reported on the following items:

1) Ms. Walker attended a town hall meeting on the topic of infrastructure that Councilors Sheehey, Robinson and Schmidt held. She found it to be interesting and thought there was a good turnout. There seemed to be a lot of interest in the water distribution system

and putting electric lines underground. There seemed to be some support for temporarily returning some revenues to put more money into infrastructure. Perhaps it was a bias of that type of meeting, but she noted that people seemed to be concerned about infrastructure more so than rates.

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

Presenters: Board of Public Utilities

The month prior to a Boards and Commissions luncheon, the attendee schedule will be included in the agenda packet as a reminder during the Chair's report. Mr. Johnson is scheduled to attend the May 16th luncheon.

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.

Ms. Walker asked Mr. Glasco to discuss progress on any continuing billing issues since the implementation of the County's new Enterprise Resource System.

Mr. Johnson asked for an update on the condition of and work being done on the Los Alamos Canyon Reservoir road, and he asked for an update on the recent water main breaks.

Ms. Walker asked Mr. Glasco to discuss the reasons behind the Customer Care Center change of hours from 8:00 a.m. - 5:00 p.m. to 8:00 a.m. - 4:00 p.m.

4.D. County Manager's Report

Mr. Burgess reported on the following items:

1) Mr. Burgess attended the Council budget hearings the previous two evenings. Utilities was scheduled for the end of the evening on Tuesday, but Council was not able to get to the Utilities budget as planned. The next hearing is scheduled for Monday, April 22nd at 6:00 p.m. Council is scheduled to review the Utilities budget during that meeting.

4.E. Council Liaison's Report

Mr. Pete Sheehey reported on the following items:

1) Mr. Sheehey expressed concern about the Customer Care Center change of hours. He doesn't think the public takes kindly to that. If it is temporary, he is glad to hear that. He suggested that rather than shutting it down entirely, perhaps schedules could be phased so that at least one person is available to talk to the public between 4:00 and 5:00. He understands the need if there is a short-term issue but would like to see the windows open until 5:00. He noted that for some people, that is the only time they can come in, and people don't like it when they are having problems and hours of service are cut back. However, he also understands that the Department must manage the staff they have, and it's not right that they should have to work overtime every night.

2) Mr. Sheehey reported that at the recent town hall meeting, and virtually everywhere else it has been discussed, there has been very strong public support for keeping the 5%

revenue transfer in Utilities for Utilities use. There is already a mechanism in place to transfer funds from one fund to another. A resolution change would be necessary to legally make the transfer of "profit" back to the Utilities an option for the Board. He personally thinks that should be done and doesn't see any other way to catch up on the backlog of sewer and water distribution expenses. He thinks that since the general County has such good revenues, it doesn't need that additional revenue in the general fund. He will work with the County Attorney to come up with a proposal. Whether it is a resolution or ordinance, it would be a revision to the existing County law. He has been told this can be done without changing the County Charter; however, some citizens have expressed support of changing the Charter if necessary. The first step would be to bring the proposal to the Board, and if recommended, it would then go to Council. Before the annual transfer comes up again next year, he would like to see things changed. That would be at least be a half million dollars per year that could potentially go into water or sewer work without having to raise rates additionally. He believes there is both good public and Council support.

As a follow-up action item, Mr. Johnson asked if staff could prepare a presentation for a future meeting to discuss possible mechanisms to reverse the revenue transfer. Mr. Sheehey believes a presentation would be at least two to three months out, perhaps longer.

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

4.G.1 [11554-19](#) Briefing from County Manager on the County Strategic Objectives

Presenters: Harry Burgess

County Manager Mr. Harry Burgess presented this item. The following is the substance of the item being considered.

During 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. Mr. Burgess presented the recently revised Los Alamos County Strategic Leadership Plan 2019 Update.

The Board discussed this item and requested clarification where necessary.

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

Presenters: Jack Richardson

Deputy Utility Manager of Gas, Water & Sewer Mr. Jack Richardson presented this item. The following is the substance of the item being considered.

The Board has requested a quarterly system assessment on a different utility each quarter. This quarter, Mr. Richardson presented an update on the wastewater system.

The Board discussed this item and requested clarification where necessary.

The following actions were identified for follow-up:

1) Mr. Johnson requested an update on the status of the Departments adopted Financial Policies.

4.H. Approval of Board Expenses

There were no 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

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) 05/15/2019 - Change Order to Agreement with Wilson & Company for Otowi Well 2 (James Alarid)

1) 05/15/2019 - Update on the Department of Public Utilities Financial Policies (Bob Westervelt)

3) TBD - Possible Mechanisms to Reverse the Revenue Transfer to the General Fund (Pete Sheehey)

5. PUBLIC HEARING(S)

There were no public hearings scheduled for this meeting.

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 [11887-19](#) 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 March 20th, 2019 as presented.

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

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.

- 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

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.

7. BUSINESS

There were no items on this Business section of the agenda.

8. STATUS REPORTS

- 8.A [11888-19](#) 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:

FINAL - APPROVED

1) Mr. Greg White, 600 San Ildefonso Rd. - Mr. White does not think it is right that Utilities, who interacts so much with the community, is catching so much public criticism for the problems stemming from the County's transition to the new Munis Enterprise Resource System. He believes the blame lies with the purchasing department. He cited examples where other cities have implemented the same system and had to spend millions of dollars to fix problems. He discussed how the lack of the budget billing option for a while negatively impacted him. Mr. White disclosed that he has applied for the advertised Board vacancy. He notified the Board that he e-mailed the Council on the topic of the revenue transfer discussed earlier and will provide it for the Board via e-mail. He then went on to discuss the information from that e-mail.

10. ADJOURNMENT

The meeting adjourned at 7:13 p.m.

APPROVAL

Jeff Johnson for Carrie Walker

Board of Public Utilities Chair Name

[Signature] 5-15-19

Board of Public Utilities Chair Signature

May 15, 2019

Date Approved by the Board

ATTACHMENT
OFFICER REPORTS
SUBMITTED AT THE MEETING

FINAL - APPROVED

Utility Manager's Report April 17, 2019

1. The County Council did not get to the Utilities Budget in the first two nights of hearings. It is expected that our budget will be heard on Monday, April 22. In years past the Council has wanted to have a Board member present to comment on the Utilities budget.
2. We received a letter this week from the US EPA containing an Administrative Order concerning discharge violations at the Los Alamos wastewater treatment plant. Two recurring violations were cited; total residual chlorine (TRC) and pH. The pH violations were from mistakes in reading the pH meter by untrained staff. This situation has been remedied. The TRC violations were traced back to an industrial customer in Los Alamos who was using large amounts of concentrated chlorine solution for disinfection related to some of their processes. We sent a letter to the customer in January warning them to cease discharge of chlorine, and at a subsequent meeting with the customer, we were informed that they would no longer be using chlorine in their process. We have since had TRC violations in February and March. We are working with the County Attorney's office on the next steps to be taken. We have 30 days from receipt of the AO to respond to EPA.
3. We are anticipating the first draft of our Zia Application from our Contractor, Human Strategies, LLC, on or before the end of April. We will then submit comments and the final copy is scheduled for delivery in mid-June. This application, together with the QNM feedback report, will constitute the Charter-required 5-year management audit.
4. Pumping for well development was completed at Otowi Well No. 2, and we were preparing to do the test pumping to establish the well's expected production capacity when the New Mexico Environment Department halted the project. Sampling of the groundwater together with analysis of a long list of compounds was required before we would be allowed to discharge the test pump water to the canyon. All required data was submitted to the NMED last week and this week we received permission to commence test pumping. The Contractor had to demobilize off the site and will not be ready to begin pumping until Monday, April 22. A change order is expected to reimburse the contractor for the delays associated with this unexpected testing and some additional unresolved issues from earlier in the project.
5. AMI contract pre-kick off meeting was held today with Sensus/Ferguson. The formal kick-off meeting is planned for June 10, after which the contractor will begin mobilizing crews. It is not expected that meters will be installed until August at the earliest.
6. We filled our GIS Specialist position that has been open for the past several months. James Naranjo has accepted the position and will be starting in early May.
7. We received 9 applications for the open BPU position. Jaime is setting up the meetings to begin interviews. The interview committee will be submitting a maximum of six candidates for council consideration at their May 28 meeting.
8. The posting for the Utilities Manager position will close this Friday, April 19.

FINAL - APPROVED

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