



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, June 19, 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, June 19th, 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

Assistant to the County Manager Linda Matteson attended for Mr. Burgess.

Ms. Walker moved that the Board of Public Utilities approve the following statement for inclusion in the minutes:

The matters discussed in the closed sessions held on the following dates and times were limited only to those topics specified in the notice of the closed sessions, and no action was taken on any matter in those closed sessions.

May 22nd, 2019 at 7:45 a.m.

May 23rd, 2019 at 8:00 a.m.

June 19th, 2019 at 5:00 p.m.

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

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 noted several departures. Mr. Glasco is retiring, and this will be his last Board meeting as the Utilities Manager. Ms. Walker thanked Mr. Glasco for his service to the Department and reminded the Board that his retirement party will be held on July 11th at 2:00 p.m. at the Nature Center. This is also Mr. Fredrickson's last meeting as a Board member. Ms. Walker presented him with a certificate of appreciation and a gift and thanked him for his service. She welcomed new member Mr. Steve Tobin, whose term officially begins on July 1st.

4.B. Board Member Reports

There were no reports.

4.C. Utilities Manager's Report

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

Ms. Taylor asked Mr. Glasco to elaborate on the progress of the NM 502 project.

4.D. County Manager's Report

Mr. Burgess was absent. Ms. Matteson had nothing to report.

4.E. Council Liaison's Report

Mr. Sheehey was not present. Mr. James Robinson attended in his place but arrived after this agenda item. 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

4.G.1 [11699-19](#) 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 and presented the 2018 report from the Pajarito Environmental Education Center.

The Board discussed this item and requested clarification where necessary.

4.H. Approval of Board Expenses

There were no expenses.

4.I. Preview of Upcoming Agenda Items

4.I.1 [12048-19](#) 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) (DATE TBD) - Options for Spending Down Excess Gas Cash Reserves (Jack Richardson or Bob Westervelt)
- 2) (DATE TBD) - Strategies for Funding Future Water Projects Through Reserves or Bonds (Jack Richardson or Bob Westervelt)
- 3) (DATE TBD) - Possible Clarifying Language Changes to the Financial Policies (Bob Westervelt)

5. PUBLIC HEARING(S)

There were no public hearings scheduled for this meeting.

6. CONSENT AGENDA

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 Walker, Board Member Johnson, Board Member Frederickson, Board Member McLin and Board Member Taylor

6.A [12045-19](#) 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 May 15th, 2019 as presented.

6.B [12020-19](#) Approval of DOE/LAC Resource Pool Budget Adjustment for Fiscal Year 2019 Due to Cost of Purchased Power and Approval of Related County Budget Revision 2019-41

Presenters: Bob Westervelt

I move that the Board of Public Utilities approve the 2019 Resource Pool budget adjustment and approve Budget Revision 2019-41 as presented and forward to the County Council for its approval. I further move that Budget Revision 2019-41 be included as an attachment in the minutes for the record.

- 6.C [12021-19](#) Approval of DOE/LAC Resource Pool Budget for Fiscal Years 2020/2021

Presenters: Bob Westervelt

I move that the Board of Public Utilities approve the 2020-2021 Resource Pool budget as presented and forward to the County Council for its approval.

7. BUSINESS

- 7.A [12017-19](#) Approval of Appointment of New Utilities Manager

Presenters: Board of Public Utilities

Board Chair Ms. Walker presented this item. The following is the substance of the item being considered.

The present Utilities Manager, Timothy A. Glasco, has by written notice dated February 20, 2019, notified the Board of Public Utilities of his intention to retire in 2019. His intention is to retire effective July 12, 2019. The Board of Public Utilities has selected Philo S. Shelton III, the present Public Works Director, for the Utilities Manager position, subject to approval of the Council. The Board has interviewed Mr. Shelton and negotiated an employment agreement with him. It is the Board's opinion that the Department of Public Utilities will continue to excel under the management of Mr. Shelton. The appointment will become effective June 30, 2019 to coincide with the start of a new work week.

Mr. Johnson moved that the Board of Public Utilities approve the appointment of Philo S. Shelton III as Utilities Manager for Los Alamos County and an employment agreement dated June 30th, 2019. The motion passed by the following vote:

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

Abstain: 1 - Board Member McLin

- 7.B [11924-19](#) Financial Plan Update

Presenters: Bob Westervelt

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

The Board of Public Utilities adopted formal policies for financial targets in August of 2016. With adoption of formal targets for desired cash balances for the Utilities funds, initial steps for implementation involved assessment of the status at that time, followed by consideration of methods and alternatives for resolving differences. It has been a little over two years since adoption. This report is intended to provide information to help assess progress toward financial goals and to assist the Board in determining if revision

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of guidelines or targets is prudent at this time.

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. Mike Dempsey, 300 Connie Avenue - Mr. Dempsey provided written comments, which are included in the minutes as an attachment.

The following actions were identified for follow-up:

1) Staff will return to the Board at a later date to discuss options for the excess gas cash balance, strategies for funding future water system projects through reserve funds or bonds, and to discuss possible changes to clarify some of the language in the Financial Policies.

8. STATUS REPORTS

8.A 12047-19 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) 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) Mr. McLin - Mr. McLin expressed his personal thanks and appreciation to Mr. Glasco for all he has done for the County during his employment. He also confirmed for Mr. Dempsey that the Board did receive his e-mail regarding smart meter concerns. Mr. McLin assured Mr. Dempsey that even though he has not received a formal response from the Board, Mr. McLin feels has raised important questions that he has also considered and will continue to consider in the future.

10. ADJOURNMENT

The meeting adjourned at 7:12 p.m.

APPROVAL

Carrie Walker
Board of Public Utilities Chair Name

C-Walker
Board of Public Utilities Chair Signature

July 17, 2019
Date Approved by the Board

ATTACHMENT
OFFICER REPORTS
SUBMITTED AT THE MEETING

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Utility Manager's Report June 19, 2019

1. The official kick-off meeting for the AMI project was held on Tuesday, May 21st. Major field work is not expected to begin until September or late August.
2. A new MUNIS upgrade is scheduled to begin in October, 2019, and will continue possibly through December. We are preparing for more billing issues associated with the new software.
3. Work continues on our Zia Application, with the final draft for comments received from our Contractor, Human Strategies, LLC in early June. Applications are due to be submitted to QNM by the first of July. The Application will satisfy the Charter requirement for a management audit conducted every 5 years.
4. We received a draft water rights lease from the NNSA in early June. Staff has reviewed the draft and submitted comments to our attorneys, and to Kutak Rock. We will be submitting our proposed revisions to the DOE before the end of this month.
5. Professional photos for Board and Council members is scheduled for the afternoon of June 25th. Please get with Jaime to arrange for a photo.
6. Received responses to the County's Request for Proposals for installation of a second megawatt of PV at the landfill were received at the end of May. Plan on presenting a contract to the Board in July for approval. Looks like we can install 1.3MW, for a 25-year PPA at \$58/MWh. This should allow us to market around 400 KW of PV to our customers at a premium of approximately two cents per kwh.
7. Interviewed for filling the vacant customer care position. Also notified that Alicia Garcia is leaving us to go to Procurement as a Senior Buyer. Advertised for a new utilities locator, a new Senior Office Specialist and for a new WWTP Superintendent.
8. NM502 is under construction, with an expected 2-year construction period. Present work is mostly installation of utility infrastructure, with new road construction and paving scheduled for next year. East Jemez Rd/NM4 intersection construction project is mostly funded and will begin in the next few months. The existing intersection has been shown to lack adequate capacity for the traffic load placed upon it. Design of the new intersection is expected to be complete by late August, with construction planned for 2021. The US Army Corps will manage the design and construction of the project.
9. We have hired five summer engineering student interns this year. Two are working on electrical engineering projects, one is with GWS and the remaining two with Engineering.

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Environmental Sustainability Board (ESB) liaison report

Susan Barns, ESB Liaison 6/20/2019

Last month's activities and updates included:

- An overview presentation on the Save-As-You-Throw proposal for tiered residential trash rates.
- Planning for summer outreach events at meetings, festivals and concerts.
- Discussion of waste reduction activities in schools, composting, and the use of Roundup by the County.

Tomorrow night's ESB meeting will include:

- An informational open house on the Save-As-You-Throw program, 5:30-6:30 pm in Council Chambers. Refreshments will be served.
- The regular meeting will begin at 6:45, and will cover Council revisions to our FY2020 Work Plan, as well as results of the zero waste efforts at summer concerts so far.

Notes:

Environmental Services staff are working on scheduling a presentation by Robert Gibson on his LAC greenhouse gas report.

Also, ESB members will be staffing a table at tomorrow morning's Farmers' Market to talk with the public about Save-As-You-Throw, recycling, food waste reduction, and any other sustainability topic folks want to discuss.

ATTACHMENT WRITTEN PUBLIC COMMENTS

People who give public comment at a meeting may submit a written copy before, during or after the meeting to be included in the minutes.

Los Alamos Board of Utilities June 19, 2019

Mr. Glasco congrats on Retirement

Questions: Congrats + Thanks on Reliable Robust
utilities in LA county

- 1) Has any information been developed as to whether the AMI Smart Electric meters have ZTE and or Huawei components in them?
- 2) Is Los Alamos National Laboratory going to have AMI Smart electricity meters installed at all of its utility locations?
- 3) Do we agree that one of the ^{Enabled}~~enabled~~ functions to the AMI system Los Alamos County will install will be the ability to turn off the electrical supply remotely?
- 4) What makes the Los Alamos County Department of Utilities believe that they will be the only entity to be able to control the remote shutdown of Electrical service?

Thanks,

Mike Dempsey
300 Connie Ave.
Los Alamos, NM 87547