



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Council Meeting Staff Report

August 17, 2016

Agenda No.:	5.C.
Indexes (Council Goals):	BCC - N/A
Presenters:	Bob Westervelt
Legislative File:	7998-16

Title

Approval of Budget Carryovers from FY2016 to FY2017

Recommended Action

I move that the Board of Public Utilities approve the budget carryovers from FY2016 to FY2017 and forward to Council with a recommendation for approval.

Staff Recommendation

Staff recommends the Board of Public Utilities approve the budget carryovers as presented and forward to Council with recommendation for approval.

Body

Requirements for carryover of budget authority are as follows:

1. The projects were budgeted in FY2016 but were not completed, so we are planning on completing in FY2017
2. We do not have an encumbrance in FY2016 already
3. We have FY2016 Budget left to cover the amount we want to carry over
4. We did NOT re-budget the project in FY2017

All of these requirements have been met for each of the projects listed below. We are seeking Board approval to carry these funds over in anticipation of completing these projects in FY2017. Upon Board approval this \$3,952,977 carryover will be presented for Council approval by Finance staff.

Electric Production budgeted \$100,000 for transformer work at the hydroplants. This work has been delayed until FY17.

Electric Production budgeted \$250,000 in FY16 for back-up generators at the Abiquiu and El Vado hydroplants. The contract for that work was awarded in July 2016, at the beginning of FY17, so a reduced amount of budgeted funds need to be carried into the current fiscal year. The carry forward amount is \$165,000.

Waste Water budgeted \$144,000 for sanitary sewer replacement near the Subway restaurant in FY16, and while the contract for that work was awarded in June, it wasn't effective until July 1, 2016, pushing the work into FY17. As such, the budgeted funds need to be carried into the current fiscal year.

Waste Water budgeted \$425,000 in FY16 for sewer mains and services replacement on Joya, Mimbres, and Kayenta. That project is now scheduled for FY17 and the budget should be carried forward.

A NM 502 related project for Water Production and Water Distribution was originally scheduled for

construction in FY15 and then carried over into FY16. Due to NMDOT's schedule and expansion of the work scope construction is now scheduled in FY17. The amount to be carried forward is \$54,122.

Water Production continues construction on Otowi Booster Station No. 1. From the original \$100,000 budget, \$66,855 needs to be carried forward into FY17 in order to bring the project to completion.

The Gas division budgeted \$200,000 in FY16 for medium pressure gas line replacement from Diamond to El Gauncho. This work has been delayed until FY17.

Electric Distribution budgeted \$450,000 for a duct bank installation for a future LASS substation. Midway through the project, the budget has been only partially spent or encumbered. As such, \$282,000 of budgeted funds needs to be carried forward into FY17.

Electric Distribution budgeted \$150,000 to replace 1200 feet of 1/0 AL from Tsankawi to Cheyenne. Midway through the project, the budget has been only partially spent or encumbered. As such, \$85,000 of budgeted funds needs to be carried forward into FY17.

Electric Distribution budgeted \$2,500,000 for the Smart Meter project in FY16. However, work has been delayed until FY17 to better align with implementation of the new Enterprise Resource Planning project.

Electric Distribution budgeted \$75,000 for electric system replacement work at Bandelier. This work has been delayed until FY17.

Alternatives

If these funds, budgeted but not expended in FY2016 are not carried over the projects could be funded with FY2017 funds (requiring a FY2017 budget adjustment), postponed and re-budgeted in FY2018, or cancelled.

Fiscal and Staff Impact

\$3,953,977 transfer of budget authority from FY2016 for expenditures in FY2017.

Attachments

None