

## Council Meeting Staff Report

November 27, 2018

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<b>Agenda No.:</b>	E.
<b>Indexes (Council Goals):</b>	2018 Council Goal – Quality Governance – Operational Excellence – Maintain Quality Essential Services and Supporting Infrastructure Including Updated Enterprise Software and Permitting
<b>Presenters:</b>	James Alarid
<b>Legislative File:</b>	11328-18

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### Title

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

### Recommended Action

**I move that Council 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.**

### Utilities Manager Recommendation

The Utilities Manager recommends that Council approve the motion as presented.

### Board, Commission or Committee Recommendation

The Board of Public Utilities recommends that Council approve the motion as presented.

### Body

The New Mexico Department of Transportation (NMDOT) and the DPU have been coordinating the reconstruction of NM502/East Road for several years due to the impact to the utility infrastructure by conflicts of the new road alignment/grading and the new storm drain system. In June of 2015 the Utility Board and County Council approved this cooperative agreement, prior to the project being bid for the first time. Since then the project has been bid four times, the most recent bid was on August 17, 2018. Star Paving has been awarded the contract. Over three years have gone by since the cooperative agreement was originally executed and this amendment is to extend the term of the agreement to accommodate the new schedule. The term of the agreement will be extended from December 18, 2018 to six (6) months after final project acceptance. This amendment makes no other changes to the cooperative agreement.

The Utility Cooperative Agreement is the mechanism by which the replacement utility work will be incorporated into the NMDOT project. The Agreement allows the DPU to incorporate the design and specifications for the utility work into the bid and be constructed by the NMDOT contractor. The DPU will be assessed a Construction, Engineering and Inspection fee in the amount of 6% of the utility construction cost. This fee is not unreasonable for the administrative effort required by the NMDOT as the lead agency and the cost savings DPU will realize on common incidental work such as traffic control, mobilization and stormwater pollution prevention measures.

The project will include complete replacement of the electric distribution system, water distribution system, a water transmission line, portions of the gas distribution system, sections of sewer mains and portions of the County's fiber optic system. The agreement was based on estimated construction cost of \$2,420,202 (Less NMGRT). Bid prices for the utility portion of the project came in at \$1,681,764 (Less NMGRT). The savings will be paid back to the County at the end of the project. Work is scheduled to begin in March of 2019 and be completed in the Fall of 2020.

### Alternatives

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If the Cooperative Agreement is not approved, the road construction project would be delayed since the utility work must be done to accommodate the new road design. A delay could affect the availability of road construction funding.

**Fiscal and Staff Impact**

The DPU will designate a full-time project manager, part-time and after hour support by GWS staff and electric distribution crews will install and terminate all new conductors and transfer existing customer services to the new system. The project was budgeted in FY15 in the amount of \$2,631,061. Funds have been transferred to the NMDOT, per the conditions of the cooperative agreement.

**Attachments**

A - Amendment No. 1 to Cooperative Agreement