



County of Los Alamos

Los Alamos, NM 87544
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Council Meeting Staff Report

December 18, 2019

Agenda No.:	6.B
Indexes (Council Goals):	DPU FY2020 - 1.0 Provide Safe and Reliable Utility Services, DPU FY2020 - 5.0 Achieve Environmental Sustainability
Presenters:	Bob Westervelt
Legislative File:	OR0863-19

Title

Approval of Incorporated County of Los Alamos Draft Ordinance No. 698; An Ordinance Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement in the Total Amount of \$800,000.00, and Related Documents by and between the New Mexico Finance Authority and Incorporated County of Los Alamos for the Purpose of acquisition and installation of a new pump station at Overlook Park for use in pumping treated effluent from the White Rock Wastewater Treatment Facility for irrigation of the Overlook recreational facilities.

Recommended Action

I move that the Board of Public Utilities approve Incorporated County of Los Alamos Draft Ordinance No. 698; An Ordinance Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement in the Total Amount of \$800,000.00, and Related Documents by and between the New Mexico Finance Authority and The Incorporated County of Los Alamos for the purpose of acquisition and installation of a new pump station at Overlook Park for use in pumping treated effluent from the White Rock Wastewater Treatment Facility for irrigation of the Overlook recreational facilities, and forward in final form to Council for their consideration.

Staff Recommendation

Staff recommends approval of the motion as presented.

Body

This loan/grant will provide \$800,000 for acquisition and installation of a new pump station at Overlook Park for use in pumping treated effluent from the White Rock Wastewater Treatment Facility for irrigation of the Overlook recreational facilities. The award is for a 40% loan and 60% grant with a required additional match by the County of 15% of the total award amount. This required match will come from approved Capital Improvement Project funding.

Ordinance No. 698 authorizes the execution and delivery of a Water Project Fund Loan/Grant Agreement and related documents by and between New Mexico Finance Authority and Incorporated County of Los Alamos for the purpose of design and construction of this project.

Note, draft documents were provided for LAC review and comments returned to NMFA Council for consideration on November 6, 2019. The most significant item is that the draft documents call for pledge of the revenues of "the Utilities System", whereas only the revenues of the WATER Utility are being pledged. All other items are purely clerical. DPU Finance staff, the County CFO, and the County Attorney's office have reviewed the documents and concerns noted have been addressed to the satisfaction of all. "Final" drafts of those documents have not been received back from NMFA. The comments were mainly clerical and administrative, and we do not anticipate any disagreement from NMFA. Due to deadlines for completing and uploading Board Agenda Docs, the draft documents are attached, and the motion allows for any minor, non-substantive changes to be made before Council adoption of the ordinance, which will be in final form before Council consideration.

Alternatives

If Los Alamos refuses funding assistance from Water Trust Board for this non-potable water project the project will either have to be cancelled or postponed or direct funding from DPU resources would be required.

Fiscal and Staff Impact

Water Projects Fund \$480,000 grant and \$320,000 loan with zero percent interest and .25 percent administration fee for 20 years which will supplement additional funding amount of \$120,000 from Department of Public Utilities Water Fund Capital project funding.

Attachments

A - Draft Incorporated County of Los Alamos Ordinance No. 698

B - Draft Loan Grant Agreement No. WPF-4826