County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

Agenda - Final

Board of Public Utilities

Robert Gibson, Chair; Matt Heavner, Vice Chair
Eric Stromberg,, Charles Nakhleh and Jennifer Hollingsworth, Members
Philo Shelton, Ex Officio Member
Anne Laurent, Ex Officio Member
Ryn Herrmann, Council Liaison

Wednesday, March 18, 2026 **5:30 PM** **Municipal Building, Council Chambers**

Public Participation ~ in person or https://us06web.zoom.us/j/82180323960

Members of the public may also participate remotely and provide public comment via Zoom:

Link ~ https://us06web.zoom.us/j/82180323960 | Webinar ID ~ 821 8032 3960

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PUBLIC COMMENT:
Oral comments are accepted during the periods identified on the agenda and after initial board discussion on a business item, prior to accepting a main motion on an item. Public comments are limited to three minutes per person. For those participating over Zoom, please use the raise hand function. If you are participating by phone enter *9 to raise your hand. Please submit written comments to the board at bpu@lacnm.us.

1. CALL TO ORDER

2. PUBLIC COMMENT

3. APPROVAL OF AGENDA

4. CONSENT AGENDA

. MOTION: I move that the Board of Public Utilities approve the items on the Consent Agenda as (PRESENTED -or- AMENDED) and that the motions in the staff reports be included in the minutes for the record.

4.a. 20947-26 Approval of Board of Public Utilities Meeting Minutes - February 2026

Presenters: Board of Public Utilities

Attachments: A - Draft BPU Work Session Minutes - 2/4/26
B - Draft BPU Regular Session Minutes - 2/18/26

4.b. 21239-26a Award of Bid No. IFB 26-23 for the Purpose of the San Ildefonso Waterline Replacement Project in the Amount of $1,617,673.80 and a contingency in the amount of $346,384.40, for a Total Project Amount of $2,078,307, including NMGRT

Presenters: James Martinez, Senior Engineer

Attachments: A - LAC WPF-6583 Executed Loan Grant Agreement
B - IFB 26-23 Construction Plans

4.c. 21339-26a Approval of the Calculation of Revenue Transfer from Electric & Gas Funds for Operations during Fiscal Year 2025 and Approval of Budget Revision 2026-48

Presenters: Joann Gentry, Deputy Utility Manager-Finance & Admin.

Attachments: A - Incorporated County of Los Alamos Ordinance 02-324
B - Utility Profit Transfer Schedule - FY2026 for FY2025
C - Budget Revision 2026-48
D - Revenue Transfer Presentation

5. PRESENTATIONS (none)

6. PUBLIC HEARINGS (none)

7. DEPARTMENT BUSINESS

7.a. 21064-26 Approval of the DPU FY2027 Budget

Presenters: Joann Gentry, Deputy Utility Manager-Finance & Admin.

Attachments: A - Changes to Budget Since Feb BPU
B - DPU FY2027 Budget Packet
C - Budget Options FY2027

7.b. 21392-26a Approval of Modification 26 to Extend the Contract Term by One-Hundred and Twenty-Days of the Electric Coordination Agreement (ECA) between the Incorporated County of Los Alamos and the United States Department of Energy (DOE)

Presenters: Ben Olbrich, Deputy Utility Manager-Power Supply

Attachments: A - ECA MOD 26

7.c. 21393-26a Approval to Execute a Power Purchase Agreement in an Amount not to Exceed $3,833,000 Plus Applicable Gross Receipts Tax, to Meet Forecasted Los Alamos Power Pool Load for the Months of April 2026 through June 2026

Presenters: Ben Olbrich, Deputy Utility Manager-Power Supply

7.d. AGR1203-26a Approval of Services Agreement No. AGR26-36 with Loftin Equipment Company for a Mobile 560kW Generator and Maintenance Services in the amount of $436,603.00 Plus Applicable Gross Receipts Tax for the term of Seven Years

Presenters: Clay Moseley, Deputy Utility Manager-GWS Services

Attachments: A - AGR26-36 Loftin Equipment Co.

8. BOARD BUSINESS

8.a. Chair's Report

8.b. Board Member's Reports

8.c. Utilities Manager's Report

8.d. County Manager's Report

8.e. Council Liaison's Report

8.f. Environmental Sustainability Board Liaison's Report

8.g. General Board Business (none)

8.h. Board Expenses

8.h.1. 21452-26 BPU Training Opportunity: APPA National Conference, June 26 - July

1, 2026

Presenters: Philo Shelton, Utilities Manager

Attachments: A - Los Alamos County Travel Policy
B - IRS Form W-9

9. STATUS REPORTS

9.a. 21063-26 DPU Quarterly Report - Fiscal Year 2026/Quarter 2

Presenters: Catherine D'Anna, Public Relations Manager

Attachments: A - DPU Quarterly Report for FY26-Q2

9.b. 20948-26 Status Reports - February 2025

Presenters: Philo Shelton, Utilities Manager

Attachments: A - Electric Reliability Report
B - Accounts Receivables Report
C - Risk & Safety Report

10. UPCOMING AGENDA ITEMS

10.a. 20949-26 Tickler File: March - June 2026

Presenters: Board of Public Utilities

Attachments: A - Combined Tickler Mar-Jun2026

11. PUBLIC COMMENT

12. ADJOURNMENT

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Human Resources at 505-662-8040 as soon as possible.

Complete Board of Public Utilities agenda packets, past agendas, videos, legislation and minutes can be found online at https://losalamos.legistar.com. Learn more about the Board of Public Utilities at https://ladpu.com/BPU.

Agenda No.:	4.a.
Index (Council Goals):	
Presenters:	Board of Public Utilities
Legislative File:	**20947-26**

Title
Approval of Board of Public Utilities Meeting Minutes - February 2026

Recommended Action
I move that the Board of Public Utilities approve the February 4th and February 18th meeting minutes as presented [OR amended].

Draft minutes are sent to members after each meeting for their review. Members may then send changes to be incorporated prior to final approval of the minutes at the next regular meeting.

Attachments
A - Draft BPU Work Session Minutes - 2/4/26
B - Draft BPU Regular Session Minutes - 2/18/26

** DRAFT - Pending Review & Approval by the BPU **

County of Los Alamos

Minutes

Board of Public Utilities Work Session

1000 Central Avenue
Los Alamos, NM 87544

Robert Gibson, Chair; Matt Heavner, Vice Chair
Eric Stromberg, Charles Nakhleh and Jennifer Hollingsworth, Members
Philo Shelton, Ex Officio Member
Anne Laurent, Ex Officio Member
Ryn Herrmann, Council Liaison

Wednesday, February 4, 2026 **5:30 PM** **Municipal Building, Council Chambers**

Public Participation ~ in person or https://us06web.zoom.us/j/87563449773

1. CALL TO ORDER

This work session of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, February 4, 2026. Vice Chair Matt Heavner called the meeting to order at 5:33 p.m. Members of the public were notified of the ability to attend and provide public comment either in person or over Zoom. The following board members were in attendance:
****
Present: 5 - Members Heavner, Stromberg, Hollingsworth, Nakhleh, and Laurent
Remote 2 - Members Gibson and Shelton
Absent: 0 -
****
Others present in Chambers:
Thomas Wyman, Assistant County Attorney
James Alarid, Deputy Utility Manager - Engineering
James Martinez, Senior Engineer
Ben Olbrich, Deputy Utility Manager - Power Supply
Dennis Astley, Deputy Utility Manager - Electric Distribution
Joann Gentry, Deputy Utility Manager - Finance & Administration
Cathy D'Anna, Public Relations Manager
Richard Valerio, Business Operations Manager
Jedidiah Bedo, IM Technical Support Specialist

Zoom participants:
Ryn Herrmann, Council VC & BPU Liaison
Clay Moseley, Deputy Utility Manager - GWS Services
Joni Arends, Concerned Citizens for Nuclear Safety

2. PUBLIC COMMENT

Vice Chair Heavner provided an opportunity for public comment on any topic; there was none.

No action was taken on this item.

3. APPROVAL OF AGENDA

Vice Chair Heavner called for discussion or a motion to approve the agenda.

****

Member Hollingsworth moved and Member Nakhleh seconded that the Board approve the agenda as amended.

****

The motion passed by the following vote:
Yes: 5 - Members Gibson, Stromberg, Nakhleh, Heavner, and Hollingsworth
No: 0

3.a. Action to Suspend Procedural Rules for Work Session

Vice Chair Heavner called for discussion or a motion. *(Item 3.a. was voted upon before item 3 so the agenda was considered "amended.")*

****

Member Nakhleh moved and Member Hollingsworth seconded that the Board of Public Utilities suspend their procedural rules for the February 4, 2026 work session so that formal action may be taken.

****

The motion passed by the following vote:
Yes: 5 - Members Gibson, Stromberg, Nakhleh, Heavner, and Hollingsworth
No: 0

4 PRESENTATIONS

4.a. Approval of a Short-term Power Purchase Agreement with Tenaska Power Services Co. in the amount of $566,481.39 to meet forecasted Los Alamos Power Pool load for the month of March 2026.

Mr. Ben Olbrich, Deputy Utility Manager - Power Supply, presented. A copy of the presentation slides was included in the meeting packet. Vice Chair Heavner provided an opportunity for comments and questions from the public and the board. The following individuals spoke:
1. Joni Arends, CCNS
2. Member Gibson
3. Mr. Shelton
4. Member Heavner

Vice Chair Heavner then called for discussion or a motion.

****

Member Hollingsworth moved and Member Nakhleh seconded that the Board of Public Utilities recommend approval of a short-term Power Purchase Agreement with Tenaska Power Services Co. in the amount of $423,112.80, and a contingency additional amount of $106,000.00 for a total of $529,112.80, plus applicable gross receipts tax, for the purpose of buying power and energy to serve the Los Alamos Power Pool's electric load and forward to Council for approval.

****

The motion passed by the following vote:
Yes: 5 - Members Gibson, Stromberg, Nakhleh, Heavner, and Hollingsworth
No: 0

4.b. Distribution and Electrification Plan Implementation

Mr. Dennis Astley, Acting Deputy Utility Manager - Electric Distribution presented. A

copy of the presentation slides was included in the meeting packet. Vice Chair Heavner provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Stromberg
2. Member Nakhleh
3. Member Hollingsworth
4. Member Gibson
5. Mr. Shelton

No action was taken on this item.

4.c. Asset Management Team (AMT) - Capital Improvement Plan (CIP) Budgets

Mr. James Martinez, Senior Engineer presented. A copy of the presentation slides was included in the meeting packet. Vice Chair Heavner provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Gibson
2. Mr. Shelton
3. Mr. Moseley

No action was taken on this item.

4.d. Semiannual Update: Transactional Survey Report for July through December 2025

Ms. Cathy D'Anna, Public Relations Manager presented. A copy of the report was included in the meeting packet. Vice Chair Heavner provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Hollingsworth

No action was taken on this item.

5. BUSINESS

5.a. Discussion and Possible Approval of BPU Member Travel: ECA Forum

Mr. Philo Shelton, Utilities Manager provided some information and details were included in the meeting packet.
Vice Chair Heavner provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Heavner
2. Member Gibson
3. Vice Chair Herrmann
4. Member Hollingsworth
5. Member Stromberg

****

Member Nakhleh moved and Member Hollingsworth seconded that the Board of Public Utilities approve travel expenses for Member Stromberg to attend the 2026 ECA Forum in Augusta, GA in April 2026.

****

The motion passed by the following vote:

Yes: 5 - Members Gibson, Stromberg, Nakhleh, Heavner, and Hollingsworth
No: 0

5.b. Schedule and Selection of Members to Attend B&C Luncheons for the 2026 Calendar Year

Vice Chair Heavner introduced this topic. Board members were given an opportunity to discuss and select dates to volunteer for the following dates:

March 5, 2026 - Member Stromberg
May 14, 2026 - Member Nakhleh
September 10, 2026 - Member Gibson (tentative)
November 12, 2026 - Member Hollingsworth

No action was taken on this item.

5.c. BPU Member Participation at Farmers Market

Vice Chair Heavner introduced this topic. Board members were given and opportunity to discuss and select dates to volunteer for tjhe following dates:

May 21 - Member Hollingsworth
June 25 - Member Gibson
July 23 - Member Nakhleh
September 24 - Member Heavner
October 22 - Member Stromberg

No action was taken on this item.

6. PUBLIC COMMENT

Vice Chair Heavner provided an opportunity for public comment on any topic; there was none

No action was taken on this item.

7. ADJOURNMENT

The meeting adjourned at 7:43 p.m.

****

APPROVAL

_____

Board of Public Utilities Chair

_____

Date Approved by the Board

Minutes transcribed by:
Kathy Casados, Executive Assistant

** Pending Review & Approval by the BPU **

County of Los Alamos

Minutes

Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

Robert Gibson, Chair; Matt Heavner, Vice Chair
Eric Stromberg,, Charles Nakhleh and Jennifer Hollingsworth, Members
Philo Shelton, Ex Officio Member
Anne Laurent, Ex Officio Member
Ryn Herrmann, Council Liaison

Wednesday, February 18, 2026 **5:30 PM** **Municipal Building, Council Chambers**

Public Participation ~ in person or https://us06web.zoom.us/j/82180323960

1. CALL TO ORDER

This regular meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, February 18, 2026. Chair Gibson called the meeting to order at 5:30 p.m. Members of the public were notified of the ability to participate and provide public comment in-person, remotely, or via email.
****
The following board members were in attendance:
Present - 6: Members Gibson, Heavner, Stromberg, Hollingsworth, Shelton and Laurent
Remote - 0:
Absent - 1: Member Nakhleh
****
Others in attendance in Chambers:
Vice Chair Ryn Herrmann, Council Liaison
Mr. Thomas Wymann, Assistant County Attorney
Mr. James Alarid, Deputy Utility Manager - Engineering
Mr. Clay Moseley, Deputy Utility Manager - GWS Services
Mr. Dennis Astley, Acting Deputy Utility Manager - Electrical Distribution
Mr. Ben Olbrich, Deputy Utility Manager - Power Supply
Ms. Joann Gentry, Deputy Utility Manager - Finance & Administration
Ms. Cathy D'Anna, Public Relations Manager
Ms. Kathy Casados, Executive Assistant
Mr. Richard Valerio, Business Operations Manager
Ms. Paula Nelson, Management Analyst
Mr. Zac Parliman, IM Technical Support Specialist

Zoom participants:
1. James Martinez, DPU Senior Engineer
2. David Reagor, Citizen

2. PUBLIC COMMENT

Chair Gibson provided an opportunity for public comment on the Consent Agenda or those not otherwise included on the agenda. There was none

No action was taken on this item.

3. APPROVAL OF AGENDA

Chair Gibson asked board members for amendments to the agenda, discussion or a motion.
1. Member Gibson requested that item 4.b. be moved from the Consent to Department Business as the first item.

Chair Gibson then called for further discussion or a motion.

****

Member Stromberg moved and Member Hollingsworth seconded that the agenda be approved as amended.

****

The motion passed by the following vote:
YES - 4: Members Hollingsworth, Heavner, Stromberg, and Gibson
NO - 0:
ABSENT - 1: Member Nakhleh

4. CONSENT AGENDA

Chair Gibson asked board members for further amendments to the consent agenda, discussion or a motion.

****

Member Stromberg moved and Member Hollingsworth seconded that the consent agenda be approved as amended.

****

The motion passed by the following vote:
YES - 4: Members Hollingsworth, Heavner, Stromberg, and Gibson
NO - 0:
ABSENT: Member Nakhleh

4.a. Approval of Board of Public Utilities Meeting Minutes - January 2026

I move that the Board of Public Utilities approve the minutes of the January 15, 2025 Regular Session as presented.

5. PRESENTATIONS

None scheduled.

No action was taken on this item.

6. PUBLIC HEARINGS

None scheduled.

No action was taken on this item.

7. DEPARTMENT BUSINESS

4.b. Approval of Budget Revision No. 2026-41 for Task Order No. 4 with Souder Miller & Associates under AGR22-67b for Potable Water Storage Tank Inspection and Maintenance Services

Mr. James Alarid, Deputy Utility Manager - Engineering presented. Chair Gibson provided

an opportunity for comments or questions from the Board. The following individuals spoke:
1. Member Gibson

Chair Gibson provided an opportunity for Public Comment; there was none. He then called for additional discussion or motion.

****

Member Hollingsworth moved and Member Heavner seconded that the Board of Public Utilities approve Task Oder No. 4 with Souder Miller & Associates under AGR22-67b for Potable Water Storage Tank Inspection and Maintenance Services in the amount of $149,212 plus applicable GRT and including a 15% project contingency, and recommend Budget Revision 2026-41 in the amount of $185,441.00, and forward to Council for approval.

****

The motion passed by the following vote:

YES - 4: Members Hollingsworth, Heavner, Stromberg, and Gibson
NO - 0:
ABSENT: Member Nakhleh

7.a. Presentation of the DPU FY2027 Budget

Ms. Joann Gentry, Deputy Utility Manager - Finance & Administration presented. Supporting documents were included in the meeting packet. Chair Gibson provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Gibson - Electric Production Fund question
2. Mr. Ben Olbrich responded
3. Member Gibson - Electric Distribution Fund question
4. Mr. Ben Olbrich responded
5. Member Heavner - Gas Distribution Fund question
6. Ms. Gentry responded
7. Mr. Philo Shelton responded
8. Member Hollingsworth - Gas Distribution Fund question
9. Mr. Philo Shelton responded

No questions regarding Water Distribution Fund

10. Member Gibson - Water Production Fund question
11. Ms. Gentry responded

No questions regarding Wastewater Treatment & Collection Fund
No questions regarding Administrative Fund
No questions regarding FTE Summary
No questions regarding CIP Summary
No questions regarding Revenue Transfer Budget Option

12. Mr. Shelton commented on Revenue Transfer
13. Member Gibson - Ten Year Forecast Electric Utility question
14. Ms. Gentry responded
15. Member Gibson - Reserve Targets question
16. Ms. Gentry responded
17. Member Gibson - Ten-Year Fund Forecasts questions
18. Ms. Gentry responded

No questions regarding Gas Fund graph
No questions regarding Water Distribution Fund graph
No questions regarding Water Production Fund graph
No questions regarding Wastewater Fund graph

Mr. Richard Valerio then presented the Debt Coverage Ratio 2027 - 2036. Chair Gibson

provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Hollingsworth - ReserveTarget question
2. Ms. Gentry responded
3. Mr. Shelton responded
4. Member Gibson - Debt Ratio question
5. Ms. Gentry will research and provide additional information
6. Mr. Shelton responded
7. Member Gibson - Electric Distribution grant question
8. Mr. Astley responded

Ms. Gentry continued the presentation and discussed the Schedule of Funds.When the budget presentation concluded Chair Gibson provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Heavner
2. Mr. Shelton
3. Member Gibson
4. Mr. Shelton

No action was taken on this item. The budget will be presented in March for approval.

7.b. Approval of Task Order No.3, AGR24-04d for the Purpose of White Rock Substation Transformer Project with Sanbros Corp. in the Amount of $299,719.24, plus Applicable Gross Receipts Tax for the Term of 120 Days

Mr. Dennis Astley, Acting Deputy Utility Manager - Electric Distribution presented. Supporting documents were included in the meeting packet. Chair Gibson provided an opportunity for comments and questions from the board. The following individuals spoke:
1. Member Stromberg
2. Member Hollingsworth
3. Member Gibson

Chair Gibson provided an opportunity for Public Comment; there was none. He then called for additional discussion or motion.

****

Member Stromberg moved and Member Hollingsworth seconded that the Board of Public Utilities approve Task Order No.3, AGR24-04d for the Purpose of White Rock Substation Transformer Project with Sanbros Corp. in the Amount of $299,719.24, plus Applicable Gross Receipts Tax for the Term of 120 days.

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The motion passed by the following vote:
YES - 4: Members Hollingsworth, Heavner, Stromberg, and Gibson
NO - 0:
ABSENT - 1: Member Nakhleh

8. BOARD BUSINESS

8.a. Chair's Report

Chair Gibson spoke:
1. He thanked Vice Chair Heavner for running the last meeting.

2. He reminded members to inform Ms.Casados of upcoming travel and BPU meeting availability.

Chair Gibson provided the opportunity for comments or questions from the board. There were none.

No action was taken on this item.

8.b. Board Member's Reports

There were none

No action was taken on this item.

8.c. Utilities Manager's Report

Mr. Philo Shelton reviewed his report which was included in the meeting packet. Chair Gibson provided an opportunity for comments or questions from the board. The following individuals spoke:
1. Member Stromberg
2. Mr. Olbrich
3. Member Gibson
4. Member Stromberg
5. Member Hollingsworth

No action was taken on this item.

8.d. County Manager's Report

Ms. Anne Laurent provided highlights from the recent Council Meetings/Work Sessions.
1. Closing Aquatic Center except for Leisure Lagoon.
2. Bid out for Fire Station 4 - will rebuild next to existing structure.
3. Council has Special Meeting with the LAPS Board on February 26th.
4. LAC is in the final stages of selling bonds for the broadband project.
5. CMO recently met with Tim Walsh, DOE - Mr. Shelton joined them.
6. March 23 staff from the CMO's office will be in Washington, D.C.
7. NMED was fined by DOE-EM.

Chair Gibson provided an opportunity for comments and questions from the board. There were none.

No action was taken on this item.

8.e. Council Liaison's Report

Vice Chair Herrmann provided highlights from the February 17th Council Meeting:
1. Recognized F&A for continued accomplishments.
2. Short term PPA approved.
3. Passed bonds for broadband.

Chair Gibson provided an opportunity for comments and questions from the board. There were none

No action was taken on this item.

8.f. Environmental Sustainability Board Liaison's Report

Both Ms. Sue Barns and Ms. Shannon Blair were out of town. No written report was

submitted.

No action was taken on this item.

8.g. General Board Business

8.g.1. Appointment of Board Member to County Audit Committee for 2026

Chair Gibson introduced the topic *(Member Heavner shared that he was the BPU representative for the audit committee for Fiscal Year 2025. He summarized his involvement and shared kudos to everyone involved in the audit. Only two meetings and reading.*
Chair Gibson called for volunteers or nominations to serve on the committee. The following board members spoke:
1. Member Hollingsworth volunteered.

Chair Gibson then asked members whether he could appoint a member rather than call for a motion. Members agreed to an appointment.

Chair Gibson appointed Member Hollingsworth to fill the vacant position on the County's Audit Committee and appoint them for remainder of Calendar Year 2025. He further recommended that the Utilities Manager notify the Chief Financial Officer of the nominee.

8.h. Board Expenses

None.

No action was taken on this item.

9. STATUS REPORTS

9.a. Status Reports - January

Chair Gibson opened the floor for comments and questions on the status reports. There were none

No action was taken on this item.

10. UPCOMING AGENDA ITEMS

10.a. Tickler File: March - June

Chair Gibson opened the floor for comments and questions on the tickler. The following individuals spoke:
1. Mr. Shelton
2. Member Stromberg
3. Member Hollingsworth

CORRECTIONS TO TICKLER:
1. March 4th - remove UAMPS Presentation
2. EV Plan delayed to April Regular Meeting
3. Remove Broadband item
4. Gibson will be remote for April 1st. - delay performance planning to April 15 and final to May 6th.

5. Member Hollingsworth will be on travel the week of April 15th and will be absent from the BPU Regular meeting. .

NEW ITEMS FOR TICKLER:
1. March 4th - Add a Budget Review item.

Chair Gibson reminded Vice Chair Heavner that they would meet with Mr. Shelton on Friday, February 27 to review the tickler and agenda items for March.

No action was taken on this item.

11. PUBLIC COMMENT

Chair Gibson provided an opportunity for public comment on any topic. There were none .

12. ADJOURNMENT

The meeting adjourned at 8:02 p.m.
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APPROVAL

_____
Board of Public Utilities Chair

_____
Date Approved by the Board

Minutes transcribed by: Kathy Casados, Executive Assistant

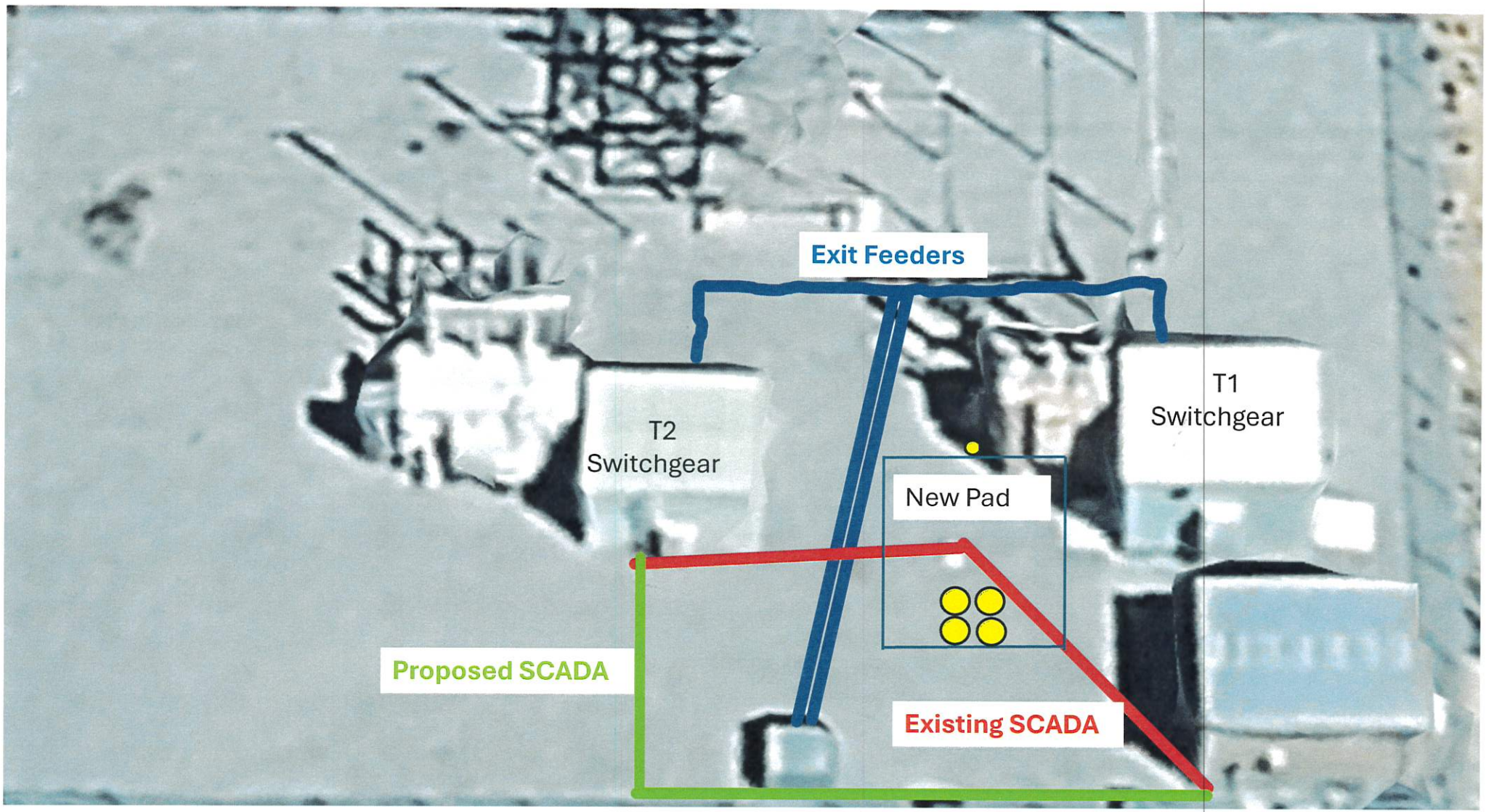
ATTACHMENTS
(in agenda order):
7.b. Schematic of Proposed SCADA Location
8.c. Utilities Manager Report 2/18/26

LOS ALAMOS

BOARD OF PUBLIC UTILITIES
ADDITIONAL MEETING DOCUMENTS

Additional or revised information or documents are often distributed to members at the meetings. Whenever possible, this informational cover page will accompany those documents.

MEETING DATE	February 18, 2026 - Regular Meeting
AGENDA ITEM	7.b. Approval of Task Order No.3, AGR24-04d for the Purpose of White Rock Substation Transformer Project with Sanbros Corp. in the Amount of $299,719.24, plus Applicable Gross Receipts Tax for the Term of 120 Days
ATTACHMENTS	B – Schematic of Proposed SCADA Location
NEW OR REVISED? Is this a revision that is different from what was in the agenda packet, or is it something entirely new?	NEW Attachment B
RECOMMENDED ACTION If you have a new or revised recommended motion for the Board, enter it here.	Same as included in packet.
ADDITIONAL INFORMATION Please VERY BRIEFLY explain the purpose of this information or document.	


Exit Feeders
T2
Switchgear
T1
Switchgear
New Pad
Proposed SCADA
Existing SCADA

Utilities Manager's Report
February 18, 2026

1. The Sanbros task order will reroute control conduits and prepare the site for the foundation's five-caisson installation. The caisson work is out to bid again since the initial solicitation did not result in a bid. Once these foundation elements are constructed, we can finalize the schedule to complete this transformer installation. The new transformer's containment vessel and the transformer are ready to ship. For the tie line, LANL has mobilized to install poles on their side of SR-4. DPU has installed the transformer and the three voltage regulators.

2. For Elk Ridge, CID's Mobile Home section has issued most of the green tags required for the project. The challenge remaining is having the homeowner present to make the final connections to the new system where we have 22 homes completed to date. Today we discussed with Elk Ridge again emphasizing having Cartwright available after work hours, on Fridays and on Saturdays when homeowners are present to make these final connections.

3. Recruitment status: DPU is interviewing a Customer Care Specialist and Senior Management analyst. Timo Martinez accepted the Electric Distribution Line Person Supervisor and DPU is currently recruiting for a Lineperson. Other openings are for an Deputy Utility Manager for Engineering, Electrician, Engineering Project Manager, Water Operator, and Engineering Aid for utility locates.

4. DPU is actively negotiating the new ECA and holding several meetings, and we have engaged Kutak Rock to help us with reviewing of this agreement and assure agreement protections that the existing ECA has will continue into the new agreement. Staff have worked with NNSA site office and their consultant Exeter on the 10-yr contract value that will be attached to the new ECA. Kutak Rock and County staff have a meeting scheduled for next Wednesday with DOE attorneys to discuss proposed agreement protections. In the meantime, DPU has asked NNSA/DOE for another 90-day extension on the current ECA, so we can continue to negotiate and finalize a new agreement. Therefore, there will be future agenda items to extend the current ECA and another short-term power purchase agreement to parallel with the 90-day extension.

5. The Jemez Fire Protection Project phase II segment is nearing completion with a final round of paving scheduled for next week. Pajarito LLC has been billed for the second $1 million in compliance with the development agreement. Staff are preparing to bid on the last phase of the project this month. It is unlikely that the FEMA grant will come through for the electric portion of the project and once the bid results are obtained, staff will most likely recommend we proceed with the project without the FEMA funding. The County and Pajarito LLC will share 50-50 in these project costs, and this will allow for the project to be delivered on time for delivering water up to the mountain to make snow next season. The project budget is $18.9 million, and staff are estimating that the work should come in on budget. A special rate for delivery of water will need to be established because of the additional energy needed to raise this water up to the base of the mountain.

6. For Foxtail Flats the final COD remains on June 18, 2027. This leaves 12 calendar days of float remaining in their contracted schedule. Partial mobilization is underway, they have had a team upgrading the road on site since early January, and a cultural team has been on site flagging sites in advance of full mobilization. Full site mobilization is scheduled for April 30, 2026.

7. For UAMPS, they are also in the middle of preparing their budget. The Geothermal projects are still on hold because both projects need transmission access from Pacific Corp. However, Rodatherm has begun to dig their pilot geothermal well with no cost share to the project required.

8. For Chromium Plume, NMED has filed a lawsuit on NNSA. This fact has suspended the Working Group meetings. The lawsuit is concerned with the pace of the cleanup and finding chromium concentrations above NMED 50 ppb threshold on the Pueblo de San Ildefonso. On March 4th NMED will present the adaptive site management process to BPU and provide any project updates. I am not sure how this new development will impact the timeline to restart the interim measure with one extraction well at 60 GPM and its land application.

9. The 18-inch water production line in Two Mile Canyon, staff have submitted the permit to LANL and plan to submit the Army Corp permit next week. This will be a difficult project to repair because of access to the canyon bottom. Staff are working with our on-call contractor to cost the project, and a task order and budget revision will be presented next month to BPU.

10. The contract awarded tonight to Souder Miller will complete the remaining 18 items identified for correction in the sanitary survey on our drinking water system.

11. PM-4 and PM-5 wells are under well-head control upgrades, and we anticipate getting these wells going within the next month and obtain raw water samples from these wells for PFAS. The class action settlement extended sampling deadline until March 31st for PFAS. The only well that cannot be sampled is PM-3.

12. DPU staff is coordinating with other county departments to develop a site plan on A-16-a to have County staging area for operations and an area for contractor staging to support the various capital improvement projects. Tonight's budget presentation included some funds to help support site work required for this new staging area.

13. For the vertical switch gear project, the substantial completion is planned for mid-May and finial completion by the end of June. This $3.3 million project will be completed 2 months earlier and the estimate to complete the project is coming in under the budget at $3,074,665.

Agenda No.:	4.b.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services
Presenters:	James Martinez, Senior Engineer
Legislative File:	**21239-26a**

Title

Award of Bid No. IFB 26-23 for the Purpose of the San Ildefonso Waterline Replacement Project in the Amount of $1,617,673.80 and a contingency in the amount of $346,384.40, for a Total Project Amount of $2,078,307, including NMGRT

Recommended Action

I move that the Board of Public Utilities recommend the Award pf Bid No. 26-23 for the San Ildefonso 8" Waterline Replacement Project with the Base Bid Amount of $1,617,673.80 and a contingency in the amount of $346,384.40, for a Total Project Amount of $2,078,307, including NMGRT and forward to County Council for approval.

Utilities Manager's Recommendation

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

Body

A single, 65-year-old water distribution line provides potable water to most residences on North Mesa, in addition to the middle school. This pipeline and the valves required for its operation experience frequent malfunctions that consume O&M resources. The pipeline will be replaced, and its components will be replace or rehabilitated to meet County standards. This will reduce the O&M resources required for operation, improve DPU staff safety, and lessen failure risk. Finally this project will increase the waterline diameter to 12-inches to support expanded housing on North Mesa and fire flow needs.

Alternatives

If the Board does not award the project, staff will continue to allocate staff resources to pipeline and valve maintenance and pursue less desirable means to keep the system operational.

Fiscal and Staff Impact/Planned Item

The project has been budgeted through Water Distribution in FY 2026 in the amount of $2,300,000.00 ($1.8M Grant / $200K Loan, $300k County Match). This is Loan/ Grant No. WPF-6583, dated January 23, 2026 and included as Attachment "A".

Attachments

A - LAC WPF-6583 Executed Loan Grant Agreement
B - IFB 26-23 Construction Plans

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$2,000,000

WATER PROJECT FUND
LOAN/GRANT AGREEMENT

dated

January 23, 2026

by and between the

NEW MEXICO FINANCE AUTHORITY
as Lender/Grantor,

and

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO,
as Borrower/Grantee.

SAN ILDEFONSO ROAD WATERLINE REPLACEMENT

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WATER PROJECT FUND
LOAN/GRANT AGREEMENT

THIS LOAN/GRANT AGREEMENT (the "Agreement" or "Loan/Grant Agreement") dated January 23, 2026, is entered into by and between the **NEW MEXICO FINANCE AUTHORITY** (the "NMFA" or "Lender/Grantor"), and THE **INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO** (the "Borrower/Grantee").

W I T N E S S E T H:

WHEREAS, the NMFA is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality, duly organized and created under and pursuant to the laws of the State, particularly NMSA 1978, §§ 6-21-1 through 6-21-31, as amended (the "NMFA Act"); and

WHEREAS, the NMFA Act provides that the NMFA may make loans and grants from the Water Project Fund to qualifying entities for Qualifying Water Projects; and

WHEREAS, pursuant to the Act, the Water Trust Board has established the Board Rules governing the terms and conditions of loans and grants made from the Water Project Fund, as set out in Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC, pursuant to the Board Rules for Qualifying Water Projects; and

WHEREAS, pursuant to the Board Rules, except as provided in the Policies, a qualifying entity is expected to receive some portion of its funding as a loan in order to maximize the potential for the return of funds to the Water Project Fund, thereby increasing the limited financial resources expected to be available in the Water Project Fund; and

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, duly organized and existing county under and pursuant to the laws of the State and more specifically, Article X, Section 5, of the New Mexico Constitution, is a qualifying entity under the Water Project Finance Act and is qualified for financial assistance as determined by the NMFA and approved by the Water Trust Board pursuant to the Board Rules, the Policies and the Act; and

WHEREAS, the Borrower/Grantee has determined that it is in the best interests of the Borrower/Grantee and the constituent public it serves that the Borrower/Grantee enter into this Agreement with the Lender/Grantor to borrow $200,000 from the Lender/Grantor and to accept a grant in the amount of $1,800,000 from the Lender/Grantor to finance the costs of the Project, this Project being more particularly described in the Term Sheet; and

WHEREAS, the Borrower/Grantee submitted an Application dated September 10, 2024 and December 20, 2024 for the Project; and

WHEREAS, pursuant to the Board Rules the Water Trust Board recommended the Project for funding as a Qualifying Water Project to the Legislature; and

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WHEREAS, Chapter 35, Laws 2025, being House Bill 206 of the 2025 Regular New Mexico Legislative Session, authorized the funding of the Project from the Water Project Fund; and

WHEREAS, the Water Trust Board has recommended that the NMFA enter into and administer this Agreement in order to finance the Project; and

WHEREAS, the NMFA approved on May 22, 2025 that the Borrower/Grantee receive financial assistance in the form of the Loan/Grant; and

WHEREAS, the Borrower/Grantee is willing to pledge the Pledged Revenues to the payment of the Loan Payments and Administrative Fee, with a lien on the Pledged Revenues subordinate to all other liens thereon present and future, except that the lien on the Pledged Revenues of any future loans from the Lender/Grantor to the Borrower/Grantee pursuant to the Water Project Finance Act or the Colonias Infrastructure Act, secured by the Pledged Revenues shall be on a parity with this Agreement; and

WHEREAS, the plans and specifications for the Project have been approved by the NMFA (or by the New Mexico Environment Department or other appropriate agency or entity on behalf of the NMFA, pursuant to an agreement between such agency or entity and the NMFA), prior to the commencement of construction, and the plans and specifications for the Project incorporate available technologies and operational design for water use efficiency; and

WHEREAS, the execution and performance of this Agreement have been authorized, approved and directed by all necessary and appropriate action of the Water Trust Board and the NMFA, and their respective officers.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

ARTICLE I
DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Agreement unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Agreement including the foregoing recitals, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined).

"ACH Authorization" means the authorization for direct payment to the NMFA by ACH made by the Borrower/Grantee on the form required by the bank or other entity at which the account is held, from which the Pledged Revenues will be paid.

"Act" means the general laws of the State, particularly the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, and enactments of the Governing Body relating to this Agreement, including the Ordinance, all as amended and supplemented.

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"Additional Funding Amount" means the amount to be provided by the Borrower/Grantee which includes the total value of the Soft Match or Hard Match (each as defined in Section 4.2 of the Policies) which, in combination with the Loan/Grant Amount and other moneys available to the Borrower/Grantee, is sufficient to complete the Project and to provide matching funds required to complete the Project. The Additional Funding Amount is $300,000.

"Administrative Fee" or "Administrative Fee Component" means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee pursuant to Section 5.1(a)(iii) of this Agreement.

"Agreement Term" means the term of this Agreement as provided under Article III of this Agreement.

"Application" means the New Mexico Water Trust Board Application dated September 10, 2024 and the New Mexico Water Trust Board Readiness Application dated December 20, 2024 of the Borrower/Grantee and pursuant to which the Borrower/Grantee requested funding for the Project.

"Authorized Officers" means, with respect to the Borrower/Grantee, any one or more of the Chair, Vice Chair, Utilities Manager, Deputy Utility Manager – Finance and Administration, Deputy Utility Manager – Engineering Division and County Clerk thereof; with respect to the NMFA, the Chairman, Vice-Chairman and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the NMFA designated in writing by an Authorized Officer.

"Board Rules" means Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC.

"Closing Date" means the date of execution and delivery of this Agreement by the Borrower/Grantee and the NMFA.

"Colonias Infrastructure Act" means NMSA 1978, §§ 6-30-1 through 6-30-8, as amended.

"Conditions" means the conditions to be satisfied prior to the submission of a request for payment or the disbursement of the Loan/Grant Amount, or any portion thereof, from the Water Project Fund, or which otherwise apply to the performance of this Agreement, including those set forth in the Term Sheet.

"Department of Finance and Administration" or "DFA" means the department of finance, and administration of the State.

"Eligible Items" means eligible Project costs for which grants and loans may be made pursuant to NMSA 1978, § 72-4A-7(C), as amended, of the Act, the Board Rules and applicable Policies, and includes, without limitation, Eligible Legal Costs.

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"Eligible Legal Costs" means legal fees and costs for services rendered by legal counsel on behalf of the Borrower/Grantee for transaction of the Project, in an amount not exceeding ten (10) percent of the Loan/Grant Amount, but does not include adjudication services.

"Event of Default" means one or more events of default as defined in Section 10.1 of this Agreement.

"Final Debt Service Schedule" means the schedule of Loan Payments due on this Agreement following the Final Requisition, as determined on the basis of the Loan Amount.

"Final Requisition" means the final requisition of moneys to be submitted by the Borrower/Grantee, which shall be submitted by the Borrower/Grantee on or before the expiration of the Interim Period as provided in Section 5.3 of this Agreement.

"Fiscal Year" means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority of the Borrower/Grantee may hereafter establish for the Borrower/Grantee as its fiscal year.

"Force Majeure" means acts of God and natural disasters; strikes or labor disputes; war, civil strife or other violence; an order of any kind of the Government of the United States or of the State or civil or military authority or any court of competent jurisdiction; or any other act or condition that was beyond the reasonable control of, without fault or negligence of, or not reasonably foreseeable by the party claiming the Force Majeure event; except for (i) general economic conditions; or (ii) an inability of a party claiming the Force Majeure event to pay any debts when due.

"Generally Accepted Accounting Principles" means the officially established accounting principles applicable to the Borrower/Grantee, consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board, or other principle-setting body acceptable to the Lender/Grantor, establishing accounting principles applicable to the Borrower/Grantee.

"Governing Body" means the duly organized County Council of the Borrower/Grantee, or any successor governing body of the Borrower/Grantee.

"Grant" or "Grant Amount" means the amount provided to the Borrower/Grantee as a grant pursuant to this Agreement for the purpose of funding the Project and shall not equal more than $1,800,000.

"Gross Revenues" means all income and revenues directly or indirectly derived by the Borrower/Grantee from the operation and use of the System, or any part of the System, for any particular Fiscal Year period to which the term is applicable, and includes, without limitation, all revenues received by the Borrower/Grantee, or any municipal corporation or agency succeeding to the rights of the Borrower/Grantee, from the System and from the sale and use of electric, gas, water and wastewater services or facilities, or any other service, commodity or facility or any combination thereof furnished by the System. In the event there is a conflicting description of

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Gross Revenues in any ordinance or resolution of the Borrower/Grantee, the language of such ordinance or resolution shall control.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefor or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Borrower/Grantee and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption.

"Hardship Waiver" means a determination by the NMFA pursuant to Section 5.1(a)(iii) herein that the annual principal payment by the Borrower/Grantee should be forgiven because such payment would cause undue hardship for the Borrower/Grantee or the public it serves.

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to this entire Agreement and not solely to the particular section or paragraph of this Agreement in which such word is used.

"Interest Component" means the portion of each Loan Payment paid as interest on this Agreement, if any, as shown on Exhibit "B" hereto.

"Interim Debt Service Schedule" means the anticipated schedule of Loan Payments due on this Agreement following the Final Requisition, assuming disbursement of the entire Loan Amount within twenty-four (24) months of the Closing Date. The Interim Debt Service Schedule is attached hereto as Exhibit "B".

"Interim Period" means the period no greater than twenty-four (24) months, unless a longer period is approved by the NMFA as provided in Section 5.3 of this Agreement, beginning on the Closing Date, during which the NMFA will disburse moneys to the Borrower/Grantee to pay costs of the Project.

"Lender/Grantor" means the New Mexico Finance Authority.

"Loan" or "Loan Amount" means the amount provided to the Borrower/Grantee as a loan pursuant to this Agreement for the purpose of funding the Project and shall not equal more than $200,000.

"Loan/Grant" or "Loan/Grant Amount" means the combined amount partially provided to the Borrower/Grantee as the Grant Amount and partially borrowed by the Borrower/Grantee as the Loan Amount pursuant to this Agreement for the purpose of funding the Project and shall not equal more than $2,000,000.

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"Loan Payments" means, collectively, the Principal Component and the Interest Component, if any, to be paid by the Borrower/Grantee as payment of this Agreement as shown on Exhibit "B" hereto.

"Net System Revenues" means the Gross Revenues of the System minus Operation and Maintenance Expenses, indirect charges, amounts expended for capital replacements and repairs, required set asides for debt and replacement requirements, and any other payments from the gross revenues reasonably required for operation of the System.

"NMAC" means the New Mexico Administrative Code.

"NMSA 1978" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

(a) Legal and overhead expenses of the Borrower/Grantee directly related and reasonably allocable to the administration of the System;

(b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen's compensation insurance, whether or not self-funded;

(c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System bonds) for credit facilities;

(d) Any expenses described in this definition other than expenses paid from the proceeds of System bonds;

(e) The costs of audits of the books and accounts of the System;

(f) Amounts required to be deposited in any rebate fund;

(g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and

(h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Borrower/Grantee's general fund, liabilities incurred by the Borrower/Grantee as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital

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replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues. In the event there is a conflicting description of Operation and Maintenance Expenses in any ordinance or resolution of the Borrower/Grantee, the language of such ordinance or resolution shall control.

"Ordinance" means the Borrower/Grantee's Ordinance No. 749, adopted by the Governing Body on December 16, 2025, authorizing the acceptance of the Loan/Grant, approving this Agreement and pledging the Pledged Revenues to the payment of the Loan Payments and the Administrative Fee as shown on the Term Sheet.

"Parity Obligations" means this Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Agreement, as shown on the Term Sheet.

"Pledged Revenues" means the Net System Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and the Administrative Fee pursuant to the Ordinance and this Agreement and described in the Term Sheet.

"Policies" means the Water Trust Board Water Project Fund Project Management Policies approved by the Water Trust Board and the NMFA, as amended and supplemented from time to time.

"Principal Component" means the portion of each Loan Payment paid as principal on this Agreement as shown on Exhibit "B" hereto.

"Project" means the project(s) described on the Term Sheet.

"Project Account" means the book account established by the NMFA in the name of the Borrower/Grantee for purposes of tracking expenditure of the Loan/Grant Amount by the Borrower/Grantee to pay for the costs of the Project, as shown in the Term Sheet, which account shall be kept separate and apart from all other accounts of the NMFA.

"Qualifying Water Project" means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) wastewater conveyance and treatment; (iv) restoration and management of watersheds; (v) flood prevention; or, (vi) water conservation or recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to NMSA 1978, § 72-4A-9(B), as amended.

"Senior Obligations" means any outstanding obligations with a superior lien on the Pledged Revenues as defined in the Term Sheet, or any such obligations hereafter issued and meeting the requirements of the Agreement applicable to the issuance of Senior Obligations.

"State" means the State of New Mexico.

"State Board of Finance" means the State board of finance created pursuant to NMSA 1978, §§ 6-1-1 through 6-1-13, as amended.

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"System" means the joint electric, gas, water and wastewater utility system of the Borrower/Grantee, owned and operated by the Borrower/Grantee, and of which the Project, when completed, will form part. The System consists of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the Borrower/Grantee through purchase, condemnation, construction or otherwise, including all expansions, extensions, enlargements and improvements of or to the joint utility system, and used in connection therewith or relating thereto, and any other related activity or enterprise of the Borrower/Grantee designated by the Governing Body as part of the joint utility system, whether situated within or without the limits of the Borrower/Grantee.

"Term Sheet" means Exhibit "A" attached to this Agreement.

"Useful Life" means the structural and material design life of the Project including planning and design features as required by the Act and the Board Rules.

"Water Project Fund" means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

"Water Trust Board" or "WTB" means the water trust board created and established pursuant to the Act.

ARTICLE II
REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Borrower/Grantee: The Borrower/Grantee represents, covenants and warrants for the benefit of the NMFA as follows:

(a) Binding Nature of Covenants; Enforceability. All representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee contained in this Agreement shall be deemed to be the representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee to the full extent authorized or permitted by law, and such representations, covenants, stipulations, obligations and agreements shall be binding upon the Borrower/Grantee and its successors and enforceable in accordance with their terms, and upon any board or body to which any powers or duties affecting such representations, covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Borrower/Grantee by the provisions of this Agreement and the Ordinance shall be exercised or performed by the Borrower/Grantee or by such members, officers, or officials of the Borrower/Grantee as may be required by law to exercise such powers and to perform such duties.

(b) Authorization of Agreement. The Borrower/Grantee is a qualifying entity as defined in the Act and the Board Rules. Pursuant to the laws of the State and in particular, the laws governing its creation and existence, as amended and supplemented from time to time, the Borrower/Grantee is authorized to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Borrower/Grantee has duly authorized and approved its acceptance of the Loan/Grant and the execution and delivery of this Agreement and the other documents related to the transaction described in this Agreement, and this Agreement and the other

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documents related to the transaction to which the Borrower/Grantee is a party constitute legal, valid and binding special obligations of the Borrower/Grantee enforceable against the Borrower/Grantee in accordance with their respective terms.

(c) Nature and Use of Agreement Proceeds. The Borrower/Grantee acknowledges that the distribution of the Loan/Grant Amount shall be deemed to be a distribution to the Borrower/Grantee of proceeds representing the Loan Amount and the Grant Amount on a *pro rata* basis from the maximum Loan Amount and Grant Amount. The Borrower/Grantee shall apply the proceeds of the Loan/Grant solely to Eligible Items that will facilitate the completion of the Project, and shall not use the Loan/Grant proceeds for any other purpose. The Loan/Grant Amount, together with the Additional Funding Amount and other moneys reasonably expected to be available to the Borrower/Grantee, is sufficient to complete the Project in its entirety.

(d) Payment of Loan Amount. The Borrower/Grantee shall promptly pay the Loan Amount and Administrative Fee as provided in this Agreement, except when a Hardship Waiver is obtained pursuant to Section 5(a)(iii) of this Agreement. The Loan and Administrative Fee shall be payable solely from Pledged Revenues and nothing in this Agreement shall be construed as obligating the Borrower/Grantee to make the Loan Payments and to pay the Administrative Fee from any general or other fund of the Borrower/Grantee other than the Pledged Revenues; however, nothing in this Agreement shall be construed as prohibiting the Borrower/Grantee, in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(e) Scope of Project; Completion of Project; Compliance with Laws. The Project is for storage, conveyance or delivery of water to end users. The Loan/Grant Amount will be used only for Eligible Items necessary to complete the Project. The Project is more particularly described in the Term Sheet. The Project will be completed with all practical dispatch and will be completed, operated and maintained so as to comply with all applicable federal, state and local laws, ordinances, resolutions and regulations and all current and future orders of all courts having jurisdiction over the Borrower/Grantee relating to the acquisition, operation, maintenance and completion of the Project and to the use of the Loan/Grant proceeds.

(f) Necessity of Project. The completion and operation of the Project under the terms and Conditions provided in this Agreement are necessary, convenient, and in furtherance of the governmental purposes of the Borrower/Grantee and are in the best interest of the Borrower/Grantee and the public it serves.

(g) Lien. The Loan Payments constitute an irrevocable lien on the distribution on the Pledged Revenues, the priority of which is consistent with that shown on the Term Sheet.

(h) Agreement Term Not Less than Useful Life. The Agreement Term is not less than the Useful Life of the Project as required by NMSA 1978, § 72-4A-7, as amended, of the Act.

(i) Amount of Agreement. The sum of the Grant Amount, the Loan Amount, and the Additional Funding Amount (and as set forth on the Term Sheet) does not exceed the cost of the Project.

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(j) No Breach or Default Caused by Agreement. Neither the execution and delivery of this Agreement and the other documents related to the transaction, nor the fulfillment of or compliance with the terms and conditions in this Agreement and the other documents related to the transaction, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Borrower/Grantee is a party or by which the Borrower/Grantee is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Borrower/Grantee or its properties are subject, or constitutes a default under any of the foregoing.

(k) Irrevocable Enactments. While this Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Agreement, including the Ordinance shall be irrevocable until the Project has been fully acquired and completed, and the Loan Amount, including all principal and interest has been repaid, or provision made for payment thereof, and shall not be subject to amendment or modification in any manner which would result in any use of the proceeds of this Agreement in a manner not permitted or contemplated by the terms hereof. The Borrower/Grantee shall not impair the rights of the NMFA or of any holders of bonds or other obligations payable from the Pledged Revenues while this Agreement is outstanding.

(l) No Litigation. To the knowledge of the Borrower/Grantee, no litigation or proceeding is pending or threatened against the Borrower/Grantee or any other person affecting the right of the Borrower/Grantee to execute or deliver this Agreement and the other documents related to the transaction or to comply with its obligations under this Agreement and the other documents related to the transaction. Neither the execution and delivery of this Agreement and the other documents related to the transaction by the Borrower/Grantee nor compliance by the Borrower/Grantee with the obligations under this Agreement and the other documents related to the transaction, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(m) No Event of Default. No event has occurred and no condition exists which, with the giving of notice or the passage of time or upon the execution and delivery of this Agreement and the other documents related to the transaction, would constitute an Event of Default on the part of the Borrower/Grantee under this Agreement and the other documents related to the transaction.

(n) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Payments, as and when due, is not needed or budgeted to pay current or anticipated Operation and Maintenance Expenses or other expenses of the Borrower/Grantee.

(o) Expected Coverage Ratio. The Pledged Revenues are reasonably expected to equal or exceed—from the Fiscal Year in which the Closing Date occurs and, on an ongoing basis during each Fiscal Year of the Agreement Term—one hundred percent (100%) of the maximum annual principal and interest due on all outstanding obligations of the Borrower/Grantee payable from the Pledged Revenues.

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(p) Right to Inspect. The NMFA shall have the right to inspect at all reasonable times all records, accounts and data relating to the System and to inspect the System and all properties comprising the System, and the Borrower/Grantee shall supply such records, accounts, and data as are requested by the NMFA, within thirty (30) days of receipt of such request, written or oral.

(q) Financial Capability; Budgeting of Pledged Revenues. The Borrower/Grantee meets and will meet during the Agreement Term the requirements of financial capability set by the Water Trust Board and the NMFA. The Pledged Revenues will be sufficient to make the Loan Payments, as and when due. The Borrower/Grantee will adequately budget for the Loan Payments and other amounts payable by the Borrower/Grantee under this Agreement.

(r) Rate Covenant. The Borrower/Grantee covenants that it will at all times fix, charge and collect such rates and charges as shall be required in order that in each Fiscal Year in which the Loan is outstanding the Gross Revenues shall at least equal the Operation and Maintenance Expenses of the System for the Fiscal Year, plus one hundred percent (100%) of the maximum annual principal and interest payments due on all outstanding obligations payable from the Pledged Revenues.

(s) Borrower/Grantee's Existence. The Borrower/Grantee will maintain its legal identity and existence so long as this Agreement remains outstanding unless another political subdivision, State agency, or other entity by operation of law succeeds to the liabilities, rights and duties of the Borrower/Grantee under this Agreement without adversely affecting to any substantial degree the privileges and rights of the Lender/Grantor.

(t) Use of Project; Continuing Covenant. During the Agreement Term, the Borrower/Grantee will at all times use the Project for the benefit of the Borrower/Grantee and the public it serves. The Borrower/Grantee shall not sell, lease, mortgage, pledge, relocate or otherwise dispose of or transfer the Project or System, or any part of the Project or System so long as this Agreement is outstanding; provided, however, that if the Project is a joint project of the Borrower/Grantee and other qualifying entities (as defined by the Act), the Borrower/Grantee and the other qualifying entities may, with the express written approval of the NMFA and not otherwise, enter into an agreement allocating ownership and operational and maintenance responsibilities for the Project during the term of the Agreement. Any such agreement shall provide that the Lender/Grantor, or either of them, shall have the power to enforce the terms of this Agreement, without qualification, as to each and every qualifying entity (as defined by the Act) other than the Borrower/Grantee, owning or operating any portion of the Project during the term of the Agreement. The Borrower/Grantee will operate and maintain the Project, so that it will function properly over its Useful Life.

(u) Title and Rights of Way. As required by NMSA 1978, § 72-4A-7(A)(3) of the Act, as amended, and the Board Rules, the Borrower/Grantee shall provide written assurance signed by an attorney or provide a title insurance policy ensuring that the Borrower/Grantee has proper title to, easements, rights of way or use permits on the real property upon or through which the Project is being constructed, located, completed or extended, and if any portion of the Project will be designed, constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, such other qualifying

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entity has title to such real property, and the Borrower/Grantee shall provide written assurance signed by an attorney or provide a title insurance policy ensuring that such other qualifying entity has proper title to such real property.

(v) Additional Funding Amount. Together with the Loan/Grant Amount and other amounts available to the Borrower/Grantee, the Additional Funding Amount is now available to the Borrower/Grantee, and in combination with the Loan/Grant Amount, will be sufficient to complete the Project. If any other additional expenses are incurred, the Borrower/Grantee shall be responsible for payment of such expenses.

(w) Audit Requirement. During the Agreement Term the Borrower/Grantee shall comply with the requirements of the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14, as amended. Upon request by the NMFA, the Borrower/Grantee shall provide the NMFA a copy of any review or audit, report of agreed upon procedures, or any other document prepared pursuant to or required by the State Audit Act.

(x) Reserved.

(y) Efficient Operation. The Borrower/Grantee will operate the System so long as this Agreement is outstanding, will maintain the System in efficient operating condition and make such improvements, extensions, enlargements, repairs and betterments to the System as may be necessary or advisable for its economical and efficient operation at all times and sufficient to supply reasonable demands for System services.

(z) Records. So long as the Agreement remains outstanding, proper books of record and account will be kept by the Borrower/Grantee in accordance with Generally Accepted Accounting Principles, separate from all other records and accounts, showing complete and correct entries of all transactions relating to the System. Such books shall include, but not necessarily be limited to, monthly records showing: (i) the number of customers for the System facilities; (ii) the revenues separately received from charges by classes of customers, including but not necessarily limited to classification by facilities; and (iii) a detailed statement of the expenses of the System.

(aa) Billing Procedure. Bills for water joint electric, gas, water and wastewater utility services or facilities, or any combination, furnished by or through the System, shall be rendered to customers on a regular basis each month following the month in which the service was rendered and shall be due as required by the applicable ordinance, resolution or regulation of the Borrower/Grantee. If permitted by law, if a bill is not paid within the period of time required by such ordinance, resolution or regulation, joint electric, gas, water and wastewater utility services shall be discontinued as required by such ordinance, resolution or regulation, and the rates and charges due shall be collected in a lawful manner, including, but not limited to, the cost of disconnection and reconnection. Electric, gas, water and wastewater utility services may be billed jointly with each other, provided that each such joint bill shall show separately the water and sanitary sewer utility charges.

(bb) Competent Management. The Borrower/Grantee shall employ or contract for experienced and competent personnel to manage the System.

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(cc) Readiness Requirements. The Borrower/Grantee has met the requirements of Executive Order 2013-006 and it has met or will meet prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and the readiness to proceed requirements established for the Loan/Grant by the NMFA and the Water Trust Board.

(dd) Other Liens. Other than as provided in the Term Sheet, there are no liens or encumbrances of any nature, whatsoever, on or against the System or the revenues derived from the operation of the same.

(ee) NMFA Written Consent to Additional Loans. The Borrower/Grantee shall obtain the written consent of the NMFA prior to the issuance of additional Senior Obligations or Parity Obligations unless such Senior or Parity Obligation has been issued by the NMFA.

Section 2.2 Representations and Warranties of the NMFA. The NMFA represents as follows:

(a) Authorization of Agreement. The NMFA is a public body politic and corporate separate and apart from the State, constituting a governmental instrumentality, and has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Agreement and, by proper action, has duly authorized the execution and delivery of this Agreement.

(b) Legal, Valid and Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the NMFA enforceable in accordance with its terms.

ARTICLE III
AGREEMENT TERM

The Agreement Term shall commence on the Closing Date and shall terminate at the end of the Useful Life of the Project as required by NMSA 1978, § 72-4A-7, as amended, of the Act.

ARTICLE IV
LOAN/GRANT AGREEMENT CONDITIONS

Section 4.1 Conditions Precedent to Closing of Loan/Grant. Prior to the Closing Date, the following Conditions and readiness to proceed items shall be satisfied:

(a) The NMFA, on behalf of the Water Trust Board, shall have determined that the Borrower/Grantee has met the Conditions and readiness to proceed requirements established for the Loan/Grant by the NMFA and the Water Trust Board including any Conditions set out in the Term Sheet; and

(b) The Borrower/Grantee shall have provided written assurance addressed to the NMFA and signed by an attorney (or shall have provided a title insurance policy) that the Borrower/Grantee has proper title to or easements, rights of way, or permits on the real property upon or through which the Project is being constructed, located, completed or extended; and

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(c) If any portion of the Project will be constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee shall have provided written assurance addressed to the NMFA and signed by an attorney (or shall have provided a title insurance policy) that such other qualifying entity has proper title to such real property; and

(d) Prior to the disbursement of any portion of the Loan/Grant Amount for purposes of construction of the Project, the plans and specifications funded with the proceeds of this Agreement will be approved by the NMFA as required by NMSA 1978, § 72-4A-7(B), as amended, or on behalf of the NMFA by the New Mexico Environment Department and the Office of the State of Engineer, and the Borrower/Grantee shall have provided written evidence of such approval to the NMFA; and

(e) Except as otherwise expressly provided in the Conditions, the Borrower/Grantee shall have certified to the Lender/Grantor that the Additional Funding Amount is available for the Project, and, in addition, shall have provided additional evidence reasonably acceptable to the Lender/Grantor of the availability of the Additional Funding Amount; and

(f) The Borrower/Grantee shall be in compliance with the provisions of this Agreement.

(g) Notwithstanding anything in this Agreement to the contrary, the NMFA shall not be obligated to execute the Agreement and may not make the Loan/Grant until the Borrower/Grantee has provided to the NMFA the documents listed on Exhibit "F" attached hereto, all of which must be in form and content acceptable to the NMFA.

Section 4.2 Determination of Eligibility Is Condition Precedent to Disbursement. No request for payment shall be made, nor shall any disbursement be made from the Water Project Fund, for any requisition of any portion of the Loan/Grant Amount, except upon a determination by the NMFA in its sole and absolute discretion that such disbursement is for payment of Eligible Items, and that the request for payment or disbursement does not exceed any limitation upon the amount payable for any Eligible Item pursuant to the Act, the Board Rules, and the Policies governing the Water Project Fund. The NMFA, as a condition precedent to submitting any request for payment to the State Board of Finance or making any requested disbursement from the Water Project Fund, may require submittal of such documentation as the NMFA deems necessary, in its sole and absolute discretion, for a determination whether any requested disbursement is for payment of Eligible Items and is fully consistent with the Act, the Board Rules, and the Policies, as applicable.

ARTICLE V
LOAN TO THE BORROWER/GRANTEE; GRANT TO THE BORROWER/GRANTEE; APPLICATION OF MONEYS

Section 5.1 Loan and Grant to the Borrower/Grantee.

(a) Loan to the Borrower/Grantee. The Lender/Grantor hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from and agrees to pay to the order

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of the Lender/Grantor, without interest, an amount equal to the Loan Amount, with the principal amount of the Loan Amount being payable as provided by Article VI and Exhibit "B" of this Agreement.

(i) Subordinate Nature of Loan Amount and Administrative Fee Obligation. The obligation of the Borrower/Grantee to make the Loan Payments and to pay the Administrative Fee shall be subordinate to all other indebtedness secured by the Pledged Revenues existing on the Closing Date and, further, that may in the future be secured by the Pledged Revenues; except, however, that the obligation of the Borrower/Grantee to make the Loan Payments and to pay the Administrative Fee shall be on parity with any other obligation, present or future, of the Borrower/Grantee to repay a loan provided by the Lender/Grantor pursuant to the Act or the Colonias Infrastructure Act.

(ii) Administrative Fee. The Borrower/Grantee shall, on an annual basis beginning on the first payment date following the completion of the Project or exhaustion of all Loan/Grant Amounts as set out in Section 5.3 hereof, pay to the Lender/Grantor the Administrative Fee, taking into account both payments made by the Borrower/Grantee and Hardship Waivers granted to the Borrower/Grantee as provided by this Agreement. Any such Administrative Fee payment shall be due irrespective of whether or not a Hardship Waiver is granted to the Borrower/Grantee for the principal payment otherwise due on June 1 of the applicable year or any other year.

(iii) Hardship Waivers of Payment. Each year while any portion of the Loan Amount remains outstanding, no later than April 1 of each such year, the Borrower/Grantee may apply in writing to the NMFA for a determination of whether the annual principal payment on the Loan Amount otherwise due on the upcoming June 1 of such year should be forgiven because such payment would cause undue hardship for the Borrower/Grantee or the public it serves. The Borrower/Grantee shall submit such application to the NMFA for determination with sufficient documentation of the existence of such undue hardship as is reasonably required by the NMFA to make a determination, and the Borrower/Grantee shall promptly respond to additional requests for information from the NMFA. Such application for Hardship Waiver shall be executed by the Authorized Officers of the Borrower/Grantee. An "undue hardship" exists if the NMFA determines that the Borrower/Grantee is facing unforeseen events or an emergency that has caused the Borrower/Grantee to be unable to pay on a timely basis the annual principal payment on the Loan Amount. The NMFA may consult the Department of Finance and Administration in determining whether to grant the Hardship Waiver. The NMFA shall make a determination no later than May 15 of the applicable year, and the NMFA shall promptly communicate to the Borrower/Grantee in writing the results of its determination. Upon receipt of written notice of the determination, either the principal payment otherwise due on June 1 of such year shall be forgiven (in the event of a determination of undue hardship) or the principal payment shall remain outstanding and due and payable on June 1 (in the event no undue hardship is determined to exist).

(b) Grant and Acceptance. The Lender/Grantor hereby grants to the Borrower/Grantee and the Borrower/Grantee hereby accepts from the Lender/Grantor an amount equal to the Grant Amount.

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(c) Project Account. The NMFA shall establish and maintain the Project Account as a book account only, on behalf of the Borrower/Grantee, which account shall be kept separate and apart from all other accounts of the NMFA.

(d) Constitutional and Statutory Debt Limitations. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Water Trust Board, the NMFA, the State or the Borrower/Grantee within the meaning of any constitutional or statutory debt limitation.

Section 5.2 Application of Loan/Grant Amount. Following the determination by the NMFA in its sole and absolute discretion that the Conditions to the disbursement of the Loan/Grant Amount have been satisfied, the NMFA shall make an entry in its accounts, and in particular in the Project Account, reflecting the proceeds of the Loan/Grant Amount made available for disbursement from the Water Project Fund to the Borrower/Grantee at its request, and as needed by it to acquire and complete the Project, as provided in Section 7.2 of this Agreement.

Section 5.3 Final Requisition. The Final Requisition shall be submitted by the Borrower/Grantee within the Interim Period. The Interim Period may be extended only as approved in writing by an Authorized Officer of the NMFA, based on the Borrower/Grantee's demonstration, to the reasonable satisfaction of the Authorized Officer of the NMFA, that unanticipated circumstances beyond the control of the Borrower/Grantee resulted in delaying the acquisition and completion of the Project, and submission of the Borrower/Grantee's Final Requisition.

Section 5.4 Investment of Monies. Money in the Water Project Fund, representing proceeds of this Agreement, held and administered by the NMFA, may be invested by the NMFA for the credit of the Water Project Fund.

ARTICLE VI
LOAN PAYMENTS BY THE BORROWER/GRANTEE

Section 6.1 Loan to the Borrower/Grantee; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The NMFA hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from the NMFA an amount not to exceed the Loan Amount. The Borrower/Grantee promises to pay, but solely from the sources pledged herein, the Loan Payments and the Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided. Subject to any outstanding Parity Obligations and Senior Obligations, the Borrower/Grantee does hereby grant a lien on and a security interest in and does hereby convey, assign and pledge unto the NMFA and unto its successors in trust forever all right, title and interest of the Borrower/Grantee in and to (i) the Pledged Revenues to the extent required to pay the Loan Payments, and to pay the Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided, subject to and subordinate to all other pledges of the Pledged Revenues existing on the Closing Date and, further, that may exist in the future (except only that the pledge of the Pledged Revenues herein shall be on a parity with any other pledge of the Pledged Revenues by the Borrower/Grantee to repay any obligations issued by the Lender/Grantor pursuant to the Act or the Colonias Infrastructure Act); (ii) the Loan/Grant Amount including the Project Account; and (iii) all other rights hereinafter granted, for the securing of the Borrower/Grantee's obligations

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under this Agreement, including payment of the Loan Payments, Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided, however, that if the Borrower/Grantee, its successors or assigns, shall pay, or cause to be paid, all Loan Payments and Administrative Fees at the time and in the manner contemplated by this Agreement, or shall provide as permitted by Section 6.5 of this Agreement for the payment thereof, and shall pay all other amounts due or to become due under this Agreement in accordance with its terms and provisions then, upon such final payment, this Agreement and the rights created thereby shall terminate; otherwise, this Agreement shall remain in full force and effect.

The schedule of Loan Payments, assuming the disbursal of the entire Loan/Grant Amount within twenty-four (24) months after the Closing Date, identified as the Interim Debt Service Schedule, is attached to this Agreement as Exhibit "B". Within thirty (30) days after the Final Requisition is made, the NMFA shall provide a Final Debt Service Schedule, reflecting the amount of the Loan/Grant Amount actually disbursed to the Borrower/Grantee pursuant to this Agreement. Such Final Debt Service Schedule shall supersede the schedule attached hereto as Exhibit "B". The NMFA shall additionally calculate the amount of the Administrative Fee that has accumulated during that twenty-four (24) month period from the Closing Date, and shall include such amount in the first Loan Payment due from the Borrower/Grantee on the Final Debt Service Schedule.

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Borrower/Grantee and the NMFA acknowledge and agree that the obligations of the Borrower/Grantee hereunder are limited to the Pledged Revenues; and that this Agreement with respect to the Loan Amount, the Administrative Fee and other amounts owed by the Borrower/Grantee as herein provided, and that the Agreement shall constitute a special, limited obligation of the Borrower/Grantee. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Borrower/Grantee or the State within the meaning of any constitutional or statutory debt limitation. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of Borrower/Grantee moneys other than the Pledged Revenues, nor shall any provision of this Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Borrower/Grantee moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Borrower/Grantee hereunder, the Pledged Revenues may be utilized by the Borrower/Grantee for any other purposes permitted by law.

Section 6.2 Deposit of Payments of Loan Amount to Water Project Fund. All Loan Payments made by the Borrower/Grantee to the NMFA to repay the Loan Amount and interest thereon, if any, shall be deposited into the Water Project Fund.

Section 6.3 Manner of Payment. The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the Lender/Grantor in annual installments on June 1 beginning after expiration of the Interim Period and continuing through the expiration of the last Loan Payment due as outlined in the Final Debt Service Schedule. All payments of the Borrower/Grantee hereunder shall be paid in lawful money of the United States of America to the NMFA at the address designated in Section 11.1 of this Agreement or by electronic debit of the account identified in the ACH Authorization. The obligation of the Borrower/Grantee to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder. Notwithstanding any

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dispute between the Borrower/Grantee and the NMFA, any vendor or any other person, the Borrower/Grantee shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Borrower/Grantee assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 6.4 Borrower/Grantee May Budget for Payments. The Borrower/Grantee may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to make the Loan Payments and other amounts owed by the Borrower/Grantee hereunder; provided, however, the Borrower/Grantee has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

Section 6.5 No Penalty for Prepayment of the Loan Amount. The Loan Amount shall be pre-payable by the Borrower/Grantee at the conclusion of the Interim Period without penalty.

Section 6.6 Lender/Grantor's Release of Lien and Further Assurances. Upon payment in full of the Loan Amount, Administrative Fee and other amounts owed by the Borrower/Grantee as herein provided in this Agreement and upon written request from the Borrower/Grantee the Lender/Grantor agrees to execute a release of lien and to give such further assurances as are reasonably necessary to ensure that the Lender/Grantor no longer holds or maintains any lien or claim against the Pledged Revenues.

ARTICLE VII
THE PROJECT

Section 7.1 Agreement to Acquire, Complete and Maintain the Project.

(a) The Borrower/Grantee hereby agrees that in order to effectuate the purposes of this Agreement and to acquire and complete the Project it shall take such steps as are necessary and appropriate to acquire, complete, operate and maintain the Project lawfully and efficiently. The Project shall be constructed and completed substantially in accordance with the approved plans and specifications, and shall fully incorporate the available technologies and operational design for water use efficiency described in the approved plans and specifications. No Loan/Grant funds shall be used for items not constituting Eligible Items.

(b) As provided by NMSA 1978, § 72-4A-7(A)(1), as amended, of the Act, the Borrower/Grantee shall operate and maintain the Project in good operating condition and repair at all times during the Useful Life of the Project, so that the Project will function properly over the Useful Life of the Project; provided, that if any portion of the Project will be constructed, located, completed, installed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may, prior to any use of the Loan/Grant funds for the Project on such real property, obtain the written agreement of such other qualifying entity to perform these obligations with respect to such real property (and the portion of the Project to be constructed, located, completed or extended on such real property), which written agreement shall be subject to approval by the Lender/Grantor and shall include an express

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statement by such other qualifying entity that the Lender/Grantor is a third party beneficiary of such written agreement.

Section 7.2 Accounting for Amounts Credited to the Project Account. So long as no Event of Default shall occur and provided that all Conditions to the disbursement of the Loan/Grant Amount have been satisfied (including approval of the plans and specifications), upon receipt by the NMFA of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Borrower/Grantee, supported by certification by the Borrower/Grantee's project architect, engineer, or such other authorized representative of the Borrower/Grantee that the amount of the disbursement request represents the progress of design, construction, acquisition or other Project-related activities accomplished as of the date of the disbursement request, the NMFA shall, in its sole and absolute discretion: (1) submit a request for payment to the State Board of Finance for payment; and/or (2) disburse from the Water Project Fund, amounts which together are sufficient to pay the requisition in full. The NMFA shall make the appropriate entry in the Project Account reflecting the amount of the payment. The certification provided pursuant to this Section 7.2 in support of the requisition must be acceptable in form and substance to the NMFA and, at its request, the Water Trust Board. The Borrower/Grantee shall provide such records or access to the Project as the NMFA, and, at its request, the Water Trust Board, in the discretion of each, may request in connection with the approval of the Borrower/Grantee's requisition requests made hereunder.

Section 7.3 No Disbursement for Prior Expenditures Except upon Approval. No disbursement shall be made from the Water Project Fund of the Loan/Grant Amount, or any portion thereof, without the written approval of the NMFA and, at its request, the Water Trust Board, to reimburse any expenditure made prior to the Closing Date.

Section 7.4 Borrower/Grantee Reporting to Lender/Grantor. During the acquisition implementation, installation and construction of the Project, the Borrower/Grantee shall provide the Lender/Grantor with a quarterly written report executed by an Authorized Officer of the Borrower/Grantee, in the form attached as Exhibit "D" hereto or in another form reasonably acceptable to the Lender/Grantor, describing the status of the Project as of the report date, uses of Loan/Grant funds during the quarterly period ending on the report date, and requests for distributions of Loan/Grant funds anticipated to occur during the quarterly period immediately following the report date. The first quarterly report shall be due on March 31, 2026, and subsequent reports shall be due on each March 31, June 30, September 30 and December 31 thereafter until the report date next following final distribution of the Loan/Grant funds. No reports shall be required after the report date next following final distribution of the Loan/Grant Funds, unless specifically required by the NMFA or the Water Trust Board. The description of the status of the Project in each quarterly report shall include, among other information, (a) a comparison of actual and anticipated requests for distributions of Loan/Grant funds as of the report date with those anticipated as of the Closing Date, (b) a description of actual and anticipated changes in the cost estimates for the Project as of the report date compared with those anticipated as of the Closing Date, (c) a description of the percentage of completion of the Project; and (d) a timeline of projected milestones.

Section 7.5 Completion of Disbursement of Loan/Grant Funds. Upon completion of the Project an Authorized Officer of the Borrower/Grantee shall deliver a certificate to the NMFA

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substantially in the form of Exhibit "E" attached hereto, stating that, to his or her knowledge, either (1) the Project has been completed, or (2) that the portion of the Loan/Grant Amount needed to complete the Project has been disbursed in accordance with the terms of this Agreement. No portion of the Loan/Grant Amount shall be disbursed after expiration of the Interim Period.

Section 7.6 Application of Project Account Subsequent to Disbursement of Loan/Grant Funds; Termination of Pledge.

(a) Upon the completion of the Project as signified by delivery of the completion certificate required by Section 7.5 hereof, the NMFA shall determine, by reference to the Project Account, whether any portion of the authorized Loan/Grant Amount remains unexpended and shall dispose of such unexpended proceeds in accordance with law.

(b) In the event that a portion of the Loan/Grant Amount remains unexpended after the expiration of the Interim Period, the NMFA shall dispose of such funds in accordance with law.

Upon the occurrence of either event described in (a) or (b) above, the NMFA shall make the appropriate entry in the Project Account and, upon such entry, the pledge of the Loan/Grant Amount established in this Agreement shall terminate.

ARTICLE VIII
COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 8.1 Further Assurances and Corrective Instruments. The Lender/Grantor and the Borrower/Grantee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues and for carrying out the intention hereof.

Section 8.2 Representatives of Lender/Grantor or of Borrower/Grantee. Whenever under the provisions hereof the approval of the Lender/Grantor or the Borrower/Grantee is required, or the Borrower/Grantee, or the Lender/Grantor is required to take some action at the request of either of them, such approval or such request shall be given for the Lender/Grantor or for the Borrower/Grantee, by an Authorized Officer of the Lender/Grantor or the Borrower/Grantee, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 8.3 Selection of Contractors. All contractors providing services or materials in connection with the Project shall be selected in accordance with applicable provisions of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or, if the Borrower/Grantee is not subject to the New Mexico Procurement Code, shall be selected in accordance with a documented procurement process duly authorized and established pursuant to laws and regulations applicable to the Borrower/Grantee.

Section 8.4 Non-Discrimination in Employment. Except as otherwise specifically provided in the laws, statutes, ordinances or regulations of the Borrower/Grantee, the Borrower/Grantee shall require in any contract or subcontract executed in connection with the

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Project to which the Borrower/Grantee is a party that there shall be no discrimination against any employee or applicant for employment because of race, color, creed, sex, religion, sexual preference, ancestry or national origin.

Section 8.5 Little Miller Act. To the extent NMSA 1978, § 13-4-1 et seq., (the "Little Miller Act") is applicable to the Project, the Borrower/Grantee shall comply with the requirements of the "Little Miller Act". If bonding requirements of the Little Miller Act are not applicable to the Project, the Borrower/Grantee will require that the contractor to whom is given any contract for construction appertaining to the Project supply a performance bond or bonds satisfactory to the Borrower/Grantee. Any sum or sums derived from said performance bond or bonds shall be used within six (6) months after such receipt for the completion of said construction, and if not so used within such period, shall be treated as Gross Revenues.

Section 8.6 Required Contract Provisions. The Borrower/Grantee shall require the following provisions in any contract or subcontract executed in connection with the Project to which the Borrower/Grantee is a party:

(a) There shall be no discrimination against any employee or applicant for employment because of race, color, creed, sex, religion, sexual preference, ancestry or national origin; and

(b) Any contractor or subcontractor providing construction services in connection with the Project shall post a performance and payment bond in accordance with the requirements of NMSA 1978, § 13-4-18, as amended.

(c) Any contractor or subcontractor providing construction services in connection with the Project shall comply with the prevailing wage laws in accordance with the requirements of NMSA 1978, § 13-4-11, as amended.

Section 8.7 Application of Act and Board Rules. While this Agreement is outstanding, the Lender/Grantor and the Borrower/Grantee expressly acknowledge that this Agreement is governed by provisions and requirements of the Act and the Board Rules, as amended and supplemented, and all applicable provisions and requirements of the Act and Board Rules are incorporated into this Agreement by reference.

Section 8.8 Continuing Disclosure. The Borrower/Grantee shall provide continuing disclosure to the NMFA, as the NMFA may require, that shall include, but not be limited to: annual audits and notification of any event deemed material by the NMFA, including but not limited to, any event which may or does affect the Pledged Revenues, the ability of the Borrower/Grantee to repay the loan, and the default of the Borrower/Grantee in performance or observance of any covenant, term, or condition contained in any other loan agreement.

ARTICLE IX
INSURANCE; NON-LIABILITY OF LENDER/GRANTOR

Section 9.1 Insurance. The Borrower/Grantee shall carry general liability insurance or participate in the State's risk-management program and, to the extent allowed by the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1 through 41-4-30, as amended, shall and hereby agrees

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to name the Lender/Grantor as an additional insured with respect to all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition, completion or implementation of the Project or otherwise during the Agreement Term; provided, that if any portion of the Project will be constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may obtain the written agreement of such other qualifying entity to perform these insurance/risk-management program requirements for Borrower/Grantee with respect to such real property (and the portion of the Project to be constructed, located, completed or extended on such real property), which written agreement shall include an express statement by such other qualifying entity that the Lender/Grantor is a third party beneficiary of such written agreement.

Section 9.2 Non-Liability of Lender/Grantor.

(a) Lender/Grantor shall not be liable in any manner for the Project, Borrower/Grantee's use of the Loan/Grant, the acquisition, implementation, construction, installation, ownership, operation or maintenance of the Project, or any failure to act properly by the Borrower/Grantee or any other owner or operator of the Project.

(b) Lender/Grantor shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Loan/Grant Amount in its possession, custody and control to the NMFA for disbursement to the Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount.

(c) From and to the extent of the Pledged Revenues, and to the extent permitted by law, the Borrower/Grantee shall and hereby agrees to indemnify and save the NMFA harmless against and from all claims, by or on behalf of any person, firm, corporation, or other legal entity, arising from the acquisition or operation of the Project during the Agreement Term, from: (i) any act of negligence or other misconduct of the Borrower/Grantee, or breach of any covenant or warranty by the Borrower/Grantee hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan/Grant Agreement proceeds and interest on the investment thereof. The Borrower/Grantee shall indemnify and save the NMFA harmless, from and to the extent of the available Pledged Revenues, and to the extent permitted by applicable law, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the NMFA, shall defend the NMFA in any such action or proceeding.

ARTICLE X
EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an "Event of Default" under this Agreement:

(a) Failure by the Borrower/Grantee to pay any amount required to be paid under this Agreement on the date on which it is due and payable;

(b) Failure by the Borrower/Grantee to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period

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of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower/Grantee by the Lender/Grantor unless the Lender/Grantor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Lender/Grantor but cannot be cured within the applicable thirty (30) day period, the Lender/Grantor will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Borrower/Grantee within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Borrower/Grantee is unable to carry out the agreements on its part herein contained, the Borrower/Grantee shall not be deemed in default under this paragraph 10.1(b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default); or

(c) Any warranty, representation or other statement by or on behalf of the Borrower/Grantee contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement is false or misleading in any material respect;

(d) A petition is filed against the Borrower/Grantee under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the NMFA shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests;

(e) The Borrower/Grantee files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Borrower/Grantee admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Borrower/Grantee for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the NMFA shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests.

(g) Default by the Borrower/Grantee in performance or observance of any covenant contained in any other loan agreement, document or instrument of any type whatsoever evidencing or securing obligations of the Borrower/Grantee to the NMFA.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Lender/Grantor may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any obligations of the Borrower/Grantee in this Agreement:

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(a) File a mandamus proceeding or other action or proceeding or suit at law or in equity to compel the Borrower/Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;

(b) Terminate this Agreement;

(c) Cease disbursing any further amounts from the Project Account;

(d) Demand that the Borrower/Grantee immediately repay the Loan/Grant Amount or any portion thereof if such funds were not utilized in accordance with this Agreement;

(e) File a suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Lender/Grantor;

(f) Intervene in judicial proceedings that affect this Agreement or the Pledged Revenues; or

(g) Cause the Borrower/Grantee to account as if it were the trustee of an express trust for all of the Pledged Revenues;

(h) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Agreement or to enforce any other of its rights hereunder; or

(i) Apply any amounts in the Project Account toward satisfaction of any and all fees and costs incurred in enforcing the terms of this Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring payment of money entered against the Borrower/Grantee shall be paid from only available Pledged Revenues unless the Borrower/Grantee in its sole discretion pays the judgment from other available funds.

Section 10.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Lender/Grantor is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Borrower/Grantee or the Lender/Grantor to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Lender/Grantor may, in its sole discretion, waive any Event of Default hereunder and the consequences of any such Event of Default; provided, however, all expenses of the Lender/Grantor in connection with such Event of Default shall have been paid or provided for. Such waiver shall be effective only if made by a written statement of waiver issued by the NMFA. In case of any such waiver or rescission, or in case any proceeding taken by the Lender/Grantor, on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the

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Lender/Grantor shall be restored to its former position and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Borrower/Grantee shall default under any of the provisions hereof and the NMFA shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower/Grantee herein contained, the Borrower/Grantee agrees that it shall, on demand therefor, pay to the NMFA the fees of such attorneys and such other expenses so incurred, to the extent such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Borrower/Grantee under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues of the Borrower/Grantee.

ARTICLE XI
MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows:

If to the Borrower/Grantee, to:

Incorporated County of Los Alamos
Attn.: Utilities Manager
1000 Central Avenue, Suite 130
Los Alamos, New Mexico 87544

If to the NMFA, then to:

New Mexico Finance Authority
Attn.: Chief Executive Officer
810 W. San Mateo Road
Santa Fe, New Mexico 87505

The Borrower/Grantee or the Lender/Grantor may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Lender/Grantor and the Borrower/Grantee and their respective successors and assigns, if any.

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Section 11.3 Integration. This Agreement and any other agreements, certifications and commitments entered into between the Lender/Grantor and the Borrower/Grantee on the Closing Date constitute the entire agreement of the parties regarding the Loan/Grant and the funding of the Project through the Loan/Grant as of the Closing Date, and the terms of this Agreement supersede any prior applications, discussions, understandings or agreements between or among the parties in connection with the Loan/Grant, to the extent such prior applications, discussions, understandings or agreements are inconsistent with this Agreement.

Section 11.4 Amendments. This Agreement may be amended only with the written consent of both of the parties hereto. The consent of the NMFA for amendments not affecting the terms of payment of the loan component of this Agreement may be given by an Authorized Officer of the NMFA. The execution of any such consent by an Authorized Officer of the NMFA shall constitute his or her determination that such amendment does not affect the terms of payment of the loan component of this Agreement.

Section 11.5 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Lender/Grantor, either directly or through the NMFA, or against any officer, employee, director or member of the Borrower/Grantee, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director or member of the Borrower/Grantee or of the NMFA is hereby expressly waived and released by the Borrower/Grantee and by the NMFA as a condition of and in consideration for the execution of this Agreement.

Section 11.6 Severability. In the event that any provision of this Agreement, other than the obligation of the Borrower/Grantee to make the Loan Payments and the Administrative Fee hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.7 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.9 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 11.10 Further Assurances and Corrective Instruments. The NMFA and the Borrower/Grantee will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof.

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Section 11.11 NMFA and Borrower/Grantee Representatives. Whenever under the provisions hereof the approval of the NMFA or the Borrower/Grantee is required, or the Borrower/Grantee or the NMFA is required to take some action at the request of the other, such approval or such request shall be given for the NMFA or for the Borrower/Grantee by an Authorized Officer of the NMFA or the Borrower/Grantee, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 11.12 CONSENT TO JURISDICTION. THE BORROWER/GRANTEE IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE DOCUMENTS SIGNED IN CONNECTION WITH THIS TRANSACTION WILL BE LITIGATED IN THE FIRST JUDICIAL DISTRICT COURT, SANTA FE COUNTY, NEW MEXICO, PURSUANT TO NMSA 1978, § 6-21-26.

[Signature pages follow]

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IN WITNESS WHEREOF, the NMFA, on behalf of itself, has executed this Agreement, which was approved by the Water Trust Board on April 22, 2025 and by the NMFA's Board of Directors on May 22, 2025, in its corporate name by its duly authorized officer; and the Borrower/Grantee has caused this Agreement to be executed in its corporate name and the seal of the Borrower/Grantee affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

LENDER/GRANTOR:

NEW MEXICO FINANCE AUTHORITY

By Marquita R Russel
Marquita D. Russel, Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS OF THE
NEW MEXICO FINANCE AUTHORITY:

Sutin, Thayer & Browne A Professional Corporation
As Loan/Grant Counsel

By Edward Duffy
Eduardo A. Duffy

APPROVED FOR EXECUTION BY OFFICERS OF THE
NEW MEXICO FINANCE AUTHORITY:

By Mark Chaiken
Mark Chaiken, General Counsel

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BORROWER/GRANTEE:

INCORPORATED COUNTY OF LOS ALAMOS,
NEW MEXICO

By_____
Theresa Cull, Chair

[SEAL]

ATTEST:

By_____
Michael D. Redondo, County Clerk

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EXHIBIT "A"

TERM SHEET

$2,000,000 WATER PROJECT FUND LOAN/GRANT TO THE INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO

Project Description:	The Project is for storage, conveyance or delivery of water to end users. The Loan/Grant Amount will be used only for Eligible Items necessary to complete the Project. In particular, the Project will consist of construction of a replacement waterline in San Ildefonso Road, and shall include such other related work and revisions necessary to complete the Project. The Project may be further described in the Application and in the final plans and specifications for the Project approved by the Water Trust Board and the NMFA as provided by this Agreement. However, in the event of any inconsistency, the description of the Project as stated in this Term Sheet shall control.
Grant Amount:	$1,800,000
Loan Amount:	$200,000
Pledged Revenues:	"Pledged Revenues" means the Net System Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and Administrative Fees pursuant to the Ordinance and the Agreement.
Currently Outstanding Senior Obligations (Senior Lien Tier):	Governmental Unit's Utility System Revenue Bonds, Series 2010A-D (PPRF-2461) maturing in 2030
Currently Outstanding Parity Obligations (Subordinate Lien Tier):	PPRF-3150 maturing in 2034 DW-5456 maturing in 2048 DW-5637 maturing in 2049 DW-5638 maturing in 2049 DW-6368 maturing in 2046 DW-6651 maturing in 2047
Currently Outstanding Subordinate Obligations (Super Subordinate Tier):	OUTSTANDING JUNIOR LIENS OF THE JOINT UTILITY WPF-0318 maturing in 2035 WPF-0340 maturing in 2035 CWSRF 110 maturing in 2045

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WPF-5673 maturing in 2043
WPF-5966 maturing in 2045
CWSRF 135 maturing in 2045
RIP 00059 maturing in 2045

OUTSTANDING JUNIOR LIEN OF THE WATER & WASTEWATER UTILITY

WPF-3557 maturing in 2038
WPF-5426 maturing in 2043

OUTSTANDING JUNIOR LIENS OF THE WATER UTILITY

WPF-0220 maturing in 2031
WPF-0221 maturing in 2032
WPF-4826 maturing in 2041
WPF-5081 maturing in 2042

OUTSTANDING JUNIOR LIEN OF THE WASTEWATER UTILITY

CWSRF 083 maturing in 2043
CWSRF 1438143R maturing in 2035

Authorizing Legislation:	Borrower/Grantee Ordinance No. 749, adopted December 16, 2025
Additional Funding Amount:	$300,000
Closing Date:	January 23, 2026
Project Account Amount:	$2,000,000
Expense Account Deposit:	$0.00
Administrative Fee:	0.25%

Conditions to be satisfied prior to first disbursement of Loan/Grant funds: Delivery to NMFA of (i) a copy of the agenda of the meeting of the Governing Body at which the Ordinance was adopted and at which this Agreement, the Ordinance and all other Loan/Grant documents were authorized by the Governing Body (the "Meeting"), certified as a true and correct copy by the County Clerk of the Borrower/Grantee, (ii) a copy of the minutes or record of proceedings of the Meeting, approved and signed by the Chair and attested to by the County Clerk of the Borrower/Grantee, and (iii) a copy of the notice of meeting for the Meeting evidencing compliance with the Borrower/Grantee's Open Meetings standards in effect on the date of the Meeting.

Other Conditions applicable to the Loan/Grant: All Conditions defined in the Agreement.

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EXHIBIT "B"

PAYMENT PROVISIONS OF THE LOAN

The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the Lender/Grantor in twenty (20) annual installments of principal pursuant to the attached debt service schedule, beginning June 1, 2028 and ending June 1, 2047. The Loan Amount shall be pre-payable upon expiration of the Interim Period without penalty. The Administrative Fee shall be due and payable annually on June 1 of each year while the Loan, or any portion thereof, remains outstanding.

[INTERIM DEBT SERVICE SCHEDULE ATTACHED]

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DETAILED BOND DEBT SERVICE

Los Alamos County
2025 Los Alamos County Water Improvements

Loan Component (LOAN)

Period Ending	Principal	Coupon	Interest	Debt Service
06/01/2028	20,198	0.250%	2,650.00	22,848.00
06/01/2029	22,117	0.250%	1,074.51	23,191.51
06/01/2030	22,172	0.250%	1,019.21	23,191.21
06/01/2031	22,227	0.250%	963.79	23,190.79
06/01/2032	22,282	0.250%	908.22	23,190.22
06/01/2033	22,338	0.250%	852.51	23,190.51
06/01/2034	22,394	0.250%	796.66	23,190.66
06/01/2035	22,450	0.250%	740.68	23,190.68
06/01/2036	22,506	0.250%	684.56	23,190.56
06/01/2037	22,563	0.250%	628.29	23,191.29
06/01/2038	22,619	0.250%	571.89	23,190.89
06/01/2039	22,676	0.250%	515.34	23,191.34
06/01/2040	22,732	0.250%	458.65	23,190.65
06/01/2041	22,789	0.250%	401.81	23,190.81
06/01/2042	22,846	0.250%	344.84	23,190.84
06/01/2043	22,903	0.250%	287.73	23,190.73
06/01/2044	22,961	0.250%	230.47	23,191.47
06/01/2045	23,018	0.250%	173.07	23,191.07
06/01/2046	23,076	0.250%	115.52	23,191.52
06/01/2047	23,133	0.250%	57.83	23,190.83
	450,000		13,475.58	463,475.58

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BOND DEBT SERVICE

Los Alamos County
San Ildefonso rd. waterline replacement (WPF-6583)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2028	8,977	0.250%	1,177.78	10,154.78	10,154.78
12/01/2028					
06/01/2029	9,830	0.250%	477.56	10,307.56	10,307.56
12/01/2029					
06/01/2030	9,854	0.250%	452.98	10,306.98	10,306.98
12/01/2030					
06/01/2031	9,879	0.250%	428.35	10,307.35	10,307.35
12/01/2031					
06/01/2032	9,903	0.250%	403.65	10,306.65	10,306.65
12/01/2032					
06/01/2033	9,928	0.250%	378.89	10,306.89	10,306.89
12/01/2033					
06/01/2034	9,953	0.250%	354.07	10,307.07	10,307.07
12/01/2034					
06/01/2035	9,978	0.250%	329.19	10,307.19	10,307.19
12/01/2035					
06/01/2036	10,003	0.250%	304.25	10,307.25	10,307.25
12/01/2036					
06/01/2037	10,028	0.250%	279.24	10,307.24	10,307.24
12/01/2037					
06/01/2038	10,053	0.250%	254.17	10,307.17	10,307.17
12/01/2038					
06/01/2039	10,078	0.250%	229.04	10,307.04	10,307.04
12/01/2039					
06/01/2040	10,103	0.250%	203.84	10,306.84	10,306.84
12/01/2040					
06/01/2041	10,128	0.250%	178.58	10,306.58	10,306.58
12/01/2041					
06/01/2042	10,154	0.250%	153.26	10,307.26	10,307.26
12/01/2042					
06/01/2043	10,179	0.250%	127.88	10,306.88	10,306.88
12/01/2043					
06/01/2044	10,205	0.250%	102.43	10,307.43	10,307.43
12/01/2044					
06/01/2045	10,230	0.250%	76.92	10,306.92	10,306.92
12/01/2045					
06/01/2046	10,256	0.250%	51.34	10,307.34	10,307.34
12/01/2046					
06/01/2047	10,281	0.250%	25.70	10,306.70	10,306.70
	200,000		5,989.12	205,989.12	205,989.12

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EXHIBIT "C"

FORM OF REQUISITION
(Water Project Fund)

RE: $2,000,000 Loan/Grant Agreement by and between the New Mexico Finance Authority, as Lender/Grantor, and the Incorporated County of Los Alamos, New Mexico, as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement")

Loan/Grant No. WPF-6583 Closing Date: January 23, 2026

TO: NEW MEXICO FINANCE AUTHORITY

You are hereby authorized to disburse from the Project Account with regard to the above-referenced Agreement, the following:

I. PAYMENT INFORMATION

REQUISITION NO. _____ PAYMENT AMOUNT: $_____

PAYEE'S NAME: _____
PAYEE'S ADDRESS: _____
_____

II. REQUISITION INFORMATION (complete for all payments)

- *Attach proof of expenditures (cancelled check, wire transfer receipt, bank ledger, etc.).*
- *List all Vendors, Payment Purposes, or Eligible Item Categories below or attach separate page or spreadsheet if needed.*

Vendor Name _____
Total Amount $_____ Invoice No.(s) _____
Purpose of Payment _____
Eligible Item Category _____

Vendor Name _____
Total Amount $_____ Invoice No.(s) _____
Purpose of Payment _____
Eligible Item Category _____

Vendor Name _____
Total Amount $_____ Invoice No.(s) _____
Purpose of Payment _____
Eligible Item Category _____

Doc ID: b0a2f0dbb9bb34b4975b59ad0213aceabbf5fa5d

Docusign Envelope ID: 29F1B686-9B0E-4E6F-9127-E7737BCFE4FA

III. WIRING INFORMATION:

BANK NAME:	
ABA ROUTING NUMBER:	
ACCOUNT NUMBER:	

IV. MATCH INFORMATION

AMOUNT OF LOCAL MATCH EXPENDED SINCE LAST REQUISITION: $_____

Attach proof of expenditures for hard match (detailed invoices, cancelled checks, wire transfer receipt, bank statement, etc.) and written certification of type and value of any soft match.

AMOUNT OF LOCAL MATCH EXPENDED TO DATE: $_____

TOTAL REQUIRED MATCH: $300,000

V. VERIFICATION AND AUTHORIZATION

Each obligation, item of cost or expense mentioned herein is for a loan/grant made by the Lender/Grantor pursuant to the Water Project Finance Act to the Borrower/Grantee within the State of New Mexico, is due and payable, has not been the subject of any previous requisition, and is a proper charge against the Project Account. All representations contained in the Agreement and the related closing documents remain true and correct, and the Borrower/Grantee is not in breach of any of the covenants contained therein.

The proceeds of the Loan/Grant are to be used to pay the costs of Eligible Items, as defined in the Agreement. Eligible Items include (1) planning, designing, construction, improving or expanding a qualified project; (2) developing engineering feasibility reports for Qualified Projects; (3) inspecting construction of Qualified Projects; (4) providing professional services; (5) completing environmental assessments or archeological clearances and other surveys for Qualified Projects; (6) acquiring land, easements or rights of way; (7) eligible legal costs associated with development of Qualified Projects, within limits set forth in the Loan/Grant Agreement.

All construction and all installation of equipment with proceeds of the Loan/Grant has or will be used in accordance with plans and/or specifications approved on behalf of the New Mexico Finance Authority by the New Mexico Environment Department and/or the Office of the State Engineer, has or will be acquired in compliance with applicable procurement laws and regulations, and has or will be inspected and approved in accordance with applicable laws and regulations.

Capitalized terms used herein, are used as defined or used in the Loan/Grant Agreement.

DATE: _____

_____

AUTHORIZED OFFICER
(As Provided in the Loan/Grant Agreement)
Print Name:_____
Print Title: _____

Doc ID: b0a2f0dbb9bb34b4975b59ad0213aceabbf5fa5d

Docusign Envelope ID: 29F1B686-9B0E-4E6F-9127-E7737BCFE4FA

EXHIBIT "D"

WATER PROJECT FUND STATUS REPORT
PREPARED FOR THE
NEW MEXICO FINANCE AUTHORITY

Fund Recipient: Incorporated County of Los Alamos **Contact Name:** **Title:** **Email Address:**	**Project Number**: WPF-6583 **Project Name**: San Ildefonso Rd. Waterline Replacement **Project Type**: Construction

Reporting Period: From _____ **To**_____

☐ Quarterly Project Report: ☐1st ☐2nd ☐3rd ☐4th

☐ Final Project Report ☐ Other _____

WPF Funding Expiration: _____

Total WPF Award: $2,000,000 **Current Balance**: $_____

Loan 10% Grant 90% Match $300,000

Expected WPF Award Expenditure Next Quarter: $_____

Local Match Expenditure: To Date $_____ **Next Quarter** $_____

Project Phase: ☐Planning ☐ Design ☐ Construction

PROJECT COMPLETION: Original Date _____ **Current Date**_____

_____**% Complete Days Remaining to Complete** _____ **On Schedule?** ☐**Yes** ☐**No**

Briefly Describe Project Progress During This Reporting Period:

Issues Addressed During This Reporting Period, including any current or anticipated issues that remain unresolved:

Goals/Milestones, With Timeline or Dates, For The Next Reporting Period:

Authorized Officer **PRINT NAME:**_____

PRINT TITLE:_____

SIGNATURE: **Date:**

All fields must be completed.

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Docusign Envelope ID: 29F1B686-9B0E-4E6F-9127-E7737BCFE4FA

EXHIBIT "E"

FORM OF CERTIFICATE OF COMPLETION

RE: $2,000,000 Loan/Grant Agreement by and between the NMFA, as Lender/Grantor, and the Incorporated County of Los Alamos, New Mexico as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement")

Loan/Grant No. WPF-6583

Closing Date: January 23, 2026

TO: NEW MEXICO FINANCE AUTHORITY

I, _____, the _____ of the
[Name] [Title or position]

Borrower/Grantee, hereby certify as follows:

1. The project described in the Loan/Grant Agreement (the "Project"), or the applicable phase of the project if funding was for a phased Project, was completed and placed in service on _____, 20___.

2. The total cost of the Project was $ _____.

3. Cost of the Project paid from the Loan/Grant Amount was $ _____.

4. Cost of the Project paid from the Additional Funding Amount was $ _____.

5. The portion of the Loan/Grant Amount unexpended for the Project is $ _____.

6. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Loan/Grant Agreement.

This certificate shall not be deemed to prejudice or affect any rights of or against third parties which exist at the date of this certificate or which may subsequently come into being.

INCORPORATED COUNTY OF LOS ALAMOS,
NEW MEXICO

By: _____

Its: _____

Doc ID: b0a2f0dbb9bb34b4975b59ad0213aceabbf5fa5d

Docusign Envelope ID: 29F1B686-9B0E-4E6F-9127-E7737BCFE4FA

EXHIBIT "F"

DOCUMENTS

1. Open Meetings Act Resolution No. 25-01 adopted by the Borrower/Grantee on January 7, 2025

2. Ordinance No. 749 adopted on December 16, 2025, Notice of Meeting, Meeting Agenda, Minutes and Affidavits of Publication of Notice of Meeting and Intent to Adopt Ordinance and Notice of Adoption of Ordinance in the *Los Alamos Daily Post*

3. Loan/Grant Agreement

4. General and No Litigation Certificate of the Borrower/Grantee

5. Delivery, Deposit and Cross-Receipt Certificate

6. Right of Way Certificate (to be executed prior to construction funding)

7. Final Opinion of Counsel for the Borrower/Grantee

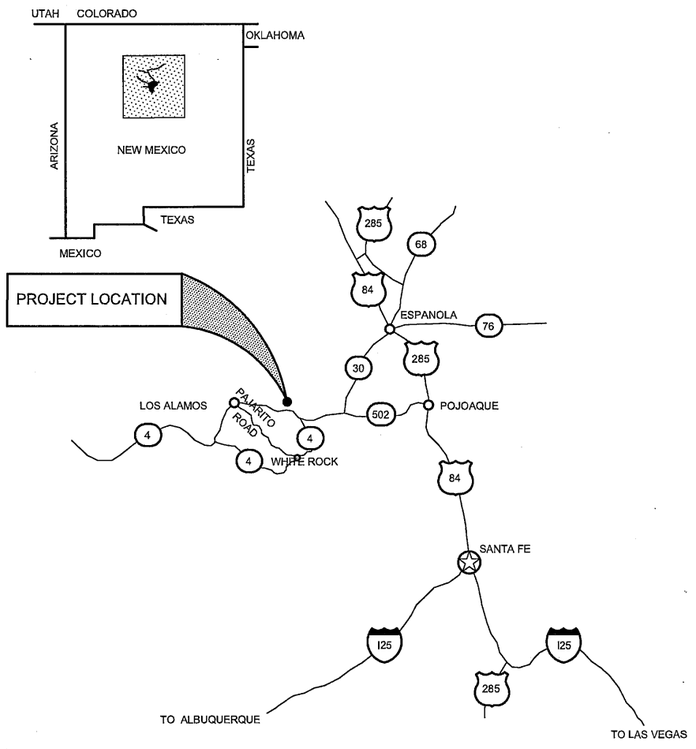
8. Approving Opinion of Sutin, Thayer & Browne A Professional Corporation, Loan/Grant Counsel to the NMFA

9. NMFA Application and Project Approval (informational only)

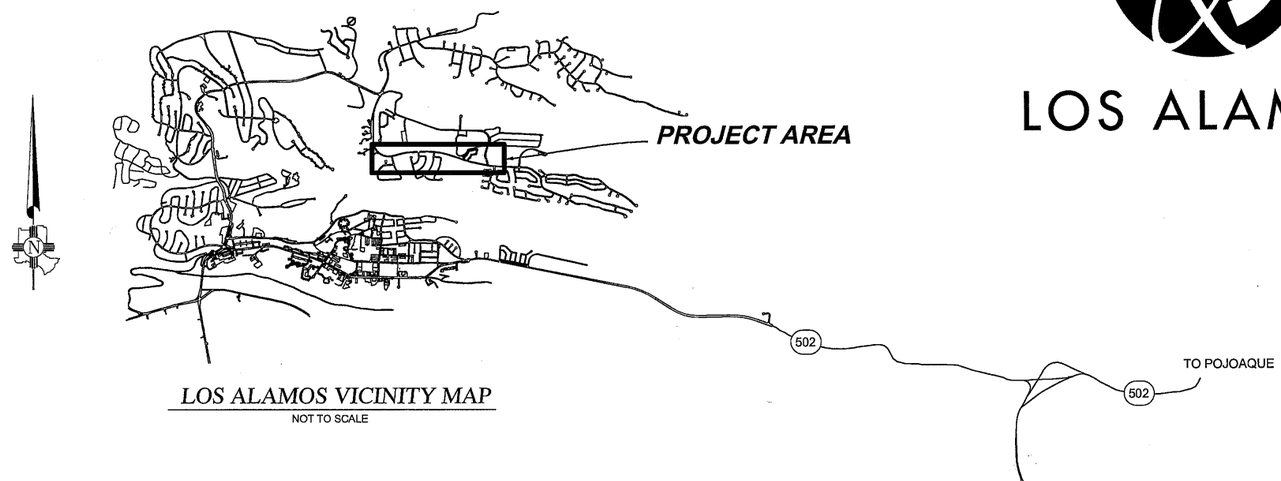
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SAN ILDEFONSO ROAD 8" WATERLINE REPLACEMENT
IFB-26-23
LOS ALAMOS COUNTY - NEW MEXICO

LOS ALAMOS



NEW MEXICO REGIONAL MAP
NOT TO SCALE



LOS ALAMOS VICINITY MAP
NOT TO SCALE

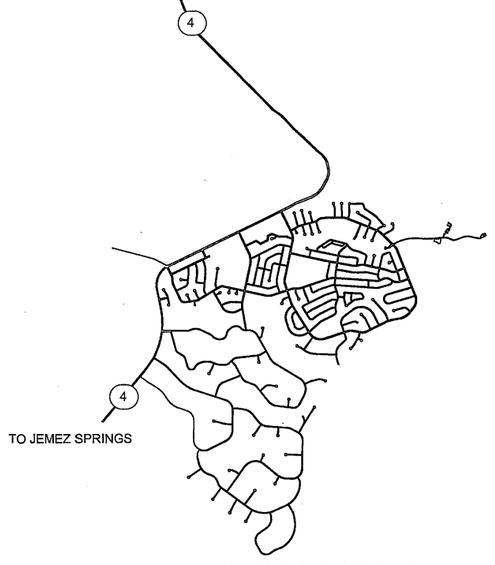
SHEET INDEX

	TITLE SHEET
1	CONSTRUCTION NOTES SHEET
2	PROJECT OVERVIEW
3-13	NEW WATER DISTRIBUTION ALIGNMENT
14-16	STANDARDS SHEETS
17	PRV REHAB DETAILS

APPROVED BY: _____ DATE 8/12/2025
DEPARTMENT OF PUBLIC
UTILITIES PROJECT ENGINEER

_____ DATE
DEPARTMENT OF PUBLIC UTILITIES
ENGINEERING ASSOCIATE





WHITE ROCK VICINITY MAP
NOT TO SCALE

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\COVER & TITLE SHEET.DWG

DEPARTMENT OF PUBLIC UTILITIES CONSTRUCTION NOTES

GENERAL

1. DEPTH OF TRENCH MAY BE DEEPER ALONG CERTAIN SEGMENTS OF PIPELINE TO CLEAR EXISTING UTILTIES AND TO AVOID THE CREATION OF HIGH POINTS ALONG THE ALIGNMENT. NO ADDITIONAL PAYMENT WILL BE MADE FOR INSTALLING PIPE DEEPER THAN MINIMUM REQUIRED DEPTH.
2. THE CONTRACTOR IS SOLELY RESPONSIBLE FOR JOB SITE SAFETY, AND FOR KNOWLEDGE AND COMPLIANCE WITH OSHA STANDARDS. THE CONTRACTOR SHALL MAINTAIN ALL TRENCHES IN A SAFE CONDITION PROTECTING THE WORKERS AND THE GENERAL PUBLIC. TRENCH PROTECTION SHALL BE IN ACCORDANCE WITH APPLICABLE OSHA REGULATIONS. EXCAVATION SHALL BE SLOPED, BRACED, OR SHORT AS REQUIRED BY OSHA REGULATIONS. THE CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR THE SAFE HANDLING OF CONSTRUCTION EQUIPMENT AND MATERIALS TO AND FROM THE STAGING/STORAGE AREA AND FOR SITE SECURITY. THIS WORK SHALL BE CONSIDERED INCIDENTAL TO THE CONSTRUCTION AND NO ADDITIONAL COMPENSATION SHALL BE MADE THEREFOR
3. ALL WATER, WASTEWATER, GAS AND ELECTRIC UTILITY INSTALLATIONS, RE-CONSTRUCTION OR REPAIR SHALL COMPLY WITH LOS ALAMOS COUNTY DEPARTMENT OF PUBLIC UTILITIES (DPU) CONSTRUCTION STANDARDS AND THE RELEVANT STANDARD DRAWINGS.
4. SUBMITTALS FOR ALL GAS, WATER, SEWER, ELECTRIC AND COUNTY OWNED COMMUNICATION INFRASTRUCTURE SHALL BE SUBMITTED TO THE DPU PROJECT MANAGER FOR REVIEW AND APPROVAL PER THE DPU STANDARD SPECIFICATIONS. SUMBMITTALS SHALL INCLUDE THE COVER SHEET IN THE DPU CONSTRUCTION STANDARDS.
5. THE CONTRACTOR SHALL RETAIN THE SERVICES OF A NEW MEXICO LICENSED PROFESSIONAL SURVEYOR (NMPS), FOR CONSTRUCTION STAKING, AS WELL AS VERIFICATION OF ALL CRITICAL HORIZONTAL AND VERTICAL CONTROL DATA SHOWN ON THESE CONTRACT DRAWINGS. CONTRACTOR SHALL PROVIDE COORDINATE INFORMATION FOR ALL NEW SAS MANHOLES, WATER AND GAS VALVES, ALL BASED ON STATE PLANE COORDINATES.
6. FOR ANY WORK INVOLVING NEW WATER, GAS OR SEWER PIPELINE CONNECTING TO AN EXISTING PIPELINE, CONTRACTOR SHALL OBTAIN A PENETRATION PERMIT FROM THE COUNTY, AT LEAST 48 HOURS IN ADVANCE OF ANY SUCH WORK. THE PERMIT APPLICATION FORM FOR THIS PERMIT CAN BE FOUND AT:

   https://www.losalamosnm.us/Permitting-Information/Add-or-Modify-Utility-Services

7. CONTRACTOR SHALL BE RESPONSIBLE FOR POTHOLING, TO DETERMINE THE EXACT LOCATION OF EXISITNG UTILITIES, PRIOR TO PERFORMING ANY EXCAVATION WORK.
8. PRIOR TO CONNECTING NEW WATER LINES INTO THE EXISTING SYSTEMS THE LOCATE WIRE SHALL BE TESTED AS FOLLOWS. CONTRACTOR WILL ENSURE THAT ALL LOCATE WIRE HAS BEEN INSTALLED AND MADE ACCESSIBLE IN ALL REQUIRED LOCATIONS. CONTRACTOR WILL VERIFY CONTINUITY IN THE LOCATE WIRE WITH THEIR OWN LOCATE EQUIPMENT. THE LOCATED LOCATION WILL BE PAINTED WITH WHITE PAINT AND DPU STAFF WILL THEN VERIFY THE LOCATION AND CONTINUITY OF THE LOCATE WIRE WITH THEIR OWN EQUIPMENT. ANY AREAS WHERE CONTINUITY IS LOST MUST BE REPAIRED AND RE-VERIFIED BY DPU STAFF TO BE LOCATEABLE. CONTRACTOR SHALL COORDINATE THE LOCATE WIRE VERIFICATION WITH DPU PROJECT MANAGER.
9. INFORMATION SPECIFICALLY STATED IN THE CONTRACT DRAWINGS, OR WHEN THE DPU PROJECT MANAGER SPECIFICALLY IDENTIFIES IN THE FIELD, CRITICAL DATA (X, Y, AND Z) RELATED TO WATER VALVES OF ALL KINDS, WATER METERS, FIRE HYDRANTS, CULVERT INLET OR OUTLET INVERTS, WASTEWATER COLLECTION MANHOLE INVERTS AND RIMS, CUSTOMER END OF WASTEWATER SERVICE CONNECTION PIPES/CLEANOUT, SHALL BE COLLECTED BY THE CONTRACTOR'S SURVEYOR FOR THE RECORD DRAWINGS TO BE COMPLETE.
10. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR THE PROTECTION OF SURVEY MONUMENTS OR MARKS. IF CONTRACTOR'S ACTIVITIES CAUSED DAMAGE TO ANY OF THESE MARKS, CONTRACTOR SHALL RETAIN, AT THEIR OWN EXPENSE, THE SERVICES OF A NMLPS, TO RE-ESTABLISH THE MARKS IN COMPLIANCE WITH STANDARDS AND PROCEDURES SET FORTH BY THE "GEODETIC MARK PRESERVATION GUIDEBOOK".
11. CONTRACTOR SHALL COMPLY WITH ALL PROVISIONS OF THE CLEAN WATER ACT, RELATED TO STORM WATERS. CONTRACTOR SHALL PREPARE, EXECUTE AND MAINTAIN A STORM WATER POLLUTION PREVENTION PLAN (SWPPP), IF THE AREA DISTURBED BY THE CONSTRUCITON OPERATIONS IS ONE ACRE OR MORE IN SIZE. COSTS ASSOCIATED WITH CLEAN WATER ACT COMPLIANCE, ICLUDING BMP'S, SHALL BE INCIDENTAL TO THE PROJECT'S COST.
12. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR THE COSTS OF REPAIRING ANY DAMAGE OR ALTERATIONS CAUSED DURING EXECUTION OF THIS PROJECT, TO THE ORIGINAL CONDITION OF THIRD PARTY'S PROPERTY (E.G. STRUCTURES, EXISTING UTILITIES OR UTILITY EASEMENTS) LOCATED WITHIN OR OUT OF THE PROJECT BOUNDARIES.
13. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR THE PROTECTION OF ALL PROJECT-RELATED MATERIALS OR EQUIPMENT, BEFORE INSTALLATION, UNTIL FINAL WRITTEN ACCEPTANCE PPROVAL OF THE PROJECT BY THE DPU PROJECT MANAGER AND THE COUNTY.
14. ALL MATERIAL QUALITY TESTS SHALL BE PERFORMED BY A RECOGNIZED LABORATORY. SUCH A LABORATORY SHALL BE OPERATED UNDER THE AUSPICES/DIRECTION OF AN NMPE. NAME AND CONTACT OF THE LABORATORY SHALL BE SUBMITTED BY THE CONTACTOR TO THE DPU PROJECT MANAGER AS SOON AS PRACTICAL AFTER THE CONTRACTOR'S RECEIPT OF THE NOTICE TO PROCEED.
15. CONTRACTOR SHALL PROVIDE THE INSTALLATION AND MAINTENANCE OF ANY NECESSARY TRAFFIC CONTROL DEVICES AS OTHERWISE REQUIRED BY LOS ALAMOS COUNTY TRAFFIC MANAGER. TRAFFIC CONTROL DEVICES SHALL COMPLY WITH THE MOST CURRENT EDITION OF THE MANUAL OF UNIFORM TRAFFIC CONTROL DEVICES (MUTCD), BUT MAY BE REVISED UNDER WRITTEN DIRECTION FROM THE COUNTY TRAFFIC ENGINEER.
16. CONTRACTOR SHALL NOTIFY THE DPU PROJECT MANAGER, AT LEAST FIVE (5) DAYS IN ADVANCE OF ANY WORK THAT MAY AFFECT THE OPERATION OF THE PUBLIC UTILITY SYSTEMS (WATER, WASTEWATER, GAS AND ELECTRIC).
17. ALL STRUCTURAL OR UTILITY TRENCH FILL OR BACKFILL SHALL BE FREE OF VEGETATION AND DEBRIS AND CONTAIN NO ROCKS LARGER THAN 3-INCHES.
18. ALL AREAS DISTURBED BY THE CONSTRUCTION ACTIVITIES OF THIS PROJECT, INCLUDING PRIVATE LANDSCAPING, SHALL BE RESTORED.

WATER PIPELINES

1. THE PIPELINE SHALL BE SUPPLIED AND INSTALLED IN STRICT COMPLIANCE WITH THE DEPARTMENT OF PUBLIC UTILITIES CONSTRUCTION STANDARDS. CONTRACTOR SHALL NOTIFY THE DPU PROJECT MANAGER IMMEDIATELY UPON ENCOUNTERING FILED CONDITIONS THAT MAY REQUIRE DEVIATIONS FROM THESE STANDARDS.
2. CONTRACTOR SHALL INSTALL PIPELINE SO THAT HIGH POINTS ARE NOT CREATED, UNLESS SPECIFICALLY SHOWN ON APPROVED CONSTRUCTION DRAWINGS. THE PIPE SHALL BE PLACED WITH A UNIFORM GRADE, NO VERTICAL BENDS ARE ALLOWED.
3. MINIMUM BURY SHALL BE 48 INCHES FOR MAINS AND 36 INCHES FOR SERVICE LINES, AT ALL POINTS ALONG THE ALIGNMENT.
4. ALL FIRE HYDRANTS SHALL BE INSTALLED WITH A MINIMUM 4-FOOT HORIZONTAL CLEARANCE ALL AROUND THEM.

CONTRACTOR SHALL BE FULLY RESPONSIBLE FOR THE DISINFECTION, CHLORINATION, CHLORINE RESIDUAL TESTING, AND HYDROSTATIC (PRESSURE) TESTING OF ALL WATER PIPES INSTALLED. PRESSURE TEST SHALL BE DOCUMENTED ON FORM INCLUDED IN STANDARD SPECIFICATION. DPU PROJECT MANAGER SHALL WITNESS ALL SUCH TESTING



Attachment B

NO.	REVISION DESCRIPTION
1	
2	
3	
4	
5	

DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JAM
DATE: 10/24/2024
SCALE:

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT
CONSTRUCTION NOTES

LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
DEPARTMENT OF PUBLIC UTILITIES
1000 CENTRAL AVE., SUITE 130
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
1

Drawing File: L:\PROJECTS\FB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\EXISTING_UTILITIES.DWG



GENERAL NOTES

- NEW WATER LINE SHALL CONSIST OF APPROXIMATELY 4800' OF 12" PVC, AWWA C900, DR-18 CLASS 19 PIPE
- PROJECT INCLUDES THE INSTALLATION OF TWO NEW PRESSURE REDUCING VAULTS AND APPURTENANCES. TWO EXISTING VAULTS ARE TO BE ABANDONED.
- THREE ADDITIONAL PRV VAULTS REQUIRE REHABILITATION AND VALVE REPLACEMENT.
- CONNECTIONS BETWEEN NEW WATER LINE AND NEW PRVS SHALL CONSIST OF TWO SECTIONS TOTALING APPROXIMATELY 190' OF 8" PVC, AWWA C900, DR-18 CLASS 19 PIPE

JAMES ALEXANDER MARTINEZ JR.
NEW MEXICO
23903
REGISTERED PROFESSIONAL ENGINEER
8/12/24

NO.	REVISION DESCRIPTION
1	
2	
3	
4	
5	

DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JAM
DATE: 10/24/2024
SCALE:

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

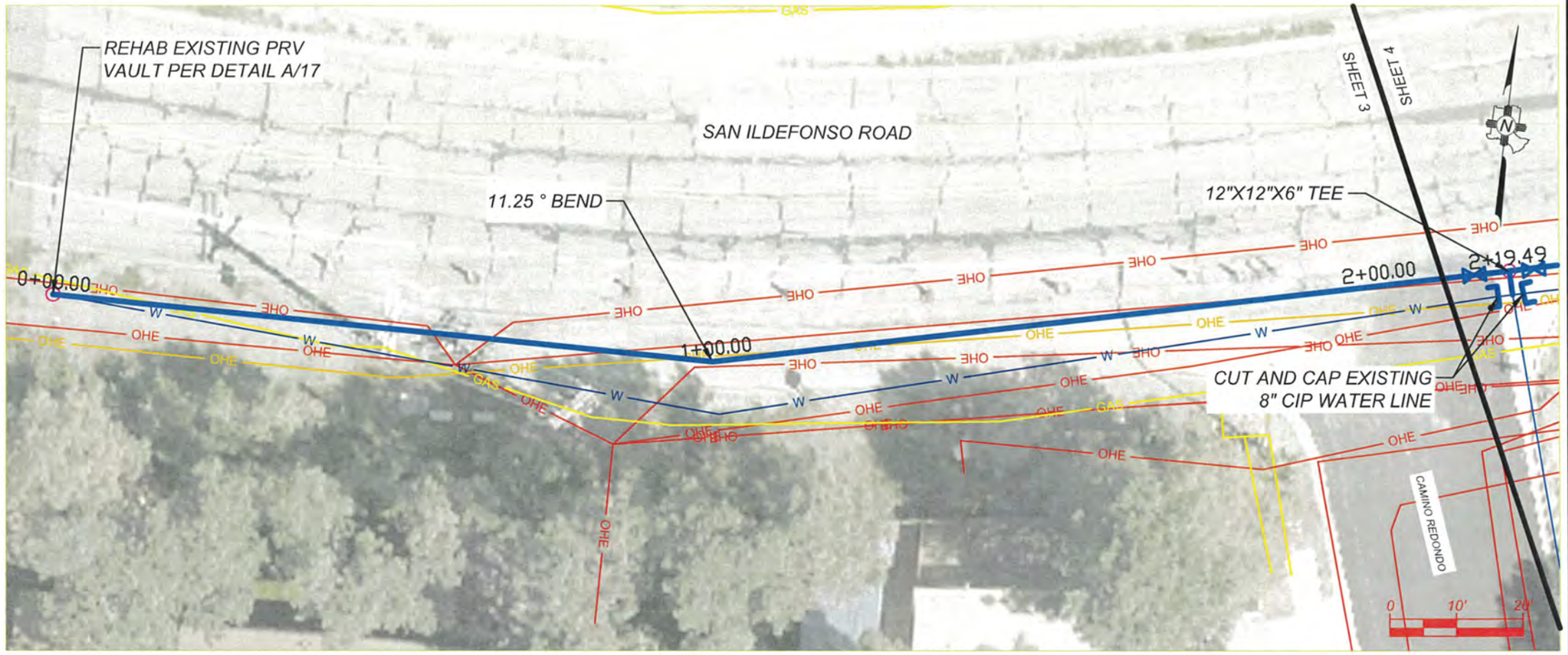
PROJECT OVERVIEW

LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
DEPARTMENT OF PUBLIC UTILITIES
1000 CENTRAL AVE., SUITE 130
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

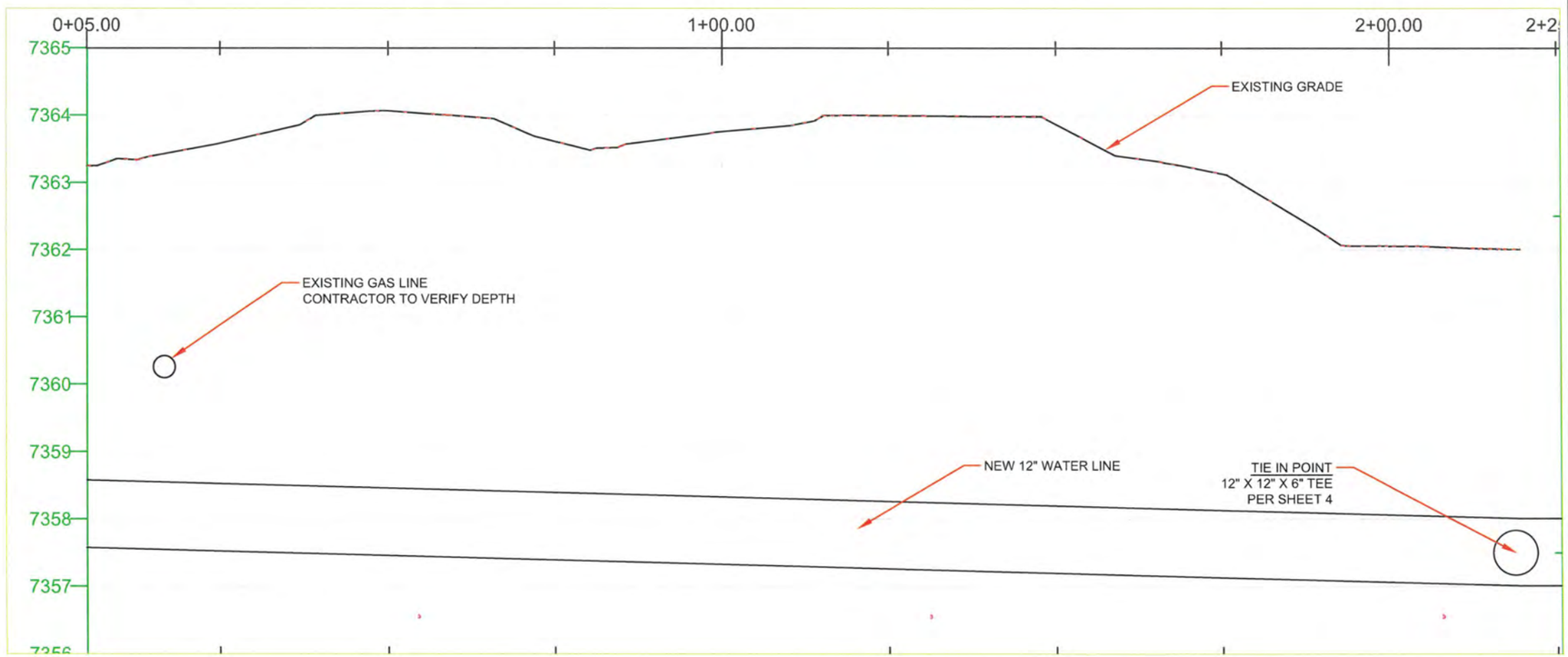
SHEET 2

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LEGEND

- NEW WATER LINE
- NEW GATE VALVE
- OHE — EXISTING OVERHEAD ELECTRIC
- uge — EXISTING UNDERGROUND ELECTRIC
- W — EXISTING WATER LINE
- GAS — EXISTING GAS LINE
- OHE — EXISTING OVERHEAD COM LINE
- SAS — EXISTING SEWER LINE



NO.	REVISION DESCRIPTION
1	
2	
3	
4	
5	

DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=20'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

12" WATERLINE ALIGNMENT

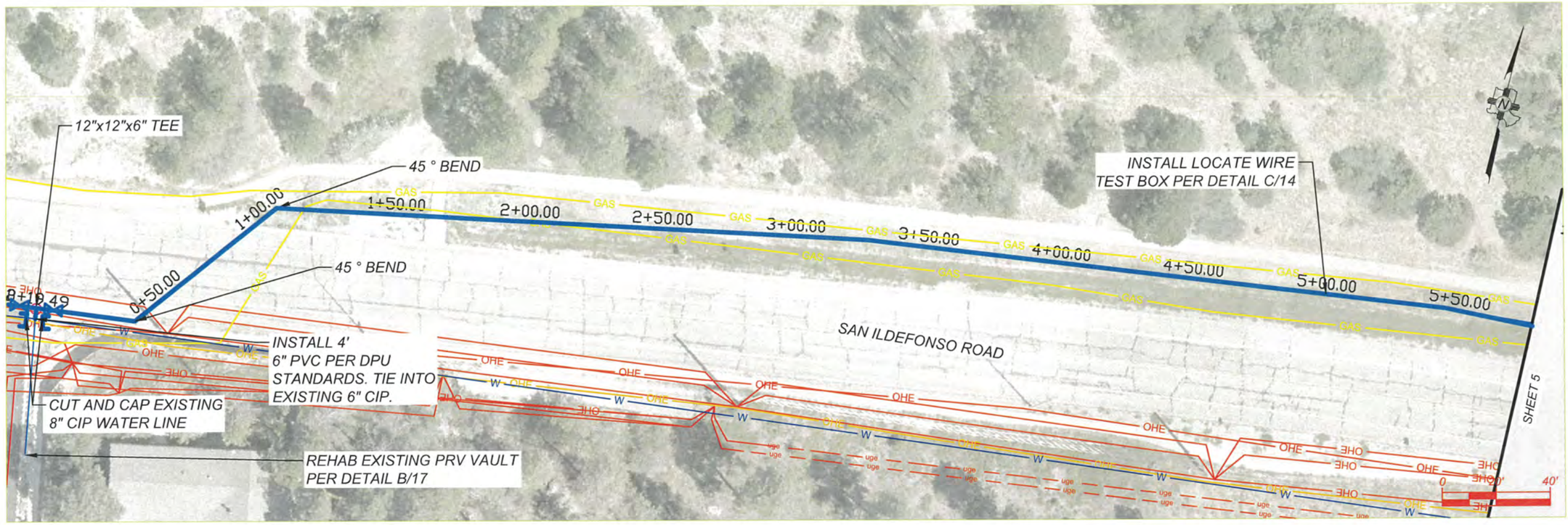
JAMES ALEXANDER MARTINEZ JR.
NEW MEXICO
23903
8/12/25
REGISTERED PROFESSIONAL ENGINEER

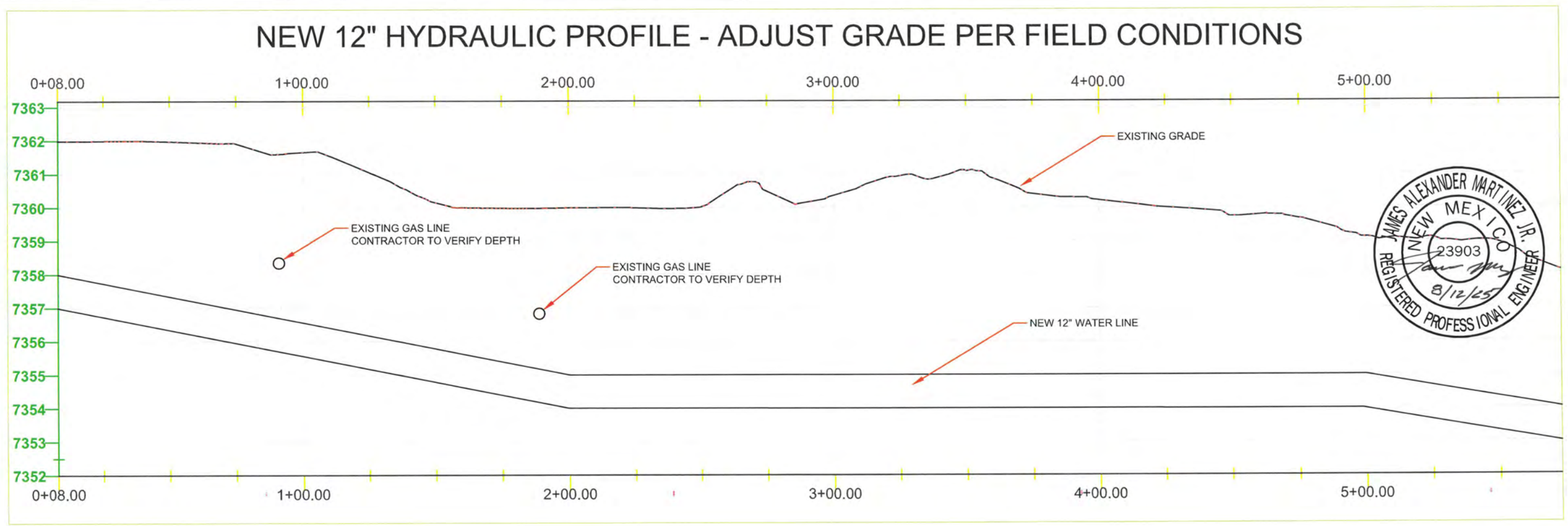
LOS ALAMOS

INCORPORATED COUNTY
OF LOS ALAMOS
PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE, SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
3

Drawing File: L:\PROJECTS\FB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWG\940 SCALE SHEETS\SHEET 3.DWG





NO.	REVISION DESCRIPTION
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5	

DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

12" WATERLINE ALIGNMENT

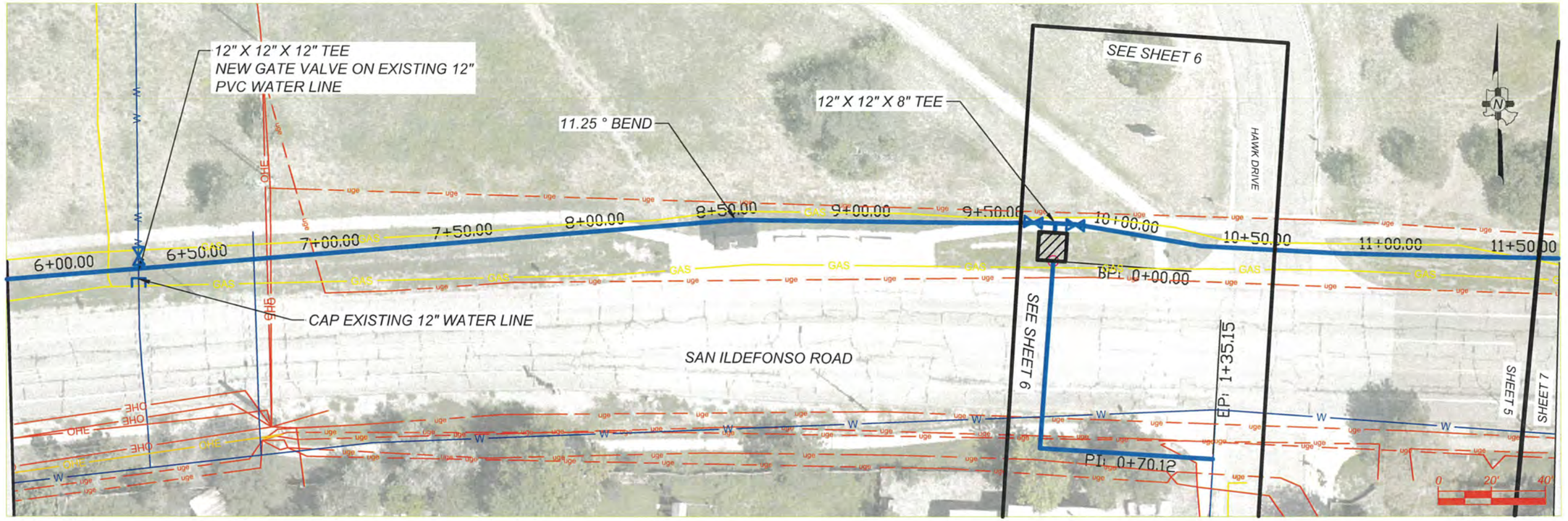
JAMES ALEXANDER MARTINEZ JR.
NEW MEXICO
23903
8/12/25
REGISTERED PROFESSIONAL ENGINEER

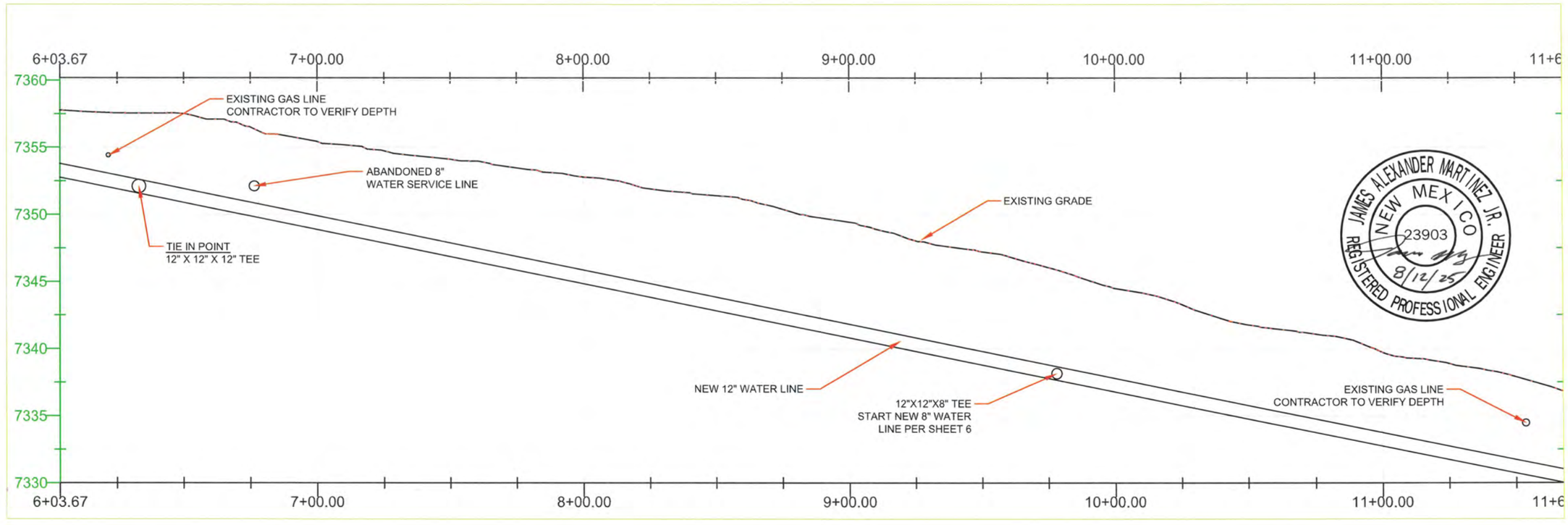
LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE. SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET 4

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 4.DWG





NO.	REVISION DESCRIPTION
1	
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

12" WATERLINE ALIGNMENT

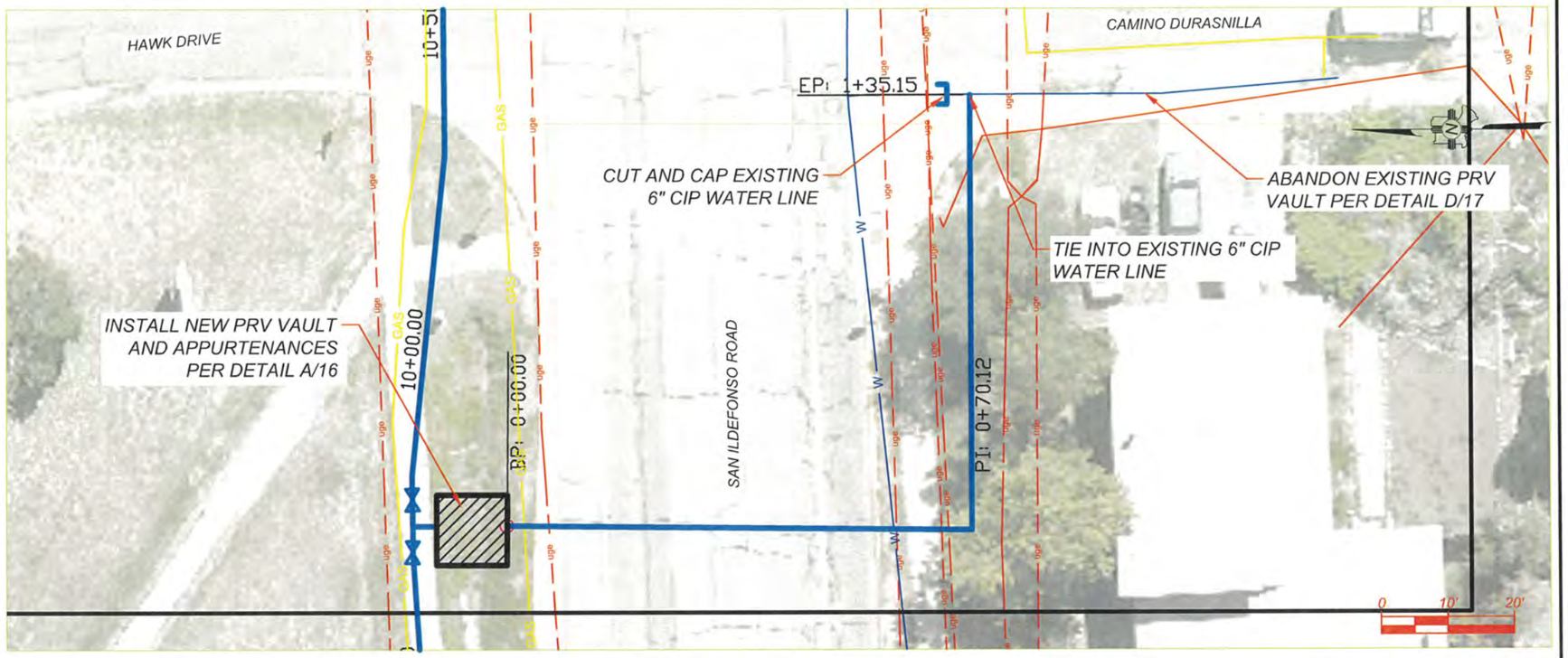
LOS ALAMOS

INCORPORATED COUNTY
OF LOS ALAMOS

PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
5

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 5.DWG



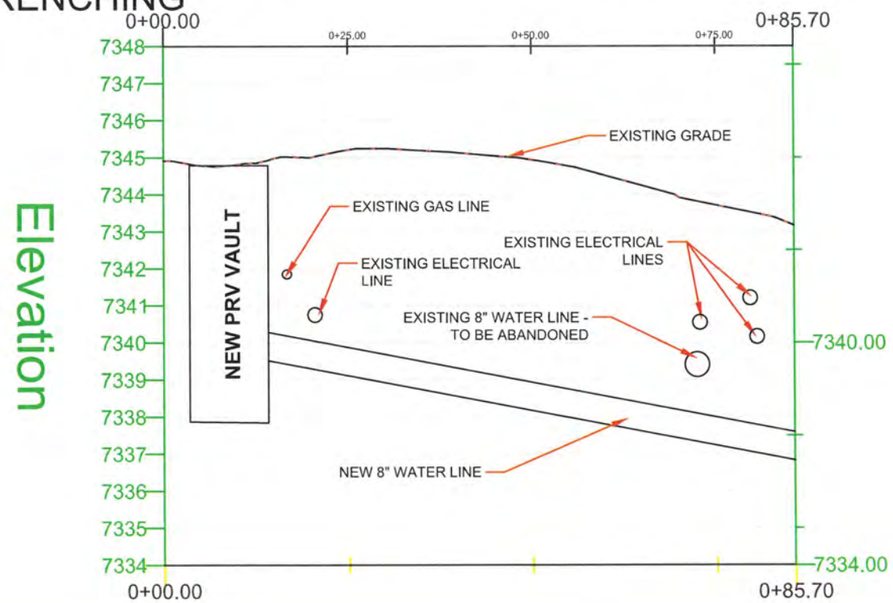
LEGEND

- NEW WATER LINE
- NEW GATE VALVE
- OHE — EXISTING OVERHEAD ELECTRIC
- uge — EXISTING UNDERGROUND ELECTRIC
- W — EXISTING WATER LINE
- GAS — EXISTING GAS LINE
- OHE — EXISTING OVERHEAD COM LINE
- SAS — EXISTING SEWER LINE

GENERAL NOTE:

ALL UTILITIES SHALL HAVE A MINIMUM OF 12" VERTICAL AND HORIZONTAL SEPARATION

NEW 8" HYDRAULIC PROFILE - CONTRACTOR TO POTHOLE EVERY UTILITY CROSSING PRIOR TO TRENCHING



NO.	REVISION DESCRIPTION
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=20'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

8" WATERLINE ALIGNMENT

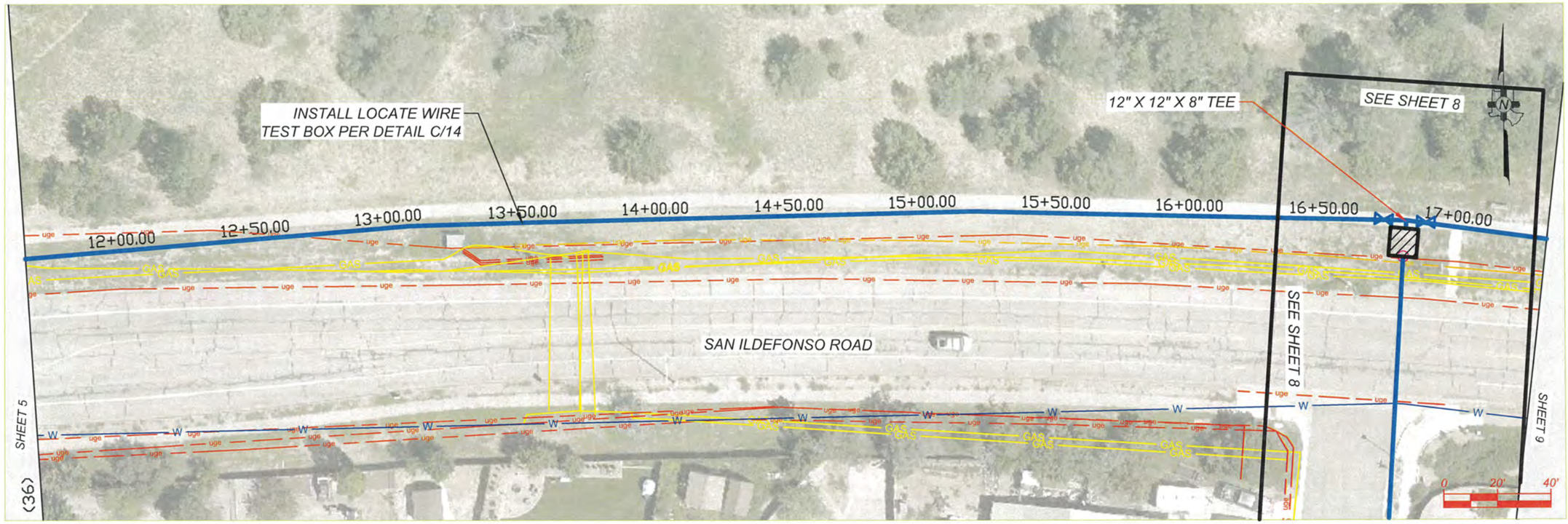
LOS ALAMOS

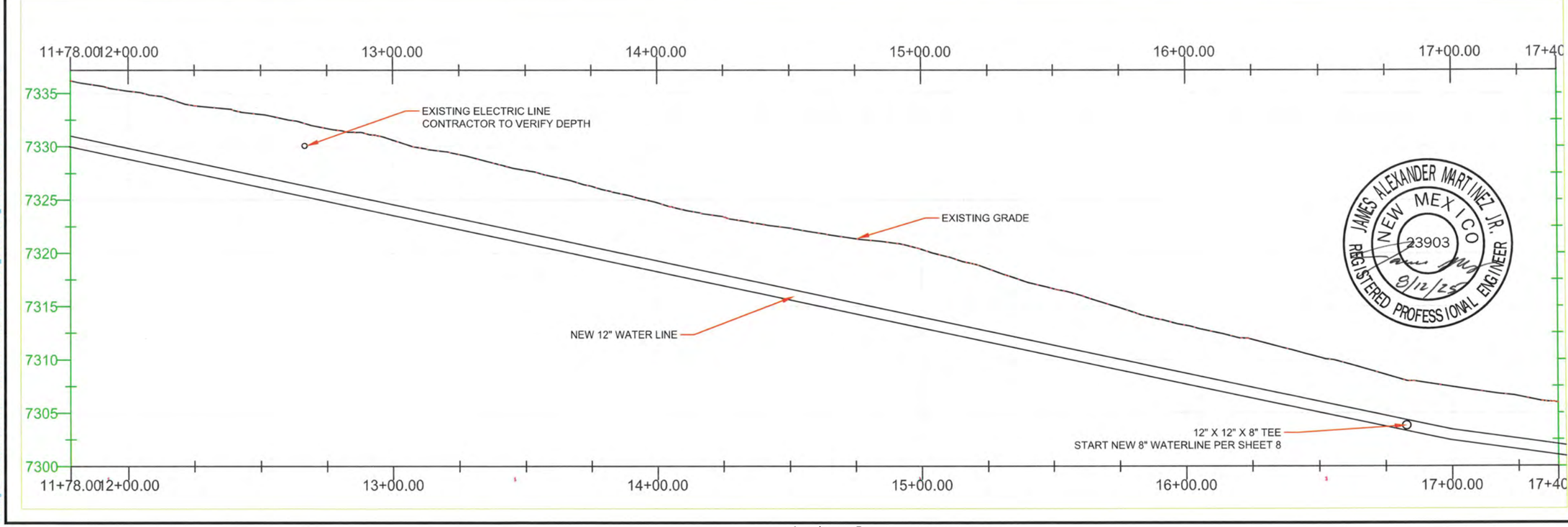
INCORPORATED COUNTY OF LOS ALAMOS
PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE, SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

JAMES ALEXANDER MARTINEZ JR.
NEW MEXICO
23903
8/12/25
REGISTERED PROFESSIONAL ENGINEER

SHEET 6

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\SHEET 6.DWG





NO.	REVISION DESCRIPTION
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

SAN ILDEFONSO ROAD
12" WATERLINE REPLACEMENT

12" WATERLINE ALIGNMENT

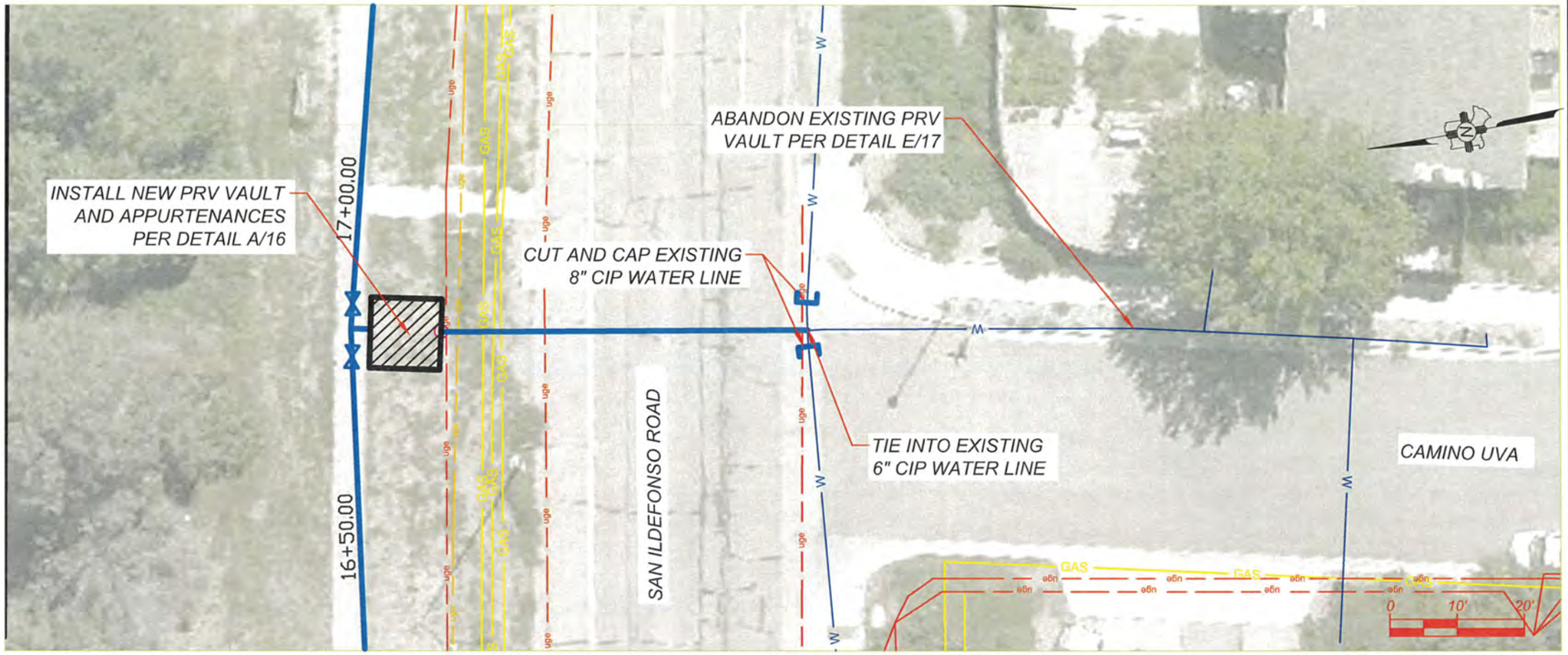
LOS ALAMOS

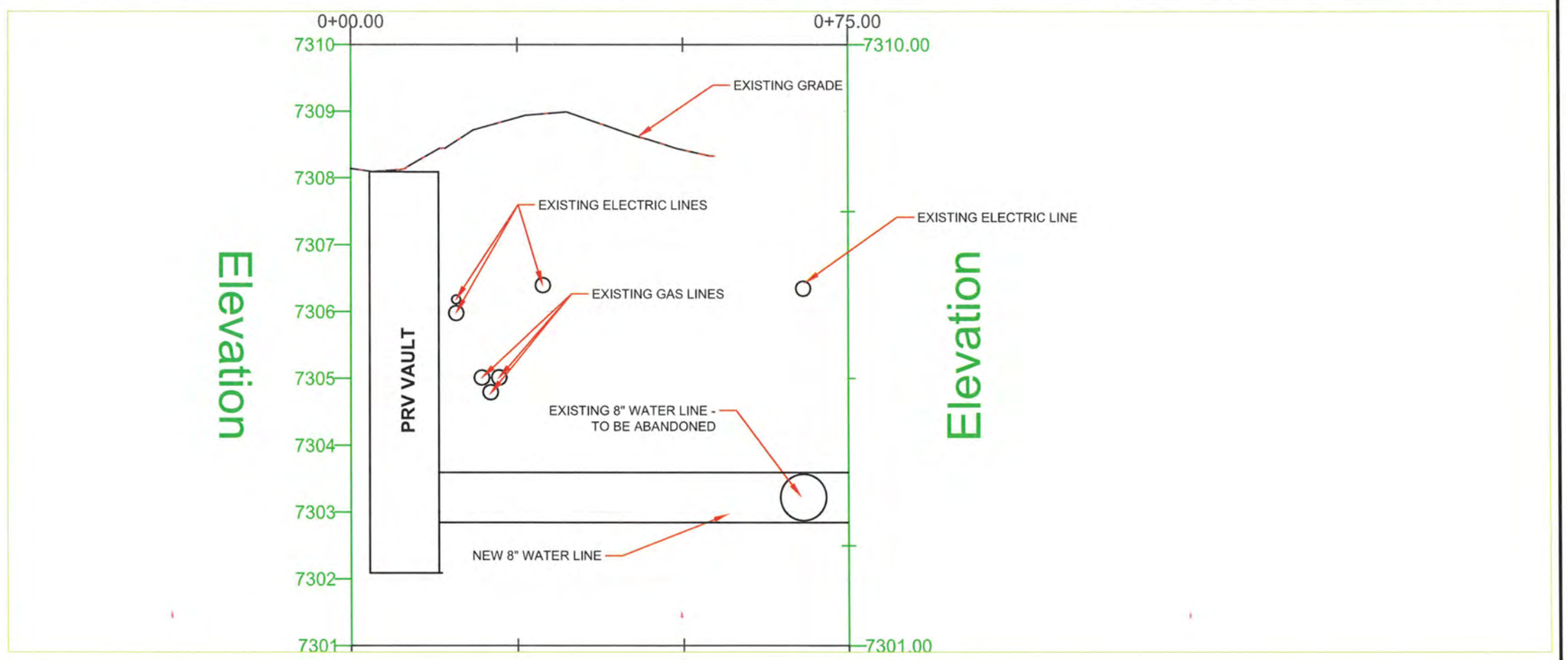
INCORPORATED COUNTY
OF LOS ALAMOS

PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
7

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 7.DWG





LEGEND

- NEW WATER LINE
- NEW GATE VALVE
- OHE — EXISTING OVERHEAD ELECTRIC
- ugE — EXISTING UNDERGROUND ELECTRIC
- W — EXISTING WATER LINE
- GAS — EXISTING GAS LINE
- OHE — EXISTING OVERHEAD COM LINE
- SAS — EXISTING SEWER LINE

GENERAL NOTE:

CONTRACTOR TO POTHOLE EVERY UTILITY CROSSING PRIOR TO TRENCHING

JAMES ALEXANDER MARTINEZ JR. NEW MEXICO 23903 REGISTERED PROFESSIONAL ENGINEER 8/12/25

NO.	REVISION DESCRIPTION
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=20'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

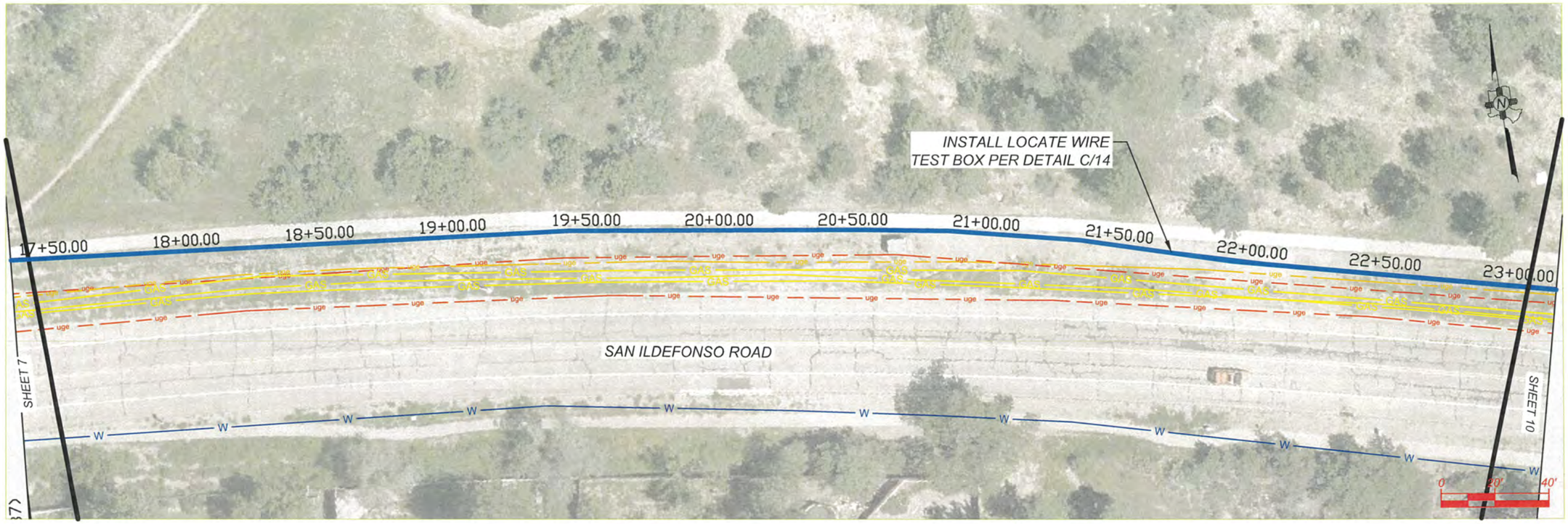
8" WATERLINE ALIGNMENT

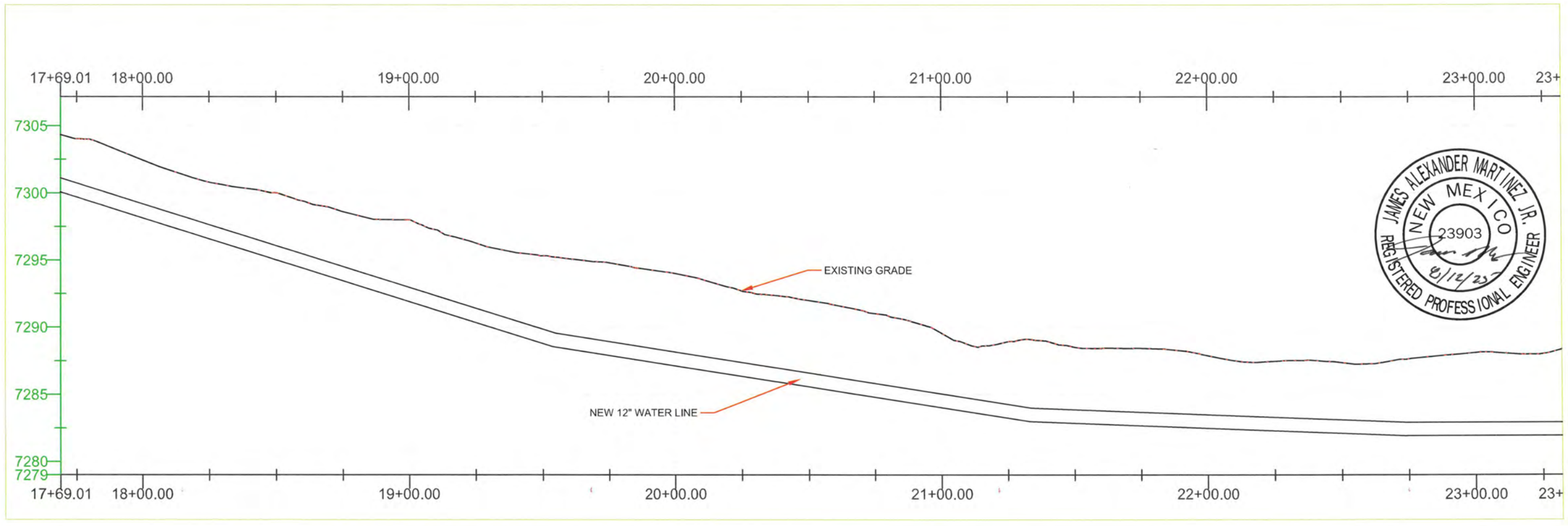
LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET 8

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 8.DWG





NO.	REVISION DESCRIPTION
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

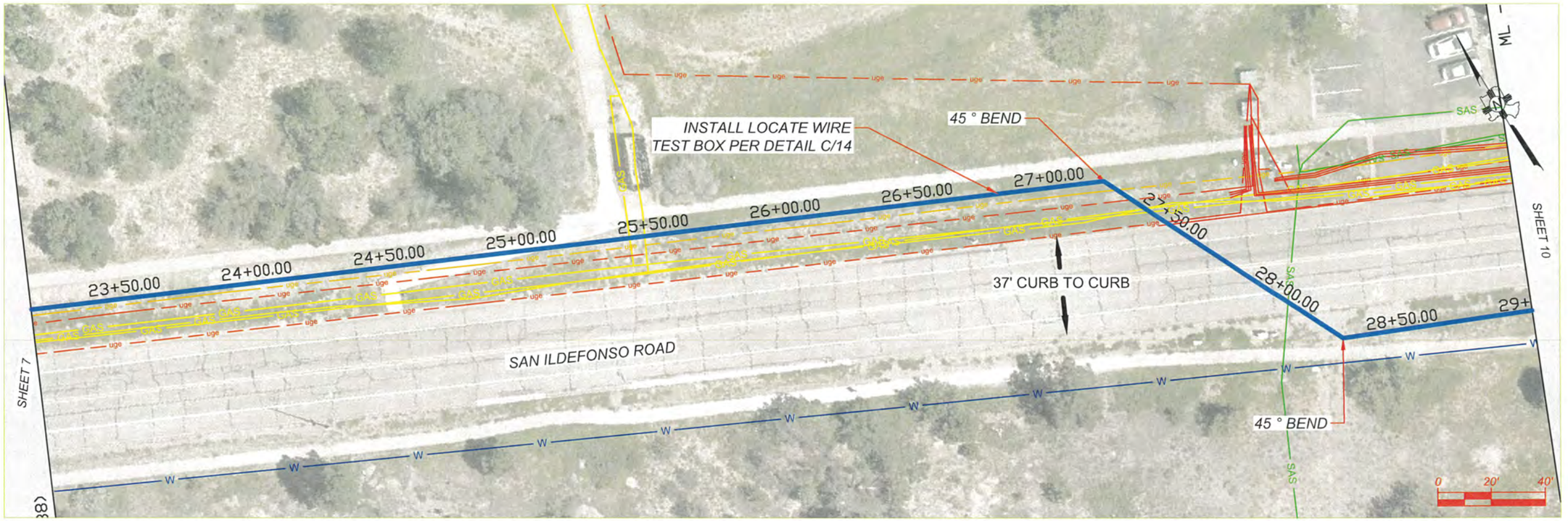
SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT
12" WATERLINE ALIGNMENT

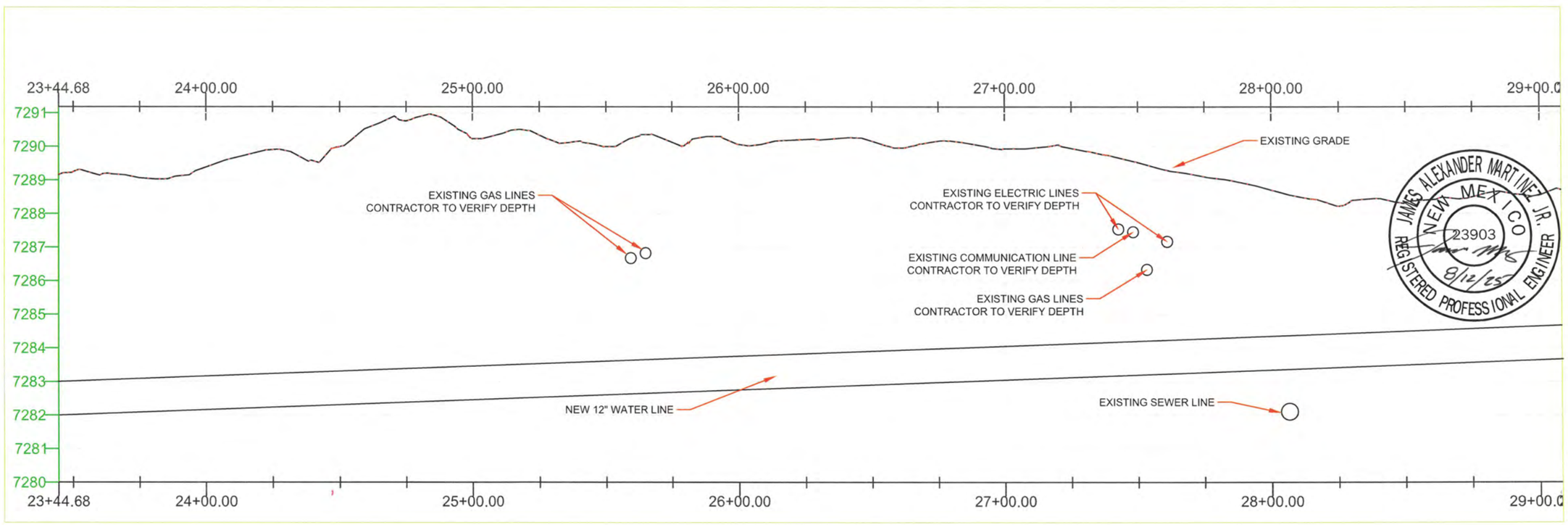
LOS ALAMOS

INCORPORATED COUNTY
OF LOS ALAMOS
PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
9

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 9.DWG





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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

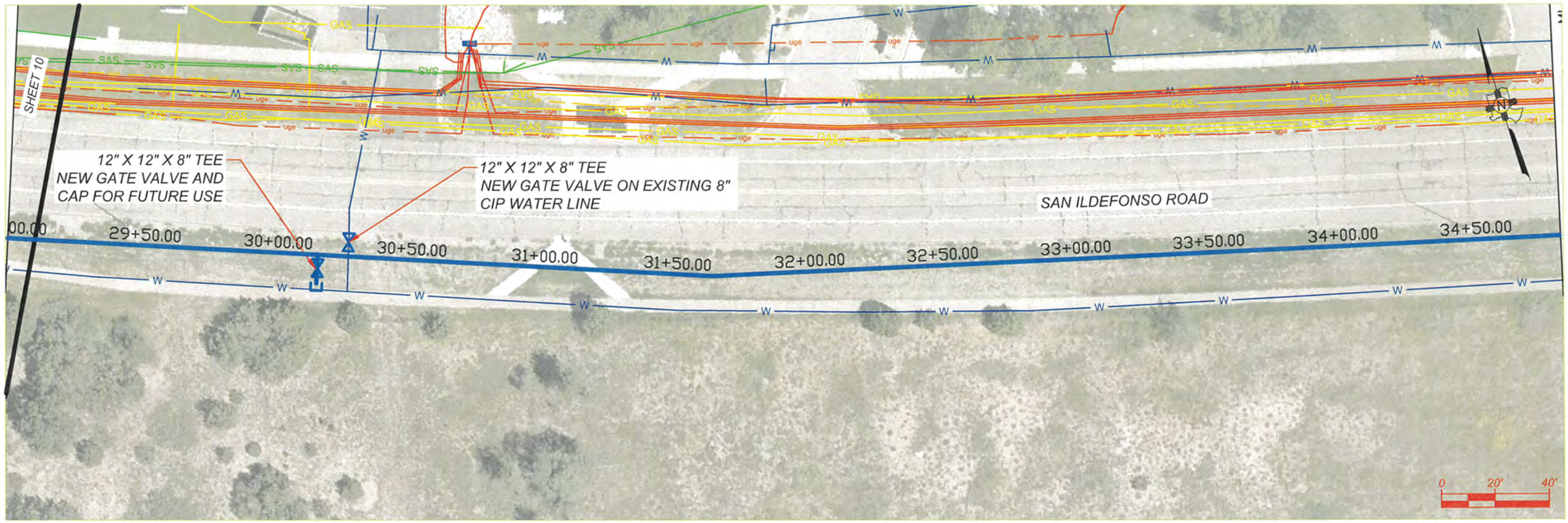
SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT
12" WATERLINE ALIGNMENT

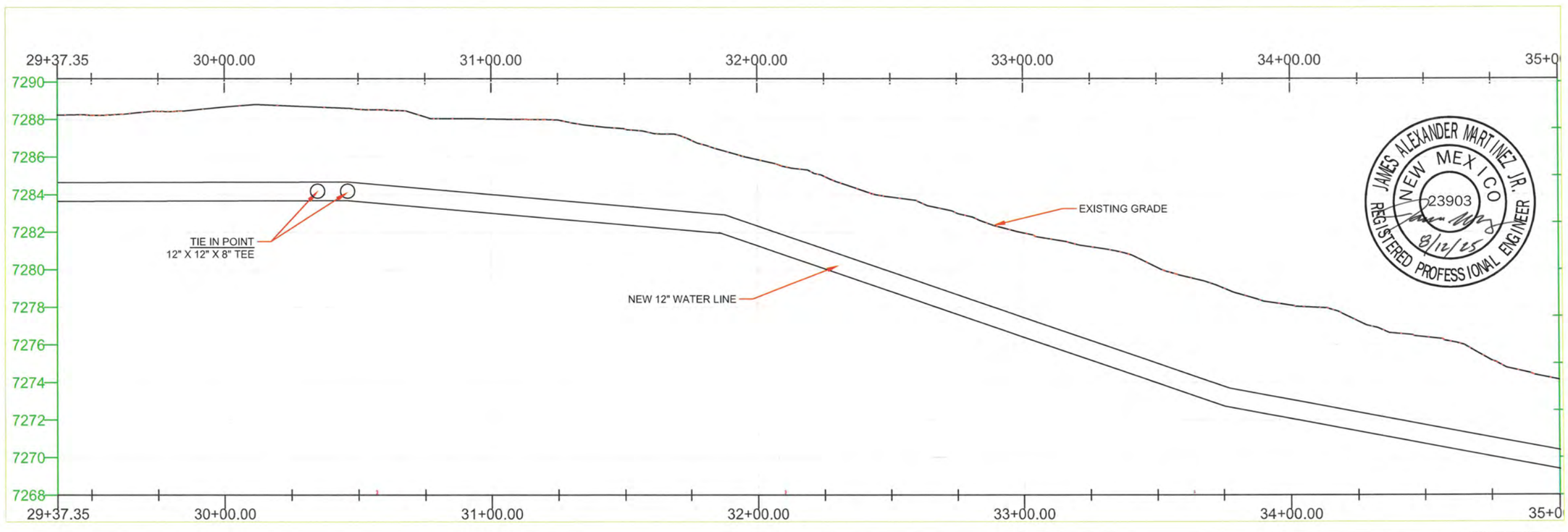
LOS ALAMOS

INCORPORATED COUNTY
OF LOS ALAMOS
PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
10

Drawing File: L:\PROJECTS\FB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 10.DWG





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DESIGNED BY: SH
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APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

12" WATERLINE ALIGNMENT

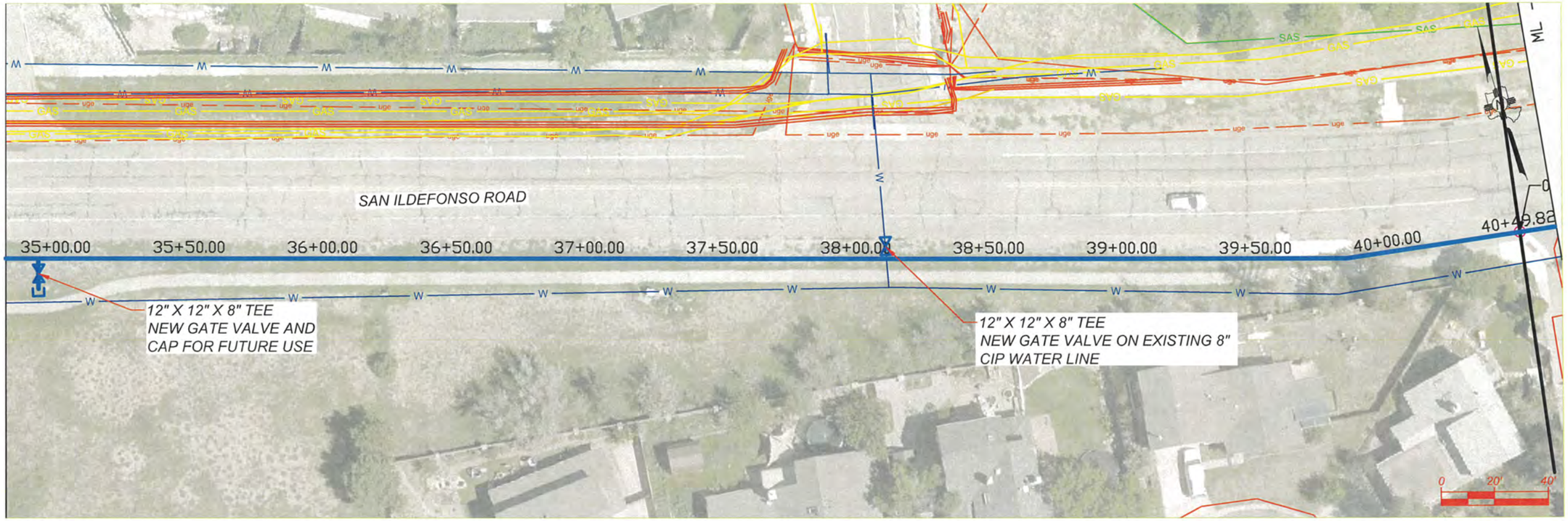
LOS ALAMOS

INCORPORATED COUNTY
OF LOS ALAMOS

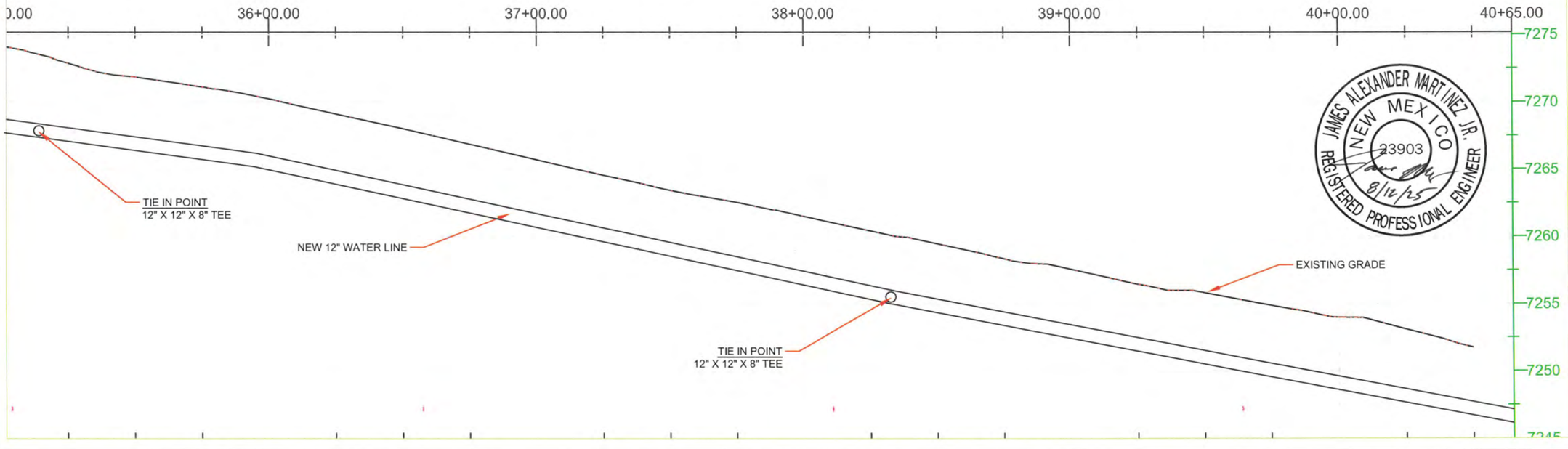
PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
11

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 11.DWG



NEW 12" HYDRAULIC PROFILE - 4.8% AVERAGE GRADE



NO.	REVISION DESCRIPTION
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

12" WATERLINE ALIGNMENT

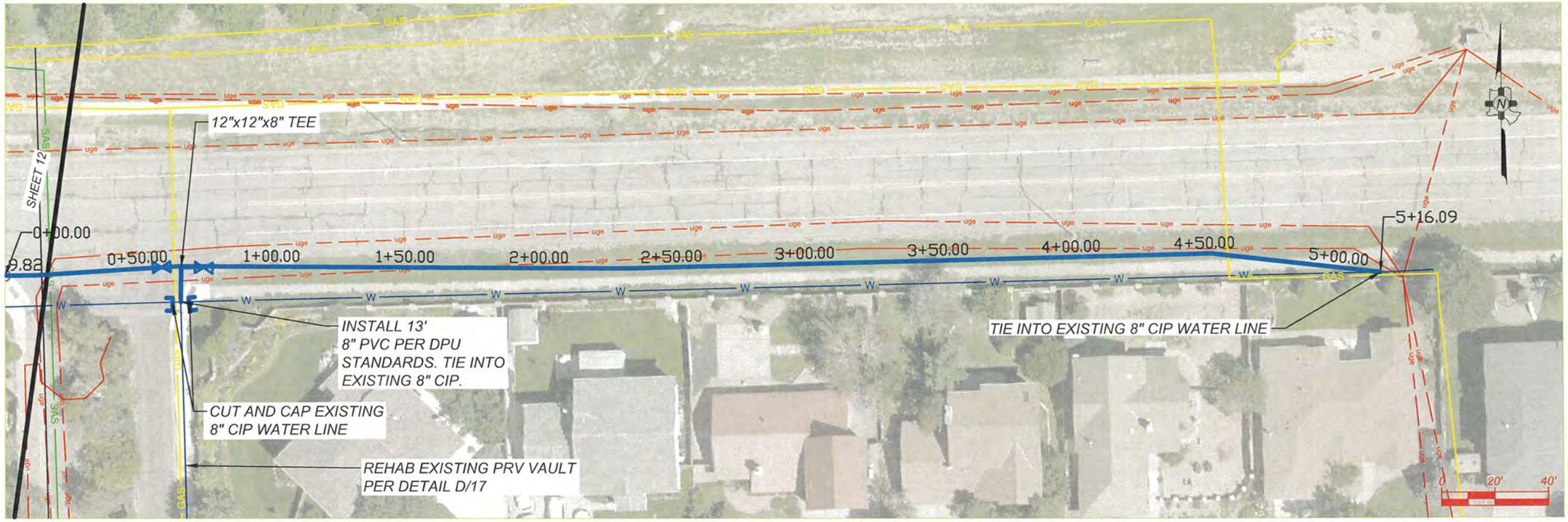
LOS ALAMOS

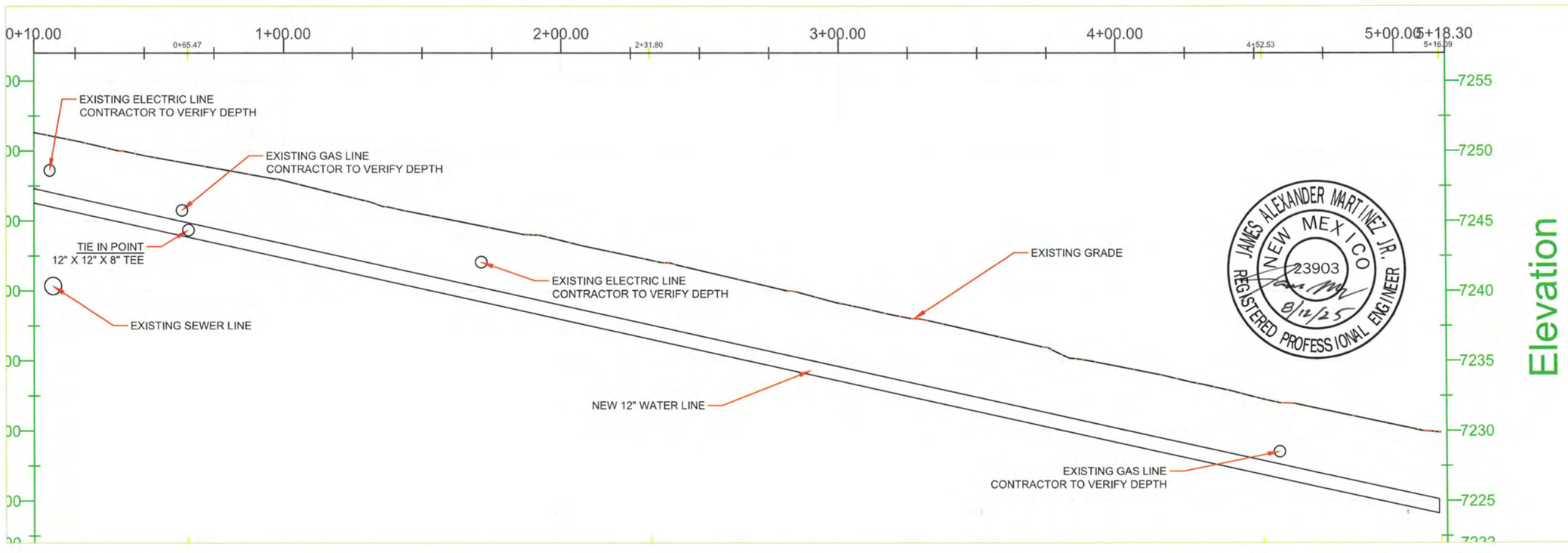
INCORPORATED COUNTY
OF LOS ALAMOS

PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
12

Drawing File: L:\PROJECTS\IFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\40 SCALE SHEETS\SHEET 12.DWG





JAMES ALEXANDER MARTINEZ JR.
NEW MEXICO
23903
8/12/25
REGISTERED PROFESSIONAL ENGINEER

NO.	REVISION DESCRIPTION
1	
2	
3	
4	
5	

DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JM
DATE: 3/31/2025
SCALE: 1"=40'

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

12" WATERLINE ALIGNMENT

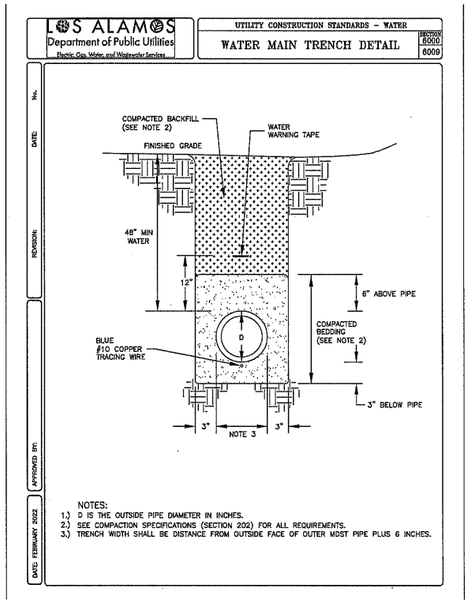
LOS ALAMOS

INCORPORATED COUNTY
OF LOS ALAMOS

PUBLIC WORKS DEPARTMENT
1000 CENTRAL AVE., SUITE 160
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
13

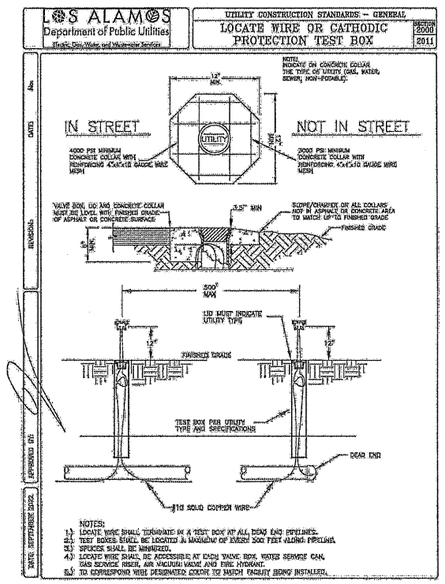
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A
14

WATER MAIN TRENCH

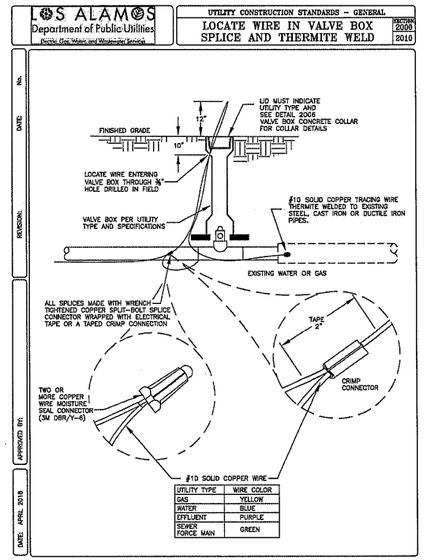
SCALE: NTS



C
14

LOCATE WIRE TEST BOX

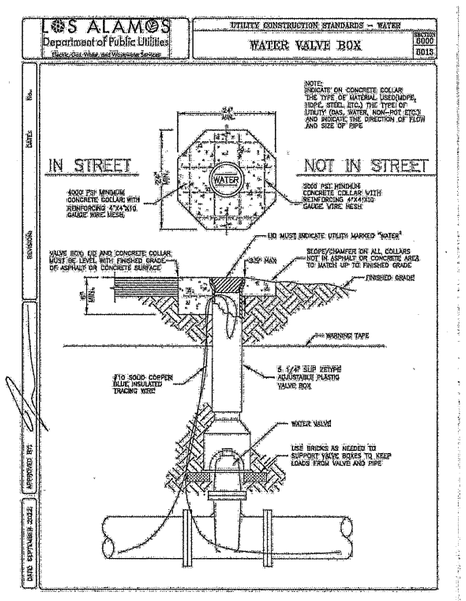
SCALE: NTS



C
14

LOCATE WIRE IN VALVE BOX

SCALE: NTS



B
14

WATER VALVE BOX

SCALE: NTS

JAMES ALEXANDER MARTINEZ JR.
NEW MEXICO
23903
REGISTERED PROFESSIONAL ENGINEER
9/12/25

NO.	REVISION DESCRIPTION
1	
2	
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JAM
DATE: 10/24/2024
SCALE:

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

DETAILS-1

LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
DEPARTMENT OF PUBLIC UTILITIES
1000 CENTRAL AVE., SUITE 150
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET
14

Drawing File: L:\PROJECTS\FY 2025-XX SAN ILDEFONSO WATER LINE\00_DESIGN\CAD_DWGS\EXISTING_UTILITIES.DWG

LOS ALAMOS
Department of Public Utilities
Electric, Gas, Water, and Wastewater Services

UTILITY CONSTRUCTION STANDARDS – WATER

JOINT RESTRAINT FOR POLYETHYLENE WRAPPED DUCTILE IRON AND C-900 PVC

SECTION 6000 6014

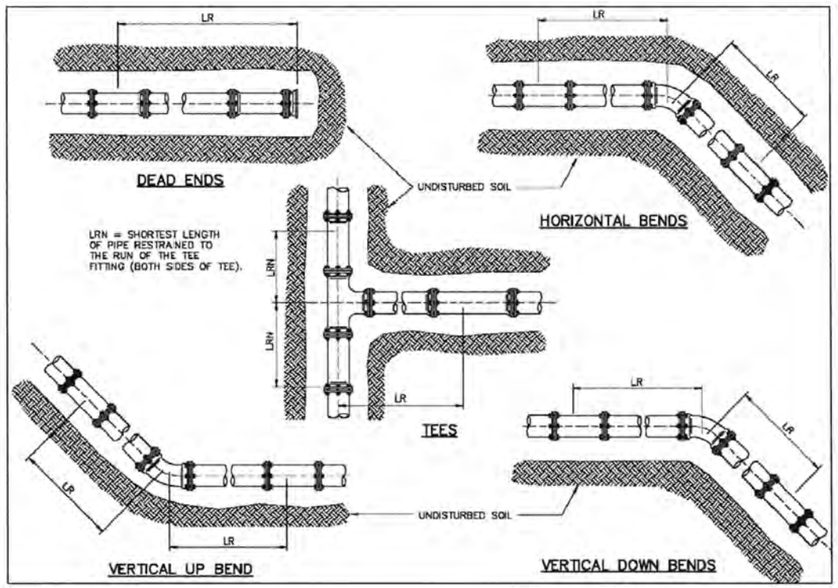
PVC Mechanical Joint Restraint Table

PIPE SIZE	BENDS				TEES			VERTICAL OFFSETS				DEAD ENDS & VALVES
								45		22 1/2		
	11 1/4	22 1/2	45	90	LRN = 5	LRN = 10	LRN = 20	DOWN	UP	DOWN	UP	
4"	2	4	7	18	15	1	1	16	4	8	2	39
6"	2	5	10	25	30	7	1	23	5	11	3	55
8"	3	7	14	33	48	24	1	30	7	15	3	73
10"	4	8	16	39	61	37	1	36	8	17	4	88
12"	5	9	19	46	76	52	5	43	10	21	5	104

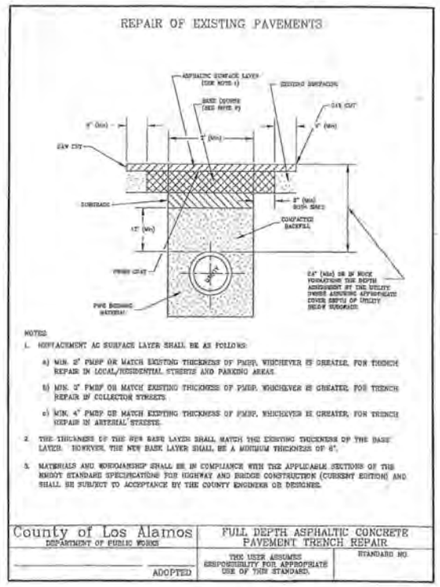
Ductile Iron/Poly Wrap Mechanical Joint Restraint Table

PIPE SIZE	BENDS				TEES			VERTICAL OFFSETS				DEAD ENDS & VALVES
								45		22 1/2		
	11 1/4	22 1/2	45	90	LRN= 5	LRN = 10	LRN = 18	DOWN BEND	UP BEND	DOWN BEND	UP BEND	
4"	2	4	9	21	23	1	1	24	4	12	2	59
6"	3	6	12	29	47	10	1	34	6	17	3	83
8"	4	8	16	38	74	37	1	45	8	22	4	109
10"	5	9	19	46	94	57	1	54	10	26	5	131
12"	5	11	22	54	118	80	20	64	12	31	6	155
14"	6	12	25	61	139	101	41	73	14	35	7	177
16"	7	14	29	69	162	124	63	83	15	40	7	200
18"	7	15	32	76	183	145	84	92	17	44	8	222

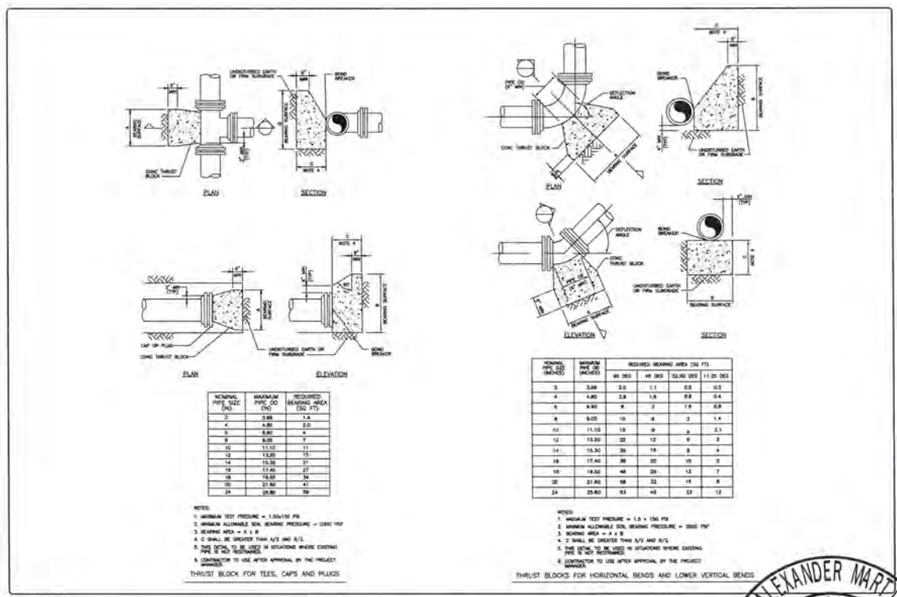
1. Restrained lengths provided are in feet.
2. Lr - the minimum attached length of solid pipe without joints, fittings, etc. to extend in each direction along the run of the tee.
3. Restrained lengths computed for pipe with 4' of cover from top of pipe.
4. Maximum test pressure of 150 psi.
5. All pipe joints and fittings within the restrained length specified in the table shall be restrained.



A 15 JOINT RESTRAINTS
SCALE: NTS



B 15 PAVEMENT REPAIR
SCALE: NTS



UTILITY CONSTRUCTION STANDARDS – WATER
CONCRETE BLOCKING
SECTION 6000 6015

C 15 CONCRETE THRUST-BLOCKS
SCALE: NTS

DATE: APRIL 2018 | APPROVED BY: | REVISION:

ALEXANDER JAMES MARTINEZ JR. NEW MEXICO No. 23903 REGISTERED PROFESSIONAL ENGINEER 9/12/25

NO.	REVISION DESCRIPTION
1	
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DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JAM
DATE: 10/24/2024
SCALE:

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT
DETAILS-2

LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
DEPARTMENT OF PUBLIC UTILITIES
1000 CENTRAL AVE, SUITE 150
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET 15

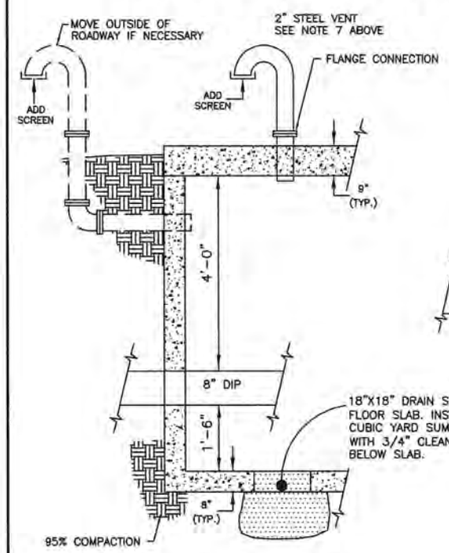
DATE: APRIL 2018 | APPROVED BY: | REVISION: | No.

Drawing File: I:\PROJECTS\FB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWG\EXISTING_UTILITIES.DWG

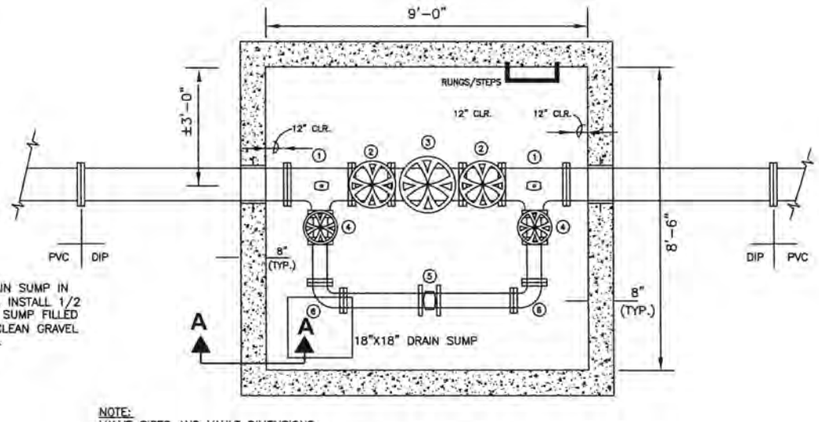
NOTES:

1) RUNG STEPS SHALL BE INSTALLED AT 1' O.C. ALIGNED WITH 36" ACCESS COVER.
2) WALLS AND FLOOR SHALL BE 8" THICK, REINFORCED WITH #5 BARS AT 12" O.C.E.W., CENTERED.
3) MINIMUM COVER ON REINFORCING STEEL SHALL BE 2".
4) STEEL SHALL BE GRADE 60 DEFORMED BARS, CONCRETE SHALL BE 4000 PSI MINIMUM COMPRESSIVE STRENGTH, WITH 6% AIR ENTRAINMENT, AND 3/4" COARSE AGGREGATE. PER SPECIFICATION 701 CAST IN PLACE CONCRETE.
5) COVERS SHALL BE FURNISHED W/4 LIFTING HOOKS, EACH LOCATED 12" INSIDE FROM EACH CORNER. LIFTING HOOKS SHALL BE FACTORY FABRICATED STEEL, RECESSED TO BE FLUSH WITH SURFACE, & TIED TO VAULT COVER REBAR PER MANUFACTURE'S RECOMMENDATIONS. EACH HOOK SHALL HAVE A MINIMUM CAPACITY OF 3 TONS.
6) COVERS SHALL NOT BE BONDED TO VAULT WALLS, THEY SHALL BE SEPARATELY FORMED & PLACED ONTO VAULT WALLS. PRIOR TO PLACEMENT, APPLY ONE STRIP OF LOFLAND BLUE STOP WATER STOP MATERIAL TO SEAL COVER TO WALLS. COVER SHALL BE FLUSH W/FINISHED GRADE.
7) COVERS SHALL BE FURNISHED WITH 2"ø STEEL VENT, W/180° ELBOW SET 4' ABOVE TOP. PROVIDE STAINLESS STEEL GRATING OVER END SECTION, AND PAINT W/2 COATS OF GREY MARINE PAINT, EXTEND OUTSIDE OF ROADWAY IF NECESSARY.
8) INCOMING SYSTEM PRESSURES ARE SIGNIFICANTLY HIGHER THAN SERVICE PRESSURES. PRIOR TO PRESSURIZING THE NEW SYSTEM, THE CONTRACTOR SHALL CONTACT LAC UTILITIES TO ESTABLISH A TESTING PLAN WHICH WILL ENSURE NO DAMAGE TO DOWNSTREAM CUSTOMERS' PLUMBING.
9) HEAVY DUTY RING AND COVER CAST INTO VAULT LID. 475 LB. MINIMUM, 3' CLEAR OPENING, LABELED "WATER".
10) SUBGRADE BELOW VAULT FLOOR SHALL BE COMPACTED TO 95% PER SPECIFICATIONS.
11) LOCATE WIRE SHALL BE PLACED ALONG BY-PASS AND RAISED IN BY-PASS VALVE BOX AND THROUGH VAULT ALONG PIPING. ALL WIRE SHALL BE ELECTRICALLY CONTINUOUS.

NOTE: LID VENTED WITH A MINIMUM OF 12 EACH 1" DIAMETER HOLES.

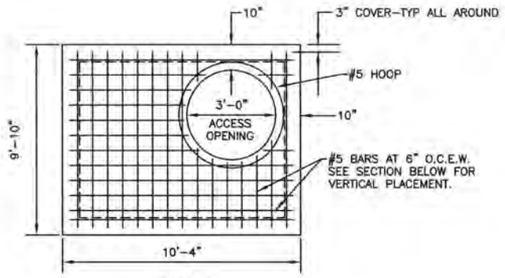


VALVE VAULT SECTION A-A
N.T.S.

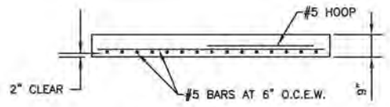


NOTE:
VALVE SIZES AND VAULT DIMENSIONS CAN BE MODIFIED TO FIT PROJECT REQUIREMENTS. DIMENSIONS SHOWN ARE FOR AN 8'x4' PRV SET.

VALVE VAULT DETAILS PLAN
N.T.S.

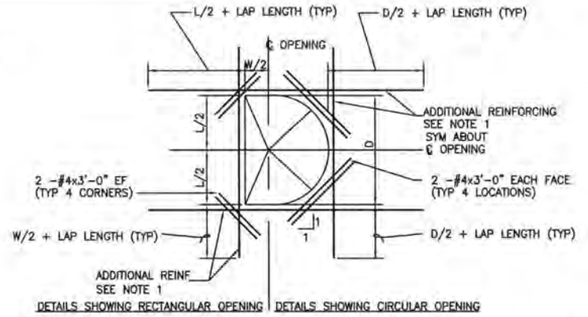


PLAN



CROSS SECTION

PRV VAULT STRUCTURAL DETAILS
N.T.S.



NOTES:
1. ADDITIONAL REINFORCING SHALL BE THE SAME SIZE AS DISCONTINOUS REINFORCEMENT AT OPENING. QUANTITY OF REINFORCING IN EACH DIRECTION SHALL BE EQUAL TO OR ONE GREATER THAN THE NUMBER OF DISCONTINUOUS BARS. PLACE 1/2 OF ADDITIONAL REINFORCING BARS EACH SIDE OF OPENING. PLACE ADDITIONAL REINFORCEMENT AT 3" O.C. (TYPICAL BOTH DIRECTIONS AND ALL LAYERS OF REINFORCEMENT).
2. ADDITIONAL REINFORCING SHALL EXTEND BEYOND EDGE OF OPENING AS SHOWN ABOVE UNLESS SHOWN OTHERWISE. ADDITIONAL BARS MAY TERMINATE AT THE END OF THE WALL WITH A STANDARD HOOK WHERE THE LENGTH OF THE WALL WILL NOT PERMIT BARS TO EXTEND AS SHOWN ABOVE.
3. TYPICAL WALL OR SLAB REINFORCING NOT SHOWN FOR CLARITY. TERMINATE TYPICAL REINFORCING 2" CLEAR TO OPENING.
4. AT OPENINGS 12" OR LESS IN SLABS & IN WALLS, NO EXTRA REBARS ARE REQUIRED UNLESS SHOWN OTHERWISE. TYPICAL REINFORCING SHALL BE SPREAD (NOT CUT) TO ALLOW FOR OPENINGS TO BE MADE.
5. UNLESS SHOWN OTHERWISE ON DRAWINGS, PROVIDE EXTRA REINFORCING AROUND OPENINGS AS SHOWN AND INDICATED ABOVE.
6. ALL FASTENERS SHALL BE TORQUE RATED STAINLESS STEEL.

DETAIL EXTRA REBARS AROUND OPENINGS AND PENETRATIONS IN SLABS & WALLS
NTS

KEYED NOTES FOR 8" WATER MAIN:

1. 8" x 8" x 4" FLANGED TEE.
2. 8" GATE VALVE (FL X FL) VALVE.
3. 8" PRV, CLA-VAL #690-01 OR 90-1 WITH KD VALVE STEM OPTION. PROVIDE SHOP FABRICATED STEEL SUPPORT.
4. 4" GATE VALVE (FL X FL)
5. 4" PRV, CLA-VAL #690-01 OR 90-1 WITH KD VALVE STEM OPTION. PROVIDE SHOP FABRICATED STEEL SUPPORT.
6. 4" 90° STANDARD FLANGED ELBOW. PROVIDE PIPE SUPPORT.
7. WALL PENETRATIONS SHALL BE FURNISHED WITH STANDARD, FACTORY FABRICATED WALL SLEEVES WHICH ALLOW CARRIER PIPE TO BE INSERTED AFTER FORMING. SEAL CARRIER PIPE-TO-SLEEVE SPACING WITH LINK SEAL AND NON-SHRINK GROUT.
8. PRESSURE GAGES PER NOTE (2) BELOW. INSTALL 1/2 INCH STAINLESS STEEL ISOLATION BALL VALVE AND STAINLESS STEEL NIPPLES AS NEEDED.
9. ALL PIPING AND FITTINGS IN VAULT SHALL BE CLASS 350 FLANGED DUCTILE DUCTILE IRON PER AWWA C151 AND AWWA C110.
10. A COMBINATION MAIN LINE PRV WITH INTEGRAL LOW FLOW BYPASS VALVE MAY BE SUBSTITUTED, IF APPROVED BY DPU.

NOTES:

1. GATE VALVES INTERNAL TO THE VAULT SHALL BE HAND WHEEL OPERATED WITH NON-RISING STEMS.
2. PRESSURE GAGES SHALL BE ABLE TO REGISTER PRESSURES FROM 0 TO 150 PSI, AND HAVE GLYCERIN FILLED, FREEZE PROOF DIALS.
3. ALL PIPING AND VALVING SHALL BE SET SO THAT LARGEST DIAMETER PIPES IN STATIONS ARE SET 18" ABOVE FLOOR TO BOTTOM OF PIPE.

UTILITY CONSTRUCTION STANDARDS - WATER

SECTION 6000 6017

PRESSURE REDUCING VALVE VAULT

LOS ALAMOS
Department of Public Utilities
Electric, Gas, Water, and Wastewater Services

NO.	REVISION DESCRIPTION
1	
2	
3	
4	
5	

DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JAM
DATE: 10/24/2024
SCALE:

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT
DETAILS-3

LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
DEPARTMENT OF PUBLIC UTILITIES
1000 CENTRAL AVE., SUITE 130
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8109

SHEET 16

DATE: APRIL 2018 | APPROVED BY: | REVISION: | DATE: | No.

JAMES ALEXANDER MARTINEZ JR. NEW MEXICO 23903 REGISTERED PROFESSIONAL ENGINEER 9/14/25

A 16

PRESSURE REDUCING VALVE VAULT

SCALE: NTS

Drawing File: I:\PROJECTS\FB 2025-XX SAN ILDEFONSO WATER LINE\02_DESIGN\CAD_DWGS\EXISTING_UTILITIES.DWG



A
17

WEST END PRV VAULT

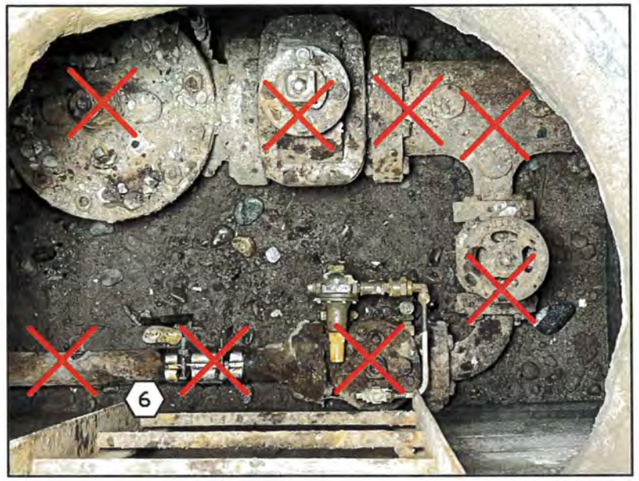
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B
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REDONDO PRV VAULT

SCALE: NTS



E
17

UVA PRV VAULT

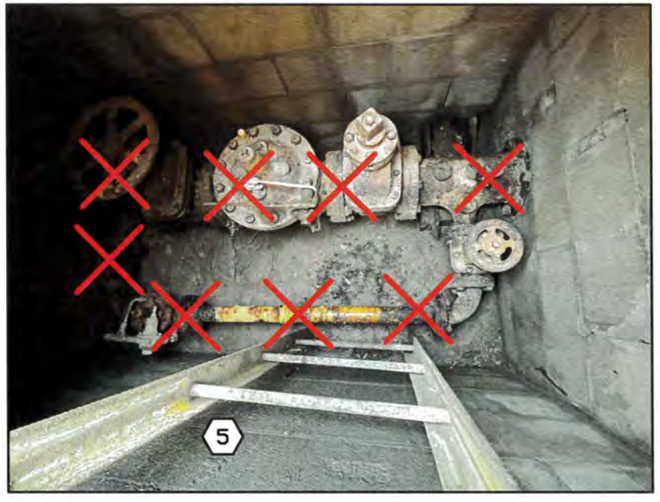
SCALE: NTS



C
17

BROADVIEW PRV VAULT

SCALE: NTS



D
17

DURASNILLA PRV VAULT

SCALE: NTS

KEYED NOTES

1. REMOVE AND REPLACE VAULT COVER WITH 9" THICK CONCRETE SLAB AND 3' Ø MANHOLE, REINFORCED WITH #5 REBAR 6" O.C PER DETAIL A/17
2. INSTALL 2" STEEL VENT PER DETAIL A/17 NOTE #7
3. REMOVE AND REPLACE PRV'S, VALVES, AND APPURTENANCES WITH APPROVED EQUALS
4. PRESSURE WASH VAULT INTERIOR
5. ABANDON VAULT - REMOVE PRV AND COMPONENTS, INSTALL 4' OF 8" PVC, AND FILL WITH 5 YARDS OF APPROVED FILL MATERIAL
6. ABANDON VAULT - REMOVE PRV AND COMPONENTS, INSTALL 4' OF 8" PVC, AND FILL WITH 8 YARDS OF APPROVED FILL MATERIAL

JAMES ALEXANDER MARTINEZ JR.
NEW MEXICO
23903
8/12/24
REGISTERED PROFESSIONAL ENGINEER

NO.	REVISION DESCRIPTION
1	
2	
3	
4	
5	

DESIGNED BY: SH
DRAWN BY: SH
APPROVED BY: JAM
DATE: 10/24/2024
SCALE:

SAN ILDEFONSO ROAD
8" WATERLINE REPLACEMENT

DETAILS-4

LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
DEPARTMENT OF PUBLIC UTILITIES
1000 CENTRAL AVE., SUITE 130
LOS ALAMOS, NEW MEXICO 87544
(505) 662-8150 FAX: (505) 662-8100

SHEET
17

Drawing File: L:\PROJECTS\WFB 2025-XX SAN ILDEFONSO WATER LINE\03_DESIGN\CAD_DWGS\EXISTING_UTILITIES.DWG

Agenda No.:	4.c.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Joann Gentry, Deputy Utility Manager-Finance & Admin.
Legislative File:	**21339-26a**

Title
Approval of the Calculation of Revenue Transfer from Electric & Gas Funds for Operations during Fiscal Year 2025 and Approval of Budget Revision 2026-48

Recommended Action
I move that the Board of Public Utilities recommend transferring 5% from the Electric and Gas funds to the General Fund during fiscal year 2026, and that these amounts be redirected for use within the Joint Utility Fund for the purposes designated by Council in accordance with Incorporated County of Los Alamos Ordinance 02-324.
I further move that the Board recommend Budget Revision 2026-48 as summarized in Attachment D, and that the attachment be made a part of the minutes of this meeting.
I further move that these actions be forwarded to Council with a recommendation for approval.
I further move that the Board of Public Utilities recommend Council extend the profit transfer redirection option per County Code Section 40-63(d) for an additional year to FY2031.

Utilities Manager's Recommendation
The Utilities Manager recommends that the Board approve the motion as presented.

Body
The purpose of this agenda item is to 1) approve the calculation of the FY2026 revenue transfer based on the FY2025 Annual Comprehensive Financial Report (ACFR); 2) approve the associated budget revision; 3) forward to Council with a recommendation for approval, and 4) recommend Council add another year to the redirection option.

In accordance with Charter Article V.509 and Chapter 40-63 (c)(12) b. of the County Code of ordinances, the attached calculation reflects five percent of gross sales of the electric and gas utilities, exclusive of sales to the County or the Schools, as the Revenue Transfer amounts. These transfer amounts are computed following completion of the County's annual financial audit (ACFR). In January 2022, Council passed code ordinance 02-324, which continued the transfer-back or revenue, "For a five (5) year period…[which] may be extended by Council for one (1) additional year at the time of Council's consideration of an annual redirection of a revenue transfer "formally profit transfer." Ordinance 02-324 further specifies that "upon approval of the revenue transfer amounts by Council, the Council may, through

formal action, redirect some or all of the revenue transfer amounts for use within the joint utility system fund for purposes designated by the Council. Those purposes may include, but are not limited to, accelerating investment in utility infrastructure, investing in utility infrastructure to facilitate coordination with roads projects, investing in utility infrastructure to facilitate economic development and housing projects, facilitating utility debt restructuring, and transferring funds between individual utility sub-funds."

During the FY2026 budget hearings, the Utilities Department proposed, and Council approved, using the revenue transfer for the Trinity Drive Gas line Replacement and the Trinity Drive Waterline Replacement. This action is to review and approve the calculation of the Revenue Transfer Amounts, and forward to Council for consideration and approval, and also approve the associated budget revision.

The associated Budget Revision 2026-48 ensures the revised budget accurately reflects the approved revenue transfer amounts. The budget revision adjusts the FY2026 budget to incorporate the revenue transfer calculated from the FY2025 ACFR and retains these funds within the Joint Utility Fund rather than transferring them to the General Fund. This allows the funds to be used to partially fund the Council approved Trinity Drive Gas line Replacement and Trinity Drive Waterline Replacement budget option.

County Code Section 40-63(d) included in Attachment A, states that "the above five (5) year period may be extended by Council for one (1) additional year at the time of Council's consideration of an annual redirection of a revenue transfer so that every year Council considers an annual redirection, there is an option for Council to add an additional year to the original five (5) year period. Last year, Council extended it by one year to FY2030 and this will be the third request for an additional year to FY2031 for a total of nine years.

Alternatives

If the Board and Council do not approve the revenue transfers, the funds will remain with the Department of Public Utilities' electric and gas funds, pending further negotiation between the parties or confirmation of the calculations in accordance with Ordinance 02-324.

Fiscal and Staff Impact

Revenue (profit) transfers computed for FY2025 retail sales total $702,838.13 for the electric fund and $294,910.60 for the gas utility, for a combined revenue transfer of $997,748.73. Attachment B provides the computation of the profit transfer based on the FY2025 ACFR.

Attachments

A - Incorporated County of Los Alamos Ordinance 02-324
B - Utilities Profit Transfer Schedule - FY2026 for FY2025 Sales
C - Budget Revision 2026-48
D - Revenue Transfer Presentation

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INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE 02-324

AN ORDINANCE AMENDING CHAPTER 40, ARTICLE II, DIVISION 2, SECTION 40-63 TO EXTEND THE OPTION OF REDIRECTING DEPARTMENT OF PUBLIC UTILITIES PROFIT TRANSFERS BY COUNCIL ACTION TO THE JOINT UTILITY SYSTEM FUND FOR PURPOSES DESIGNATED BY THE COUNCIL

WHEREAS, the Incorporated County of Los Alamos ("County") is an incorporated county of the State of New Mexico as provided in Section 5, Article 10 of the New Mexico Constitution; and

WHEREAS, County Charter Section 506 requires that the County and its Department of Public Utilities ("DPU") through its Board of Public Utilities ("BPU") include in its annual budget requirements an amount for payment of in lieu of franchise fees and the taxes that would be normally assessed against privately owned gas and electric utilities; and

WHEREAS, the Council of the Incorporated County of Los Alamos ("Council") has established in the County Code of Ordinances ("Code"), in Chapter 40, Article II, Division 2 codes reflecting these Charter requirements; and

WHEREAS, one of the Charter requirements in Section 509, is to transfer any remaining operating profits to County's General Fund; and

WHEREAS, County, DPU, and the BPU, in 1997, set out in Resolution No. 97-07 a method for determining operating profits which are transferred to County's General Fund; and

WHEREAS, the Council wants the Code to reflect the fact that County, as owner of the utility system, is lawfully entitled to a return on its investment in the form of a transfer of profits as allowed for in Charter Section 509 and wants to clarify this expectation; and

WHEREAS, the Council believes that County, DPU, and BPU should focus on setting rates, so the DPU County-owned utility systems are operated on a compensatory basis pursuant to Charter Section 504; and

WHEREAS, in County Ordinance 02-302 adopted by Council on February 25, 2020, to which provided, in part changes to Section 40-63 of the Code; and

WHEREAS, Section 40-63(c)(12)(iii) provided for the fiscal years 2020 through 2022 that the Council would be authorized to, prior to transferring specified profits on the County's electric and natural gas systems from the Department of Public Utilities to the County's General Fund, to return or redirect the General Fund profits back to specific DPU projects; and

WHEREAS, the County's Board of Public Utilities and Council wish to extend the time in which Council has this option to return and redirect the General Fund profit transfers.

C0-02-324 01/25/2022 12:00 AM
Page(s): 4 Naomi D Maestas - County Clerk
Los Alamos County, NM Anna M. Archuleta - Deputy

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE INCORPORATED COUNTY OF LOS ALAMOS:

Section 1. Chapter 40, Article II, Division 2, Section 40-63 of the County Code of Ordinances of the Incorporated County of Los Alamos is hereby amended as follows:

Sec. 40-63. - Budget.

(a) Generally. The board shall submit a proposed budget to the council for adoption in accordance with article V, sections 506 and 509 of the Charter. The annual budget shall be a complete financial plan for the ensuing fiscal year, consisting of an operating and a capital budget conforming to article V, section 509 of the Charter, and the items listed in subsection (c) of this section. Should the council fail to adopt the department's proposed budget on or before the start of the ensuing fiscal year, the latest approved budget of the department shall be the budget of the department until the council adopts a new budget for the ensuing fiscal year. Budget changes shall be recommended by the board to the council for consideration for approval.

(b) Financial review. After publication of audited financial statements, BPU shall review the results from the previous fiscal year and the related updated ten-year projections of rates and revenues, funding of reserves (the schedule of funds) and capital project program plan as submitted to it by the director. Based upon this review, the board shall determine and recommend to the council for their consideration and approval, as part of the annual budget submission, the following possible changes to the ten-year projections:

(1) Rate adjustments;

(2) Adjustments to schedule of funds;

(3) Adjustments to the capital program;

(4) Designation of any additional specific remaining amounts as operating profits transfers to the general fund beyond those planned for as indicated in subsection (c)(12).

(c) Budget items. The budget shall include, but not be limited to:

(1) A projection of revenues from commodity sales of each utility system by customer type, interest income, service fees and other sources;

(2) Reserve accounts required by the Charter, bond ordinances and bond indentures;

(3) A projection of normal expense for each utility system;

(4) A projection of funds required for each replacement and addition and improvement project and a statement of objectives and schedule for their completion;

(5) A projection of funds needed for contingencies;

(6) A schedule of funds in accordance with section 40-65;

(7) A capital-asset budget indicating new equipment associated with department projects;

(8) A projection of bond payments, redemptions and other transactions under the bond ordinance or indentures;

(9) A staffing schedule of the department showing the number of persons assigned to department projects and programs and changes therein for the fiscal year;

(10) A ten-year plan update showing the status of the replacement and addition and improvement projects of the department.

(11) The disposition of net county revenues, if any, generated as a result of economy energy sales, bulk power sales, or brokered power sales shall be governed by subsection (b) of this section;

(12) A profit transfer. Charter section 509 anticipates possible profit transfers from the utility system to the general fund. The county as owner should have a return on its investment in the utility system. It is also prudent fiscal management to plan for a specific level of return. Therefore, this paragraph clarifies that expectation and sets the following budget policy:

a. After providing for the items specified in Charter section 509 1. through 5., the budget shall include an amount for planning purposes for each fiscal year of at least five percent of the electric and gas utilities gross retail revenue and exclusive of that from the county and schools for commodities for their sole use, and an additional amount representing a percentage of the revenue from the department of energy, generated as a result of the department of energy/county joint power pool coordination agreement, for transfer to the general fund as operating profits.

b. After completion and approval of the county's audit, the profit transfer amount for the current fiscal year shall be calculated based upon actual audited revenues from the previous fiscal year. Those calculated amounts will be presented to council to approve as profit transfers to the general fund in the current fiscal year.

c. For a five (5) year period, which may be extended as provided below, and beginning with fiscal year 2023, upon approval of the profit transfer amounts by Council, the Council may through formal action re-direct some or all of the profit transfer amounts for use within the joint utility system fund for purposes designated by the Council. Those purposes may include, but are not limited to, accelerating investment in utility infrastructure, investing in utility infrastructure to facilitate coordination with roads projects, investing in utility infrastructure to facilitate economic development and housing projects, facilitating utility debt restructuring, and transferring funds between individual utility sub-funds.

d. The above five (5) year period may be extended by Council for one (1) additional year at the time of Council's consideration of an annual redirection of a profit transfer so that every year Council considers an annual redirection, there is an option for Council to add an additional year to the original five (5) year period.

(d) Capital project program plan. In addition to items listed in subsection (c) of this section, the utilities board shall submit a capital project program plan which includes the following information concerning any planned capital project: program justification, funding sources, a proposed schedule and completion date, breakdown of elements into projected contracts with estimated costs; and other necessary financial information.

(e) Plan approval. A capital project program plan approved by the council shall require no further council action aside from the normal consent calendar process except any contract costs or commitments which exceed, or are anticipated to exceed, the total original budget estimates.

(f) Written notice. The utilities board shall provide notice, in writing, for its approval of any deviation from the capital project program plan to the council.

Section 2. Effective Date. This Ordinance shall become effective thirty (30) days after notice is published following its adoption.

Section 3. Severability. Should any section, paragraph, clause or provision of this ordinance, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

Section 4. Repealer. All ordinances or resolutions, or parts thereof, inconsistent herewith are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, heretofore repealed.

ADOPTED this 25th day of January 2022.

COUNCIL OF THE INCORPORATED COUNTY OF LOS ALAMOS

Randall T Ryti

Randall T. Ryti,
Council Chair

ATTEST: (Seal)

Naomi D. Maestas

SEAL

Naomi D. Maestas,
Los Alamos County Clerk

INC COUNTY OF LOS ALAMOS
Utilities Profit Transfer Schedule
Fiscal Year 2026

Electric Distribution Fund 512

Revenue Object		FY2025 Audited Sales	
4301	Residential metered	9,036,510.21	
4305	Private area lighting	16,071.14	
4311	Commercial metered	4,986,793.93	
4382	EV Charging Stations	17,387.35	
			14,056,762.63
			0.05
			702,838.13

Gas Fund 531

		FY2025 Audited Sales	
4301	Residential metered	4,827,711.43	
4311	Commercial metered	1,070,500.61	
			5,898,212.04
			0.05
			294,910.60

Total Revenue Transfer 997,748.73

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Budget Revision 2026 - 48

BPU Meeting Date: 03/18/2026 **Council Meeting Date: 03/31/2026**

	Fund & Department	Org	Object	Revenue (decrease)	Transfers In (decrease)	Transfers Out (decrease)	Fund Balance (decrease)
1	General Fund	01140195	7653		$ (390,680)		$ -
2	General Fund	01140195	7651		$ (829,404)		$ -
3	Joint Utilities Fund - Gas	53185390	9601			$ (390,680)	$ -
4	Joint Utilities Fund - Electric Distribution	51285290	9601			$ (829,404)	$ -
5	Joint Utilities Fund - Gas	53185390	9654			$ 221,183	$ -
	Joint Utilities Fund - Gas	53185390	9653			$ 73,727	
6	Joint Utilities Fund - Electric Distribution	51285290	9654			$ 527,129	$ -
	Joint Utilities Fund - Electric Distribution	51285290	9653			$ 175,709	
7	Joint Utilities Fund - Water Distribution	54185499	7653		$ 221,183		$ -
8	Joint Utilities Fund - Water Distribution	54185499	7651		$ 527,129		$ -
9	Joint Utilities Fund - Gas	53185399	7653		$ 73,728		$ -
10	Joint Utilities Fund - Gas	53185399	7651		$ 175,709		$ -

Description: The purpose of this budget revision is to modify the budgeted revenue transfer for FY2026 based on the FY2025 ACRF, aligning it with Council's decision to retain the revenue transfer within the Joint Utilities Fund rather than transferring it to the General Fund.

Fiscal Impact: The net fiscal impact to the Joint Utilities Fund is a decrease in transfers out of $222,235 and an increase in transfers in of $997,749. The net fiscal impact to the General Fund is a decrease in transfers in, and a reduction in fund balance, totaling $1,220,084.

Joann Gentry 3/11/2026

Preparer **Date**

County Manager Approval if Required

Phillo Shelton

Department Director Signature

Budget Manager/Analyst Signature

FY2026

Revenue (Profit) Transfer

Charter Language – Budget Priorities

509. Priority of Budgeted Expenditures.

In order that the Department of Public Utilities can plan and utilize its proceeds for the maintenance, improvement and extension of the utilities system before any part of such proceeds is diverted to general County purposes, all funds derived from the operation of the utilities shall be managed and expended in accordance with the following policies. From the proceeds of the operation of the Department:

1. There shall first be set aside the funds required for current operations.

2. There shall next be set aside the funds required to redeem and pay interest on any bond issue for the utility which shall become due and payable during the next fiscal year.

3. There shall next be provided an adequate reserve to finance replacements required by normal depreciation of the utility plant or equipment as provided in the Schedule of Funds. These reserves may not be used by the County for financing County operations.

4. There shall be paid to the General Fund those amounts set forth in the budget as payments to be made to the County in lieu of franchise fees and taxes that would be normally assessed against privately owned gas and electric utilities.

5. There shall next be a provision for additions and improvements foreseen as necessary to meet future requirements for the utility systems as provided in the Schedule of Funds.

6. All remaining operating profits shall be transferred to the County General Fund.

Chapter 40-63. Budget
Revenue Transfer

(b)(4) Designation of any additional specific remaining amounts as operating profits transfers to the general fund beyond those planned for as indicated in subsection (c)(12).

(c)(12) A profit transfer. Charter section 509 anticipates possible profit transfers from the utility system to the general fund. The county as owner should have a return on its investment in the utility system. It is also prudent fiscal management to plan for a specific level of return. Therefore, this paragraph clarifies that expectation and sets the following budget policy:

a. After providing for the items specified in Charter section 509 1. through 5., the budget shall include an amount for planning purposes for each fiscal year of at least five percent of the electric and gas utilities gross retail revenue and exclusive of that from the county and schools for commodities for their sole use, and an additional amount representing a percentage of the revenue from the department of energy, generated as a result of the department of energy/county joint power pool coordination agreement, for transfer to the general fund as operating profits.

b. After completion and approval of the county's audit, the profit transfer amount for the current fiscal year shall be calculated based upon actual audited revenues from the previous fiscal year. Those calculated amounts will be presented to council to approve as profit transfers to the general fund in the current fiscal year.

c. For a five-year period, which may be extended as provided below, and beginning with fiscal year 2023, upon approval of the profit transfer amounts by council, the council may through formal action re-direct some or all of the profit transfer amounts for use within the joint utility system fund for purposes designated by the council. Those purposes may include, but are not limited to, accelerating investment in utility infrastructure, investing in utility infrastructure to facilitate coordination with roads projects, investing in utility infrastructure to facilitate economic development and housing projects, facilitating utility debt restructuring, and transferring funds between individual utility sub-funds.

d. The above five-year period may be extended by council for one additional year at the time of council's consideration of an annual redirection of a profit transfer so that every year council considers an annual redirection, there is an option for council to add an additional year to the original five-year period.

Timing of Revenue Transfer Actions

FY26 BUDGET (April 2025)	REVENUE TRANSFER REDIRECT (March 2026)
1. DPU included revenue transfer in proposed budget of $829,404 from Electric and $390,680 from Gas	1. FY2025 ACFR Issued
2. DPU proposed & Council approved budget option of $1,450,000 for Trinity Drive Gasline Replacement and Trinity Drive Waterline Replacement	2. DPU proposes & Council considers FY26 Budget Revision based on FY25 ACFR Actual Sales. $702,838 from Electric & $294,911 from Gas for a total of $997,749 to be retained in Joint Utilities for Trinity Drive Gasline Replacement and Trinity Drive Waterline Replacement
	3. Council considers request to extend the redirection period for an additional year as allowed by County Code 40-63(d)

INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM PROFIT TRANSFER AND IN LIEU PAYMENTS TO THE GENERAL FUND
LAST TEN FISCAL YEARS
(UNAUDITED)

	FRANCHISE FEES [a]		IN LIEU TAX [b]			PROFIT TRANSFER [c]		TOTAL
Fiscal Year	ELECTRIC DISTRIBUTION	GAS	ELECTRIC PRODUCTION	ELECTRIC DISTRIBUTION	GAS	ELECTRIC	GAS	JOINT UTILITY SYSTEM
2016	$ 279,200	$ 97,940	$ 100,338 [d]	$ 231,536	$ 81,666	$ 524,540	$ 246,867	$ 1,562,087
2017	251,845	107,486	70,055	297,050	97,875	594,681	226,475	1,645,467
2018	241,046	80,107	63,146	248,680	103,080	574,246	207,175	1,517,480
2019	272,331	107,965	59,318	269,828	104,179	567,249	194,513	1,575,383
2020	267,537	91,985	27,082	285,824	101,719	575,620 [e]	254,014 [e]	1,603,781
2021	273,201	112,791	20,037	266,521	96,089	582,224 [e]	217,504 [e]	1,568,366
2022	265,398	138,423	17,245	260,204	276,202	584,290 [e]	264,621 [e]	1,806,383
2023	273,917	210,445	14,179	250,881	91,295	573,617 [e]	324,883 [e]	1,739,218
2024	293,950	177,418	20,346	264,746	113,590	563,200 [e]	490,612 [e]	1,923,860
2025	335,831	155,365	14,493	269,626	119,224	615,309 [e]	362,814 [e]	1,872,662

Sources: County financial records
Notes:
[a] Franchise Fees are 2% of all Electric Distribution and Gas revenue from all rate classes.
[b] In Lieu of Property Tax is the net book value of Electric and Gas fixed assets divided by three, times the Los Alamos County property tax rate. In Lieu excludes San Juan, El Vado and Abiquiu assets located outside Los Alamos County.
[c] Profit Transfer is 5% of Electric Distribution, Gas, and Water retail revenues excluding sales to schools and the County.
[d] Began paying in lieu tax for solar assets
[e] Per council Ordinance 02-302 Section 40-63 (c)(12), Council approved the redirecting of the DPU profit transfer from the General Fund to remain within the Department of Public Utilities for the purpose of investing in utility infrastructure.

$5,408,708 revenue transfer retained in Joint Utilities Fund FY20-FY25

Total including FY26 $6,406,457

Questions?



Agenda No.:	7.a.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Joann Gentry, Deputy Utility Manager-Finance & Admin.
Legislative File:	**21064-26**

Title
Approval of the DPU FY2027 Budget

Recommended Action
I move that the Board of Public Utilities approve the Fiscal Year 2027 budget (substituting gas fund option 2) as presented and forward to Council for adoption.
I further move that the Board of Public Utilities approve the FY2027 budget option as presented and forward to Council for approval.

Utilities Manager's Recommendation
The Utility Manager recommends that the Board approve the budget and budget option as presented.

Body
Attached is the proposed budget for FY2027 in the amount of **$94,688,744** for total Joint Utilities Fund expenditures. Changes from the preliminary presentation in February are summarized in the table "Changes to Budget since February BPU Meeting" as Attachment A. The budget option is in the amount of **$900,000** for the Fairway Water project.

Rate Changes
The revenues proposed for FY2027 include assumptions of rate increases, which will have ordinances being introduced on April 1, 2026.
Electric Distribution: 8.0% (previously adopted)
Gas: 9.0% (ordinance to be introduced 4/1/26, to be effective 7/1/2026)

Gas Option 2
Discuss adding a Gas Recovery Rate of $0.25 for FY2027 & FY2028 to bring cash to a positive cash flow by end of FY2028 and decrease future rate increases FY2029 through FY2036
Water Distribution: 8.0% (ordinance to be introduced 4/1/26, to be effective 7/1/2026)
Sewer: 7.0% (previously adopted)
The combined impact on a residential customer is approximately $20.27 per month or 7.02%

net increase.

Changes to Budget Since February BPU Meeting

FY2027

- Joint Utility Fund Expenditures for FY2027are $94,688,744 compared to total presented in February of $100,071,991 for total Joint Utilities Fund expenditure.
- **Electric Production:**
  - Expenditure
    - Purchase Power cost decreased $6,530,997, updated purchase power costs
    - Administrative Allocation increased $315, updated allocation for revised administrative expenditures
  - Revenue
    - DOE LANL Sales decreased $3,728,589, updated revenue projections based on revised expenditures
    - Sales to Electric Distribution decreased $1,071,004, updated revenue projections based on revised expenditures
    - DOE Sales - SNL/KAFB Foxtail Flats PV increase $419,544, updated revenue projections based on revised expenditures
    - Economy Sales decreased $2,160,228, updated revenue projections based on revised expenditures
- **Electric Distribution**
  - Expenditure
    - Administrative Allocations increased $9,197, updated allocation for revised administrative expenditures
    - Cost of Power decreased $1,071,004, updated based on revisions in Electric Production
    - Capital increased $1,000,000, updated Capital Improvement Plan
  - Revenue
    - Grant/Loan/Bond Proceeds increased $1,500,000, updated Capital Improvement Plan, $1.5 for EA-4 project
- **Gas**
  - Expenditure
    - Distribution increased $6,600, moved expenditure for Zero Natural Gas Study from Cost of Gas
    - Interdepartmental Changes (IDC's) increased $10,000, updated due to increase cost of Vactor
    - Administrative Allocation increased $7,907, updated allocation for revised administrative expenditures
    - Cost of Gas decreased $6,600, moved expenditure for Zero Natural Gas study to Gas Distribution
- **Water Distribution**
  - Expenditure
    - Interdepartmental Changes (IDC's) increased $30,000, updated due to increased cost of Vactor
    - Administrative Allocation increased $7,581, updated allocation for revised administrative expenditures

- **Water Production**
  - Expenditure
    - Interdepartmental Changes (IDC's) increased $10,000, updated due to increase cost of Vactor
    - Administrative Allocation increased $468, updated allocation for revised administrative expenditures
  - Revenue
    - Potable Sales Wholesale increased $437,767, updated revenue projections based on bulk rate Cost of Water and potable rate for wholesale
    - Interest on Utility Reserves increased $52,322, updated based on changes in cash projections
- **Wastewater**
  - Expenditure
    - Treatment increased $22,000, updated for increased cost of lab testing
    - Interdepartmental Changes (IDC's) increased $50,000, updated due to increase cost of Vactor
    - Administrative Allocation increased $282, updated allocation for revised administrative expenditures

FY2028

- **Electric Production:**
  - Expenditure
    - Purchase Power cost decreased $8,889,169, updated purchase power costs
    - Administrative Allocation decreased $35, updated allocation for revised administrative expenditures
  - Revenue
    - DOE LANL Sales decreased $4,711,625, updated revenue projections based on revised expenditures
    - Sales to Electric Distribution decreased $1,060,090, updated revenue projections based on revised expenditures
    - DOE Sales - SNL/KAFB Foxtail Flats PV increase $4,113,694, updated revenue projections based on revised expenditures
    - Economy Sales decreased $7,223,254, updated revenue projections based on revised expenditures
- **Electric Distribution**
  - Expenditure
    - Administrative Allocations increased $9,363, updated allocation for revised administrative expenditures
    - Debt Service decreased $1,303,654, updated based on Capital Improvement Plan
    - Cost of Power decreased $1,060,090, updated based on revisions in Electric Production
    - Capital decreased $6,000,000, updated Capital Improvement Plan
  - Revenue
    - Grant/Loan/Bond Proceeds decreased $6,000,000, updated Capital Improvement Plan

- **Gas**
  - Expenditure
    - Distribution increased $6,798, moved expenditure for Zero Natural Gas Study from Cost of Gas
    - Administrative Allocation increased $7,998, updated allocation for revised administrative expenditures
    - Cost of Gas decreased $176,411, moved expenditure for Zero Natural Gas study to Gas Distribution & updated cost of Gas Expenditures
- **Water Distribution**
  - Expenditure
    - Administrative Allocation increased $7,464, updated allocation for revised administrative expenditures
- **Water Production**
  - Expenditure
    - Administrative Allocation decreased $52, updated allocation for revised administrative expenditures
  - Revenue
    - Potable Sales Wholesale increased $500,869, updated revenue projections based on bulk rate Cost of Water and potable rate for wholesale
    - Interest on Utility Reserves increased $64,963, updated based on changes in cash projections
- **Wastewater**
  - Expenditure
    - Treatment increased $22,660, updated for increased cost of lab testing
    - Administrative Allocation decreased $32, updated allocation for revised administrative expenditures

Gas Option 2
Discuss adding a Gas Recovery Rate of $0.25 for FY2027 & FY2028 to bring cash to a positive cash flow by end of FY2028 and decrease future rate increases FY2029 through FY2026.

February Staff Report Details
The ten-year capital plan and detailed project descriptions are included in the agenda packet. The project plan shown by utility is included so will not be discussed further, except to address its financial impact on the budget and any proposed or planned financing for these projects.

The following bullets highlight key points related to the current budget proposal:
All Divisions (reflects net change from FY2026 adopted budget)
• The proposed FY2027 budget increases $856,750 (11%) in direct labor costs. This reflects planned salary adjustments, longevity and stability pay, retention pay in accordance with union agreements, and additional funds in the administration budget for two overfill positions included in the FY2027 FTE count.
• The proposed FY2027 budget increases $305,355 (9%) in benefits.

• The proposed FY2027 budget reflects an overall increase of less than 1% in interdepartmental charges (IDCs).

Debt Coverage Ratio

Objective 2.3 from the FY2027 Strategic Focus Areas, Goals & Objectives sets a goal to meet financial reserve targets within our 10- year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year. The projected debt coverage ratio for FY2027 and FY2028 is 1.15 and 0.85, respectively. The main cause is that actual revenues in FY2026 are projected to be lower than the adopted budget. Gas therm sales in FY2026 are projected to be 19% lower due to warm winter weather conditions. Water Distribution sales are projected to be 5% lower due to consumer use. Potable water sales that include LANL are projected to be 9% lower. Non-potable water sales are projected to be 29% lower. Going forward this year's budget is using 5-year historical averages for projected commodity use. Annual debt service payments of $1.2 million for the White Rock Wastewater Treatment Plant and the Bayo Lift Station Elimination Pipeline projects commence in FY2027. The capital improvement project budget anticipates increased debt service to fund new projects over 10 years through a combination of bonds, low-interest loans, and grants. The Board packet includes a second option for Electric Distribution which assumes a $4 million grant for the EA-4 project in FY2028 and delays $4.5 million in bonding to FY2029. The projected debt coverage ratio for FY2027 and FY2028 is 1.15 and 1.34 respectively.

Administration

The department’s administrative budget (which includes Engineering, Public Relations, Finance and Administration, Billing, and Customer Care) will decrease by $221,963 (3%) in FY2027 compared to FY2026. The Finance and Administration Division allocates $35,000 for the annual audit, a slight increase from FY2026 costs. Labor costs account for three vacant positions: one in Finance and Administration, one in Customer Care, and one for the Deputy Utility Manager - Engineering following a retirement for FY2026.

Electric Distribution

Capital Plan:

• The proposed FY2027 capital budget allocates $1,500,000 for the White Rock URD Replacement (Aragon, Ridgecrest, Garver, and Catherine)
• $450,000 for Overhead Systems Replacement
• $35,0 00 for the DP Road Staging Area
• $500,000 for East Gate Substation Design

We plan to seek a bond for CIP expenditures in FY2028. The total projected cost for FY2027 projects is $2,485,000.

O&M Costs:

Increase of $667,535 (8%), excluding In Lieu taxes, includes $183,750 in contractual services for oil disposal and tree trimming services, $103,319 for Overhead maintenance to cover overhead switches, $242,275 in underground maintenance for switch replacement and addition 3-phase or single-phase transformer costs.
Labor and benefits cost include three vacant positions: Deputy Utilities Manager - Electric Distribution, a journeyman lineman, and an Engineering Project Manager (shared with

Electric Production at a 60/40 split).

Rates:
The FY2027 budget incorporates an approved 8% rate increase, while FY2028 revenues reflect an anticipated 9% rate increase. This anticipated rate increase is needed to strengthen cash balances and even with these anticipated increases through FY2036 the cash balance for Electric Distribution does not allow fund reserves by FY2036 per Board-adopted financial guidelines (August 17, 2016).
Debt service:
Aligns with the FY2027 and FY2028 current amortization schedule.

Electric Production

Capital Plan:
The proposed budget allocates $200,000 for the Abiquiu Wicket Gate Hydraulic Servo Motor Replacement.

O&M Costs:
The O&M budget for Electric Production is about $4million (7%) lower higher than FY2026, due primarily to decreases increases in purchased power costs, and costs associated with the landfill photovoltaic array, and the administrative allocation. LANL system upgrades. The O&M budget for Abiquiu Generation includes $2.2 million for the vent shaft repair project which has been delayed from FY2026. The purchased power costs in FY2027 include anticipated power purchases for SNL/KAFB of $6.3 million due to delays in the Foxtail Flats project. SNL/KAFB may not be able to procure a PPA timely. A budget revision to reduce costs will be taken to BPU and Council in the event a PPA is procured. LANL's load forecast is lower by 44,769 MWh in FY2027 this year as compared to FY2026 last year. Labor and benefits cost include an Engineering Project Manager (shared with Electric Distribution at a 60/40 split).

Gas
The NMMEAA agreement provides a guaranteed discount of $0.586 per MMBTU, which is reflected in the FY2027 budget. Natural gas market prices remain uncertain, and purchases for FY2027 are budgeted at $4.1690 per MMBTU, based on the five-year average of the San Juan Index.

Capital Plan:
The proposed FY2027 budget allocates $100,000 for Pipeline Repair & Replacement/Equipment and $35,000 for the DP Road Staging Area

O&M Costs:
Excluding cost of gas, the O&M budget increased $184,244 (5%). Contractual services of $133,777 for uniforms, concrete and asphalt, SCADA services, $20,000 for pipe to soil cathodic monitoring and utility locating equipment, and remaining costs for Pathway to Zero Natural Gas study. The maintenance and Repair budget of $58,195 includes on-call assistance with line maintenance, cathodic protection, PRV maintenance, and a line locate contractor. Gas funds IDCs include $45,000 or 10% of $450,000 Vactor (Vacuum Excavator) cost.

Sales and Rates:
Sales for gas have decreased from projected 800,000 therms to 760,000 therms in FY2026, therefore decreasing sales revenues.

The FY2027 and FY2028 budgets propose a 9% increase to fixed gas and service charges. Current rates are $0.34 per therm and $14.25 for the monthly service charge. Proposed rates are $0.37 per therm and $15.53 per month in FY2027, and $0.40 per therm and $16.93 per month in FY2028. Variable rate is budgeted at $0.42 per therm. This anticipated rate increase is also needed to strengthen cash balances and fund reserves by FY2036.

Water Production and Distribution

Capital Plan Water Production:
- $2,640,000 in grants and low-interest loans from the Water Trust Board for repainting Pajarito Tank 4A and Phase I of the Pajarito Road Transmission Line Replacement.
- $995,000 in CIP funds:
  - $320,000 - Repainting Pajarito Tank 4A
  - $340,000 - Phase I of Pajarito Road Transmission Line Replacement
  - $300,000 - Pajarito Well No. 3 Replacement Wall Design
  - $35,000 - DP Staging Area

Non-potable projects funded through Water Trust Board grants/loans will proceed only if funding is secured.

O&M Costs:
Increase of $420,437 (7%) from FY2026 to FY2027, the increase includes $49,000 for treatment, which includes disinfection unit upgrades and disinfection tablets. For storage tanks, $300,000 is budgeted for tank inspection and cleaning services, which is a new cost in FY2027. IDCs increased $106,070 (24%) in FY2027 from FY2026. Water Distribution funds IDCs include $45,000 or 10% of $450,000 Vactor cost.

Rates:
Proposed 8% rate increases are proposed for both potable and non-potable water rates. Additional increases are included in the 10-year forecast to meet reserve targets by FY2036.

Debt Service: Aligns with the FY2027 and FY2028 current amortization schedule.

Capital Plan for Water Distribution:
- $1.2 million in projects funded with low-interest Drinking Water State Revolving Fund grant/loan for Denver Steel Phase III (with Public Works).
- $35,000 in CIP funds for DP Staging Area

O&M Costs:
Excluding cost of water, O&M costs increased $217,764. The water distribution budget includes $106,887 for PRV replacements, $100,000 for water line repair kits and couplings, and $358,955 for contractual services. Water Distribution funds IDCs include $135,000 or 30% of $450,000 Vactor cost.

Sales & Rates:
Water sales have declined over the past five years, with projections decreasing from 800,000 Kgal to approximately 760,000 Kgal over the next decade. To strengthen cash balances and meet reserve funding requirements by FY2036 in accordance with Board-adopted financial guidelines, proposed rate increases of 8% are planned for FY2027 and FY2028. Additional rate adjustments are included in the 10-year forecast.
Debt Service: Aligns with the FY2027 and FY2028 current amortization schedule.
The capital budget for water production and distribution continues to leverage low-interest financing.

Wastewater Division

Capital Plan:
Sewer Collection
- $150,000 - Denver Steels Phase II (Public Works road project)
- $1,700,000 - Sewer Line Replacement (RIP Loan)

o $800,000 - Fairway St
o $600,0000 - Sycamore St
o $300,000 - North Community/Western Area sewer mains and services
Capital expenditure decreased $510,000 (19%).

O&M:
Increased by $448,590 (6%) due to additional operations staffing for collections and treatment. This increase is primarily driven by several departmental promotions tied to certification. Wastewater funds IDCs also include $250,000 or 50% of $450,000 Vactor cost.

Rates:
FY2027 currently has a 7% increase, and we are anticipating an 8% increase for FY2028. Additional increases are included in the 10-year forecast to meet reserve targets by FY2036.

Profit Transfer/ Budget Options
The budget presented in the Financial Statement Fund Flow excludes projects proposed for funding through Profit Transfer funds. A five-year schedule of projected project recommendations is provided in the 10-Year CIP and Budget Option Plans. For FY2027, one project is proposed to coordinate utility infrastructure replacements with planned road construction on Fairway. Profit Transfer funding from sales for FY2027 totals $1,203,059, with $900,000 in projects proposed. The recommended motion for budget approval, when presented, will include a clause for approval of use of profit transfer funds of spending authority for this project as “budget options.”

Budget Packet Report Descriptions
- Financial Statement Fundflows: building the budget from the ground up, including revenues, operating expenses, capital expenditures, and other financing and expenditure types
- Full-Time Equivalent (FTE) Employee Count
- 10 -Year Capital Improvement Plan (CIP) and 5-Year Budget Option Projects: Listing capital projects by utility and fiscal year, with any associated planned loan, grant and bond funding

- 10-Year Forecast Graphs for Revenue, Expense, and Cash
- Typical Monthly Bill: Historical and Projected Monthly Bill for Residential Customers
- 10-Year Financial Forecast: Load Forecast, Rate Forecast, Cash Inflows, Cash Outflows, Net Cash, Projected Reserve Balances, and Reserve Targets.
- Debt Coverage Ratio Projection: Demonstrate compliance with the Strategic 2.3 debt coverage ratio of 1.3 or greater
- Schedule of Funds: Schedule required by Charter and Ordinance, details cash and reserve projections, approved by County CFO

Alternatives

The Board could make changes to the recommended total budget, which would be included for consideration at the Council deliberation.

Fiscal and Staff Impact

Details attached

Attachments

A - Changes to Budget Since February BPU Meeting
B - DPU FY2027 Budget Packet
C - DPU Budget Option FY2027

Los Alamos County - Department of Public Utilities

Changes to Budget Since February BPU Meeting

FY2027 BUDGET

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Joint Utilities Fund	**Total Expenditure Budget**	**$ 100,071,991**	**$ 94,688,744**	**$ (5,383,247)**
Total Change from February to March - Detailed explanations below				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Purchased Power**	**$ 36,465,864**	**$ 29,934,867**	**$ (6,530,997)**
Updated power purchases				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Administrative Allocation**	**$ 1,696,566**	**$ 1,696,881**	**$ 315**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Administrative Allocation**	**$ 1,475,313**	**$ 1,484,510**	**$ 9,197**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Cost of Power**	**$ 10,415,541**	**$ 9,344,537**	**$ (1,071,004)**
Updated based on revisions in Electric Production				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Capital**	**$ 2,485,000**	**$ 3,485,000**	**$ 1,000,000**
Updated Capital Improvement Plan				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Gas	**Distribution**	**$ 284,829**	**$ 291,429**	**$ 6,600**
Moved expenditures for Pathway to Zero Natural Gas Study from Cost of Gas				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Gas	**Interdepartmental Charges (IDCs)**	**$ 602,062**	**$ 612,062**	**$ 10,000**
Updated allocation based on revised budget for Vactor purchase				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Gas	**Administrative Allocation**	**$ 916,376**	**$ 924,283**	**$ 7,907**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Gas	**Cost of Gas**	**$ 2,836,777**	**$ 2,830,177**	**$ (6,600)**
Moved expenditures for Pathway to Zero Natural Gas Study to Gas Distribution				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Distribution	**Interdepartmental Charges (IDCs)**	**$ 596,902**	**$ 626,902**	**$ 30,000**
Updated allocation based on revised budget for Vactor purchase				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Distribution	**Administrative Allocation**	**$ 1,035,623**	**$ 1,043,204**	**$ 7,581**

Los Alamos County - Department of Public Utilities

Changes to Budget Since February BPU Meeting

FY2027 BUDGET

Updated allocation for revised Administrative expenditures

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Production	**Interdepartmental Charges (IDCs)**	**$ 547,362**	**$ 557,362**	**$ 10,000**
Updated allocation based on revised budget for Vactor purchase				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Production	**Administrative Allocation**	**$ 742,645**	**$ 743,113**	**$ 468**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Wastewater	**Treatment**	**$ 1,123,440**	**$ 1,145,440**	**$ 22,000**
Updated budget for lab testing				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Wastewater	**Interdepartmental Charges (IDCs)**	**$ 1,177,897**	**$ 1,227,897**	**$ 50,000**
Updated allocation based on revised budget for Vactor purchase				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Wastewater	**Administrative Allocation**	**$ 780,224**	**$ 780,506**	**$ 282**
Updated allocation for revised Administrative expenditures				

Los Alamos County - Department of Public Utilities

Changes to Budget Since February BPU Meeting

FY2027 BUDGET

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Joint Utilities Fund	**Total Revenue Budget**	**$ 98,183,462**	**$ 94,730,279**	**$ (3,453,183)**
Total Change from February to March - Detailed explanations below				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**DOE Sales - LANL**	**$ 36,435,143**	**$ 32,706,554**	**$ (3,728,589)**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Sales to Electric Distribution**	**$ 10,415,541**	**$ 9,344,537**	**$ (1,071,004)**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**DOE Sales - SNL/KAFB Foxtail Flats PV**	**$ 1,029,080**	**$ 1,448,624**	**$ 419,544**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Economy Sales**	**$ 8,660,228**	**$ 6,500,000**	**$ (2,160,228)**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Grant/Loan/Bond Proceeds**	**$ -**	**$ 1,500,000**	**$ 1,500,000**
Updated Capital Improvement Plan. $1.5M for EA-4 project				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Production	**Potable Sales Wholesale**	**$ 1,110,057**	**$ 1,573,824**	**$ 463,767**
Updated revenue projection based on bulk rate Cost of Water and potable rate for wholesale				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Production	**Interest on Utility Reserves**	**$ 125,811**	**$ 178,133**	**$ 52,322**
Updated based on budget cash projections				

Los Alamos County - Department of Public Utilities

Changes to Budget Since February BPU Meeting

FY2028 BUDGET

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Joint Utilities Fund	**Total Expenditure Budget**	**$ 145,507,481**	**$ 129,192,412**	**$ (16,315,069)**
Total Change from February to March - Detailed explanations below				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Purchased Power**	**$ 57,749,790**	**$ 48,860,621**	**$ (8,889,169)**
Updated power purchases				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Administrative Allocation**	**$ 1,752,991**	**$ 1,752,956**	**$ (35)**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Administrative Allocation**	**$ 1,526,295**	**$ 1,535,658**	**$ 9,363**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Debt Service**	**$ 2,459,026**	**$ 1,155,372**	**$ (1,303,654)**
Updated based on revised Capital Improvement Plan				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Cost of Power**	**$ 12,527,744**	**$ 11,467,654**	**$ (1,060,090)**
Updated based on revisions in Electric Production				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Capital**	**$ 9,450,000**	**$ 3,450,000**	**$ (6,000,000)**
Updated Capital Improvement Plan				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Gas	**Distribution**	**$ 293,415**	**$ 300,213**	**$ 6,798**
Moved expenditures for Pathway to Zero Natural Gas Study from Cost of Gas				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Gas	**Administrative Allocation**	**$ 948,366**	**$ 956,364**	**$ 7,998**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Gas	**Cost of Gas**	**$ 3,091,493**	**$ 2,915,082**	**$ (176,411)**
Moved expenditures for Pathway to Zero Natural Gas Study to Gas Distribution. Updated Cost of Gas expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Distribution	**Administrative Allocation**	**$ 1,072,674**	**$ 1,080,138**	**$ 7,464**
Updated allocation for revised Administrative expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Production	**Administrative Allocation**	**$ 770,902**	**$ 770,850**	**$ (52)**
Updated allocation for revised Administrative expenditures				

Los Alamos County - Department of Public Utilities

Changes to Budget Since February BPU Meeting

FY2028 BUDGET

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Wastewater	**Treatment**	**$ 1,165,316**	**$ 1,187,976**	**$ 22,660**
Updated budget for lab testing				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Wastewater	**Administrative Allocation**	**$ 808,614**	**$ 808,582**	**$ (32)**
Updated allocation for revised Administrative expenditures				

Los Alamos County - Department of Public Utilities

Changes to Budget Since February BPU Meeting

FY2028 BUDGET

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Joint Utilities Fund	**Total Revenue Budget**	**$ 143,540,617**	**$ 130,285,263**	**$ (13,255,354)**
Total Change from February to March - Detailed explanations below				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**DOE Sales - LANL**	**$ 56,495,870**	**$ 51,784,245**	**$ (4,711,625)**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Sales to Electric Distribution**	**$ 12,527,744**	**$ 11,467,654**	**$ (1,060,090)**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**DOE Sales - SNL/KAFB Foxtail Flats PV**	**$ 3,121,070**	**$ 7,234,764**	**$ 4,113,694**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Production	**Economy Sales**	**$ 13,723,254**	**$ 6,500,000**	**$ (7,223,254)**
Updated revenue projections based on revised expenditures				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Electric Distribution	**Grant/Loan/Bond Proceeds**	**$ 8,500,000**	**$ 2,500,000**	**$ (6,000,000)**
Updated Capital Improvement Plan				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Production	**Potable Sales Wholesale**	**$ 1,198,861**	**$ 1,699,730**	**$ 500,869**
Updated revenue projection based on bulk rate Cost of Water and potable rate for wholesale				

Fund	Budget Category	FEB Amount	MAR Amount	Delta
Water Production	**Interest on Utility Reserves**	**$ 102,503**	**$ 167,466**	**$ 64,963**
Updated based on budget cash projections				

Department of Public Utilities

FY2027-2028 Proposed Budget Packet

LOS ALAMOS
Department of Public Utilities

DEPARTMENT OF PUBLIC UTILITIES
FY2027-2028 PROPOSED BUDGET PACKET
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Financial Statement Fund Flow

LOS ALAMOS
Department of Public Utilities

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Electric Production	45,607,979	48,745,903	61,010,331	62,261,544	49,821,242	(11,189,089)	-18%	80,037,884	61%
Electric Distribution	16,704,451	20,322,341	21,864,972	26,222,736	22,122,964	257,992	1%	24,510,942	11%
Less Interdivision Electric Sales	(8,966,804)	(11,534,782)	(11,110,992)	(11,110,992)	(9,344,537)	1,766,455	-16%	(11,467,654)	23%
Total Electric Fund	53,345,626	57,533,462	71,764,311	77,373,288	62,599,670	(9,164,641)	-13%	93,081,172	49%
Gas	$ 5,553,848	$ 6,474,613	$ 7,738,714	$ 7,936,105	$ 6,643,642	$ (1,095,072)	-14%	6,767,628	2%
Water Production	10,992,631	16,338,001	10,199,583	30,864,798	9,806,988	(392,595)	-4%	11,605,070	18%
Water Distribution	7,715,142	8,836,656	12,539,733	13,825,752	9,518,350	(3,021,383)	-24%	10,026,341	5%
Less Interdivision Water Sales	(4,675,871)	(4,553,886)	(4,200,000)	(4,200,000)	(4,588,272)	(388,272)	9%	(4,955,334)	8%
Total Water Fund	14,031,903	20,620,770	18,539,316	40,490,549	14,737,066	(3,802,250)	-21%	16,676,077	13%
Wastewater	$ 18,003,469	$ 10,699,221	$ 10,697,494	$ 13,978,649	$ 10,708,366	$ 10,872	0%	12,667,535	18%
Total Expenditure Budget	**90,934,845**	**95,328,065**	**108,739,835**	**139,778,591**	**94,688,744**	**(14,051,091)**	**-13%**	**129,192,412**	**36%**

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Revenues									
Wholesale Sales	37,021,956	38,272,301	53,008,007	52,625,863	42,229,003	(10,779,004)	-20%	70,458,739	67%
Retail Sales	35,427,083	36,694,058	42,515,988	39,465,001	43,240,217	724,229	2%	46,669,191	8%
Non Potable Sales	325,360	398,550	214,807	362,580	391,586	176,779	82%	422,913	8%
Bond Federal Subsidy	118,249	104,221	93,298	93,298	75,788	(17,510)	-19%	57,731	-24%
Other Revenues	964,038	252,476	246,000	246,000	266,472	20,472	8%	266,472	0%
Repayment of Intra Subfund Loan	93,784	-	-	-	-	-	0%	-	0%
Interest Income	2,094,317	5,253,944	2,663,795	2,663,795	2,185,271	(478,524)	-18%	2,167,466	-1%
Revenue on Recoverable Work	275,311	480,208	205,000	205,000	205,000	-	0%	205,000	0%
Total Revenues	$ 76,320,098	$ 81,455,759	$ 98,946,895	$ 95,661,537	$ 88,593,338	$ (10,353,557)	-10%	$ 120,247,512	36%
Operating Expenses by Program									
Electric	51,386,836	55,849,110	68,909,311	69,073,466	58,914,670	(9,994,641)	-15%	88,581,172	50%
Gas	5,271,162	6,268,746	6,913,714	6,911,105	6,508,642	(405,072)	-6%	6,657,628	2%
Water	7,555,821	7,892,150	9,180,816	9,561,549	9,867,066	686,250	7%	10,156,077	3%
Wastewater	5,699,449	5,668,804	8,002,494	8,021,326	8,523,366	520,872	7%	8,517,535	0%
Total Operating Expenses by Program	$ 69,913,268	$ 75,678,811	$ 93,006,335	$ 93,567,446	$ 83,813,744	$ (9,192,591)	-10%	$ 113,912,412	36%
Operating Income (Loss)	**$ 6,406,830**	**$ 5,776,948**	**$ 5,940,560**	**$ 2,094,091**	**$ 4,779,594**	**$ (1,160,966)**		**$ 6,335,101**	
Capital Expenditures									
Capital Expenditures	21,021,577	19,649,255	15,733,500	46,211,145	10,875,000	(4,858,500)	-31%	15,280,000	41%
Other Financing									
Grants/Loan Proceeds	14,778,924	13,733,083	8,000,000	12,688,450	7,340,000	(660,000)	-8%	11,336,000	54%
County/External Reimbursement	1,176,296	736,958	-	9,400,153	-	-	0%	-	0%
Transfer from General Fund	394,892	3,050,000	100,000	3,150,000	-	(100,000)	-100%	-	0%
Transfer to Fleet	(48,066)	-	-	-	-	-	0%	-	0%
Revenue Transfer	(490,612)	-	(1,220,084)	(1,220,084)	(1,203,059)	17,025	-1%	(1,298,249)	8%
Revenue Transfer Council Redirect	1,095,598	-	-	-	-	-	0%	-	0%
Other Judgments/Settlements	58,112,113	23,390	-	-	-	-	0%	-	0%
Total Other Financing	75,019,147	17,543,430	6,879,916	24,018,519	6,136,941	(742,975)	-11%	10,037,751	64%
Net Income (Loss)	**$ 60,404,400**	**$ 3,671,123**	**$ (2,913,024)**	**$ (20,098,536)**	**$ 41,535**	**$ 2,954,559**		**$ 1,092,852**	
Expenditures by Type:									
Salaries	7,224,254	7,972,740	8,068,128	8,068,128	8,924,878	856,750	11%	9,097,269	2%
Benefits	2,680,591	3,038,760	3,333,968	3,333,968	3,639,323	305,355	9%	3,685,202	1%
Professional/Contractual Services	65,161,098	68,092,232	77,551,550	108,427,820	61,681,498	(15,870,052)	-20%	95,444,892	55%
Materials/Supplies	2,274,793	2,357,002	2,058,914	2,109,002	2,345,073	286,159	14%	2,401,033	2%
Interfund Charges	9,948,833	10,471,979	12,336,946	12,376,946	12,394,704	57,758	0%	13,164,062	6%
Capital Outlay	720,170	397,737	621,796	694,194	1,050,633	428,837	69%	489,124	-53%
Fiscal Charges	2,925,107	2,997,614	4,768,533	4,768,533	4,652,635	(115,898)	-2%	4,910,830	6%
Total	90,934,845	95,328,065	108,739,835	139,778,591	94,688,744	(14,051,091)	-13%	129,192,412	36%

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Revenue									
Mwh Sales - LANL	381,849	365,967	485,207	485,207	440,492	(44,715)	-9%	569,058	29%
Mwh Sales - LAC Distribution	118,952	118,484	123,455	123,455	123,401	(54.29)	0%	124,018	0%
Total Mwh Sales	500,801	484,451	608,662	608,662	563,893	(44,769)	-7%	693,076	23%
LAPP Revenue per Mwh	$ 75.68	$ 91.53	$ 90.00	$ 90.00	$ 74.25	(15.75)	-18%	$ 91.00	23%
DOE Sales - LANL	28,931,780	32,806,216	43,668,618	43,668,618	32,706,554	(10,962,064)	-25%	51,784,245	58%
Sales to Electric Distribution	8,966,804	11,534,782	11,110,992	11,110,992	$ 9,344,537	(1,766,455)	-16%	11,467,654	23%
DOE Sales - SNL/KAFB Foxtail Flats PV	-	-	-	-	1,448,624	1,448,624	100%	7,234,764	399%
SNL/KAFB Foxtail Flats BESS Fixed Charge	-	-	-	-	-	-	0%	3,240,000	100%
Economy Sales	6,557,348	4,757,393	7,500,000	7,500,000	6,500,000	(1,000,000.00)	-13%	6,500,000	0%
Interest Income	1,080,280	3,633,419	2,000,000	2,000,000	2,000,000	-	0%	2,000,000	0%
Bond Federal Subsidy	30,866	27,027	24,080	24,080	19,561	(4,519.00)	-19%	14,900	-24%
Total Revenue	$ 45,567,079	$ 52,758,837	$ 64,303,690	$ 64,303,690	$ 52,019,276	$ (12,284,414)	-19%	$ 82,241,563	58%
Operating Expenses									
El Vado Generation	743,736	991,272	870,812	871,575	975,162	104,350	12%	994,052	2%
Abiquiu Generation	758,550	686,434	3,131,147	3,131,692	2,979,836	(151,311)	-5%	759,370	-75%
Contract Administration	61,901	11,257	89,755	89,755	68,969	(20,786)	-23%	71,038	3%
Load Control	2,037,401	2,102,113	2,699,178	2,699,178	2,867,688	168,510	6%	2,189,695	-24%
Transmission - PNM	3,444,480	3,106,142	3,577,249	3,577,249	3,761,111	183,862	5%	3,948,917	5%
Transmission - Other	3,094,458	3,236,801	3,700,528	3,700,528	3,885,554	185,026	5%	4,079,832	5%
Purchased Power	30,268,359	33,446,364	39,582,229	39,582,229	29,934,867	(9,647,362)	-24%	48,860,621	63%
Landfill Photovoltaic Array	20,346	979,383	1,450,050	1,450,050	258,500	(1,191,550)	-82%	8,500	-97%
Debt Service	441,377	432,136	577,462	577,462	416,362	(161,100)	-28%	413,957	-1%
Energy Storage Agreement	-	-	-	-	-	-	0%	12,960,000	100%
Laramie River Operations	2,445,121	2,028,682	2,067,858	2,067,858	2,100,000	32,142	2%	2,205,000	5%
SMR Project	321,127	-	-	-	-	-	0%	-	0%
Interdepartmental Charges	600,732	601,991	637,973	637,973	676,312	38,339	6%	743,946	10%
Administrative Allocation	730,941	858,209	1,846,090	1,846,090	1,696,881	(149,209)	-8%	1,752,956	3%
Total Operating Expenses	$ 44,968,529	$ 48,480,784	$ 60,230,331	$ 60,231,640	$ 49,621,242	$ (10,609,089)	-18%	$ 78,987,884	59%
Operating Income (Loss)	**$ 598,550**	**$ 4,278,053**	**$ 4,073,359**	**$ 4,072,050**	**$ 2,398,034**	**$ (1,675,325)**		**$ 3,253,679**	
Capital Expenditures									
Capital Expenditures	639,450	265,119	780,000	2,029,904	200,000	(580,000)	-74%	1,050,000	425%
Other Financing									
Other Judgments/Settlements	58,112,113	23,390	-	-	-	-	0%	-	0%
Transfer to ED for Capital Plan	-	-	(2,000,000)	(2,000,000)	(2,000,000)	-	0%	(2,000,000)	0%
Net Income (Loss)	**$ 58,071,213**	**$ 4,036,324**	**$ 1,293,359**	**$ 42,146**	**$ 198,034**	**$ (1,095,325)**		**$ 203,679**	
Expenditures by Type:									
Salaries	1,720,337	1,816,713	1,781,619	1,781,619	1,658,342	(123,277)	-7%	1,722,485.00	4%
Benefits	655,986	697,458	707,228	707,228	663,246	(43,982)	-6%	681,713.00	3%
Professional/Contractual Services	41,269,738	43,981,933	55,169,646	56,420,859	44,335,055	(10,834,591)	-20%	74,350,544	68%
Materials/Supplies	123,759	221,257	225,952	225,952	248,944	22,992	10%	242,853	-2%
Interfund Charges	1,331,673	1,460,200	2,484,063	2,484,063	2,373,193	(110,870)	-4%	2,496,902	5%
Capital Outlay	65,108	136,205	64,361	64,361	126,100	61,739	96%	129,430	3%
Fiscal Charges	441,377	432,136	577,462	577,462	416,362	(161,100)	-28%	413,957	-1%
Total	**$ 45,607,979**	**$ 48,745,903**	**$ 61,010,331**	**$ 62,261,544**	**$ 49,821,242**	**$ (11,189,089)**	**-18%**	**$ 80,037,884**	**61%**

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Revenue									
kWh Sales	118,952,361	118,484,231	123,455,462	120,815,751	123,401,169	(54,293)	0%	124,018,175	0%
Revenue per kWh	$ 0.1241	$ 0.1430	$ 0.1562	$ 0.1559	$ 0.1683	$ 0.0121	8%	$ 0.1801	7%
Sales Revenue	14,758,522	16,942,566	19,288,456	18,830,797	20,772,471	1,484,015	8%	22,337,677	8%
Interest Income	264,540	819,599	166,894	166,894	-	(166,894)	-100%	-	0%
Bond Federal Subsidy	66,045	62,533	58,759	58,759	47,731	(11,028)	-19%	36,359	-24%
Miscellaneous/Pole Rentals	586,206	143,476	186,000	186,000	186,000	-	0%	186,000	0%
Revenue on Recoverable Work	164,445	480,231	150,000	150,000	150,000	-	0%	150,000	0%
EV Charge Stations	16	17,387	-	-	20,472	20,472	100%	20,472	0%
Total Revenue	$ 15,839,774	$ 18,465,792	$ 19,850,109	$ 19,392,450	$ 21,176,674	$ 1,326,565	7%	$ 22,730,508	7%
Operating Expenses									
Operations Staffing Related	2,391,398	2,769,648	3,016,111	3,016,111	3,560,650	544,539	18%	3,630,939	2%
Substation Maintenance	1,715	1,608	95,300	95,300	91,350	(3,950)	-4%	94,133	3%
Switching Station Maintenance	10,661	16,314	90,760	90,760	88,300	(2,460)	-3%	90,950	3%
Overhead Maintenance	196,223	246,365	329,820	375,795	499,634	169,814	51%	514,624	3%
Underground Maintenance	144,082	208,390	333,788	341,345	357,396	23,608	7%	368,119	3%
Meter Maintenance	718	9,304	23,950	23,950	24,269	319	1%	25,015	3%
EV Charge Stations	-	17,041	-	39,313	33,780	33,780	100%	33,780	0%
Interdepartmental Charges	1,198,599	1,182,446	1,355,469	1,425,469	1,352,784	(2,685)	0%	1,488,066	10%
Eng. Cust Svc. MR and Admin	940,908	1,304,006	1,554,403	1,554,403	1,484,510	(69,893)	-4%	1,535,658	3%
In Lieu Taxes & Franchise fee	558,695	605,457	701,068	701,068	638,784	(62,284)	-9%	656,632	3%
Debt Service	975,308	1,007,749	1,178,311	1,178,311	1,161,971	(16,340)	-1%	1,155,372	-1%
Cost of Power	8,966,804	11,534,782	11,110,992	11,110,992	9,344,537	(1,766,455)	-16%	11,467,654	23%
Total Operating Expenses	$ 15,385,111	$ 18,903,108	$ 19,789,972	$ 19,952,818	$ 18,637,964	$ (1,152,008)		$ 21,060,942	13%
Operating Income (Loss)	**$ 454,663**	**$ (437,316)**	**$ 60,137**	**$ (560,368)**	**$ 2,538,710**	**$ 2,478,573**		**$ 1,669,566**	
Capital Expenditures									
Capital Expenditures	1,319,340	1,419,233	2,075,000	6,269,918	3,485,000	1,410,000	68%	3,450,000	-1%
Other Financing									
Grants/Loan/Bond Proceeds	-	-	-	-	1,500,000	1,500,000.00	0%	2,500,000	100%
Transfer from Electric Production		-	2,000,000	2,000,000	2,000,000	-	0%	2,000,000	0%
Transfer from General Fund	80,416	-	-	-	-	-	0%		0%
Transfer to Fleet	(48,066)	-	-	-	-	-	0%		0%
Revenue Transfer	-	-	(829,404)	(829,404)	(893,217)	(63,813.00)	8%	(960,521)	8%
Revenue Transfer Council Redirect	(563,200)	(615,309)	-	-	-	0	0%		0%
Net Income (Loss)	**$ (1,395,528)**	**$ (2,471,858)**	**$ (844,267)**	**$ (5,659,690)**	**$ 1,660,493**	**$ 2,504,760**		**$ 1,759,045**	
Expenditures by Type:									
Salaries	1,744,103	1,951,435	1,913,867	1,913,867	2,333,844	419,977	22%	2,383,669	2%
Benefits	636,624	745,643	836,414	836,414	956,662	120,248	14%	970,353	1%
Professional/Contractual Services	1,077,740	1,767,851	3,079,568	7,288,714	4,468,500	1,388,932	45%	4,460,696	0%
Materials/Supplies	1,046,321	743,018	582,886	619,105	723,278	140,392	24%	744,141	3%
Interfund Charges	2,139,982	2,504,210	2,920,034	2,960,034	2,851,585	(68,449)	-2%	3,038,045	7%
Capital Outlay	64,585	67,653	242,900	315,298	282,588	39,688	16%	291,012	3%
Fiscal Charges	1,028,292	1,007,749	1,178,311	1,178,311	1,161,971	(16,340)	-1%	1,155,372	-1%
Total	**$ 7,737,647**	**$ 8,787,559**	**$ 10,753,980**	**$ 15,111,744**	**$ 12,778,428**	**$ 2,024,448**	**19%**	**$ 13,043,288**	**2%**

Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Gas Distribution

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Revenue									
Therm Sales	7,533,515	7,378,988	8,400,000	6,600,000	6,800,000	(1,600,000)	-19%	6,800,000	0%
Revenue per Therm	$ 1.0243	$ 0.8485	$ 0.9959	$ 0.8951	$ 0.9757	$ (0.0202)	-2%	$ 1.0635	9%
Sales Revenue	7,716,412	6,260,836	8,365,728	5,907,883	6,634,731	(1,730,997)	-21%	7,231,857	9%
Interest on Utility Reserves	3,281	45,076	37,825	37,825	-	(37,825)	-100%	-	0%
Revenue on Recoverable Work	35,199	42,248	20,000	20,000	20,000	-	0%	20,000	0%
Misc. Service Revenues	162,425	-	-	-	-	-	0%	-	0%
Total Revenue	$ 7,917,318	$ 6,348,159	$ 8,423,553	$ 5,965,708	$ 6,654,731	$ (1,768,822)	-21%	$ 7,251,857	9%
Operating Expenses									
Operations Staffing Related	1,049,979	1,390,430	1,463,390	1,433,504	1,606,451	143,061	10%	1,625,709	1%
Gas Distribution	173,801	205,954	214,343	214,343	291,429	77,086	36%	300,213	3%
Gas Meters	55,876	272,095	64,476	64,476	66,411	1,935	3%	68,404	3%
Interdepartmental Charges	530,496	493,791	485,494	485,494	612,062	126,568	26%	612,771	0%
Eng. Cust Svc. MR and Admin	599,932	836,900	927,190	927,190	924,283	(2,907)	0%	956,364	3%
In Lieu Taxes & Franchise fee	291,007	274,588	314,821	314,821	177,829	(136,992)	-44%	179,085	1%
Cost of Gas	2,570,071	2,794,989	3,444,000	3,471,278	2,830,177	(613,823)	-18%	2,915,082	3%
Total Operating Expenses	$ 5,271,162	$ 6,268,746	$ 6,913,714	$ 6,911,105	$ 6,508,642	$ (405,072)	-6%	$ 6,657,628	2%
Operating Income (Loss)	**$ 2,646,156**	**$ 79,413**	**$ 1,509,839**	**$ (945,398)**	**$ 146,090**	**$ (1,363,749)**		**$ 594,229**	
Capital Expenditures									
Capital Expenditures	282,686	205,866	825,000	1,025,000	135,000	(690,000)	-84%	110,000	-19%
Other Financing									
Revenue Transfer	(490,612)	-	(390,680)	(390,680)	(309,842)	80,838	-21%	(337,728)	9%
Revenue Transfer Council Redirect	178,235	(362,814)	-	-	-	-	0%	-	0%
Net Income (Loss)	**$ 2,051,093**	**$ (489,267)**	**$ 294,159**	**$ (2,361,078)**	**$ (298,752)**	**$ (592,911)**		**$ 146,501**	
Expenditures by Type:									
Salaries	648,632	912,919	918,856	918,856	1,050,318	131,462	14%	1,063,039	1%
Benefits	264,774	335,365	377,184	377,184	423,290	46,106	12%	425,962	1%
Professional/Contractual Services	3,252,352	3,421,649	4,831,633	5,029,024	3,385,342	(1,446,291)	-30%	3,453,707	2%
Materials/Supplies	197,036	442,194	198,357	198,357	224,424	26,067	13%	231,158	3%
Interfund Charges	1,127,577	1,332,690	1,412,684	1,412,684	1,483,443	70,759	5%	1,571,337	6%
Capital Outlay	63,476	29,796	-	-	76,825	76,825	100%	22,425	-71%
Fiscal Charges	-	-	-	-	-	-	0%	-	0%
Total	**$ 5,553,848**	**$ 6,474,613**	**$ 7,738,714**	**$ 7,936,105**	**$ 6,643,642**	$ (1,095,072)	-14%	$ 6,767,628	2%

Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Water Distribution

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Revenue									
Sales in Thousand of Gallons	790,698	723,981	800,000	760,000	760,000	(40,000)	-5%	760,000	0%
Revenue per thousand gallons	$ 8.2596	$ 9.4154	$ 9.5145	$ 9.9803	$ 10.7787	$ 1.2642	13%	$ 11.6410	8%
Sales Revenue	6,530,852	6,816,567	7,611,636	7,585,044	8,191,848	580,212	8%	8,847,196	8%
Interest on Utility Reserves	5,280	58,175	-	-	-	-	0%	-	0%
Revenue on Recoverable Work	56,053	(24,876)	25,000	25,000	25,000	-	0%	25,000	0%
Misc Service Revenues	80,203	91,612	60,000	60,000	60,000	-	0%	60,000	0%
Total Revenue	$ 6,672,387	$ 6,941,479	$ 7,696,636	$ 7,670,044	$ 8,276,848	$ 580,212	8%	$ 8,932,196	8%
Operating Expenses									
Operations Staffing Related	1,116,772	1,220,438	1,269,796	1,269,910	1,243,681	(26,115)	-2%	1,259,379	1%
Water Distribution	235,519	408,006	501,278	716,320	706,980	205,702	41%	728,191	3%
Water Meters	210,631	57,102	283,250	286,253	74,311	(208,939)	-74%	76,540	3%
Interdepartmental Charges	417,792	372,567	354,361	354,361	626,902	272,541	77%	508,094	-19%
Eng. Cust Svc. MR and Admin	567,837	761,105	1,031,048	1,031,048	1,043,204	12,156	1%	1,080,138	4%
Debt Service	-	-	-	-	-	-	0%	118,665	100%
Cost of Water	4,675,871	4,553,886	4,200,000	4,200,000	4,588,272	388,272.00	9%	4,955,334	8%
Total Operating Expenses	$ 7,224,421	$ 7,373,104	$ 7,639,733	$ 7,857,892	**$ 8,283,350**	$ 643,617	8%	$ 8,726,341	5%
Operating Income (Loss)	**$ (552,033)**	**$ (431,625)**	**$ 56,903**	**$ (187,847)**	**$ (6,502)**	**$ (63,405)**		**$ 205,855**	
Capital Expenditures									
Capital Expenditures	490,721	1,463,551	4,900,000	5,967,860	1,235,000	(3,665,000)	-75%	1,300,000	5%
Other Financing									
Grants/Loan Proceeds	-	-	3,500,000	3,500,000	1,200,000	(2,300,000)	-66%	1,000,000	-17%
Revenue Transfer Council Redirect	879,411	978,123	-	-	-	-	0%	-	0%
Net Income (Loss)	**$ (163,343)**	**$ (917,054)**	**$ (1,343,097)**	**$ (2,655,707)**	**$ (41,502)**	**$ 1,301,595**		**$ (94,145)**	
Expenditures by Type:									
Salaries	798,303	816,942	790,528	790,528	828,214	37,686	5%	838,968	1%
Benefits	254,717	316,576	320,606	320,606	317,468	(3,138)	-1%	319,472	1%
Professional/Contractual Services	645,233	1,645,194	5,474,447	6,750,464	1,731,132	(3,743,315)	-68%	1,811,017	5%
Materials/Supplies	313,320	343,916	368,743	378,745	382,908	14,165	4%	394,395	3%
Interfund Charges	983,589	1,133,815	1,385,409	1,385,409	1,505,356	119,947	9%	1,588,490	6%
Capital Outlay	44,108	26,328	-	-	165,000	165,000	0%	-	-100%
Fiscal Charges	-	-	-	-	-	-	0%	118,665	100%
Total	**$ 3,039,271**	**$ 4,282,770**	**$ 8,339,733**	**$ 9,625,752**	**$ 4,930,078**	**$ (3,409,655)**	**-41%**	**$ 5,071,007**	**3%**

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Revenue									
Potable 1000-gallon production	1,240,726	1,099,647	1,150,000	1,050,000	1,050,000	(100,000)	-9%	1,050,000	0%
Non-potable 1000-gallon production	99,521	112,300	136,500	97,300	97,300	(39,200)	-29%	97,300	0%
Revenue per 1000 gallons	$ 4.88	$ 4.67	$ 4.86	$ 5.25	$ 5.71	0.85	18%	6.17	8%
Potable Sales to Water Distribution	4,675,871	4,553,886	4,200,000	4,200,000	4,588,272	388,272	9%	4,955,334	8%
Potable Sales Wholesale	1,532,828	708,692	1,839,389	1,457,245	1,573,824	(265,565)	-14%	1,699,730	8%
Repayment of InterUtility Loan	93,784	-	-	-	-	-	0%		0%
Interest on Utility Reserves	566,466	501,684	284,076	284,076	178,133	(105,943)	-37%	167,466	-6%
Bond Federal Subsidy	21,338	14,661	10,459	10,459	8,496	(1,963)	-19%	6,472	-24%
Non Potable	325,360	398,550	214,807	362,580	391,586	176,779	82%	422,913	8%
Miscellaneous	135,187	-	-	-	-	-	0%	-	0%
Total Revenue	$ 7,350,834	$ 6,177,473	$ 6,548,731	$ 6,314,360	$ 6,740,311	191,580	3%	$ 7,251,915	8%
Operating Expenses									
Operations Staffing Related	1,989,299	1,978,357	1,803,108	1,803,108	1,900,337	97,229	5%	1,923,024	1%
Pumping Power	726,082	866,918	885,800	885,800	936,272	50,472	6%	1,001,811	7%
Wells	117,853	121,458	180,667	213,623	145,350	(35,317)	-20%	149,711	3%
Booster Pump Stations	148,110	94,239	382,246	499,665	231,364	(150,882)	-39%	238,305	3%
Treatment	15,038	59,110	8,863	12,730	58,288	49,425	558%	59,287	2%
Storage Tanks	11,461	17,617	21,218	21,218	326,855	305,637	1440%	336,661	3%
Transmission Lines	103,151	74,372	144,587	144,587	169,939	25,352	18%	175,038	3%
Non Potable System	175,656	98,873	204,830	213,163	128,105	(76,725)	-37%	135,996	6%
Interdepartmental Charges	413,058	469,276	441,292	441,292	557,362	116,070	26%	552,600	-1%
Eng. Cust Svc. MR and Admin	1,070,774	733,448	731,944	731,944	743,113	11,169	2%	770,850	4%
State Water Tax	37,222	32,989	48,410	48,410	48,410	-	0%	49,863	3%
Debt Service	199,569	526,275	888,118	888,118	926,593	38,475	4%	991,924	7%
Total Operating Expenses	$ 5,007,271	$ 5,072,932	$ 5,741,083	$ 5,903,658	$ 6,171,988	430,905	8%	$ 6,385,070	3%
Operating Income (Loss)	**$ 2,343,563**	**$ 1,104,540**	**$ 807,648**	**$ 410,702**	**$ 568,323**	**(239,325)**		**$ 866,845**	
Capital Expenditures									
Capital Expenditures	5,985,360	11,265,069	4,458,500	24,961,140	3,635,000	(823,500)	-18%	5,220,000	44%
Other Financing									
Grants/Loan Proceeds	4,323,029	8,513,506	2,500,000	7,188,450	2,640,000	140,000	6%	4,116,000	56%
County/External Reimbursement	1,176,296	736,958	-	9,400,153	-	-	0%	-	0%
Transfer from General Fund/Econ Dev	314,477	3,050,000	100,000	3,150,000	-	(100,000)	-100%	-	0%
Revenue Transfer Council Redirect	339,234	-	-	-	-	-	0%	-	0%
									0%
Net Income (Loss)	**$ 2,511,238**	**$ 2,139,936**	**$ (1,050,852)**	**$ (4,811,835)**	**$ (426,677)**	**624,175**		**$ (237,155)**	
Expenditures by Type:									
Salaries	1,061,841	1,089,726	1,136,438	1,136,438	1,175,368	38,930	3%	1,188,227	1%
Benefits	393,888	406,865	474,938	474,938	515,163	40,225	8%	518,697	1%
Professional/Contractual Services	6,293,257	11,632,688	5,432,939	26,094,287	4,568,182	(864,757)	-16%	6,180,429	35%
Materials/Supplies	241,915	280,177	186,790	190,657	272,091	85,301	46%	280,255	3%
Interfund Charges	2,264,260	2,143,331	2,045,825	2,045,825	2,262,696	216,871	11%	2,412,686	7%
Capital Outlay	152,854	-	34,535	34,535	86,895	52,360	152%	32,852	-62%
Fiscal Charges	584,617	785,213	888,118	888,118	926,593	38,475	4%	991,924	7%
Total	**$ 10,992,631**	**$ 16,338,001**	**$ 10,199,583**	**$ 30,864,798**	**$ 9,806,988**	**(392,595)**	**-4%**	**$ 11,605,070**	**18%**

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
REVENUE									
Thousands of Gallons Processed	369,475	368,333	400,000	368,333	368,333	(31,667)	-8%	368,333	0%
Sales Revenue	6,421,297	6,674,090	7,250,168	7,141,277	7,641,167	390,999	5%	8,252,461	8%
Interest on Utility Reserves	174,469	195,992	175,000	175,000	7,138	(167,861.51)	-96%	-	-100%
Revenue on Recoverable Work	19,615	(17,395)	10,000	10,000	10,000	-	0%	10,000	0%
TOTAL REVENUE	$ 6,615,381	$ 6,852,687	$ 7,435,168	$ 7,326,277	$ 7,658,305	$ 223,137	3%	$ 8,262,461	8%
OPERATING EXPENSES									
Operations Staffing Related - Collections	781,795	815,380	1,005,493	1,005,639	1,182,079	176,586	18%	1,195,929	1%
Operations Staffing Related - Treatments	1,018,345	1,192,106	1,209,498	1,209,498	1,559,045	349,547	29%	1,575,761	1%
Wastewater Collection	97,409	431,629	270,684	270,684	290,455	19,771	7%	273,164	-6%
Lift Stations	117,120	62,753	175,769	189,488	190,235	14,466	8%	197,022	4%
Wastewater Treatment	629,921	598,872	1,069,347	1,074,313	1,145,440	76,093	7%	1,187,976	4%
Interdepartmental Charges	1,094,160	1,190,890	1,367,223	1,367,223	1,227,897	(139,326)	-10%	1,048,189	-15%
Eng. Cust Svc. MR and Admin	1,090,454	604,657	779,838	779,838	780,506	668	0%	808,582	4%
Debt Service	870,247	772,517	2,124,642	2,124,642	2,147,709	23,067	1%	2,230,912	4%
TOTAL OPERATING EXPENSES	$ 5,699,449	$ 5,668,804	$ 8,002,494	$ 8,021,326	$ 8,523,366	$ 520,872	7%	$ 8,517,535	0%
OPERATING INCOME (LOSS)	**$ 915,932**	**$ 1,183,883**	**$ (567,326)**	**$ (695,049)**	**$ (865,061)**	**$ (297,735)**		**$ (255,074)**	
CAPITAL EXPENDITURES									
Capital Expenditures	12,304,019	5,030,417	2,695,000	5,957,323	2,185,000	(510,000)	-19%	4,150,000	90%
OTHER FINANCING									
Grant/Loan Proceeds	10,455,896	5,219,576	2,000,000	2,000,000	2,000,000	-	0%	3,720,000	86%
Revenue Transfer Council Redirect	261,918	-	-	-	-	-	0%	0	0%
NET INCOME (LOSS)	**$ (670,274)**	**$ 1,373,042**	**$ (1,262,326)**	**$ (4,652,372)**	**$ (1,050,061)**	**212,265**		**$ (685,074)**	
Expenditures by Type:									
Salaries	1,251,037	1,385,005	1,526,820	1,526,820	1,878,792	351,972	23%	1,900,881	1%
Benefits	474,601	536,853	617,598	617,598	763,493	145,895	24%	769,005	1%
Professional/Contractual Services	12,622,779	5,642,917	3,563,317	6,844,472	3,193,288	(370,029)	-10%	5,188,499	62%
Materials/Supplies	352,442	326,440	496,186	496,186	493,428	(2,758)	-1%	508,231	3%
Interfund Charges	2,101,751	1,897,734	2,088,931	2,088,931	1,918,431	(170,500)	-8%	2,056,602	7%
Capital Outlay	330,039	137,755	280,000	280,000	313,225	33,225	12%	13,405	-96%
Fiscal Charges	870,820	772,517	2,124,642	2,124,642	2,147,709	23,067	1%	2,230,912	4%
Total	**$ 18,003,469**	**$ 10,699,221**	**$ 10,697,494**	**$ 13,978,649**	**$ 10,708,366**	**$ 10,872**	**0%**	**$ 12,667,535**	**18%**

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	$ Variance FY2027 vs FY2026	% Variance FY2027 vs FY2026	FY2028 Projected	% Variance FY2028 vs FY2027
Meter Reading	**$ 281,258**	**$ 282,286**	**$ 309,670**	**309,670**	**346,172**	**$ 36,502**	**12%**	**356,209**	**3%**
Salaries	164,690	$ 171,078	167,867	167,867	197,672	29,805	18%	202,305	2%
Benefits	67,923	$ 70,064	74,851	74,851	83,416	8,565	11%	84,717	2%
Professional/Contractual Services	4,694	$ 3,282	42,210	42,210	39,358	(2,852)	-7%	41,326	5%
Materials/Supplies	23,384	$ 17,053	6,825	6,825	8,756	1,931	28%	9,194	5%
Interfund Charges	20,568	$ 20,809	17,917	17,917	16,970	(947)	-5%	18,667	10%
Capital Outlay	-	$ -	-	-	-	-	0%	-	0%
Fiscal Charges	-	$ -	-	-	-	-	0%	-	0%
Customer Service	**$ 883,049**	**$ 920,665**	**$ 1,053,628**	**1,057,153**	**1,073,941**	**$ 20,313**	**2%**	**1,108,137**	**3%**
Salaries	433,770	$ 456,162	525,632	525,632	518,640	(6,992)	-1%	536,704	3%
Benefits	186,103	$ 207,924	245,263	245,263	240,152	(5,111)	-2%	245,527	2%
Professional/Contractual Services	256,555	$ 252,105	266,983	270,508	294,149	27,166	10%	308,856	5%
Materials/Supplies	6,620	$ 4,474	15,750	15,750	21,000	5,250	33%	17,050	-19%
Interfund Charges	-	$ -	-	-	-	-	0%	-	0%
Capital Outlay	-	$ -	-	-	-	-	0%	-	0%
Fiscal Charges	-	$ -	-	-	-	-	0%	-	0%
Engineering	**$ 1,835,280**	**$ 1,984,334**	**$ 2,019,917**	**2,019,917**	**2,146,891**	**$ 126,974**	**6%**	**2,228,735**	**4%**
Salaries	1,234,419	$ 1,321,766	1,367,152	1,367,152	1,433,634	66,482	5%	1,489,550	4%
Benefits	490,793	$ 514,089	543,732	543,732	553,001	9,269	2%	570,253	3%
Professional/Contractual Services	54,466	$ 60,749	47,322	47,322	87,500	40,178	85%	91,875	5%
Materials/Supplies	22,371	$ 76,687	53,000	53,000	54,900	1,900	4%	57,415	5%
Interfund Charges	13,643	$ 11,043	8,711	8,711	17,856	9,145	105%	19,642	10%
Capital Outlay	19,588	$ -	-	-	-	-	0%	-	0%
Fiscal Charges	-	$ -	-	-	-	-	0%	-	0%
Administration	**$ 747,817**	**$ 807,234**	**$ 1,713,169**	**1,713,169**	**1,554,720**	**$ (158,449)**	**-9%**	**1,601,989**	**3%**
Salaries	413,187	$ 429,314	1,092,921	1,092,921	749,622	(343,299)	-31%	764,816	2%
Benefits	185,823	$ 192,749	194,440	194,440	326,288	131,848	68%	331,490	2%
Professional/Contractual Services	102,070	$ 130,703	348,448	348,448	393,966	45,518	13%	413,665	5%
Materials/Supplies	9,021	$ 5,578	25,200	25,200	25,725	525	2%	27,012	5%
Interfund Charges	37,716	$ 48,431	52,160	52,160	58,619	6,459	12%	64,481	10%
Capital Outlay	-	$ 459	-	-	500	500	0%	525	5%
Fiscal Charges	-	$ -	-	-	-	-	0%	-	0%
Finance	**$ 874,036**	**$ 721,134**	**$ 1,284,679**	**1,288,204**	**1,078,511**	**$ (206,168)**	**-16%**	**1,114,918**	**3%**
Salaries	502,615	$ 490,376	528,863	528,863	578,088	49,225	9%	596,076	3%
Benefits	193,865	$ 184,758	221,275	221,275	233,652	12,377	6%	239,057	2%
Professional/Contractual Services	167,719	$ 33,325	510,391	513,916	234,752	(275,639)	-54%	246,408	5%
Materials/Supplies	4,655	$ 4,590	24,150	24,150	27,133	2,983	12%	28,491	5%
Interfund Charges	-	$ -	-	-	-	-	0%	-	0%
Capital Outlay	5,184	$ 4,886	-	-	4,886	4,886	0%	4,886	0%
Fiscal Charges	-	$ 3,200	-	-	-	-	0%	-	0%
Public Information	**$ 438,248**	**$ 440,444**	**$ 550,753**	**573,617**	**533,565**	**$ (17,188)**	**-3%**	**555,863**	**4%**
Salaries	220,509	$ 222,205	245,351	245,351	245,226	(125)	0%	254,789	4%
Benefits	81,455	$ 90,386	85,844	85,844	91,281	5,437	6%	94,161	3%
Professional/Contractual Services	122,208	$ 108,739	191,808	214,672	159,508	(32,300)	-17%	167,485	5%
Materials/Supplies	14,075	$ 18,734	27,750	27,750	36,650	8,900	32%	38,483	5%
Interfund Charges	-	$ -	-	-	-	-	0%	-	0%
Capital Outlay	-	$ 380	-	-	900	900	0%	945	5%
Fiscal Charges	-	$ -	-	-	-	-	0%	-	0%
Total Administrative Division	**5,059,687**	**5,156,096**	**6,931,816**	**6,961,730**	**6,733,800**	**(198,016)**	**-3%**	**6,965,851**	**3%**
Expenditures by Type:									
Salaries	2,969,190	$ 3,090,901	3,927,786	3,927,786	3,722,882	(204,904)	-5%	3,844,240	3%
Benefits	1,205,962	$ 1,259,969	1,365,405	1,365,405	1,527,790	162,385	12%	1,565,205	2%
Professional/Contractual Services	707,712	$ 588,903	1,407,162	1,437,076	1,209,233	(197,929)	-14%	1,269,615	5%
Materials/Supplies	80,125	$ 127,115	152,675	152,675	174,164	21,489	14%	177,645	2%
Interfund Charges	71,927	$ 80,283	78,788	78,788	93,445	14,657	19%	102,790	10%
Capital Outlay	24,772	$ 5,725	-	-	6,286	6,286	0%	6,356	1%
Fiscal Charges	-	$ 3,200	-	-	-	-	0%	-	0%
Total	**$ 5,059,687**	**$ 5,156,096**	**$ 6,931,816**	**$ 6,961,730**	**$ 6,733,800**	**$ (198,016)**	**-3%**	**$ 6,965,851**	**3%**

Full Time Equivalent (FTE) Summary

LOS ALAMOS
Department of Public Utilities

Los Alamos County Department of Public Utilities
Fiscal Year 2027-2028 Budgets

FTE Summary

	FY2024 Actual	FY2025 Actual	FY2026 Adopted	FY2026 Projected	FY2027 Proposed	FY2028 Projected
FTE Summary:						
Regular (full & part time)	98.00	101.00	101.00	102.00	102.00	102.00
Overfill		3.00	3.00	2.00	2.00	2.00
Limited Term	2.00	0.00	0.00	0.00	0.00	0.00
Casual, student & temp.	3.65	3.65	3.65	3.65	3.65	3.65
	103.65	107.65	107.65	107.65	107.65	107.65
FTE by Division:						
Electric Production	14.00	13.40	13.40	13.40	13.40	13.40
Electric Distribution	13.00	14.60	14.60	15.60	15.60	15.60
Gas/Water/Sewer	23.45	23.45	23.45	23.45	23.45	23.45
Water Production	10.25	10.25	10.25	10.25	10.25	10.25
Wastewater Treatment	10.30	10.30	10.30	10.30	10.30	10.30
Administrative & General	32.65	35.65	35.65	34.65	34.65	34.65
	103.65	107.65	107.65	107.65	107.65	107.65

10-Year CIP and Budget Option Plans

LOS ALAMOS
Department of Public Utilities

FY27 (1 July 2026 - 30 June 2027)	Budget
ELECTRIC PRODUCTION	**200,000**
Abiquiu Wicket Gate Hydraulic Servo Motor Replacement	200,000
ELECTRIC DISTRIBUTION	**3,485,000**
White Rock URD Replacement: Aragon, Ridgecrest,Garver,Catherine	1,500,000
Overhead System Replacement (polex, xarms, transformers)	450,000
DP Road Staging Area	35,000
EA-4 Power Line Replacement (State Grant)	1,500,000
GAS DISTRIBUTION	**135,000**
Pipeline Repair & Replacement / Equipment	100,000
DP Road Staging Area	35,000
WATER DISTRIBUTION	**1,235,000**
Denver Steels Phase III (Public Works Road Project) (DWSRF Loan)	1,200,000
DP Road Staging Area	35,000
WATER PRODUCTION	**3,635,000**
Repaint Pajarito Tank 4A (WTB $1,280,000 / CIP $320K)	1,600,000
Pajarito Road Transmission Line Replacement Phase I (WTB $1,360,000 / CIP $340K)	1,700,000
Pajarito Well No. 3 Replacement Well Design	300,000
DP Road Staging Area	35,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**2,185,000**

SEWER COLLECTION	**1,885,000**
Denver Steels Phase III (Public Works Road Project)	150,000
Sewer Line Rehabilitation (RIP Loan)	
Fairway Street	800,000
Sycamore Street	600,000
North Community/Western Area Sewer Mains & Services R&R - Phase 2	300,000
DP Road Staging Area	35,000
WASTEWATER TREATMENT	**300,000**
Convert Effluent Washwater to Gravity System (RIP Loan)	300,000

FY28 (1 July 2027 - 30 June 2028)	Budget
ELECTRIC PRODUCTION	**1,050,000**
El Vado Shaft Seal Repair	250,000
El Vado Controls Upgrade	650,000
El Vado Synchronizer Replacement	150,000
ELECTRIC DISTRIBUTION	**3,450,000**
Overhead System Replacement (polex, xarms, transformers)	450,000
Townsite Circuit 16, 1 PHASE	
White Rock Circuit1, Wire 1 PHASE	
EA-4 Power Line Replacement (State Grant)	2,500,000
Los Pueblos Phase I	500,000
GAS DISTRIBUTION	**110,000**
Pipeline Repair & Replacement / Equipment	110,000
WATER DISTRIBUTION	**1,300,000**
34th & Little Urban Street Waterline Replacement (WTB $1,000,000 / CIP $300K)	1,300,000
WATER PRODUCTION	**5,220,000**
North Mesa Tank Altitude Valve (WTB $536k / CIP $134K)	670,000
Pajarito Road Transmission Line Replacement Phase II (WTB $1,800,000 / CIP $400K)	2,200,000
Booster Station Mech. and Elec. Upgrades Phase I - Design (WTB $280k / CIP $70k)	350,000
Booster Station Building Renovations Phase II	500,000
Pajarito Well No. 3 Replacement Test Well Drilling/Hydrogeology (Federal Allocation)	1,500,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**4,150,000**

SEWER COLLECTION	**4,150,000**
Old Pueblo Plant Canyon Drop Replacement (WTB $640 / CIP $160k)	800,000
Cooper Road Sewer Canyon Drop Repl. (WTB $1,080,000 /CIP $270k)	1,350,000
Sewer Line Rehabilitation (RIP Loan)	
Refurbish or Eliminate Pueblo Canyon Pipe Bridge	1,100,000
Aspen School Area Pipeline - Phase 2 (Public Works Project)	200,000
Sandia Drive	700,000
WASTEWATER TREATMENT	**0**

FY29 (1 July 2028 - 30 June 2029)	Budget
ELECTRIC PRODUCTION	**1,100,000**
Abiquiu Excitation System Replacement Units 1 & 2	1,100,000
ELECTRIC DISTRIBUTION	**6,750,000**
Los Alamos URD Replacement: Tewa, Otowi, Nambe Loop, Santa Clara,	1,000,000
Overhead System Replacement (polex, xarms, transformers)	250,000
Townsite Circuit 16, 1 PHASE	
White Rock Circuit1, Wire 1 PHASE	
Los Pueblos Phase II	750,000
SCADA	250,000
Los Alamos URD Replacement ; Sandia, 41st,thru 47th,Ridgeway Tie (Bond)	1,000,000
White Rock URD Replacement: Grand Canyon, Bryce, Richard CT, Rover (Bond)	2,000,000
La Senda (Bond)	1,500,000
GAS DISTRIBUTION	**295,000**
Pipeline Repair & Replacement / Equipment	120,000
Central Avenue - 9th St to Roundabout (Public Works Road Project)	175,000
WATER DISTRIBUTION	**520,000**
Central Avenue - 9th St to Roundabout (WTB $416k / CIP $104k)	520,000
WATER PRODUCTION	**4,075,000**
Booster Station Mech. and Elec. Upgrades Phase I (WTB $1,600,000 / CIP $400K)	2,000,000
Townsite 14" Pipeline Replacement - Phase 2 (WTB $1,700,000 / CIP $375K)	2,075,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**1,700,000**

SEWER COLLECTION	**1,700,000**	
Sewer Line Rehabilitation (RIP Loan)		
Eastern Area Phase 1 Renewal & Replacement	1,000,000	
Aspen School Area Pipeline - Phase 3 (Public Works Project)	300,000	
Kimberly Sewer Lift Station & Wet Well	400,000	
WASTEWATER TREATMENT	**0**	

FY30 (1 July 2029 - 30 June 2030)	Budget
ELECTRIC PRODUCTION	**1,305,000**
El Vado Excitation System Replacement	600,000
Abiquiu Runner Repair /Replacement	530,000
Abiquiu Propane Storage Tank $175K	175,000
ELECTRIC DISTRIBUTION	**3,700,000**
LA URD Replacement: Oakwood Loop, Nugget, Opal , Pinon,Sage,Spruce,Nectar	1,800,000
White Rock URD Replacement : Rover and Ridgecrest (Bond)	1,900,000
GAS DISTRIBUTION	**130,000**
Pipeline Repair & Replacement / Equipment	130,000
WATER DISTRIBUTION	**600,000**
Waterline Replacements (WTB $480k / CIP $120k)	600,000
WATER PRODUCTION	**2,900,000**
Repaint Guaje Booster Station 1 Tank 1 (WTB $440k / CIP $110k)	550,000
Repaint Guaje Booster Station 2 Tanks 1 & 2 (WTB $720k / CIP $180k)	900,000
Repaint Guaje Booster Station 3 Tanks 1 & 2 (WTB $860k / CIP $215k)	1,075,000
Booster Station Mech. and Elec Upgrades Phase II - Design (WTB $300k / CIP $75k)	375,000
Pajarito Well No. 3 Replacement Well Construction (Federal Allocation)	TBD
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**2,000,000**

SEWER COLLECTION	**2,000,000**
Sewer Line Rehabilitation (RIP Loan)	
Airport Canyon Sewer Drop Replacement	1,000,000
Eastern Area Phase 2 Renewal & Replacement	750,000
Orange and Nickel Streets (Public Works Project)	250,000
WASTEWATER TREATMENT	**0**

FY31 (1 July 2030 - 30 June 2031)	Budget
ELECTRIC PRODUCTION	**350,000**
Abiquiu Fiber Optic Line to Substation Replacement	350,000
ELECTRIC DISTRIBUTION	**2,000,000**
Los Alamos URD Replacement: Sage Loop	1,000,000
White Rock URD Replacement :Kimberly Loop	1,000,000
GAS DISTRIBUTION	**130,000**
Pipeline Repair & Replacement / Equipment	130,000
WATER DISTRIBUTION	**700,000**
Waterline Replacements (WTB $560k / CIP $140k)	700,000
WATER PRODUCTION	**3,500,000**
Repaint Otowi Booster 2 Tanks 1 & 2 (WTB $700,000/CIP $200,000)	900,000
Repaint Western Area Tank (WTB $450,000 / CIP $150,000)	600,000
Booster Station Mechanical and Electrical Upgrades Phase II (WTB $1,6M / CIP $400K)	2,000,000
	2,000,000

SEWER COLLECTION	**2,000,000**
Sewer Line Rehabilitation (RIP Loan)	
Laguna Sewer Canyon Drop Replacement	1,400,000
Range Road Lift Station Refurbishment	350,000
40th, 41st & 42nd South of Urban (Public Works Project)	250,000
WASTEWATER TREATMENT	**0**

FY32 (1 July 2031 - 30 June 2032)	Budget
ELECTRIC PRODUCTION	**0**
ELECTRIC DISTRIBUTION	**2,200,000**
Los Alamos URD Replacement: Trinity Drive Diamond to Oppenheimer	1,000,000
White Rock URD Replacement: Briston Pl, Brighton, Paul Place, Todd Loop	600,000
Overhead System Replacement (polex, xarms, transformers)	600,000
GAS DISTRIBUTION	**175,000**
Pipeline Repair & Replacement / Equipment	175,000
WATER DISTRIBUTION	**1,515,000**
41st, 43rd & 44th Streets North of Urban (WTB $1,212,000 / CIP $303k)	1,515,000
WATER PRODUCTION	**550,000**
Diamond Drive NP Connections (RIP Loan)	550,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**7,235,000**
SEWER COLLECTION	**935,000**
Sewer Line Rehabilitation (RIP Loan)	
41st, 43rd & 44th Streets North of Urban	450,000
Fairway Lift Station Upgrades	200,000
Eastern Area Phase 3 Sewer Ren. & Rep	285,000
WASTEWATER TREATMENT	**6,300,000**
LA WWTP - Miscellaneous Upgrades (CWSRF Loan)	6,300,000

FY33 (1 July 2032 - 30 June 2033)	Budget
ELECTRIC PRODUCTION	**0**
ELECTRIC DISTRIBUTION	**4,500,000**
Los Alamos URD Replacement	1,000,000
White Rock URD Replacement	1,000,000
Guaje Canyon Primary Replacement (Bond)	2,500,000
GAS DISTRIBUTION	**175,000**
Pipeline Repair & Replacement / Equipment	175,000
WATER DISTRIBUTION	**800,000**
Waterline Replacements (WTB $640k / CIP 160k)	800,000
WATER PRODUCTION	**1,500,000**
Transmission Line Replacements (WTB $1,200,000 / CIP $300,000)	1,500,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**2,000,000**

SEWER COLLECTION	**2,000,000**
Sewer Line Rehabilitation (RIP Loan)	
Vitrified Clay Sewer Replacements	1,000,000
Camino Cereza Sewer Canyon Drop Replacement	1,000,000
WASTEWATER TREATMENT	**0**

FY34 (1 July 2033 - 30 June 2034)	Budget
ELECTRIC PRODUCTION	**0**
ELECTRIC DISTRIBUTION	**2,500,000**
Los Alamos URD Replacement	1,000,000
White Rock URD Replacement	1,000,000
Overhead System Replacement (polex, xarms, transformers)	500,000
GAS DISTRIBUTION	**175,000**
Pipeline Repair & Replacement / Equipment	175,000
WATER DISTRIBUTION	**900,000**
Waterline Replacements (WTB $720k / CIP $180k)	900,000
WATER PRODUCTION	**2,000,000**
Transmission Line Replacements (WTB $1,600,000 / CIP $400k)	2,000,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**1,000,000**
SEWER COLLECTION	**1,000,000**
Sewer line Rehabilitation (RIP Loan)	1,000,000
WASTEWATER TREATMENT	**0**

FY35 (1 July 2034 - 30 June 2035)	Budget
ELECTRIC PRODUCTION	**0**
ELECTRIC DISTRIBUTION	**2,500,000**
Los Alamos URD Replacement	1,000,000
White Rock URD Replacement	1,000,000
Overhead System Replacement (polex, xarms, transformers)	500,000
GAS DISTRIBUTION	**200,000**
Pipeline Repair & Replacement / Equipment	200,000
WATER DISTRIBUTION	**1,200,000**
Waterline Replacements (WTB $900,000 / CIP $300k)	1,200,000
WATER PRODUCTION	**1,500,000**
Transmission Line Replacements (WTB $1,200,000 / CIP $300k)	1,500,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**1,000,000**
SEWER COLLECTION	**1,000,000**
Sewer line Rehabilitation (RIP Loan)	1,000,000
WASTEWATER TREATMENT	**0**

FY36 (1 July 2035 - 30 June 2036)	Budget
ELECTRIC PRODUCTION	**0**
ELECTRIC DISTRIBUTION	**2,500,000**
Los Alamos URD Replacement	1,000,000
White Rock URD Replacement	1,000,000
Overhead System Replacement (polex, xarms, transformers)	500,000
GAS DISTRIBUTION	**220,000**
Pipeline Repair & Replacement / Equipment	220,000
WATER DISTRIBUTION	**1,200,000**
Waterline Replacements (WTB $900,000 / CIP $300k)	1,200,000
WATER PRODUCTION	**1,500,000**
Transmission Line Replacements (WTB $1,200,000 / CIP $300,000)	1,500,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	**1,000,000**
SEWER COLLECTION	**1,000,000**
Sewer line Rehabilitation(RIP Loan)	1,000,000
WASTEWATER TREATMENT	**0**

FY27 (1 July 2026 - 30 June 2027)	
WATER DISTRIBUTION	**900,000**
Fairway (Public Works Project)	900,000

FY28 (1 July 2027 - 30 June 2028)	
WATER DISTRIBUTION	**987,000**
Aspen School Area Pipeline - Phase 2 (Public Works Project)	987,000

FY29 (1 July 2028 - 30 June 2029)	
WATER DISTRIBUTION	**900,000**
Aspen School Area Pipeline - Phase 3 (Public Works Project)	900,000

FY30 (1 July 2029 - 30 June 2030)	
WATER DISTRIBUTION	**1,100,000**
Orange and Nickel Streets (Public Works Project)	1,100,000

FY31 (1 July 2030 - 30 June 2031)	
WATER DISTRIBUTION	**1,388,000**
40th, 41st & 42nd South of Urban (Public Works Project)	1,388,000

ELECTRIC PRODUCTION

FY27: Abiquiu Wicket Gate Hydraulic Servo Motor Replacement

Project Scope: The hydroelectric plan in Abiquiu, NM. has two identical 6.9MW turbine/generators that were installed in 1987 and manufactured by ORENCO (Chinese). Each unit has 2 servos per turbine that operate the wicket gates. Los Alamos County had all four servos rehabilitated approximately 10 years ago. The servos are leaking hydraulic oil again and will be replaced. Four new servos will be purchased in FY26'. These funds will be applied to the installation in FY27'.

Budget: $200,000

Schedule: Winter FY27'



ELECTRIC DISTRIBUTION

FY27: URD (UG Residential Distribution) Replacements

Project Scope: The underground system contains 1970s infrastructure, which was direct-buried and in direct contact with the earth. Portions or segments of the underground system that have experienced 3 or more failures are targeted for replacement because they will fail again. Areas to be included are:

White Rock: Aragon, Ridgecrest, Garver, and Catherine

Budget: $ 1,500,000
Schedule: Year-round design and construction



ELECTRIC DISTRIBUTION
FY27: Overhead System Replacement

Project Scope: Many components of the utilities' overhead infrastructure operate near or past their useful life, greater than 50 years. The department's Asset Management Program (AMP) prioritizes O&M projects on (a) root cause analysis after power outages, (b) quarterly line patrols, and (c) year-end assessments. The O&M program includes replacement of power poles, cross-arms, and revamps (wire & transformer upgrades).

Townsite & White Rock:	$450,000

Budget: $ 450,000
Schedule: Year-round design and construction

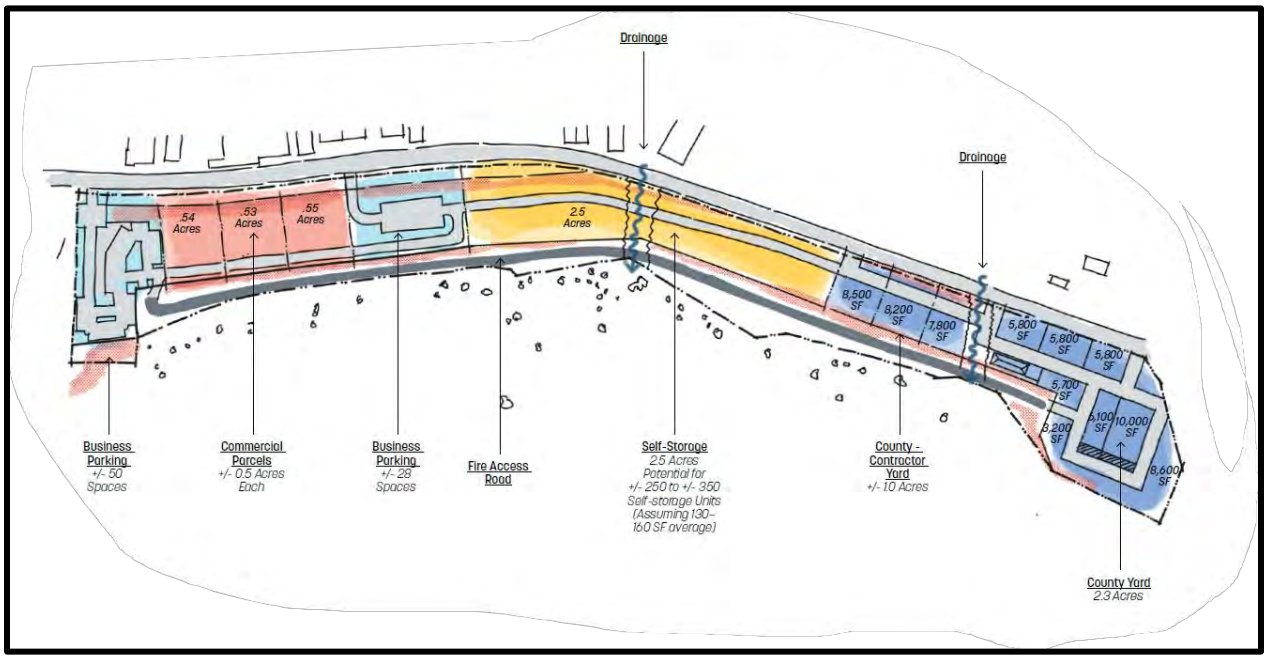


ELECTRIC DISTRIBUTION
GAS DISTRIBUTION
WATER DISTRIBUTION
WATER PRODUCTION
WASTEWATER COLLECTION

FY27: DP Road Staging Area

Project Scope: Due to limited available space in the Los Alamos townsite during active construction, this project will establish a properly sized staging area primarily for DPU and Public Works field crews. The staging area will also provide contractors with a dedicated, fenced location to safely store equipment and materials while performing work for Los Alamos County. Project costs will be shared between DPU, the participating departments, and Public Works field crews.

Budget: $ 35,000/EA ($175,000 Total)
Schedule: Summer FY27’



ELECTRIC DISTRIBUTION
FY27: EA-4 Power Line Replacement

Project Scope: The EA4 line is a separate feeder supplied by LANL to the County. The line enters the service area at NM502 and East Gate and crosses 5 canyons to Feed the Townsite Sewer Plant, East Gate Business area, Townsite water wells in Guaje Canyon and the Totavi gas station. The line has no access over much of its length. The line was constructed in the 60's and has reached its useful life expectancy.

Budget: $ 1,500,000 (State Grant)
Schedule: Year-round design and construction



GAS DISTRIBUTION

FY27 & FY28: Pipeline Repair & Replacement / Equipment

Project Scope: These funds will be used for miscellaneous system improvements throughout the year. The nature of work includes leak repairs, pressure regulating station improvements, valve replacements, and other unforeseen occurrences that occur throughout the year and require contractor support.

Budget:	FY27’	$100,000
	FY28’	$ 110,000

Schedule: All year

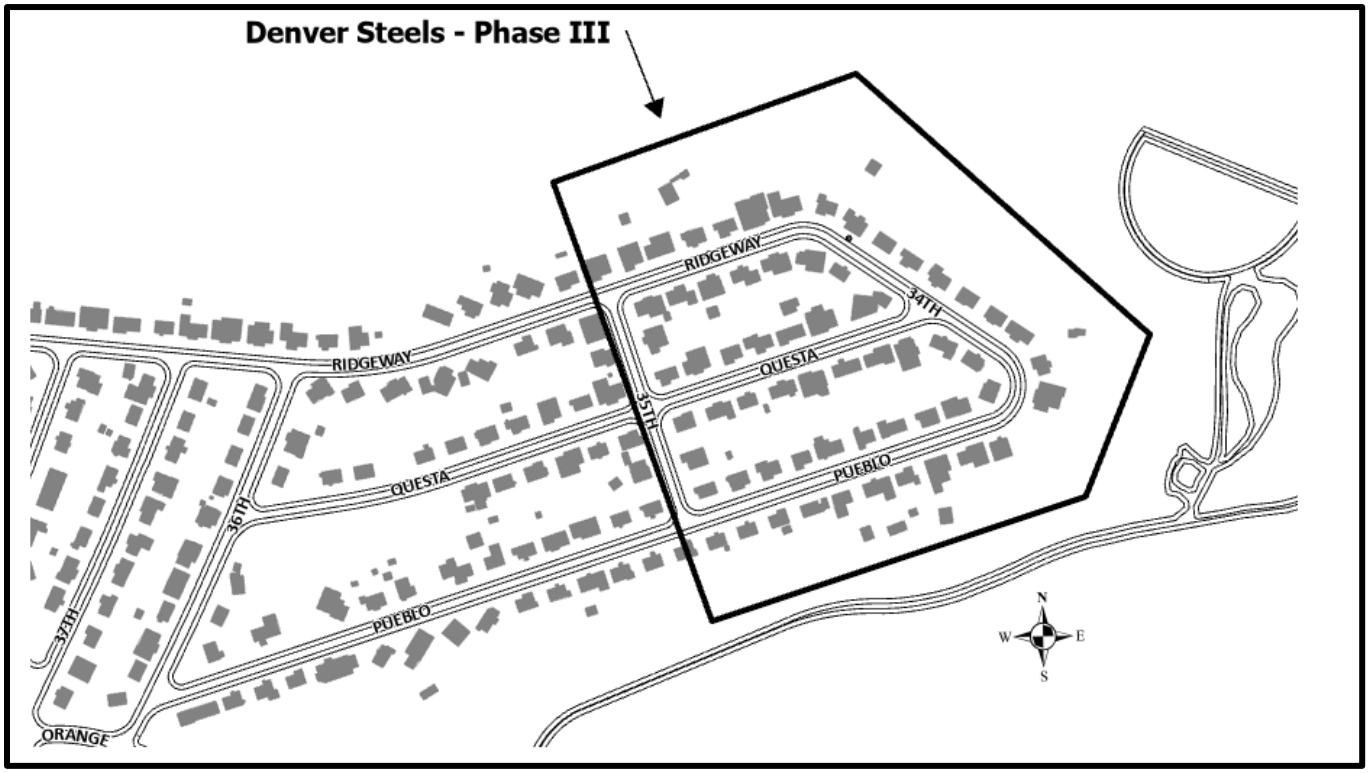


WATER DISTRIBUTION
WASTEWATER COLLECTION
FY27: Denver Steels Phase III (Public Works Road Project)

Project Scope: This project will be a joint project between DPU and the Public Works Department to re-pave the roadway and replace utility infrastructure beneath the new road. The project will be in the Denver Steels Neighborhood. The remaining 1950's vintage section of waterlines will be replaced. Clay sewer lines that cross the roads will also be replaced. The water distribution portion of the project will be funded by Drinking Water State Revolving Loan (DWSRL).

Budget:	Phase III FY27' Water Distribution (DWSRL)	$ 1,200,000
	Phase III FY27' Wastewater Collection	$ 150,000

Schedule: Phase III Summer FY27'



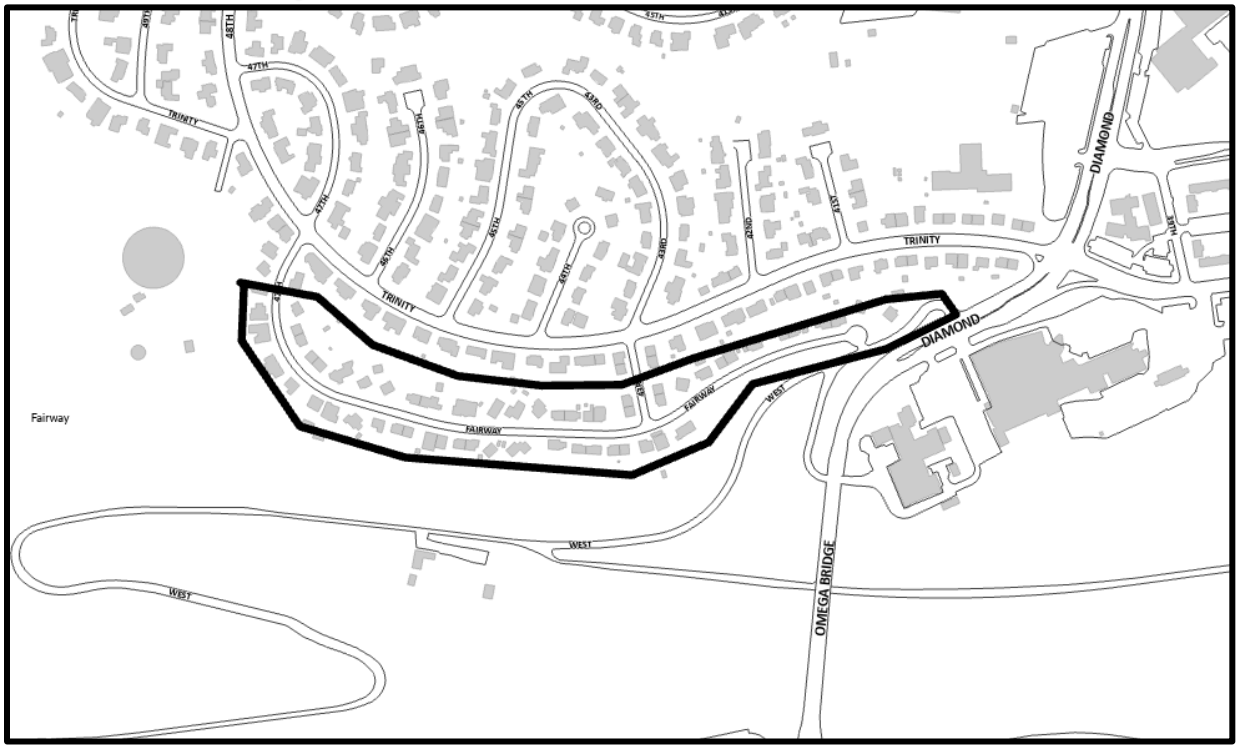
WATER DISTRIBUTION (PROFIT TRANSFER)
WASTEWATER COLLECTION
FY27: Fairway (Public Works Road Project)

Project Scope: This project will be a joint project between DPU and the Public Works Department to re-pave the roadway and replace utility infrastructure. The project will be on Fairway in the Western Area of Los Alamos that contains vintage sections of waterlines. The aged cast iron waterlines will be replaced with new ductile iron pipes along with replacing segments of vitrified clay sewer lines that have reoccurring problems prior to roadway being paved. The water distribution portion of the project will be funded by profit transfer monies allocated to the DPU by the County Council.

Budget:	Water Distribution (Profit Transfer)	$ 900,000
	Wastewater Collection	$ 800,000
		$1,700,000

Schedule: Summer FY27’

Fairway



WATER PRODUCTION
FY27: Repaint Pajarito Tank 4A

Project Scope: The Pajarito Tank 4A is a 4-million-gallon tank. It was constructed in 1982 and is located on Anchor Ranch Road on LANL Property that serves Los Alamos National Laboratory. The tank coating has deteriorated over the years, and the tank is in need of repainting. The tank interior and exterior will have some repairs and then be re-painted. The new paint will protect the tank for the next thirty years.

Budget: $1,600,000 (WTB $1,280 / CIP $320,000)

Schedule: Fall FY27’



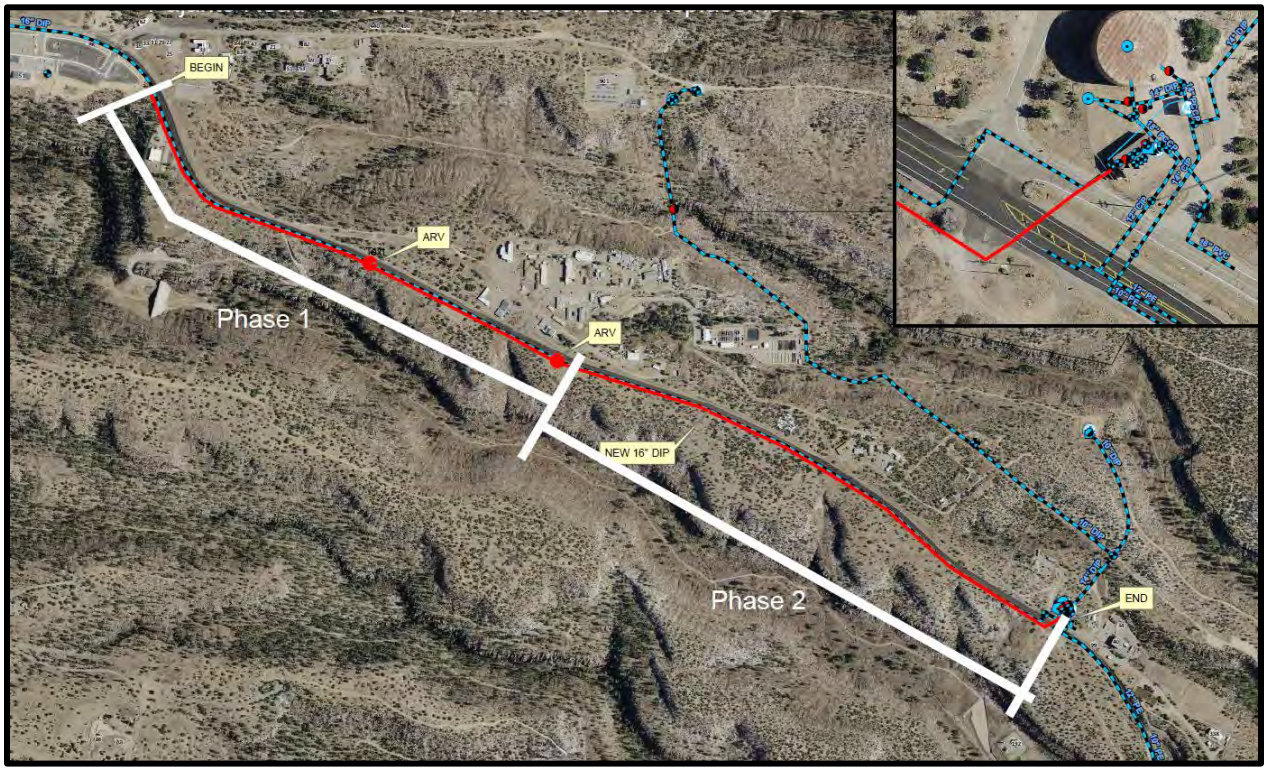
WATER PRODUCTION

FY27: Pajarito Road Transmission Line Replacement Phase I

Project Scope: The Pajarito 16” Transmission line was installed in the early 1960’s and is a concrete cylinder (CCP) pipe that is experiencing frequent failures. The root cause of the failures is consistently found to be corrosion of the bottom of the pipe where moisture and road salts deposit, where the trench is in rock or volcanic tuff. The majority of this 2.3-mile corridor is trenched in rock. The asset management team has identified this pipeline segment as one of the highest risk for failure, with a large consequence when it fails. Three water wells are cut off when the line fails, which serve the Los Alamos National Laboratory. This first phase will be to install approximately 4,500 linear feet of new ductile iron pipe along this corridor.

Budget: $1,700,000 (WTB $1,360,000 / CIP $340K)

Schedule: Summer FY27’



WATER PRODUCTION

FY27/28: Pajarito Well No.3 Replacement Well Design

Project Scope: Due to the loss of water supply from Pajarito Well No. 3 which has been taken offline due to groundwater contamination and the need to plan for projected increases in water use by Los Alamos National Laboratory and Los Alamos County, preparation to permit and construct a new water supply well is necessary. This project will fund the engineering and hydrologist services to design a new exploratory well and perform the analysis necessary to harvest the County's San Juan Chama water right from a water supply well located at Overlook Park in White Rock. In 2012, the DPU commissioned an engineering study to evaluate the alternatives to develop the San Juan Chama water allocation of 1,200 acre-feet annually. This is a surface water right and must be drawn from the Rio Grande. The recommended alternative was to drill conventional water wells in close proximity to the Rio Grande to harvest the surface water from the Rio Grande. The Pajarito Well No. 3 replacement will need to drill and test it for capacity at the Overlook Park Area. Hydrogeological studies, modeling, and environmental assessments will be needed to move forward with permitting the well through the Office of the State Engineer.

Budget: FY27 $300,000 (CIP)
FY28 $1,500,000 (Federal Allocation)
Schedule: Summer FY27'



WASTEWATER COLLECTION
FY27: Fairway Street, Sycamore Street, North Community/Western Area Sewer Line Rehabilitation

Project Scope: The project will repair and replace segments of vitrified clay sewer lines in Fairway Street and Sycamore Street in areas where collection lines are located in back of homes where it is difficult to access with equipment and have had recurring problems and threats of overflowing. The North Community/Western Area Sewer Mains Project will be the second phase of multiple phases over two fiscal years.

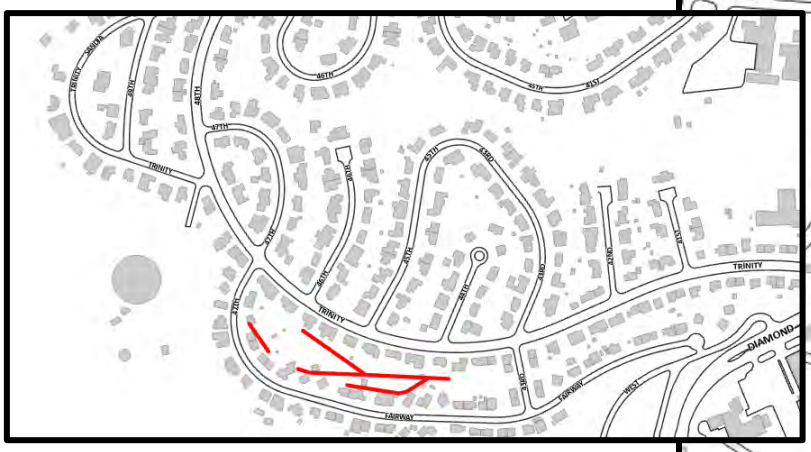
Budget:

- Fairway Street $800,000
- Sycamore Street $600,000
- North Community/Western Area Sewer Mains & Services R&R – Phase 2 $300,000

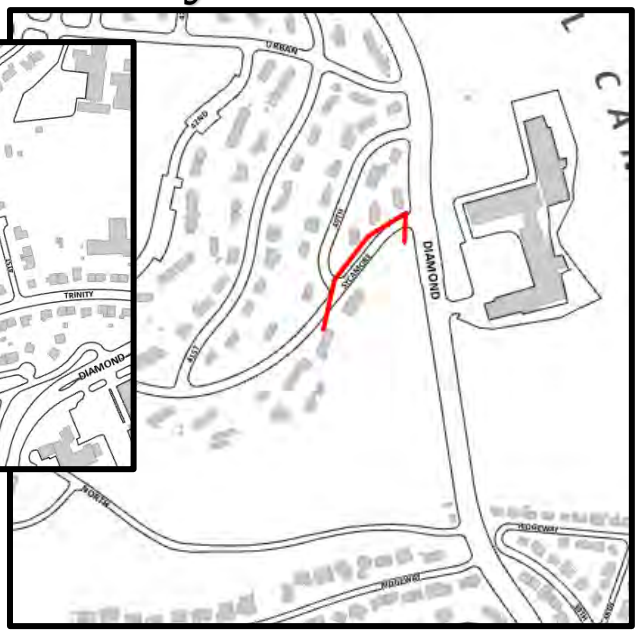
$1,700,000 (RIP Loan)

Schedule: Construction Spring FY27'

Fairway



Sycamore



WASTEWATER TREATMENT

FY27: Convert Effluent Wash-Water to Gravity

Project Scope: Treated effluent is currently used for wash-water at the Los Alamos Wastewater Treatment Plant to conserve potable water. A booster station pressurizes the effluent and distributes it throughout the plant. The booster station requires a high amount of maintenance and will soon require refurbishment. This project will pipe effluent water to the plant via gravity and eliminate the need for the booster station. This will save energy to pump the water and operate maintenance-free.

Budget: $300,000 (RIP Loan)

Schedule: Construction FY27’

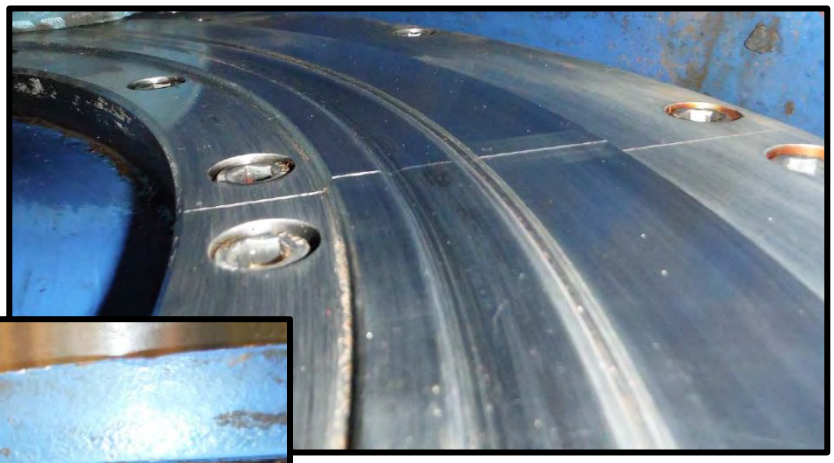


ELECTRIC PRODUCTION
FY28: El Vado Shaft Seal Repair

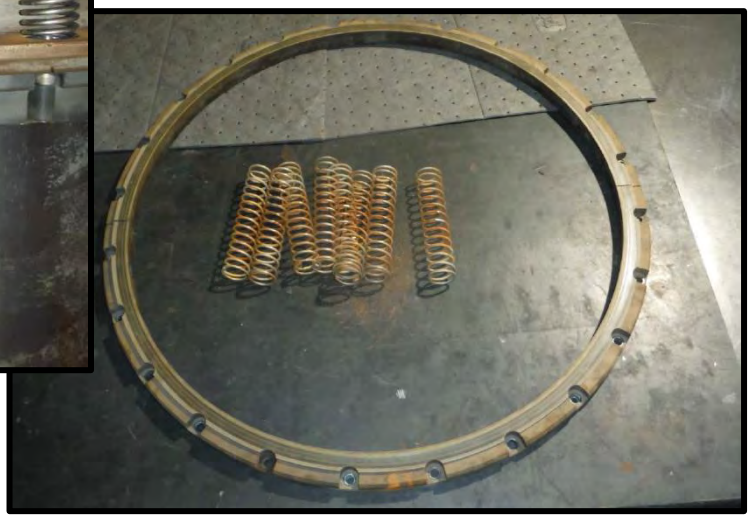
Project Scope: This is to purchase and install replacement parts to repair the El Vado Shaft Seal, to remove and replace the existing seal ring, O-rings, compression springs, etc., with new ones on the turbine shaft. The new equipment will likely be a new design.

Budget: $250,0000

Schedule: Winter FY28’







ELECTRIC PRODUCTION
FY28: El Vado Control Upgrade & El Vado Synchronizer Replacement

Project Scope: The controls system at the El Vado hydroelectric plant is now 20 years old and was upgraded in 2006. The software and hardware will be upgraded with new components and programmed with some operational efficiencies. The upgrade will replace hardware and instrumentation that is at the end of its service life to provide continued reliable operation of the plant.

Budget:	El Vado Controls Upgrade	$650,000
	El Vado Synchronizer Replacement	$150,000

Schedule: Winter FY28’



ELECTRIC DISTRIBUTION
FY28: Overhead System Replacement

Project Scope: Many components of the utilities' overhead infrastructure operate near or past their useful life, greater than 50 years. The department's Asset Management Program (AMP) prioritizes O&M projects on (a) root cause analysis after power outages, (b) quarterly line patrols, and (c) year-end assessments. The O&M program includes replacement of power poles, cross-arms, and revamps (wire & transformer upgrades).

Townsite Circuit 16, 1 PHASE
White Rock Circuit 1, Wire 1 PHASE

Budget: $ 450,000
Schedule: Year-round design and construction



ELECTRIC DISTRIBUTION

FY28: EA-4 Power Line Replacement

Project Scope: Continuation of FY27 Project for the EA4 line is a separate feeder supplied by LANL to the County. The line enters the service area at NM502 and East Gate and crosses 5 canyons to Feed the Townsite Sewer Plant, East Gate Business area, Townsite water wells in Guaje Canyon and the Totavi gas station. The line has no access over much of its length. The line was constructed in the 60's and has reached its useful life expectancy.

Budget: $ 2,500,000 (State Grant)
Schedule: Year-round design and construction



ELECTRIC DISTRIBUTION
FY28: Los Pueblos Phase 1

Project Scope: The underground system contains 1970s infrastructure which was direct-buried and in direct contact with the earth. Portions or segments of the underground system which have experienced 3 or more failures are targeted for replacement because they will fail again.

Budget: $ 500,000
Schedule: Summer FY28’



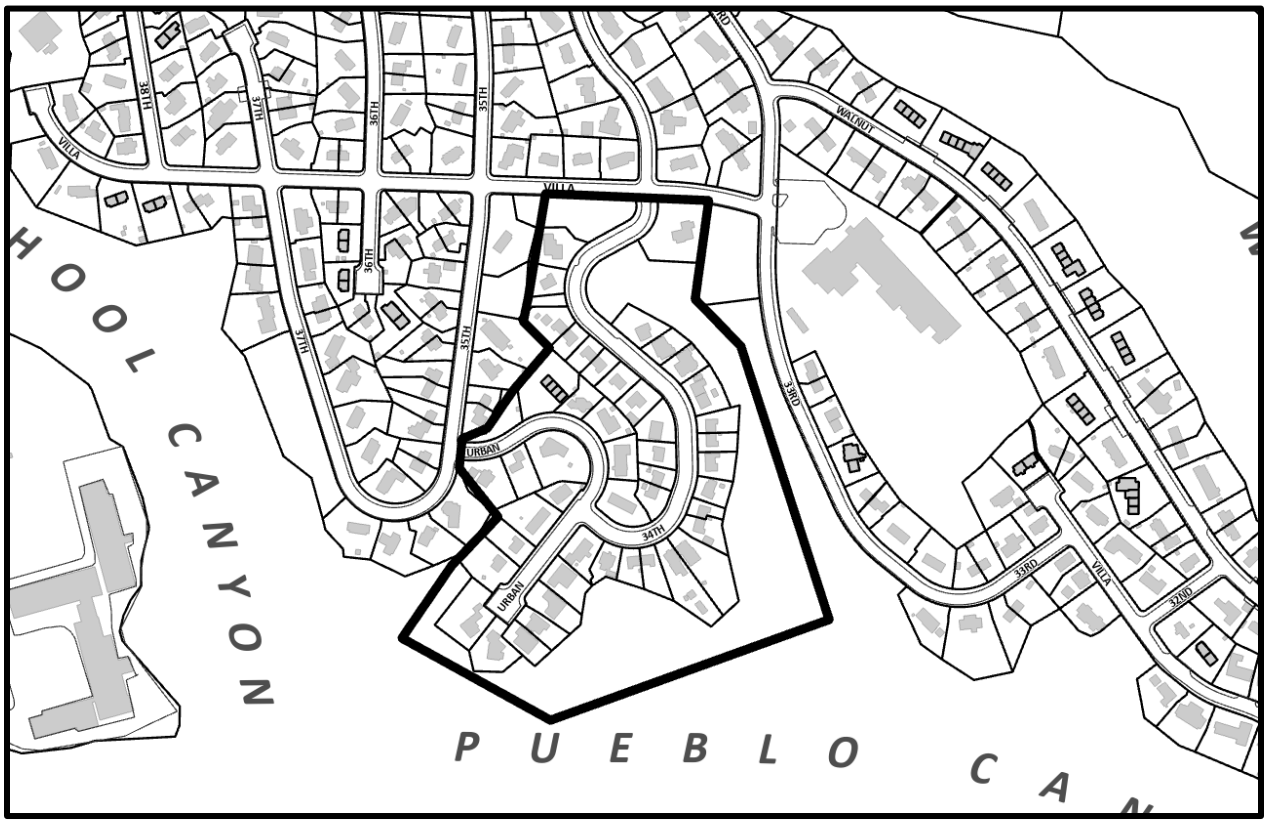
WATER DISTRIBUTION

FY28: 34th & Little Urban Street Waterline Replacement

Project Scope: The project will be in the 34th and Little Urban Street neighborhood in the vicinity of Aspen Elementary School. The failures have been increasing in frequency in recent years. The waterline is a 1950's vintage sections of cast iron pipe that will be replaced. The water distribution portion of the project will apply for Water Trust Board Funding (WTB)

Budget: $1,300,000 (WTB $1,000,000 / CIP $300K)

Schedule: Summer FY28'

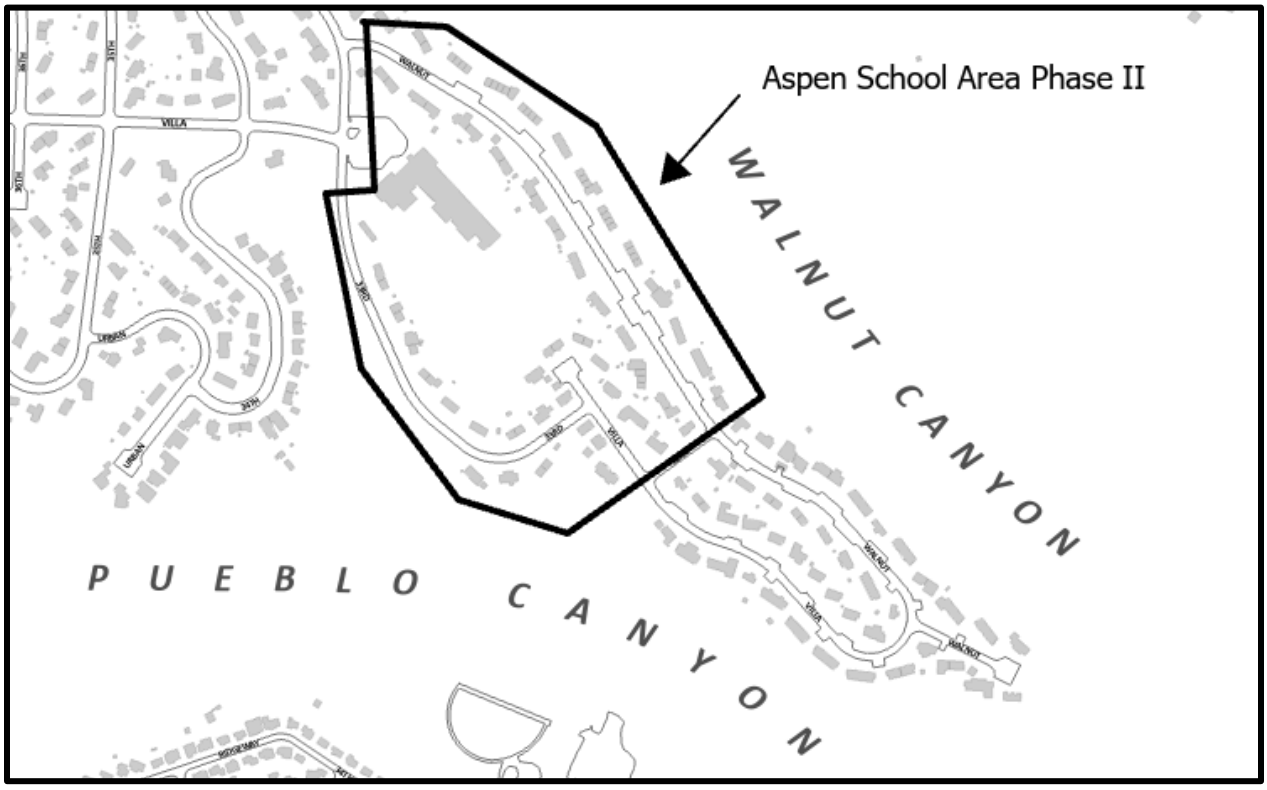


WATER DISTRIBUTION (PROFIT TRANSFER)
WASTEWATER COLLECTION
FY28: Aspen School Area Phase II (Public Works Road Project)

Project Scope: This project will be a joint project between DPU and the Public Works Department to replace another area of 1950's vintage sections of cast iron pipe. This pipe network is an undersized cast iron water distribution pipe that has repeated failures in recent years. This project will also look at repairing and replacing segments of vitrified clay sewer lines within the area located in back of homes where it is difficult to access with equipment and have had recurring problems and threats of overflowing. The water distribution portion of the project will be funded by profit transfer monies allocated to the DPU by the County Council.

Budget:	Water Distribution	$987,000 (Profit Transfer)
	Wastewater Collection	$200,000
		$1,187,000

Schedule: Summer FY28'



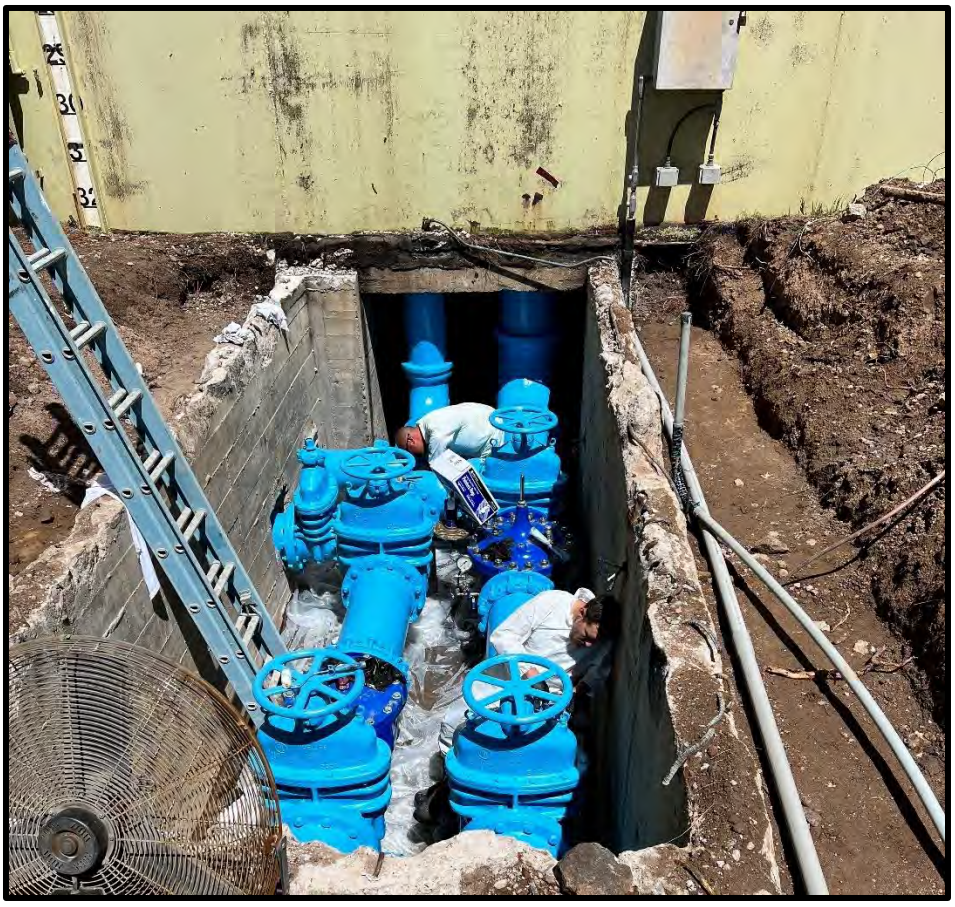
WATER PRODUCTION

FY28: North Mesa Tank Altitude Valve

Project Scope: This project would be to install an Altitude Valve on the Water Transmission line that fills the Hawk tank. The altitude valve will replace the offsite pressure reducing valve that currently fills the tank. The new altitude valve will be placed at the base of the tank.

Budget: $670,000 (WTB $536k / CIP $134K)

Schedule: Fall FY28‘



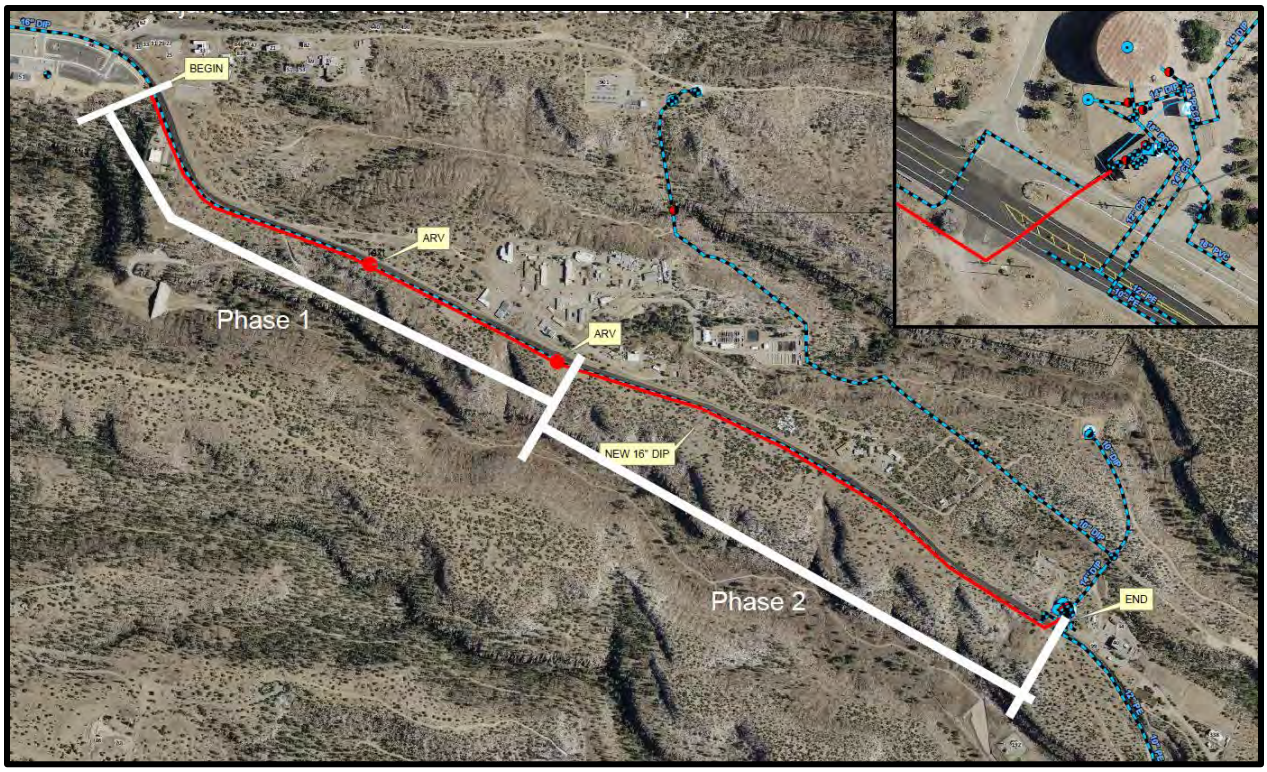
WATER PRODUCTION

FY28: Pajarito Road Transmission Line Replacement Phase II

Project Scope: This is a continuation from Phase 1. The Pajarito 16” Transmission line was installed in the early 1960’s and is a concrete cylinder (CCP) pipe through the Pajarito Road corridor. The root cause of the failures is consistently found to be corrosion of the bottom of the pipe where moisture and road salts deposit, where the trench is in rock or volcanic tuff. The majority of this 2.3-mile corridor is trenched in rock. has identified this pipeline segment as one of the highest risk for failure, with a large consequence when it fails. Three water wells are cut off when the line fails, which serve the Los Alamos National Laboratory. This second phase will be to install approximately 4,500 linear feet of new ductile iron pipe along this corridor.

Budget: $2,200,000 (WTB $1,800,000 / CIP $400,000)

Schedule: Summer FY28’



WATER PRODUCTION

FY28: Booster Station Mech. and Elec. Upgrades Phase I Design

Project Scope: Following the condition assessment completed by Molzin & Corbin in 2022, it listed specific improvement items for each of our Booster Stations in regard to Mechanical and Electrical needs. The upgrades at each Booster location will follow a list based on priority.

Budget: $350,000 (WTB $280k / CIP $70k)

Schedule: Fall FY28’





WATER PRODUCTION

FY28: Booster Station Building Renovations Phase II

Project Scope: Several buildings housing wells and booster stations in our Water Production system are in need of roof, floor, HVAC and structural repairs. This project will identify the most urgent needs and address them. The majority of these facilities in the system were constructed in the 1950s and 1960s.

Budget: $500,000

Schedule: Summer FY28’





WASTEWATER COLLECTION

FY28: Old Pueblo Sewer Canyon Drop Replacement

Project Scope: The above ground 12” steel sewer line drops 100 feet in elevation into Pueblo Canyon attached to the rock face walls of the canyon. The steel line has required multiple repairs to replace sections which have rusted through the pipe walls. The line continues to degrade and the majority of the pipe is inaccessible. This project will replace the compromised pipe by installing a new polyethylene pipe installed by horizontal directional drilling.

Budget: $800,000 (WTB $640 / CIP $160k)

Schedule: Summer FY28’



WASTEWATER COLLECTION

FY28: Cooper Road Sewer Drop Replacement

Project Scope: A study completed by Wilson & Company looked at the infrastructure capacity within the North Mesa Area. The study looked at all infrastructure from Transportation and Utilities and identified items that need improvement in order to support the new development in the area. Deficiencies noted for the wastewater collection was the two sewer drops that will be affected by the new development. The Cooper Road Sewer Drop is located at the end of a cul-de-sac and behind a resident's home. Camera inspection footage showed the need for repairs.

Budget: $1,350,000 (WTB $1,080,000 / CIP $270k)

Schedule: Summer FY28'



WASTEWATER COLLECTION
FY28: Refurbish or Eliminate Pueblo Canyon Pipe Bridge

Project Scope: Further evaluation is ongoing to determine if the bridge will undergo rehabilitation or look at other alternatives to reroute the sewer and gas utilities on this structure and eliminate the bridge in its entirety.

Budget: $1,100,000 (RIP Loan)

Schedule: Summer FY28’



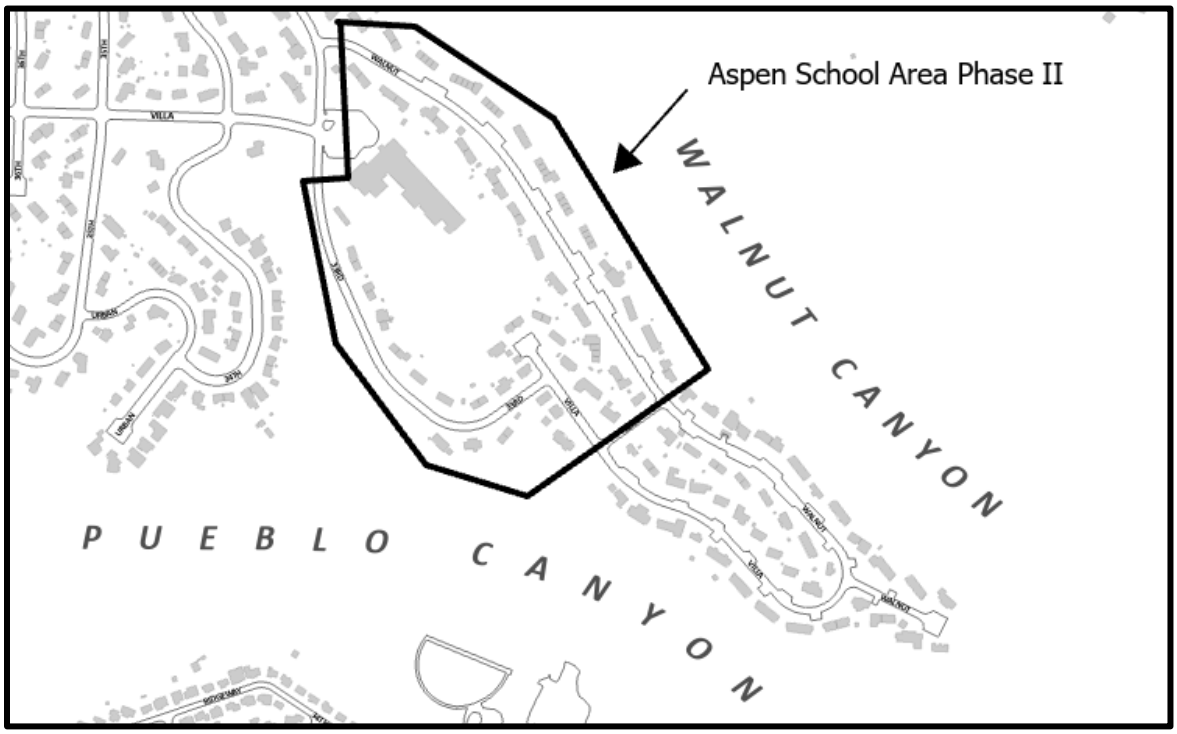
WASTEWATER COLLECTION

FY28: Fairway Street, Sycamore Street, North Community/Western Area Sewer Line Rehabilitation

Project Scope: The Aspen School Area portion of work will be a joint project between DPU and the Public Works Department. This project will be to repair and replace segments of vitrified clay lines in the Aspen School area where sewer lines are located in back of homes where it is difficult to access with equipment and have had recurring problems and threats of overflowing.

Budget: Aspen School Area Pipeline $200,000 (Public Works Project)

Schedule: Spring FY28’



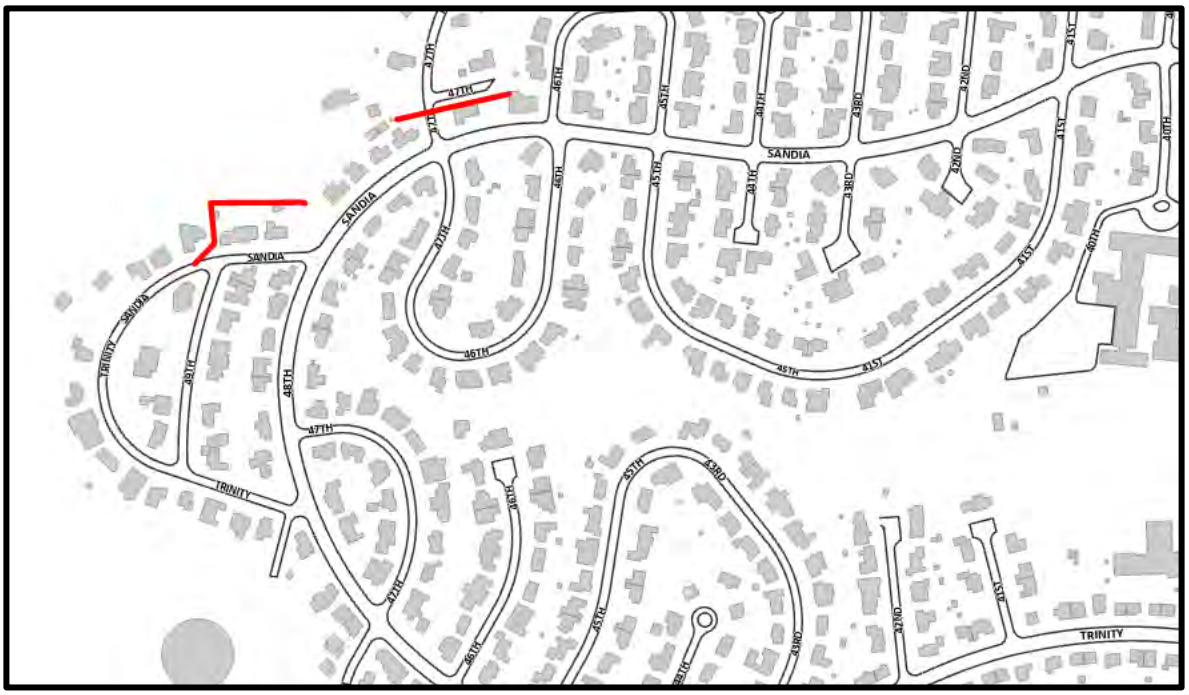
WASTEWATER COLLECTION
FY28: Fairway Street, Sycamore Street, North Community/Western Area Sewer Line Rehabilitation

Project Scope: The project will repair and replace segments of vitrified clay sewer lines in Sandia drive where the collection lines are located in back homes where it is difficult to access with equipment and have had recurring problems and threats of overflowing.

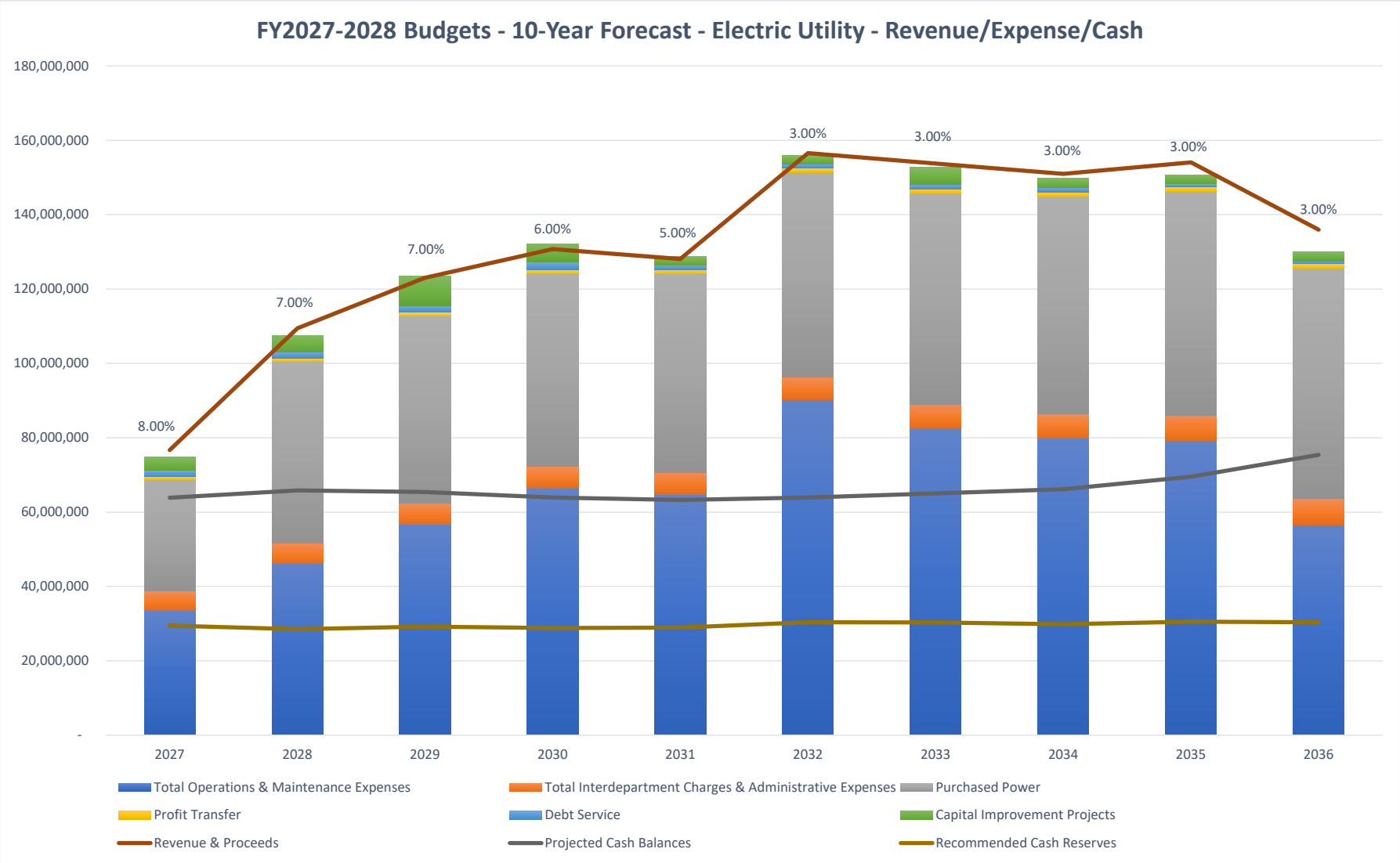
Budget: Sandia Drive $700,000 (RIP Loan)

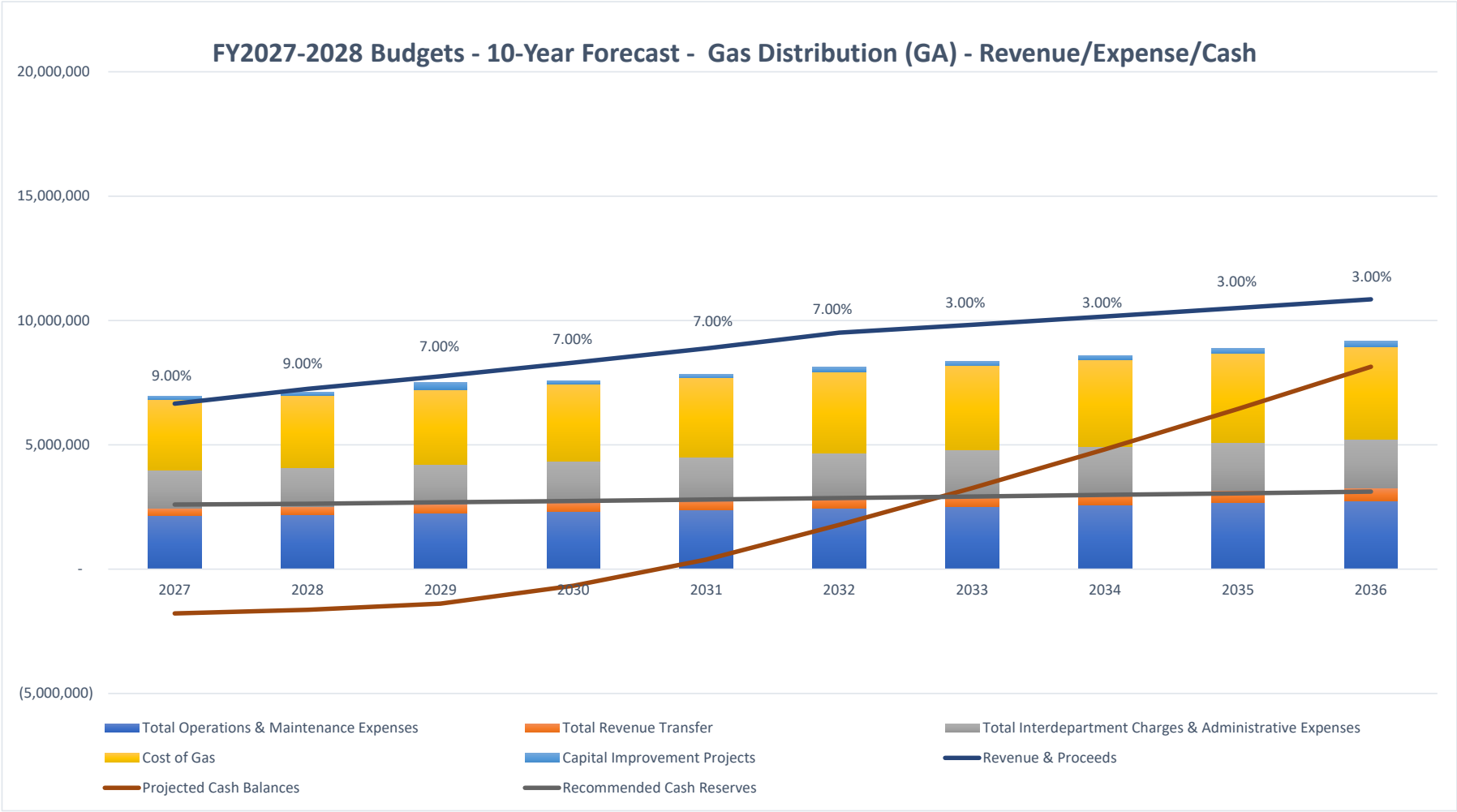
Schedule: Spring FY28’

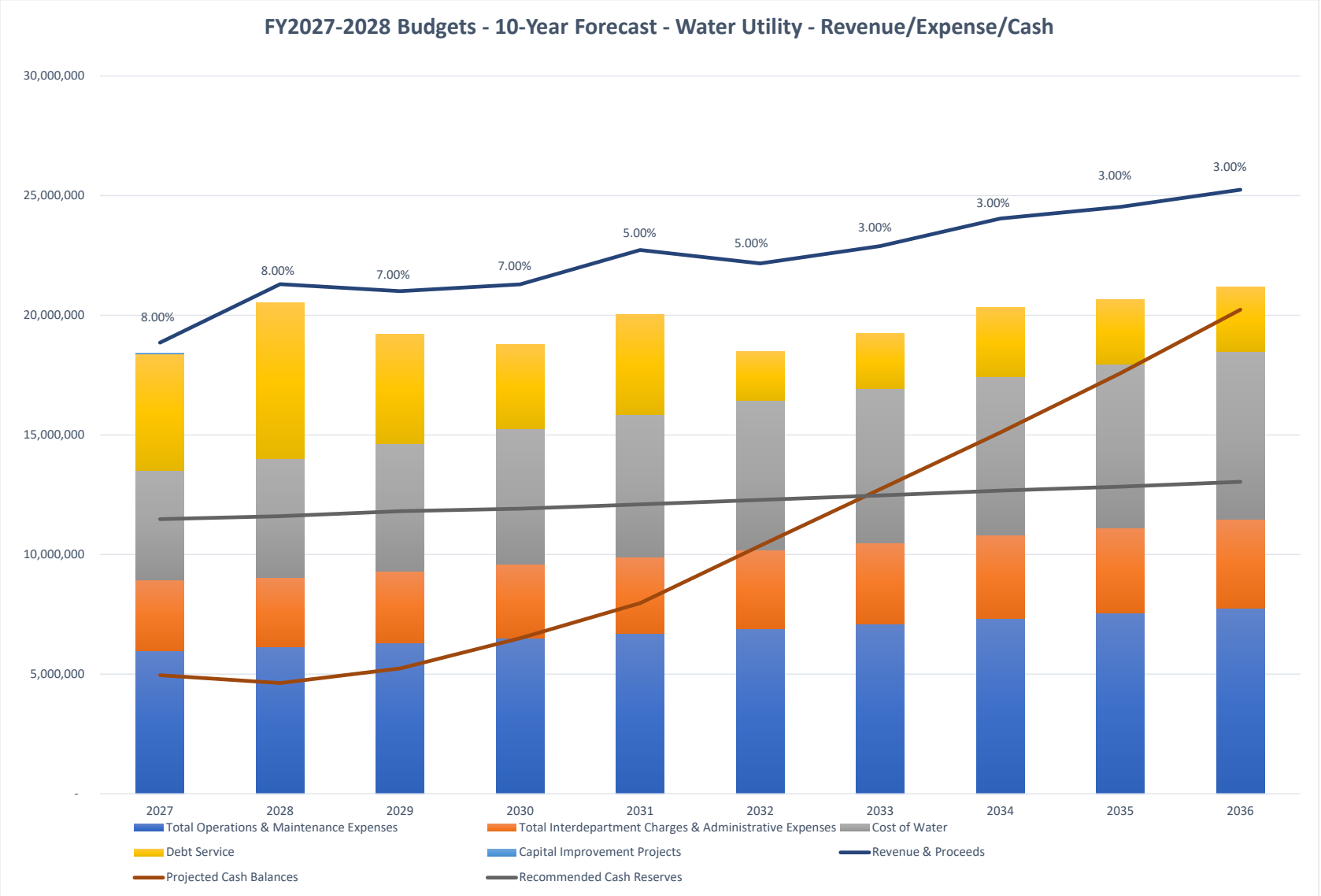
Sandia Drive

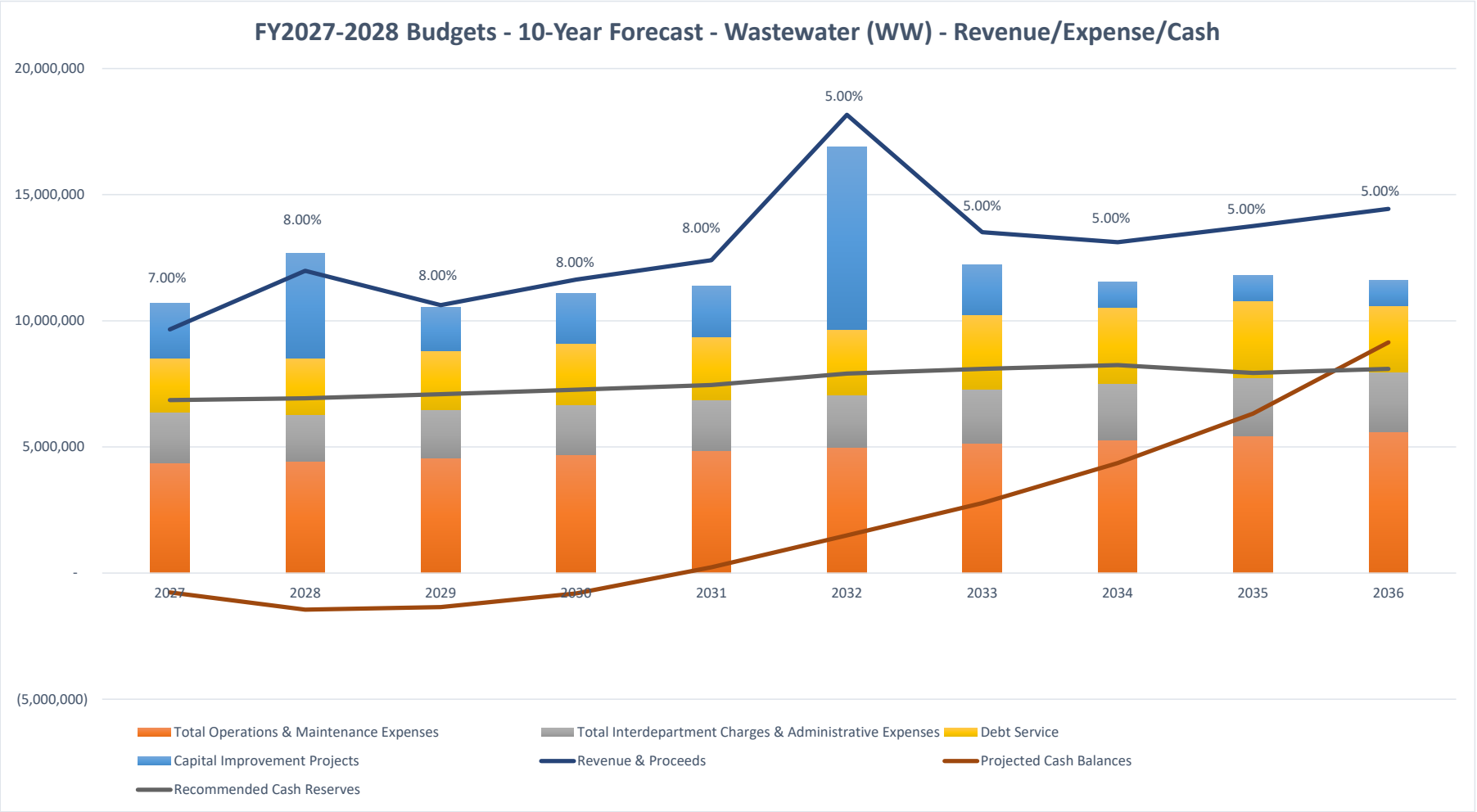


10-Year Forecast Graphs for Revenue, Expense and Cash


FY2027-2028 Budgets - 10-Year Forecast - Electric Utility - Revenue/Expense/Cash
180,000,000
160,000,000
140,000,000
120,000,000
100,000,000
80,000,000
60,000,000
40,000,000
20,000,000
-
8.00%
7.00%
7.00%
6.00%
5.00%
3.00%
3.00%
3.00%
3.00%
3.00%
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
Total Operations & Maintenance Expenses
Total Interdepartment Charges & Administrative Expenses
Purchased Power
Profit Transfer
Debt Service
Capital Improvement Projects
Revenue & Proceeds
Projected Cash Balances
Recommended Cash Reserves


FY2027-2028 Budgets - 10-Year Forecast - Gas Distribution (GA) - Revenue/Expense/Cash
20,000,000
15,000,000
10,000,000
5,000,000
-
(5,000,000)
9.00%
9.00%
7.00%
7.00%
7.00%
7.00%
3.00%
3.00%
3.00%
3.00%
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
Total Operations & Maintenance Expenses
Total Revenue Transfer
Total Interdepartment Charges & Administrative Expenses
Cost of Gas
Capital Improvement Projects
Revenue & Proceeds
Projected Cash Balances
Recommended Cash Reserves


FY2027-2028 Budgets - 10-Year Forecast - Water Utility - Revenue/Expense/Cash
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
-
8.00%
8.00%
7.00%
7.00%
5.00%
5.00%
3.00%
3.00%
3.00%
3.00%
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
Total Operations & Maintenance Expenses
Total Interdepartment Charges & Administrative Expenses
Cost of Water
Debt Service
Capital Improvement Projects
Revenue & Proceeds
Projected Cash Balances
Recommended Cash Reserves


FY2027-2028 Budgets - 10-Year Forecast - Wastewater (WW) - Revenue/Expense/Cash
20,000,000
15,000,000
10,000,000
5,000,000
-
(5,000,000)
7.00%
8.00%
8.00%
8.00%
8.00%
5.00%
5.00%
5.00%
5.00%
5.00%
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
Total Operations & Maintenance Expenses
Total Interdepartment Charges & Administrative Expenses
Debt Service
Capital Improvement Projects
Revenue & Proceeds
Projected Cash Balances
Recommended Cash Reserves

Customer Impact (Rates)

Los Alamos County Department of Public Utilities

Historical & Projected Typical Monthly Bill for Residential

	ELECTRIC 500 kwh	GAS 75 therms	WATER 6,000 gal	SEWER	**Total** (excludes refuse)	Total $$ change	Total % change
FY2018	$69.60	$42.50	$39.06	$47.45	**$198.61**	$5.24	2.71%
FY2019	$69.60	$44.00	$39.91	$51.24	**$204.75**	$6.14	3.09%
FY2020	$69.60	$42.50	$43.12	$54.32	**$209.54**	$4.79	2.34%
FY2021	$69.60	$53.75	$45.23	$55.95	**$224.53**	$14.99	7.15%
FY2022	$69.60	$59.75	$47.07	$57.07	**$233.49**	$8.96	3.99%
FY2023**	$69.60	$87.51	$50.20	$57.93	**$265.24**	$31.75	13.60%
FY2024	$76.10	$59.83	$53.96	$59.08	**$248.97**	($16.27)	-6.13%
FY2025	$83.25	$61.75	$58.19	$60.56	**$263.75**	$14.78	5.94%
FY2026	$90.75	$71.25	$61.87	$64.80	**$288.67**	$24.92	9.45%
FY2027	$98.01	$74.78	$66.82	$69.33	**$308.94**	$20.27	7.02%
FY2028	$97.10	$78.43	$71.77	$74.88	**$322.18**	$13.24	4.29%

TOTAL CHANGE IN MONTHLY BILL FY2018 TO FY2027 $110.33

** FY2023 gas includes the $0.44 revenue recovery rate

FY2018 to FY2027 total Change in Monthly Bill **55.6%**

FY2016 to FY2025 Change in CPI **34.1%**

10-Year Financial Forecast

TEN-YEAR FINANCIAL FORECAST
JOINT UTILITY FUND
FY2027 to FY2036

	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
REVENUE/CASH INFLOW										
Electric Fund	76,695,950	109,472,071	123,001,374	130,737,363	128,057,593	156,554,749	153,747,914	150,975,416	154,065,482	135,941,849
Gas Fund	6,654,731	7,251,857	7,758,087	8,299,753	8,879,336	9,509,173	9,828,463	10,158,300	10,499,025	10,850,366
Water Fund	18,857,159	21,300,111	21,006,843	21,290,661	22,731,736	22,165,656	22,896,369	24,049,012	24,528,045	25,248,979
Wastewater Fund	9,658,305	11,982,461	10,622,658	11,635,671	12,405,725	18,166,205	13,508,714	13,113,788	13,755,098	14,435,857
TOTAL REV - CASH INFLOWS	111,866,146	150,006,500	162,388,962	171,963,448	172,074,390	206,395,783	199,981,460	198,296,516	202,847,650	186,477,051
EXPENSES/CASH OUTFLOWS										
Electric Fund	74,837,423	107,509,347	123,436,203	132,222,621	128,718,117	155,873,569	152,669,775	149,832,537	150,743,867	130,026,944
Gas Fund	6,953,484	7,105,356	7,514,192	7,581,133	7,820,314	8,112,964	8,351,613	8,597,453	8,875,606	9,156,204
Water Fund	19,325,338	21,631,411	20,395,892	20,025,866	21,268,693	19,764,345	20,532,972	21,678,610	22,049,337	22,592,515
Wastewater Fund	10,708,366	12,667,535	10,524,566	11,089,478	11,372,686	16,896,896	12,228,357	11,530,118	11,796,876	11,610,237
TOTAL EXP-CASH OUTFLOWS	111,824,611	148,913,648	161,870,854	170,919,098	169,179,811	200,647,774	193,782,717	191,638,718	193,465,686	173,385,900
NET CASH FLOW	**41,535**	**1,092,852**	**518,108**	**1,044,350**	**2,894,579**	**5,748,009**	**6,198,742**	**6,657,797**	**9,381,964**	**13,091,151**
BEGIN UNRESTRICTED CASH/INV	38,837,023	38,839,558	39,893,409	40,372,518	41,377,868	44,233,447	48,442,456	51,602,198	53,520,995	57,563,959
TRANSFER TO/FROM RESERVES	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(1,539,000)	(3,039,000)	(4,739,000)	(5,339,000)	(7,489,000)
END UNRESTRICTED CASH/INV	38,839,558	39,893,409	40,372,518	41,377,868	44,233,447	48,442,456	51,602,198	53,520,995	57,563,959	63,166,110
BEG RESERVE BALANCES	27,413,576	27,452,576	27,491,576	27,530,576	27,569,576	27,608,576	29,147,576	32,186,576	36,925,576	42,264,576
TRANSFER TO/FROM RESERVES	39,000	39,000	39,000	39,000	39,000	1,539,000	3,039,000	4,739,000	5,339,000	7,489,000
END RESERVE BALANCES	27,452,576	27,491,576	27,530,576	27,569,576	27,608,576	29,147,576	32,186,576	36,925,576	42,264,576	49,753,576
RESERVE TARGET	**50,405,479**	**49,675,040**	**50,780,434**	**50,760,345**	**51,273,742**	**53,429,916**	**53,801,777**	**53,725,119**	**54,350,873**	**54,643,736**

TEN-YEAR FINANCIAL FORECAST
ELECTRIC FUND (EP AND ED)
FY2027 to FY2036

	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
MWh Sales - LANL	440,492	569,058	554,882	516,282	481,815	743,132	681,925	668,836	659,528	664,547
MWh Sales - LAC Distribution	123,401	124,018	124,638	125,261	125,888	126,517	127,150	127,786	136,850	129,067
Total MWh Sales	563,893	693,076	679,520	641,543	607,703	869,649	809,075	796,622	796,378	793,614
Revenue per MWh	74.25	91.00	107.56	127.64	131.19	123.35	124.81	125.14	125.15	103.83
KWh Sales	123,401,169	124,018,175	124,638,000	125,261,000	125,888,000	126,517,000	127,150,000	127,786,000	136,850,000	129,067,000
Revenue per KWh	0.1683	0.1801	0.1927	0.2043	0.2145	0.2209	0.2276	0.2344	0.2414	0.2487
Rate Increase Percentage	**8.0%**	**7.0%**	**7.0%**	**6.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
REVENUE/CASH INFLOW										
DOE Revenues	32,706,554	51,784,245	59,684,463	65,897,936	63,208,165	91,665,330	85,111,985	83,697,688	82,537,197	68,999,915
Retail Sales Revenue	20,772,471	22,337,677	24,020,769	25,589,287	27,003,244	27,952,311	28,934,929	29,952,050	33,038,879	32,094,672
Economy Sales	7,948,624	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764
Miscellaneous Revenue	206,472	206,472	206,472	206,472	206,472	206,472	206,472	206,472	206,472	206,472
Revenue on Recoverable Work	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Grant/Loan/Bond Proceeds	1,500,000	2,500,000	4,500,000	1,900,000	-	-	2,500,000	-	-	-
Interest on Cash & Reserves	2,000,000	2,000,000	2,023,920	2,013,049	2,000,000	2,000,000	2,000,000	2,003,387	2,031,959	2,115,000
Other Judgments/Settlements	-	-	-	-	-	-	-	-	-	-
Bond Federal Subsidy	67,292	51,259	34,618	17,613	-	-	-	-	-	-
Sales to Electric Distribution	9,344,537	11,467,654	13,406,368	15,988,242	16,514,948	15,605,872	15,869,764	15,991,054	17,126,211	13,401,027
Elec Prod Transfer to Elec Dist	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
TOTAL REV - CASH INFLOWS	76,695,950	109,472,071	123,001,374	130,737,363	128,057,593	156,554,749	153,747,914	150,975,416	154,065,482	135,941,849
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	57,336,337	87,011,843	97,258,819	106,112,156	105,568,217	133,742,917	127,738,373	126,738,822	127,015,748	110,064,610
Debt Service	1,578,333	1,569,329	1,888,122	2,016,883	1,123,813	1,122,830	1,317,437	1,314,722	681,237	681,237
Revenue Transfer	893,217	960,521	1,032,894	1,100,340	1,161,140	1,201,950	1,244,202	1,287,939	1,420,672	1,380,071
Capital	2,185,000	2,000,000	3,350,000	3,105,000	2,350,000	2,200,000	2,000,000	2,500,000	2,500,000	2,500,000
Capital Paid with Debt/Grants	1,500,000	2,500,000	4,500,000	1,900,000	-	-	2,500,000	-	-	-
Cost of Power	9,344,537	11,467,654	13,406,368	15,988,242	16,514,948	15,605,872	15,869,764	15,991,054	17,126,211	13,401,027
Elec Prod Transfer to Elec Dist	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
TOTAL EXP-CASH OUTFLOWS	74,837,423	107,509,347	123,436,203	132,222,621	128,718,117	155,873,569	152,669,775	149,832,537	150,743,867	130,026,944
NET CASH FLOW	**1,858,527**	**1,962,724**	**(434,830)**	**(1,485,258)**	**(660,525)**	**681,180**	**1,078,138**	**1,142,878**	**3,321,615**	**5,914,905**
BEGIN UNRESTRICTED CASH/INV	40,861,245	42,680,772	44,604,496	44,130,666	42,606,409	41,906,884	41,549,064	41,588,202	41,192,081	42,974,696
TRANSFER TO/FROM RESERVES	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(1,039,000)	(1,039,000)	(1,539,000)	(1,539,000)	(3,339,000)
END UNRESTRICTED CASH/INV	42,680,772	44,604,496	44,130,666	42,606,409	41,906,884	41,549,064	41,588,202	41,192,081	42,974,696	45,550,601
BEG RESERVE BALANCES	21,160,201	21,199,201	21,238,201	21,277,201	21,316,201	21,355,201	22,394,201	23,433,201	24,972,201	26,511,201
TRANSFER TO/FROM RESERVES	39,000	39,000	39,000	39,000	39,000	1,039,000	1,039,000	1,539,000	1,539,000	3,339,000
END RESERVE BALANCES	21,199,201	21,238,201	21,277,201	21,316,201	21,355,201	22,394,201	23,433,201	24,972,201	26,511,201	29,850,201
RESERVE TARGET	**29,473,658**	**28,514,314**	**29,194,342**	**28,831,053**	**28,927,581**	**30,382,609**	**30,317,982**	**29,827,076**	**30,532,224**	**30,395,562**

TEN-YEAR FINANCIAL FORECAST
ELECTRIC PRODUCTION FUND
FY2027 to FY2036

ELECTRIC PRODUCTION	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
MWh Sales - LANL	440,492	569,058	554,882	516,282	481,815	743,132	681,925	668,836	659,528	664,547
MWh Sales - LAC Distribution	123,401	124,018	124,638	125,261	125,888	126,517	127,150	127,786	136,850	129,067
Total MWh Sales	563,893	693,076	679,520	641,543	607,703	869,649	809,075	796,622	796,378	793,614
Revenue per MWh	74.25	91.00	107.56	127.64	131.19	123.35	124.81	125.14	125.15	103.83
REVENUE/CASH INFLOW										
DOE Revenues	$ 32,706,554	$ 51,784,245	$ 59,684,463	$ 65,897,936	$ 63,208,165	$ 91,665,330	$ 85,111,985	$ 83,697,688	$ 82,537,197	$ 68,999,915
Sales to Electric Distribution	9,344,537	11,467,654	13,406,368	15,988,242	16,514,948	15,605,872	15,869,764	15,991,054	17,126,211	13,401,027
Economy Sales	7,948,624	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764	16,974,764
Interest on Cash & Reserves	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Other Judgments/Settlements	-	-								
Bond Federal Subsidy	19,561	14,900	10,063	5,120	-	-	-	-	-	-
TOTAL REV - CASH INFLOWS	52,019,276	82,241,563	92,075,658	100,866,062	98,697,877	126,245,966	119,956,513	118,663,506	118,638,172	101,375,706
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	49,204,880	78,573,927	88,567,765	97,160,370	96,347,877	124,245,966	117,956,513	116,663,506	116,638,172	99,375,706
Debt Service	416,362	413,957	407,893	400,692	-	-	-	-	-	-
Capital	200,000	1,050,000	1,100,000	1,305,000	350,000	-	-	-	-	-
Capital Paid with Debt/Grants	-	-	-	-	-	-	-	-	-	-
Transfer to Elec Dist	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
TOTAL EXP-CASH OUTFLOWS	51,821,242	82,037,884	92,075,658	100,866,062	98,697,877	126,245,966	119,956,513	118,663,506	118,638,172	101,375,706
NET CASH FLOW	**198,034**	**203,679**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
BEGIN UNRESTRICTED CASH/INV	50,759,570	50,918,605	51,083,284	51,044,284	51,005,284	50,966,284	50,927,284	50,888,284	50,849,284	50,810,284
TRANSFER TO/FROM RESERVES	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)
END UNRESTRICTED CASH/INV	50,918,605	51,083,284	51,044,284	51,005,284	50,966,284	50,927,284	50,888,284	50,849,284	50,810,284	50,771,284
BEG RESERVE BALANCES	13,724,633	13,763,633	13,802,633	13,841,633	13,880,633	13,919,633	13,958,633	13,997,633	14,036,633	14,075,633
TRANSFER TO/FROM RESERVES	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000
END RESERVE BALANCES	13,763,633	13,802,633	13,841,633	13,880,633	13,919,633	13,958,633	13,997,633	14,036,633	14,075,633	14,114,633
RESERVE TARGET	**14,847,137**	**13,375,347**	**13,757,782**	**13,721,326**	**13,649,216**	**14,735,948**	**14,496,038**	**14,456,249**	**14,463,538**	**13,774,526**

TEN-YEAR FINANCIAL FORECAST
ELECTRIC DISTRIBUTION FUND
FY2027 to FY2036

ELECTRIC DISTRIBUTION	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
KWh Sales	123,401,169	124,018,175	124,638,000	125,261,000	125,888,000	126,517,000	127,150,000	127,786,000	136,850,000	129,067,000
Revenue per KWh	0.1683	0.1801	0.1927	0.2043	0.2145	0.2209	0.2276	0.2344	0.2414	0.2487
Rate Increase Percentage	**8.0%**	**7.0%**	**7.0%**	**6.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
REVENUE/CASH INFLOW										
Sales Revenue	$ 20,772,471	$ 22,337,677	$ 24,020,769	$ 25,589,287	$ 27,003,244	$ 27,952,311	$ 28,934,929	$ 29,952,050	$ 33,038,879	$ 32,094,672
Bond Federal Subsidy	47,731	36,359	24,555	12,493	-	-	-	-	-	-
Interest on Cash & Reserves	-	-	23,920	13,049	-	-	-	3,387	31,959	115,000
Miscellaneous Revenue	206,472	206,472	206,472	206,472	206,472	206,472	206,472	206,472	206,472	206,472
Revenue on Recoverable Work	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Grant/Loan/Bond Proceeds	1,500,000	2,500,000	4,500,000	1,900,000	-	-	2,500,000	-	-	-
Transfer from Elec Prod	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
TOTAL REV - CASH INFLOWS	24,676,674	27,230,508	30,925,716	29,871,301	29,359,716	30,308,783	33,791,401	32,311,909	35,427,310	34,566,144
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	8,131,457	8,437,916	8,691,054	8,951,786	9,220,340	9,496,951	9,781,860	10,075,316	10,377,576	10,688,904
Debt Service	1,161,971	1,155,372	1,480,230	1,616,191	1,123,813	1,122,830	1,317,437	1,314,722	681,237	681,237
Cost of Power	9,344,537	11,467,654	13,406,368	15,988,242	16,514,948	15,605,872	15,869,764	15,991,054	17,126,211	13,401,027
Capital	1,985,000	950,000	2,250,000	1,800,000	2,000,000	2,200,000	2,000,000	2,500,000	2,500,000	2,500,000
Capital Paid with Debt/Grants	1,500,000	2,500,000	4,500,000	1,900,000	-	-	2,500,000	-	-	-
Revenue Transfer	893,217	960,521	1,032,894	1,100,340	1,161,140	1,201,950	1,244,202	1,287,939	1,420,672	1,380,071
TOTAL EXP-CASH OUTFLOWS	23,016,181	25,471,463	31,360,545	31,356,559	30,020,241	29,627,603	32,713,263	31,169,031	32,105,695	28,651,238
NET CASH FLOW	**1,660,493**	**1,759,045**	**(434,830)**	**(1,485,258)**	**(660,525)**	**681,180**	**1,078,138**	**1,142,878**	**3,321,615**	**5,914,905**
BEGIN UNRESTRICTED CASH/INV	(9,898,325)	(8,237,833)	(6,478,787)	(6,913,617)	(8,398,875)	(9,059,400)	(9,378,220)	(9,300,081)	(9,657,203)	(7,835,588)
TRANSFER TO/FROM RESERVES	-	-	-	-	-	(1,000,000)	(1,000,000)	(1,500,000)	(1,500,000)	(3,300,000)
END UNRESTRICTED CASH/INV	**(8,237,833)**	**(6,478,787)**	**(6,913,617)**	**(8,398,875)**	**(9,059,400)**	**(9,378,220)**	**(9,300,081)**	**(9,657,203)**	**(7,835,588)**	**(5,220,683)**
BEG RESERVE BALANCES	7,435,568	7,435,568	7,435,568	7,435,568	7,435,568	7,435,568	8,435,568	9,435,568	10,935,568	12,435,568
TRANSFER TO/FROM RESERVES	-	-	-	-	-	1,000,000	1,000,000	1,500,000	1,500,000	3,300,000
END RESERVE BALANCES	7,435,568	7,435,568	7,435,568	7,435,568	7,435,568	8,435,568	9,435,568	10,935,568	12,435,568	15,735,568
RESERVE TARGET	**14,626,522**	**15,138,967**	**15,436,560**	**15,109,727**	**15,278,365**	**15,646,661**	**15,821,944**	**15,370,827**	**16,068,686**	**16,621,036**

TEN-YEAR FINANCIAL FORECAST
GAS FUND
FY2027 to FY2036

GAS	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
Therm Sales	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000
Revenue per Therm	0.9757	1.0635	1.1380	1.2176	1.3028	1.3940	1.4359	1.4789	1.5233	1.5690
Rate Increase Percentage	**9.0%**	**9.0%**	**7.0%**	**7.0%**	**7.0%**	**7.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
REVENUE/CASH INFLOW										
Sales Revenue	$ 6,634,731	$ 7,231,857	$ 7,738,087	$ 8,279,753	$ 8,859,336	$ 9,479,490	$ 9,763,874	$ 10,056,791	$ 10,358,494	$ 10,669,249
Interest on Cash & Reserves	-	-	-	-	-	9,683	44,589	81,510	120,531	161,117
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-
Revenue on Recoverable Work	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Transfers In	-	-								
TOTAL REV - CASH INFLOWS	6,654,731	7,251,857	7,758,087	8,299,753	8,879,336	9,509,173	9,828,463	10,158,300	10,499,025	10,850,366
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	3,678,465	3,742,546	3,854,823	3,970,468	4,089,583	4,212,271	4,338,640	4,468,800	4,602,864	4,740,950
Cost of Gas	2,830,177	2,915,082	3,003,000	3,094,000	3,187,000	3,283,000	3,382,000	3,484,000	3,589,000	3,697,000
Capital	135,000	110,000	295,000	130,000	130,000	175,000	175,000	175,000	200,000	220,000
Capital Paid with Debt/Grants	-	-	-	-	-	-	-	-	-	-
Revenue Transfer	309,842	337,728	361,369	386,665	413,731	442,693	455,973	469,653	483,742	498,254
TOTAL EXP-CASH OUTFLOWS	6,953,484	7,105,356	7,514,192	7,581,133	7,820,314	8,112,964	8,351,613	8,597,453	8,875,606	9,156,204
NET CASH FLOW	**(298,752)**	**146,501**	**243,895**	**718,620**	**1,059,022**	**1,396,209**	**1,476,850**	**1,560,847**	**1,623,419**	**1,694,162**
BEGIN UNRESTRICTED CASH/INV	(2,481,950)	(2,780,702)	(2,634,201)	(2,390,306)	(1,671,685)	(612,663)	783,546	1,760,396	2,821,243	3,944,663
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	(500,000)	(500,000)	(500,000)	(650,000)
END UNRESTRICTED CASH/INV	(2,780,702)	(2,634,201)	(2,390,306)	(1,671,685)	(612,663)	783,546	1,760,396	2,821,243	3,944,663	4,988,824
BEG RESERVE BALANCES	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,500,000
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	500,000	500,000	500,000	650,000
END RESERVE BALANCES	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,500,000	3,150,000
RESERVE TARGET	**2,597,533**	**2,628,932**	**2,683,948**	**2,740,614**	**2,798,981**	**2,859,098**	**2,921,019**	**2,984,797**	**3,050,488**	**3,118,150**

TEN-YEAR FINANCIAL FORECAST
WATER FUND (DW AND WP)
FY2027 to FY2036

	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
Potable Kgal Sales	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
Revenue per Kgal	5.4270	5.8611	6.2714	6.7104	7.0459	7.3982	7.6202	7.8488	8.0843	8.3268
Rate Increase Percentage	**8.0%**	**8.0%**	**7.0%**	**7.0%**	**5.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Non-Potable Kgal Sales	97,300	97,300	97,300	97,300	97,300	97,300	97,300	97,300	97,300	97,300
Revenue per Kgal	4.0245	4.3465	4.6507	4.9763	5.2251	5.4864	5.6510	5.8205	5.9951	6.1750
Rate Increase Percentage	**8.0%**	**8.0%**	**7.0%**	**7.0%**	**5.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Kgal Retail Sales	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000
Revenue per Kgal	10.7787	11.6410	12.4559	13.3278	13.9942	14.6939	15.1348	15.5888	16.0565	16.5382
Rate Increase Percentage	**8.0%**	**8.0%**	**7.0%**	**7.0%**	**5.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
REVENUE/CASH INFLOW										
Potable Sales Revenue	$ 1,573,824	$ 1,699,730	$ 1,818,711	$ 1,946,021	$ 2,043,322	$ 2,145,488	$ 2,209,853	$ 2,276,148	$ 2,344,433	$ 2,414,766
Non-Potable Sales Revenue	391,586	422,913	452,517	484,193	508,403	533,823	549,838	566,333	583,323	600,823
Sales to Water Distribution	4,588,272	4,955,334	5,302,207	5,673,362	5,957,030	6,254,881	6,442,528	6,635,803	6,834,878	7,039,924
Retail Sales Revenue	8,191,848	8,847,196	9,466,500	10,129,155	10,635,612	11,167,393	11,502,415	11,847,487	12,202,912	12,568,999
Interest on Cash & Reserves	178,133	167,466	161,537	170,706	192,369	217,070	266,736	318,240	377,500	439,467
Bond Federal Subsidy	8,496	6,472	4,371	2,224	-	-	-	-	-	-
Miscellaneous Revenue	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Revenue on Recoverable Work	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Grant/Loan/Bond Proceeds	3,840,000	5,116,000	3,716,000	2,800,000	3,310,000	1,762,000	1,840,000	2,320,000	2,100,000	2,100,000
TOTAL REV - CASH INFLOWS	18,857,159	21,300,111	21,006,843	21,290,661	22,731,736	22,165,656	22,896,369	24,049,012	24,528,045	25,248,979
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	8,940,473	9,045,488	9,316,854	9,596,361	9,884,253	10,180,782	10,486,207	10,800,795	11,124,820	11,458,565
Cost of Water	4,588,272	4,955,334	5,302,207	5,673,362	5,957,030	6,254,881	6,442,528	6,635,803	6,834,878	7,039,924
Debt Service	926,593	1,110,589	1,181,831	1,256,143	1,227,410	1,263,682	1,304,238	1,342,012	1,389,639	1,394,026
Capital	1,030,000	1,404,000	879,000	700,000	890,000	303,000	460,000	580,000	600,000	600,000
Capital Paid with Debt/Grants	3,840,000	5,116,000	3,716,000	2,800,000	3,310,000	1,762,000	1,840,000	2,320,000	2,100,000	2,100,000
TOTAL EXP-CASH OUTFLOWS	19,325,338	21,631,411	20,395,892	20,025,866	21,268,693	19,764,345	20,532,972	21,678,610	22,049,337	22,592,515
NET CASH FLOW	**(468,179)**	**(331,300)**	**610,951**	**1,264,795**	**1,463,043**	**2,401,311**	**2,363,397**	**2,370,401**	**2,478,708**	**2,656,464**
BEGIN UNRESTRICTED CASH/INV	824,801	356,623	25,323	636,274	1,901,068	3,364,111	5,765,422	7,628,818	8,799,220	9,977,928
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	(500,000)	(1,200,000)	(1,300,000)	(1,000,000)
END UNRESTRICTED CASH/INV	356,623	25,323	636,274	1,901,068	3,364,111	5,765,422	7,628,818	8,799,220	9,977,928	11,634,392
BEG RESERVE BALANCES	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	5,100,762	6,300,762	7,600,762
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	500,000	1,200,000	1,300,000	1,000,000
END RESERVE BALANCES	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	5,100,762	6,300,762	7,600,762	8,600,762
RESERVE TARGET	**11,478,202**	**11,600,902**	**11,808,183**	**11,916,409**	**12,093,748**	**12,279,602**	**12,467,035**	**12,668,810**	**12,831,969**	**13,038,615**

TEN-YEAR FINANCIAL FORECAST
WATER DISTRIBUTION FUND
FY2027 to FY2036

WATER DISTRIBUTION	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
Kgal Retail Sales	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000
Revenue per Kgal	10.7787	11.6410	12.4559	13.3278	13.9942	14.6939	15.1348	15.5888	16.0565	16.5382
Rate Increase Percentage	**8.0%**	**8.0%**	**7.0%**	**7.0%**	**5.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
REVENUE/CASH INFLOW										
Sales Revenue	$ 8,191,848	$ 8,847,196	$ 9,466,500	$ 10,129,155	$ 10,635,612	$ 11,167,393	$ 11,502,415	$ 11,847,487	$ 12,202,912	$ 12,568,999
Interest on Cash & Reserves	-	-	-	-	-	-	-	6,340	20,211	31,697
Miscellaneous Revenue	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Revenue on Recoverable Work	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Grant/Loan/Bond Proceeds	1,200,000	1,000,000	416,000	480,000	560,000	1,212,000	640,000	720,000	900,000	900,000
Transfers In										
TOTAL REV - CASH INFLOWS	9,476,848	9,932,196	9,967,500	10,694,155	11,280,612	12,464,393	12,227,415	12,658,827	13,208,123	13,585,696
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	3,695,078	3,652,342	3,761,913	3,874,771	3,991,015	4,110,746	4,234,069	4,361,092	4,491,925	4,626,683
Cost of Water	4,588,272	4,955,334	5,302,207	5,673,362	5,957,030	6,254,881	6,442,528	6,635,803	6,834,878	7,039,924
Debt Service	0	118,665	139,193	147,733	157,587	169,083	193,965	207,104	221,884	240,361
Capital	35,000	300,000	104,000	120,000	140,000	303,000	160,000	180,000	300,000	300,000
Capital Paid with Debt/Grants	1,200,000	1,000,000	416,000	480,000	560,000	1,212,000	640,000	720,000	900,000	900,000
TOTAL EXP-CASH OUTFLOWS	9,518,350	10,026,341	9,723,313	10,295,865	10,805,631	12,049,711	11,670,562	12,103,999	12,748,687	13,106,968
NET CASH FLOW	**(41,502)**	**(94,145)**	**244,186**	**398,289**	**474,981**	**414,682**	**556,853**	**554,828**	**459,436**	**478,728**
BEGIN UNRESTRICTED CASH/INV	(1,699,740)	(1,741,242)	(1,835,387)	(1,591,200)	(1,192,911)	(717,930)	(303,248)	253,605	308,432	267,868
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	-	(500,000)	(500,000)	(500,000)
END UNRESTRICTED CASH/INV	(1,741,242)	(1,835,387)	(1,591,200)	(1,192,911)	(717,930)	(303,248)	253,605	308,432	267,868	246,596
BEG RESERVE BALANCES	-	-	-	-	-	-	-	-	500,000	1,000,000
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	-	500,000	500,000	500,000
END RESERVE BALANCES	-	-	-	-	-	-	-	500,000	1,000,000	1,500,000
RESERVE TARGET	5,478,311	5,477,899	5,540,128	5,605,283	5,673,739	5,757,289	5,830,856	5,907,877	5,990,462	6,074,970

TEN-YEAR FINANCIAL FORECAST
WATER PRODUCTION FUND
FY2027 to FY2036

WATER PRODUCTION	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
Potable Kgal Sales	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
Revenue per Kgal	5.4270	5.8611	6.2714	6.7104	7.0459	7.3982	7.6202	7.8488	8.0843	8.3268
Rate Increase Percentage	**8.0%**	**8.0%**	**7.0%**	**7.0%**	**5.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Non-Potable Kgal Sales	97,300	97,300	97,300	97,300	97,300	97,300	97,300	97,300	97,300	97,300
Revenue per Kgal	4.0245	4.3465	4.6507	4.9763	5.2251	5.4864	5.6510	5.8205	5.9951	6.1750
Rate Increase Percentage	**8.0%**	**8.0%**	**7.0%**	**7.0%**	**5.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
REVENUE/CASH INFLOW										
Potable Sales Wholesale Revenue	$ 1,573,824	$ 1,699,730	$ 1,818,711	$ 1,946,021	$ 2,043,322	$ 2,145,488	$ 2,209,853	$ 2,276,148	$ 2,344,433	$ 2,414,766
Potable Sales to Water Distribution	$ 4,588,272	$ 4,955,334	$ 5,302,207	$ 5,673,362	$ 5,957,030	$ 6,254,881	$ 6,442,528	$ 6,635,803	$ 6,834,878	$ 7,039,924
Non-Potable Sales Revenue	$ 391,586	$ 422,913	$ 452,517	$ 484,193	$ 508,403	$ 533,823	$ 549,838	$ 566,333	$ 583,323	$ 600,823
Interest on Cash & Reserves	178,133	167,466	161,537	170,706	192,369	217,070	266,736	311,899	357,289	407,771
Bond Federal Subsidy	8,496	6,472	4,371	2,224	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-
Grant/Loan/Bond Proceeds	2,640,000	4,116,000	3,300,000	2,320,000	2,750,000	550,000	1,200,000	1,600,000	1,200,000	1,200,000
Net Transfers In/Out										
TOTAL REV - CASH INFLOWS	9,380,311	11,367,915	11,039,343	10,596,506	11,451,124	9,701,263	10,668,954	11,390,184	11,319,922	11,663,283
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	5,245,395	5,393,146	5,554,941	5,721,590	5,893,238	6,070,036	6,252,138	6,439,703	6,632,895	6,831,882
Debt Service	926,593	991,924	1,042,638	1,108,410	1,069,824	1,094,599	1,110,272	1,134,908	1,167,755	1,153,665
Capital	995,000	1,104,000	775,000	580,000	750,000	-	300,000	400,000	300,000	300,000
Capital Paid with Debt/Grants	2,640,000	4,116,000	3,300,000	2,320,000	2,750,000	550,000	1,200,000	1,600,000	1,200,000	1,200,000
TOTAL EXP-CASH OUTFLOWS	9,806,988	11,605,070	10,672,579	9,730,000	10,463,062	7,714,635	8,862,410	9,574,611	9,300,650	9,485,547
NET CASH FLOW	**(426,677)**	**(237,155)**	**366,765**	**866,506**	**988,062**	**1,986,628**	**1,806,544**	**1,815,574**	**2,019,273**	**2,177,736**
BEGIN UNRESTRICTED CASH/INV	2,524,541	2,097,864	1,860,709	2,227,474	3,093,980	4,082,042	6,068,670	7,375,214	8,490,787	9,710,060
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	(500,000)	(700,000)	(800,000)	(500,000)
END UNRESTRICTED CASH/INV	2,097,864	1,860,709	2,227,474	3,093,980	4,082,042	6,068,670	7,375,214	8,490,787	9,710,060	11,387,796
BEG RESERVE BALANCES	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	5,100,762	5,800,762	6,600,762
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	500,000	700,000	800,000	500,000
END RESERVE BALANCES	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	5,100,762	5,800,762	6,600,762	7,100,762
RESERVE TARGET	**5,999,891**	**6,123,003**	**6,268,055**	**6,311,126**	**6,420,009**	**6,522,313**	**6,636,179**	**6,760,933**	**6,841,507**	**6,963,645**

TEN-YEAR FINANCIAL FORECAST
WASTEWATER FUND
FY2027 to FY2036

WASTEWATER	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
REVENUE/CASH INFLOW										
Thousands of Gallons Processed	368,333	368,333	368,333	368,333	368,333	368,333	368,333	368,333	368,333	368,333
Sewer Rate Increase	**7%**	**8%**	**8%**	**8%**	**8%**	**5%**	**5%**	**5%**	**5%**	**5%**
Sales Revenue	$ 7,641,167	$ 8,252,461	$ 8,912,658	$ 9,625,671	$ 10,395,725	$ 10,915,512	$ 11,461,288	$ 12,034,353	$ 12,636,071	$ 13,267,875
Interest on Cash & Reserves	7,138	-	-	-	-	5,693	37,426	69,435	109,027	157,982
Revenue on Recoverable Work	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Grant/Loan/Bond Proceeds	2,000,000	3,720,000	1,700,000	2,000,000	2,000,000	7,235,000	2,000,000	1,000,000	1,000,000	1,000,000
Net Transfers In/Out										
TOTAL REV - CASH INFLOWS	9,658,305	11,982,461	10,622,658	11,635,671	12,405,725	18,166,205	13,508,714	13,113,788	13,755,098	14,435,857
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	6,375,657	6,286,623	6,475,222	6,669,479	6,869,564	7,075,651	7,287,921	7,506,559	7,731,756	7,963,709
Debt Service	2,147,709	2,230,912	2,349,344	2,419,999	2,503,122	2,586,245	2,940,436	3,023,559	3,065,120	2,646,528
Capital	185,000	430,000	-	-	-	-	-	-	-	-
Capital Paid with Debt/Grants	2,000,000	3,720,000	1,700,000	2,000,000	2,000,000	7,235,000	2,000,000	1,000,000	1,000,000	1,000,000
TOTAL EXP-CASH OUTFLOWS	10,708,366	12,667,535	10,524,566	11,089,478	11,372,686	16,896,896	12,228,357	11,530,118	11,796,876	11,610,237
NET CASH FLOW	**(1,050,061)**	**(685,074)**	**98,092**	**546,193**	**1,033,039**	**1,269,309**	**1,280,357**	**1,583,670**	**1,958,221**	**2,825,620**
BEGIN UNRESTRICTED CASH/INV	(367,074)	(1,417,134)	(2,102,208)	(2,004,117)	(1,457,924)	(424,885)	344,424	624,782	708,452	666,673
TRANSFER TO/FROM RESERVES	-	-	-	-	-	(500,000)	(1,000,000)	(1,500,000)	(2,000,000)	(2,500,000)
END UNRESTRICTED CASH/INV	**(1,417,134)**	**(2,102,208)**	**(2,004,117)**	**(1,457,924)**	**(424,885)**	**344,424**	**624,782**	**708,452**	**666,673**	**992,293**
BEG RESERVE BALANCES	652,613	652,613	652,613	652,613	652,613	652,613	1,152,613	2,152,613	3,652,613	5,652,613
TRANSFER TO/FROM RESERVES	-	-	-	-	-	500,000	1,000,000	1,500,000	2,000,000	2,500,000
END RESERVE BALANCES	652,613	652,613	652,613	652,613	652,613	1,152,613	2,152,613	3,652,613	5,652,613	8,152,613
RESERVE TARGET	**6,856,086**	**6,930,892**	**7,093,960**	**7,272,269**	**7,453,433**	**7,908,607**	**8,095,742**	**8,244,436**	**7,936,191**	**8,091,409**

Debt Coverage Ratio Projection

LOS ALAMOS
Department of Public Utilities

Los Alamos County Department of Public Utilities

Debt Profile - Current & Proposed

Net System Revenue of the Joint Utility System

Fiscal Year	Senior Lien Tier	Subordinate Lien Tier	Super Subordinate Lien Tier	Total Debt Service	Total Operating Net Revenue	Debt Service Coverage Ratio
2027	1,034,901	1,064,035	2,553,696	4,652,631	4,779,594	1.03
2028	1,021,300	1,175,335	2,714,189	4,910,825	6,335,101	1.29
2029	995,484	1,516,960	2,906,854	5,419,298	6,436,371	1.19
2030	975,204	1,664,031	3,053,791	5,693,025	6,466,355	1.14
2031	-	1,659,953	3,194,393	4,854,345	7,839,450	1.61
2032	-	1,658,969	3,313,788	4,972,757	10,070,652	2.03
2033	-	1,853,576	3,708,534	5,562,110	10,533,917	1.89
2034	-	1,850,861	3,829,431	5,680,292	11,670,389	2.05
2035	-	1,217,376	3,918,620	5,135,996	14,586,378	2.84
2036	-	1,217,377	3,504,414	4,721,791	18,289,476	3.87
Total	4,026,890	14,878,472	32,697,709	51,603,071	97,007,684	

2.3 Objective - Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year.

Schedule of Funds

LOS ALAMOS
Department of Public Utilities

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 Budget

	Electric Prod	Elec Dist	Gas	Water Prod	Water Dist	Wastewater	TOTAL
Beginning Cash - Unrestricted per FY25 ACFR	**$ 52,156,424**	**$ (4,238,636)**	**$ (120,873)**	**$ 7,336,376**	**$ 955,968**	**$ 4,285,298**	**$ 60,374,558**
Beginning Cash - Restricted Including Reserves per FY25 ACFR	**$ 12,285,633**	**$ 7,435,568**	**$ 1,000,000**	**$ 4,600,762**	**$ -**	**$ 652,613**	**$ 25,974,576**
Total Cash Per FY25 ACFR	**$ 64,442,057**	**$ 3,196,933**	**$ 879,127**	**$ 11,937,138**	**$ 955,968**	**$ 4,937,911**	**$ 86,349,135**
Beginning Cash - Unrestricted per FY26 Projected	**$ 50,759,570**	**$ (9,898,325)**	**$ (2,481,950)**	**$ 2,524,541**	**$ (1,699,740)**	**$ (367,074)**	**$ 38,837,023**
Beginning Cash - Restricted Including Reserves per FY26 Projected	**$ 13,724,633**	**$ 7,435,568**	**$ 1,000,000**	**$ 4,600,762**	**$ -**	**$ 652,613**	**$ 27,413,576**
Total Cash Per FY26 Projected	**$ 64,484,203**	**$ (2,462,757)**	**$ (1,481,950)**	**$ 7,125,303**	**$ (1,699,740)**	**$ 285,539**	**$ 66,250,599**
Total Budgeted Revenue *(including transfers-in/grants/loans)* FY27	42,674,739	24,676,674	6,654,731	4,792,039	9,476,848	9,658,305	97,933,338
Intrafund Charges/Commodities FY27	9,344,537	(9,344,537)	(2,830,177)	4,588,272	(4,588,272)	-	(2,830,177)
Budgeted Expenditures by Priority per Charter or Utilities Financial Policies							
1. Current Operations Budget (Including Normal Maintenance) Expense	(49,196,380)	(7,492,673)	(3,500,636)	(5,245,395)	(3,695,078)	(6,375,657)	(75,505,819)
2. Bond & Other Debt Service Expense	(416,362)	(1,161,971)	-	(926,593)	-	(2,147,709)	(4,652,635)
3b. Capital Plan for FY2027 - Replacement Expense	-	-	-	-	-	-	-
4a. Franchise Fee (paid to the General Fund) Expense		(502,784)	(115,829)	-	-	-	(618,613)
4b. In Lieu Taxes (paid to the General Fund) Expense	(8,500)	(136,000)	(62,000)	-	-	-	(206,500)
5. Capital Additions and Improvements for FY2027 - Capital Expense	(200,000)	(3,485,000)	(135,000)	(3,635,000)	(1,235,000)	(2,185,000)	(10,875,000)
Cash Projection for Other Utilities Reserves per Schedule of Funds							
3a. Replacement Reserve *(Capital Expenditures Reserve)* Net Addition/Reduction							
3a. Move unrestricted cash to restricted cash to fund Replacement Reserve							
w. Net Add/Reduction - Util Operating Reserve							
x. Net Add/Reduction - Util Retirement/Reclamation Reserve	39,000						
y. Net Add/Reduction - Util Rate Stabilization Reserve							
z. Net Add/Reduction - Util Contingency Reserve							
w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves	(39,000)	-	-	-	-	-	(39,000)
Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.)	(49,821,242)	(22,122,964)	(6,643,642)	(9,806,988)	(9,518,350)	(10,708,366)	(108,621,552)
Net Cash Budgeted Sources and Uses (Operating Profit)	$ 2,198,034	$ 2,553,710	$ 11,090	$ (426,677)	$ (41,502)	$ (1,050,061)	$ 3,244,594
6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools)	-	(893,217)	(309,842)	-	-	-	(1,203,059)
Transfers to Other Funds	(2,000,000)						(2,000,000)
6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below.	*$ 198,034*	*$ 1,660,493*	*$ (298,752)*	*$ (426,677)*	*$ (41,502)*	*$ (1,050,061)*	*$ 41,535*
Projected Ending Cash - Unrestricted FY27 Proposed	**$ 50,918,605**	**$ (8,237,833)**	**$ (2,780,702)**	**$ 2,097,864**	**$ (1,741,242)**	**$ (1,417,134)**	**$ 38,839,558**
Projected Ending Cash - Restricted FY27 Proposed	**$ 13,763,633**	**$ 7,435,568**	**$ 1,000,000**	**$ 4,600,762**	**$ -**	**$ 652,613**	**$ 27,452,576**

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 Budget

	Electric Prod	Elec Dist	Gas	Water Prod	Water Dist	Wastewater	TOTAL
Total Projected Ending Cash FY27 Proposed	$ 64,682,238	$ (802,264)	$ (1,780,702)	$ 6,698,627	$ (1,741,242)	$ (764,521)	$ 66,292,134
Funded Reserve Balances	$ 13,763,633	$ 7,435,568	$ 1,000,000	$ 4,600,762	$ -	$ 652,613	$ 27,452,576
Reserve Targets	$ 14,847,137	$ 14,626,522	$ 2,597,533	$ 5,999,891	$ 5,478,311	$ 6,856,086	$ 50,405,479
Total Reserves Over<Under> Target	$ (1,083,504)	$ (7,190,953)	$ (1,597,533)	$ (1,399,129)	$ (5,478,311)	$ (6,203,473)	$ (22,952,903)

Schedule of Funds
FY2027 Budget

	Electric Prod	Elec Dist	Gas	Water Prod	Water Dist	Wastewater	TOTAL
Operations Reserve (180 days of bud operations and maint, excluding commodities)							
Beginning Balance FY2025 ACFR	1,829,600	4,142,300	1,000,000	2,246,500	-	313,313	9,531,713
Net Change in Reserve FY2026 to be booked June 30	1,400,000	-	-	-	-	-	1,400,000
Projected Balance FY2026	3,229,600	4,142,300	1,000,000	2,246,500	-	313,313	
Budgeted Additions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	3,229,600	4,142,300	1,000,000	2,246,500	-	313,313	10,931,713
TARGET FY2027	**4,666,441**	**3,984,414**	**1,802,448**	**2,570,244**	**1,810,588**	**3,124,072**	**17,958,206**
Debt Service Reserve (as required by loan docs)							
Beginning Balance FY2025 ACFR	626,194	1,435,568	-	158,531	-	-	2,220,293
Net Change in Reserve FY2026 to be booked June 30	-			-		-	
Projected Balance FY2026	626,194	1,435,568		158,531	-	-	
Budgeted Additions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	626,194	1,435,568	-	158,531	-	-	2,220,293
TARGET FY2027	**413,957**	**1,155,372**	**-**	**991,924**	**118,665**	**2,230,912**	**4,910,830**
Retirement/Reclamation Reserve (per agreements)							
Beginning Balance FY2025 ACFR	9,521,439	-	-	-	-	-	9,521,439
Net Change in Reserve FY2026 to be booked June 30	39,000					-	39,000
Projected Balance FY2026	9,560,439					-	
Budgeted Additions to the Reserve FY2027	39,000	-	-	-	-	-	39,000
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	9,599,439	-	-	-	-	-	9,560,439
TARGET FY2027	**9,521,439**	**-**	**-**	**-**	**-**	**-**	**9,521,439**
Capital Expenditures Reserve							
Beginning Balance FY2025 ACFR	308,400	1,257,700	-	1,745,731	-	-	3,311,831
Net Change in Reserve FY2026 to be booked June 30	-	-	-			-	-
Projected Balance FY2026	308,400	1,257,700	-	1,745,731	-	-	
Budgeted Additions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	308,400	1,257,700	-	1,745,731	-	-	3,311,831
TARGET FY2027 (annual deprec + 2.5%)	**245,300**	**1,384,184**	**525,085**	**1,937,724**	**655,087**	**1,001,102**	**5,748,481**
Rate Stabilization Reserve (where pass-through rate for commodities not in place)							
Beginning Balance FY2025 ACFR	-	-	-	-	-	-	-
Net Change in Reserve FY2026 to be booked June 30	-	-	-	-	-	-	-
Projected Balance FY2026	-	-	-	-	-	-	-
Budgeted Additions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	-	-	-	-	-	-	-
TARGET FY2027	**-**	**7,484,552**	**-**	**-**	**2,693,971**	**-**	**10,178,524**

Schedule of Funds
FY2027 Budget

	Electric Prod	Elec Dist	Gas	Water Prod	Water Dist	Wastewater	TOTAL
Contingency Reserve (single largest equipment with potential for failure DPU Asset Team)							
Beginning Balance FY2025 ACFR	-	600,000	-	450,000	-	339,300	1,389,300
Net Change in Reserve FY2026 to be booked June 30	-	-	-			-	-
Projected Balance FY2026	-	600,000	-	450,000	-	339,300	
Budgeted Additions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	-	600,000	-	450,000	-	339,300	1,389,300
TARGET FY2027	**-**	**618,000**	**270,000**	**500,000**	**200,000**	**500,000**	**2,088,000**
Bond Proceeds Restricted							
Beginning Balance FY2025 ACFR	-	-	-	-	-	-	-
Net Change in Reserve FY2026 to be booked June 30	-						
Projected Balance FY2026	-						
Budgeted Additions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	-	-	-	-	-	-	-
TARGET FY2027	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL RESERVES/RESTRICTED CASH							
Beginning Balance FY2025 ACFR	12,285,633	7,435,568	1,000,000	4,600,762	-	652,613	25,974,576
Net Change in Reserve FY2026 to be booked June 30	1,439,000	-	-	-	-	-	1,439,000
Projected Balance FY2026	13,724,633	7,435,568	1,000,000	4,600,762	-	652,613	-
Budgeted Additions to the Reserve FY2027	39,000	-	-	-	-	-	39,000
Budgeted Reductions to the Reserve FY2027	-	-	-	-	-	-	-
Budgeted Balance FY2027	13,763,633	7,435,568	1,000,000	4,600,762	-	652,613	27,452,576
TARGET FY2027	**14,847,137**	**14,626,522**	**2,597,533**	**5,999,891**	**5,478,311**	**6,856,086**	**50,405,479**
Total Reserves Over<Under> Target	**(1,083,504)**	**(7,190,953)**	**(1,597,533)**	**(1,399,129)**	**(5,478,311)**	**(6,203,473)**	**(22,952,903)**

Capital Plan with Funding Sources Schedule
FY2027 Budget
See 10-Year Capital Plan for Detailed Listing of Projects

	Electric Prod	Elec Dist	Gas	Water Prod	Water Dist	Wastewater	TOTAL
Capital Projects Funded through							
Reserve or Unrestricted Cash	200,000	1,985,000	135,000	995,000	35,000	185,000	3,535,000
							-
Capital Projects Funded through Debt	-	-	-	1,056,000	924,000	1,500,000	3,480,000
Capital Projects Funded through Grants	-	1,500,000	-	1,584,000	276,000	500,000	3,860,000
Capital Projects Funded through Other Sources	-	-	-	-	-	-	-
Total Capital Projects	**200,000**	**3,485,000**	**135,000**	**3,635,000**	**1,235,000**	**2,185,000**	**10,875,000**

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

ELECTRIC PRODUCTION		**FY2027**	**FY2028**	**FY2029**	**FY2030**	**FY2031**	**FY2032**	**FY2033**	**FY2034**	**FY2035**	**FY2036**
Beginning Cash - Unrestricted per FY25 ACFR		**$ 52,156,424**									
Beginning Cash - Restricted Including Reserves per FY25 ACFR		**$ 12,285,633**									
Total Cash Per FY25 ACFR		**$ 64,442,057**									
Beginning Cash - Unrestricted per FY26 Projected		**$ 50,759,570**	**$ 50,918,605**	**$ 51,083,284**	**$ 51,044,284**	**$ 51,005,284**	**$ 50,966,284**	**$ 50,927,284**	**$ 50,888,284**	**$ 50,849,284**	**$ 50,810,284**
Beginning Cash - Restricted Including Reserves per FY26 Projected		**$ 13,724,633**	**$ 13,763,633**	**$ 13,802,633**	**$ 13,841,633**	**$ 13,880,633**	**$ 13,919,633**	**$ 13,958,633**	**$ 13,997,633**	**$ 14,036,633**	**$ 14,075,633**
Total Cash Per FY26 Projected		**$ 64,484,203**	**$ 64,682,238**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**
Total Budgeted Revenue *(including transfers-in/grants/loans)*		42,674,739	70,773,909	78,669,290	84,877,820	82,182,929	110,640,094	104,086,749	102,672,452	101,511,961	87,974,679
Intrafund Charges/Commodities		9,344,537	11,467,654	13,406,368	15,988,242	16,514,948	15,605,872	15,869,764	15,991,054	17,126,211	13,401,027
Budgeted Expenditures by Priority per Charter or Utilities Financial Policies											
1. Current Operations Budget (Including Normal Maintenance) Expense		(49,196,380)	(78,565,427)	(88,559,265)	(97,151,870)	(96,339,377)	(124,237,466)	(117,948,013)	(116,655,006)	(116,629,672)	(99,367,206)
2. Bond & Other Debt Service Expense		(416,362)	(413,957)	(407,893)	(400,692)	-	-	-	-	-	-
3b. Capital Plan for FY2027 - Replacement Expense		-		-	-	-	-	-	-	-	-
4a. Franchise Fee (paid to the General Fund) Expense		-									
4b. In Lieu Taxes (paid to the General Fund) Expense		(8,500)	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)
5a. Capital Additions and Improvements for FY2027 - Capital Expense		(200,000)	(1,050,000)	(1,100,000)	(1,305,000)	(350,000)	-	-	-	-	-
Cash Projection for Other Utilities Reserves per Schedule of Funds											
3a. Replacement Reserve *(Capital Expenditures Reserve)* Net Addition/Reduction	A	-	-	-	-	-	-	-	-	-	-
3a. Move unrestricted cash to restricted cash to fund Replacement Reserve		-	-	-	-	-	-	-	-	-	-
w. Net Add/Reduction - Util Operating Reserve		-	-	-	-	-	-	-	-	-	-
x. Net Add/Reduction - Util Retirement/Reclamation Reserve		39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000
y. Net Add/Reduction - Util Rate Stabilization Reserve		-	-	-	-	-	-	-	-	-	-
z. Net Add/Reduction - Util Contingency Reserve		-	-	-	-	-	-	-	-	-	-
w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves	A	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)	(39,000)
Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.)		2,198,034	2,203,679	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Net Cash Budgeted Sources and Uses (Operating Profit)		$ 2,198,034	$ 2,203,679	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000
6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools)		-	-	-	-	-	-	-	-	-	-
Transfers to Other Funds		(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below.		*$ 198,034*	*$ 203,679*	*$ (0)*	*$ -*	*$ (0)*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Projected Ending Cash - Unrestricted		**$ 50,918,605**	**$ 51,083,284**	**$ 51,044,284**	**$ 51,005,284**	**$ 50,966,284**	**$ 50,927,284**	**$ 50,888,284**	**$ 50,849,284**	**$ 50,810,284**	**$ 50,771,284**
Projected Ending Cash - Restricted		**$ 13,763,633**	**$ 13,802,633**	**$ 13,841,633**	**$ 13,880,633**	**$ 13,919,633**	**$ 13,958,633**	**$ 13,997,633**	**$ 14,036,633**	**$ 14,075,633**	**$ 14,114,633**
Total Projected Ending Cash		**$ 64,682,238**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**	**$ 64,885,916**
Funded Reserve Balances		**$ 13,763,633**	**$ 13,802,633**	**$ 13,841,633**	**$ 13,880,633**	**$ 13,919,633**	**$ 13,958,633**	**$ 13,997,633**	**$ 14,036,633**	**$ 14,075,633**	**$ 14,114,633**
Reserve Targets		**$ 14,847,137**	**$ 13,375,347**	**$ 13,757,782**	**$ 13,721,326**	**$ 13,649,216**	**$ 14,735,948**	**$ 14,496,038**	**$ 14,456,249**	**$ 14,463,538**	**$ 13,774,526**
Total Reserves Over<Under> Target		**$ (1,083,504)**	**$ 427,285**	**$ 83,850**	**$ 159,306**	**$ 270,417**	**$ (777,315)**	**$ (498,405)**	**$ (419,616)**	**$ (387,905)**	**$ 340,107**

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds
FY2027 to FY2036
ELECTRIC PRODUCTION

	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Operations Reserve (180 days of bud operations and maint)										
Beginning Balance	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600	3,229,600
TARGET	**4,666,441**	**3,194,583**	**3,577,933**	**3,935,726**	**3,857,012**	**4,936,975**	**4,690,126**	**4,643,225**	**4,643,225**	**3,946,741**
Debt Service Reserve (as required by loan docs)										
Beginning Balance	626,194	626,194	626,194	626,194	626,194	626,194	626,194	626,194	626,194	626,194
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	626,194	626,194	626,194	626,194	626,194	626,194	626,194	626,194	626,194	626,194
TARGET	**413,957**	**407,893**	**400,692**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Retirement/Reclamation Reserve (per agreements)										
Beginning Balance	9,560,439	9,599,439	9,638,439	9,677,439	9,716,439	9,755,439	9,794,439	9,833,439	9,872,439	9,911,439
Budgeted Additions to the Reserve	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000
Budgeted Reductions to the Reserve										
Budgeted Balance	9,599,439	9,638,439	9,677,439	9,716,439	9,755,439	9,794,439	9,833,439	9,872,439	9,911,439	9,950,439
TARGET	**9,521,439**	**9,521,439**	**9,521,439**	**9,521,439**	**9,521,439**	**9,521,439**	**9,521,439**	**9,521,439**	**9,521,439**	**9,521,439**
Capital Expenditures Reserve (annual deprec + 2.5%)										
Beginning Balance	308,400	308,400	308,400	308,400	308,400	308,400	308,400	308,400	308,400	308,400
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	308,400	308,400	308,400	308,400	308,400	308,400	308,400	308,400	308,400	308,400
TARGET (annual deprec + 2.5%)	**245,300**	**251,433**	**257,718**	**264,161**	**270,765**	**277,534**	**284,473**	**291,585**	**298,874**	**306,346**
Rate Stabilization Reserve (where pass-through rate for commodities not in place)										
Beginning Balance	-		-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-		-	-	-	-	-	-	-	-
TARGET	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Schedule of Funds
FY2027 to FY2036
ELECTRIC PRODUCTION

	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Contingency Reserve (single largest equipment with potential for failure DPU Asset Team)										
Beginning Balance	-		-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-		-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-
Bond Proceeds Restricted										
Beginning Balance	-		-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-		-	-	-	-	-	-	-	-
TARGET	-		-	-	-	-	-	-	-	-
TOTAL RESERVES/RESTRICTED CASH										
Beginning Balance	13,724,633	13,763,633	13,802,633	13,841,633	13,880,633	13,919,633	13,958,633	13,997,633	14,036,633	14,075,633
Budgeted Additions to the Reserve	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	13,763,633	13,802,633	13,841,633	13,880,633	13,919,633	13,958,633	13,997,633	14,036,633	14,075,633	14,114,633
TARGET	**14,847,137**	**13,375,347**	**13,757,782**	**13,721,326**	**13,649,216**	**14,735,948**	**14,496,038**	**14,456,249**	**14,463,538**	**13,774,526**
Total Reserves Over<Under> Target	**(1,083,504)**	**427,285**	**83,850**	**159,306**	**270,417**	**(777,315)**	**(498,405)**	**(419,616)**	**(387,905)**	**340,107**

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects
ELECTRIC PRODUCTION

	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Capital Projects Funded through Reserve or Unrestricted Cash	200,000	1,050,000	1,100,000	1,305,000	350,000	-	-	-	-	-
Capital Projects Funded through Debt	-	-	-	-	-	-	-	-	-	
Capital Projects Funded through Grants										
Capital Projects Funded through Other Sources	-	-	-	-	-	-	-	-	-	
Total Capital Projects	**200,000**	**1,050,000**	**1,100,000**	**1,305,000**	**350,000**	**-**	**-**	**-**	**-**	**-**

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

ELECTRIC DISTRIBUTION		**FY2027**	**FY2028**	**FY2029**	**FY2030**	**FY2031**	**FY2032**	**FY2033**	**FY2034**	**FY2035**	**FY2036**
Beginning Cash - Unrestricted per FY25 ACFR		**$ (4,238,636)**									
Beginning Cash - Restricted Including Reserves per FY25 ACFR		**$ 7,435,568**									
Total Cash Per FY25 ACFR		**$ 3,196,933**									
Beginning Cash - Unrestricted per FY26 Projected		**$ (9,898,325)**	**$ (8,237,833)**	**$ (6,478,787)**	**$ (6,913,617)**	**$ (8,398,875)**	**$ (9,059,400)**	**$ (9,378,220)**	**$ (9,300,081)**	**$ (9,657,203)**	**$ (7,835,588)**
Beginning Cash - Restricted Including Reserves per FY26 Projected		**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 8,435,568**	**$ 9,435,568**	**$ 10,935,568**	**$ 12,435,568**
Total Cash Per FY26 Projected		**$ (2,462,757)**	**$ (802,264)**	**$ 956,781**	**$ 521,951**	**$ (963,307)**	**$ (1,623,831)**	**$ (942,651)**	**$ 135,487**	**$ 1,278,365**	**$ 4,599,980**
Total Budgeted Revenue (including transfers-in/grants/loans)		24,676,674	27,230,508	30,925,716	29,871,301	29,359,716	30,308,783	33,791,401	32,311,909	35,427,310	34,566,144
Intrafund Charges/Commodities		(9,344,537)	(11,467,654)	(13,406,368)	(15,988,242)	(16,514,948)	(15,605,872)	(15,869,764)	(15,991,054)	(17,126,211)	(13,401,027)
Budgeted Expenditures by Priority per Charter or Utilities Financial Policies											
1. Current Operations Budget (Including Normal Maintenance) Expense		(7,492,673)	(7,799,132)	(8,052,270)	(8,313,002)	(8,581,556)	(8,858,167)	(9,143,076)	(9,436,532)	(9,738,792)	(10,050,120)
2. Bond & Other Debt Service Expense		(1,161,971)	(1,155,372)	(1,480,230)	(1,616,191)	(1,123,813)	(1,122,830)	(1,317,437)	(1,314,722)	(681,237)	(681,237)
3b. Capital Plan for FY2027 - Replacement Expense		-									
4a. Franchise Fee (paid to the General Fund) Expense		(502,784)	(502,784)	(502,784)	(502,784)	(502,784)	(502,784)	(502,784)	(502,784)	(502,784)	(502,784)
4b. In Lieu Taxes (paid to the General Fund) Expense		(136,000)	(136,000)	(136,000)	(136,000)	(136,000)	(136,000)	(136,000)	(136,000)	(136,000)	(136,000)
5a. Capital Additions and Improvements for FY2027 - Capital Expense		(3,485,000)	(3,450,000)	(6,750,000)	(3,700,000)	(2,000,000)	(2,200,000)	(4,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
Cash Projection for Other Utilities Reserves per Schedule of Funds											
3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction	A	-	-	-	-	-	-	-	-	-	200,000
3a. Move unrestricted cash to restricted cash to fund Replacement Reserve		-	-	-	-	-	-	-	-	-	(200,000)
w. Net Add/Reduction - Util Operating Reserve		-	-	-	-	-	-	-	-	1,500,000	-
x. Net Add/Reduction - Util Retirement/Reclamation Reserve		-	-	-	-	-	-	-	-	-	-
y. Net Add/Reduction - Util Rate Stabilization Reserve		-	-	-	-	-	1,000,000	1,000,000	1,500,000	-	3,100,000
z. Net Add/Reduction - Util Contingency Reserve		-	-	-	-	-	-	-	-	-	-
w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves	A	-	-	-	-	-	(1,000,000)	(1,000,000)	(1,500,000)	(1,500,000)	(3,100,000)
											-
Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.)		(22,122,964)	(24,510,942)	(30,327,651)	(30,256,219)	(28,859,101)	(28,425,653)	(31,469,061)	(29,881,092)	(30,685,023)	(27,271,167)
Net Cash Budgeted Sources and Uses (Operating Profit)		$ 2,553,710	$ 2,719,566	$ 598,064	$ (384,918)	$ 500,615	$ 1,883,130	$ 2,322,340	$ 2,430,817	$ 4,742,287	$ 7,294,976
6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) Transfers to Other Funds		(893,217)	(960,521)	(1,032,894)	(1,100,340)	(1,161,140)	(1,201,950)	(1,244,202)	(1,287,939)	(1,420,672)	(1,380,071)
6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below.		*$ 1,660,493*	*$ 1,759,045*	*$ (434,830)*	*$ (1,485,258)*	*$ (660,525)*	*$ 681,180*	*$ 1,078,138*	*$ 1,142,878*	*$ 3,321,615*	*$ 5,914,905*
Projected Ending Cash - Unrestricted		**$ (8,237,833)**	**$ (6,478,787)**	**$ (6,913,617)**	**$ (8,398,875)**	**$ (9,059,400)**	**$ (9,378,220)**	**$ (9,300,081)**	**$ (9,657,203)**	**$ (7,835,588)**	**$ (5,220,683)**
Projected Ending Cash - Restricted		**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 8,435,568**	**$ 9,435,568**	**$ 10,935,568**	**$ 12,435,568**	**$ 15,735,568**
Total Projected Ending Cash		**$ (802,264)**	**$ 956,781**	**$ 521,951**	**$ (963,307)**	**$ (1,623,831)**	**$ (942,651)**	**$ 135,487**	**$ 1,278,365**	**$ 4,599,980**	**$ 10,514,886**
Funded Reserve Balances		**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 7,435,568**	**$ 8,435,568**	**$ 9,435,568**	**$ 10,935,568**	**$ 12,435,568**	**$ 15,735,568**
Reserve Targets		**$ 14,626,522**	**$ 15,138,967**	**$ 15,436,560**	**$ 15,109,727**	**$ 15,278,365**	**$ 15,646,661**	**$ 15,821,944**	**$ 15,370,827**	**$ 16,068,686**	**$ 16,621,036**
Total Reserves Over<Under> Target		**$ (7,190,953)**	**$ (7,703,399)**	**$ (8,000,991)**	**$ (7,674,159)**	**$ (7,842,796)**	**$ (7,211,092)**	**$ (6,386,375)**	**$ (4,435,259)**	**$ (3,633,118)**	**$ (885,468)**

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds
FY2027 to FY2036

ELECTRIC DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Operations Reserve (180 days of bud operations and maint, excluding commodities)										
Beginning Balance	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	5,142,300
Budgeted Additions to the Reserve	-	-							1,000,000	
Budgeted Reductions to the Reserve	-	-								
Budgeted Balance	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	4,142,300	5,142,300	5,142,300
TARGET	**3,984,414**	**4,134,579**	**4,258,616**	**4,386,375**	**4,517,967**	**4,653,506**	**4,793,111**	**4,936,905**	**5,085,012**	**5,237,563**
Debt Service Reserve (as required by loan docs)										
Beginning Balance	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,935,568
Budgeted Additions to the Reserve									500,000	
Budgeted Reductions to the Reserve										
Budgeted Balance	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,435,568	1,935,568	1,935,568
TARGET	**1,155,372**	**1,480,230**	**1,616,191**	**1,123,813**	**1,122,830**	**1,317,437**	**1,314,722**	**681,237**	**681,237**	**1,553,092**
Retirement/Reclamation Reserve (per agreements)										
Beginning Balance	-		-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-									
Budgeted Reductions to the Reserve	-									
Budgeted Balance	-		-	-	-	-	-	-	-	-
TARGET	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditures Reserve										
Beginning Balance	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700
Budgeted Additions to the Reserve	-	-								200,000
Budgeted Reductions to the Reserve	-	-								
Budgeted Balance	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,257,700	1,457,700
TARGET (annual deprec + 2.5%)	**1,384,184**	**1,384,184**	**1,384,184**	**1,384,184**	**1,384,184**	**1,384,184**	**1,384,184**	**1,384,184**	**1,384,184**	**1,384,184**
Rate Stabilization Reserve (where pass-through rate for commodities not in place)										
Beginning Balance	-	-	-	-	-	-	1,000,000	2,000,000	3,500,000	3,500,000
Budgeted Additions to the Reserve	-	-				1,000,000	1,000,000	1,500,000	-	3,100,000
Budgeted Reductions to the Reserve	-	-								
Budgeted Balance	-	-	-	-	-	1,000,000	2,000,000	3,500,000	3,500,000	6,600,000
TARGET	**7,484,552**	**7,521,975**	**7,559,569**	**7,597,355**	**7,635,384**	**7,673,534**	**7,711,927**	**7,750,502**	**8,300,254**	**7,828,197**

Schedule of Funds
FY2027 to FY2036

ELECTRIC DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Contingency Reserve (single largest equipment with potential for failure DPU Asset Team)										
Beginning Balance	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Budgeted Additions to the Reserve	-									
Budgeted Reductions to the Reserve	-									
Budgeted Balance	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
TARGET	**618,000**	**618,000**	**618,000**	**618,000**	**618,000**	**618,000**	**618,000**	**618,000**	**618,000**	**618,000**
Bond Proceeds Restricted (no outstanding bond proceeds at this time)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-	-								
Budgeted Reductions to the Reserve	-	-								
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL RESERVES/RESTRICTED CASH										
Beginning Balance	7,435,568	7,435,568	7,435,568	7,435,568	7,435,568	7,435,568	8,435,568	9,435,568	10,935,568	12,435,568
Budgeted Additions to the Reserve	-	-	-	-	-	1,000,000	1,000,000	1,500,000	1,500,000	3,300,000
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	7,435,568	7,435,568	7,435,568	7,435,568	7,435,568	8,435,568	9,435,568	10,935,568	12,435,568	15,735,568
TARGET	**14,626,522**	**15,138,967**	**15,436,560**	**15,109,727**	**15,278,365**	**15,646,661**	**15,821,944**	**15,370,827**	**16,068,686**	**16,621,036**
Total Reserves Over<Under> Target	**(7,190,953)**	**(7,703,399)**	**(8,000,991)**	**(7,674,159)**	**(7,842,796)**	**(7,211,092)**	**(6,386,375)**	**(4,435,259)**	**(3,633,118)**	**(885,468)**

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

ELECTRIC DISTRIBUTION	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**FY2031**	**FY2032**	**FY2033**	**FY2034**	**FY2035**	**FY2036**
Capital Projects Funded through Reserve or Unrestricted Cash	$ 1,985,000	$ 950,000	$ 2,250,000	$ 1,800,000	$ 2,000,000	$ 2,200,000	$ 2,000,000	$ 2,500,000	$ 2,500,000	$ 2,500,000
Capital Projects Funded through Debt			4,500,000	1,900,000	-	-	2,500,000	-	-	-
Capital Projects Funded through Grants	1,500,000	2,500,000								
Capital Projects Funded through Other Sources	-	-	-	-	-	-	-	-	-	-
Total Capital Projects	**$ 3,485,000**	**$ 3,450,000**	**$ 6,750,000**	**$ 3,700,000**	**$ 2,000,000**	**$ 2,200,000**	**$ 4,500,000**	**$ 2,500,000**	**$ 2,500,000**	**$ 2,500,000**

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

GAS DISTRIBUTION		FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Beginning Cash - Unrestricted per FY25 ACFR		$ (120,873)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Beginning Cash - Restricted Including Reserves per FY25 ACFR		$ 1,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Per FY25 ACFR		$ 879,127	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Beginning Cash - Unrestricted per FY26 Projected		$ (2,481,950)	$ (2,780,702)	$ (2,634,201)	$ (2,390,306)	$ (1,671,685)	$ (612,663)	$ 783,546	$ 1,760,396	$ 2,821,243	$ 3,944,663
Beginning Cash - Restricted Including Reserves per FY26 Projected		$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,500,000	$ 2,000,000	$ 2,500,000
Total Cash Per FY26 Projected		$ (1,481,950)	$ (1,780,702)	$ (1,634,201)	$ (1,390,306)	$ (671,685)	$ 387,337	$ 1,783,546	$ 3,260,396	$ 4,821,243	$ 6,444,663
Total Budgeted Revenue *(including transfers-in/grants/loans)*		6,654,731	7,251,857	7,758,087	8,299,753	8,879,336	9,509,173	9,828,463	10,158,300	10,499,025	10,850,366
Intrafund Charges/Commodities		(2,830,177)	(2,915,082)	(3,003,000)	(3,094,000)	(3,187,000)	(3,283,000)	(3,382,000)	(3,484,000)	(3,589,000)	(3,697,000)
Budgeted Expenditures by Priority per Charter or Utilities Financial Policies											
1. Current Operations Budget (Including Normal Maintenance) Expense		(3,500,636)	(3,564,717)	(3,676,994)	(3,792,639)	(3,911,754)	(4,034,442)	(4,160,811)	(4,290,971)	(4,425,035)	(4,563,121)
2. Bond & Other Debt Service Expense		-	-	-	-	-	-	-	-	-	-
3b. Capital Plan for FY2027 - Replacement Expense		-									
4a. Franchise Fee (paid to the General Fund) Expense		(115,829)	(115,829)	(115,829)	(115,829)	(115,829)	(115,829)	(115,829)	(115,829)	(115,829)	(115,829)
4b. In Lieu Taxes (paid to the General Fund) Expense		(62,000)	(62,000)	(62,000)	(62,000)	(62,000)	(62,000)	(62,000)	(62,000)	(62,000)	(62,000)
5a. Capital Additions and Improvements for FY2027 - Capital Expense		(135,000)	(110,000)	(295,000)	(130,000)	(130,000)	(175,000)	(175,000)	(175,000)	(200,000)	(220,000)
Cash Projection for Other Utilities Reserves per Schedule of Funds											
3a. Replacement Reserve *(Capital Expenditures Reserve)* Net Addition/Reduction	A	-	-	-	-	-	-	-	-	300,000	250,000
3a. Move unrestricted cash to restricted cash to fund Replacement Reserve		-	-	-	-	-	-	-	-	(300,000)	(250,000)
w. Net Add/Reduction - Util Operating Reserve		-	-	-	-	-	-	500,000	500,000	-	150,000
x. Net Add/Reduction - Util Retirement/Reclamation Reserve		-	-	-	-	-	-	-	-	-	-
y. Net Add/Reduction - Util Rate Stabilization Reserve		-	-	-	-	-	-	-	-	-	-
z. Net Add/Reduction - Util Contingency Reserve		-	-	-	-	-	-	-	-	-	250,000
w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves	A	-	-	-	-	-	-	(500,000)	(500,000)	-	(400,000)
Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.)		(6,643,642)	(6,767,628)	(7,152,823)	(7,194,468)	(7,406,583)	(7,670,271)	(7,895,640)	(8,127,800)	(8,391,864)	(8,657,950)
Net Cash Budgeted Sources and Uses (Operating Profit)		$ 11,090	$ 484,229	$ 605,264	$ 1,105,285	$ 1,472,753	$ 1,838,902	$ 1,932,823	$ 2,030,500	$ 2,107,161	$ 2,192,416
6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools)		(309,842)	(337,728)	(361,369)	(386,665)	(413,731)	(442,693)	(455,973)	(469,653)	(483,742)	(498,254)
Transfers to Other Funds											
6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below.		*$ (298,752)*	*$ 146,501*	*$ 243,895*	*$ 718,620*	*$ 1,059,022*	*$ 1,396,209*	*$ 1,476,850*	*$ 1,560,847*	*$ 1,623,419*	*$ 1,694,162*
Projected Ending Cash - Unrestricted		$ (2,780,702)	$ (2,634,201)	$ (2,390,306)	$ (1,671,685)	$ (612,663)	$ 783,546	$ 1,760,396	$ 2,821,243	$ 3,944,663	$ 4,988,824
Projected Ending Cash - Restricted		$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,500,000	$ 2,000,000	$ 2,500,000	$ 3,150,000
Total Projected Ending Cash		$ (1,780,702)	$ (1,634,201)	$ (1,390,306)	$ (671,685)	$ 387,337	$ 1,783,546	$ 3,260,396	$ 4,821,243	$ 6,444,663	$ 8,138,824
Funded Reserve Balances		$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,500,000	$ 2,000,000	$ 2,500,000	$ 3,150,000
Reserve Targets		$ 2,597,533	$ 2,628,932	$ 2,683,948	$ 2,740,614	$ 2,798,981	$ 2,859,098	$ 2,921,019	$ 2,984,797	$ 3,050,488	$ 3,118,150
Total Reserves Over<Under> Target		$ (1,597,533)	$ (1,628,932)	$ (1,683,948)	$ (1,740,614)	$ (1,798,981)	$ (1,859,098)	$ (1,421,019)	$ (984,797)	$ (550,488)	$ 31,850

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds
FY2027 to FY2036

GAS DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Operations Reserve (180 days of bud operations and maint, excluding commodities)										
Beginning Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,200,000
Budgeted Additions to the Reserve	-	-	-	-	-		500,000	500,000	200,000	150,000
Budgeted Reductions to the Reserve										
Budgeted Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,200,000	2,350,000
TARGET	1,802,448	1,833,847	1,888,863	1,945,529	2,003,896	2,064,013	2,125,934	2,189,712	2,255,403	2,323,066
Debt Service Reserve (as required by loan docs)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-
Retirement/Reclamation Reserve (per agreements)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-
Capital Expenditures Reserve										
Beginning Balance	-									300,000
Budgeted Additions to the Reserve									300,000	250,000
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	300,000	550,000
TARGET (annual deprec + 2.5%)	525,085	525,085	525,085	525,085	525,085	525,085	525,085	525,085	525,085	525,085
Rate Stabilization Reserve (where pass-through rate for commodities not in place)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-

Schedule of Funds
FY2027 to FY2036

GAS DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Contingency Reserve (single largest equipment with potential for failure DPU Asset Team)										
Beginning Balance	-	-								-
Budgeted Additions to the Reserve										250,000
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	250,000
TARGET	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000
Bond Proceeds Restricted (no outstanding bond proceeds at this time)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET										
TOTAL RESERVES/RESTRICTED CASH										
Beginning Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,500,000
Budgeted Additions to the Reserve	-	-	-	-	-	-	500,000	500,000	500,000	650,000
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,500,000	3,150,000
TARGET	2,597,533	2,628,932	2,683,948	2,740,614	2,798,981	2,859,098	2,921,019	2,984,797	3,050,488	3,118,150
Total Reserves Over<Under> Target	**(1,597,533)**	**(1,628,932)**	**(1,683,948)**	**(1,740,614)**	**(1,798,981)**	**(1,859,098)**	**(1,421,019)**	**(984,797)**	**(550,488)**	**31,850**

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

GAS DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Capital Projects Funded through Reserve or Unrestricted Cash	135,000	110,000	295,000	130,000	130,000	175,000	175,000	175,000	200,000	220,000
Capital Projects Funded through Debt	-	-	-	-	-	-	-	-	-	-
Capital Projects Funded through Grants										
Capital Projects Funded through Other Sources	-	-	-	-	-	-	-	-	-	-
Total Capital Projects	**135,000**	**110,000**	**295,000**	**130,000**	**130,000**	**175,000**	**175,000**	**175,000**	**200,000**	**220,000**

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

WATER PRODUCTION		FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Beginning Cash - Unrestricted per FY25 ACFR		**$ 7,336,376**									
Beginning Cash - Restricted Including Reserves per FY25 ACFR		**$ 4,600,762**									
Total Cash Per FY25 ACFR		**$ 11,937,138**									
Beginning Cash - Unrestricted per FY26 Projected		**$ 2,524,541**	**$ 2,097,864**	**$ 1,860,709**	**$ 2,227,474**	**$ 3,093,980**	**$ 4,082,042**	**$ 6,068,670**	**$ 7,375,214**	**$ 8,490,787**	**$ 9,710,060**
Beginning Cash - Restricted Including Reserves per FY26 Projected		**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 5,100,762**	**$ 5,800,762**	**$ 6,600,762**
Total Cash Per FY26 Projected		**$ 7,125,303**	**$ 6,698,627**	**$ 6,461,471**	**$ 6,828,236**	**$ 7,694,742**	**$ 8,682,804**	**$ 10,669,432**	**$ 12,475,976**	**$ 14,291,550**	**$ 16,310,822**
Total Budgeted Revenue *(including transfers-in/grants/loans)*		4,792,039	6,412,581	5,737,136	4,923,144	5,494,094	3,446,382	4,226,427	4,754,381	4,485,045	4,623,359
Intrafund Charges/Commodities		4,588,272	4,955,334	5,302,207	5,673,362	5,957,030	6,254,881	6,442,528	6,635,803	6,834,878	7,039,924
Budgeted Expenditures by Priority per Charter or Utilities Financial Policies											
1. Current Operations Budget (Including Normal Maintenance) Expense		(5,245,395)	(5,393,146)	(5,554,941)	(5,721,590)	(5,893,238)	(6,070,036)	(6,252,138)	(6,439,703)	(6,632,895)	(6,831,882)
2. Bond & Other Debt Service Expense		(926,593)	(991,924)	(1,042,638)	(1,108,410)	(1,069,824)	(1,094,599)	(1,110,272)	(1,134,908)	(1,167,755)	(1,153,665)
3b. Capital Plan for FY2027 - Replacement Expense		-									
4a. Franchise Fee (paid to the General Fund) Expense		-	-	-	-	-	-	-	-	-	-
4b. In Lieu Taxes (paid to the General Fund) Expense		-	-	-	-	-	-	-	-	-	-
5a. Capital Additions and Improvements for FY2027 - Capital Expense		(3,635,000)	(5,220,000)	(4,075,000)	(2,900,000)	(3,500,000)	(550,000)	(1,500,000)	(2,000,000)	(1,500,000)	(1,500,000)
Cash Projection for Other Utilities Reserves per Schedule of Funds											
3a. Replacement Reserve *(Capital Expenditures Reserve)* Net Addition/Reduction	A	-	-	-	-	-	-	-	-	-	200,000
3a. Move unrestricted cash to restricted cash to fund Replacement Reserve		-	-	-	-	-	-	-	-	-	(200,000)
w. Net Add/Reduction - Util Operating Reserve		-	-	-	-	-	-	500,000	500,000	-	250,000
x. Net Add/Reduction - Util Retirement/Reclamation Reserve		-	-	-	-	-	-	-	-	-	-
y. Net Add/Reduction - Util Rate Stabilization Reserve		-	-	-	-	-	-	-	-	-	-
z. Net Add/Reduction - Util Contingency Reserve		-	-	-	-	-	-	-	-	-	50,000
w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves	A	-	-	-	-	-	-	(500,000)	(500,000)	-	(300,000)
Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.)		(9,806,988)	(11,605,070)	(10,672,579)	(9,730,000)	(10,463,062)	(7,714,635)	(8,862,410)	(9,574,611)	(9,300,650)	(9,485,547)
Net Cash Budgeted Sources and Uses (Operating Profit)		$ (426,677)	$ (237,155)	$ 366,765	$ 866,506	$ 988,062	$ 1,986,628	$ 1,806,544	$ 1,815,574	$ 2,019,273	$ 2,177,736
6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools)		-	-	-	-	-	-	-	-	-	-
Transfers to Other Funds											
6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below.		*$ (426,677)*	*$ (237,155)*	*$ 366,765*	*$ 866,506*	*$ 988,062*	*$ 1,986,628*	*$ 1,806,544*	*$ 1,815,574*	*$ 2,019,273*	*$ 2,177,736*
Projected Ending Cash - Unrestricted		**$ 2,097,864**	**$ 1,860,709**	**$ 2,227,474**	**$ 3,093,980**	**$ 4,082,042**	**$ 6,068,670**	**$ 7,375,214**	**$ 8,490,787**	**$ 9,710,060**	**$ 11,387,796**
Projected Ending Cash - Restricted		**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 5,100,762**	**$ 5,800,762**	**$ 6,600,762**	**$ 7,100,762**
Total Projected Ending Cash		**$ 6,698,627**	**$ 6,461,471**	**$ 6,828,236**	**$ 7,694,742**	**$ 8,682,804**	**$ 10,669,432**	**$ 12,475,976**	**$ 14,291,550**	**$ 16,310,822**	**$ 18,488,559**
Funded Reserve Balances		**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 4,600,762**	**$ 5,100,762**	**$ 5,800,762**	**$ 6,600,762**	**$ 7,100,762**
Reserve Targets		**$ 5,999,891**	**$ 6,123,003**	**$ 6,268,055**	**$ 6,311,126**	**$ 6,420,009**	**$ 6,522,313**	**$ 6,636,179**	**$ 6,760,933**	**$ 6,841,507**	**$ 6,963,645**
Total Reserves Over<Under> Target		**$ (1,399,129)**	**$ (1,522,241)**	**$ (1,667,293)**	**$ (1,710,364)**	**$ (1,819,247)**	**$ (1,921,551)**	**$ (1,535,417)**	**$ (960,171)**	**$ (240,745)**	**$ 137,117**

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds
FY2027 to FY2036

WATER PRODUCTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Operations Reserve (180 days of bud operations and maint, excluding commodities)										
Beginning Balance	2,246,500	2,246,500	2,246,500	2,246,500	2,246,500	2,246,500	2,246,500	2,746,500	3,246,500	3,246,500
Budgeted Additions to the Reserve							500,000	500,000		250,000
Budgeted Reductions to the Reserve										
Budgeted Balance	2,246,500	2,246,500	2,246,500	2,246,500	2,246,500	2,246,500	2,746,500	3,246,500	3,246,500	3,496,500
TARGET	**2,570,244**	**2,642,642**	**2,721,921**	**2,803,579**	**2,887,687**	**2,974,318**	**3,063,548**	**3,155,454**	**3,250,119**	**3,347,622**
Debt Service Reserve (as required by loan docs)										
Beginning Balance	158,531	158,531	158,531	158,531	158,531	158,531	158,531	158,531	358,531	1,158,531
Budgeted Additions to the Reserve								200,000	800,000	
Budgeted Reductions to the Reserve										
Budgeted Balance	158,531	158,531	158,531	158,531	158,531	158,531	158,531	358,531	1,158,531	1,158,531
TARGET	**991,924**	**1,042,638**	**1,108,410**	**1,069,824**	**1,094,599**	**1,110,272**	**1,134,908**	**1,167,755**	**1,153,665**	**1,178,299**
Retirement/Reclamation Reserve (per agreements)										
Beginning Balance	-		-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-		-	-	-	-	-	-	-	-
TARGET	-		-	-	-	-	-	-	-	-
Capital Expenditures Reserve										
Beginning Balance	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731
Budgeted Additions to the Reserve										200,000
Budgeted Reductions to the Reserve										
Budgeted Balance	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,745,731	1,945,731
TARGET (annual deprec + 2.5%)	**1,937,724**	**1,937,724**	**1,937,724**	**1,937,724**	**1,937,724**	**1,937,724**	**1,937,724**	**1,937,724**	**1,937,724**	**1,937,724**
Rate Stabilization Reserve (where pass-through rate for commodities not in place)										
Beginning Balance	-		-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-		-	-	-	-	-	-	-	-
TARGET	-		-	-	-	-	-	-	-	-

Schedule of Funds
FY2027 to FY2036

WATER PRODUCTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Contingency Reserve (single largest equipment with potential for failure DPU Asset Team)										
Beginning Balance	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Budgeted Additions to the Reserve										50,000
Budgeted Reductions to the Reserve										
Budgeted Balance	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	500,000
TARGET	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Bond Proceeds Restricted (no outstanding bond proceeds at this time)										
Beginning Balance	-		-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-		-	-	-	-	-	-	-	-
TARGET	-		-	-	-	-	-	-	-	-
TOTAL RESERVES/RESTRICTED CASH										
Beginning Balance	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	5,100,762	5,800,762	6,600,762
Budgeted Additions to the Reserve	-	-	-	-	-	-	500,000	700,000	800,000	500,000
Budgeted Reductions to the Reserve										
Budgeted Balance	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	4,600,762	5,100,762	5,800,762	6,600,762	7,100,762
TARGET	5,999,891	6,123,003	6,268,055	6,311,126	6,420,009	6,522,313	6,636,179	6,760,933	6,841,507	6,963,645
Total Reserves Over<Under> Target	**(1,399,129)**	**(1,522,241)**	**(1,667,293)**	**(1,710,364)**	**(1,819,247)**	**(1,921,551)**	**(1,535,417)**	**(960,171)**	**(240,745)**	**137,117**

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

WATER PRODUCTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Capital Projects Funded through Reserve or Unrestricted Cash	995,000	1,104,000	775,000	580,000	750,000	-	300,000	400,000	300,000	300,000
Capital Projects Funded through Debt	1,056,000	1,046,400	1,320,000	928,000	1,100,000	412,500	480,000	640,000	480,000	480,000
Capital Projects Funded through Grants	1,584,000	3,069,600	1,980,000	1,392,000	1,650,000	137,500	720,000	960,000	720,000	720,000
Capital Projects Funded through Other Sources	-									
Total Capital Projects	**3,635,000**	**5,220,000**	**4,075,000**	**2,900,000**	**3,500,000**	**550,000**	**1,500,000**	**2,000,000**	**1,500,000**	**1,500,000**

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

WATER DISTRIBUTION		FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Beginning Cash - Unrestricted per FY25 ACFR		$ 955,968									
Beginning Cash - Restricted Including Reserves per FY25 ACFR		$ -									
Total Cash Per FY25 ACFR		$ 955,968									
Beginning Cash - Unrestricted per FY26 Projected		$ (1,699,740)	$ (1,741,242)	$ (1,835,387)	$ (1,591,200)	$ (1,192,911)	$ (717,930)	$ (303,248)	$ 253,605	$ 308,432	$ 267,868
Beginning Cash - Restricted Including Reserves per FY26 Projected		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000	$ 1,000,000
Total Cash Per FY26 Projected		$ (1,699,740)	$ (1,741,242)	$ (1,835,387)	$ (1,591,200)	$ (1,192,911)	$ (717,930)	$ (303,248)	$ 253,605	$ 808,432	$ 1,267,868
Total Budgeted Revenue *(including transfers-in/grants/loans)*		9,476,848	9,932,196	9,967,500	10,694,155	11,280,612	12,464,393	12,227,415	12,658,827	13,208,123	13,585,696
Intrafund Charges/Commodities		(4,588,272)	(4,955,334)	(5,302,207)	(5,673,362)	(5,957,030)	(6,254,881)	(6,442,528)	(6,635,803)	(6,834,878)	(7,039,924)
Budgeted Expenditures by Priority per Charter or Utilities Financial Policies											
1. Current Operations Budget (Including Normal Maintenance) Expense		(3,695,078)	(3,652,342)	(3,761,913)	(3,874,771)	(3,991,015)	(4,110,746)	(4,234,069)	(4,361,092)	(4,491,925)	(4,626,683)
2. Bond & Other Debt Service Expense		-	(118,665)	(139,193)	(147,733)	(157,587)	(169,083)	(193,965)	(207,104)	(221,884)	(240,361)
3b. Capital Plan for FY2027 - Replacement Expense		-				-					
4a. Franchise Fee (paid to the General Fund) Expense		-	-	-	-	-	-	-	-	-	-
4b. In Lieu Taxes (paid to the General Fund) Expense		-	-	-	-	-	-	-	-	-	-
5a. Capital Additions and Improvements for FY2027 - Capital Expense		(1,235,000)	(1,300,000)	(520,000)	(600,000)	(700,000)	(1,515,000)	(800,000)	(900,000)	(1,200,000)	(1,200,000)
Cash Projection for Other Utilities Reserves per Schedule of Funds											
3a. Replacement Reserve *(Capital Expenditures Reserve)* Net Addition/Reduction	A	-	-	-	-	-	-	-	-	-	-
3a. Move unrestricted cash to restricted cash to fund Replacement Reserve		-	-	-	-	-	-	-	-	-	-
w. Net Add/Reduction - Util Operating Reserve		-	-	-	-	-	-	-	500,000	500,000	500,000
x. Net Add/Reduction - Util Retirement/Reclamation Reserve		-	-	-	-	-	-	-	-	-	-
y. Net Add/Reduction - Util Rate Stabilization Reserve		-	-	-	-	-	-	-	-	-	-
z. Net Add/Reduction - Util Contingency Reserve		-	-	-	-	-	-	-	-	-	-
w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves	A	-	-	-	-	-	-	-	(500,000)	(500,000)	(500,000)
Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.)		(9,518,350)	(10,026,341)	(9,723,313)	(10,295,865)	(10,805,631)	(12,049,711)	(11,670,562)	(12,103,999)	(12,748,687)	(13,106,968)
Net Cash Budgeted Sources and Uses (Operating Profit)		$ (41,502)	$ (94,145)	$ 244,186	$ 398,289	$ 474,981	$ 414,682	$ 556,853	$ 554,828	$ 459,436	$ 478,728
6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools)		-	-	-	-	-	-	-	-	-	-
Transfers to Other Funds											
6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below.		*$ (41,502)*	*$ (94,145)*	*$ 244,186*	*$ 398,289*	*$ 474,981*	*$ 414,682*	*$ 556,853*	*$ 554,828*	*$ 459,436*	*$ 478,728*
Projected Ending Cash - Unrestricted		$ (1,741,242)	$ (1,835,387)	$ (1,591,200)	$ (1,192,911)	$ (717,930)	$ (303,248)	$ 253,605	$ 308,432	$ 267,868	$ 246,596
Projected Ending Cash - Restricted		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000	$ 1,000,000	$ 1,500,000
Total Projected Ending Cash		$ (1,741,242)	$ (1,835,387)	$ (1,591,200)	$ (1,192,911)	$ (717,930)	$ (303,248)	$ 253,605	$ 808,432	$ 1,267,868	$ 1,746,596
Funded Reserve Balances		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000	$ 1,000,000	$ 1,500,000
Reserve Targets		$ 5,478,311	$ 5,477,899	$ 5,540,128	$ 5,605,283	$ 5,673,739	$ 5,757,289	$ 5,830,856	$ 5,907,877	$ 5,990,462	$ 6,074,970
Total Reserves Over<Under> Target		$ (5,478,311)	$ (5,477,899)	$ (5,540,128)	$ (5,605,283)	$ (5,673,739)	$ (5,757,289)	$ (5,830,856)	$ (5,407,877)	$ (4,990,462)	$ (4,574,970)

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds
FY2027 to FY2036

WATER DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Operations Reserve (180 days of bud operations and maint, excluding commodities)										
Beginning Balance	-	-	-	-	-	-	-	-	500,000	1,000,000
Budgeted Additions to the Reserve		-	-					500,000	500,000	500,000
Budgeted Reductions to the Reserve		-								
Budgeted Balance	-	-	-	-	-	-	-	500,000	1,000,000	1,500,000
TARGET	1,810,588	1,789,648	1,843,337	1,898,638	1,955,597	2,014,266	2,074,694	2,136,935	2,201,043	2,267,075
Debt Service Reserve (as required by loan docs)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-	-	-	-	-	-			-	
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	118,665	139,193	147,733	157,587	169,083	193,965	207,104	221,884	240,361	258,837
Retirement/Reclamation Reserve (per agreements)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-
Capital Expenditures Reserve										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-	-	-	-	-	-	-	-	-	
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET (annual deprec + 2.5%)	655,087	655,087	655,087	655,087	655,087	655,087	655,087	655,087	655,087	655,087
Rate Stabilization Reserve (where pass-through rate for commodities not in place)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	2,693,971	2,693,971	2,693,971	2,693,971	2,693,971	2,693,971	2,693,971	2,693,971	2,693,971	2,693,971

Schedule of Funds
FY2027 to FY2036

WATER DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Contingency Reserve (single largest equipment with potential for failure DPU Asset Team)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-								-	-
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Bond Proceeds Restricted (no outstanding bond proceeds at this time)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-
TOTAL RESERVES/RESTRICTED CASH										
Beginning Balance	-	-	-	-	-	-	-	-	500,000	1,000,000
Budgeted Additions to the Reserve	-	-	-	-	-	-	-	500,000	500,000	500,000
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	-	-	-	-	-	-	-	500,000	1,000,000	1,500,000
TARGET	5,478,311	5,477,899	5,540,128	5,605,283	5,673,739	5,757,289	5,830,856	5,907,877	5,990,462	6,074,970
Total Reserves Over<Under> Target	**(5,478,311)**	**(5,477,899)**	**(5,540,128)**	**(5,605,283)**	**(5,673,739)**	**(5,757,289)**	**(5,830,856)**	**(5,407,877)**	**(4,990,462)**	**(4,574,970)**

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

WATER DISTRIBUTION	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Capital Projects Funded through Reserve or Unrestricted Cash	35,000	300,000	104,000	120,000	140,000	303,000	160,000	180,000	300,000	300,000
Capital Projects Funded through Debt	924,000	400,000	166,400	192,000	224,000	484,800	256,000	288,000	360,000	360,000
Capital Projects Funded through Grants	276,000	600,000	249,600	288,000	336,000	727,200	384,000	432,000	540,000	540,000
Capital Projects Funded through Other Sources	-	-	-	-	-	-	-	-	-	-
Total Capital Projects	**1,235,000**	**1,300,000**	**520,000**	**600,000**	**700,000**	**1,515,000**	**800,000**	**900,000**	**1,200,000**	**1,200,000**

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

WASTEWATER (COLLECTION & TREATMENT)		FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Beginning Cash - Unrestricted per FY25 ACFR		$ 4,285,298									
Beginning Cash - Restricted Including Reserves per FY25 ACFR		$ 652,613									
Total Cash Per FY25 ACFR		$ 4,937,911									
Beginning Cash - Unrestricted per FY26 Projected		$ (367,074)	$ (1,417,134)	$ (2,102,208)	$ (2,004,117)	$ (1,457,924)	$ (424,885)	$ 344,424	$ 624,782	$ 708,452	$ 666,673
Beginning Cash - Restricted Including Reserves per FY26 Projected		$ 652,613	$ 652,613	$ 652,613	$ 652,613	$ 652,613	$ 652,613	$ 1,152,613	$ 2,152,613	$ 3,652,613	$ 5,652,613
Total Cash Per FY26 Projected		$ 285,539	$ (764,521)	$ (1,449,595)	$ (1,351,504)	$ (805,311)	$ 227,728	$ 1,497,037	$ 2,777,395	$ 4,361,065	$ 6,319,286
Total Budgeted Revenue (including transfers-in/grants/loans)		9,658,305	11,982,461	10,622,658	11,635,671	12,405,725	18,166,205	13,508,714	13,113,788	13,755,098	14,435,857
Intrafund Charges/Commodities		-	-	-	-	-	-	-	-	-	-
Budgeted Expenditures by Priority per Charter or Utilities Financial Policies											
1. Current Operations Budget (Including Normal Maintenance) Expense		(6,375,657)	(6,286,623)	(6,475,222)	(6,669,479)	(6,869,564)	(7,075,651)	(7,287,921)	(7,506,559)	(7,731,756)	(7,963,709)
2. Bond & Other Debt Service Expense		(2,147,709)	(2,230,912)	(2,349,344)	(2,419,999)	(2,503,122)	(2,586,245)	(2,940,436)	(3,023,559)	(3,065,120)	(2,646,528)
3b. Capital Plan for FY2027 - Replacement Expense		-	-								
4a. Franchise Fee (paid to the General Fund) Expense											
4b. In Lieu Taxes (paid to the General Fund) Expense											
5a. Capital Additions and Improvements for FY2027 - Capital Expense		(2,185,000)	(4,150,000)	(1,700,000)	(2,000,000)	(2,000,000)	(7,235,000)	(2,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Cash Projection for Other Utilities Reserves per Schedule of Funds											
3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction	A	-	-	-	-	-	-	-	-	-	1,000,000
3a. Move unrestricted cash to restricted cash to fund Replacement Reserve		-	-	-	-	-	-	-	-	-	(1,000,000)
w. Net Add/Reduction - Util Operating Reserve		-	-	-	-	-	500,000	1,000,000	1,500,000	400,000	300,000
x. Net Add/Reduction - Util Retirement/Reclamation Reserve		-	-	-	-	-	-	-	-	-	-
y. Net Add/Reduction - Util Rate Stabilization Reserve		-	-	-	-	-	-	-	-	-	-
z. Net Add/Reduction - Util Contingency Reserve		-	-	-	-	-	-	-	-	-	200,000
w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves	A	-	-	-	-	-	(500,000)	(1,000,000)	(1,500,000)	(400,000)	(500,000)
Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.)		(10,708,366)	(12,667,535)	(10,524,566)	(11,089,478)	(11,372,686)	(16,896,896)	(12,228,357)	(11,530,118)	(11,796,876)	(11,610,237)
Net Cash Budgeted Sources and Uses (Operating Profit)		$ (1,050,061)	$ (685,074)	$ 98,092	$ 546,193	$ 1,033,039	$ 1,269,309	$ 1,280,357	$ 1,583,670	$ 1,958,221	$ 2,825,620
6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools)		-	-	-	-	-	-	-	-	-	-
Transfers to Other Funds											
6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below.		*$ (1,050,061)*	*$ (685,074)*	*$ 98,092*	*$ 546,193*	*$ 1,033,039*	*$ 1,269,309*	*$ 1,280,357*	*$ 1,583,670*	*$ 1,958,221*	*$ 2,825,620*
Projected Ending Cash - Unrestricted		$ (1,417,134)	$ (2,102,208)	$ (2,004,117)	$ (1,457,924)	$ (424,885)	$ 344,424	$ 624,782	$ 708,452	$ 666,673	$ 992,293
Projected Ending Cash - Restricted		$ 652,613	$ 652,613	$ 652,613	$ 652,613	$ 652,613	$ 1,152,613	$ 2,152,613	$ 3,652,613	$ 5,652,613	$ 8,152,613
Total Projected Ending Cash		$ (764,521)	$ (1,449,595)	$ (1,351,504)	$ (805,311)	$ 227,728	$ 1,497,037	$ 2,777,395	$ 4,361,065	$ 6,319,286	$ 9,144,906
Funded Reserve Balances		$ 652,613	$ 652,613	$ 652,613	$ 652,613	$ 652,613	$ 1,152,613	$ 2,152,613	$ 3,652,613	$ 5,652,613	$ 8,152,613
Reserve Targets		$ 6,856,086	$ 6,930,892	$ 7,093,960	$ 7,272,269	$ 7,453,433	$ 7,908,607	$ 8,095,742	$ 8,244,436	$ 7,936,191	$ 8,091,409
Total Reserves Over<Under> Target		$ (6,203,473)	$ (6,278,279)	$ (6,441,347)	$ (6,619,656)	$ (6,800,820)	$ (6,755,994)	$ (5,943,129)	$ (4,591,823)	$ (2,283,578)	$ 61,204

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds
FY2027 to FY2036

WASTEWATER (COLLECTION & TREATMENT)	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Operations Reserve (180 days of bud operations and maint, excluding commodities)										
Beginning Balance	313,313	313,313	313,313	313,313	313,313	313,313	813,313	1,813,313	3,313,313	3,713,313
Budgeted Additions to the Reserve	-					500,000	1,000,000	1,500,000	400,000	300,000
Budgeted Reductions to the Reserve										
Budgeted Balance	313,313	313,313	313,313	313,313	313,313	813,313	1,813,313	3,313,313	3,713,313	4,013,313
TARGET	**3,124,072**	**3,080,445**	**3,172,859**	**3,268,045**	**3,366,086**	**3,467,069**	**3,571,081**	**3,678,214**	**3,788,560**	**3,902,217**
Debt Service Reserve (as required by loan docs)										
Beginning Balance	-	-	-	-	-	-	-	-	-	1,600,000
Budgeted Additions to the Reserve									1,600,000	1,000,000
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	1,600,000	2,600,000
TARGET	**2,230,912**	**2,349,344**	**2,419,999**	**2,503,122**	**2,586,245**	**2,940,436**	**3,023,559**	**3,065,120**	**2,646,528**	**2,688,089**
Retirement/Reclamation Reserve (per agreements)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-
Capital Expenditures Reserve										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										1,000,000
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	1,000,000
TARGET (annual deprec + 2.5%)	**1,001,102**	**1,001,102**	**1,001,102**	**1,001,102**	**1,001,102**	**1,001,102**	**1,001,102**	**1,001,102**	**1,001,102**	**1,001,102**
Rate Stabilization Reserve (where pass-through rate for commodities not in place)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-

Schedule of Funds
FY2027 to FY2036

WASTEWATER (COLLECTION & TREATMENT)	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Contingency Reserve (single largest equipment with potential for failure DPU Asset Team)										
Beginning Balance	339,300	339,300	339,300	339,300	339,300	339,300	339,300	339,300	339,300	339,300
Budgeted Additions to the Reserve	-									200,000
Budgeted Reductions to the Reserve										
Budgeted Balance	339,300	339,300	339,300	339,300	339,300	339,300	339,300	339,300	339,300	539,300
TARGET	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Bond Proceeds Restricted (no outstanding bond proceeds at this time)										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Budgeted Additions to the Reserve										
Budgeted Reductions to the Reserve										
Budgeted Balance	-	-	-	-	-	-	-	-	-	-
TARGET	-	-	-	-	-	-	-	-	-	-
TOTAL RESERVES/RESTRICTED CASH										
Beginning Balance	652,613	652,613	652,613	652,613	652,613	652,613	1,152,613	2,152,613	3,652,613	5,652,613
Budgeted Additions to the Reserve	-	-	-	-	-	500,000	1,000,000	1,500,000	2,000,000	2,500,000
Budgeted Reductions to the Reserve	-	-	-	-	-	-	-	-	-	-
Budgeted Balance	652,613	652,613	652,613	652,613	652,613	1,152,613	2,152,613	3,652,613	5,652,613	8,152,613
TARGET	6,856,086	6,930,892	7,093,960	7,272,269	7,453,433	7,908,607	8,095,742	8,244,436	7,936,191	8,091,409
Total Reserves Over<Under> Target	**(6,203,473)**	**(6,278,279)**	**(6,441,347)**	**(6,619,656)**	**(6,800,820)**	**(6,755,994)**	**(5,943,129)**	**(4,591,823)**	**(2,283,578)**	**61,204**

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

WASTEWATER (COLLECTION & TREATMENT)	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
Capital Projects Funded through Reserve or Unrestricted Cash	185,000	430,000	-	-	-	-	-	-	-	-
Capital Projects Funded through Debt	1,500,000	2,188,000	1,275,000	1,500,000	1,500,000	7,001,250	1,500,000	750,000	750,000	750,000
Capital Projects Funded through Grants	500,000	1,532,000	425,000	500,000	500,000	233,750	500,000	250,000	250,000	250,000
Capital Projects Funded through Other Sources	-	-	-	-	-	-	-	-	-	-
Total Capital Projects	**2,185,000**	**4,150,000**	**1,700,000**	**2,000,000**	**2,000,000**	**7,235,000**	**2,000,000**	**1,000,000**	**1,000,000**	**1,000,000**

Gas Fund Option 2

LOS ALAMOS
Department of Public Utilities

TEN-YEAR FINANCIAL FORECAST
GAS FUND OPTION 2
FY2027 to FY2036

GAS	PROPOSED 2027	PROJECTED 2028	FORECAST 2029	FORECAST 2030	FORECAST 2031	FORECAST 2032	FORECAST 2033	FORECAST 2034	FORECAST 2035	FORECAST 2036
Therm Sales	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000
Revenue per Therm	0.9757	1.0635	1.1167	1.1725	1.2077	1.2439	1.2812	1.3197	1.3593	1.4000
Rate Increase Percentage	**9.0%**	**9.0%**	**5.0%**	**5.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
REVENUE/CASH INFLOW										
Sales Revenue	$ 8,334,731	$ 8,331,857	$ 7,593,450	$ 7,973,123	$ 8,212,316	$ 8,458,686	$ 8,712,446	$ 8,973,820	$ 9,243,034	$ 9,520,325
Interest on Cash & Reserves	-	-	29,145	32,524	43,995	56,150	67,889	80,334	93,516	106,842
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-
Revenue on Recoverable Work	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Transfers In	-	-								
TOTAL REV - CASH INFLOWS	8,354,731	8,351,857	7,642,595	8,025,647	8,276,311	8,534,836	8,800,335	9,074,154	9,356,550	9,647,167
EXPENSES/CASH OUTFLOWS										
Operational Expenditures	3,678,465	3,742,546	3,854,823	3,970,468	4,089,583	4,212,271	4,338,640	4,468,800	4,602,864	4,740,950
Cost of Gas	2,830,177	2,915,082	3,003,000	3,094,000	3,187,000	3,283,000	3,382,000	3,484,000	3,589,000	3,697,000
Capital	135,000	110,000	295,000	130,000	130,000	175,000	175,000	175,000	200,000	220,000
Capital Paid with Debt/Grants	-	-	-	-	-	-	-	-	-	-
Revenue Transfer	309,842	337,728	354,615	372,345	383,516	395,021	406,872	419,078	431,650	444,600
TOTAL EXP-CASH OUTFLOWS	6,953,484	7,105,356	7,507,438	7,566,813	7,790,099	8,065,292	8,302,512	8,546,878	8,823,514	9,102,550
NET CASH FLOW	**1,401,248**	**1,246,501**	**135,157**	**458,834**	**486,212**	**469,544**	**497,823**	**527,276**	**533,036**	**544,617**
BEGIN UNRESTRICTED CASH/INV	(2,481,950)	(1,080,702)	165,799	300,956	759,790	1,246,002	1,715,545	1,713,368	1,740,644	1,773,681
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	(500,000)	(500,000)	(500,000)	(650,000)
END UNRESTRICTED CASH/INV	(1,080,702)	165,799	300,956	759,790	1,246,002	1,715,545	1,713,368	1,740,644	1,773,681	1,668,298
BEG RESERVE BALANCES	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,500,000
TRANSFER TO/FROM RESERVES	-	-	-	-	-	-	500,000	500,000	500,000	650,000
END RESERVE BALANCES	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	2,500,000	3,150,000
RESERVE TARGET	**2,597,533**	**2,628,932**	**2,683,948**	**2,740,614**	**2,798,981**	**2,859,098**	**2,921,019**	**2,984,797**	**3,050,488**	**3,118,150**

Los Alamos County Department of Public Utilities

Debt Profile - Current & Proposed

Gas Fund Option 2

Net System Revenue of the Joint Utility System

Fiscal Year	Senior Lien Tier	Subordinate Lien Tier	Super Subordinate Lien Tier	Total Debt Service	Total Operating Net Revenue	Debt Service Coverage Ratio
2027	1,034,901	1,064,035	2,553,696	4,652,631	6,470,069	1.39
2028	1,021,300	1,175,335	2,714,189	4,910,825	7,413,743	1.51
2029	995,484	1,516,960	2,906,854	5,419,298	9,125,255	1.68
2030	975,204	1,664,031	3,053,791	5,693,025	9,196,826	1.62
2031	-	1,659,953	3,194,393	4,854,345	10,761,329	2.22
2032	-	1,658,969	3,313,788	4,972,757	11,730,317	2.36
2033	-	1,853,576	3,708,534	5,562,110	12,431,206	2.23
2034	-	1,850,861	3,829,431	5,680,292	13,671,196	2.41
2035	-	1,217,376	3,918,620	5,135,996	16,800,014	3.27
2036	-	1,217,377	3,504,414	4,721,791	17,609,339	3.73
Total	4,026,890	14,878,472	32,697,709	51,603,071	115,209,294	

2.3 Objective - Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year.

Los Alamos County Department of Public Utilities

Historical & Projected Typical Monthly Bill for Residential

	ELECTRIC 500 kwh	GAS 75 therms	WATER 6,000 gal	SEWER	**Total** (excludes refuse)	Total $$ change	Total % change
FY2018	$69.60	$42.50	$39.06	$47.45	**$198.61**	$5.24	2.71%
FY2019	$69.60	$44.00	$39.91	$51.24	**$204.75**	$6.14	3.09%
FY2020	$69.60	$42.50	$43.12	$54.32	**$209.54**	$4.79	2.34%
FY2021	$69.60	$53.75	$45.23	$55.95	**$224.53**	$14.99	7.15%
FY2022	$69.60	$59.75	$47.07	$57.07	**$233.49**	$8.96	3.99%
FY2023**	$69.60	$87.51	$50.20	$57.93	**$265.24**	$31.75	13.60%
FY2024	$76.10	$59.83	$53.96	$59.08	**$248.97**	($16.27)	-6.13%
FY2025	$83.25	$61.75	$58.19	$60.56	**$263.75**	$14.78	5.94%
FY2026	$90.75	$71.25	$61.87	$64.80	**$288.67**	$24.92	9.45%
FY2027	$98.01	$93.53	$66.82	$69.33	**$327.69**	$39.02	13.52%
FY2028	$97.10	$78.43	$71.77	$74.88	**$322.18**	($5.51)	-1.68%

TOTAL CHANGE IN MONTHLY BILL FY2018 TO FY2027 $129.08

** FY2023 gas includes the $0.44 revenue recovery rate

FY2018 to FY2027 total Change in Monthly Bill **65.0%**

FY2016 to FY2025 Change in CPI **34.1%**

Utilities Financial Guidelines

Utilities Financial Guidelines
Department of Public Utilities, Los Alamos County
Approved by Board of Public Utilities on Aug 17, 2016

I. Purpose

The Department of Public Utilities (DPU) operates the Los Alamos County-owned electric, gas, water, and sewer utility systems under jurisdiction and control of the Board of Public Utilities. This policy is intended to ensure adequate cash is available for effective and efficient operations of all County-owned utilities. For budgeting, rate-setting, and operational planning purposes, DPU shall adhere to the following guidance in regard to cash reserves. DPU shall first consider the terms of the Los Alamos County Charter (LAC Charter) and the Los Alamos County, NM Code of County Ordinances (County Code) in managing these cash reserves.

II. Background

A. The LAC Charter, Article V, Section 509 Priority of Budgeted Expenditures states: "In order that the Department of Public Utilities can plan and utilize its proceeds for the maintenance, improvement and extension of the utilities system before any part of such proceeds is diverted to general County purposes, all funds derived from the operation of the utilities shall be managed and expended in accordance with the following policies. From the proceeds of the operation of the Department:

1. There shall first be set aside the funds required for current operation.
2. There shall next be set aside the funds required to redeem and pay interest on any bond issue for the utility which shall become due and payable during the next fiscal year.
3. There shall next be provided an adequate reserve to finance replacements required by normal depreciation of the utility plant or equipment as provided in the Schedule of Funds. These reserves may not be used by the County for financing County operations.
4. There shall be paid to the General fund those amounts set forth in the budget as payment to be made to the County in lieu of franchise fees and taxes that would be normally assessed against privately owned gas and electric utilities.
5. There shall next be a provision for additions and improvements foreseen as necessary to meet future requirements for the utility systems as provided in the Schedule of Funds.
6. All remaining operating profits shall be transferred to the County General Fund."

B. The County Code, Chapter 40, Article II, Division 2., Section 40-65, Schedule of Funds states, "The schedule of funds, and any amendment of the schedule, as proposed by the board, shall be referred to the council for consideration for adoption. The schedule of funds shall prescribe the necessary yearly funding of reserves for replacements, additions and improvements, and other reserves authorized by Charter, bond

ordinances and bond indentures or other governing instrument and shall be consistent with the needs of the utilities systems. The replacement reserve shall cover (among other things) tools, equipment, vehicles and system replacements. The schedule of funds shall reflect separate reserve allocations for separate utility systems." Currently vehicle replacement reserves are handled by the LAC Fleet Fund.

C. Fundamental Considerations

1. Operations and maintenance should be budgeted and covered through operating revenues.
2. DPU should have adequate cash reserves, achieved through operating revenues, to cover most unplanned or corrective maintenance that may be required for continued operations.
3. With the adoption of this policy, the users benefitting from a major utility system or plant replacement shall bear the costs of that system or plant. This is a shift from historical DPU practice in which customers did not contribute to major system replacement reserves when existing utility systems were transferred from the Department of Energy (DOE) to Los Alamos County (LAC). As a result of this shift in practice, large system replacements should be funded through debt financing. Customers benefitting from the new facilities will contribute to the cost through debt service. Examples of major utility system or plant replacements include wastewater treatment plants, replacements of large segments of the water distribution or wastewater collection systems, or electric substations.
4. For smaller capital projects, a capital replacement reserve should be funded. Examples of such projects include replacement of a single section of water line, and replacement of a motor control or switchgear. If the urgency or magnitude of a capital project or group of projects exceeds available reserves, and if funding through rates would result in unacceptable rate fluctuations, debt financing will be considered.
5. Rates should be just, reasonable and comparable to those in neighboring communities [LAC Charter, Article V, Section 504]. In determining comparability, consideration will be given to topography, age and complexity of systems.
6. Rates should also be non-discriminatory with consideration given to social necessity. The goal is to serve the interests of DPU, LAC, and utility customers. While rates can be used and designed to achieve specific conservation or other social goals, they should be carefully evaluated to avoid undesired consequences.
7. All debt must be funded with adequate coverage to achieve or maintain the best credit rating available to a public utility with the operational characteristics of DPU.
8. All statutory, contractual or prudent retirement obligations must be funded on a planned schedule to achieve appropriate funding levels at obligatory due dates.

III. Cash Reserve Guidelines

A. For purposes of this policy, cash is defined as both unrestricted and restricted equity in pooled cash and investments, cash and cash equivalents, and investments.

B. Rates will be established to cover budgeted operations and maintenance costs, projected commodities costs when and if a pass-through rate structure is not in place, and reserve requirements. To the extent practical, rates will be designed to recover costs according to cost drivers, with consideration for other political or social objectives identified in rate analysis.

C. Rates will be just, reasonable and comparable to those in neighboring communities. [LAC Charter, Article V, Section 504.] In determining comparability, consideration will be given to topography, age and complexity of systems.

D. Immediate implementation of this policy upon adoption may not be practical due to pre-existing deviations from the targets specified. Upon adoption by the Board of Public Utilities, DPU management will assess current cash balances, develop a plan and determine a time frame for implementation. The plan will be presented to the Board no later than the third regular Board meeting from the policy adoption date.

E. In each of the utility sub funds:

1. Operations Reserve: A target cash balance for operations will be established. This balance should equal 180 days of budgeted operations and maintenance expenditures as identified in the annual LAC budget book. A floor, or lowest acceptable balance, will also be established, equaling 90 days of budgeted operations and maintenance expenditures as identified in the annual LAC budget book.

    a. This reserve may be utilized for correcting deposits to or from other reserves.
    b. If the cash balance falls below target, DPU will initiate corrective action and determine the following:
        i. Can the balance be expected to recover by the end of the subsequent fiscal year through the normal course of business?
        ii. Is the curtailment of expenditures warranted?
        iii. Is immediate rate action required?
    c. If the cash balance falls below the floor, immediate action must be taken to first curtail expenditures and then, if necessary, adjust rates to restore cash to the floor level within 180 days.

2. Capital Expenditures Reserve: A 10-year capital plan for projects not financed through debt will be maintained. An annuity will be included in the annual budget to ensure availability of funds for the capital plan. Through this capital plan and associated annuity, funds will accrue toward future planned capital expenditures, with a target minimum reserve in each sub fund equal to annual depreciation plus 2.5 percent to provide for inflationary or technology evolution pressures. Due to the long-term, future-focused nature of the capital plan as well as the opportunity for periodic adjustments as warranted, no funding floor is necessary.

3. Contingency Reserve: A contingency reserve will be established and maintained for each sub fund. The reserve will be equal to the replacement cost of the single largest piece of equipment with potential for failure, as defined by DPU's asset management team for that sub fund. In the event that a contingency reserve is used, the reserve amount will be restored from insurance, grant, or disaster recovery funds, if applicable, as soon as those funds become available. Otherwise DPU will establish a plan within 90 days to reestablish contingency reserves by the end of the subsequent fiscal year through curtailment of other expenditures or through rate actions.

4. Debt Service Reserve: Debt service reserves will be established to sufficiently fund all debt service requirements as required by the Charter, bond ordinances and bond indentures, or any other debt agreement (County Code, Chapter 40, Article II, Division 2., Section 40-63,(c)(2). The debt coverage ratio, based on total debt, is a key bond rating criteria. If the balance of this required reserve falls below required amounts, the reserve will be restored immediately by transfer of funds from the Operations Reserve [Cash Reserve Guidelines, Section III.E.1.a].

5. Retirement/Reclamation Reserve: Retirement/reclamation reserves will be funded to meet all statutory and contractual requirements and schedules and to satisfy prudent utility practices. If required by contractual agreements, reserves will be placed in trust funds set up for specified purposes. Otherwise, reserves will be accounted for as restricted and will not be available to supplement other reserves. When funding targets are based on future dates, monthly annuities designed to accumulate the required future fund balances will be established. When project cost analysis necessitates an adjustment to reserve requirements, funds will be transferred to or from the Operations Reserve [Cash Reserve Guidelines, Section III.E.1.a] to adjust the reserve accordingly.

6. Rate Stabilization Reserve: A rate stabilization reserve will be maintained when a pass-through rate mechanism for commodities is not in place. The rate stabilization reserve will be maintained with a target balance equal to the 10-year historical average cost of the commodity per unit times 12 months average projected consumption. A funding floor will be established equal to the 10-year historical average cost of the commodity per unit times 180 days average projected consumption. Should the cash balance drop below the target, DPU will initiate corrective action by determining the following:

    a. Can the balance be expected to recover by the end of the subsequent fiscal year through the normal course of business?
    b. Is the curtailment of expenditures warranted?
    c. Is immediate rate action required?

d. If the cash balance of the rate stabilization reserve falls below the floor, immediate action must be taken to first curtail expenditures and then, if necessary, adjust rates to restore cash to the floor level within 180 days.

7. Consideration of the funding of these reserves, as projected in the Schedule of Funds, should take into account the following priority order:
    a. Operating Reserve
    b. Debt Service Reserve
    c. Retirement/Reclamation Reserve
    d. Capital Expenditure Reserve
    e. Rate Stabilization Reserve
    f. Contingency Reserve

8. If excess cash balances exist in relation to targets, DPU will establish plans to spend down or adjust the excess cash within three fiscal years. The plans may include rate reductions, acceleration of the 10-year capital plan, or prudent increase in maintenance activities. When necessary, use of cash in one sub-fund may include transfer to another sub-fund only as a loan subject to a market rate of interest and with approval of both the Board of Public Utilities and the Los Alamos County Council.

9. Rates will be established to cover budgeted operations and maintenance costs, projected commodities costs in the absence of a pass-through rate structure, and all reserve requirements. Rates will, to the extent possible, be designed to recover costs according to cost drivers, with consideration for other political or social objectives identified in rate analysis.

F. Financing for each of the utility sub funds will adhere to the following:

1. Improvements to the system will be scheduled and budgeted with consideration of any rate impacts that may result. DPU will avail itself of below-market-rate loans or financing when available. DPU management will evaluate financing alternatives including phasing, deferral, or debt financing as project funding methods.

2. Replacement projects of smaller subsystems will normally be funded from the capital annuity and replacement reserve. If the inclusion of the capital annuity in the annual budget would result in rate impacts that would force rates beyond pre-determined standards [Cash Reserve Guidelines, Section II.C.5-6; III, E, 9], DPU management will evaluate alternatives to total rate financing, including phasing or deferral of projects or debt financing.

3. Large system replacements will be funded through debt financing. Examples of such replacements include a new wastewater treatment plant, a large segment of the

water distribution or wastewater collection system, or an electric substation. When cash reserves have already been established and are supported through rates, such as for water well replacements, those funding mechanisms for future plant replacements will be continued. This determination and funding method will be reviewed by the Board of Public Utilities and the Los Alamos County Council as part of the normal budget review process.

Karen Kendall

Reviewed by Karen Kendall, Deputy Utility Manager - Finance & Administration
7-18-2024

FY2027 Budget Options

Dept	Division	Amount	Short Description	Detailed Notes	Recurring/One-Time	Org	Obj
DPU	Water Dist. Capital	900,000	Fairway (Public Works Road Project)	Joint DPU/PW project to repave the roadway and replace utility infrastructure.	One-Time	54185499	8369

Agenda No.:	7.b.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Ben Olbrich, Deputy Utility Manager-Power Supply
Legislative File:	**21392-26a**

Title

Approval of Modification 26 to Extend the Contract Term by One-Hundred and Twenty-Days of the Electric Coordination Agreement (ECA) between the Incorporated County of Los Alamos and the United States Department of Energy (DOE)

Recommended Action

I move that the Board of Public Utilities recommend Council approve Modification 26 to the Electric Coordination Agreement (ECA) between the Incorporated County of Los Alamos and the Department of Energy (DOE).

Utilities Manager's Recommendation

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

Body

The Power Pool was established through the Electric Coordination Agreement (ECA) between Los Alamos County and The Department of Energy in 1985. (Note: In 2002 the National Nuclear Security Administration was established as a branch of the Department of Energy and took over responsibility for the ECA. The acronyms NNSA, DOE, and LANL may be used interchangeably throughout this discussion). Through the contract, both parties contribute the power from, and costs of, each of the respective "Pool Approved Resources" into the pool, and those costs are then allocated back to the parties pro rata according to each party's usage. The contract has been renewed continuously since 1985. Historically the County has contributed approximately 75% of the resources, while the Lab has accounted for approximately 80% of the load.

The proposed Modification (MOD) 26 adds one hundred and twenty (120) days to the current agreement's expiration date of March 31,2026. If approved, then the new expiration date will be July 31, 2026. This extension will allow time for DOE to complete their contracting process to present back to the County.

The Los Alamos Power Pool met on March 11, 2026, and approved this MOD 26.

Progress on the New ECA

On December 19, the DPU received a draft-final ECA from the DOE just before the holidays. BPU formed a working group to review the ECA and held a couple of meetings over the holiday period. The ECA is the agreement that guides Los Alamos Power Pool cost share

arrangements. The original ECA was written in 1985, and its continuation requires updated terms and conditions under the new ECA. This is proving to be a larger task than simply renewing the old agreement. The DPU has retained Kutak Rock to assist the County in review of the new terms and conditions, ensuring fair allocation of costs and risks that the County is taking in this partnership. Also, staff are working with the DOE staff and its consultant on the 10-year contract value since this was underestimated. There will need to be another four-month extension (July 31, 2026) as we finalize the new ECA this fiscal year.

Alternatives

The Board could elect not to accept the proposed MOD 26, and the current agreement would expire March 31, 2026.

Fiscal and Staff Impact/Planned Item

There is no immediate staff or fiscal impact.

Attachments

A - ECA MOD 26

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE OF PAGES
	1 2

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
0026	See Block 16C		

6. ISSUED BY CODE 892331

Contracting Operations Division
Contracting Operations Division
NA-APM-12
Albuquerque Complex
P.O. Box 5400
Albuquerque NM 87185-5400

7. ADMINISTERED BY *(If other than Item 6)* CODE 05001

NNSA/Business Services Division
U.S. Department of Energy
Business Services Division
P.O. Box 5400
Albuquerque NM 87185-5400

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)*

INCORPORATED COUNTY OF LOS ALAMOS
Attn: David Griego
1000 CENTRAL AVE STE 300
LOS ALAMOS NM 875444059

CODE FACILITY CODE

(x) 9A. AMENDMENT OF SOLICITATION NO.

9B. DATED *(SEE ITEM 11)*

x 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC04-85AL26078

10B. DATED *(SEE ITEM 13)* 07/01/1985

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended , by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted ; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted , such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*
See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation data, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	Mutual Agreement of the parties
	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

UEI: NUDDNPTPSE45
The purpose of this Bilateral modification is to extend the Electric Coordination Agreement by 120 Days, which was approved on 2/24/26 Rev 46, therefore is changed has follows.

A.) The Period of Performance end date is changed from 03/31/2026 to 07/31/2026.

B.) All other Terms and Conditions remain unchanged.

Continued ...

Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*		16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*	
		Matthew C. Barela	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
_____ *(Signature of person authorized to sign)*		_____ *(Signature of Contracting Officer)*	02/27/2026

NAME OF OFFEROR OR CONTRACTOR
INCORPORATED COUNTY OF LOS ALAMOS

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Payment: OR for NNSA U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 5807 Oak Ridge TN 37831 Period of Performance: 07/01/1985 to 07/31/2026				

Agenda No.:	7.c.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Ben Olbrich, Deputy Utility Manager-Power Supply
Legislative File:	**21393-26a**

Title

Approval to Execute a Power Purchase Agreement in an Amount not to Exceed $3,833,000 Plus Applicable Gross Receipts Tax, to Meet Forecasted Los Alamos Power Pool Load for the Months of April 2026 through June 2026

Recommended Action

I move that the Board of Public Utilities recommend approval of a Power Purchase Agreement with a yet-to-be determined provider, competitively selected on March 31 2026, in an amount not to exceed THREE MILLION EIGHT HUNDRED THIRTY-THREE THOUSAND DOLLARS ($3,833,000.00) plus applicable gross receipts tax, to meet forecasted Los Alamos Power Pool load for the months of April 2026 through June 2026, plus applicable gross receipts tax, for the purpose of buying power and energy to serve the Los Alamos Power Pool's electric load, and forward to Council for approval.

Utilities Manager's Recommendation

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

Body

DPU’s current Power Purchase Agreement (PPA) with Tenaska Power Systems, Inc. ends on March 31, 2026. At most 45 megawatts (MW) of power are needed for all of April through June to meet 80% of the Los Alamos Power Pool’s forecasted load. 80% is selected as a planning target because it avoids procuring excessive power and the associated cost risk of selling that excessive power at a loss.

DPU is seeking the lowest-priced offer for a new PPA to meet this need. At the time of publication of this staff report a single offer has been received at an estimated price of $31 per megawatt-hour (MWh) and the DPU will continue to solicit additional offers until the end of the day on March 31, 2026. This pricing is presented as an estimate because it will change along with market power prices, up until the very day that the agreement is fully executed. This refreshed price could go up or down from the estimate. 45 MW for the three-month period is 98,280 MWh, with a value of $3,046,680. An approximately 25% contingency adds $8 per MWh with an amount of $786,240 to account for a potential refreshed price increase, for an amount of $3,833,000, excluding GRT. GRT at 7.0625% is $271,000, for a total amount of $4,104,000.

The selected power supplier will be party to the WSPP AGREEMENT, dated October 31, 2025, and the PPA will be executed pursuant to this WSPP AGREEMENT, with the specific terms and conditions stated in a confirmation letter prepared immediately before execution of the agreement.

To provide context for this total amount, the Los Alamos Power Pool's average monthly energy cost for calendar year 2025 was $2,600,000 and the average energy price was $61.12. Wholesale power prices remain low and now is an excellent time to contract for power.

If staff were not limited by the term of the ECA and the pending fiscal year 2027 budget approval, then staff would recommend contracting for power through June 2027 to lock in the current low prices.

Staff will bring another PPA covering July 2027 for approval after the fiscal year 2027 budget is approved. The PPA will be sized in consideration that the Los Alamos National Laboratory's combustion gas turbine generator will run in July, contingent upon the Los Alamos Neutron Science Center operating at full power.

Alternatives

If the PPA is not approved, staff will not have time to seek approval of another PPA. Staff will use economy purchases to buy power, which comes with a price risk.

Fiscal and Staff Impact

No immediate fiscal impact because the approved budget for power purchases is sufficient for this proposed PPA. There is no anticipated staff impact since all associated work is a part of normal electric production work functions.

Agenda No.:	7.d.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services
Presenters:	Clay Moseley, Deputy Utility Manager-GWS Services
Legislative File:	**AGR1203-26a**

Title

Approval of Services Agreement No. AGR26-36 with Loftin Equipment Company for a Mobile 560kW Generator and Maintenance Services in the amount of $436,603.00 Plus Applicable Gross Receipts Tax for the term of Seven Years

Recommended Action

I move that the Board of Public Utilities recommend approval of Services Agreement No. AGR26-36 with Loftin Equipment Company for a Mobile 560kW Generator and Maintenance Services in the amount of $436,603.00 Plus Applicable Gross Receipts Tax for the term of Seven Years and forward to Council for approval.

Utilities Manager's Recommendation

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

Body

The Los Alamos County DPU has experienced prolonged electrical outages during wildfire events (Cerro Grande and Las Conchas) that affected the production and delivery of water to the water distribution system in town. There was a more recent threat during the summer of 2022 during the Cerro Pelado Fire, that prompted the emergency action to rent and connect a large generator from UAMPS to the Guaje wells and booster pumps system to ensure Water Production could continue to produce and deliver water to critical fire suppression systems, and for domestic use. The generator can also power Otowi Well #2 (480V well), which provides a large supply of water to White Rock and LANL.

The DPU, in conjunction with Emergency Management, applied for a Hazard Mitigation grant from FEMA, through the NM Department of Homeland Security and Emergency Management office for a 75% contribution (grant) and 25% match from DPU. The total Grant/Match funding totals $387,476.25, with $96,869.06 of that (25%) contributed by DPU - all for the purchase of the equipment only, excluding maintenance and service fees. The BPU previously approved the budget adjustment to encumber the funds if the grant was approved and awarded by FEMA/DHSEM.

The grant approval process included putting out a Request for Proposals to vendors to supply the generator unit, and maintenance services. The vendor chosen by the committee is Loftin Equipment Company. The full scope of services in the agreement includes the equipment purchase, maintenance and repair services.

Alternatives

The BPU could choose not to recommend approval of the services agreement for purchase

of the mobile generator, plus maintenance and services. In this case the County would not receive the approved grant award and would forgo purchasing an emergency mobile generator that can be used for emergency backup power to produce water from wells for delivery to the water distribution system that provides fire protection to Los Alamos, White Rock, and even LANL.

Fiscal and Staff Impact

The 25% grant match from DPU has already been approved and encumbered. The FEMA/DHSEM grant award pays for 75% of the purchase. DPU will need to include yearly maintenance and service costs for the generator unit as a WP O&M budget line item.

Attachments

A - AGR26-36 Loftin Equipment Co.

INCORPORATED COUNTY OF LOS ALAMOS
SERVICES AGREEMENT

This **SERVICES AGREEMENT** ("Agreement") is entered into by and between the **Incorporated County of Los Alamos**, an incorporated county of the State of New Mexico ("County"), and **Loftin Equipment Company,** an Arizona corporation ("Contractor"), collectively (the "Parties"), to be effective for all purposes April 1, 2026 ("Effective Date").

WHEREAS, the County Purchasing Officer determined in writing that the use of competitive sealed bidding was either not practical or not advantageous to County for procurement of the equipment and Services and County issued Request for Proposals No. 26-36 ("RFP") on September 16, 2025, requesting proposals for a Mobile 560kW Generator and Maintenance Services, as described in the RFP; and

WHEREAS, Contractor timely responded to the RFP by submitting a response dated October 16, 2025 ("Contractor's Response"); and

WHEREAS, based on the evaluation factors set out in the RFP, Contractor was the successful Offeror for the equipment and services listed in the RFP; and

WHEREAS, the Board of Public Utilities approved this Agreement at a public meeting held on March 18th, 2026; and

WHEREAS, the County Council approved this Agreement at a public meeting held on March 31st, 2026; and

WHEREAS, Contractor shall provide the Services, as described below, to County.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, County and Contractor agree as follows:

SECTION A. SERVICES:

1. **Equipment**. Contractor shall provide County with a Model HRVW 685 T4F HiPower Outdoor Diesel Generator Set Rated 550 kW Prime Rating as described below ("Generator"):

    a. Voltage Change-Over 120/208 and 277/480V 3-phase power supply
    b. Kilowatts - Prime 550 kWel
    c. Kilowatts - Standby 605 kWel
    d. Engine Make VOLVO PENTA
    e. Engine Type TWD 1673 GE
    f. Engine Speed 1800 rpm
    g. Intake air temperature 45 °C
    h. Frequency 60 Hz
    i. Weight, Enclosed 18,700 lbs.
    j. Dimensions, Enclosed 200" X 81" X 112"

k. Temp Rise 105/40 °C National Electrical Manufacturers Association (NEMA) Standard MG1 standard operating ambient temperature
l. Compliant with Environmental Protection Agency ("EPA") finalized Tier 4 emission standards for nonroad diesel engines. Radiator Design Temperature 45°C
m. Prime Rated, STAMFORD HCI 534 E, Brushless, PMG Excited, Four Pole Rotating Field, Class H Insulation (105 °C Temp. Rise), IP23. Single Bearing. 2/3 Pitch Winding.
n. MX341 Automatic Voltage Regulator
o. Cooling: Radiator with belt driven pusher fan.
p. Air Filter: Heavy-duty replaceable element air-cleaner
q. COMAP INTELIGEN Digital controller with auto and manual start as well as parallel capability. Includes push button reset; LCD Display that offers AC metering, protective relaying and engine and generator control and monitoring. Engine and generator controls, diagnostics, and operating information are accessible via the control panel keypads;
r. Low Coolant Switch;
s. 10A/24V Battery & Charger
t. Standard HDR625/685 19 hr Fuel Tank – 600 Gallons
u. DEF Tank Capacity – 42.3 Gallons
v. Standard Enclosure 72 dBA @ 23 ft.
w. Base skid epoxy-polyester powder painted - Standard RAL9005 color
x. Enclosure epoxy-polyester powder painted - Standard RAL7035 color
y. Manufacture's standard acceptance testing and report, performed under HIPOWER quality specification
z. Standard delivery acceptance testing by Contractor also performed under HIPOWER quality specification, after delivery to County
aa. Tandem axle Gooseneck trailer with electric brakes
bb. 1 Set of 4/0 DLO Cable with Cam Locks – 25'
cc. Delivery and Start-Up included

2. **Warranty**. Contractor shall provide a two (2) year warranty for the Generator. Any warranty offered by the manufacturer of Generator components shall be honored and supported by the Contractor.

3. **Maintenance.** Contractor shall provide, in accordance with applicable safety and industry regulations and standards, routine inspection and maintenance Services for the County's generator ("Services"), and shall furnish all necessary skilled labor, materials, and equipment to provide Services. Services shall include, but are not limited to the following:
   a. **Annual Inspection and Maintenance.** Contractor shall provide routine inspections and annual preventive maintenance of the Generator during normal business hours (Monday – Friday, 8:00 a.m. – 5:00 p.m.) on a schedule to be determined by the Parties. Inspection and maintenance Services shall include but are not limited to the following:
      i. Oil and Lubrication Filters shall be changed
      ii. Fuel Filters shall be changed
      iii. Inspection of Air Filter and replacement as needed
   b. **Quarterly Inspections and Maintenance.** Contractor shall provide routine inspections and quarterly preventive maintenance of the Generator, during normal business hours (Monday – Friday, 8:00 a.m. – 5:00 p.m.) on a schedule to be

determined by the Parties. Inspection and maintenance Services shall include but are not limited to the following:

i. Inspection of cooling system fan, fan blades, remote cooling fan motor.
ii. Inspection of all cooling system hoses and adjustment of hose clamps, if necessary.
iii. Inspection of engine belts, checking belt tension, and adjust if necessary.
iv. Inspection of the engine block heater for proper operation, temperature and flow.
v. Inspection and cleaning of generator controller and area, if required.
vi. Inspection of gauges for proper operation and adjustment, if needed.
vii. Inspection of shut down functions, including emergency stop for proper operation.
viii. Inspection of Automatic Transfer Switch for proper operation (with or without load).
ix. Check settings for Automatic Transfer Switch.
x. Verifying proper operation of Remote Annunciator panel.
xi. Check all bulbs in controller for proper operation.
xii. Generator set will be started and run, to verify proper operation of unit.
xiii. Inspection and adjustment of all gauges.
xiv. Inspection of anti-freeze/coolant level.
xv. Inspection of generator for oil, fuel, and coolant leaks.
xvi. Inspection of exhaust system and silencer for leaks, cracks, and deterioration.
xvii. Draining of moisture from exhaust piping.
xviii. Check batteries for water level, level of charge and corrosion on terminals.
xix. Check fuel system, including day tank or transfer tank (if equipped).

c. On-call Maintenance. Contractor shall provide on-call Generator maintenance Services, as requested by County, which may occur during normal business hours, after normal business hours, on weekends, and on holidays. Contractor shall respond within eight (8) hours of the notification call for required Services during normal business hours and within ten (10) hours of the notification call for required Services during non-business hours.

d. Repair of Items Needing Service.

i. Contractor shall report to the County Project Manager any items needing repair discovered during routine inspections, maintenance, or service calls. Reports of items needing Service shall be provided in writing to the County Project Manager within seventy-two (72) hours of discovery for a generator that is not down and within twenty-four (24) hours for a down generator and shall include, at a minimum, the following information:
    1. repair needed;
    2. system impacted;
    3. estimated amount of time to provide the repair; and
    4. parts and supplies required and estimated cost.
ii. Upon County approval, Contractor shall, in a timeframe agreed upon by the Parties, perform maintenance Services to repair items.

e. Service Reports.

i. Contractor shall furnish, at a minimum, a written Service Report to County upon completion of every service visit. The report shall include, at a minimum, time in and out, area of service, and Services performed ("Service Report"). A copy shall be maintained in Contractor's files throughout the term of the Agreement.

ii. Contractor shall provide County access to an online reporting tool to generate ad hoc custom Service Reports.

f. Documentation of Staff Education and Experience. All Services shall be performed by Contractor's qualified technicians. Contractor shall provide the County Project Manager with a list of all Contractor's technicians performing service and shall provide a description of the technician's education, experience and any certifications attained, and shall provide updated lists within ten (10) calendar days if there is a change to Contractor's staff.

SECTION B. TERM: The term of this Agreement shall commence April 1, 2026, and shall continue through March 31, 2033, unless sooner terminated, as provided herein.

SECTION C. COMPENSATION:

1. **Amount of Compensation**. County shall pay compensation in an amount not to exceed FOUR HUNDRED THIRTY-SIX THOUSAND SIX HUNDRED THREE AND NO/100 DOLLARS ($436,603.00), which amount does not include applicable New Mexico gross receipts taxes ("NMGRT"). Compensation shall be paid in accordance with the rate-schedule set out in Exhibit A, attached hereto and made a part hereof for all purposes.

    a. **Mobile Generator:** County shall pay a one-time Equipment fee in the amount of THREE HUNDRED ELEVEN THOUSAND SIXTEEN AND NO/100 DOLLARS ($311,016.00). To be invoiced upon delivery, start-up and acceptance of the generator by the County.

    b. **Delivery:** County shall pay a one-time delivery fee in the amount of FIVE THOUSAND EIGHT HUNDRED FIFTY-ONE AND NO/100 DOLLARS ($5,851.00). To be invoiced upon delivery, start-up and acceptance of the generator.

    c. **Scheduled Maintenance Fees:** County shall pay compensation for scheduled maintenance Services in a total not-to-exceed amount of SIXTY-NINE THOUSAND SEVEN HUNDRED THIRTY-SIX AND NO/100 DOLLARS ($69,736.00). Scheduled maintenance shall consist of quarterly visits and an additional annual Full-Service maintenance as described in Exhibit A. To be invoiced upon completion of maintenance services.

    d. **On-Call Maintenance Fees:** County shall pay compensation for on-call maintenance Services in a total not-to-exceed amount of FIFTY THOUSAND AND NO/100 DOLLARS ($50,000.00). To be invoiced upon completion of maintenance services.

2. **Invoices**. Contractor shall submit itemized invoices to County's Project Manager showing amount of compensation due, amount of any NMGRT, and total amount payable. Payment of undisputed amounts shall be due and payable thirty (30) days after County's receipt of the invoice.

SECTION D. TAXES: Contractor shall be solely responsible for timely and correctly billing, collecting and remitting all NMGRT levied on the amounts payable under this Agreement.

SECTION E. STATUS OF CONTRACTOR, STAFF, AND PERSONNEL: This Agreement calls for the performance of services by Contractor as an independent contractor. Contractor is not an agent or employee of County and shall not be considered an employee of County for any purpose.

Contractor, its agents, or employees shall make no representation that they are County employees, nor shall they create the appearance of being employees by using a job or position title on a name plate, business cards, or in any other manner, bearing County's name or logo. Neither Contractor nor any employee of Contractor shall be entitled to any benefits or compensation other than the compensation specified herein. Contractor shall have no authority to bind County to any agreement, contract, duty, or obligation. Contractor shall make no representations that are intended to, or create the appearance of, binding County to any agreement, contract, duty, or obligation. Contractor shall have full power to continue any outside employment or business, to employ and discharge its employees or associates as it deems appropriate without interference from County; provided, however, that Contractor shall at all times during the term of this Agreement maintain the ability to perform the obligations in a professional, timely, and reliable manner.

SECTION F. STANDARD OF PERFORMANCE: Contractor agrees and represents that it has and shall maintain the personnel, experience, and knowledge necessary to qualify it for the particular duties to be performed under this Agreement. Contractor shall perform the Services described herein in accordance with a standard that meets the industry standard of care for performance of the Services.

SECTION G. DELIVERABLES AND USE OF DOCUMENTS: All deliverables required under this Agreement, including material, products, reports, policies, procedures, software improvements, databases, and any other products and processes, whether in written or electronic form, shall remain the exclusive property of and shall inure to the benefit of County as works for hire; Contractor shall not use, sell, disclose, or obtain any other compensation for such works for hire. In addition, Contractor may not, with regard to all work, work product, deliverables, or works for hire required by this Agreement, apply for, in its name or otherwise, any copyright, patent, or other property right, and acknowledges that any such property right created or developed remains the exclusive right of County. Contractor shall not use deliverables in any manner for any other purpose without the express written consent of County.

SECTION H. EMPLOYEES AND SUB-CONTRACTORS: Contractor shall be solely responsible for payment of wages, salary, or benefits to any and all employees or contractors retained by Contractor in the performance of the Services. Contractor agrees to indemnify, defend, and hold harmless County for any and all claims that may arise from Contractor's relationship to its employees and subcontractors.

SECTION I. INSURANCE: Contractor shall obtain and maintain insurance of the types and in the amounts set out below throughout the term of this Agreement with an insurer acceptable to County. Contractor shall ensure that all subcontractors maintain like insurance. Compliance with the terms and conditions of this Section is a condition precedent to County's obligation to pay compensation for the Services, and Contractor shall not provide any Services under this Agreement unless and until Contractor has met the requirements of this Section. County requires Certificates of Insurance, or other evidence acceptable to County, stating that Contractor has met its obligation to obtain and maintain insurance and to ensure that subcontractors maintain like insurance. Should any of the policies described below be cancelled before the expiration date thereof, notice shall be delivered in accordance with the policy provisions. General Liability Insurance and Automobile Liability Insurance shall name County as an additional insured.

1. **General Liability Insurance:** ONE MILLION DOLLARS ($1,000,000.00) per occurrence; ONE MILLION DOLLARS ($1,000,000.00) aggregate.

2. **Workers' Compensation:** In an amount as may be required by law. County may immediately terminate this Agreement if Contractor fails to comply with the Worker's Compensation Act and applicable rules when required to do so.
3. **Automobile Liability Insurance for Contractor and its Employees:** ONE MILLION DOLLARS ($1,000,000.00) combined single limit per occurrence; ONE MILLION DOLLARS ($1,000,000.00) aggregate on any owned, and/or non-owned motor vehicles used in performing Services under this Agreement.

SECTION J. RECORDS: Contractor shall maintain, throughout the term of this Agreement and for a period of six (6) years thereafter, records that indicate the date, time, and nature of the services rendered. Contractor shall make available, for inspection by County, all records, books of account, memoranda, and other documents pertaining to County at any reasonable time upon request.

SECTION K. DUTY TO ABIDE: Contractor shall abide by all applicable federal, state, and local laws, regulations, and policies and shall perform the Services in accordance with all applicable laws, regulations, and policies during the term of this Agreement.

SECTION L. NON-DISCRIMINATION: During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the obligations of Contractor under this Agreement, with regard to race, color, religion, sex, age, ethnicity, national origin, sexual orientation or gender identity, disability, or veteran status.

SECTION M. **CHOICE OF LAW**: The interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico.

SECTION N. VENUE, FORUM NON-CONVENIENS, EXCLUSIVE STATE JURISDICTION: County and Contractor knowingly, voluntarily, intentionally, and irrevocably agree that any and all legal proceedings related to this Agreement, or to any rights or any relationship between the Parties arising therefrom, shall be solely and exclusively initiated, filed, tried, and maintained in the First Judicial District Court of the State of New Mexico. County and Contractor each expressly and irrevocably waive any right otherwise provided by any applicable law to remove the matter to any other state or federal venue, consents to the jurisdiction of the First Judicial District Court of the State of New Mexico in any such legal proceeding, waives any objection it may have to the laying of the jurisdiction of any such legal proceeding. County and Contractor also agree that this term is a material inducement for each to enter this Agreement, and that both County and Contractor warrant and represent that each have had the opportunity to review this term with legal counsel.

SECTION O. WAIVER OF JURY TRIAL: In the event of any action or proceeding, (including without limitation, any claim, counterclaim, cross-claim or third party claim) arising out of or, relating to this Agreement, or the transaction contemplated by this Agreement, County and Contractor KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL, and agree that a court shall determine and adjudicate all issues of law and fact with a jury trial being expressly waived. County and Contractor also agree that this waiver of a jury trial was a material inducement for each to enter this Agreement, and that both County and Contractor warrant and represent that each have had the opportunity to review this jury waiver with legal counsel.

SECTION P. INDEMNITY: Contractor shall indemnify, defend, and hold harmless County, its Council members, employees, agents, and representatives, from and against all liability, claims, demands, actions (legal or equitable), damages, losses, costs, or expenses, including attorney fees, of any kind or nature, to the extent that the liability, claims, demands, actions, damages, losses, costs, and expenses are caused by, or arise out of, the acts or omissions of the Contractor or Contractor's officers, employees, agents representatives, and subcontractors in the performance or breach of the Services under this Agreement.

SECTION Q. FORCE MAJEURE: Neither County nor Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence; provided, however, that the party failing to perform shall (i) as soon as possible, inform the other party of the occurrence of the circumstances preventing or delaying the performance of its obligations, and describe at a reasonable level of detail the circumstances causing such delay, and (ii) exert reasonable efforts to eliminate, cure, or overcome any of such causes and to resume performance of its Services with all possible speed. In such event, the non-performing party may be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay.

SECTION R. NON-ASSIGNMENT: Contractor shall not assign this Agreement or any privileges or obligations herein and shall not novate this Agreement to another without the prior written consent of the **County Utilities Manager**.

SECTION S. LICENSES: Contractor shall maintain all required licenses including, without limitation, all necessary professional and business licenses, throughout the term of this Agreement. Contractor shall require and shall ensure that all of Contractor's employees and subcontractors maintain all required licenses including, without limitation, all necessary professional and business licenses.

SECTION T. PROHIBITED INTERESTS: Contractor agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its Services hereunder. Contractor further agrees that it shall not employ any person having such an interest to perform Services under this Agreement. No County Council member or other elected official of County, or manager or employee of County shall solicit, demand, accept, or agree to accept, a gratuity or offer of employment contrary to Section 31-282 of the Los Alamos County Code.

SECTION U. TERMINATION:

1. **Generally**. The **County Utilities Manager** may terminate this Agreement with or without cause upon ten (10) days prior written notice to Contractor. Upon such termination, Contractor shall be paid for Services actually completed to the satisfaction of County at the rate set out in Section C. Contractor shall render a final report of the Services performed to the date of termination, and shall turn over to County originals of all materials prepared pursuant to this Agreement.
2. **Funding**. This Agreement shall terminate without further action by County on the first day of any County fiscal year for which funds to pay compensation hereunder are not appropriated by County Council. County shall make reasonable efforts to give Contractor at least ninety

(90) days advance notice that funds have not been and are not expected to be appropriated for that purpose.

SECTION V. NOTICE: Unless otherwise provided in this Agreement, any notices required under this Agreement shall be made in writing. Notices shall be sent via 1) hand-delivery; 2) registered or certified mail; 3) a nationally recognized overnight courier service; or 4) electronic mail (with copy by mail or courier). All notices shall be sent to each party at the addresses set out in this section or any address later provided by such party in writing, with postage prepaid by the sender, and shall be deemed delivered upon hand delivery, verified proof of delivery by courier, or three (3) days after deposit in the United States Mail.

County:	Contractor:
Clay Moseley Incorporated County of Los Alamos 101 Camino Entrada, Building 5 Los Alamos, New Mexico 87544 E-mail: clay.moseley@losalamosnm.gov	Rod Dode, Director of Contracts & Risk Management Loftin Equipment Company 1220 N. 52nd St., Phoenix, AZ 85008 E-mail: rdode@loftinequip.com

With a copy to:
County Attorney's Office
1000 Central Avenue, Suite 340
Los Alamos, New Mexico 87544
E-mail: ~Attorney@losalamosnm.gov

SECTION W. INVALIDITY OF PRIOR AGREEMENTS AND ENTIRE AGREEMENT:

1. This Agreement supersedes all prior contracts or agreements, either oral or written, that may exist between the Parties with reference to the Services described herein, and expresses the entire Agreement and understanding between the Parties with reference to said Services. It cannot be modified or changed by any oral promise made by any person, officer, or employee, nor shall any written modification of it be binding on County until approved in writing by both authorized representatives of County and Contractor. In the event of any conflict between the terms, conditions, and provisions of this Agreement, and the terms, conditions and provisions of any exhibits or attachments, the terms, conditions and provisions of this Agreement shall control and take precedence.

2. Regarding the Services described herein, this Agreement shall supersede, now and in the future and without limitation, any terms or conditions on Contractor's website, terms and conditions referenced on Contractor's quote or invoice, or any other Contractor terms and conditions not expressly agreed to and properly authorized by the Parties in writing. For clarity, no "click-through," "click-and-accept," "web-wrap," or other similar agreements or terms whether before, on, or after the date of this Agreement, will be effective to add to or modify the terms of this Agreement, regardless of any Party's acceptance of those terms by electronic means.

SECTION X. NO IMPLIED WAIVERS: The failure of County to enforce any provision of this Agreement is not a waiver by County of the provisions, or of the right thereafter, to enforce any provision(s).

SECTION Y. SEVERABILITY: If any provision of this Agreement is held to be unenforceable for any reason: (i) such provision shall be reformed only to the extent necessary to make the intent of the language and purpose of the Agreement enforceable; and (ii) all other provisions of this Agreement shall remain in effect so long as the substantive purpose of the Agreement is possible.

SECTION Z. CAMPAIGN CONTRIBUTION DISCLOSURE FORM: A Campaign Contribution Disclosure Form was submitted as part of the Contractor's Response and is incorporated herein by reference for all purposes.

SECTION AA. LEGAL RECOGNITION OF ELECTRONIC SIGNATURES: Pursuant to NMSA 1978 § 14-16-7, this Agreement may be signed by electronic signature.

SECTION AB. DUPLICATE ORIGINAL DOCUMENTS: This document may be executed in two (2) counterparts, each of which shall be deemed an original.

SECTION AC. NEGOTIATED TERMS: This Agreement reflects negotiated terms between the Parties, and each party has participated in the preparation of this Agreement with the opportunity to be represented by counsel, such that neither party shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

SECTION AD. FEDERAL CLAUSES: Contractor shall abide by the following Federal Clauses as applicable.

1. **Clean Air Act.**

The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
The contractor agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
The contractor agrees to include these requirements in each subcontract exceeding $150,000 financed in whole or in part with federal assistance provided by FEMA.

2. **Federal Water Pollution Control Act.**

The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.
The contractor agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
The contractor agrees to include these requirements in each subcontract exceeding $150,000 financed in whole or in part with federal assistance provided by FEMA.

3. **Suspension and Debarment.**

This contract is a covered transaction for purposes of 2 C.F.R. Part 180 and 2 C.F.R. Part 3000. As such, the contractor is required to verify that none of the contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

The contractor must comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters.

This certification is a material representation of fact relied upon by County. If it is later determined that the contractor did not comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, in addition to remedies available to County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower-tier-covered transactions.

4. **Byrd Anti-Lobbying Amendment, as amended, 31 U.S.C. § 1352.**

Contractors who apply or bid for an award of more than $100,000 shall file the required certification. Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the federal agency.

5. **APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING.**

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The Contractor, **Loftin Equipment Company**, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

_____

Signature of Contractor's Authorized Official

_____

Name and Title of Contractor's Authorized Official

_____

Date

6. Recovered Materials.

In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—

a) Competitively within a timeframe providing for compliance with the contract performance schedule;
b) Meeting contract performance requirements; or
c) At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at Comprehensive Procurement Guideline (CPG) Program | US EPA. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

7. Prohibition on Contracting for Covered Telecommunications Equipment or Services.

(a) Definitions. As used in this clause, the terms backhaul; covered foreign country; covered telecommunications equipment or services; interconnection arrangements; roaming; substantial or essential component; and telecommunications equipment or services have the meaning as defined in FEMA Policy 405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services, as used in this clause—

(b) Prohibitions.

1) Section 889(b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, and 2 C.F.R. § 200.216 prohibit the head of an executive agency on or after Aug.13, 2020, from obligating or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons. 2) Unless an exception in paragraph (c) of this clause applies, the contractor and its subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds from the Federal Emergency Management Agency to:

i. Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;

ii. Enter, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;

iii. Enter, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or

iv. Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

(c) Exceptions.

1) This clause does not prohibit contractors from providing—

i. A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

ii. Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

2) By necessary implication and regulation, the prohibitions also do not apply to:

i. Covered telecommunications equipment or services that:

a. Are not used as a substantial or essential component of any system; and

b. Are not used as critical technology of any system.

ii. Other telecommunications equipment or services that are not considered covered telecommunications equipment or services.

(d) Reporting requirement.

1) In the event the contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the contractor is notified of such by a subcontractor at any tier or by any other source, the contractor shall report the information in paragraph (d)(2) of this clause to the recipient or subrecipient, unless elsewhere in this contract are established procedures for reporting the information.

2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause:

i. Within one business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

ii. Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

(e) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments.

8. Domestic Preference for Procurements.

The Contractor should, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to, iron, aluminum, steel, cement, and other manufactured products.

For purposes of this clause:

Produced in the United States means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

ATTEST

_____

MICHAEL D. REDONDO
COUNTY CLERK

INCORPORATED COUNTY OF LOS ALAMOS

BY: _____

PHILO S. SHELTON, III **DATE**
UTILITIES MANAGER

Approved as to form:

_____

J. ALVIN LEAPHART
COUNTY ATTORNEY

LOFTIN EQUIPMENT COMPANY, AN ARIZONA CORPORATION

BY: _____

DATE

ROD DODE
DIRECTOR OF CONTRACTS & RISK MANAGEMENT

Exhibit A
Compensation Rate Schedule
AGR26-36

COST CATEGORY	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Equipment – 560kW Mobile Generator	*$311,016.00	N/A	N/A	N/A	N/A	N/A	N/A
Delivery Fee Generator	$5,851.00	N/A	N/A	N/A	N/A	N/A	N/A
Routine Inspection and Maintenance Services **	$8,190	$8,535	$10,850	$9,265	$9,651	$12,770	$10,475
***On-Call Hourly Rate/Technician During Normal Business Hours	$195.00	Contractor may increase price on January 1st of each year, 3% or the Consumer Price Index for All Urban Consumers as of August 31st of the prior year.					
***On-Call Hourly Rate/Technician Outside of Normal Business Hours, including Weekends & Holidays	$292.50	Contractor may increase price on January 1st of each year, 3% or the Consumer Price Index for All Urban Consumers as of August 31st of the prior year.					

***Cost of Generator assumes tariff rate of $7,856.42. If actual tariff rate is different at time of shipment, Contactor will advise County and County will approve the difference in writing.**

**Years 3 and 6 consist of additional Load Bank Testing during Routine Inspections

*****Travel Guidelines:**

Contractor's travel may be charged at actual cost, provided copies of all travel expenses must accompany invoices submitted to County and shall only include the following:

1. The most economical means of transportation shall be used, commercial airlines coach fare rates;
2. Business-related tolls and parking fees;

3. Rental car, taxi services or shuttle fees;
4. Mileage shall be reimbursed at the standard mileage rate for business miles driven as established from time to time by the Internal Revenue Services or a minimum of $0.45 per mile;
5. Hotel or motel lodging, not to exceed $250.00 base rate per night excluding tax;
6. Meals, per Los Alamos County Travel Policy, currently $90.00 per diem daily for multi-day travel, or up to $40.00 daily for one day travel;
7. Internet Connectivity charges;
8. Any other reasonable costs directly associated with conducting business with County.
9. If reimbursement for lodging or airfare is sought and no receipt is furnished by Contractor showing the actual cost, the travel expense shall be deemed unreasonable and un-reimbursable.

Travel Expenses not allowed are as follows:

1. Entertainment; in-room movies, games, etc. and
2. Alcoholic Beverages, mini bar refreshments or tobacco products.

Agenda No.:	8.h.1.
Index (Council Goals):	
Presenters:	Philo Shelton, Utilities Manager
Legislative File:	**21452-26**

Title
BPU Training Opportunity: APPA National Conference, June 26 - July 1, 2026

Recommended Action
I move that the Board of Public Utilities approve travel expenses for Board Member(s) [NAMES] to attend the 2026 APPA National Conference in an amount not to exceed $3,000.00 per person.

Body
The American Public Power Association (APPA) hosts an annual conference, and the Utilities Manager plans to attend. The 2026 conference will be held in Boston, MA from June 26 - July 1, 2026. Board Members should contact Ms. Kathy Casados, as soon as possible if interested in attending. She will also assist with registration, hotel, and airline reservations.

From the website:
Who Should Attend
Many professionals affiliated with public power attend the National Conference, including:
- *Utility general managers and CEOs*
- *Senior managers, rising stars, and future leaders*
- *Mayors and city council members*
- *Commissioners and governing board members*
- *Policy and strategy makers*
- *Industry partners and vendors*
- *Consultants and subject matter experts*

Registration information: https://www.publicpower.org/national-conference/registration
Agenda information: https://www.publicpower.org/national-conference/agenda

The current DPU budget includes a line item for BPU member travel. A copy of the County Travel Policy is included as Attachment A. Board Members are required to submit an IRS Form W-9 (Attachment B) in order to be reimbursed for mileage and per diem.

Attachments
A - Los Alamos County Travel Policy
B - IRS Form W-9

LOS ALAMOS
where discoveries are made

INCORPORATED COUNTY OF LOS ALAMOS ADMINISTRATIVE PROCEDURE GUIDELINE

Index No. 910
Approved by Council on June 25, 2024

Revised - Effective: July 1, 2024

TRAVEL POLICY

I. Purpose

The purpose of this travel policy is to establish rules and regulations implementing the requirements of County Code Section 2-142. County Public Officials, employees, and non-employees, collectively referred to as the Los Alamos County "Traveler," shall be reimbursed for travel-related costs only as specified in this policy.

II. Policy

This policy is necessary to ensure travel and business reimbursements made to the Traveler shall NOT be considered taxable income. Pursuant to IRS regulations, in order to exclude travel reimbursements from income, the County must maintain an "accountable plan" for business expenses of County employees. This policy constitutes the accountable plan for Los Alamos County. In conformance with IRS regulations, expenses reimbursed and later found not to comply with County policy must be refunded to the County.

The guiding principles of this policy are:

The Los Alamos County Traveler shall be reimbursed for legitimate, reasonable, and approved travel expenses when directly connected with or pertaining to Los Alamos County business based on established allowances in this policy.

The Los Alamos County Traveler is expected to be conscientious in their use of Los Alamos County funds and to travel by economical and efficient means.

III. Responsibility

A. Traveler

Travel arrangements are the responsibility of the Traveler or designated department employee(s).

B. Approving Authority

When authorizing and approving payment of travel expenses, the approving authority:

1. Must limit the authorization and payment of travel expenses to travel that is necessary to accomplish the departmental objectives in the most effective manner;

2. Shall give consideration to budget constraints, adherence to travel policies, and reasonableness of expenses; and

3. Shall consider alternatives, including teleconferencing, prior to authorizing travel.

Requests for travel shall be approved at the following levels:

Organizational Level	**Approved By:**
County Councilors, County Manager & County Attorney	Council Chair or Vice-Chair
Council Chair	Council Vice-Chair
Council Vice-Chair	Council Chair
Other Elected Officials	Elected Official self-approval or Designee
CMO staff & Department Directors	County Manager or Designee
Utility Board Members & Utilities Manager	Utility Board Chair or Vice-Chair
Utility Board Chair	Utility Board Vice-Chair
Utility Board Vice-Chair	Utility Board Chair
Chief Deputy Staff Member to an Elected Official	Elected Official or Designee
Department Staff	Department Director or Designee
Staff within Elected Official Departments	Chief Deputy Staff Member to Elected Official
Other Board, Commission & Committee Members, Official Appointees, and other non-employees	Department Directors or Designees

IV. Procedure/Administration

Through a County-issued Purchasing Card (P Card), the County shall pay expenses incurred while the Traveler is on approved travel. Only mileage and meal allowances shall be reimbursed to the Traveler upon return from travel. P Cards shall be used to pay travel expenses for County business and are subject to the same restrictions under the Use of

County Purchasing Cards Policy, Index No. 0922, and respective Purchasing Card Manual administered by the Finance Division's Purchasing Card Administrator.

A. Travel Pre-authorization and Arrangements

Compliance with Travel Pre-authorizations will be the responsibility of the individual departments. Except for emergencies or other urgent or unplanned travel needs, all intended travel, which requires overnight lodging, shall be authorized in advance by the Approving Authority. All anticipated travel expenses including registration fees, transportation, lodging, meal allowance, etc., shall be included in a travel pre-authorization request. The Approving Authority shall be presented in advance with the full estimated cost of travel in accordance with individual department requirements.

B. Allowable Travel Expenses

The following travel expenses are considered allowable and shall be purchased by the Traveler with a County issued P Card if applicable:

1. Shuttle, bus, subway, taxi, airfare and peer-to-peer or ride-sharing (i.e. Uber, Lyft, etc.) fares only if business-related;

2. Non-meal Gratuities: Normal, reasonable gratuity amounts (e.g., for taxi or baggage handlers). Gratuities shall not be reimbursed for restaurant meals; they are included in the existing daily meal allowance rates;

3. Business-related tolls and parking fees;

4. Rental cars and auto liability and damage insurance if pre-authorized, necessary, cost effective, and taxi service or shuttle services are not available or not practical;

5. Registration fees;

6. Books, manuals, and other materials directly related to approved training events;

7. Hotel or motel lodging;

8. Air freight;

9. Currency conversion fees;

10. Overnight delivery postage;

11. Internet connectivity charge;

12. Baggage fees;

13. Any other reasonable costs directly associated with conducting County business while on travel.

C. Unallowable Travel Expenses

1. The following expenses are unallowed under this policy:

a) Non-business related activities, such as entertainment, tours, competitions, sight-seeing, travel to other locations of personal interest, etc.;

b) Unless otherwise authorized in advance under the Discretionary Expenses Policy, Index No. 0960, or described as part of a training facility program referenced in Section H, or allowed under mutual aid deployments referenced in Section K, actual cost of meals at restaurants, purchase of food items, room service, meal delivery service fees and gratuities are not reimbursable to the Traveler and are not allowed to be charged to a P Card. Reimbursement for meals is provided according to the rates in Appendix A in the form of a meal allowance;

c) In-room movies, games or other for-pay entertainment;

d) Cost of alcoholic beverages, mini bar refreshments or tobacco products;

e) Expenses for travel companions (spouse/family/guest) who are not on official County business;

f) Expenses related to vacation or personal days while on business trip;

g) Parking tickets and/or fines for traffic violations;

h) Use of spa or other for-pay amenities, whether or not at hotel;

i) Expenses for the repair of privately owned vehicles;

j) Personal expenses are not allowable, and are assumed to include any expenses which are not a necessary consequence of travel on behalf of Los Alamos County for a business purpose;

k) Fuel or electric charge for personal vehicle;

l) All other expenses not allowed under the P Card Policy, Index No. 0922.

2. If the Traveler uses a County-issued P Card for an unallowable expense as noted above, the Traveler will be required to reimburse the County on a timely basis for such expense and may be subject to infractions and disciplinary action referenced under the P Card policy.

3. Non-employees will not be reimbursed for any unallowable travel expense as noted above.

D. Travel Reimbursements – Employee Expense Claims

1. Travel reimbursements shall be processed as employee expense claims through the payroll system.

2. P Cards are generally intended to replace the need for a travel advance, which includes payment for lodging, airfare, car rental, conference registration fees, or any other allowable travel-related expenses. Mileage and meal allowances are payable when the employee returns from travel.

3. If a P Card is either unavailable, not accepted by the merchant, lost, stolen, or deactivated for reasons of fraud or for any other reason at no fault of the employee, the employee may use their personal credit card, cash, or other personal means, as a method of payment. In such situations, the employee shall be reimbursed provided itemized receipts reflect approved expenses and are attached to the employee expense claim. This clause is intended as an exception to standard policy and may be subject to disapproval if an employee repeatedly loses or uses a County issued P Card or has repeated infractions.

4. Mileage calculations shall be based on online map mileage charts, such as maps.google.com or mapquest.com or other forms of internet-based mapping source, as an acceptable method to substantiate mileage. For personal vehicle use, the Traveler must certify coverage on the personal vehicle meets the minimum limits of insurance as set forth in the State of New Mexico's Mandatory Financial Responsibility Act, as may be amended from time to time. Los Alamos County shall use the IRS standard mileage rate, which is updated from time to time.

5. Meals included in the registration fee and provided by the conference, workshop, event, or paid by the County by any other means shall not be reimbursed to the employee. If any meals are provided or paid for as provided in the Discretionary Expenses Policy, no reimbursement shall be made. Continental breakfasts or snacks provided by the conference, workshop, etc. shall not be considered a meal for this purpose. If a Traveler has a dietary restriction, which prevents them from eating a meal provided

by the conference, workshop, or event, the meal allowance may be claimed.

6. The Traveler seeking mileage and meal allowance payment shall complete the following forms, available at https://lacnm.sharepoint.com/sites/Finance/Travel/Forms/AllItems.aspx.

a) For travel which required overnight lodging within the state, complete the Los Alamos County "In-State Travel Reimbursement" form;

b) For travel which required overnight lodging outside of the state, complete the Los Alamos County "Out-of-State Travel Reimbursement" form;

c) The Traveler seeking mileage and meal reimbursement which required one-day travel shall complete the Los Alamos County "One-Day Travel Reimbursement" form;

d) In addition to completing the applicable travel reimbursement form, evidence to substantiate the travel must be attached to the travel reimbursement form for review and consideration. Supporting documentation can be an agenda, conference brochure, meeting email, or any other document that states the date, time, place, and purpose and shall be used to substantiate calculations of meal allowances. Travel expenses charged to a P Card shall be attached as supporting documentation and shall be reported in the "Other Expense Information" section of the travel reimbursement forms for the ease of the Approving Authority's review of the entire cost of the travel event.

7. To ensure proper accounting and compliance with Los Alamos County policy, the Approving Authority shall adhere to the following guidelines prior to approving an employee expense claim:

a) Verify the dates and times of travel and ensure meals provided have been properly deducted from the meal allowance;

b) Ensure that the limits described in Appendix A have been adhered to and are properly justified, and ensure that any discretionary expenses comply with the Discretionary Expenses Policy, Index

0960, and is a valid business expense as allowed in Section IV.H.1. below;

c) Verify all travel expenses that were purchased by a County issued P Card are allowable expenses;

d) If any unallowable expenses are discovered to be purchased by a P Card, the Approving Authority shall notify the Finance Division immediately in order to seek reimbursement from the employee for unallowable charges, and/or to issue an infraction; and

e) As appropriate, approve the employee expense claim on a timely basis.

8. Approved reimbursement claims shall be due to the Finance Division no later than close of business the second Thursday of the pay period, unless otherwise announced by payroll, to be included in the employee's paycheck on the following Thursday. The Traveler shall submit travel claims within 10 (ten) business days of return from travel, or sooner, to ensure processing deadlines are met. Unforeseen volume or a rejected claim may cause a Traveler's claim to be processed on the following pay period.

E. Travel Reimbursements – Non-Employee

Non-Los Alamos County employees shall be reimbursed through the Finance Division Accounts Payable office and must submit a completed Form W-9, "Request for Taxpayer Identification Number and Certification," to the Los Alamos County Procurement office before a payment for travel reimbursement shall be processed. Expense reimbursements of this kind are subject to IRS 1099 reporting rules.

F. Transportation

The most economical means of transportation including the time spent on travel shall be used.

1. Commercial Airlines

Economy fare rates shall be the standard maximum allowable transportation expense. Early check-in fees are allowable at the discretion of the Approving Authority.

2. Rail or Bus

Rail or bus fares shall be based on the actual fare purchased and not to exceed the available economy class airline fare.

3. County Vehicles

Whenever possible and practical, County vehicles shall be used for official travel. County vehicles shall not be used for unofficial or personal business. County vehicles used for out of town travel shall not be parked or left unused for longer than one (1) week when they may be required for other County service. The use of County vehicles is subject to all provisions in the County Vehicle Use Policy, Index No. 0435. If County-owned vehicles are used for official County travel, the Traveler is not eligible to submit a mileage reimbursement.

4. Government-owned Vehicles

If government-owned vehicles are used for official County travel, the Traveler shall not submit a mileage reimbursement request if fuel has been provided for by other means.

5. Private Vehicles

a) Reimbursement may be granted for the use of personal vehicles for required business travel inside or outside the County; however, County or government-owned vehicles shall be used whenever possible. The Approving Authority may grant exceptions to this rule, at the discretion of the Approving Authority.

b) Carpooling is encouraged to reduce travel costs when more than one person travels to the same destination for the same purpose. When carpooling, only one person shall be reimbursed for mileage.

c) Use of a private vehicle to travel to and from a County sponsored training activity conducted within Los Alamos County and considered to be the assigned worksite is not reimbursable.

d) For use of private vehicles used for official business to non-duty sites within Los Alamos County, a "Mileage Form" shall be submitted for reimbursement. The Approving Authority must approve mileage claims in advance. Mileage claims must be submitted for reimbursement on a regular periodic basis in accordance with Section IV.D.8 and not to exceed quarterly.

6. Taxis & Ride-Sharing

The use of a taxi, peer-to-peer , and ride-sharing (i.e. Uber, Lyft, etc.), and other shuttle services is an allowable expense for official business and shall be charged to a P Card. The Traveler shall not use a P Card for personal travel destinations under these modes of transportation.

7. Rental Cars

Car rental may be allowable as a last resort as a method of transportation and only with Department Head pre-authorization.

Car rental for official business along with the purchase of auto liability and damage insurance shall be charged to a P Card. If approved, the most cost-effective vehicle shall be used.

8. Insurance Claims

Because a portion of the mileage reimbursement rate covers private insurance costs, any insurance claims that arise when personal vehicles are used must initially be filed against the Traveler's carrier.

9. Alternative Transportation Allowance

Sometimes the Traveler may prefer to use their personal vehicle for out-of-state travel instead of traveling by airline. In this instance, the County may reimburse the Traveler an amount not to exceed what would otherwise have been the cost of airfare, provided airfare estimates are obtained from the lowest fare airline, at economy class. A comparative analysis with supporting documentation shall accompany the travel reimbursement.

G. Lodging

1. P Cards shall be used for lodging expenses. Standard accommodations for motels or hotels shall not exceed the lodging limitations in Appendix A. The Traveler shall be conscientious in their use of Los Alamos County funds and to travel and lodge by economical and efficient means. If the actual cost exceeds this amount, the Approving Authority may only approve full reimbursement upon justification of the exception and subject to budget availability. An example of this is when a conference has a designated host hotel, or when travel is scheduled during peak travel times in a given city, etc.

2. If a travel companion (spouse, family, or guest) who is not on official County business accompanies the Traveler, the cost of accommodations for a single occupancy shall only be allowed. The Traveler is responsible for ascertaining the single occupancy rate and ensuring single occupancy charges are reflected.

3. Use of an RV is an allowable form of lodging. RV Park fees shall be charged at actual costs for the duration of the business trip and are subject to the lodging limitations in Appendix A. The Traveler is responsible for ascertaining the single occupancy rate and ensuring single occupancy charges are reflected.

4. If the special needs of disabled persons cannot be met by hotel rooms within the maximum rates, lodging costs for disabled persons may be allowed at the actual cost of the least costly lodging that is most accessible to their needs.

H. Meals

1. Meals included in the registration fee and provided by the conference, workshop, event, or paid by the County by any other means shall not be reimbursed to the Traveler. If any meals are provided or paid for as provided in the Discretionary Expenses Policy, no reimbursement shall be made. Continental breakfasts or snacks provided by the conference, workshop, etc. shall not be considered a meal for this purpose. If the Traveler has a dietary restriction, which prevents the employee from eating a meal, provided by the conference, workshop, or event, the employee may claim the meal allowance and indicate it was due to the dietary restriction.
2. Meals shall not be reimbursed during attendance at a County paid or sponsored training event held in Los Alamos County and during normally scheduled working hours. However, the County may provide meals as part of the training.

3. Training facility programs include the National FBI Academy, the National Fire Academy, the State Police Academy, the State Fire Training Facility, or other specialized training facilities or programs. In cases where it is impractical to submit an expense claim for a meal allowance, the Approving Authority may request pre-approval from Finance to allow the employee assigned to attend a training facility program to use a P-Card to purchase meals in lieu of claiming a reimbursement for a meal allowance. Such requests must identify the timeframe, meals that will be provided by the facility that shall not be reimbursed, and a business justification prior to approval. The same daily meal allowance limits in Appendix A will apply if approval is granted.

I. Purchasing Cards (P Cards)

1. The Traveler either shall be issued a temporary P Card prior to intended travel or shall be regular P Cardholders. P Cards shall be used to pay for registration fees, lodging, airfare, car rental expenses, and all other allowable travel expenses pursuant to this Policy. The Traveler must report the actual charges in the "Other Expense Information" Section of the reimbursement form(s).

2. At the discretion of the Approving Authority, a P Card issued to designated departmental staff may be used to book travel-related expenses on behalf of the Traveler.

J. Travel Expenses for Non-Employees and Other Recruitment Participants

1. Non-Employees - This policy may also apply to those applicants residing out-of-state and requested by the County to attend a personal interview in Los Alamos County as a result of recruitment. The County may reimburse actual costs for up to a maximum of two days lodging and meals based on the rates specified in Appendix A of this policy, unless otherwise approved by the Approving Authority.

2. Other Non-Applicant Participants in Recruitments - This policy may also apply to other non-applicant participants in recruitments who are not County employees but who render service to the County as a qualified member of an interview panel, assessment center board, etc. The number of days eligible for reimbursement shall be limited to no more than two days, unless otherwise approved by the Approving Authority.

3. As part of the qualification for reimbursement, the non-employee Traveler must present a written reimbursement request responding to an assignment approved in advance by the Human Resources Division.

K. Mutual Aid Deployment

If a County employee is mobilized for mutual aid deployment that is reimbursable to the County by another agency, then exceptions to reimbursable expense limits in Appendix A may be approved by Finance, but limited to what shall be billed and recovered from that agency. Under these conditions, purchases of actual meals while on travel are allowable with a P Card, if they are reimbursable under the agreement, and as such shall be capped at the amount subject to reimbursement. Compliance with all other allowable and unallowable expenses as referenced in Section IV.B and C, must still be adhered to.

L. Exceptions to These Rules

Other exceptions to this policy may be instituted by ordinance, collective bargaining agreement or amendment by the Council to these rules.

M. Effective Date

This policy is effective for travel that begins on or after July 1, 2024.

Prepared by: Finance Division – Administrative Services Department

6.26.2024

Anne W. Laurent
County Manager

Date

APPENDIX A

The Traveler shall be conscientious in their use of Los Alamos County funds and to travel and lodge by economical and efficient means.

A. Meal Allowance – Out-of-State and In-State Overnight Travel

Meals are to be paid at a daily rate for travel that includes overnight lodging.

Multiple Day

For each full consecutive 24-hour travel period where lodging was required, meals shall be payable in the form of a meal allowance without receipts in the amount of $90.00.

For return travel for a partial day, following overnight travel where lodging was required, the meal allowance shall be calculated at the rate of $3.75 for each additional hour.

For meals included in registration or otherwise provided, deduct:

Breakfast	$ 20.00
Lunch	$ 30.00
Dinner	$ 40.00
Total	$ 90.00

For the purpose of calculating the meal allowance for travel, travel time shall not exceed the total time in travel including round-trip travel from point of departure to the point of destination. Travel time shall always be as minimal and reasonable as practical.

B. Meal Allowance – One Day Travel

For one-day travel where lodging was not required, meals shall be payable in the form of a meal allowance to cover the cost of meals according to the requirements of this section.

One-Day Travel (Both In-State and Out-of-State)

less than 5 hours	None
for 5 or more hours, but less than 12 hours	$20.00
for 12 or more hours, but less than 18 hours	$30.00
for 18 or more hours	$40.00

For medical transports performed by Fire Department personnel, if an employee is on a transport during a meal period, the employee shall be eligible for a meal reimbursement

of $20.00, regardless of the length of time. This reimbursement shall be paid through Fire petty cash with a Medical Transport Reimbursement form.

C. Mileage

For personal vehicle use, the Traveler must certify on the respective "Travel Reimbursement" form that they possess current and adequate insurance in accordance with this policy. The Traveler shall conform to at least the minimum limits of insurance as set forth in the State of New Mexico's Mandatory Financial Responsibility Act, as may be amended from time to time.

Private vehicle use shall be payable at the standard mileage rate for business miles driven as established from time to time by the Internal Revenue Service.

Map mileage shall be used to determine the number of miles.

Mileage shall be calculated using the lesser of:

1. Residence as the point of departure to point of destination; or

2. Los Alamos post of duty, as the point of departure to point of destination, or

3. Mileage shall be zero if 1) or 2) above is less than the County employee's normal commute distance to work. Normal commute distance is defined as the round-trip distance from employee's residence to Los Alamos work location.

The total mileage reimbursement for out-of-state travel shall not exceed Economy class commercial airfare plus mileage from the departure point to the airport.

Paramedic training requires extensive use of employees' personal vehicles over an extended period. The following mileage reimbursement rules apply to paramedic training:

1. Mileage shall be reimbursed based upon a weekly calculation (Sunday through Saturday)

2. Normal commute distance for the week shall be defined as the round-trip distance from employee's residence to Los Alamos work location times a factor of 1.25 (average number of weekly round trips is based on five round trips in a four week period under the current 48/96 shift schedules)

3. Miles traveled during the week shall be logged using map miles and shall document points of departure and arrival.

4. Miles traveled shall be payable to the extent they exceed the normal commute distance calculated in Paragraph 2 above.

D. Lodging

Standard accommodation for lodging is permitted at actual costs as specified below. Limits for lodging are as follows:

Not to exceed $250.00 base rate per night excluding tax.

Higher rates are permitted with written approval by the Approving Authority. Justification for approving a rate that is higher than the established limit must be attached to the Travel Reimbursement Request.

Every two (2) years, beginning on or before December 31, 2026, the County's Finance Office will review U.S. inflationary data for the lodging and restaurant industry, and may recommend to the County Manager adjustments to the lodging and meal allowance rates. Example of source data may be derived from the US Bureau of Labor Statistics or other Consumer Price Indicator reports.

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See ***Specific Instructions*** on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

5 Address (number, street, and apt. or suite no.). See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–		–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	**Signature of U.S. person**	**Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

• Form 1099-INT (interest earned or paid).

• Form 1099-DIV (dividends, including those from stocks or mutual funds).

• Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).

• Form 1099-NEC (nonemployee compensation).

• Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).

• Form 1099-S (proceeds from real estate transactions).

• Form 1099-K (merchant card and third-party network transactions).

• Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).

• Form 1099-C (canceled debt).

• Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

Caution: If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);

2. Certify that you are not subject to backup withholding; or

3. Claim exemption from backup withholding if you are a U.S. exempt payee; and

4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and

5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

• An individual who is a U.S. citizen or U.S. resident alien;

• A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;

• An estate (other than a foreign estate); or

• A domestic trust (as defined in Regulations section 301.7701-7).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

• In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.

• In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.

• In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a saving clause. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if their stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first Protocol) and is relying on this exception to claim an exemption from tax on their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester;

2. You do not certify your TIN when required (see the instructions for Part II for details);

3. The IRS tells the requester that you furnished an incorrect TIN;

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only); or

5. You do not certify to the requester that you are not subject to backup withholding, as described in item 4 under "*By signing the filled-out form*" above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

• **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note for ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

• **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or "doing business as" (DBA) name on line 2.

• **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

• **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

• **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner's name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	Limited liability company and enter the appropriate tax classification: P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

• Generally, individuals (including sole proprietors) are not exempt from backup withholding.

• Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.

• Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.

• Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).

2—The United States or any of its agencies or instrumentalities.

3—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.

5—A corporation.

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.

7—A futures commission merchant registered with the Commodity Futures Trading Commission.

8—A real estate investment trust.

9—An entity registered at all times during the tax year under the Investment Company Act of 1940.

10—A common trust fund operated by a bank under section 584(a).

11—A financial institution as defined under section 581.

12—A middleman known in the investment community as a nominee or custodian.

13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
• Interest and dividend payments	All exempt payees except for 7.
• Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
• Barter exchange transactions and patronage dividends	Exempt payees 1 through 4.
• Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5.[2]
• Payments made in settlement of payment card or third-party network transactions	Exempt payees 1 through 4.

[1] See Form 1099-MISC, Miscellaneous Information, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i).

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have, and are not eligible to get, an SSN, your TIN is your IRS ITIN. Enter it in the entry space for the Social security number. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/EIN*. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third-party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (see Regulations section 1.671-4(b)(2)(i)(B))**	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name on line 1, and enter your business or DBA name, if any, on line 2. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

* **Note:** The grantor must also provide a Form W-9 to the trustee of the trust.

** For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, SSN, or other identifying information, without your permission to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax return preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity, or a questionable credit report, contact the IRS Identity Theft Hotline at 800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 877-777-4778 or TTY/TDD 800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Go to *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their laws. The information may also be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.

Agenda No.:	9.a.
Index (Council Goals):	
Presenters:	Catherine D'Anna, Public Relations Manager
Legislative File:	**21063-26**

Title

DPU Quarterly Report - Fiscal Year 2026/Quarter 2

Body

The Board requested that the quarterly report be presented each quarter that shows the status of the utility and provides project updates. Compiled by Public Relations Manager Cathy D'Anna, this report is for the second quarter of FY2026, covering the months of October, November, and December. The report can be found online at the link below.

Highlights from the report:

Page 3 - Utilities Manager's Report: Philo Shelton discusses how unseasonably warm winter weather impacted us, where we stand in our efforts to put a new Electric Coordination Agreement in to place, and the latest information on the chromium plume.

Page 9 - This quarter closes out the 2025 calendar year for BPU. The vice chair position will be updated in the Q3 report covering January through March.

Page 12 - Safety Employee of the Quarter: DPU recognized GWS Pipefitter Myron Cordova with this honor.

Page 16 - Electric Reliability: DPU's SAIDI is slowly but surely recovering from the jump caused by the White Rock transformer failure in August.

Page 17 - We reached 3.0 MW of residential distributed generation in Quarter 2.

Page 20 - Both hydroelectric plants generated their highest monthly totals for FY2026 in December, which is discussed briefly by Ben Olbrich on page 21.

Page 23 - Clay Moseley discusses progress with the gas system replacement at Elk Ridge and the new utility services at the Hill Apartments.

Page 31 - A summary of current project work is provided by James Alarid, followed by an updated project schedule.

Page 45 - In-person public outreach slows in the colder months but the holidays always bring extra opportunity to engage. As such, education and outreach via social media picked up in

the 2nd quarter with a couple new campaigns.

Page 51 - Joann Gentry gives a quick glimpse of the annual Customer Service Fair before jumping into discussion of financials.

Page 67 - Staffing News: DPU brought on one new employee, promoted five employees, and celebrated a 20-year work anniversary.

To read the report on the web, visit https://ladpu.com/FY26Q2

Attachments
A - DPU Quarterly Report for FY26-Q2

2025: Oct 1 - Dec 31

Q2 REPORT FY26

LOS ALAMOS
Department of Public Utilities

P. #1

ABOUT THE DPU



WHO WE ARE

ABOUT THE DPU

The Department of Public Utilities is county-owned. It provides Los Alamos County with electric, natural gas, water and wastewater services. Established under Article 5 of the 1968 Charter for the Incorporated County of Los Alamos, the DPU falls under the jurisdiction of the Board of Public Utilities.

Serving a population of 19,675 citizens with an authorized budget of approximately $173 million, the DPU operates and maintains assets totaling $332 million with about 100 employees.

Los Alamos is situated at the foot of the Jemez Mountains on the Pajarito Plateau with an elevation ranging from 6,200 to 9,200 feet. Because of this unique topography, the DPU's assets are incredibly complex for the population served. For example, Santa Fe serves its 88,000 citizens with four lift stations. Here in Los Alamos, our population is a fifth of that size but 25 lift stations are required to properly serve our citizens with wastewater services.

P. #2

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P. #3

A WORD FROM THE UTILITIES MANAGER



PHILO SHELTON / UTILITIES MANAGER

June 2019 through present

Professional Engineer
Master of Science, Civil Engineering
Bachelor of Science, Civil Engineering
Master of Public Administration
Certified Public Manager

#HIGHLIGHTS

Adjusting to the weather

We have reached the halfway point of Fiscal Year 2026. Typically, construction projects shut down by the middle of November as the winter season sets in. However, this winter we had consistently unseasonably warm weather, averaging 10 degrees above the norm, and we were able to continue working through the winter season. This allowed for: the completion of the conduit and water line installations up to Pajarito Mountain under the Jemez Mountain Fire Protection Project; an early start to waterline replacements in the Denver Steels neighborhood; and continued installations of replacement gas regulators and meters at Elk Ridge. The progress made on these projects over the winter months makes room for new projects to be implemented this next construction season.

This fiscal year, we are wrapping up a multi-year project to improve the 25 lift stations throughout the County and we continue to replace waterlines throughout the County where these projects are all financed through loans with favorable rates and through grants. On the other hand, the unseasonably warm winter has negatively impacted gas sales revenues, especially for the fixed consumption charge component that covers the department's operation and maintenance activities. This revenue shortfall will need to be addressed in next year's budget as part of gas rate setting.

Progress on the ECA

On December 19, the DPU received a draft-final Energy Coordination Agreement (ECA) from the DOE just before the holidays. BPU formed a working group to review the ECA and held a couple of meetings over the holiday period. The ECA is the agreement that guides Los Alamos Power Pool cost

share arrangements. The original ECA was written in 1985, and its continuation requires updated terms and conditions under the new ECA. This is proving to be a larger task than simply renewing the old agreement. The DPU has retained Kutak Rock to assist the County in review of the new terms and conditions, ensuring fair allocation of costs and risks that the County is taking in this partnership. Also, staff are working with the DOE staff and its consultant on the 10-year contract value since this was underestimated. There will need to be another four-month extension (July 31, 2026) as we finalize the new ECA this fiscal year.

Chromium plume impacts

Regarding the chromium plume, the NMED filed a lawsuit against the DOE after it was discovered the chromium plume now extends into the Pueblo de San Ildefonso. As such, working group meetings have been suspended. These meetings are part of the Adaptive Site Management efforts to work toward a final remedy for the pumping, treating and containment of this plume. It is now clear that the final remedy is many years away.

Due to the undetermined nature and extent of the plume, and considering that Pajarito Well #3 has been shut off since 2022, the DPU needs to explore options to build a replacement water supply well. The next steps are for the DPU to update its 40-year Water Supply Plan that includes the expanded mission of LANL's Sitewide Environmental Assessment and the County's growth plans. This plan will consider how DPU can use the San Juan Chama surface water right in conjunction with building a new water production well near Overlook Park. Finally, staff is seeking federal funding to begin the hydrological studies required to develop a new well.



It may have felt more like spring than winter but the annual employee appreciation holiday luncheon was still a hit! New Mexico State Senator Leo Jaramillo attended as a special guest of the department.

MISSION. VISION. VALUES.

#MISSION

To provide safe, reliable, economical, and environmentally responsible utility services

#VISION

Continually earn community trust through exceptional utility services

#ETHICS

Our Customers place their trust in the Department to fulfill our Mission. To promote and maintain the highest ethical standards of personal and professional conduct, we are committed to our Values.

#VALUES

WE VALUE

community, employees, partners and the environment through:



STRATEGIC FOCUS AREAS

O OPERATIONS & PERFORMANCE

GOAL: Provide utility services safely, reliably and efficiently

- Efficiently implement and maintain secure and reliable business systems
- Ensure utility control and mapping systems and processes are accurate, safe and secure
- Establish a plan to upgrade electric supply and distribution systems that replaces aging assets, meets the needs of all-electric buildings and electric vehicles, and maximizes benefits of distributed energy resources
- Develop a culture of continuous improvement
- Be flexible and adaptable in delivering all utility operations

F FINANCIAL PERFORMANCE

GOAL: Achieve and maintain excellence in financial performance

- Control costs and maintain adequate revenue to provide a high level of service, now and into the future, while keeping rates competitive with similar utilities
- Take advantage of favorable loan/grant opportunities
- Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year
- Conduct cost of service studies for each utility at least every 5 years

C CUSTOMERS & COMMUNITY

GOAL: Be a customer service-oriented organization that is approachable, communicative, efficient and transparent

- Customer service processes and systems are efficient, secure and user-friendly
- Inform customers about Utilities operations and plans affecting the community and create opportunities for constituents to engage
- Utilize customer feedback to improve utility plans and operations
- Educate Board Members on markets, contracts and production options for all utility resources

Mission, Vision, Values, Goals and Objectives updated and adopted September 2025

#GOALS

W WORKFORCE

GOAL: Sustain a capable, satisfied, engaged, ethical and safe workforce focused on customer service

- Sustain an environment where employees are empowered, engaged, satisfied and fairly compensated
- Promote a culture aligned with the DPU's Mission, Vision and Values
- Promote workforce retention by investing in employee training and professional development

E ENVIRONMENTAL SUSTAINABILITY

GOAL: Continuously, conscientiously, work toward environmental sustainability

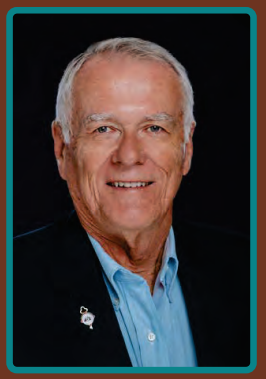
- Promote utility efficiency through targeted conservation programs
- Be a net carbon neutral electric provider by 2040
- Support phase-out of natural gas service by 2070 with at least a 10% reduction in usage by 2030 as measured by annual therms per heating degree day compared to a 2016-2020 average
- Reduce potable water use by 12% from 143 gallons per capita per day (GPCPD, 2020 calendar baseline) to 126 GPCPD by 2030
- Expand use of Class 1A effluent water
- Support customer electrification and other sustainability efforts with education and technical support

P PARTNERSHIPS

GOAL: Develop and strengthen partnerships

- Strengthen existing partnerships (e.g. community members, LANL, DOE, pueblos, NM and federal government, neighboring municipalities, LAC schools, County Council) and identify new potential partnering opportunities
- Collaborate with other Los Alamos County departments on implementation of County sustainability goals including the Climate Action Plan
- Continue to coordinate infrastructure construction projects as early as possible between DOE, San Ildefonso Pueblo, DPU and Public Works, especially for communications infrastructure
- Pursue timely renewal of Energy Coordination Agreement (ECA)

BOARD OF PUBLIC UTILITIES



ROBERT GIBSON
Chair

Appointed: July 2023

1st Term: July '23 - June '28

Chair: 2024, 2025, 2026

Council liaison to BPU: 2008

Previous term: 2001-2006
Chair: 2 years
Vice Chair: 2 years



ERIC STROMBERG
Vice Chair

Appointed: July 2020

1st Term: July '20 - June '25

2nd Term: July '25 - June '30

Vice Chair: 2024, 2025



CHARLES NAKHLEH
Member

Appointed: July 2022

1st Term: July '22 - June '27

Consisting of five voting members and appointed by the Los Alamos County Council, the Board of Public Utilities is the governing body for the DPU. Members reside in Los Alamos and are customers of the department. For calendars, policies and procedures, agendas, minutes and videos of meetings, visit LADPU.com/BPU.

OUR BOARD





MATT HEAVNER
Member

Appointed: January 2024

1st Term: Feb '24 - June '26

Vice Chair: 2026

JENNIFER HOLLINGSWORTH
Member

Appointed: July 2024

1st Term: July '24 - June '29

The BPU normally holds work sessions on the first Wednesday and regular sessions on the third Wednesday of each month. Meetings begin at 5:30 p.m. in Council Chambers. Agendas are published at least 72 hours prior to each meeting. Members of the public are encouraged to attend and can participate either in person or via Zoom. Proceedings are also streamed online at LADPU.com/BPUliveproceedings. The BPU calendar is available online at LADPU.com/BPU.

SAFETY CULTURE



Safety Culture Vision

The DPU seeks to create a safety culture where employees practice safety every hour on the job, while no one is watching, because they want to and not because they have to. To create this safety culture, DPU employees believe in:

- Putting safety first
- Leading by example
- Establishing and enforcing a high standard of work performance
- Briefing or tailgating before every job
- Making work and safety suggestions

Safety Committee

DPU employees representing each utility division comprise the 13-person Safety Committee. They hold a committee meeting quarterly to review and share best practices. They also analyze accidents, incidents and near misses, and discuss and implement appropriate prevention measures.
Each member of the Safety Committee is responsible for moving that discussion forward to the rest of the staff at the next weekly group meeting and sharing agreed-upon prevention measures.

Safety Employee

The Safety Employee of the Quarter program was developed by the Safety Committee with an intent to reward those who most clearly and effectively demonstrate the DPU's Safety Culture Vision.

DPU employees may nominate fellow employees who exemplify the Safety Culture Vision at any time. Safety Committee members review the nominations each quarter and select one person to recognize and reward with an extra day of administrative leave.

SAFETY EMPLOYEE OF THE QUARTER



Q2 / FY26

MYRON CORDOVA
GWS Pipefitter
Gas, Water & Sewer

In his safety employee nomination, Myron was cited as someone who has been moving up the ladder without any accidents or near misses. More impactfully though, he and his standby partner in mid-December, Michael Salazar, witnessed a car accident and jumped into action. They saw a car flip on the road in front of them and when they moved in to help, they could see that the occupants were trying to get out of the car but were trapped. Myron and Michael grabbed tools, broke out the windshield and safely helped two children and their father out of the car. Their heroic actions were truly above and beyond, and we look forward to seeing a nomination for Michael in the next quarter!

Q1 / FY26



VICTOR TANUZ
Water Sys Supervisor
Water Production

Q4 / FY25



DIEGO MIRAMONTES
Water Sys Apprentice 1
Water Production

Q3 / FY25



JOSH RODRIGUEZ
Journeyman Lineman
Electric Distribution

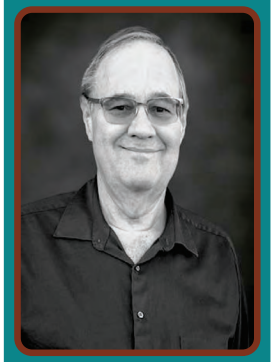
Q2 / FY25



GARY TRUJILLO
Water Systems Elec Tech
Electric Production

ED

#HIGHLIGHTS



DENNIS ASTLEY /
DEPUTY UTILITY MANAGER

Registered Professional Engineer

Bachelor of Science, Electrical Engineering

PROJECTS

The loss of the T1 Transformer in White Rock was unplanned and unfortunate, however DPU was fortunate to get an agreement for a replacement of the size identified in the Electrification Study as what is necessary to meet the anticipated growth needs of White Rock. The substation design has taken longer than expected but is moving toward completion.

An emergency tie-line between White Rock and LANL has been agreed upon by both DPU and LANL Utilities and is close to completion. This emergency tie will support the community of White Rock in the event of a total substation failure on an emergency basis only.

ED is now upgrading the overhead power lines to assist with the Los Alamos County Community Broadband Network project. In designing the fiber network, a project consultant reviewed existing structures to determine if and where improvements are required prior to installing the fiber cable. The improvements needed are being delivered to the DPU and the electric distribution crew is starting to make the required upgrades to the structures. In conjunction with this project, the electric distribution team will work toward some system improvements needed on the overhead electric system while working on the lines for the broadband needs.

We are preparing the first of two phases of upgrades to Piedra Loop for the bid process in anticipation of construction this summer. The section from Piedra Drive to Mariposa Court will be replaced and connected to the other section of line. Also, we expect to extend the work along Piedra Loop to improve reliability and place the new conductor in conduit to simplify future repairs and improvements.

Progress continues on the work connecting the new LASS switching station near the LANL gate. A vault for cable connections on East Jemez Road was set and connected to conduits that cross Los Alamos Canyon to a site near Los Alamos Medical Center. We are hoping to clean and prepare the conduits to pull new conductor this spring and

energize the switching station.

Our staff continues to work with the public to properly size residential solar systems to individual homes. Our staff also continues to work with other County departments to design electrical service to County fleet and public electric vehicle chargers. The new public chargers at the municipal building are powered and quite popular with the public. A plan for a new fast charger at the library is in the works and the design for the electric service is complete.

There are several new substantial housing developments planned in the county and electrical engineering staff are working with the design teams for these developments to plan electrical power service that is safe and reliable.



Above: The Electric Distribution crew responded to a call behind the Los Alamos County Ice Rink when a tree fell on a powerline.

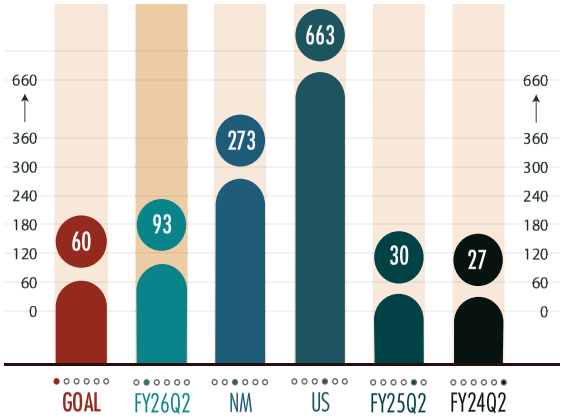
Left: The new bank of public EV chargers at the Los Alamos County Municipal Building parking lot were connected and energized by mid-December.

#SAIDI

SAIDI BASICS

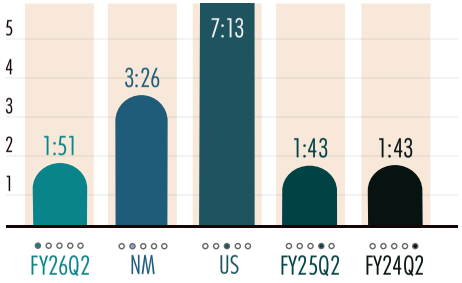
The DPU measures its System Average Interruption Duration Index (SAIDI) as a reliability indicator. This is a measure of the average time that any of the DPU's customers could expect to be without power per year. According to the Energy Information Administration (EIA), the mean SAIDI in 2024 was 132 minutes without major events and 663 minutes with major events for utilities across the nation (excluding U.S. territories). The DPU set a goal in 2008 to keep its SAIDI below 60 minutes (including major events). At the end of quarter 2 of FY2026, the DPU's SAIDI was 93 minutes* including major events. A spike due to an outage caused by the failure of a transformer at the White Rock Substation sent it upward in Q1 and it will take a full year to recover. Nonetheless, it is well below the 2024 national SAIDI of 663 minutes and New Mexico's 2024 SAIDI of 273 minutes.

**The DPU's SAIDI does not include outages caused by failures with power supply transmission lines.*

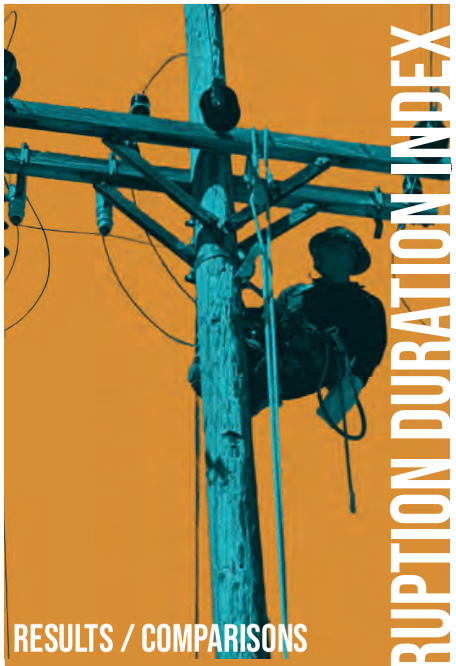


CAIDI

An additional measure that gives insight into the impact of power interruptions from the customer's perspective is the CAIDI, or Customer Average Interruption Duration Index. This data point demonstrates the average amount of time, in hours and minutes, interruptions lasted for impacted customers. The rolling annual average for Q2 was 1 hours and 51 minutes for Los Alamos County customers who experienced outages.



SYSTEM AVERAGE INTERRUPTION DURATION INDEX



RESULTS / COMPARISONS

As of Dec. 31, the DPU's rolling 12-month SAIDI for Q2 was 93 minutes in FY2026; 30 minutes in FY2025; and 27 minutes in FY2024.

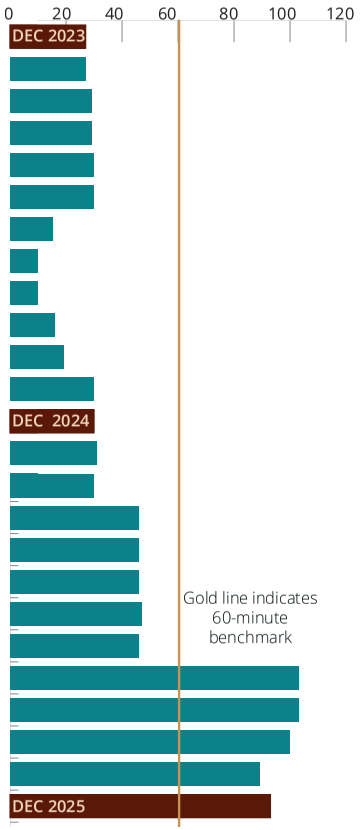
Reliability reports issued by the Energy Information Administration* demonstrate that the DPU's current SAIDI is below the average of combined New Mexico utilities (includes New Mexico cooperatives, investor- and municipal-owned utilities) and lower than the average of combined U.S. utilities through December 2025.

Note that the EIA will release calendar 2025 SAIDI data in Oct. 2026.

EIA website
www.eia.gov/electricity/annual/

EIA SAIDI annual results
www.eia.gov/electricity/annual/html/epa_11_01.html

SAIDI 2-YEAR HISTORY



PRIOR Q SEP25 **103**

DEC25 **93**

DISTRIBUTED GENERATION

#SOLAR

DISTRIBUTED GENERATION

Unlike conventional power generating stations that are centralized and require transmission lines, distributed generation resources are decentralized and close to the load, such as rooftop solar systems. Los Alamos has many commercial and residential customers who have opted to install small solar distributed generation systems. As of the end of December, 545 are connected to the grid.

Total Distributed Generation

At the end of Q2, distributed generation resources totaled 3,708 kW connected to the distribution grid.

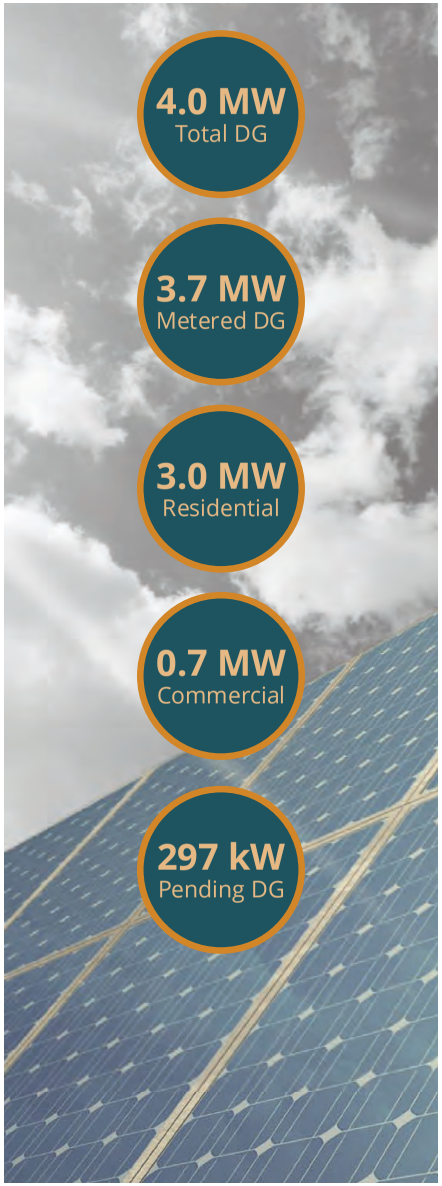
- Residential systems = 2,995 kW
- Commercial systems = 714 kW

New Distributed Generation

A total of 59 kW of distributed generation were added to the DPU's electric distribution grid during Q2.

Pending Distributed Generation

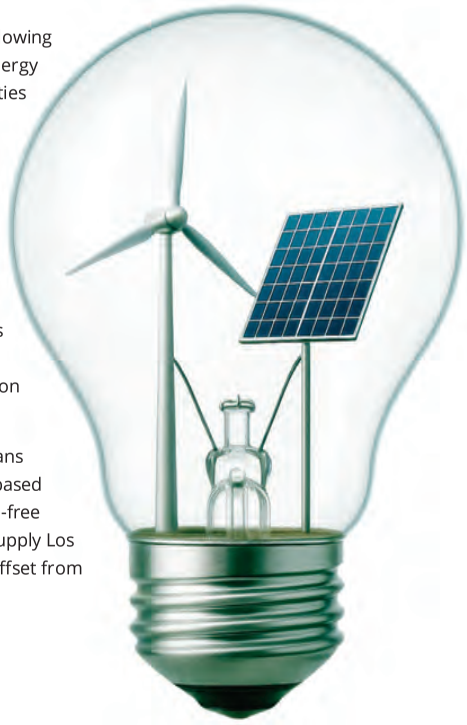
Currently 45 customers are in the process of adding another 297 kW of distributed generation to the DPU's electric distribution.



CARBON-NEUTRAL ELECTRICAL ENERGY PROVIDER

In recognition of the need to move away from CO_2-producing electrical energy sources, the Board of Public Utilities adopted a strategic goal in September 2013 that the DPU will be a carbon-neutral electric provider by 2040.

In January 2016, the BPU adopted the following definition for carbon-neutral electrical energy provider: "The Department of Public Utilities will be a carbon-neutral electrical energy provider when the electricity distributed to Los Alamos County consumers is generated or purchased from sources that in their normal operation cause no net release of carbon dioxide to the atmosphere."

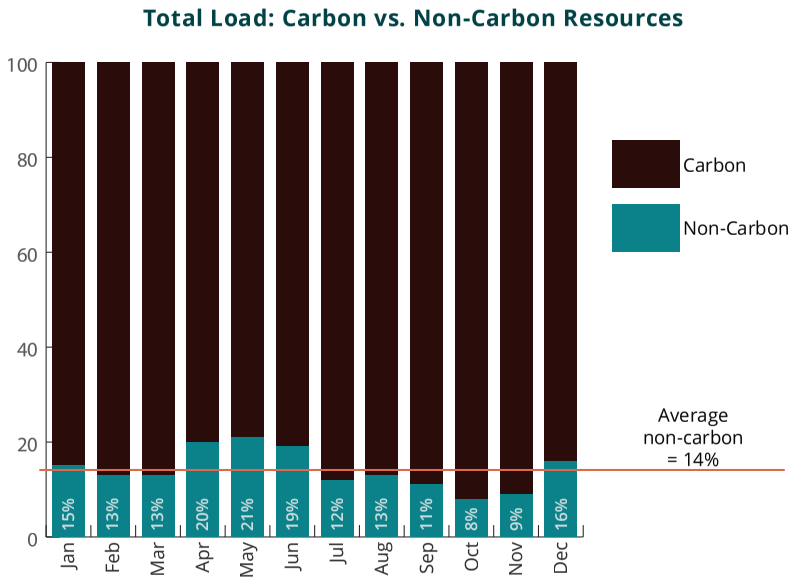


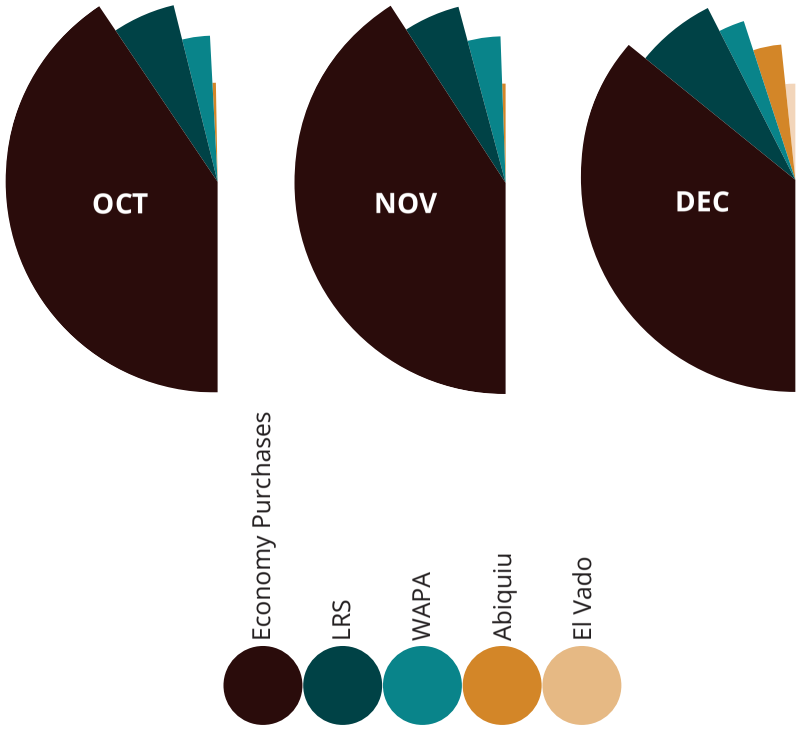
1. "Los Alamos County customers" means those customers scheduled in the Los Alamos County Code of Ordinances Section 40-121; this does not include DOE/LANL.

2. "No net release of carbon dioxide" means that purchases or generation of carbon-based electrical energy, necessary when carbon-free supplies are not practically available to supply Los Alamos County consumers, will be fully offset from previous sales of surplus carbon-free electricity to other entities.

NET CARBON NEUTRAL INITIATIVE

The DPU plans to meet the carbon-neutral goal through the addition of non-carbon emitting generation resources such as solar, wind, geothermal and nuclear energy, and energy storage systems. Some energy from carbon-emitting sources will be needed to meet the County's load while new resources are developed, and to manage intermittency of wind and solar resources as well as planned or unplanned electric generation outages.





Carbon-Emitting Resources

LRS: Laramie River Station

Econ Purchases: Mercuria contract & open market purchases

Non-Carbon-Emitting Resources

Mercuria: Non-carbon economy purchases

WAPA: Western Area Power Assn.

Abiquiu: Hydroelectric Plant

El Vado: Hydroelectric Plant

GENERATION SUPPLIED

RESOURCE	OCT	NOV	DEC
Econ Purchases	38,503	35,227	34,924
LRS	5,275	4,338	6,446
WAPA	3,015	3,037	2,657
Abiquiu	504	452	3,560
El Vado	118	-	1,244
NON-CARBON % of load	8%	9%	16%

The DPU calculates non-carbon percentages based on load rather than supply. Non-carbon resources are considered distributed first.

ELECTRIC PRODUCTION

EP

#HIGHLIGHTS



BEN OLBRICH / DEPUTY UTILITY MANAGER

Bachelor of Science, Electrical Engineering

PROJECTS

Foxtail Flats Solar and Storage

The Foxtail Flats photovoltaic power purchase agreement and energy storage agreement are major parts of the Electric Production (EP) team's path to providing a carbon-neutral electricity supply before 2040. The current project development schedule has 85 MW of photovoltaic (PV) capacity being delivered April 2027 and the full contracted 170 MW PV capacity and 80 MW / 320 MWh of Battery Energy Storage System (BESS) capacity being delivered just before July 2027. Staff will use these schedule dates for resource and budget planning for the 2027 and 2028 fiscal years.

Abiquiu draft tube

Andritz Hydro's work to replace the low flow unit 3 draft tube elbow continued this quarter and remains on schedule. In December, the elbow flanges were unbolted and then the elbow was craned outside of the plant to measure specific dimensions needed to fabricate the new elbow and ensure that it fits and aligns correctly. Installation of the new elbow is planned for the end of March.

HYDROS

Abiquiu Operations & Maintenance

While the removal of the elbow took the low-flow unit offline, an expected increase in flow for two weeks in December allowed operation of one of the larger turbine generator units producing as much as 11 MW. Subsequent flows were too low for generation, which means that the facility will generate no more power until the spring.

The Abiquiu Firewall and Office project with GME General Building was completed this quarter on budget. Planning for future projects included on-site visits by several vendors to prepare for upcoming work.

SCADA communications equipment upgrade work at Abiquiu continued this quarter and remains on schedule for completion in the spring.

El Vado Operations & Maintenance

Increases in river flows for two weeks at the start of December allowed generation at 4 MW. Subsequent flows were too

low for generation. The unit is available to generate whenever flows are sufficient.

The following tasks were performed during the quarter:

- The SCADA communications equipment upgrade work at El Vado continued this quarter and remains on schedule for completion in the spring of 2026.
- A failed pressure reducing valve was replaced with a new valve.
- Staff began the procurement process for a facility condition assessment; the results of this assessment will guide capital project planning.
- Several vendors made on-site visits to prepare for possible upcoming maintenance work.

POWER OPERATIONS

2026 Electric Coordination Agreement

Electric Production continued operations under the ECA extension that runs through March 31. Staff, Board of Public Utilities members and counsel are evaluating the new full agreement document set. Current negotiations are focusing on changes that will continue the current ECA's spirit of partnership and equitability. Due to the complexity of these negotiations, it is expected that a further 3-month extension of the current ECA will be necessary to maintain continuity of operations by EP and DOE.

Turnover & Recruitment

The significant staffing turnover of senior power systems operators that began in fiscal year 2025 is mostly behind us now. All three staff retirements are complete. The operations team now consists of one senior power operator, three acting power operators, and one apprentice power operator. EP's two resource coordinators continue to provide shift coverage as needed to staff the operations desk 24/7. EP's Power System Supervisor is working closely with LANL's Electric, Steam, and Turbine Operations (UI-EST) group leader to update and improve the County and LANL power system operator roles, responsibilities and training.

EV Charging Stations

The County Manager's Office completed the installation of six new ChargePoint level 2 EV chargers on December 30. These new EV chargers are being managed by DPU and will be included in this report going forward. Charging sessions at the Municipal Building DC fast charger during this quarter totaled 32, delivering 791 kWh of energy. The number of charging sessions was much lower than average because the unit was shut off from October 20 through the end of the year. In White Rock, 119 charging sessions occurred at the White Rock Visitor Center during Q3, delivering 3,046 kWh of energy. This sum was similar to the prior quarter's values of 108 sessions and 3,176 kWh.

Wholesale Natural Gas Supply Management

EP buys most of the County's wholesale natural gas supply through a prepaid gas supply agreement administered by the New Mexico Municipal Energy Acquisition Authority (NMMEAA). The total gas discount for the quarter was $129,237, which is a 14% reduction to the total wholesale gas cost of $931,360. Wholesale gas quantity for the quarter was 225,143 Dth (dekatherms). This is only 82% of the average quantity for the same quarter over the prior three years. This winter is unusually warm so far.



The draft tube elbow from Abiquiu's low flow unit 3 was removed in preparation for the installation of its replacement in the spring. For a sense of scale, the diameter of the flange on the left is 1600mm.

NATURAL GAS, WATER, SEWER

GWS

#HIGHLIGHTS



CLAY MOSELEY/
DEPUTY UTILITY MANAGER

Bachelor of Science, Applied Mathematics

Master of Science, Engineering Construction Management

Certifications:

NM Water Treatment Operator 3

NM Wastewater Operator 3

PROJECTS

Elk Ridge gas system replacement

During Q2, the primary contractor, Dub-L-EE, completed the municipal gas system that will be transferred to LAC-DPU once all the conditions for acceptance are complete. It was put into service and about 12 customers were transferred onto the new system prior to the December holidays.

The process of getting a residential gas system inspection on all the manufactured homes in Elk Ridge proved to be difficult due to the lack of availability of inspectors in New Mexico. A request was made to the state's CID manufactured home division to ensure an inspection is conducted each week. There was a short pause during the holidays before inspections resumed in January. The other difficult task to coordinate is getting the residential plumbing contractor to coordinate with the homeowner to perform the switch-over once the state inspection has passed. More coordination is the focus in Q3 with the goal of having all units transferred onto the new system by spring and abandoning the old gas system.

Utility installations at The Hill

DPU crews have been connecting meters and initiating service to new residents at the Hill Apartments. There have been a few minor issues with the initial utility construction requiring the DPU to respond and mitigate. As of December 2025, all systems are live and functioning well.

Gas regulator stations

Gas crews have been steadily working through the townsite distribution system's pressure regulator stations to replace old regulators with a more modern, robust design that provides more consistent pressure control. There are 20 stations in the townsite gas system that reduce pressure from the 100 PSIG transmission system to the 20 PSIG distribution system.

All but 6 regulators have been replaced throughout the system. This has been a long-running project that requires isolating uninterrupted gas flow from one direction into a different path. Once the system is redirected, the regulators are isolated, taken out of service and replaced. Then, normal gas flow is restored.

Pressure reducing valve (PRV) rehabilitation

During the initial full-scale PRV inspection in 2023, we found that several PRVs in White Rock were beyond rehabilitation. A replacement plan and task order were developed with Parker Construction and Armystick/Curb Services to fully replace these PRV installations. It was a large undertaking to isolate the PRVs from the distribution system as the valves inside the vaults were also badly degraded. The valves under the streets were also degraded, so the replacement list grew to include internal isolation valves and the valves under the streets in the Grand Canyon corridor. The project pivoted several times as old infrastructure was opened and assessed for functionality. This past fall, the project finally wrapped up. The new PRVs are providing stable water pressures and great reaction times when fire hydrants are opened.

Booster station pump & motor rehabilitation

This is the third time this project has made it into a quarterly report and it is now nearing completion. Reconnecting the new booster pumps was challenging, especially when it came to reusing original conductors and configuring the terminations on the motors. Our challenges included having several possible wiring configurations, limited space, and questionable condition of conductors. Two of our rebuilt/rehabilitated motors failed soon after being reinstalled and it required close investigation to find the cause. After meeting with the team and our electrical technicians, we decided to replace old conductors from the MCCs and to use different termination components.

LA WWTP equipment upgrades

The LA WWTP is preparing for the first in a series of upgrade projects related to its age and the years-of-service on several pieces of process equipment. The first project, replacement of the solids dewatering belt press, kicked off in late September. The contractor, Meridian Engineering and Contracting out of Mesa, Arizona, integrated a temporary belt press while the new screw press dewatering units are being installed. The temporary equipment is mounted on a mobile truck and plumbed into the plant's piping. WWT staff have worked on this temporary system, which is outside of the dewatering building, to prevent it from freezing while in operation. Even with the warm weather in December, its small polymer-mix lines can easily freeze in the morning hours. Despite the challenges, the project was completed in January. It is a huge improvement to the plant.

Guaje Well and boosters stations HVAC

We expected to pause this in-house project in December as cold weather moved in, but since it stayed so warm, new WP Electrician Victor Line decided to keep charging forward with tackling Guaje Booster #3, the last booster station still being heated with propane. This building is larger than the other booster stations because it also houses the booster system for Barranca Tank #2. Thus, it required more mini-split heat pumps than the others and that, in turn, required an upgrade to the electrical panel.

This was no small task as we had to drill through block walls, mount support structures, and run conduit and



Elier Rojo looks on as Aaron Ortiz assembles a manifold for setting meters at Elk Ridge.

GWS #CONTINUED...

wiring. The benefits of this project were already realized in the fall when we did not have to refill propane tanks. All of the buildings now have evenly distributed heat inside, rather than warmth concentrated in high corners from single gas-fired heaters that leave other areas cold. The heating costs of the buildings will be reduced, and they will also have the benefit of cooling in the summer, which is good for both electrical equipment and chlorination units.

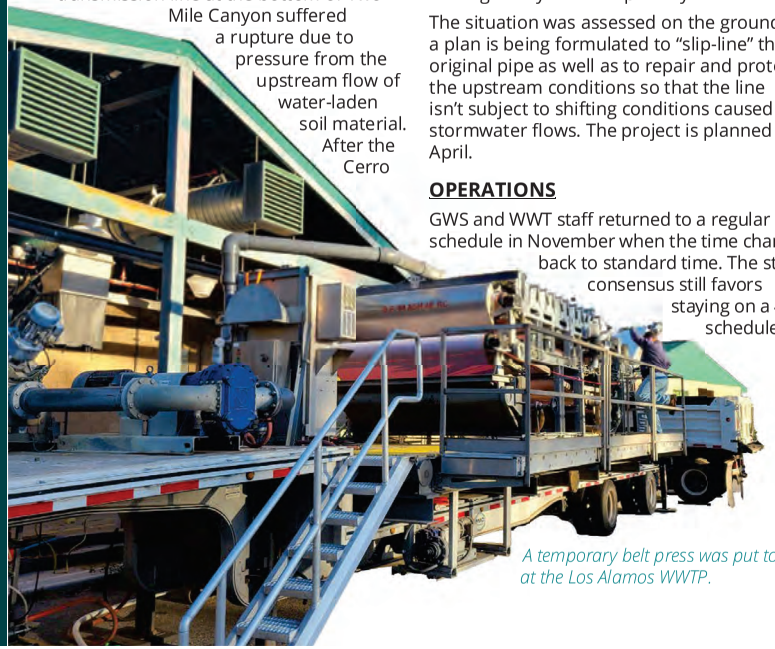
Two Mile Canyon transmission line

In October, an 18" reinforced concrete water transmission line at the bottom of Two Mile Canyon suffered a rupture due to pressure from the upstream flow of water-laden soil material. After the Cerro Grande and Las Conchas fires, stormwater runoff from the damaged watersheds above NM-501 has increased in every canyon running east. The 18" transmission line is installed through the steep canyon and it crosses the bottom. A large concrete cap was poured over it but it shifted and broke on top of the line, causing downward pressure that resulted in a break. To maintain tank levels, Water Production operators kept the pumps running which resulted in a large loss of water over about 12 hours. Staff were able to isolate the broken portion of the line and divert flow into an older and smaller steel line that is serving the system temporarily.

The situation was assessed on the ground and a plan is being formulated to "slip-line" the original pipe as well as to repair and protect the upstream conditions so that the line isn't subject to shifting conditions caused by stormwater flows. The project is planned for April.

OPERATIONS

GWS and WWT staff returned to a regular 5/8 schedule in November when the time changed back to standard time. The staff consensus still favors staying on a 4/10 schedule



A temporary belt press was put to work at the Los Alamos WWTP.

if given the opportunity. The number of commutes for out-of-county staff is reduced as is wear and tear on cars, and the schedule gives employees a little bit of time back for their lives outside of work. Most crew members report being more productive in a longer day due to the daily "mobilization" time to get work organized and out to job sites. The financial comparison/analysis between a standard 5/8 schedule and a 4/10 schedule would be helpful to assess the cost impact.

GWS supervisors are working on analyzing workflows to increase both safety and efficiency. New equipment is being evaluated to replace old, end-of-life equipment, as well as to improve overall workflow. An example of this is the pump/motor hoist/crane-truck combination. GWS has a small truck crane that fits on a standard crew truck, but it is limited in its pump/motor lifting duties, and it is often at or beyond its lifting capacity. The GWS supervisor team has been working to specify and procure a more robust truck-mounted crane that meets all the required lifting needs safely.

The team is researching a replacement for another large and extremely important piece of equipment—the GWS vactor unit. One of the division's two units has reached its end of functional life and has become unreliable. The vactor trucks are probably used more than any other piece of equipment in GWS, WP and WWT operations, so they serve a fully encumbered and hard-use life. This upcoming replacement is included in the next budget cycle.

GWS sewer crews continue to make progress with the collection system flushing program. Several sections of the system that are difficult to access were put in the schedule for full maintenance. It takes a long time to set up equipment and establish access for these sections. They often have deposits of settled grit and other debris that are burdensome and time consuming to clear. The crews finish the process with video inspections of the lines to ensure they are flowing freely.

WP staff completed a potable water line from the connection point at Overlook Road, down to the Overlook non-potable booster station for sanitary cleaning operations. The work was done completely in-house, which is somewhat of a deviation from their normal workflow, but they have the skills and knowledge to perform some projects that would typically be completed by contractors or GWS crews. The benefits were immediately evident as the process of cleaning out the non-potable water pond and the station's intake manifold is greatly improved.

WP staff have also continued working with PumpTech to inspect and rehabilitate booster station pumps and motors that been in continuous service for a long time and need an overhaul. This process is wrapping up in the third quarter.

The WWT operations staff have been altering their operations to run the temporary dewatering equipment that was installed outside. Because of this setup, the NMED Groundwater Bureau is requiring a greater number of samples and lab tests. This change has put a higher demand on both staff time and lab materials, including lab chemical purchases.



Always a crowd pleaser, Ricardo Lambert and Clay Moseley brought the GWS sewer pipe demo to the annual Customer Service Fair in October.

GWS #CONTINUED...

STAFF DEVELOPMENT

Two WWT staff, Andrew Lopez and Patrick Moore, achieved their Level 3 Wastewater Treatment Operator certifications. Victor Trujillo, GWS Apprentice 2, achieved his journeyman gasfitter license and will be spending more time working on gas system procedures. This expanded experience will help him meet the qualifications for promotion to GWS Pipefitter.



Equipped with full safety gear, Sr. Water Systems Operator Stephen Soto stands atop Community Tank during a tank inspection.

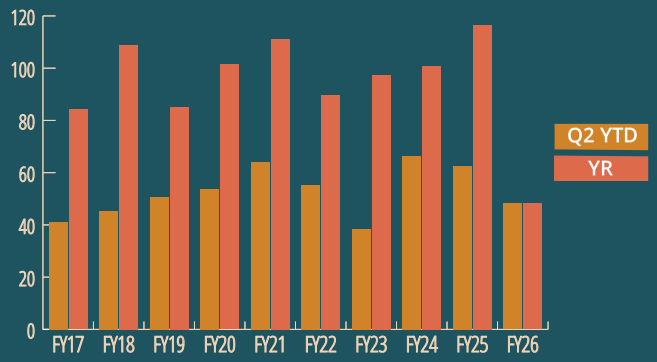
RECLAIMED WATER

Reclaimed water is a blend of treated effluent from the wastewater plants and collected stormwater from the Los Alamos County Reservoir and the Pajarito Mountain stormwater collection system. This water is used for irrigation on parks, ballfields and the Los Alamos County Golf Course, as well as for snow making and fire protection at the Pajarito Mountain Ski Area. This water is a great substitute for groundwater to meet the County's demand to irrigate public spaces. It is also an integral part of the DPU Water & Energy Conservation Plan.

The total reclaimed wastewater used through the second quarter of FY2026 was 47.2 Mgal and 1.0 Mgal of stormwater was also used. The average reclaimed water usage for July through December in the past decade is 52.6 Mgal. Stormwater is only metered and used during stormwater production season, which is typically in the 3rd and 4th quarters. When available, it's particularly beneficial to use stormwater at the golf course before using reclaimed wastewater because it goes through gravity-fed tanks and avoids the expense of pumping. Regardless of type, golf course irrigation is the largest use of reclaimed water in the county.

The DPU's treated effluent meets the class 1A standard—the highest standard possible. This achievement was made possible through installation of a filtration system at the Los Alamos plant and the replacement of the White Rock wastewater plant with the Water Resource Recovery Facility (WRRF). Both projects were completed in FY2025.

Reclaimed Water Used for Irrigation, Snowmaking, & Fire Protection (Mgal)



ENGINEERING DIVISION

ENG

#HIGHLIGHTS



JAMES ALARID / DEPUTY UTILITY MANAGER

Registered Professional Engineer

Bachelor of Science, Civil Engineering

Master of Science, Civil Engineering

Memberships:

American Society of Civil Engineers

American Water Works Association

PROJECTS

Water Production SCADA system replacement

The existing water production Supervisory Controls and Data Acquisition System (SCADA) is 30 years old, and many features are no longer supported. The project will be completed by a combination of contractors and in-house personnel. The existing system is a proprietary system which communicates through a microwave system. The new system will be built on an open architecture format which will allow staff to program and maintain the system internally. The communications will be through new fiber optic lines.

To date, 5 wells have been transitioned to the new SCADA system. 15 new SCADA programmable logic controllers (PLCs) have been received and are scheduled to be installed in the spring of 2026. The work to complete the new water production SCADA system will take place over the next 12 months.

Abiquiu Hydroelectric Plant draft tube repairs

The existing draft tube on generator #3 in Abiquiu has been degrading due to cavitation in the structure. The air injection system is the cause of cavitation, and it will be re-designed to prevent further cavitation. Andritz Hydro, the turbine manufacturer, has been hired to replace a section of the draft tube and aeration system. The work is scheduled to be completed by April.

WWTP belt press replacement

The belt press at the Los Alamos Wastewater Treatment Plant has been in service for 20 years and is nearing the end of its service life. The project will replace the existing belt press with a modern and more efficient sludge dewatering system. The temporary dewatering system has been operating for most of the quarter. The new belt press was commissioned in January.

Bayo non-potable booster station rehabilitation

The existing Bayo Non-Potable Water Booster Station adjacent to the composting facility has been in service since 1995. This project will replace the electric components, valves, controls and the chlorination system. The facility was shut down for the winter on November 1 and demolition of the old equipment has

begun. Work is progressing well and the project is scheduled for completion by the spring irrigation season in March.

Jemez Mountain Regional Fire Protection Project

Phase I of the project began in spring 2025. Phase I includes approximately half of the waterline, fiber optic duct bank and electric duct bank up the mountain, a stretch that extends over 2 miles.

Phase II was incorporated into the Phase I contract in Q2, saving the DPU more than $1.2 million from avoided cost of installing temporary paving through the winter. These savings came from holding the pipe and conduit costs to 2024 prices and from mobilization and traffic control associated with bidding the work later. All waterline, electric conduit and fiber optic conduit was installed by the end of January. The contractor demobilized for the winter

Dub-L-EE, DPU's contractor for the Jemez Mountain Fire Protection Project, crammed as many hours as they could into their work days through December to progress on the project in case winter weather might hit.



ENG #CONTINUED...

and will resume in the spring with the installation of the electric and fiber optic vaults.

Under Phase III, we will construct four water booster stations and equip the new underground electric distribution system. The design is nearing completion and bidding the construction portion of the project is pending notification from FEMA regarding funding for the electric distribution improvements in the project. All indications are that the FEMA funding will not be granted and we expect to bid this phase for construction in February.

Phase IV of the project is substantially complete. This phase includes the new 500,000-gallon water tank at the base of the mountain along West Jemez Road. The tank has been placed into service, and the only remaining work is final cleanup of the site.

When complete, the project will extend water service to the Pajarito Ski Area for domestic use, fire protection and snow making. The project's anticipated completion is targeted for fall.

Water Production wells electric and mechanical upgrades

The project will upgrade electrical and mechanical equipment in 8 existing wells. The electric upgrades have been completed. The mechanical upgrades include new valves, meters, vaults and instrumentation were delayed due to the long lead time on the large valves and fittings. Mechanical upgrade work progressed in the second quarter and all work and is scheduled to be completed by March.

Wastewater lift station upgrades

Two of the oldest lift stations in the system will be upgraded with new pumps, valves, electric equipment and controls. Rehabilitation of the North Road Lift station is complete. The Los Arboles lift station is scheduled for completion in February.

Trinity Drive utility upgrades

The Public Works Department will conduct mill-and-overlay work on Trinity Drive from Knecht Street to Oppenheimer Drive in the summer of 2026. As part of the project DPU will replace water lines and gas lines, and construct some electric improvements. The project will be bid for construction in February with completion expected by November.

San Ildefonso Road waterline replacement project

The existing waterline along San Ildefonso Road will be replaced from Los Alamos Middle School to North Mesa Road. The existing cast iron waterline experiences regular leaks due to corrosion of the line. The line is located on the edge of the paved road and salts used for de-icing the roads find their way into the pipe trench causing the pipe to corrode. The replacement waterline will be upsized to add capacity to support two proposed housing developments that could add up to 500 new homes on North Mesa. The project will be bid for construction in February after the Water Trust Board loan/grant agreement is executed. Construction will take place in the summer.

NM-502 14" water transmission line replacement project

The existing 14" steel waterline is located along NM-502, south of the airport, and was constructed in 1949. The waterline has begun to fail on a regular basis due to corrosion of the steel. The pipeline is a critical transmission line that conveys water to the community of Los Alamos from a high

yield water supply well. The project design is complete, and the project will be bid for construction in February of 2026 after the Water Trust Board loan/grant agreement is executed. Construction will take place in the summer.

Denver Steels waterline replacement Ph II

The project is a joint effort with the Public Works Department who will be paving the roads. The waterlines will be replaced prior to paving due to their deteriorating condition. The lines are cast iron with steel service lines that were installed in the early 1950s. The project was awarded and construction will take place from April to October.

Quemazon and East Gate lift station refurbishment

The existing Quemazon lift station has been in service for 26 years and is operating with the original equipment and controls. The East Gate lift station has also been in service for almost 30 years. Both lift stations will be refurbished by replacing the pumps, valves, controls and instrumentation. These refurbishments will provide an additional 20 years of reliable operation. The project will be constructed in the spring.

Guaje Canyon fiber optic extension

As part of the ongoing water production SCADA replacement project, a new fiber optic line will be constructed in Rendija and Guaje canyons to provide SCADA communication to eight water production facilities. The new fiber optic line will replace the existing microwave communication system. The project was awarded in January and construction will take place in the spring and summer.

STAFF DEVELOPMENT

Engineering Associate Jennifer Baca, Project Manager Casey Aumack and Engineering Associate Sam Herceg continue their college coursework in pursuit of their respective degrees.

Senior Engineer James Martinez presented at the November New Mexico Infrastructure Finance Conference in Albuquerque. He highlighted DPU's financial journey to making the new White Rock Water Reclamation Facility a reality.

DPU applied to the Water Trust Board for two water projects totaling $2.59 million in the 2026 funding cycle. Our applications have been scored and will be recommended for funding in the 2026 legislative session.



Code for WP SCADA is carefully programmed and uploaded to logic controllers. These systems are the brains for monitoring pumps and well equipment.

FY2026 CAPITAL IMPROVEMENT PLAN

PLANNING/DESIGN ▮▮▮▮▮▮▮▮▮▮ CONSTRUCTION ▬

	BUDGETED	QTR 1 JULY	AUG	SEPT	QTR 2 OCT	NOV	DEC	QTR 3 JAN	FEB	MAR	QTR 4 APR	MAY	JUNE
ELECTRIC PRODUCTION	**$780,000**												
Abiquiu Wicket Gate Hydraulic Servo Motor Replacement	400,000							▬	▬	▬	▬	▬	▬
Abiquiu PRV Chamber Gates	200,000							▮▮▮	▮▮▮	▮▮▮	▮▮▮	▬	▬
Abiquiu 36" Air Relief Valve Replacement	180,000	COMPLETE											
ELECTRIC DISTRIBUTION	**$2,075,000**												
GWS/ED Facilities at WR WRRF	75,000	DEFERRED											
Underground Res'l Replacements	1,550,000												
Los Alamos: Los Pueblos		▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▬	▬	▬	▬	▬	▬
White Rock: Piedra Loop											▬	▬	▬
Overhead System Replacements	450,000												
Townsite: Ski Hill & West Jemez Road		▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▬	▬	▬	▬	▬	▬
White Rock: Rover & Beryl		▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▬	▬	▬	▬	▬	▬
GAS DISTRIBUTION	**$825,000**												
Pipeline Repair & Replacement/Equipment	75,000	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬
Elk Ridge Gas System Replacement & Service Cutovers	400,000	REPLACEMENT COMPLETE / CUTOVERS IN PROGRESS											
Trinity Drive Gas Line Replacement	350,000		▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮					▬	▬
WATER DISTRIBUTION	**$4,900,000**												
Denver Steels Phase III	1,500,000				▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮			
San Ildefonso Road 8" Waterline Replacement	2,300,000	▮▮▮	▮▮▮	▮▮▮							▬	▬	▬
Trinity Drive Waterline Replacement	1,100,000		▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮					▬	▬
WATER PRODUCTION	**$4,458,500**												
Townsite 14" Pipeline Replacement	2,883,500	▮▮▮	▮▮▮	▮▮▮								▬	▬
Booster Station Building Renovations	500,000					▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮		▬	▬
Water Production SCADA Fiber Optics Project	530,000	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬
White Rock Irrigation Pond Cover	40,000							▮▮▮	▮▮▮	▮▮▮		▬	▬
Long Range Water Supply Plan Update	75,000					▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮			
Design of New Water Well at Overlook Park	230,000										▮▮▮	▮▮▮	▮▮▮
USFS Land Transfers	200,000							▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮	▮▮▮

PLANNING/DESIGN ▮▮▮▮▮▮▮▮▮▮ CONSTRUCTION ▬▬

	BUDGETED	QTR 1 JULY	QTR 1 AUG	QTR 1 SEPT	QTR 2 OCT	QTR 2 NOV	QTR 2 DEC	QTR 3 JAN	QTR 3 FEB	QTR 3 MAR	QTR 4 APR	QTR 4 MAY	QTR 4 JUNE
WASTEWATER COLLECTION	**$635,000**												
N. Community Backyard Sewer Mains/Services R&R PH I	285,000			▮	▮	▮	▮	▮	▮	▮		▬	
East Gate Lift Station Rehabilitation	200,000	▮	▮	▮			▬	▬	▬	▬	▬	▬	
Denver Steels Phase III	150,000				▮	▮	▮	▮	▮	▮			
WASTEWATER TREATMENT	**$2,060,000**												
Monitoring Well Replacement at Composting Site	60,000	COMPLETE											
LA WWTP Improvements	2,000,000			▮	▮	▮	▮	▮	▮	▮		▬	

Work on the Long Range Water Supply Plan update started in the second quarter. The Arizona water tank is pictured below.



FY2026 CAPITAL UTILITY IMPROVEMENT PROJECTS

ABIQUIU AIR RELIEF VALVE REPLACEMENT

The Abiquiu Hydroelectric Dam has been in operation for nearly 40 years. The 36" air relief valve, which acts as both an air release valve and air inlet/vacuum relief valve for the penstock, is located above ground in a small room that is exposed to the elements. This valve is leaking and must be replaced. A blind flange was installed in lieu of a new valve.

Budget: $180,000
Actual: $ 13,000
Schedule: Complete



ABIQUIU WICKET GATE HYDRAULIC SERVO MOTOR REPLACEMENT

The hydroelectric plant in Abiquiu has two turbine/generators that were installed in 1987 and have two servos per turbine that operate the wicket gates. All four servos were rehabilitated about 10 years ago. They are now leaking hydraulic oil again and will be replaced or refurbished.

Budget: $400,000
Schedule: Summer 2026



ABIQUIU PRV CHAMBER GATES

The chamber housing two 54" by-pass valves at the Abiquiu hydroelectric plant must be de-watered periodically to perform inspections and maintenance as well as to replace equipment. The old bulkhead gates that are used to isolate the chambers are worn and misaligned, allowing excessive seepage during de-watering operations. Two new bulkhead gates will be fabricated to replace the old gates.

Budget: $200,000
Schedule: Spring 2026



P. #36

OVERHEAD ELECTRIC SYSTEM REPLACEMENTS

Many components of the utilities' overhead infrastructure operate near or past their useful life, which is greater than 50 years. The department's Asset Management Program (AMP) prioritizes O&M projects on (a) root cause analysis after power outages, (b) quarterly line patrols, and (c) year-end assessments. The O&M program includes replacement of power poles, cross-arms, and revamps (wire & transformer upgrades). Areas to be included are: Ski Hill, West Jemez Road, and Rover Boulevard and Beryl Street.

Budget: $450,000
Schedule: Year-round



UNDERGROUND RESIDENTIAL ELECTRIC DISTRIBUTION REPLACEMENTS

The underground system contains 1970s infrastructure which was direct-buried in contact with the earth. When portions or segments of the system which have experienced 3 or more failures, they are targeted for replacement because they will fail again. In FY2026, the primary area of focus will be on Los Pueblos in Los Alamos and on Piedra Loop in White Rock.

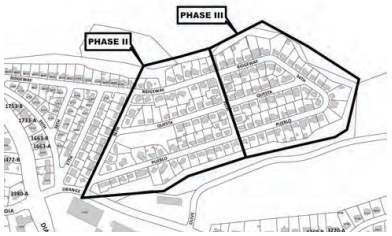
Budget: $1,550,000
Schedule: Year-round



DENVER STEELS PHASE III

This is a joint project between the DPU and the Public Works Dept. to repave the roadway and replace utility infrastructure beneath it. Sections of water lines from the 1950s will be replaced. The water distribution portion of the project will be funded by Drinking Water State Revolving Loans (DWSRL).

Budget:
DW (DWSRL) $1,500,000
WWC $ 150,000
Schedule: Summer 2027



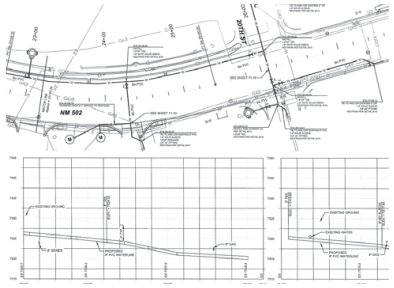
P. #37

CAPITAL IMPROVEMENT

TRINITY DR ROADWAY/UTILITY UPGRADES

The aged waterline in Trinity Drive will be replaced from Oppenheimer to 20th Street. Gas valves will be replaced at six locations outside of the roadway. Electric conduits will be installed across Trinity Drive at two locations for future use. The project design is complete and final certification/permitting from the NMDOT will be complete in December 2025.

Budget:
DW $1,100,000
Gas $ 350,000
Schedule: May-Oct 2026



GAS PIPE LINE REPAIR & REPLACEMENT

Miscellaneous improvements will be made to the natural gas system throughout the year. The nature of work includes leak repairs, pressure regulating station improvements, valve replacements and other unforeseen issues which may occur throughout the year and require contractor support.

Budget: $75,000
Schedule: Year-round



SAN ILDEFONSO RD 8" WATERLINE REPLACEMENT

The DPU will manage replacement of approximately 4,600 linear feet of 8" cast iron pipe with new 12" PVC pipeline along San Ildefonso Road. The existing 8" pipe, which is aged and deteriorated, regularly requires repairs. The new 12" pipeline will increase the water supply to the North Mesa, improve reliability and fire protection, and add additional capacity to serve two proposed large housing developments.

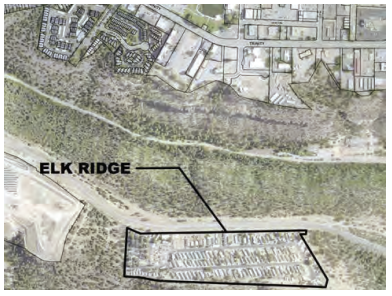
Budget: $2,000,000 Water Trust Board
$ 300,000 CIP
Schedule: Summer 2026



ELK RIDGE GAS SYSTEM

The Elk Ridge Mobile Home Park owners are designing and installing a new gas distribution system, compliant with DPU standards, that will be conveyed to the DPU for operation and maintenance when it is complete. Budgeted funds are intended to cover costs that may arise in conveyance of the system.

Budget: $400,000
Schedule: **Fall 2025** - Spring 2026



P. #38

BOOSTER STATION BUILDING RENOVATIONS

Several buildings housing wells and booster stations in our Water Production system need roof, floor, HVAC and structural repairs. Through this project, we will identify the most urgent needs and address them. Most of the facilities in the system were constructed in the 1950s and 1960s.

Budget: $500,000
Schedule: 2025/2026





TOWNSITE 14" PIPELINE REPLACEMENT PH I

The DPU will oversee replacement of approximately 6,700 linear feet of 14" steel pipe installed in 1949 with a new 14" ductile iron pipe along NM-502. The existing 14" steel pipe is aged and deteriorated and experiences regular leaks. This line is a critical transmission line that conveys water from Otowi Well #4 to the Townsite area of Los Alamos.

Budget: $2,500,000 Water Trust Board
$ 383,500 CIP
Schedule: Summer 2026



WHITE ROCK IRRIGATION POND COVER

The effluent non-potable water from the White Rock Water Resource Reclamation Facility (WRRF) fills the Overlook Irrigation Booster Pond. This water is used to irrigate the Overlook Park ballfields. In the summer, algae growth and sediment/debris accumulate in the pond and then plug the ballfield sprinkler heads. The pond cover will minimize algae growth and sediment.

Budget: $40,000
Schedule: Spring 2026



P. #39

CAPITAL IMPROVEMENT

WATER PRODUCTION SCADA FIBER OPTICS PROJECT

The existing SCADA system was installed in the early 1990s and will be replaced because it is proprietary and at the end of its service life. Many of the components are no longer supported and cannot be repaired or replaced. The new system will be developed with open-architecture software which does not require a proprietary service provider. The communication system will be replaced with a fiber optic network and over 40 remote sites will be equipped with new programmable logic controllers (PLCs) and/or telemetry. Budgeted project funds will be used to extend fiber optic lines to various facilities.

Budget: $530,000
Schedule: 2025/2026



DESIGN OF NEW WATER WELL AT OVERLOOK PARK

Due to the loss of water supply from Pajarito Well No. 3, which was taken offline due to groundwater contamination, and the need to plan for projected increases in water use by Los Alamos National Laboratory and Los Alamos County, preparation to permit and construct a new water supply well is necessary. Budgeted funds will cover the engineering and hydrologist services to design a new exploratory well and perform the analysis necessary to harvest the County's San Juan Chama water right from a water supply well located at Overlook Park in White Rock. In 2012, the DPU commissioned an engineering study to evaluate the alternatives to develop the San Juan Chama water allocation of 1,200 acre-feet annually. This is a surface water right and must be drawn from the Rio Grande. The recommended alternative was to drill conventional water wells close to the Rio Grande to harvest the surface water from the river.

Budget: $230,000
Schedule: 2026



P. #40

EAST GATE LIFT STATION REHABILITATION

The East Gate Lift Station in the Bayo Canyon receives wastewater from the Camino Entrada/ Pajarito Cliffs area. It has been experiencing an increased number of failures, resulting in overflows. The station's pumps and control panel will be replaced. The lift station will also be upgraded with SCADA to notify operators of overflow risk with high-level alarms.

Budget: $200,000
Schedule: Design - Fall 2025
Construction - Spring 2026



NORTH COMMUNITY BACKYARD SEWER MAINS/SERVICE R&R, PHASE I

The DPU will repair or replace segments of the sewer lines in North Community that have proven to be recurring problems and threaten to overflow. This will be the first of multiple phases over the next three fiscal years.

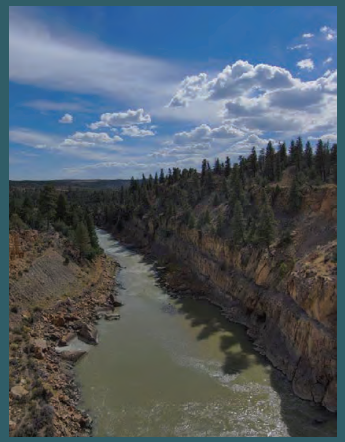
Budget: $285,000
Schedule: Design - Spring 2026
Construction - Fall 2026



LONG-RANGE WATER SUPPLY PLAN UPDATE

The Long-Range Water Supply Plan, which was last updated in January 2018, is typically updated every 10-15 years or when there are significant changes in water demand. The plan is a requirement of the Office of the State Engineer for the DPU to be eligible for state-funded grants and to protect unused water rights. Since the last update, we have shut down our highest producing water well due to groundwater contamination. Additionally, Los Alamos National Laboratory recently released its Site Wide Environmental Impact Statement (SWEIS) which projects a significant increase in water use. An update to the plan is needed now to evaluate the available water supply and water rights based on changed.

Budget: $75,000
Schedule: 2025/2026



P. #41

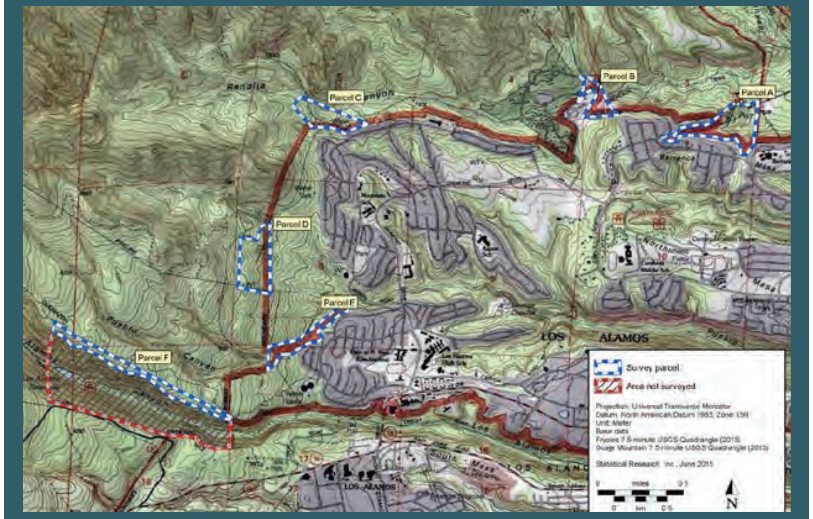
CAPITAL IMPROVEMENT

USFS LAND TRANSFERS

Los Alamos County has a collection agreement with the U.S. Forest Service to convey six parcels of land containing 365.3 acres that are owned by the U.S. Forest Service. The DPU is finalizing the environmental work required prior to the conveyance. The cost of the parcels will be split 50% by the general county and 50% by the DPU. The DPU owns multiple water production facilities on these parcels. Access for maintenance and improvements to these facilities will be greatly simplified when the land is owned by the County.

Budget: $200,000 DPU
$200,000 County General Fund

Schedule: 2026



MONITORING WELL REPLACEMENT AT COMPOSTING SITE

When the Bayo Wastewater Treatment Plant was abandoned in 2005, the New Mexico Environment Department required that the DPU install a monitoring well downstream of the abandoned sludge drying beds. The monitoring well is used to sample for nitrogen in the groundwater. The well installed in 2005 dried up in 2023. This project covered installation of a new monitoring well to a deeper depth to enable continued sampling.

Budget: $60,000
Actual: $37,000
Schedule: Complete, October 2025



LOS ALAMOS WASTEWATER TREATMENT PLANT IMPROVEMENTS

The Los Alamos Wastewater Treatment Plant was commissioned in 2004 and has been in operation for 20 years. The equipment at the plant has maintenance issues and is nearing its life expectancy. With several items needing to be addressed, the DPU will apply for a $2,000,000 Rural Infrastructure Program (RIP) loan to fund these projects together.

Budget:	Aeration Basin Crack Repair	$800,000
	Motor Controls Centers – Miscellaneous	$200,000
	Fine Screen	$500,000
	Blower Building HVAC	$200,000
	UV Disinfection Replacement	$300,000
Schedule:	Construction - 2026	



CONSERVATION & PUBLIC RELATIONS

An update from

Water & Energy

Conservation Coordinator

Abbey Hayward

&

Public Relations Manager

Cathy D'Anna

In its ongoing quest to educate the community on what NOT to flush, the DPU participated in the annual downtown scarecrow contest with its Wipey McFlush entry. The headstone said: "Here lies Wipey McFlush, victim of flushable folly. Clogged the sewer in grand fashion. Died of embarrassment in a swirl of shame. He will be sewerly missed."

#HIGHLIGHTS

STAFFING

DPU now has an officially licensed Building Analyst Professional (BA-P)! Abbey graduated with this certification via Santa Fe Community College in mid-November. A certification of the Building Performance Institute (BPI), the BA-P will help Abbey align programming and outreach to current BPI standards and state EMNRD program requirements.

Abbey attended the Energy Efficiency as a Resource Conference in Denver in November. It primarily focused on energy efficiency programs that customers can enroll in to receive services or rebates in return. This type of programming is still a challenge for us due to the State of New Mexico's anti-donation clause but we continue to explore our options and haven't given up on finding some sort of reward for customers that fits into our required parameters. For now, our energy efficiency programs are all voluntary and primarily behavior-based. Abbey will look into the sister conference, the Behavior, Energy & Climate Change Conference, next year.

Audrey Collins survived her first six months



SUSTAINABILITY

as a DPU Data Analyst and is now a full-fledged, non-probationary employee! She is doing quite a bit of data dumping and spreadsheeting these days and has taken the lead on our website updates and the DPU Scoop e-newsletter. We are fortunate that the Finance and Admin Division allows us to share her expertise!

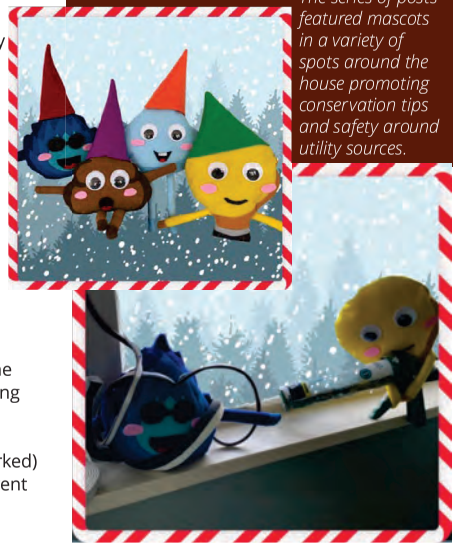
OPERATIONS

We were invited to share our DIY energy assessment and thermal camera borrowing program with Leadership Los Alamos during their environmental session on October 3. The federal shutdown prevented the group from meeting at the Valles Caldera, but a quick turnaround allowed the group to convene at the Los Luceros Historic Site instead. Abbey demonstrated how to use the thermal cameras and where to look for inefficiencies, then let the small groups walk around some of the structures at Los Luceros.

DPU provides new residents a free energy efficiency kit, which can be picked up from either PEEC or Los Alamos DPU administration offices. The stock of kits ordered way back in 2014 is finally about gone. Abbey worked with PEEC on the new efficiency kits. Feedback from the previous kits and the trend for in-home efficiency improvements encouraged some changes. A workshop was held at the Nature Center in January to highlight the new kit's features and how to use each piece.

The Sustainability Office has a contract to implement marketing and outreach for the Climate Action Plan (CAP). Abbey is assisting with this as many components of the CAP overlap with DPU efforts. We can provide guidance on what has worked (or not worked) so far and also improve some of our current marketing efforts with the help of the professional consultant.

HARC, a consultant that is working under funding from the Department of Energy, stepped into our world. HARC is conducting evaluations for on-site energy generation potential for plants, such as our wastewater treatment plants. As such, Abbey has been working with Deputy Utility Manager Clay Moseley and WWTP Superintendent Josh Silva to submit our information to see what the potential is for onsite generation at our plants. The plan will provide options for onsite generation, sizing and cost estimates. This is a free service that provides just the general outline of what would be needed. Further planning and budgeting would be needed to act on any recommendations should DPU decide to pursue onsite energy generation.



December's social media channels featured the Gnomes in the Home, as played by DPU emoji mascots, Toasty, Duke, Droppy and Blinky. The series of posts featured mascots in a variety of spots around the house promoting conservation tips and safety around utility sources.

#CONTINUED...

To keep the DPU's social media pages fresh, we created a couple new series of posts. Abbey turned our emoji mascots into full-size plushies so that we could run a "Gnome in the Home" series with utility conservation tips in December. It's a spin-off of Elf on the Shelf and was well received by the public. Another holiday series was the zodiac sign gift guide, which recommended gifts that can help a person reduce their utility consumption, from more obvious choices like programmable thermostats to more stealthy options like cozy electric throw blankets. In October, we ran our House of Horrors campaign again as it was a great way to remind community members about the horrors in the wastewater world that are caused by bad choices at home.

EVENTS

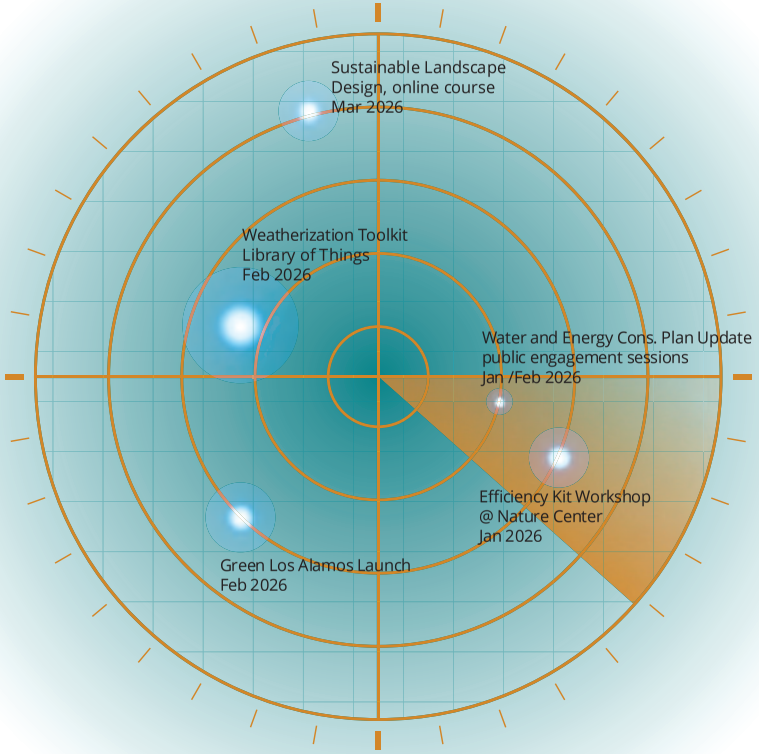
- The Ghost Hunt was held at a new location this year because the Los Alamos Performing Arts Center, operated by the Little Theatre, was undergoing renovations. The conservation team and library staff had a fun time brainstorming new places to explore. The Betty Ehart Senior Center was the final decision, based on its proximity to the Pumpkin Glow. While the Performing Arts Center always offers up dark corners and creaky spaces, participants enjoyed exploring a different building.
- This quarter's talk at the Nature Center, coordinated by PEEC, was on Home Energy Management. Los Alamos Airport Manager Gary Goddard discussed his own energy management system and other options for monitoring energy use, keeping in mind the upcoming time-of-use and residential demand rate structure. The recording of the talk is available on both the PEEC and DPU YouTube channels.
- Green Los Alamos, a sustainable business certification program, received the support of the Board of Public Utilities, the Environmental Sustainability Board, and County Council in November and December. This program, a partner effort among the DPU, the Sustainability Office, and the Community Development Department, is designed to recognize businesses for efforts within five areas: water management, energy management, waste management, transportation, and operational sustainability. Businesses can pick and choose which initiatives apply to their operations and self-certify at three tiers. This program will be launched early in 2026.



Leadership Los Alamos classmates had a ball with the thermal cameras in the DPU's energy assessment kits available through the Library of Things.

PLANNING IN PROGRESS

on the radar



CALCULATING NATURAL GAS RATES

#BASICS

Natural gas prices are mainly a function of market supply and demand, which causes fluctuations. Multiple factors affect the price of gas, one being weather. Cold temperatures, for example, increase demand for heating while hot weather increases demand for cooling, both of which increase natural gas demand by gas-fired electric power plants.

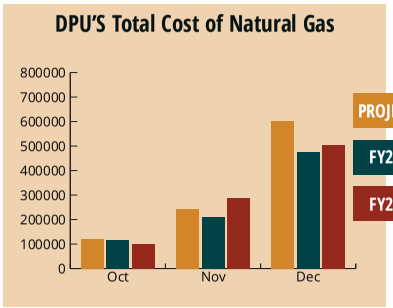
To mitigate some of the fluctuations, the DPU joined the New Mexico Municipal Energy Acquisition Authority (NMMEAA). Created by local governments in 2008 through a Joint Powers Agreement, the purpose of NMMEAA is to obtain reliable, long-term gas supply under favorable terms, conditions and price. NMMEAA benefits government-owned utilities like the DPU and through this membership, The DPU is able to pass its savings directly to customers.

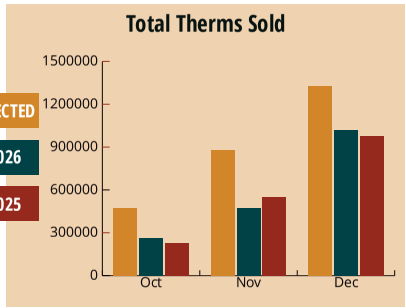
PASS-THROUGH MODEL

Since 2013, the DPU has included a "pass-through" cost of natural gas in its rate. In addition to a monthly service fee, the gas consumption charge comprises a fixed cost fee per therm to cover the DPU's gas maintenance and operations expenses and a cost-of-gas pass-through rate per therm. This allows the DPU's true cost to purchase the natural gas commodity to be passed directly to the customer.

This price is calculated each month based on the San Juan Index and then adjusted based on the actual cost from the prior month. Historically, customers benefited from this approach as the DPU did not

San Juan Index/MMBTU			Total Cost of Gas for Q1			Total Therms Sold for Q1		
	FY26	FY25		FY26	FY25		FY26	FY25
Dec	4.46	3.65	Dec	475206	505184	Dec	1020951	977549
Nov	2.70	2.51	Nov	212218	285931	Nov	472160	549200
Oct	2.36	2.00	Oct	114699	98328	Oct	260936	227018
			Total	**$802,123**	**$889,443**	**Total**	**1,754,047**	**1,753,767**





need to maintain a substantial rate stabilization fund to absorb the volatile, fluctuating gas prices. However, 2022 brought unprecedented high costs that weren't captured under the DPU's $0.99 variable rate cap.

At the end of March 2023, the BPU recommended, and Los Alamos County Council adopted, a new ordinance that raised that cap to $4/therm. Additionally, a temporary recovery rate mechanism began in the 4th quarter of FY2023 to recover recent costs not collected with the lower cap in place. These costs reached full recovery in February 2024 and the rate was discontinued the next month.

Each month the DPU posts the new variable cost of gas rate on the website at: ladpu.com/GasRateNow.

TOTAL GAS CHARGE COMPRISES FOUR COMPONENTS:

(1) Monthly Service Fee
+ [((2) Fixed Component + (3) Variable Cost of Gas) x (4) Total Therms]
= TOTAL CHARGE

SCHEDULE OF CUSTOMERS
7A: Residential
7E: Commercial
7L: County
7N: Schools



RESIDENTIAL EXAMPLE:
7A Customer used 18 therms in December 2025
$14.25 + [($0.34 + $0.47) x 100)] = (4)
$95.25



COMMERCIAL EXAMPLE:
7E Customer used 135 therms in December 2025
$14.25 + [($0.34 + $0.47) x 420)] = (4)
$354.45

1. MONTHLY SERVICE FEE (1)

Schedule	Meter Rated	Charge
ALL	≤ 250 CFH	$14.25
ALL	> 250 CFH	$41.25

2. FIXED COST RECOVER FEE/THERM

Schedule	Fee/Therm
7A & 7E	$0.34 (2)
7L & 7N	$0.30

3. VARIABLE COST OF GAS/THERM (Pass-Through Cost of Gas) Calculated each month based on the San Juan index and then adjusted based on the actual cost from the prior month. It is capped at $4/therm.

Date	Projected Variable Cost of Gas		Adjust Prior Month Estimate	Variable Pass-Through Cost of Gas/Therm (3)
Oct 2025	$0.25	+	$0.07	$0.32
Nov 2025	$0.28	+	$0.01	$0.29
Dec 2025	$0.45	+	$0.02	$0.47

FINANCE & ADMINISTRATION

F&A

#HIGHLIGHTS



JOANN GENTRY / DEPUTY UTILITY MANAGER

Bachelor of Business Administration - Finance

Master of Business Administration

Membership:

Government Finance Officers Assn.

OVERVIEW

Customer Care hosted the annual Customer Service Fair on October 8 with the theme, "Mission: Possible." In 1992, the U.S. Congress proclaimed Customer Service Week be celebrated nationally during the first full week of October. It is an international celebration which highlights the importance of customer service as a critical component of business success. For almost 20 years, the Customer Care Center representatives have engaged with community members, often as the first point of contact for the County because of their easy-to-access phone line, e-mail address, and walk-in services located in the lobby of the Municipal Building.

Gas and water rate increases went into effect on October 1. Current rates can be found on the County's website at http://ladpu.com/rates.

As of December 31, 2025, the balance in the Utilities Assistance Program (UAP) fund was $28,593. Thank you to all the generous donors who provide this critical assistance. If you want to donate to the UAP fund, call the Customer Care Center at 505-662-8333 or visit the County website at http://ladpu.com/assist. An easy way to support the program is by filling out the online form for regular monthly donations to the UAP fund.

Los Alamos County customers can pay their utility bills with Automated Clearing House (ACH) by signing up with the Department of Public Utilities. This free service automatically drafts the amount due from your bank account monthly. ACH simplifies your life by offering a convenient, automated, and secure way to pay your utility bill.

OVERALL OPERATIONS

Through December 31, 2025, the Joint Utilities Fund operating revenues were $40.1 million. Operating expenditures were $34.8 million. The net operating income gain was $5.2 million. Capital expenditures were $12.2 million and other financing uses totaled $4 million. The bottom line resulted in a total net income loss of $2.9 million.

Electric Operations

Electric revenues were $19.3 million for wholesale, $9 million for retail, and $826k in other revenues, for a total of $29.2 million in Q2. Operating expenditures were $25.9 million. The net operating income gain was $3.2 million. Capital expenditures reached $941k. The total net income gain was $2.3 million.

Gas Operations

Gas revenues were $2.1 million for retail, and almost $13k in other revenues, for a total of $2.2 million in Q2. Operating expenditures were $1.6 million and the cost of gas was over $529k. A net operating income loss of nearly $21k was recorded. Capital expenditures totaled $33k and the total net income loss was $54k.

Water Operations

Water revenues were $0.8 million for wholesale, $4.1 million for retail, and $0.2 million in other revenues, for a total of $5 million in Q2. Operating expenditures were $3.9 million. The operating net income gain was $1.1 million. Capital expenditures were $9.8 million. Other financing uses were $4 million. The total net income loss of $4.7 million was due to capital expenditures.

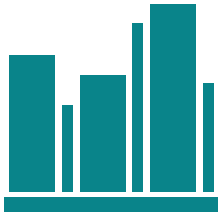
Wastewater Operations

Wastewater retail revenues were $3.6 million in Q2. Operating expenditures were $2.7 million. The total net operating income gain was $895k. Capital expenditures were $1.4 million. Other financing uses were $33k and the total net income loss was just shy of $499k.

The Customer Care Center crew, joined by two employees from Facilities (right), stole the show at the annual Halloween LAC employee appreciation luncheon when they dressed as Spice Girls.



FINANCIAL PERFORMANCE



GOAL: Achieve and maintain excellence in financial performance

- Control costs and maintain adequate revenue to provide a high level of service, now and into the future, while keeping rates competitive with similar utilities
- Take advantage of favorable loan/grant opportunities
- Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year
- Conduct cost of service studies for each utility at least every 5 years



FOLLOWING PAGES:

- Debt Profile
- Financial Statements by Utility
- Consumption Detail by Utility



Unaudited quarterly reports may include changes to prior quarters' data. Financial data is not final until audited following the close of the fiscal year.

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CURRENT DEBT PROFILE: Q1

Net System Revenue of the Joint Utility System

Year	Total Senior Debt Service	Total Subordinate Debt Service	Total Super Subordinate Debt Service	Total Debt Service	Total Operating Net Revenue	Total Debt Service Coverage Ratio
2026	$1,210,048	$969,922	$1,227,193	$3,407,163	$8,461,607	2.48
2027	$1,189,720	$1,172,027	$2,541,666	$4,903,414	$7,831,411	1.60
2028	$1,177,264	$1,174,928	$2,541,903	$4,894,095	$8,760,210	1.79
2029	$1,152,072	$1,172,108	$2,541,900	$4,866,080	$10,580,855	2.17
2030	$1,129,752	$1,173,747	$2,541,897	$4,845,396	$10,893,363	2.25
2031	$0	$1,169,669	$2,541,895	$3,711,563	$12,451,425	3.35
2032	$0	$1,168,685	$2,510,216	$3,678,900	$13,652,625	3.71
2033	$0	$1,171,932	$2,503,030	$3,674,962	$14,623,417	3.98
2034	$0	$1,169,218	$2,503,031	$3,672,248	$14,981,906	4.08
2035	$0	$535,733	$2,503,031	$3,038,764	$13,425,742	4.42

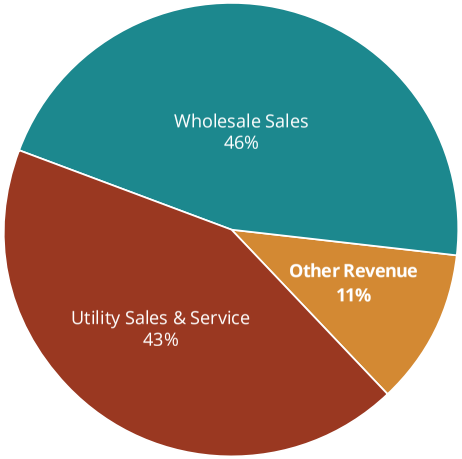
FY2026 based on FY2024 Annual Comprehensive Financial Report (ACFR)
FY2027 based on FY2025 projected actuals
FY2028-FY2035 based on 10-year financial projection

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FINANCIAL OPERATIONS

OVERALL PERFORMANCE: Q2 YTD FY2026 Financial Status - Unaudited

REVENUES

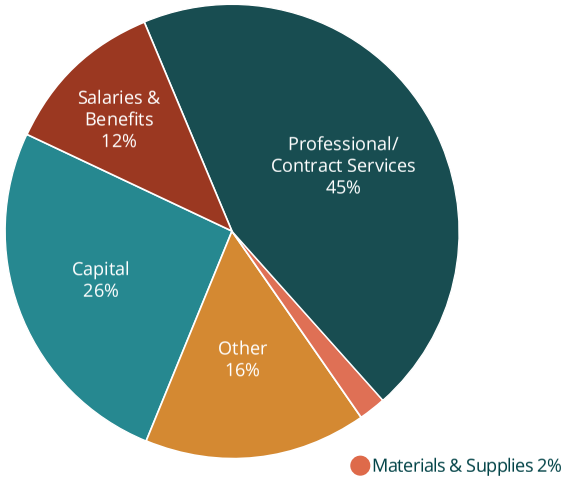


** "Other" revenues include interest income, federal bond subsidy, revenue on recoverable work and miscellaneous revenue.*

		Adopted Budget	Revised Budget
OPERATING REVENUES	Utility Sales & Service	$42,515,988	$42,515,988
	Wholesale Sales	53,008,007	53,008,007
	Other Revenue	3,422,900	3,422,900
	Total Operating Revenue**	**$98,946,895**	**$98,946,895**
OPERATING EXPENSES	Employee Salaries & Benefits	$11,402,096	$11,402,096
	Prof'l & Contract Services	58,374,050	58,800,482
	Materials and Supplies	2,058,914	2,083,917
	Other *	21,171,275	21,310,951
	Net Operating Expenditures	**$93,006,335**	**$93,597,446**
NET OPERATING INCOME (LOSS)		**$5,940,560**	**$5,349,449**
	Capital Expenditures	15,733,500	46,211,145
	Other Financing Uses	6,879,916	13,751,351
	NET INCOME (LOSS)	**$(2,913,024)**	**$(27,110,345)**

***Operating revenue does not include Cost of Power or Cost of Water.*

EXPENSES



** "Other" expenses are interfund charges, capital outlay and fiscal charges.*

Electric	Gas	Water	Wastewater	Total Q1 YTD	% Left
$9,069,009	$2,178,071	$4,102,461	$3,622,674	$18,972,215	55%
19,345,496	-	781,046	-	21,126,542	60%
826,515	12,962	176,612	-	1,016,088	70%
$29,241,019	**$2,191,032**	**$5,060,118**	**$3,622,674**	**$40,114,844**	**58%**
$2,510,611	$680,037	$1,220,549	$1,121,406	$5,532,604	51%
20,297,497	189,247	428,635	163,424	21,078,802	64%
266,588	113,675	283,069	124,310	787,641	62%
2,871,662	1,228,768	2,017,947	1,318,194	7,436,571	65%
$25,946,359	**$2,211,727**	**$3,950,200**	**$2,727,333**	**$34,835,618**	**63%**
$3,294,661	**$(20,695)**	**$1,109,919**	**$895,341**	**$5,279,226**	
941,430	33,037	9,842,458	1,427,005	12,243,929	74%
-	-	4,004,478	33,074	4,037,552	71%
$2,353,231	**$(53,732)**	**$(4,728,061)**	**$(498,589)**	**$(2,927,151)**	

ELECTRICELECTRICELECTRICELECTRICELECTRIC PRODUCTION

Through Dec. 31, 2025	FY2026 BUDGET Adopted	FY2026 BUDGET Revised	ACTUALS	% Left
REVENUE				
MWh Sales to LANL	485,207	485,207	208,877	57%
MWh Sales to ED	123,455	123,455	64,203	48%
Total MWh Sales	608,662	608,662	273,080	55%
DOE Revenues	$43,668,618	$43,668,618	$16,904,805	61%
Economy Sales	7,500,000	7,500,000	2,440,691	67%
Sales to ED	11,110,992	11,110,992	6,574,266	41%
Other Revenue	2,024,080	2,024,080	535,564	74%
Total Revenue	**$64,303,690**	**$64,303,690**	**$26,455,326**	**59%**
OPERATING EXPENSES				
Salaries	$1,781,619	$1,781,619	$848,456	52%
Benefits	707,228	707,228	330,517	53%
Prof'l/Contract Services	54,389,646	54,390,955	19,910,808	63%
Materials/Supplies	225,952	225,952	48,357	79%
Interfund Charges	2,484,063	2,484,063	682,579	73%
Capital Outlay	64,361	64,361	-	100%
Fiscal Charges	577,462	577,462	210,882	63%
Total Operating Expense	**$60,230,331**	**$60,231,640**	**$22,031,599**	**63%**
Operating Income (Loss)	**$4,073,359**	**$4,072,050**	**$4,423,727**	
Capital Expenditures	$780,000	$2,029,904	$733,001	64%
Other Financing				
Transfer to ED	$(2,000,000)	$(2,000,000)	-	100%
NET INCOME (LOSS)	**$1,293,359**	**$42,146**	**$3,690,726**	

ELECTRIC DISTRIBUTION

Through Dec. 31, 2025	FY2026 BUDGET Adopted	FY2026 BUDGET Revised	ACTUALS	% Left
REVENUE				
KWh Sales	123,455,462	123,455,462	58,104,725	53%
Sales Revenue	$19,288,456	$19,288,456	$9,069,009	53%
Other Revenue	561,653	561,653	276,358	51%
Total Revenue	**$19,850,109**	**$19,850,109**	**$9,345,367**	**53%**
OPERATING EXPENSES				
Salaries	$1,913,867	$1,913,867	$969,623	49%
Benefits	836,414	836,414	362,015	57%
Prof'l/Contract Services	1,004,568	1,043,881	386,690	63%
Materials/Supplies	582,886	594,020	218,231	63%
Interfund Charges	2,920,034	2,960,034	1,338,998	55%
Capital Outlay	242,900	315,298	54,912	83%
Fiscal Charges	1,178,311	1,178,311	584,291	50%
Cost of Power	11,110,992	11,110,992	6,559,673	41%
Total Operating Expense	**$19,789,972**	**$19,952,818**	**$10,474,433**	**48%**
Operating Income (Loss)	**$60,137**	**$(102,709)**	**$(1,129,066)**	
Capital Expenditures	$2,075,000	$6,269,918	$208,429	97%
Other Financing				
Transfer from EP	2,000,000	2,000,000	-	100%
Revenue (Profit) Transfer	(829,404)	(829,404)	-	100%
NET INCOME (LOSS)	**$(844,267)**	**$(5,202,031)**	**$(1,337,495)**	

WATER PRODUCTION

Through Dec 31, 2025	FY2026 BUDGET Adopted	FY2026 BUDGET Revised	ACTUALS	% Left
REVENUE				
Potable KGal prod.	1,150,000	1,150,000	575,743	50%
Non-potable KGal prod.	136,500	136,500	44,260	68%
Total kgal Production	**1,286,500**	**1,286,500**	**620,003**	**52%**
Potable Sales to DW	$4,200,000	$4,200,000	$2,335,860	44%
Potable Wholesale Sales	1,839,389	1,839,389	781,046	58%
Other Revenue	509,342	509,342	164,461	68%
Total Revenue	**$6,548,731**	**$6,548,731**	**$3,281,367**	**35%**
OPERATING EXPENSES				
Salaries	$1,136,438	$1,136,438	$543,393	52%
Benefits	474,938	474,938	198,033	58%
Prof'l/Contract Services	974,439	1,133,147	274,967	76%
Materials/Supplies	186,790	190,657	174,961	8%
Interfund Charges	2,045,825	2,045,825	1,160,394	43%
Capital Outlay	34,535	34,535	6,338	82%
Fiscal Charges	888,118	888,118	313,277	65%
Total Operating Expense	**$5,741,083**	**$5,903,658**	**$2,671,362**	**55%**
Operating Income (Loss)	**$807,648**	**$645,073**	**$610,004**	
Capital Expenditures	$4,458,500	$24,961,140	$9,477,034	62%
Other Financing				
Grants/Loan Proceeds	$2,500,000	$6,451,535	$3,004,478	53%
County/Ext Reimb	-	2,919,900	1,000,000	66%
Transfer: Gen Fund/ Econ Dev	100,000	100,000	-	100%
NET INCOME (LOSS)	**$(1,050,852)**	**$(14,844,632)**	**$(4,862,552)**	

WATER DISTRIBUTION

Through Dec 31, 2025	FY2026 BUDGET Adopted	FY2026 BUDGET Revised	ACTUALS	% Left
REVENUE				
KGal Sales	800,000	800,000	426,686	47%
Sales Revenue	$7,611,636	$7,611,636	$4,102,461	46%
Other Revenue	85,000	85,000	26,744	69%
Total Revenue	**$7,696,636**	**$7,696,636**	**$4,129,205**	**46%**
OPERATING EXPENSES				
Salaries	$790,528	$790,528	$350,424	56%
Benefits	320,606	320,606	128,699	60%
Prof'l/Contract Services	574,447	782,604	153,668	80%
Materials/Supplies	368,743	378,745	108,108	71%
Interfund Charges	1,385,409	1,385,409	537,938	61%
Cost of Water	4,200,000	4,200,000	2,350,453	44%
Total Operating Expense	**$7,639,733**	**$7,857,892**	**$3,629,290**	54%
Operating Income (Loss)	**$56,903**	**$(161,256)**	**$499,915**	
Capital Expenditures	$4,900,000	$5,967,860	$365,424	94%
Other Financing Grants/Loan Proceeds	$3,500,000	$3,500,000	-	100%
NET INCOME (LOSS)	**$(1,343,097)**	**$(2,629,116)**	**$134,491**	

NATURAL GAS DISTRIBUTION

Through Dec 31, 2025	FY2026 BUDGET Adopted	FY2026 BUDGET Revised	ACTUALS	% Left
REVENUE				
Therm Sales	8,400,000	8,400,000	2,121,379	75%
Sales Revenue	$8,365,728	$8,365,728	$2,178,071	74%
Other Revenue	57,825	57,825	12,962	78%
Total Revenue	**$8,423,553**	**$8,423,553**	**$2,191,032**	**74%**
OPERATING EXPENSES				
Salaries	$918,856	$918,856	$505,318	45%
Benefits	377,184	377,184	174,719	54%
Prof'l/Contract Services	562,633	562,747	189,247	66%
Materials/Supplies	198,357	198,357	113,675	43%
Interfund Charges	1,412,684	1,412,684	698,662	51%
Capital Outlay	-	-	912	0%
Cost of Gas	3,444,000	3,471,278	529,193	85%
Total Operating Expense	**$6,913,714**	**$6,941,105**	**$2,211,727**	**68%**
Operating Income (Loss)	**$1,509,839**	**$1,482,448**	**$(20,695)**	
Capital Expenditures	$825,000	$1,025,000	$33,037	97%
Other Financing Revenue (Profit) Transfer	(390,680)	(390,680)	-	100%
NET INCOME (LOSS)	**$294,159**	**$66,768**	**$(53,732)**	

P. #60

WASTEWATER COLLECTION & TREATMENT TREATMENTTREATM

Through Dec 31, 2025	FY2026 BUDGET Adopted	FY2026 BUDGET Revised	ACTUALS	% Left
REVENUE				
KGals Processed	400,000	400,000	179,222	55%
Sales Revenue	$7,250,168	$7,250,168	$3,622,674	50%
Other Revenue	185,000	185,000	-	100%
TOTAL REVENUE	**$7,435,168**	**$7,435,168**	**$3,622,674**	**51%**
OPERATING EXPENSES				
Salaries	$1,526,820	$1,526,820	$819,261	46%
Benefits	617,598	617,598	302,145	51%
Prof'l/Contract Services	868,317	887,149	163,424	82%
Materials/Supplies	496,186	496,186	124,310	75%
Interfund Charges	2,088,931	2,088,931	909,436	56%
Capital Outlay	280,000	280,000	22,504	92%
Fiscal Charges	2,124,642	2,124,642	386,254	82%
Total Operating Expense	**$8,002,494**	**$8,021,326**	**$2,727,333**	**66%**
Operating Income (Loss)	**$(567,326)**	**$(586,158)**	**$895,341**	
Capital Expenditures	$2,695,000	$5,957,323	$1,427,005	76%
Other Financing				
Grant/Loan Proceeds	2,000,000.00	2,000,000	33,074	98%
NET INCOME (LOSS)	**$(1,262,326)**	**$(4,543,481)**	**$(498,589)**	

P. #61

CONSUMPTION DETAIL

YUTILITYUTILITYUTILITYUTILITY UTILITY SERVICE: ELECTRIC

	Q1	Q2	Q3	Q4	YTD
SALES (KWh)					
Residential	16,651,955	15,053,404			31,705,359
Private Area Lights	9,354	9,354			18,708
Commercial	9,852,397	8,838,415			18,690,812
Municipal	2,470,317	2,284,439			4,754,756
Water Production	2,318,449	1,316,089			3,634,538
Educational	1,031,121	1,254,835			2,285,956
DG received by DPU*	(1,006,293)	(764,402)			(1,770,695)
Total	**31,327,300**	27,992,134			59,319,434
BILLED LOCATIONS (average)					
Residential	9,034	8,940			8,987
Commercial	723	715			719
Municipal	215	211			213
Educational	66	64			65
Total	**10,038**	9,930			9,984
REVENUE/KWH (average)					
Residential	$0.1544	$0.1623			0.1584
Private Area Lights	0.4628	0.4939			0.4783
Commercial	0.1456	0.1491			0.1474
Municipal	0.1494	0.1531			0.1513
Water Production	0.1068	0.1144			0.1106
Educational	0.1504	0.1464			0.1484
Cost for DG received**	(0.0922)	(0.0914)			(0.0918)
Average	**$0.1497**	$0.1564			0.1531
LOSS CALCULATION					
Power Rec'd, KWh	31,170,369	32,069,314			63,239,683
PV Power Rec'd, KWh	-	-			-
Qtrly Losses <gains>, KWh	(156,931)	4,077,180			3,920,249
% Qtrly Losses <gains>	-0.50%	12.71%			6.20%
Cumulative Losses <gains>	**-0.50%**	6.20%			6.20%

** DG received by the DPU: Total distributed generation added to the electric grid by solar customers. These customers also received 1,048,169 kWh from the grid during Quarter 2.*

*** Cost for DG received: Solar customers are credited for the distributed generation added to the electric grid at the current wholesale equivalent cost.*

UTILITY SERVICE: NATURAL GAS

	Q1	Q2	Q3	Q4	YTD
SALES (Therms)					
Residential	331,167	1,284,691			**1,615,858**
Commercial	132,355	336,744			**469,099**
Municipal	31,749	69,929			**101,678**
Water Production	55,759	7,853			**63,612**
Educational	6,431	54,831			**61,262**
Total	**557,461**	1,754,048			**2,311,509**
BILLED LOCATIONS (average)					
Residential	7,636	7,560			**7,598**
Commercial	417	408			**412**
Municipal	45	43			**44**
Educational	25	26			**26**
Total	**8,123**	8,037			**8,080**
REVENUE/THERM (average)					
Residential	$1.5376	$0.9150			**1.2263**
Commercial	0.8573	0.7490			**0.8031**
Municipal	0.7325	0.6704			**0.7014**
Water Production	0.2406	0.2853			**0.2630**
Educational	0.8492	0.6651			**0.7572**
Average	**1.2323**	0.8627			**1.0475**
LOSS CALCULATION					
Gas Rec'd, therms	607,190	2,313,130			**2,920,320**
Qtrly Losses <gains>, therms	40,783	559,082			**608,811**
% Qtrly Losses <gains>	7.08%	24.17%			**20.85%**
Cumulative Losses <gains>	**7.08%**	20.85%			**20.85%**

UTILITY SERVICE: WATER

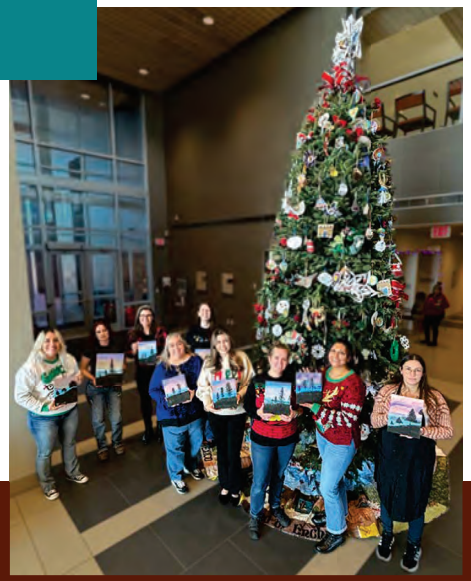
	Q1	Q2	Q3	Q4	YTD
SALES (KGAL)					
Residential	195,434	124,643			**320,077**
Commercial	25,295	17,034			**42,329**
Municipal	39,356	18,681			**58,037**
Educational	9,165	2,696			**11,861**
Total	**269,249**	163,054			**432,303**
BILLED LOCATIONS (average)					
Residential	7,173	7,056			**7,115**
Commercial	327	328			**328**
Municipal	93	89			**91**
Educational	31	30			**30**
Total	**7,624**	7,503			**7,564**
REVENUE/KGAL (average)					
Residential	$9.2769	$10.6562			**$9.9665**
Commercial	8.7451	9.9206			**9.3328**
Municipal	7.5679	8.4743			**8.0211**
Educational	8.6519	13.2029			**10.9274**
Average	**$8.9558**	$10.3715			**$9.6637**
LOSS CALCULATION					
Water Rec'd, Kgal	277,824	156,070			**433,894**
Qtrly Losses <gains>, Kgal	8,575	(6,984)			**1,591**
% Qtrly Losses <gains>	3.09%	-4.47%			**0.37%**
Cumulative Losses <gains>	**3.09%**	0.37%			**0.37%**

UTILITY SERVICE: WASTEWATER

WASTEWATERWASTEWATERWA

	Q1	Q2	Q3	Q4	YTD
SEWER TREATED (KGAL)					
Los Alamos	65,304	64,497			129,801
White Rock	24,648	24,773			49,421
Total Treated	89,952	89,270			179,222
BILLED LOCATIONS (average)					
Residential	6,977	6,856			6,916
Commercial	236	233			235
Municipal	35	33			34
Educational	21	21			21
TOTAL	7,269	7,143			7,206
REV PER KGAL TREATED*	$19.74	$20.69			$20.22

** Effluent revenue is reported on the financial statements under Water Production*



The women of DPU gathered for a lunchtime holiday painting party led by Engineering Associate Michelle Martinez.

DPU

#WORKFORCE

NEW HIRES/TRANSFERS

- **Isaiah Harrison** transferred from Facilities to Electric Production where he is a Power System Operator Apprentice.

PROMOTIONS

- In the Wastewater Treatment Division, **Patrick Moore** and **Andrew Lopez** were both promoted to WWTP Operator.
- **Erwin Lopez**, in Gas, Water & Sewer, was promoted to GWS Apprentice 2.
- **Sam Martinez** was promoted to the new Electrical Distribution Superintendent position.
- **Timo Martinez** was promoted to Lineman Supervisor in Electric Distribution.

ANNIVERSARIES

20 Years:

Jennifer Baca, Engineering Associate, Engineering

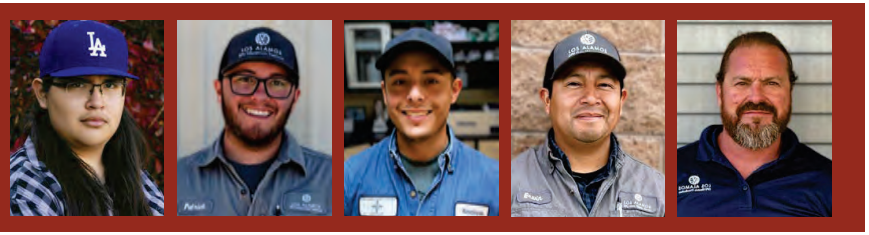
15 Years:

Joel Martinez, SCADA System Technician, Water Production

5 Years:

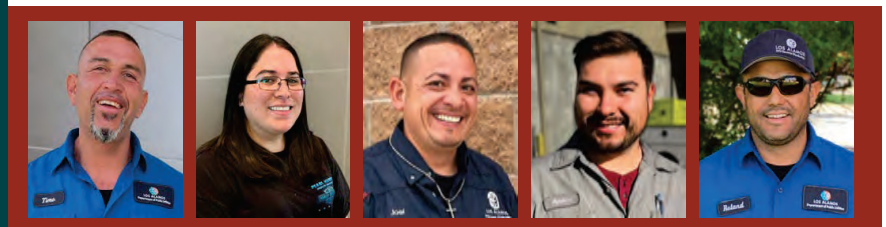
- **Agustine Campos,** GWS Apprentice 2, Gas, Water, and Sewer
- **Roland Rodriguez,** Journeyman Lineman, Electric Distribution

Below: Isaiah Harrison, Patrick Moore, Andrew Lopez, Erwin Lopez, Sam Martinez, Timo Martinez, Jennifer Baca, Joel Martinez, Agustine Campos, Roland Rodriguez



STAFFING NEWS





GOOD STUFF

#POSITIVEFEEDBACK

From: Pamela Paine
Sent: Friday, December 12, 2025 4:15 PM
To: Customer Care <CustomerCare@losalamosnm.gov>
Subject: DPU Scoop

I just want to say thank you to the county Department of Public Utilities for doing a GREAT job with the DPU Scoop. You pack a lot of information on the sheet that comes with the utility bill. Thank you for your efforts! Thank you for keeping us informed. Thank you for all your good work. It is a blessing to live in this county.

Pam Paine



P. #68

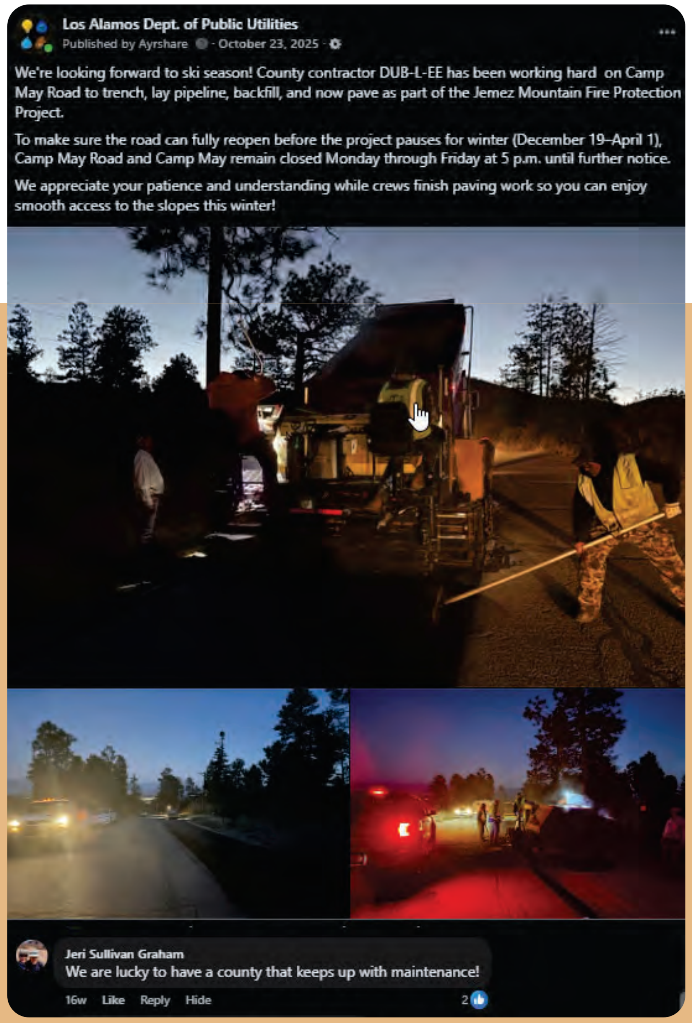


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GOOD STUFF

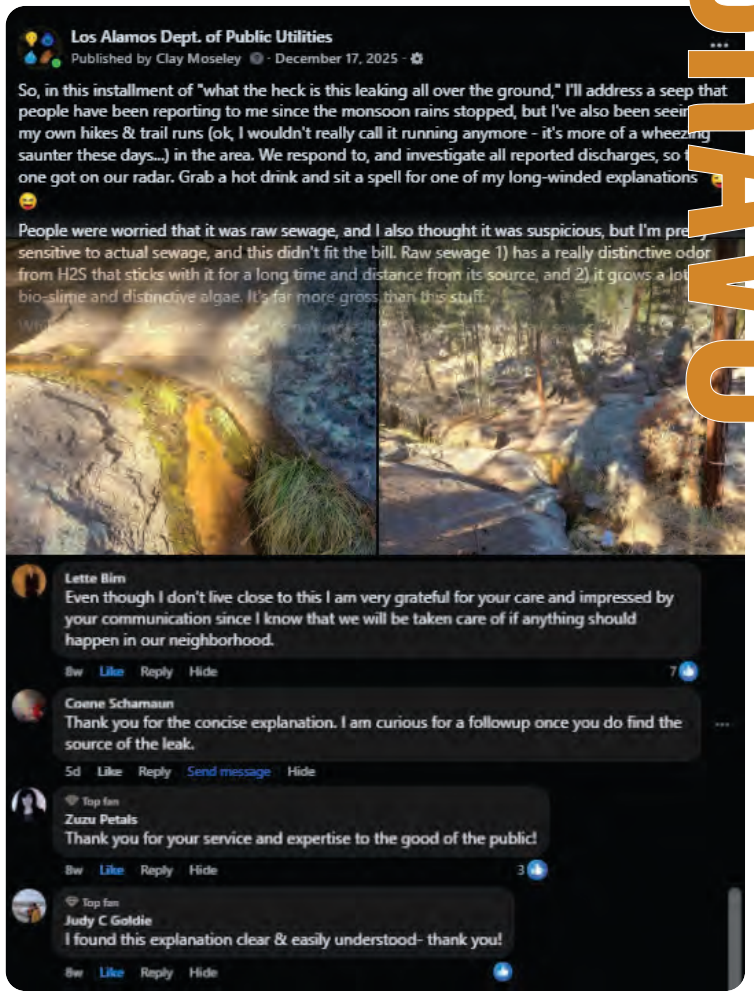
KUDOS




Los Alamos Dept. of Public Utilities
Published by Ayrshare · October 23, 2025 ·
We're looking forward to ski season! County contractor DUB-L-EE has been working hard on Camp May Road to trench, lay pipeline, backfill, and now pave as part of the Jemez Mountain Fire Protection Project.
To make sure the road can fully reopen before the project pauses for winter (December 19–April 1), Camp May Road and Camp May remain closed Monday through Friday at 5 p.m. until further notice.
We appreciate your patience and understanding while crews finish paving work so you can enjoy smooth access to the slopes this winter!
Jeri Sullivan Graham
We are lucky to have a county that keeps up with maintenance!
16w Like Reply Hide 2


Los Alamos Dept. of Public Utilities
Published by Ayrshare · December 18, 2025 ·
All that wind yesterday and through the night only caused one outage (whew!).
A dead tree fell on lines in the area of the ice rink early this morning. Our amazing electric distribution crew had to ground the line and remove the tree before repairing the two wires that burned in half. Thankfully there were no issues with fire and only the ice rink and the ski hill lost power until 10AM.
#Electro
Top fan
Zuzu Petals
Thought about fire last night. Thank you for your service!
8w Love Reply Hide
Paula Hewitt
You are amazing!
Thank You
8w Like Reply Hide
Una Smith
The majority of standing dead trees near that power line were removed before they could fall. But trees keep dying, so the work is never ending.
8w Like Reply Hide

BRAVO



ABBREVIATIONS USED IN DPU REPORTS

ACFR	Annual Comprehensive Financial Report
AMI	Automated Metering Infrastructure
APPA	American Public Power Association
AWWA	American Water Works Association
ATC	Around the Clock
BGAL	Billions of Gallons
BPU	Board of Public Utilities
CAISO	California Independent System Operator
CAP	Climate Action Plan
CGTG	Combustion Gas Turbine Generator
DG	Distributed Generation
DOE	Department of Energy
DOT	Department of Transportation
DPU	Department of Public Utilities
DW	Water Distribution
DWSRL	Drinking Water State Revolving Loan
ECA	Electric Coordination Agreement
ED	Electric Distribution
EIA	Energy Information Administration
EMNRD	Energy, Minerals and Natural Resources Department
EP	Electric Production
EPA	Environmental Protection Agency
EV	Electric Vehicle
FERC	Federal Energy Regulatory Commission
FER	Future Energy Resources Committee
FTF	Foxtail Flats Solar and Storage Power Project
FY	Fiscal Year
GPCD	Gallons Per Capita Daily
GWS	Gas, Water, & Sewer Division*
HVAC	Heating, Ventilation and Cooling
IRP	Integrated Resource Plan
KGAL	Thousands of Gallons
KWH	Kilowatt Hours
LAC	Los Alamos County
LANL	Los Alamos National Laboratory
LAPP	Los Alamos Power Pool
LASS	Los Alamos Switch Station
LARES	Los Alamos Resiliency, Energy & Sustainability Task Force
LRS	Laramie River Station

#ABBR

MCC	Motor Control Center
MCM	Thousands of Circular Mils (wire gauge measurement)
MGAL	Millions of Gallons
MW	Megawatts
MWH	Megawatt Hours
NMED	New Mexico Environment Department
NMGC	New Mexico Gas Company
NMMEAA	New Mexico Municipal Energy Acquisition Authority
NNSA	National Nuclear Security Administration
NP	Non-Potable
NPV	Net Present Value
NPDES	National Pollutant Discharge Elimination System
O&M	Operations & Maintenance
PEEC	Pajarito Environmental Education Center
PHMSA	Pipeline & Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
PRV	Pressure Regulating Valve
PSIG	Pounds per Square Inch Gauge
PV	Photovoltaic
RFP	Request for Proposals
SAIDI	System Average Interruption Duration Index
SCADA	Supervisory Control and Data Acquisition
SLS	Sewer Lift Station
TOU	Time of Use
UAP	Utility Assistance Program
UAMPS	Utah Associated Municipal Power Systems
UM	Utilities Manager
USBR	United States Bureau of Reclamation
USFS	United States Forest Service
WAPA	Western Area Power Administration
WWC	Wastewater Collection
WP	Water Production
WR	White Rock
WRRF	Water Resource Reclamation Facility
WWT	Wastewater Treatment
WWTP	Wastewater Treatment Plant

*Sewer = Wastewater Collection

2025: Oct 1 - Dec 31

Q2 REPORT FY26

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LOS ALAMOS
Department of Public Utilities

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Agenda No.:	9.b.
Index (Council Goals):	
Presenters:	Philo Shelton, Utilities Manager
Legislative File:	**20948-26**

Title

Status Reports - February 2025

Body

Each month the Board receives in the agenda packet informational reports on various items.
No presentation is given, but the Board may discuss any of the reports provided.

Attachments

A - Electric Reliability Report
B - Accounts Receivables Report
C - Risk & Safety Report

LOS ALAMOS

Department of Public Utilities

Electric, Gas, Water, and Wastewater Services

Monthly Status Report

Electric Reliability

Dennis Astley

Acting Deputy Utility Manager -

Electric Distribution

Total # Accounts	9045	
Total Interruptions	24	
Sum Customer Interruption Durations	13471:56:00	
#Customers Interrupted	7223.0	
SAIFI	0.80	
SAIDI	1:29	
CAIFI	0.332%	
CAIDI	1:51	
ASAI	99.3487%	

- **SAIFI - System Average Interruption Frequency Index**
  A measure of interruptions per customer (Per Year)

  SAIFI= (Total number of customer interruptions)
  (Total number of customers served)

- **SAIDI – System Average Interruption Duration Index**
  A measure of outage time per customer if all customers were out at the same time (hours per year)

  SAIDI= (Sum of all customer outage durations)
  (Total number of customers served)

- **CAIDI – Customer Average Interruption Duration Index**
  A measure of the average outage duration per customer (hours per interruption)

  CAIDI= (Sum of all customer outage durations) = SAIDI
  (Total number of customer interruptions) SAIFI

- **ASAI – Average System Availability Index**
  A measure of the average service availability (Per unit)
  ASAI= (Service hours available) = 8760-SAIDI
  (Customer demand hours) 8760

Electric Distribution Reliability Study
Twelve Month Outage History

Prepared by Dennis G Astley
Deputy Utility Manager

Date	Call Rcd.	Circuit	Cause	Start Time	End Time	Duration	Minutes	Customers Affected (Meters)	Combined Customer Outage Durations	Total Outage H:M:S	Running Consumer Pain Index	Running SAIDI
3/1/2025	Utilities	13	Unknown	12:45	15:00	2:15	135	25	56:15:00	56:15:00	0:00:22	0:00:22
3/14/2025	Utilities	ELK RIDGE	WEATHER	10:30	11:08	0:38	38	20	12:40:00	68:55:00	0:00:27	0:00:27
3/18/2025	Utilities	13	TREE	15:30	16:30	1:00	60	25	25:00:00	93:55:00	0:00:37	0:00:37
3/19/2025	Utilities	WR2	URD Failure	21:30	4:20	6:50	410	22	150:20:00	244:15:00	0:01:37	0:01:37
3/25/2025	Utilities	WR2	URD Failure	20:00	1:45	5:45	345	79	454:15:00	698:30:00	0:04:38	0:04:38
3/31/2025	Utilities	16	URD Failure	18:00	21:00	3:00	180	692	2076:00:00	2774:30:00	0:18:24	0:18:24
5/5/2025	Utilities	15	WEATHER	3:26	7:15	3:49	229	16	61:04:00	2835:34:00	0:18:49	0:18:49
5/8/2025	Utilities	14	URD Failure	9:07	10:00	0:53	53	20	17:40:00	2853:14:00	0:18:56	0:18:56
6/8/2025	Utilities	WR2	URD Failure	5:00	8:00	3:00	180	15	45:00:00	2898:14:00	0:19:14	0:19:14
6/8/2025	Utilities	WR2	URD Failure	5:00	10:00	5:00	300	20	100:00:00	2998:14:00	0:19:53	0:19:53
6/8/2025	Utilities	WR2	URD Failure	5:00	13:00	8:00	480	5	40:00:00	3038:14:00	0:20:09	0:20:09
6/19/2025	Utilities	WR1	OH Failure	16:00	17:30	1:30	90	10	15:00:00	3053:14:00	0:20:15	0:20:15
7/16/2025	Utilities	16	Weather	9:25	10:15	0:50	50	10	8:20:00	3061:34:00	0:20:19	0:20:19
7/22/2025	Utilities	13	OH Failure	12:25	13:20	0:55	55	1675	1535:25:00	4596:59:00	0:30:30	0:30:30
7/22/2025	Utilities	13	Transformer Failure	17:30	18:45	1:15	75	10	12:30:00	4609:29:00	0:30:35	0:30:35
7/28/2025	Utilities	15	Weather	16:05	18:00	1:55	115	1	1:55:00	4611:24:00	0:30:35	0:30:35
8/8/2025	Utilities	WR1	Transformer Failure	3:20	6:00	2:40	160	2612	6965:20:00	11576:44:00	1:16:48	1:16:48
8/12/2025	Utilities	WR2	Vehicle	10:00	11:00	1:00	60	961	961:00:00	12537:44:00	1:23:10	1:23:10
8/25/2025	Utilities	WR1	weather	19:22	20:10	0:48	48	949	759:12:00	13296:56:00	1:28:12	1:28:12
11/4/2025	Utilities	13	Contractor	15:30	16:30	1:00	60	21	0:00:00	13296:56:00	1:28:21	1:28:12
11/4/2025	Utilities	16	URD Failure	22:30	3:30	5:00	300	35	175:00:00	13471:56:00	1:29:30	1:29:22
12/11/2025	Utilities	ELK RIDGE	Unknown	7:29	9:20	1:51	111	175	323:45:00	13795:41:00	1:31:39	1:31:31
12/12/2025	Utilities	WR1	URD Failure	4:30	7:30	3:00	180	50	150:00:00	13945:41:00	1:32:39	1:32:31
12/16/2025	Utilities	14	Contractor	0:30	2:30	2:00	120	14	0:00:00	13945:41:00	1:32:50	1:32:31
12/18/2025	Utilities	ELK RIDGE	weather	3:45	5:45	2:00	120	20	40:00:00	13985:41:00	1:33:06	1:32:46
12/18/2025	Utilities	13	TREE	5:45	9:30	3:45	225	20	75:00:00	14060:41:00	1:33:36	1:33:16
12/22/2025	Utilities	17	Contractor	10:30	11:00	0:30	30	15	0:00:00	14060:41:00	1:33:39	1:33:16
1/1/2026	Utilities	16	Unknown	15:00	16:15	1:15	75	6	7:30:00	14068:11:00	1:33:42	1:33:19
1/28/2026	Utilities	WR2	URD Failure	9:00	10:00	1:00	60	14	14:00:00	14082:11:00	1:33:47	1:33:25
2/6/2026	Utilities	ELK RIDGE	OH Failure	9:30	10:00:00	0:30:00	30	20	10:00:00	14092:11:00	1:33:51	1:33:29
2/17/2026	Utilities	16	weather	10:30	12:00	1:30	90	7	10:30:00	14102:41:00	1:33:55	1:33:33

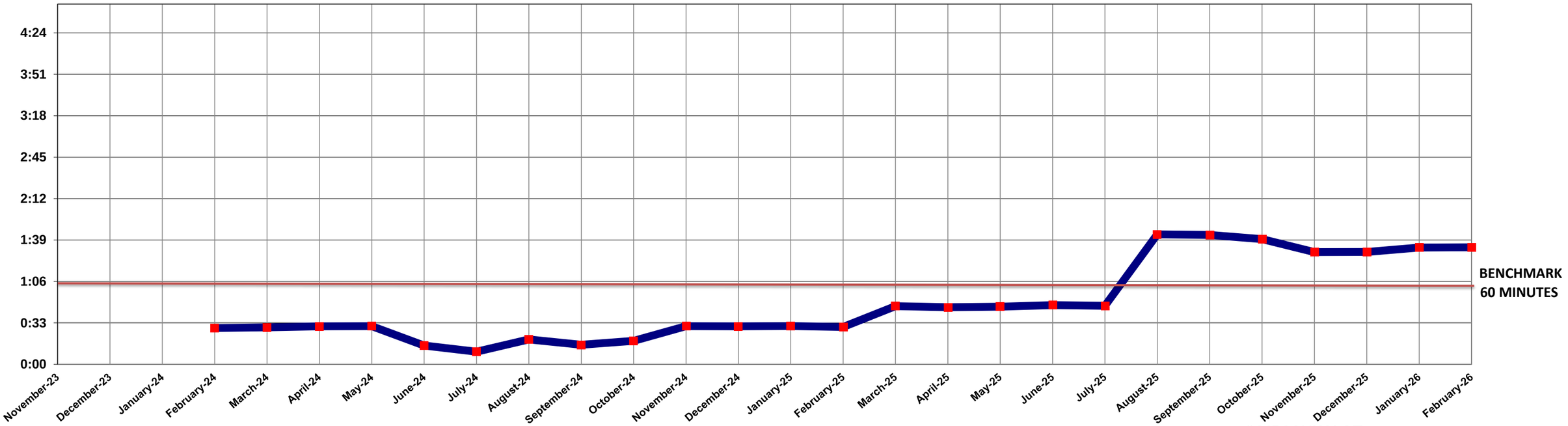
CIRCUIT SAIDI IS CALCULATED ACCORDING TO THE NUMBER OF CUSTOMERS IN EACH CIRCUIT RESPECTIVELY

Running SAIDI Circuit 13	Running SAIDI Circuit 14	Running SAIDI Circuit 15	Running SAIDI Circuit 16	Running SAIDI Circuit 17	Running SAIDI Circuit 18	Running SAIDI Circuit EA4 &ELK RIDGE	Running SAIDI Circuit WR1	Running SAIDI Circuit WR2	Monthly SAIDI	
0:02:02										
						0:04:36				
0:00:54										
								0:09:23		
								0:28:22		
			1:07:37						MARCH	0:18:02
		0:01:57								
	0:01:58								MAY	0:00:31
								0:02:49		
								0:06:15		
								0:02:30		
							0:00:56		JUNE	0:01:20
			0:00:16							
0:55:40										
0:00:27										
		0:00:04							JULY	0:10:20
							7:14:53			
								1:00:00		
							0:47:24		AUGUST	0:11:25
0:00:00										
			0:05:42						NOVEMBER	0:01:10
						1:57:44				
						0:14:33				
0:02:43										
									DECEMBER	0:03:54
			0:00:15							
								0:00:52	JANUARY	0:00:35
						0:03:38				
			0:00:21						FEBRUARY	0:00:08
0:02:57	**0:01:58**	**0:00:00**	**1:07:37**	**#REF!**	**#REF!**	**0:04:36**	**8:03:13**	**1:50:10**	**Total**	**0:19:53**
1655	**539**	**1875**	**1842**	**209**	**213**	**165**	**1586**	**961**	**9045**	
NUMBER OF CUSTOMERS BY CIRCUIT										

EACH POINT IS A MONTHLY SAIDI HISTORY
60 MINUTES = LACDPU SAIDI BENCHMARK

SAIDI = STANDARD AVERAGE INTERUPTION DURATION

SAIDI= (Sum of all customer outage durations)
(Total number of customers served)



SAIDI NOW AT
89 MINUTES

LOS ALAMOS
Department of Public Utilities
Electric, Gas, Water, and Wastewater Services

Monthly Status Report
Accounts Receivables

Joann Gentry
Deputy Utility Manager -
Finance & Administration

Los Alamos County Utilities Department
Active Receivables Over 90 Days Past Due
March 2, 2026

Account	*Customer ID*	*Acct Type*	*Comments*	*90 - 119*	*120 +*
3003988	2215804	RS	Active account as of January 25,2026. Previous unpaid balance	0.00	284.61
3004755	2108528	RS	Utilities off - Lien on file	36.37	311.98
3200648	2216331	CM	Refuse only - Call to customer	0.00	336.00
3006455	2020325	RS	Utilities off - Lien on file	246.30	357.52
3004258	2238686	RS	Utilities off - Lien on file	183.53	523.33
3010031	2047958	CM	Electric Only - Disconnect for Non-Pay	53.92	547.04
3000101	2217357	RS	Utilities off - Unable to lien account	76.92	1,064.53
3003969	2012357	RS	Utilities off - Lien on file	152.09	2,388.79
3002412	2003472	RS	Utilities off - Lien on file	177.26	2,850.15
3007154	2021905	RS	Utilities off - Lien on file	152.03	3,347.38
10	**Accounts**			**$ 1,078.42**	**$ 12,011.33**
					$ 13,089.75

Los Alamos County Utilities Department
Receivables More than 60 Days Inactive Accounts
March 2, 2026

YEAR	OUTSTANDING Mar 2 (DUE)	# OF ACCOUNTS	OUTSTANDING Mar 2 (CREDITS)	# OF ACCOUNTS	Mar 2 (TOTALS)	
FY22	$ 36,702.12	92	$ (6,257.17)	52	$ 30,444.95	144
FY23	$ 28,683.88	105	$ (14,517.90)	101	$ 14,165.98	206
FY24	$ 19,797.37	60	$ (9,188.40)	28	$ 10,608.97	88
FY25	$ 25,714.31	106	$ (13,460.12)	101	$ 12,254.19	207
FY26	$ 14,923.33	69	$ (22,453.02)	126	$ (7,529.69)	195
TOTAL	**$ 125,821.01**	**432**	**$ (65,876.61)**	**408**	**$ 59,944.40**	**840**

YEAR	OUTSTANDING Feb 2 (DUE)	# OF ACCOUNTS	OUTSTANDING Feb 2 (CREDITS)	# OF ACCOUNTS	Feb 2 (TOTALS)	
FY22	$ 36,702.12	92	$ (6,257.17)	52	$ 30,444.95	144
FY23	$ 28,683.88	105	$ (14,517.90)	101	$ 14,165.98	206
FY24	$ 19,797.37	60	$ (9,188.40)	27	$ 10,608.97	87
FY25	$ 25,945.83	107	$ (13,866.88)	103	$ 12,078.95	210
FY26	$ 12,903.60	58	$ (11,713.45)	106	$ 1,190.15	164
TOTAL	**$ 124,032.80**	**422**	**$ (55,543.80)**	**389**	**$ 68,489.00**	**811**

YEAR	Account Type	OUTSTANDING Mar 2	# OF ACCOUNTS	OUTSTANDING Feb 2	# OF ACCOUNTS
FY22	Residential	$ 21,076.51	132	$ 21,076.51	132
	Commercial	$ 9,368.44	12	$ 9,368.44	12
FY23	Residential	$ 6,230.09	183	$ 6,230.09	183
	Commercial	$ 7,935.89	23	$ 7,935.89	23
FY24	Residential	$ 15,568.42	82	$ 15,568.42	82
	Commercial	$ (4,959.45)	5	$ (4,959.45)	5
FY25	Residential	$ 8,660.84	192	$ 8,485.60	194
	Commercial	$ 3,593.35	16	$ 3,593.35	16
FY26*	Residential	$ (1,521.19)	178	$ 903.95	153
	Commercial	$ (6,008.50)	17	$ 286.20	11
TOTAL		**$ 59,944.40**	**840**	**$ 68,489.00**	**811**

*FY2026: A total of $14,923.33 is due from customers, and $22,453.02 should be refunded for overpayments and/or deposits applied to final accounts.

LOS ALAMOS
Department of Public Utilities
Electric, Gas, Water, and Wastewater Services

Monthly Status Report

Risk Management & Safety

Victoria DeVargas

LAC Risk Manager

LOS ALAMOS COUNTY - RISK MANAGEMENT

February 2026

MONTH	ADMIN	EL DIST	EL PROD	GWS	WA PROD	WWTP
	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked
Jan - 2026	2894.0	1444.3	1646.5	2896.0	1080.0	1255.0
Feb - 2026	3458.8	1832.5	1799.5	3606.4	1242.0	1433.8
Mar - 2025	4167.3	1934.8	1881.3	3464.0	1504.8	1535.8
Apr - 2025	3579.0	2079.8	1873.5	3693.3	1478.8	1534.8
May - 2025	4964.7	3097.8	2610.5	5740.8	2084.8	2265.5
June - 2025	3619.0	1852.5	1811.8	3211.2	1408.3	1381.5
July - 2025	3869.0	1918.5	1930.5	3414.7	1469.5	1332.0
Aug - 2025	4018.8	2096.0	2022.0	3899.2	1429.0	1611.8
Sept - 2025	3427.8	1722.0	1891.8	4144.7	1397.5	1502.0
Oct - 2025	5360.5	2491.2	2804.5	5396.5	1900.5	2258.3
Nov- 2025	3546.8	1625.8	1671.5	3498.2	1106.8	1469.0
Dec - 2025	3026.8	1706.5	1666.3	3066.3	1139.0	1354.3
Total Hrs Worked ->	**45932.2**	**23801.6**	**23609.5**	**46031.1**	**17240.8**	**18933.5**
Number of Recordable Injury and Illness Cases*	2	10	0	2	0	0
OSHA Recordable Injury & Illness Incidence Rate	8.71	84.03	0.00	8.69	0.00	0.00
Number of OSHA Days Away Days Restricted (DART) cases	0	0	0	0	0	0
OSHA Days Away Days Restricted (DART) Rate	0.00	0.00	0.00	0.00	0.00	0.00

INJURY DATES:

8-26-25: (ED) employees (10) potentially exposed to asbestos on east gate duct bank project.
9-16-25: (GWS) employee was holding small hose and sustained high pressure injury on his hands.
12-2-25: (ENG) employee potentially exposed to asbestos while working with Los Alamos County.
12-5-25: (ENG) employee hit by vehicle on bike between job sites.
1-23-26: (GWS) employee fell and injured shoulder.

TOTAL UTILITIES PERFORMANCE: 14 INJURIES X 200,000 = 200,000/175,548.7 ACTUAL HOURS WORKED = 15.95 OSHA RECORDABLE INJURIES PER 100 FTE
NATIONAL PERFORMANCE, UTILITIES (NAICS 22): 1.9 OSHA RECORDABLE INJURIES PER 100 FTE
INJURIES REQUIRING MEDICAL ATTENTION BEYOND FIRST AID ARE REQUIRED TO BE CONSIDERED OSHA RECORDABLE INJURIES , RETAINED IN THIS RECORD FOR ONE YEAR, REGARDLESS OF HOW MINOR THEY MAY BE.

DEPARTMENT OF PUBLIC UTILITIES CLAIMS

Information Provided by the County Risk Manager

YEAR	REPORT MONTH	BPU MTG DATE	TORT CLAIMS	WORKERS COMP	PROPERTY DAMAGE
2026	FEB		1) Claimant alleges water damage from increased water pressure.	NONE	1) GWS employee hit side of utility box on vehicle in Bayo Canyon.
2026	JAN	2/18/2026	1) Claimant alleges water damage from increased water pressure.	1) GWS employee fell and injured shoulder.	NONE
2025	DEC	1/14/2026	NONE	1) Employee hit on bike between job sites (ENG) 2) Employee potentially expososed to Asbestos while working with Los Alamos County (ENG)	NONE
2025	NOV	12/10/2025	1) Claimant alleges that water line break caused damage to plumbing.	NONE	NONE
2025	OCT	11/19/2025	NONE	NONE	1) GWS employee broke back window on county truck.
2025	SEP	10/22/2025	1) Claimant alleges that water leak repair clogged bathroom fixtures with sedement, had to hire a plumber to clear sedement and replace gaskets on fixutures.	1) GWS employee sustained high pressure injury from vactor hose.	NONE
2025	AUGUST	9/17/2025	1) Claimant alleges sewage back up. 2) Claimant alleges Wrongful Termination.	1) ED employees potentially exposed to asbestos.	NONE
2025	JULY	8/20/2025	1) Claimant alleges sewer line failed (GWS)	NONE	1) WP employee backed into County truck.
2025	JUNE	7/16/2025	NONE	NONE	NONE
2025	MAY	6/25/2025	NONE	NONE	NONE
2025	APR	5/21/2025	NONE	NONE	1) GWS employee backed into Fire Engine at PCS Warehouse 2) GWS employee hit canopy pillar while backing out of parking space 3) WWTP employee hit the conveyor arm with front end loader
2025	MAR	4/16/2025	1) Sonic Restaurant - awning damage (GWS)	NONE	NONE
2025	FEB	3/19/2025	1) Claimant alleges sewage backup into shower was caused by County (GWS)	NONE	1) GWS employee hit the awning at Sonic w/ Vactor Truck 2) ED employee broke back window of vehicle
2025	JAN	2/19/2025	1) Claimant alleges sewer clean out forced sewage back up into basement. (GWS) 2)Claimant alleges sewer back up on main line caused sewer leakage into crawl space. (GWS)	1) ED employee injured while operating ground tamper.	NONE
2024	DEC	1/15/2025	NONE	NONE	NONE
2024	NOV	12/4/2024	NONE	NONE	NONE
2024	OCT	11/20/2024	1) Claimant alleges leak at downstream fitting caused damage to residence (damage occurred 2/24)	NONE	NONE
2024	SEP	10/23/2024	1) Claimant reported sewage flooded basement	NONE	WP employee backed into pole at LANL.
2024	AUG	9/18/2024	1) Claimaint stepped in uncovered water valve hole 2) Claimant states sewer back up in his basement 3) Claimant states water main leaked into basement causing her to fall	NONE	NONE
2024	JUL	8/12/2024	NONE	NONE	NONE
2024	JUN	7/17/2024	NONE	NONE	Update Resident backed into the side of small dump truck (GWS.)
2024	MAY	6/26/2024	1) GWS- Sewage back up into home. 2) GWS-Water line break that caused flooding into business.	NONE	

YEAR	REPORT MONTH	BPU MTG DATE	TORT CLAIMS	WORKERS COMP	PROPERTY DAMAGE
2024	APR	5/15/2024	1) ED- Claimant states they had damage to furnace and outlets 2) GWS- Claimant states water heater damage after water was shut off for line repair on County side	NONE	NONE
2024	MAR	4/17/2024	1) Claimant states a power surge caused damage to fixtures	1) WP employee sustained injuries from a Motor Vehicle	1) ED employee hit another county vehicle with front bumper
2024	FEB	3/20/2024	NONE	NONE	NONE
2024	JAN	2/21/2024	NONE	NONE	1) Damage to tailgate of dump truck while GWS was loading asphalt.
2023	DEC	1/17/2024	1) Claimant found and removed plastic bucket debris found in their water pipes from main water lines.	1) WWTP employee smashed finger while operating equipment	NONE
2023	NOV	12/6/2023	NONE	WP employee injured his foot when a piece of concrete fell	NONE
2023	OCT	11/15/2023	NONE	NONE	NONE
2023	SEP	10/18/2023	Claimant states water pressure blew off faucet causing flooding in the residence.	NONE	NONE
2023	AUG	9/20/2023	Four claimaints state backflow of sewage into their	NONE	Non-County owned truck hit power pole on the ski hill.
2023	JUL	8/16/2023	NONE	NONE	NONE
2023	JUN	7/19/2023	1) Claimant states alleged failure to detect and rectify a gas leak resulting in damages to residence/property. 2) Claimant states a backed up sewage line pushed sewage into their home resulting in damage to the residence.	NONE	Claim in which a Utilities employee reported that the toolbox slid in the truck he was driving, and it broke the truck's rear window.
2023	MAY	6/21/2023	NONE	A GWS employee alleges leg/ankle strain from being struck by the fender of a dual wheel truck after he allegedly responded to the driver's inquiry at a job site. This injury is reflected in the OSHA Incidence Rate spreadsheet.	A WWTP employee avoiding an oncoming car, misjudged clearance and slid off the road into a tree.
2023	APR	5/17/2023	1) County directed by homeowner to shut off only water service for the winter, but County shut off gas and electric also, causing freezing conditions and plumbing damage in the house 2) Claimant alleges a piece of asphalt left on street by County maintenance crew after repairs became embedded in her tire.	NONE	1) A GWS employee allegedly struck a concrete slab causing significant damage to the underside and steering controls of the vehicle. 2) GWS unit 1216 was found with a broken rear left window where parked under shed behind Bldg. 5; glass on ground; unknown party caused damage.
2023	MAR	4/19/2023	Claimant resident's fence was on County right of way, and ED had to cut the fence in order to work on a transformer. No liability; we recommended denial.	NONE	NONE
2023	FEB	3/15/2023	NONE	NONE	Utilities Hydroelectric employee was plowing snow when he slid into a ditch due to hazardous conditions. Side mirror and wheel/rim were damaged.
2023	JAN	2/15/2023	Claimant reports sewer back-up related to County main back-up. County staff acknowledge responsibility.	NONE	LAPD reported a hit and run damage to a Utility box; no suspects.

Agenda No.:	10.a.
Index (Council Goals):	
Presenters:	Board of Public Utilities
Legislative File:	**20949-26**

Title

Tickler File: March - June 2026

Body

The attached tickler includes proposed agenda items for both the BPU and Council Meetings. BPU meeting dates are highlighted in blue. Council meeting dates are highlighted in yellow. Please send corrections and additional items for the tickler to Kathy Casados.

Attachments

A - Combined Tickler Mar-Jun2026

County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Combined Tickler

BPU & Council
March - June 2026

File Number	Title	
Agenda Date: 03/31/2026		
21392-26	**Briefing/Report (Dept,BCC) - Action Requested** Discussion & Possible Approval of an Extension to the Electric Coordination Agreement (ECA) **Department Name:** DPU **Drop Dead Date:** **Length of Presentation:** **Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply	**Business**
21393-26	**Briefing/Report (Dept,BCC) - Action Requested** Approval of a Short-term Power Purchase Agreement (PPA) up to the Completion Date of Foxtail Flats.... with.... in the amount of $.... for the purpose of..... for the term of.... **Department Name:** DPU **Drop Dead Date:** **Length of Presentation:** **Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply	**Business**
21239-26	**Construction Contract** Award of Bid No. IFB 26-23 for the Purpose of the San Ildefonso Waterline Replacement Project with [Name of Vendor] in the Amount of $[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____ **Department Name:** DPU **Drop Dead Date:** **Length of Presentation:** **Sponsors:** James Alarid, Deputy Utility Manager-Engineering	**Consent**
21241-26	**Construction Contract** Award of Bid No. IFB 26-37 for the Purpose of the East Road Project Waterline Replacement Project with [Name of Vendor] in the Amount of $[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____ **Department Name:** DPU **Drop Dead Date:** **Length of Presentation:** **Sponsors:** James Alarid, Deputy Utility Manager-Engineering	**Consent**
21339-26	**Budget Item** Approval of the Calculation of Revenue Transfer from Electric & Gas Funds for Operations during Fiscal Year 2025 and Approval of Budget Revision 2026-48 **Department Name:** DPU **Drop Dead Date:** **Length of Presentation:** **Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.	**Consent**
AGR1203-26	**General Services Agreement** Approval of Services Agreement No. AGR26-36 with Loftin Equipment Company in the amount of $436,603.00, plus Applicable Gross Receipts Tax, for the Purpose of Mobile 560kW Generator and Maintenance Services for the Term of Seven Years	**Consent**

File Number	Title	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Clay Moseley, Deputy Utility Manager-GWS Services
21410-26	**Construction Contract**	**Consent**
	Award of Bid No. IFB 26-48R for the Purpose of Drilling Five Piers in the White Rock Substation for the Transformer Replacement Project with Sanbros Corp. in the Amount of $435,400.00, plus Applicable Gross Receipts Tax for the Term of 90 Days	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Dennis Astley, Deputy Utility Manager-Electric Distribution and James Martinez, Senior Engineer
21411-26	**Construction Contract**	**Consent**
	Award of Bid No. IFB 26-23 for the Purpose of Installing an Eight-Inch Water Line Replacement on San Ildefonso Rd with [Name of Vendor] in the Amount of $[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Dennis Astley, Deputy Utility Manager-Electric Distribution and James Martinez, Senior Engineer

Agenda Date: 04/01/2026

21199-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Balcony Solar	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply
19943-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	APPA Electric Rate Comparison & Presentation on Effects of Renewables on Electric Rates and Market Purchases Including TOU and Demand Charges	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21046-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Annual Update: Results of the Voice of the Customer Survey	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Catherine D'Anna, Public Relations Manager
21047-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Overview of County Council’s 2026 Strategic Leadership Plan	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** County Council
21048-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Annual Update: Electric Reliability Plan (ERP) for FY2027	

File Number	Title	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Dennis Astley, Deputy Utility Manager-Electric Distribution
21049-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Biannual Update; Integrated Resource Plan (IRP) - Outline for Proposed Scope of Work	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply
21050-26a	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Announcement of BPU Vacancy	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
CO0745-26.1	**Code Ordinance**	**Introduction of Code Ordinance**
	Introduction of Incorporated County of Los Alamos Code Ordinance No. 02-379; An Ordinance Amending Chapter 40, Article III, Sections..... Relating to Gas Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.
CO0746-26.1	**Code Ordinance**	**Introduction of Code Ordinance**
	Introduction of Incorporated County of Los Alamos Code Ordinance No. 02-380; An Ordinance Amending Chapter 40, Article III, Sections..... Relating to Water Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.

Agenda Date: 04/15/2026

20441-26a	**Briefing/Report (Dept,BCC) - Action Requested**	**Consent**
	Award of Bid No. IFB__-___ for the Purpose of [Piedra Loop Electric Primary Replacement Project] with [Name of Vendor] in the Amount of $[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Dennis Astley, Deputy Utility Manager-Electric Distribution
21367-26a	**Briefing/Report (Dept,BCC) - Action Requested**	**Department Business**
	Award of Bid No. IFB26-xx for the Purpose of the Jemez Mountain Fire Protection Phase III Project with [Name of Vendor] in the Amount of $[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** James Martinez, Senior Engineer
21198-26	**Presentation**	**Presentation**
	Final EV Plan Presentation	
	Department Name: DPU	**Length of Presentation:**

File Number	Title	
	Drop Dead Date:	**Sponsors:** Angelica Gurule, Sustainability Manager
21053-26	**Status Report**	**Status Reports**
	Status Reports for March 2026	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21054-26	**Calendar**	**Tickler**
	Tickler File for May - July	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager

Agenda Date: 05/05/2026

21367-26	**Briefing/Report (Dept,BCC) - Action Requested**	**Consent**
	Award of Bid No. IFB26-xx for the Purpose of the Jemez Mountain Fire Protection Phase III Project with [Name of Vendor] in the Amount of $[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** James Martinez, Senior Engineer
20441-26	**Briefing/Report (Dept,BCC) - Action Requested**	**Consent**
	Award of Bid No. IFB__-___ for the Purpose of [Piedra Loop Electric Primary Replacement Project] with [Name of Vendor] in the Amount of $[amount of contract], plus Applicable Gross Receipts Tax	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Dennis Astley, Deputy Utility Manager-Electric Distribution

Agenda Date: 05/06/2026

20148-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Biannual Review of DPU Rules & Regulations - Fee Schedule (done in May & November)	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21201-26a	**Discussion**	**Business**
	Planning for the Annual Board of Public Utilities Presentation to Council	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Robert Gibson, Chair-Board of Public Utilities
21206-26a	**Briefing/Report (Dept, BCC) - No action requested**	**Business** **Business**
	Overview of the ECA Budget Process and Approval of DOE/LAC Resource Pool Budget for Fiscal Years 2027 & 2028	
	Department Name: DPU	**Length of Presentation:**

File Number	Title	
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply
21051-26a	**Closed Session**	**Closed Session**
	Begin Utilities Manager Performance Review	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
21056-26a	**Closed Session**	**Closed Session**
	Statement Regarding Closed Session	
	Department Name: D[U	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
CO0746-26.2	**Code Ordinance**	**Public Hearing**
	Incorporated County of Los Alamos Code Ordinance No. 02-380; An Ordinance Amending Chapter 40, Article III, Sections..... Relating to Water Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.
CO0745-26.2	**Code Ordinance**	**Public Hearing**
	Incorporated County of Los Alamos Code Ordinance No. 02-379; An Ordinance Amending Chapter 40, Article III, Sections... Relating to Gas Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.

Agenda Date: 05/19/2026

21050-26	**Appointment**	**Appointment**
	Board/Commission Appointment(s) - Board of Public Utilities	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Loryn 'Ryn' Herrmann and Philo Shelton
CO0746-26a	**Code Ordinance**	**Intro of Code Ordinance**
	Introduction of Incorporated County of Los Alamos Code Ordinance No. 02-380; An Ordinance Amending Chapter 40, Article III, Sections..... Relating to Water Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.
CO0745-26a	**Code Ordinance**	**Introduction of Code Ordinance**
	Introduction of Incorporated County of Los Alamos Code Ordinance No. 02-379; An Ordinance Amending Chapter 40, Article III, Sections..... Relating to Gas Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.

Agenda Date: 05/20/2026

21206-26b	**Budget Item**	**Business**
	Approval of DOE/LAC Resource Pool Budget for Fiscal Years 2027 & 2028	

File Number	Title	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply
21381-26	**Budget Item**	**Consent**
	Approval of Year-end Budget Revisions (Budget Revision 2026-xx) Recommended Action UPDATE ALL I move that the Board of Public Utilities approve Budget Revision 2025-64 as presented and forward to Council for consideration and approval.	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.
21203-26	**Minutes**	**Consent**
	Approval of Board of Public Utilities Meeting Minutes for April	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
20444-26	**Briefing/Report (Dept,BCC) - Action Requested**	**Dept. Business**
	Review & Possible Approval of Changes to the DPU Rules & Regulations	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21204-26	**Status Report**	**Status Reports**
	Status Reports for April	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21205-26	**Calendar**	**Tickler**
	Tickler File for June - August	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager

Agenda Date: 06/03/2026

21287-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Annual Review of the Utilities Assistance Program (UAP)	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.
21201-26b	**Discussion**	**Business**
	Initial Review of the Board of Public Utilities Annual Presentation to County Council	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Robert Gibson, Chair-Board of Public Utilities
21386-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	Annual Update on the Wastewater System	

File Number	Title	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Clay Moseley, Deputy Utility Manager-GWS Services
21051-26c	**Closed Session**	**Closed Session**
	Utilities Manager Performance Planning	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
21051-26b	**Closed Session**	**Closed Session**
	Finalize Utilities Manager Performance Review	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
21056-26b	**Closed Session**	**Closed Session**
	Statement Regarding Closed Session	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities

Agenda Date: 06/09/2026

21206-26	**Budget Item**	**Consent**
	Approval of Department of Energy / Los Alamos County Electric Resource Pool Budget for Fiscal Years 2026 and 2027	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply
CO0746-26b	**Code Ordinance**	**Public Hearing**
	Incorporated County of Los Alamos Code Ordinance No.02-380; An Ordinance Amending Chapter 40, Article III, Sections..... Relating to Water Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.
CO0745-26b	**Code Ordinance**	**Public Hearing**
	Incorporated County of Los Alamos Code Ordinance No. 02-379 ; An Ordinance Amending Chapter 40, Article III, Sections... Relating to Gas Rate Schedules	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.

Agenda Date: 06/17/2026

21201-26c	**Discussion**	**Board Business**
	Approval of the Board of Public Utilities Annual Presentation to County Council	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Robert Gibson, Chair-Board of Public Utilities
21056-26c	**Closed Session**	**Closed Session**
	Statement Regarding Closed Session	

File Number	Title	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
21292-26	**Minutes**	**Consent**
	Approval of Board of Public Utilities Meeting Minutes - May	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Board of Public Utilities
21291-26	**Briefing/Report (Dept, BCC) - No action requested**	**Dept. Business**
	Department of Public Utilities Quarterly Report for Fiscal Year 2026 - Quarter 3	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager and Catherine D'Anna, Public Relations Manager
19713-26	**Recognition**	**Presentations**
	Recognition of Departing Board Member (if necessary)	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Robert Gibson, Chair-Board of Public Utilities
21293-26	**Status Report**	**Status Reports**
	Status Reports - May 2026	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21294-26	**Calendar**	**Tickler**
	Tickler File for July - September 2026	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager

Agenda Date: 06/28/2026

21065-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	PARKING LOT: Extended Day-Ahead Market (EDAM) Update by UAMPS	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
20742-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	PARKING LOT: Discussion on Utility Data (after UNM Report)	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
20951-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	PARKING LOT: 2026 Electric Coordination Agreement	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply

File Number	Title	
19438-26b	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	PARKING LOT: Foxtail Flats Business Plan	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply
21420-26	**Briefing/Report (Dept, BCC) - No action requested**	**Business**
	PARKING LOT: Hydroelectric Plants Condition Assessment Including Long-Term Plan for El Vado	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Ben Olbrich, Deputy Utility Manager-Power Supply
21421-26	**Briefing/Report (Dept,BCC) - Action Requested**	**Business**
	PARKING LOT: Review of 10-year Budget Plan and Reserve Policies	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Joann Gentry, Deputy Utility Manager-Finance & Admin.
20688-26	**Discussion**	**Presentation**
	PARKING LOT: Briefing on the Broadband Business Plan	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Anne Laurent, County Manager
19400-26	**Presentation**	**Presentation**
	PARKING LOT: Annual LANL Presentation (might be in May w/LANL Budget, see 21206-26a)	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21200-26	**Presentation**	**Presentation**
	PARKING LOT: Mozart Waste to Energy Technology Presentation	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager
21210-26	**Presentation**	**Presentation**
	PARKING LOT: UNM & NMSU Pathways... Findings	
	Department Name: DPU	**Length of Presentation:**
	Drop Dead Date:	**Sponsors:** Philo Shelton, Utilities Manager