



LOS ALAMOS

County of Los Alamos
Minutes
Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

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

Wednesday, November 20, 2024

5:30 PM

Municipal Building, Council Chambers

Public Participation: In person or <https://us06web.zoom.us/j/88515885437>

1. CALL TO ORDER

This regular session of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, November 20, 2024 at 1000 Central Avenue in Council Chambers. Board Chair Robert Gibson called the meeting to order at 5:33 pm. Members of the public were notified of the ability to participate and provide public comment in-person or over Zoom.

The following board members were in attendance:

Present - 7: Members Gibson, Stromberg, Nakhleh, Heavner, Hollingsworth, Shelton, and Laurent

2. PUBLIC COMMENT

Chair Gibson called for public comment on items 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 called for discussion or a motion to approve the agenda.

Member Heavner moved and Member Hollingsworth seconded that the agenda be approved as presented.

The motion passed by the following vote:

YES - 4: Members Hollingsworth, Heavner, Nakhleh, and Gibson

NO - 0: (*Member Stromberg arrived a few minutes after this vote.*)

4. PRESENTATIONS

4.a. [19386-24](#)

Discussion & Possible Action: UNM Project Proposal for Pathway to Zero Natural Gas Usage

UNM Professor Yuting Yang presented and NMSU Profession Jamal Mamkhezri was available for questions. (Both participated over Zoom.) Chair Gibson provided an

opportunity for board questions. The following individuals spoke:

1. Member Hollingsworth
2. NMSU Professor Mamkhezri
3. Member Gibson
4. Mr. Shelton
5. Member Stromberg
6. Member Nakhleh
7. Member Heavner

Next steps: Mr. Shelton and Dr. Yang will draft a contract for the Attorney's Office review.

Chair Gibson provided an opportunity for public comment on this topic. The following individuals spoke:

1. Mr. Paul Parker
2. Mr. Jonathan Erst
3. Sandra Miranda Perez
4. Katie Rosenbaum

Chair Gibson provided an opportunity for additional board comments. The following individuals spoke:

1. Member Stromberg

Member Hollingsworth moved and Member Heavner seconded that the Board of Public Utilities approve this proposal as presented and direct staff to advance this proposal into a contract with UNM to perform research on identifying a pathway to zero natural gas usage.

The motion passed by the following vote:

YES - 4: Members Hollingsworth, Heavner, Nakhleh and Gibson

NO - 1: Member Stromberg

4.b. [19183-24](#) Community Broadband Network Presentation

Mr. Jerry Smith, Broadband Manager presented. He reported that Council approved this project at their meeting on November 19, 2024.

Chair Gibson provided an opportunity for questions from the board. The following individuals spoke:

1. Member Stromberg
2. Member Nakhleh
3. Ms. Anne Laurent
4. Member Gibson
5. Member Hollingsworth

Chair Gibson provided an opportunity for public comment; there was none.

No action was taken on this item.

RECESS: 7:25 - 7:37 p.m.

5. CONSENT AGENDA

Member Heavner moved and Member Nakhleh seconded that the Board of Public Utilities approve the items on the Consent Agenda as presented and that the motions in the staff reports be included in the minutes for the record.

The motion passed by the following vote:

YES - 5: Members Hollingsworth, Heavner, Nakhleh, Stromberg and Gibson

NO - 0:

- 5.a. [18083-24](#) Approval of Board of Public Utilities Meeting Minutes - October 2024

I move that the Board of Public Utilities approve the meeting minutes as presented.

6. PUBLIC HEARINGS (None)

No action was taken on this item.

7. DEPARTMENT BUSINESS (None)

No action was taken on this item.

8. BOARD BUSINESS

8.a. Chair's Report

Chair Gibson reported on these items:

1. The White Rock WRRF Ribbon Cutting took place on November 6th.
2. Council approved the Climate Action Plan.
3. The Financial Audit Exit Conference concluded on November 19th. His service on the Audit committee is completed, but Departments still have work to do.
4. The November B&C luncheon was postponed - not rescheduled yet.

There were no comments or questions from the board.

No action was taken on this item.

8.b. Board Member's Reports

Member Heavner reported that the only citizen comment that he received at Farmer's Market on October 20th is that the rate design information should be kept simple. There were no comments or questions from the board.

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 board questions. There were none.

No action was taken on this item.

8.d. County Manager's Report

Ms. Laurent presented the following:

1. ICMA Accreditation was approved.
2. Strategic Planning with Senior Management Team took place on November 14th.
3. Strategic Planning with Council took place on November 15th.
4. WinterFest kicks off on December 9th.

There were no questions or comments from the board.

No action was taken on this item.

8.e. Council Liaison's Report

Council Vice Chair Cull reported on items of interest to the board and department from the following Council Meetings:

November 12, 2024

1. Approved lease of electric golf carts.
2. Approved Chapter 16 changes to the Charter regarding clarification P&Z zone maps.
3. Approved changes to the cemetery schedule.
4. There was a site selection for Fire Station #4 (same basic location.)
- 5 Presentation of the Climate Action Plan

November 15, 2024

Council Strategic Planning - primarily updated strategic objectives (formerly priorities.)

November 19, 2024

1. Approved agreements for Community Broadband
2. Discussed the possible purchase of three real property lots on Diamond Ave across from the High School. Discussion to continue on December 3rd.

Chair Gibson provided an opportunity for comments or questions from the board. The following individuals spoke:

1. Member Stromberg

No action was taken on this item.

8.f. Environmental Sustainability Board Liaison's Report

Mr. Jesse Deringer reported in Council Chambers that the ESB met last week to get consensus on the Climate Action Plan (CAP). It was approved by the ESB by a vote of 7-0 and was passed by Council. They also discussed some ways to put the CAP into action; mainly community outreach. There were no comments or questions from board.

No action was taken on this item.

8.g. General Board Business

8.g.1. [18795-24](#) Approval of the Board of Public Utilities Annual Self Evaluation Results

Chair Gibson let a discussion regarding what the board could do with the results:

1. Member Stromberg would like to go over Article V of the Charter and would like to do so on an annual basis.
2. Member Stromberg also asked for a tutorial on the profit transfer. Ms. Kendall stated that she would present the revenue transfer to the board in January or February 2025 and will include a presentation on the profit transfer.
3. Member Nakhleh expressed concern that the survey instrument needs to focus better

on key questions.

4. Member Gibson proposed forming a Working Group to formulate new questions and asked if there were any volunteers. Members Stromberg and Hollingsworth volunteered.

5. Member Hollingsworth asked if they could contact board members outside of a meeting. Attorney Thomas Wyman responded that contacting members individually could be considered a "rolling quorum" and advised that the Working Group present suggestions to the full BPU at a work session.

Chair Gibson called for a motion on this item. There was no further discussion.

Member Heavner moved and Member Nakhleh seconded that the Board approve the 2024 Self Evaluation Results as presented.

The motion passed by the following vote:

YES - 5: Members Hollingsworth, Heavner, Nakhleh, Stromberg and Gibson

NO - 0:

8.g.2. [18796-24](#)

Discussion and Possible Approval of the 2025 Board of Public Utilities Meeting Calendar

Chair Gibson led a discussion on the proposed 2025 calendar. He mentioned that the June and October meetings were proposed for the 4th Wednesday due to County Holidays. He then provided an opportunity for comments from the board.

The following individuals spoke:

1. Member Nakhleh - recommended keeping June and October as presented due to County Holidays.
2. Mr. Shelton - agreed with Mr. Nakhleh.
3. Member Heavner - presented recommendation from Ms. Casados that the December 3rd meeting be moved to December 10, 2025 due to staff workload and holidays.

Chair Gibson then called for a motion. There was no further discussion.

Member Heavner moved and Member Nakhleh seconded that the Board of Public Utilities approve the proposed board meeting calendar for 2025 as amended.

The motion passed by the following vote:

YES - 5: Members Hollingsworth, Heavner, Nakhleh, Stromberg, and Gibson

NO - 0:

8.h. Board Expenses (None)

Mr. Shelton mentioned that two UAMPS opportunities would be included on the December 4th agenda.

No action was taken on this item.

9. STATUS REPORTS

9.a. [18094-24](#)

Status Reports

Mr. Philo Shelton reviewed the October reports which were included in the meeting packet. He mentioned that a lightning strike on the PNM system in November will be listed separately in the next report since it was a transmission related outage.

Chair Gibson provided an opportunity for questions from the board. The following

individuals spoke:

- 1. Member Gibson commented on Accounts Receivables

No action was taken on this item.

10. UPCOMING AGENDA ITEMS

- 10.a. [18072-24](#) Tickler File December 2024 - February 2025.

Chair Gibson reviewed the tickler provided in the meeting packet. He commented that the Chair, Vice Chair, and Utilities Manager would review the tickler at their next monthly meeting (scheduled for November 22, 2024.) There were no comments or questions from board members.

No action was taken on this item.

11. PUBLIC COMMENT

Chair Gibson provided an opportunity for public comment on any item. There was none.

No action was taken on this item.

12. ADJOURNMENT

The meeting adjourned at 8:20 p.m.

APPROVAL

Board of Public Utilities Chair

Date Approved by the Board

Minutes transcribed by: Kathy Casados, Executive Assistant

ATTACHMENTS

- 8.c. Utilities Manager's Report 11/20/24

Utilities Manager's Report
November 20, 2024

1. For Elk Ridge, staff has fielded several questions from consultants who are proposing on a new gas system design where the proposals are due next week. Once Yes Communities accepts and awards a design proposal, I should be able to let the Board know the timeline to complete the design. All indications are to have the construction phase start and be completed for next summer's construction season.
2. DPU currently has one vacancy within the department due to an employee promotion to another vacancy within the department. This Water Systems Electrical Technician opening is currently advertised.
3. N3B and NNSA held their last quarterly Environmental Management update for the calendar year. However, next month, EM should be able to release the third-party expert recommendation next month the the path forward with the chromium plume. N3B has performed a partial restart of the pump and treat system along the boundary with San Ildefonso.
4. For the Jemez Mountain Fire Protection, staff responded to some initial comments from FEMA on the grant request, and we are told we should have the technical comments by the end of this week. Due to the large snowstorm, the groundbreaking for the state funded portion of the water line project will be rescheduled for the spring.
5. The White Rock Water Resource Reclamation Facility ribbon cutting was well attended, and Environment Secretary Kenney really enjoyed the event, and he said he would like to attend others in the future. I want to thank staff for organizing this event.
6. UAMPS Projects:
 1. For CFPP, DOE accepted the 17 asset allocations, and the next steps are valuing these assets. These efforts will likely run into next year, however, the goal is to wrap up the project before the administration changes.
 2. The Rodatherm geothermal project has applied for a DOE grant to assist with project development costs, and they are seeking financing for the project. Rodatherm has until January 30, 2025, to obtain funding for the project to move forward.
 3. The Cove Fort 2 Study Project for geothermal energy took a turn for the better where the contractor, Ormat, removed the annual cost escalator proposed on the draft power purchase agreement. The offer is now for \$100/MWh over 25 years. In comparison with the CFPP when considering today's costs would have been \$103/MWh for firm around the clock type thermal resource. Also, last month we exited the gas peaking plant study that had a proposed levelized cost of energy estimated between \$147 to \$159/MWh depending on the cost of gas. I requested participation for 6 MW out of the 35 MW phase 2 study project. DPU ended up receiving 4.2 MW of proposed subscription because there was strong interest in the project from other UAMPS

members. Ormat has invited interested members to tour Cove Fort 1 in January. Since this project is a second phase, it already has a sub-station and transmission connections. This project will move quickly, BPU will need to decide early next year on if to move forward on this project.

4. UAMPS financial readiness assessment is still scheduled for this December. This will allow for a peer review which will be a good review of our financial status.

7. Last week, APWA had three evaluators on site to review our operations. Staff got 90% of the way there to receiving the APWA accreditation and we have 45 days to wrap up our application. I anticipate we will wrap up our evaluation right after the Thanksgiving holiday and we hope early next year to receiving a positive review and accreditation. I want to extend a big thank you to Cathy D'Anna and Abbey Hayward for their efforts toward our path to accreditation.

8. Last week I attended Council and County Senior Management Team strategic planning meetings. Council will consider approving their Strategic Leadership Plan on December 3rd.

9. Finally, I attended a tour with our state and federal legislative staff to show them the County's ICIP projects.