

**Utility Manager's Report  
August 18, 2021**

1. Justin Lujan with the Gas Water Sewer Crew is the safety employee of the quarter. This past year and a half, he was assigned to maintain the steel gas line cathodic protection systems. His efforts have brought more than 90% of the steel gas line under cathodic protection and as a result DPU is able to experience a safe gas distribution system and achieve a low leak rate when compared to the national average. Congratulations to Justin!
2. I would like to thank Robert Westervelt for his nine years of service who is retiring soon. Heather Garcia, DPU Business Manager, will serve as acting Deputy Utilities Manager for Finance and Administration for the balance of this calendar year.
3. In the past two weeks six County employees have tested positive with COVID-19 and two were from DPU. One employee was vaccinated and the other was not. The County has an indoor mask mandate and is in the process of implementing a testing regime for unvaccinated employees to help slow the spread.
4. BPU Strategic Planning Session is scheduled for Tuesday, September 7<sup>th</sup> at 1PM in room 330.
5. Attended the UAMPS annual conference in California. Topics included cyber security, responding to extreme weather events, mitigation of liabilities from wildfires, renewable and sustainable energy future, changing market dynamics, green hydrogen, benefits of strategic planning, and review of energy legislation and policy.
6. The hearing for a Joint Motion for Joiner to Stipulation regarding the PNM/Avangrid merger case is before the PRC, Case Number 20-00222-UT. LAC's expert witnesses will testify today. The hearing should be completed by the end of this week.
7. Staff is working with the ownership group in drafting a term sheet to allow for the Farmington and Enchant proposal to proceed. A follow up meeting is scheduled for next week.
8. The AMI project installer is suspending work for 4 to 6 weeks while it waits for delivery of the 133 commercial gas meter end points. To date, the AMI contractor completed 7,101 gas endpoints, 6,859 water endpoints and 7,104 electric endpoints. Ferguson held a training on the outage management program last week and testing of this program is on-going.
9. The LANL Technical Working Group met to review well construction methods used at LANL.

10. Office Renovation is nearing completion with the general contractor and the furniture contractor is schedule to install the new furniture on August 25<sup>th</sup>.
11. Wrote a joint letter with Triad in seeking support from PNM to facilitate a joint meeting between LANL, County, PNM and Lumen to advance the Fiber Optic Under-Build Project on the PNM transmission line from Santa Fe.
12. The Bid for the El Vado Transformer Replacement Project resulted in receiving no bids. While two contractors were interested in the project, we learned that the transformer order and delivery timeframe is nearly a year. Next, staff plans to solicit bids and purchase the transformer from the manufacturer and then secure a separate contract to install this transformer.
13. The Bayo one-million-gallon storage tank receive two competitive bids; however, the costs of the bids were well above the available budget. Staff is working with NMFA staff to break this project into two. The first phase is to receive approval to use the existing loan/grant funding to improve yard piping and cover over the existing tank. The second part of the project is to seek a new loan/grant for the 1-million-gallon tank under the next grant cycle.
14. The White Rock Water Resource Recovery Plant has been placed out to bid. Board and Council will review and approve the bid at their October meetings.
15. Attended additional meetings regarding the American Rescue Plan Act (ARPA) Funds. Water and Sewer projects developed after March 1, 2021, and projects cleared by NMED can qualify for these funds. DPU is seeking some relief from the elevated bid pricing received this year due to pandemic market pressures. While there are favorable loan rates at 1%, for every \$1 Million dollars in loans, it requires six cents per thousand gallon in water rates to support that loan repayment.
16. Reviewed the Emergency Response Plan for Los Alamos Canyon Dam. Several updates have been made to this plan. While no damaged was observed, LAC has had two small earthquakes within the last year, and as a result of this plan review, staff is recommending retaining an on-call contract with the dam engineer should a design for a repair be required.
17. Attended several capital project meetings on DP Road, Downtown Overlay, and Ski Hill Waterline. For the Ski Hill Waterline Project, Tesuque Pueblo is seeking a site visit over the next couple of weeks.