

## Council Meeting Staff Report

November 18, 2020

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<b>Agenda No.:</b>	6.C
<b>Indexes (Council Goals):</b>	DPU FY2022 - 6.0 Develop and Strengthen Partnerships with Stakeholders
<b>Presenters:</b>	Bob Westervelt
<b>Legislative File:</b>	13451-20

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### Title

Approval of Nomination of Engineering Associate Ben Olbrich as Los Alamos' Member on the New Mexico Municipal Energy Acquisition Authority (NMMEAA) Board of Directors

### Recommended Motion

**I move that the Board of Public Utilities approve nomination of Engineering Associate Ben Olbrich as Los Alamos' member on the New Mexico Municipal Energy Acquisition Board and forward to Council with a recommendation for approval.**

### Staff Recommendation

Staff recommends that the Board approve the nomination as presented.

### Body

The Joint Powers Agreement (JPA) that formed the New Mexico Municipal Energy Acquisition Authority (NMMEAA), as amended, provides for a Board of Directors appointed as follows. The Cities of Gallup and Las Cruces are "Parties" to the JPA, and each appoints two directors. Los Alamos County and the City of Farmington are "Participating Utilities". Los Alamos County will nominate one person to serve on the NMMEAA Board of Directors, and the City of Farmington will nominate two persons. Nominees of the "Participating Utilities" require acceptance of the members representing the "Parties".

Utilities Manager John Arrowsmith represented Los Alamos County to NMMEAA since inception and was officially nominated to the Board by Council on October 28th, 2008 after the JPA was revised to guarantee Los Alamos a seat on a seven-member board, as described above. Mr. Arrowsmith was reappointed in October 2013. Upon Mr. Arrowsmith's retirement in July 2014; Deputy Utilities Manager of Finance and Administration Robert Westervelt was nominated by Council as Los Alamos' member on the NMMEAA Board and was reappointed in 2018. Mr. Westervelt is planning on retiring within the coming year. So as to affect a smooth transition the Department is recommending a replacement be appointed now. Mr. Olbrich is responsible for Natural Gas nominations and scheduling for Los Alamos, and has the knowledge and experience working with NMMEAA to serve in this position. Mr. Olbrich would begin serving in this position upon acceptance of his nomination by the "Parties" at the next regular meeting of the Board of Directors.

The JPA language is as follows:

"The Energy Acquisition Authority shall be governed by a seven-member board of directors (the "Board"). Each director shall have current experience in the operation of municipal utilities, the acquisition of energy supplies, and/or municipal finance in general, and shall be appointed as follows:

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- A. The governing body of each Party shall appoint two directors.
- B. The fifth director shall be nominated by the Incorporated County of Los Alamos, New Mexico ("Los Alamos"), as the owner of a municipal utility utilizing long term energy supplies, and shall be voted upon by the four Party-appointed directors.
- C. The sixth and seventh directors shall be nominated by the City of Farmington, New Mexico ("Farmington"), as the owner of a municipal utility utilizing long term energy supplies, and shall be voted upon by the four Party appointed directors.
- D. The governing body of each Party shall appoint replacement directors to fill vacancies in the Board positions appointed by that Party. Vacancies in the fifth, sixth, and seventh director positions shall be nominated in the manner described in subsections (B) and (C) of this section 3, and shall be voted upon by the four Party -appointed directors. All replacement directors shall have the qualifications set described in the introductory paragraph of this Section 3.
- E. No director shall be a currently serving elected public official of the governing body of either Party to this agreement or of the governing body of a municipal participant.
- F. Each director shall have a term of office of 4 years, unless removed by appropriate action of the local government appointing or nominating that director. Directors may be reappointed or renominated for additional terms as provided in this Section 3.
- G. The Board of Directors shall request nominations for the fifth, sixth, and seventh director positions, as provided in subsections (B) and (C) of this section 3, at least every four years or more frequently in the event of a vacancy. The Board of Directors shall provide written notice to Los Alamos or Farmington that it will accept the nomination of a replacement director or directors for a thirty (30) day period and that, if no nomination is received, the Board of Directors will appoint a replacement director or directors for the next term or remainder of the existing term.

Note, in practice nominees have historically been presented for approval by the Board before expiration of a previous term or vacancy, and thus action under section G above has not been necessary.

### **Alternatives**

The Board could choose not to approve appointment of Mr. Olbrich.

### **Fiscal and Staff Impact**

None

### **Attachments**

None