



Buckman Direct Diversion



AGENDA

CITY CLERK'S OFFICE

DATE 6/28/18 TIME 9:36

The City of Santa Fe
And
Santa Fe County

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Buckman Direct Diversion Board Meeting

THURSDAY, July 5, 2018

4:15 PM

CITY HALL

CITY COUNCIL CHAMBERS

200 LINCOLN

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE JUNE 7, 2018 BUCKMAN DIRECT DIVERSION BOARD MEETING
6. REPORT ON JULY 3, 2018 FISCAL SERVICES AUDIT COMMITTEE (FSAC)

INFORMATIONAL ITEMS

7. Monthly Update on BDD operations. (Michael Dozier)
8. Report from the Facilities Manager. (Charles Vokes) **VERBAL**
9. Update on BDD Treatment and Water Quality Items. (Glorieta GeoScience and Charles Vokes) **VERBAL**

CONSENT AGENDA

10. Request for approval to extend chemical contract bids for an additional year from various awarded vendors for a total amount of \$336,000 for FY18/19. (Michael Dozier)

11. Request for approval to reauthorize unexpended funds approved by the BDDDB from the BDD Capital Carve-out budget. (Mackie Romero)
 - a) Request for approval of Budget Amendment Resolution \$344,811
12. Request for approval of Amendment #1 in the total amount of \$43,000 exclusive of NMGR for On-Call Repair of BDD Infrastructure for FY18/19. (Sub Surface Contracting, Inc.) (Mackie Romero)
13. Request for approval to enter into a Joint Funding Agreement with the US Geological Survey in the amount of \$53,219 for operation and maintenance of the monitoring station equipment for FY18/19. (Mackie Romero)

DISCUSSION AND ACTION

14. Request for approval to accept a policy with American Alternative Insurance Corp. for the BDD Insurance Policies including Real Property coverages in the amount of \$131,642. (Mackie Romero and George Segura, Daniel's Insurance)
15. Request formal adoption of the Fiscal Year 2019 Annual Operating Budget in the amount of \$8,544,624 plus \$626,706 in contributions to the Major Repair and Replacement Fund. (Mackie Romero)
16. Request for approval to carry forward unexpended funds from the FY17/18 Operating Budget to the FY18/19 Operating Budget. (Mackie Romero)
 - a) Request for approval of Budget Amendment Resolution \$590,000

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT REGULAR MEETING: Thursday, August 2, 2018 @ 4:15pm, City Council Chambers, 200 Lincoln

ADJOURN

EXECUTIVE SESSION

"In accordance with the New Mexico Open Meetings Act NMSA 1978, Section 10-15-1 (H)(2) and Section 10-15-1 (H)(7), discussion regarding pending litigation in which the BDDDB is a party and limited personnel matters."

End of Executive Session

PERSONS WITH DISABILITIES IN NEED OF ACCOMODATIONS, CONTACT THE CITY CLERK'S OFFICE AT 505-955-6520, FIVE (5) WORKING DAYS PRIOR TO THE MEETING DATE

MINUTES OF THE
THE CITY OF SANTA FE & SANTA FE COUNTY
BUCKMAN DIRECT DIVERSION BOARD MEETING
July 5, 2018

1. This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting was called to order by Councilor Peter Ives, Chair, at approximately 4:15 p.m. the City Council Chambers, 200 Lincoln, Santa Fe, New Mexico.
2. Roll was called and a quorum was present with the following members present:

BDD Board Members Present:

Councilor Peter Ives
Ms. Denise Fort, Citizen Member
Councilor Michael Harris
Commissioner Anna Hamilton
Commissioner Anna Hansen [County alternate]

Member(s) Excused:

Commissioner Henry Roybal

Mr. Tom Egelhoff [non-voting]

BDD Board Alternate Members Present:

Councilor JoAnne Vigil Coppler [City alternate]
Mr. JC Helms [Citizen alternate]
Ms. Ginny Selvin [Las Campanas non-voting alternate]

Others Present:

Charles Vokes, BDD Facilities Manager
Nancy Long, BDD Board Counsel
Mackie Romero, BDD Financial Manager
Bernardine Padilla, BDD Public Relations Coordinator
Debra Harris-Garmendia, BDD Fiscal Administrator
Daniela Bowman, BDD
Michael Dozier, BDD Operations Superintendent
Michael Kelley, County Public Works
John Dupuis, County Utilities
Shannon Jones, City Public Utilities
Cheryl Vokes, Citizen
Alex Puglisi, City Water Division
Marcos Martinez, City Attorney
Bruce Frederick, County Attorney

George Segura, Daniels Insurance
Mary Erpelding Chacon, Las Campanas Co-op
Jay Lazarus, Glorieta Geoscience, Inc.

3. Approval of Agenda [Exhibit 1: Agenda]

There were no changes offered and Commissioner Hamilton moved to approve the agenda as published. Commissioner Hansen seconded and the motion passed by unanimous [5-0] voice vote.

4. Approval of Consent Agenda

CHAIR IVES: Any changes from staff?

CHARLES VOKES (Facilities Manager): Mr. Chair, no changes from staff.

CHAIR IVES: Very good. Any changes are requests to pull items from the Board?

COMMISSIONER HAMILTON: No.

CHAIR IVES: Councilor Harris.

COUNCILOR HARRIS: I have a couple, thank you, Chair. I have a couple of quick questions on numbers 11 and 13, maybe in the nature of observations almost.

COMMISSIONER HAMILTON: So do we need to pull those?

CHAIR IVES: Do you want to make the observations publicly or privately?

COUNCILOR HARRIS: Yeah, that's the intention of my obtuse statement.

CHAIR IVES: Okay, very good. We love clarity as opposed to obtusity.

COMMISSIONER HAMILTON: I move the amended consent agenda.

CHAIR IVES: Is there a second?

COMMISSIONER HANSEN: Second.

CHAIR IVES: Motion and second to approve the consent agenda as amended.

The motion passed by unanimous [5-0] voice vote.

Consent agenda Items:

- 10. Request for approval to extend chemical contract bids for an additional year from various vendors for a total amount of \$336,000 for FY18/19**
11. [See page 18]
- 12. Request for Approval of Amendment #1 in the total amount of \$43,000 exclusive of NMGR for On-call Repair of BDD Infrastructure for FY19/19 – Subsurface Contracting, Inc.**
13. [See page 20]

5. Approval of Minutes: June 7, 2018

CHAIR IVES: Any changes from staff?

MR. VOKES: Mr. Chair, no changes from staff.

CHAIR IVES: Very good. Any changes from the Board? Commissioner.

COMMISSIONER HANSEN: Yes. So on page 2, approval of agenda, and I know this is a problem always. On approval of agenda it says, "Commissioner Roybal was not present and Commissioner Hamilton served as alternate." It should say "Commissioner Hansen serves as alternate." And, then again also down under 4, it says, "Commissioner Roybal was not present and Commissioner Hamilton..." and it should be "Hansen." And then approval of minutes, I believe that I said the whole thing on line 27. I don't believe Commissioner Hamilton said on page 27, under approval of minutes. It goes, Councilor Ives, it goes Charles Vokes, Chair Ives, I'm sorry, and then it goes Commissioner Hansen on page 27, I believe that is me. I'm sorry, on page 12. And then it says Commissioner Hansen again, so I think that I said all of that. And Hamilton didn't say anything. We're right here, Commissioner Hamilton, on page 2, line 35.

COMMISSIONER HAMILTON: I'm fine with it.

COMMISSIONER HANSEN: You see, right here on page 12. Mr. Chair, then it says on page 12, where I said, "it should be Yolanda Vigil ..."

COMMISSIONER HAMILTON: Oh, yeah, I don't remember saying that.

COMMISSIONER HANSEN: She concurs with me that I said all of that. And then also let's go over to page –

CHAIR IVES: Before leaving that page, are you clear on the direction to be made?

COMMISSIONER HANSEN: She's used to me making corrections, so she knows.

CHAIR IVES: Just making sure.

COMMISSIONER HANSEN: Then on page 3, line 11, it also should be Commissioner Hansen instead of Commissioner Hamilton. And – I'm sorry, I didn't have any yellow-stickies when I was reading the minutes. Okay, I think that's it.

CHAIR IVES: Very good. So you've captured those corrections. What is the pleasure of the Board with regards to the minutes with the amendments?

COUNCILOR HARRIS: Move to approve.

COMMISSIONER HAMILTON: I'll second.

CHAIR IVES: Motion and a second. Any further discussion?

COMMISSIONER HANSEN: Move to approve with changes.

CHAIR IVES: Yeah, that was the predicate I stated. So we have a motion and a second. All those in favor signify by saying "aye." Any opposed? Any abstentions? Very good, our minutes, as amended, are approved.

The motion passed by unanimous [5-0] voice vote.

6. Report on July 3, 2018 Fiscal Services Audit Committee (FSAC)

MACKIE ROMERO (BDD Financial Manager): Mr. Chair, members of the Board, a Fiscal Services and Audit Committee meeting was held on Tuesday, July 3rd. In attendance was myself, BDD Financial Manager, from the County we had Commissioner Hamilton, County Manager Kathryn Miller, Stephanie Schardin Clarke, County Finance Director, Joe Gonzales, County Utilities Administrative Manager, John Dupuis, County Utilities Director. From the City we had Andrew Erdmann, Water Resource Coordinator and from Las Campanas, Ginny Sullivan and Mary Chacon.

I provided an update on the fiscal year 16/17 BDD audit and financial statements which is due to the State Auditor on July 16th. We are on track for meeting that deadline. The County finance director that was in attendance also recommended that during our fiscal year 17/18 audit engagement that we meet with City and County finance staff to coordinate presentation of the financial statement disclosures and any notes in the financial statements. That was a great suggestion and I'll make sure we get together to do that.

We discussed in detail consent agenda items 10, 11, 12 and 13. The committee did request an expected end date for the BDD capital carve-out funding which I will provide back to the committee and Board as soon as I get with Mr. Carpenter. He is not in today.

We also discussed action items 14, 15 and 16 which the committee did have some comments on action item number 15 which I will go over during my presentation of those items. Are there any questions or comments from those who attended FSAC?

COMMISSIONER HAMILTON: Yes, I just wanted to commend Mackie. Those meetings are always useful but this one she presented so much really good information it was an excellent, very worthwhile meeting. I really appreciate all the information.

MS. MACKIE: Thank you.

CHAIR IVES: Other questions? Timing of that City-County meeting in light of delivery deadlines – any sense of when that follow-up meeting will occur?

MS. MACKIE: What meeting was that?

CHAIR IVES: You mentioned that at the recommendation of the County Finance Manager –

MS. MACKIE: Oh, yes. That would be for our audit for the fiscal year that just ended. I don't know when the audit it going to begin for BDD but once that engagement does begin – I haven't met with City Finance yet. We will coordinate a meeting all together to be proactive to make sure that all of the entities are reporting any notes or clarifications from all the partners of BDD.

CHAIR IVES: Very good. Thank you for your report. Appreciate that.

MS. MACKIE: Thank you.

INFORMATIONAL ITEMS

7. Monthly Update on BDD Operations

CHAIR IVES: Welcome.

MICHAEL DOZIER (BDD Operations Superintendent): Mr. Chair, members of the Board, the average million gallons a day flows are as follows: the raw water diversions were 9.39 million gallons a day. The drinking water deliveries through Boosters 4A/5A were 7.58 million gallons a day. Raw water deliveries to Las Campanas was 1.48 million gallons a day. And the treated and non-treated water storage was at .33 million gallons a day.

The BDD is providing approximately 65 percent to the City and County water system supply and I stand for any questions.

CHAIR IVES: Questions from the Board? Board Member.

BOARD MEMBER FORT: The question that I asked last month and you didn't have any information about whether or not the river will be turned off by Albuquerque –

MR. DOZIER: So it is my understanding that the river will not be turned off at any time during the summer. It should run through August. I was not a part of the meeting but Mr. Carpenter did say that the City is going to assist with the idea of adding water to the river along with Albuquerque and the Rio Grande Conservancy. So we should have water through August.

BOARD MEMBER FORT: Mr. Chairman, was that the same meeting we talked about at the prior meeting?

MR. DOZIER: Yes, it was the same meeting.

BOARD MEMBER FORT: And perhaps in light of today's enormous storm, something has changed, but Mr. Vokes would you comment on this? It seems to me that they're probably meeting on more like a weekly basis from my understanding.

MR. VOKES: Mr. Chair, Member Fort, I know that Mr. Carpenter was at a meeting last week. I haven't gotten an update from him. I'm sure if there was really important news that he probably would have sent that out. So we can certainly email the Board and let you know that the status continues based on the most current information. So we can do that.

BOARD MEMBER FORT: Thank you.

CHAIR IVES: Other questions. Councilor Harris.

COUNCILOR HARRIS: Excuse me, Mr. Dozier, I don't know when the – June 26th is when the report was created. In your statement it struck me that you said the reservoirs are 22 percent full. The reservoir is expected to be empty by July 4th. That's how it reads. What happened? Is that a fact?

MR. DOZIER: Those are the reservoirs for the Canyon Road Water Treatment Plant they do not pertain to us, I guess I would say so –

COUNCILOR HARRIS: I know they don't but I just wondered. This was your report so I thought you might have some information on that.

MR. DOZIER: Currently, I believe that Canyon Road is still on but they will be shutting down in the next few days.

COUNCILOR HARRIS: Okay, all right. Thank you.

CHAIR IVES: Commissioner, yes.

COMMISSIONER HANSEN: Reservoirs are not empty. They are just at the place where they are not releasing water; is that correct?

MR. DOZIER: The Canyon Road reservoirs are not empty but when they get to a certain point they cannot treat the water anymore so it is low enough that they're getting to the point where they will be shutting down.

COMMISSIONER HANSEN: So what is the level at which the Canyon Road – what is the percentage and I see since Alex and Shannon, what is the level at which the reservoirs are turned off? Because I think empty is the incorrect word to use.

MR. DOZIER: I believe that would probably be a better question for Alex or Mr. Jones.

COMMISSIONER HANSEN: Hi, Alex, nice to see you.

ALEX PUGLISI (City Water Division): Madam Board Member, members of the Board, it is true that the reservoirs are not empty right now. They're actually about 24 percent and actually I was up there last week and they have not turned over in terms of algae and thinks like that. But when the reservoirs get too low like 14 percent it becomes unusable because we'll get an algal bloom and it will affect the quality of water. We have too much total organic carbon in the water to actually treat and serve to our customers. But there could still be river releases so living river release or other releases that are being made for acequias. In the past we have maintained those releases it's just that we would not want to use the water for treatment. The other thing is that once it gets down to about 10 percent we get to our dead pool which means we can't pump anymore so we're below the lowest valve .

COMMISSIONER HANSEN: At the moment we're at 24 percent.

MR. PUGLISI: Correct. That's the number that I am seeing here.

COMMISSIONER HANSEN: Okay, and hopefully –

MR. PUGLISI: That's total storage. So Nichols is a little bit higher because they moved water down from McClure to Nichols to keep it high so that it will not turn over and McClure is lower.

COMMISSIONER HANSEN: And, hopefully, that thunderstorm that we're experiencing right now – we're happy that it's there and we're grateful that the rain is coming down.

MR. PUGLISI: And actually I was talking to the staff at the plant today and Nick is running the plant now, and they were telling me that they're hopeful that they may be able to maintain the plant if we do get some flows. But right now they think they could definitely go for more than a few days so maybe a week or two weeks if we don't get any rain. If we get rain, hopefully, longer than that.

COMMISSIONER HANSEN: Okay, thank you very much.

MR. PUGLISI: Thank you.

CHAIR IVES: Other questions? Very good. Michael, thank you for your report.

MR. DOZIER: Thank you.

8. Report from the Facilities Manager

MR. VOKES : Mr. Chair, members of the Board, good afternoon. I have a few items that I would like to report to the Board.

First, I would like to let you know that per Councilor Harris' suggestion of hiring an inspection company for the vibration bracing at the raw water life station, we

discovered that that firm also does certification testing on welders. And so we actually have two of our staff that did take the test and passed the test; Chris Encinias who is a lead mechanic and Rubel Gallegos who is a BDD repairman. So we now have two certified welders on staff. So that was a good opportunity and both staff members took advantage of it.

The next item that I have is our vacancy report. We are currently at seven vacancies. We have an administrative assistant position which is currently being filled by a temp. We are looking at that position and the whole financial team because I received Debra Harris-Garmendia, her resignation on Friday. She is being stolen by the City to be the new controller. And so we want to look at that group and determine whether we want to hire a new administrative assistant or what that will look like. So for a little bit it's going to be the Mackie Romero show, still, again.

We have two advance water treatment operator positions that are vacant. However, they will be filled by two of the BDD operators. We're waiting on paperwork to work its way through the system to get those promotions in place. We also have two charge operator positions. One of those has been selected from an AWT and again we're waiting on paperwork from I guess the second floor here. And one of those is advertised and I think the advertisement is closing perhaps this week so we'll be doing interviews for that position.

And then the final position is the water resource coordinator position and that position has kind of been put on hold. We're looking at organization and perhaps doing something different with that one also. That's the seven vacancies that we have.

I also wanted to mention the project management and fiscal service agreement or as we would like it named, the support entity and fiscal service agreement. As you know, this is an agreement that is looked at every five years and then it is determined whether either the City or the County or something else will support the BDD. The latest version of that, I believe, went to the City back in May of '16 and then there's been some conversation about it since then and you all have just passed that on a monthly basis. So we're still waiting for that agreement. The reason I'm bringing this up is that we received notification from the City finance group that they were concerned about us not paying our fleet and our IT bills. So we informed them that as part of the support entity agreement that was included. I believe that we're going to be setting up a meeting with City finance and the BDD staff to work through that issue. But I wanted to bring that to the Board's attention.

The committee that looks at the support entity agreement, typically there's been a group assigned to do that. From the County it is the public works director and public utility director and financial manager in the group or their designee. The City, it's the public utilities director, the financial manager and the water resource and conservation manager. And then from the BDD, the facilities manager, the financial manager, and then the administrative assistant also participated in the work up of that agreement.

I believe that Nancy has sent the latest version of the agreement back to legal and back to the rest of the group to be reviewed and so that's really where the status of that agreement is, is working out the final details and then bringing it back to the Board for a decision. So I will take questions on that issue or any other issues from the Board. Thank you.

CHAIR IVES: Questions from the Board?

BOARD MEMBER FORT: Mine is on a somewhat different topic. In the minutes at page 5 we had a discussion about setting the study session on water quality standards and I just would like to keep it – I know that Kyle is maybe unavailable today – but I just would like to keep it on the agenda and be assured that it is on your list of things to happen.

MR. VOKES: Yes, thank you for the reminder and I will get with Kyle and we will see how soon we can get that achieved.

BOARD MEMBER FORT: And, Mr. Chairman, it would certainly be fine from my perspective if it were set up by the Buckman staff rather than or in addition to Kyle.

MR. VOKES: Okay, thank you.

CHAIR IVES: Commissioner.

COMMISSIONER HAMILTON: Going back to the fiscal services agreement. So mention of the committee that had been formed two years to work on this, I would like to recommend that that committee be reinstated as staffed previously. First of all, my understanding is that the County just received a bunch of revisions from the City at least from Bruce Frederick to look at; is that true? It's a draft.

NANCY LONG (BDD Board Counsel): Mr. Chair and Commissioner Hamilton, I would describe it as some sort of minor revisions that were made based upon some City input that we received having to do with the default provisions being mutual rather than just one-sided. I had to redo some of the recital paragraphs just to take care of history. But I would say that they were fairly minor changes but it may be that he hasn't seen it in a long time.

COMMISSIONER HAMILTON: Okay, so my thinking on this is that this thing has floated around for two years now and a lot has potentially changed in two years. Mr. Vokes just pointed out an issue that the City has brought up that's new, a new issue about items that are not in their view included under the fiscal service agreement under whatever the percentage the fee is actually settled on. And Mr. Vokes just suggested that BDD staff and the City are going to talk about that and I actually feel like that is something that needs to be discussed on a broader basis including all the partners and I would like to see information for example – and potentially revision of the agreement to reflect more accurately what's included in the fiscal services agreement and what the associated costs are as a way of determining what the percentage really should be. It's very likely that 1 percent isn't enough but 4 percent is a lot and especially if other things are going to be added excluded from that 4 percent and added. I think having the committee together and actually gathering the data on what the real costs are would be a good way to go. So that's my suggestion.

CHAIR IVES: And I think it's a very good suggestion. Certainly, having the group that has been working on this for an extended period of time picking up that charge would be very helpful. I think it would also be helpful at least for us depending on how much of that history that we have and understand to have if nothing else a study session so that we can dive into those same issues. And I would love to do that on a sooner rather than later basis especially if there are questions being raised by the City about the inclusion of certain costs because two years, quite frankly, is too long to have been letting that float out there. So I think finding a time specifically to hold a study session would make great sense and we should definitely try and move that forward.

COMMISSIONER HAMILTON: One might interpret a study session as being like for them to inform us as a board and so, not that it is not a good idea, I agree. And frankly, I would have no objection to adding the chair and vice chair from the Board to the committee as described by Mr. Vokes and also in a little more detail by Mackie at that Tuesday financial services part of the – whatever we call ourselves. I always get the initials wrong. I think that would be really valuable because this thing is floating around and there's a process that we discussed on Tuesday that this committee actually proceeded with that would address some of the things that are just technically addressable with facts, you know, factually addressable. Nancy, do we need – should this be a motion if we actually want to do this?

MS. LONG: Mr. Chair and Commissioner Hamilton, we don't have that agreement or matters related to that agreement as an action item on your agenda. But I think this discussion –

COMMISSIONER HAMILTON: But it was part of Mr. Vokes' report.

MS. LONG: Yes, but taking action on it, I would not recommend. I think you're making a recommendation as well as the Chair is, is what I am hearing, maybe putting this committee back together and then maybe having a session with the Board and the staff can certainly work on that if that's what we're hearing.

COMMISSIONER HAMILTON: I would appreciate that.

CHAIR IVES: Well, I think the objective would be to create an agenda item for addressing the revised MOU and action either, I don't know if next month is too soon given getting this group together and –

COMMISSIONER HAMILTON: I don't think it is too soon.

CHAIR IVES: -- in which case why don't we tentatively have an agenda item for our next meeting that we'll consider approval of the redrafted form of the MOU.

MS. LONG: Mr. Chair, I would suggest that if there is an inclination to put a committee back together and then maybe have a preliminary session with the Board before it's approved, that next month would be too early for the Board to approve such an agreement. But there could be an action item related to the process that the Board would like to see and we could make recommendations as to who should be on that committee and put that group back together.

COMMISSIONER HAMILTON: I misunderstood you, Mr. Chair, I don't think it is too soon to get the committee together. The committee will take some time. Certainly one of the things that needs to be pulled together is the support information on what the costs are to the City for doing the services. What services are included and how those should be worded in a new agreement. So I was thinking you were asking me whether it was too soon to get the committee together and that's what I feel we should do as soon as possible. And I would say we take a couple of months maybe, but that's partly up to the committee.

CHAIR IVES: Well, and it sounds like this is a committee that was formed and I don't know whether it was formed based upon titles, i.e., positions held or particular individuals. If it was positions held then I think we simply want to direct that committee to do its work and get 'er done and bring it to the Board with all deliberate speed. Maybe not this coming month of August but maybe September is a fine time to try and have this issue settled.

COMMISSIONER HAMILTON: That sounds good to me. I think that's – I do believe it was formed on positions and I think that's a great recommendation. I appreciate it.

CHAIR IVES: Commissioner.

COMMISSIONER HANSEN: Since I have not been in the loop on this but since the positions are the group I would like to know what the positions are so I assume that we could discuss that next month.

COMMISSIONER HAMILTON: No, he just read them out and Mackie summarized it at the financial meeting.

COMMISSIONER HANSEN: Yeah, I heard a number of the names but I don't have that all in front of me. So could we hear what the positions are that are on the financial committee again?

MR. VOKES: In the original agreement it was recommended that from the County it would be the public works director, the public utilities director and the financial manager. From the City, the public utilities director, the financial manager and the water resources and conservation manager. From the BDD, the facilities manager, the financial manager and the administrative coordinator. Those positions, I know the committee they had designees, so the committees were at least since I've been here not made up of those actual people in those positions but many times of designees, where someone else was asked to attend instead. But that was the list from the original plan.

CHAIR IVES: So I think requesting that group to gather in that the Board would like to be able to make a decision based on recommendations brought forward in September given that it's been two years in process hopefully could be accomplished. I sense some hesitancy but if we don't set a goal as they say, it'll never get done. Let's set that goal and if we can't meet it, we can always adjust it but that gives us a reasonable period of time especially if there have been modifications going back and forth. So it sounds like it is everybody's crosshairs for dealing with. Councilor.

COUNCILOR HARRIS: Yes, I have spoken to this in the past because it has been two years and we budgeted the last two years at 4 percent and we budgeted for this year at 4 percent and it has been at 1 percent during that time. So, you know, I don't know what the fiscal services agreement, what the current draft looks like, and what level of analysis went in to determine if it was 4 percent. Are there other factors that have come up in the last two years? But really, this is time to resolve it. And maybe this process works. It sounds a little bit cumbersome to me. I'm almost inclined to see what the County attorney has to say, see what our people have to say and see what it looks like and get a chance to look at it. Maybe there is an analysis in there that is not clear to us now but anyways it is a little disheartening to hear that we're going to reconstitute a committee, it sounds like a fairly cumbersome committee to me with designees, and so – that's all I have to say. And maybe it can move faster than what I think but, again, my issue is what's been budgeted and what's been agreed to prior to us but there's been no implementation in the meantime the City is fiscal agent at 1 percent so anyways, I'd just as soon see the agreement quite frankly, after it's been touched by the County attorney and the City attorney.

COMMISSIONER HAMILTON: Mr. Chair.

CHAIR IVES: Yes, Commissioner.

COMMISSIONER HAMILTON: Two things. First, this is not the new start of the committee. So there's a lot of stuff that they don't have to do. And they should be able to start from where the information that was left off from last time. So – but the very fact that the City is proposing to put charges through to the BDD that haven't been done all these past years and there's no way to ascertain by read of the current agreement whether those things actually should be part of the 1 percent or 4 percent or 3.792 percent or whatever it should be. I suggest that it shouldn't be that cumbersome of an exercise to update the financial information that was generated. There are some people, including Mackie who is a carry-over from [inaudible] and has a lot of historic knowledge. So there are a lot of things they don't have to go through and do but understanding and redrafting the justification for the percentage and what's actually covered under that fee I think is needed.

COMMISSIONER HANSEN: And also on the County side, we have a new public works director. We have a new utility director and we have a new financial manager. And I feel that all of those people need to be brought up to speed and be included in the conversation. So that would be really important to me.

COUNCILOR HARRIS: So, again, I'm certainly willing to work with my colleagues from the Board from the County any anybody else and if we do kind of start down this road once again that we know that there's going to be an adjustment for the last two years from the City. So let's just say we end up at 3 percent, well, I would want to see an adjustment for the last two years plus any – for the months also associated with this in terms of fiscal agency. And maybe that will provide a little more impetus to get this done and get this resolved. But that's what I've been saying for a couple of months now is to get it resolved.

COMMISSIONER HAMILTON: And why would you want to see the fee to be retroactive for all of that time?

COUNCILOR HARRIS: Well, again, if it's a real cost to the City then – and if your point of view, Commissioner, is to really identify what's appropriate in terms of fiscal agency then that would apply to what's going forward as well as what's happened in the little over last two years. So anyways, this is something that needs to be resolved and it's money and I think that the sooner the better. And, again, I'd like to see where we stand after the attorneys bless it. I don't think that that really gets in the way of anything. It kind of just tells us where we stand now and maybe there's more there than we think but maybe we still need to move forward. You can still reconstitute the committees. Anyways, that's probably all I have to say.

CHAIR IVES: And we do want to move on but I would say hopefully that the conversation to this point has indicated that everybody else wants to get this moved forward and resolved as well. So shooting for September I think is a reasonable time. We likewise have a new director of public works, that wasn't one of ours but a new financial manager coming in so it's fair to state that we'd like to make sure that everybody is up to speed and knowledgeable. And of course I think the fact that we have budgeted the last two years for the 4 percent indicates some of the thinking for where we are all on that particular issue but we can deal with those details after we get the recommendation of the group that has been constituted to make a recommendation to this body. So we will move forward accordingly.

Chuck, anything further in your report?

MR. VOKES: Mr. Chair, I think not.

CHAIR IVES: Very good. And we had the reading of Doubting Thomas at the Mass earlier this week so I was glad that Board Member Fort went and opened the window so we could see what that strange sound was and stick our fingers in it sort of speak.

COMMISSIONER HAMILTON: I was going to do the official thank you also for this rare event.

9. Update on BDD Treatment and Water Quality Items

MR. VOKES: Mr. Chair, as you are aware we have been reporting the last two months on where this committee is so we felt that it was appropriate to bring you a report so that you would understand the work that has been done this past month. So I'm going to introduce Jay Lazarus with Glorieta GeoScience to give you that update.

JAY LAZARUS: Chairman, Commissioners, Councilors, thank you. We've been working to try and wrap up the TREAT 1 through 4 studies and determine our path forward. A lot of the study has been centered around the granular activated carbon, the GAC, sort of like something out of Mars Attack or something like that. The interesting thing about the GAC and these processes is the GAC is a biological filter and also a disposal media. So there's actually a function and a disposal aspect to the GAC that has to be addressed that hadn't been addressed before. And we actually have five tasks ahead of us and this was determined in meetings with myself, Mr. Carpenter, Mr. Puglisi, Mr. Schneider and Mr. Vokes and the first one is we're going to wrap up TREAT 1 through 4. We're going to post documents on the web. Documents have been provided to BDD staff. They have not been posted on the web yet but staff has that and we're looking forward to them being posted on the web. We're looking at possible correlations between the plant and the river data and the results of that. This will be very helpful in setting up what we're going to call TREAT 5 and 6. Remember the TREAT studies are looking specifically at the finished water. We look at the chemistry in the treatment train as part of it and Mr. Bearzi explained that in great detail at the last Board meeting. But at this point in time we're going to use the 1 through 4 data to set up TREAT 5 and 6.

We're also going to develop standard operating procedures and make sure that we do these in conjunction with LANL because they have a lot of – I'm going to try and not use acronyms and if I do tell me not to – but the standard operating procedures will be looking at what LANL has for theirs. Our company also works for the Nye County Nuclear Waste Office that has Yucca Mountain in the test site within Nye County. We'll be comparing those SPOs to what we've developed for Nye County.

Also, we're going to work with whatever analytical laboratory that BDD selects to make sure that the sample results are in format that is easily uploadable and we don't have to go through laborious data entry, quality assurance, quality control of moving it from a lab sheet to a spread sheet and then having somebody check all of that. So hopefully we'll be able to have whatever analytical laboratory is selected post that directly into the format that BDD has.

We're going to be developing health and safety plans, standard operating procedures, sampling and analysis plans, quality assurance project plans, data quality

objectives for the GAC sampling for both TREAT 5 and 6 and GAC. These have not been developed earlier and were not part of the TREAT sampling or the GAC sampling.

We're also working with Mr. Dozier looking at the specific points within the sampling train. We call the plant effectively we've got the sampling train within the plan. So we're working with Mr. Dozier to identify all the myriad of different sampling locations that he's got. Whether it's instantaneous readouts or other type of sampling to identify which would be most appropriate to sample in both TREAT 4 and TREAT 5 as well as the river water and what we're looking at in the sampling train. And as some of you may or may not remember there were some spurious results from the laboratory showing different points in the treatment train where the total, specifically zinc, was less than the dissolved and it can't just work that way. So we're working with that. And then we'll be doing GAC sampling for radionuclides, metals, volatile organics and semi-volatile organic compounds. And really it's about establishing appropriate sampling and pathway to determine whether or not there is any type of materials that might require other regulatory interaction for disposal of the GAC. And we will be, our company will be overseeing the actual GAC sampling once that is all developed and that's where we're going to be heading on this and what will be posted to the website is a TREAT study summary, raw data table – and all of this has been provided to BDD staff to be uploaded to the website – the quality control protocol document, a power point presentation which Mr. Bearzi presented at the last meeting and the explanation of the limitations of the study document. And I'll be happy to answer any questions.

CHAIR IVES: Questions of the Board? Commissioner.

COMMISSIONER HAMILTON: I guess the general timeframe is for what you just presented.

MR. LAZARUS: Well, based on what I heard it's going to be a little – we can put together all of the acronym work over a couple of month period depending on what we get back from LANL and how that interaction goes. But if the river is going to be shut off – it may or may not be, thank you – but if the river is going to shut off in August that will definitely have a big impact on being able to do the sampling that we want to do. We're also very interested in determining whether what has been originally designed as a complete recycle facility is actually concentrating contaminants within the recycling process itself. Personally, whenever I see a zero discharge facility I sort of raise my eyebrows and wonder how that works no matter where it is or what it is. But we're looking to see if any contaminants are being concentrated within the treatment train as part of the total recycling too. I hope that answered your question.

COMMISSIONER HAMILTON: Yes, that's good. I mean I assume, so some of the process, SOPs and the sampling plan all have to come before the additional sampling, the GAC sampling is a separate issue from the water treatment train sampling so I presume except for getting those SOPs done that could happen, potentially, sooner than TREAT 5 and 6.

MR. LAZARUS: Well, I think we'd want to include that – [Power outage occurs] We want to put together all of the SOPs and all the acronyms for the GAC and the TREAT study for the finished water all at the same time. That will really lead to the greatest efficiencies in putting these together. And so for TREAT 5 and TREAT 6 what we want to make sure is that we're sampling the river both in times of low turbidity and

high turbidity to see how the plant is reacting to that also. So, there's certain art to determining when we're going to be able to have those kinds of conditions too.

COMMISSIONER HAMILTON: That's great, thanks. Thank you, Jay.

CHAIR IVES: On that point, am I correct in remembering that the TREAT 5 was at least scheduled for sometime around September, i.e., this fall?

MR. LAZARUS: That would be our anticipated time. Once, again, depending on river flows.

COUNCILOR HARRIS: Mr. Chairman.

CHAIR IVES: Councilor.

COUNCILOR HARRIS: Thank you, Mr. Lazarus. I know we had to cut your colleague short a month ago and I think you probably took that to heart and so you've given us a lot of information in a very short period of time. So I'm wondering if the information that you've relayed how that will be available. I know we talked about TREAT 4 and 1 through 4 being posted on the website but what you described in the protocol will that show up as part of your quality assurance statement which, again, was explained to us by Mr. Bearzi that typically the definition of how you're going to proceed in many ways the questions you want to ask are – anyway, how will this program, this phase of it, be expressed for our understanding as well as the public understanding?

MR. LAZARUS: Mr. Chairman, Councilor, everything that we described and that I tried to get through quickly, including Mr. Bearzi's power point, is supposed to be posted to the BCC website. When that happens that is up to staff. I know that they have been provided everything from Mr. Bearzi and the technical team to post it to the website so that's something that BDD staff has to undertake and get onto the website.

COUNCILOR HARRIS: Okay.

MR. LAZARUS: Anything we do in the future for developing all of these sampling procedures and quality assurance procedures and things like that, we would strongly urge staff to post that to the website too to have as much transparency as possible with our customers.

COUNCILOR HARRIS: Okay, very good. That was my question. Do you have anything to add to that, Mr. Vokes, in terms of posting the website and what kind of timeline we would be looking at there?

MR. VOKES: No, I believe that the information has been shared and that's actually Ms. Padilla's job is to put it on the website and she should be able to do that within the next few days, I would expect.

COUNCILOR HARRIS: All right. Okay.

MR. VOKES: Thank you.

COUNCILOR HARRIS: Thank you.

CHAIR IVES: Commissioner.

COMMISSIONER HANSEN: So is this information that's going to be placed on the website, is it something that I, as a layperson, am going to be able to understand what you're saying?

MR. LAZARUS: I would say that you're going to see a voluminous Excel table that your eyes will cross, okay. But all the other documents are as plainspoken as we could have them. I really believe that for laypeople's best understanding the power point would really be the best tool, Commissioner. We tried to present the power point in as simple and plain – or develop the power point and present it in a simple and plain

language as we could. And that really is a summary of everything else that would be posted to the website. Was the power point in plain enough English?

COMMISSIONER HANSEN: Yeah, but I did not really feel like the power point gave me any information at all. Like I want to know what's the level of plutonium. What's the level of chromium that you found. And for me to read these tables is a little sometimes beyond my – I'm not a PhD in biology. I have a Master's degree and I can certainly read all of this information but you know to understand the effect that it has on our water quality and what is really happening is something that I want to know. I am concerned.

MR. LAZARUS: Mr. Chairman, Commissioner, I don't want to read the tables either, okay. So the summaries we have are all very straight forward. There has to be a certain amount of technical terms in it because that's how we do it. If you'd like, we'd be happy to meet with you and staff to go over them to make sure that you think they're in a format or a type of syntax that would be user friendly to someone who is not here. I think the most important thing, I appreciate your concerns and everyone's concerns, but I think it's really important to remember that the staff at the Buckman Direct Diversion is providing drinking water to the community that meets all, meets or exceeds all drinking water standards. And I think that's the message that we have to get out to the community. Even though there have been some representations that there may be contaminants in there that we don't necessarily agree with the representation or the analysis, all the drinking water standards, federal and state drinking water standards are currently being met and I think that's the message we have to get to the public and I think that was made pretty clear in the power point presentations last meeting.

COMMISSIONER HAMILTON: Mr. Chairman. Just to follow-on from that. I just wanted to point out that for example there is a graph of plutonium that shows the values and the detection limits which are higher and the safe drinking water standard for gross alpha which is the controlling standard for plutonium which is much higher than that. So from the table there is a relatively straight forward summary. So are you asking for like a verbal summary of conclusions from these graphs that should be posted as well?

COMMISSIONER HANSEN: I think something like that might be helpful, you know, for the public to have some reassurance in the water quality. I think it's great to say that we have met all drinking water standards but the reality is is that there is no drinking water standards for certain elements like plutonium and, you know –

COMMISSIONER HAMILTON: There is a controlling standard for plutonium.

COMMISSIONER HANSEN: There might be a controlling standard but there are things that are in the water that do not have – and I don't have a list in front of me right now but maybe it would be of benefit for me to meet with you and discuss my concerns.

MR. LAZARUS: Sure, we'd be happy to do that, Commissioner.

COMMISSIONER HANSEN: Okay.

CHAIR IVES: And if there are issues with that that are reasonable to get up on the website to note that according to the standard operating procedures everything that is normally tested for is well within the bounds of the drinking water quality standards but there are other items that are not tested for. I suppose one could state that

but I would hope it would be accompanied with a statement about why those are not tested for if that makes sense because I imagine that the impact on health are not necessarily clear and some is that they haven't gotten to them yet and some they don't want to. I don't know but I hate to try and alarm people unnecessarily if we're meeting all the standards and just want to say there might be other things out there. I don't think we're serving anybody's purpose if we be alarmists.

COMMISSIONER HANSEN: I have no intention to be an alarmist. We do have a nuclear laboratory on the hill and we have contaminants that are coming down the hill into our water and that is a fact. It's not always known what those contaminants are. How high the radionuclides are, how dense they are and so we are in a very unique situation. There are only two or three, five nuclear laboratories in the country and this one happens to be right above our water system, where we're taking water.

CHAIR IVES: Commissioner.

COMMISSIONER HAMILTON: A couple of things. I think it's very right to be concerned about things we know about, right. So we know what kinds of things to test for from LANL and I think some of those, most of those, have been tested for. The radionuclides are a standard thing to test for. The Commissioners is also correct that there are a lot of things that aren't regulated. Many of those things are like pharmaceuticals, personal care products, hormonal-mix – there are things that EPA has not done. There is a growing body of literature to document their status but of course right now there's a hold on EPA from doing any criteria development. But I believe and maybe Mr. Vokes can speak to that but part of the objectives, one of the objectives for doing the TREAT studies was to look at a much broader array of things. This isn't really – as far as my earlier part of my statement was to indicate that some of these things don't address Commissioner Hansen's point about looking at concerns related to LANL which is sort of separate. But I think part of the idea of the TREAT study was to look at a broader spectrum of contaminants and understand what things are treated for because you understand that like a sewage treatment plant a lot of water treatment plants are built to treat for things that we know about and certain kinds of common contaminants. And we have all sorts of what EPA calls "emerging contaminants of concern" and I am pretty sure the study looked at a broader spectrum of these things to find out which things happened to get treated for even though they were never originally a target of the process and which things aren't and are passed through it. So some of that information is documented as well and I think that is to the credit of the BDD to try to put forward that information which are in the tables. And certainly we could do a lay summary, an executive summary of those results and post that as well.

MR. LAZARUS: Mr. Chairman, Commissioner, I am glad you brought up the term emerging contaminants. And the reason is, our company has published an Mcons. Several years ago we started looking at them for other types of clients we have. And the reason they were called emerging contaminants is because a few years ago is only when the laboratories had equipment that they could get their detection limits down to the parts per billion concentrations. So in a certain sense it is not quite brand new but it is brand new because of the laboratory detection abilities now have been going down more to the parts per billion detection concentrations and mostly looking at what's coming out of sewage treatment specifically. The radionukes, that's just pretty common. Very often for uranium there's the standard for the actual uranium as a quasi-metal and

may effectively do a better job in treating whatever the plant can treat. There are certainly things that we're required to treat that we are treating and meeting those standards and surpassing those standards. There are some things that we are reducing and then there are some things that we are not equipped to treat and we are talking in parts per trillion, parts per billion levels. And so that was the original point of the study was not to get carried away in the science but simply provide a tool to the operations staff that maybe they increase the dose of ozone at one point of the year or maybe we do a better job backwashing the biofilters or maybe it is appropriate to change out the carbon on a three-year basis or a five-year basis based on these results. We've gotten a little bit bogged down in the results but have forgotten about the purpose of the study which is to allow the staff the information they need so they can optimize the treatment so that whatever we treat is done the best that we can do regardless of even better than what the standards require us to do. So that's my attempt to kind of bring this make if I may, thank you.

CHAIR IVES: I appreciate the clarity. I think ultimately we're going to move forward on both these fronts in due course. Other questions in connection with the report? In that case, thank you for your report, Mr. Vokes.

CONSENT AGENDA

- 11. Request for approval to reauthorize unexpended funds approved by the BDDDB from the BDD Capital Carve-out budget**
 - a. Request for approval of Budget Amendment Resolution \$344,811**

CHAIR IVES: This item was pulled, Councilor.

COUNCILOR HARRIS: Yes, I am very aware of our time so I will be very brief. I didn't know when I looked at the historic costs and this goes back quite a ways, well before my time. And so I guess what I was struck by is that we had a total historic cost, we had a total of \$483,000 for professional services both engineering and legal. That's 694,000 in terms of the various vendors for habitat mitigation and other things. And so I was just wondering if those historic costs were essentially startup costs and why they were so high in comparison to the work that was done. And then also, I mean I know we're moving forward with projected expenses, but at what point does this program wrap-up or does it go on for another round yet to come? And if so, can we take advantage of the work that's been done historically?

MS. ROMERO: Mr. Chair, Councilor Harris, unfortunately, Mr. Carpenter is not here so I will do my best to try and answer some of these questions. He's the project manager on this project. You are right, the committee did ask for an end date on this project so I will get with him to see. As you know, this money is just about spent and if that will do everything that the project was intended to do or is there additional costs that BDD's operating budget would have to incur to finish this out.

You are correct, there were major costs in the beginning and that was to restore the habitat down at the river as part of the permits and agreements that we had. Right now the plan was to go back and look at the habitat plan and update that if any update is necessary. It does take a couple of year for those plants and see if they've survived and possibly having to replant some additional planting down at the restoration down there.

COUNCILOR HARRIS: Right.

MS. ROMERO: And I don't know if Mr. Vokes would like to add anything in addition to that habitat restoration project.

MR. VOKES: Mr. Chair and Councilor, I don't know that I have any additional information. Mr. Carpenter is really the one that has been driving this project. If we want to do a more detailed report we can certainly put that on the agenda for next time.

COUNCILOR HARRIS: Yes, I'd like to hear just a little more information about the program. And like I say, what started me down this road was I was just struck by the imbalance, what I see as an imbalance between the professional services and like you say the habitat restoration. But, again, if that's the initial, the start-up costs for the plan I would just like to know where we stand and if in fact this last allocation will wrap us up for the time being anyways.

MS. ROMERO: Okay, yes, we will bring that back. Thank you.

COUNCILOR HARRIS: Thanks. I'll move to approve, Chair.

CHAIR IVES: Very good. We have a motion is there a second?

COMMISSIONER HANSEN: I'll second but I have a comment.

CHAIR IVES: Board Member Fort, first.

BOARD MEMBER FORT: Mr. Chairman, I feel like I am not as well informed. I am informed in a general way about what's going on here but I would actually ask for parliamentary advice, but would there be any difficulty if we waited until a meeting where we have everyone present who can talk a little bit more? I don't even understand the share, Buckman's share of these expenses. I'm not sure what legal expenses are going to be going forward and so. I would like more discussion.

COUNCILOR HARRIS: I'll withdraw.

CHAIR IVES: Let me direct a question to ask as to whether or not postponing this matter to say the next meeting of the Board would cause any difficulties from timing perspectives with any of this?

MS. ROMERO: Mr. Chair, members of the Board, so the budget was already approved. It's kind of ongoing. It's been carrying over every single year and I brought this back for a reauthorization just to kind of be more in line with the City's policies as far as budgeting. They don't technically do multi-year budgeting. But from a sense, this is ongoing projects and expenditures keep occurring so this is just to take care of actually budgeting it and trying to be more in line and financially sound in getting this money budgeted and getting your approval to budget these funds.

CHAIR IVES: I know we have request for the formal adoption of the fiscal 2019 annual operating budget as a matter. Are you saying that this rolls up into that?

MS. ROMERO: This is different. It's separate. We track it in a separate fund within BDD's operating budget so we call this the carve-out. This is just a separate fund and, again, I was just trying to get this budgeted to be more in line with some of the City's financial policies as far as budgeting goes.

CHAIR IVES: What I'm hearing is that it would not be a bad thing to postpone until we have staff here to answer questions.

MS. ROMERO: That's okay. We would be okay to do that.

CHAIR IVES: Okay. What is your desire with regards to your motion?

COUNCILOR HARRIS: I'll withdraw my motion.

CHAIR IVES: The motion is withdraw and acceptable to the second.
What is the pleasure of the Board?

COMMISSIONER HANSEN: I just want to comment that I agree with Councilor Harris that I would like more information about this also. So I think that's perfect.

BOARD MEMBER FORT: Move to table.

CHAIR IVES: Do we want table or do we want to postpone until the next Board meeting?

COUNCILOR HARRIS: Postpone.

BOARD MEMBER FORT: Move to postpone.

CHAIR IVES: We have a motion to postpone until the next Board meeting. Is there a second for the motion?

COUNCILOR HARRIS: Second.

CHAIR IVES: We have a motion and a second. Any further discussion?

The motion to postpone passed by unanimous voice vote.

CHAIR IVES: Thank you, Mackie. And we'll try to make sure staff is here to answer any questions that the Board might have at the next meeting.

MS. ROMERO: Yes.

13. Request for approval to enter into a Joint Funding Agreement with the US Geological Survey in the amount of \$52,219 for operation and maintenance of the monitoring station equipment for FY 18/19

CHAIR IVES: Again, Councilor Harris.

COUNCILOR HARRIS: Thank you, Chair. So I see this is a three-phase project under a joint funding agreement. I assume since USGS as the party of the first part is not participating in the third phase, I assume they participated in phase one and phase two. So this might be a question for Mr. Vokes, because phase three is for operation and maintenance of the monitoring equipment – how does this work? I mean, we are paying USGS to operate and monitor the equipment; is that correct?

MR. VOKES: Yes.

COUNCILOR HARRIS: Okay, that's what I thought. So we assume this is probably going to be an annual ongoing cost for the near future or maybe forever?

MR. VOKES: Yes, Mr. Chair and Councilor, yes, that's the intent. As long as we need the data that is coming out of that station as part of the stormwater monitoring program then we would continue to pay them to operate it. This particular station sits about 1,000 feet above the diversion and it collects the information that the Otowi Gauge doesn't collect. So the difference between those would then be due to a runoff either from Los Alamos Canyon or other canyons that would flow into the Rio Grande.

COUNCILOR HARRIS: Okay, and remind me this is for the coming year but were they on the job essentially for the fiscal period we just – have they been operating and monitoring up until now?

MR. VOKES: Yes, that's correct.

COUNCILOR HARRIS: Okay, all right, thanks. I just needed that reminder. Thank you. I'll move to approve.

COMMISSIONER HAMILTON: Second.

CHAIR IVES: We have a motion and a second. Any further discussion?

The motion passed by unanimous voice vote.

DISCUSSION AND ACTION

14. Request for approval to accept a policy with American Alternative Insurance Corp. for the BDD Insurance Policies including Real Property coverages in the amount of \$131,642

CHAIR IVES: Mackie, once again you are up.

MS. ROMERO: Mr. Chair, members of the Board, the Joint Powers Agreement requires the BDD Board to carry insurance coverage separate and apart from the respective partners policies. Therefore, the Board has contracted with Daniels Insurance to serve as our agent/broker. Daniels Insurance remarketed our account to several companies for competitive bids. They received a bid from our current policy holder, American Alternative Insurance, and a bid from Travelers Insurance. However, based on the terms and conditions and a 9 percent reduction of the overall premium, we are recommending the Board accept a policy from American Alternative Insurance at an annual premium of \$131,642 with the policy effective date of July 1, 2018 through July 1, 2019.

Mr. Segura, George Segura, from Daniels Insurance is also here if you have any questions for him.

CHAIR IVES: Questions from the Board? What is the pleasure of the Board?

COMMISSIONER HAMILTON: I'll move to approve.

COUNCILOR HARRIS: I'll second.

CHAIR IVES: Motion and a second. Any further discussion?

The motion carried by unanimous voice vote.

15. Request formal adoption of the Fiscal Year 2019 Annual Operating Budget in the amount of \$8,544,624 plus \$626,706 in contributions to the Major Repair and Replacement Fund

MS. ROMERO: Mr. Chair, members of the Board, on March 1, 2018 the BDD Board approved the proposed annual operating budget and other fund contributions and recommended that the budget be considered and approved by our partners' governing bodies. On May 30, 2018, the City of Santa Fe Water Division annual budget was approved by Santa Fe City Council. On June 26, 2018, the Santa Fe County Public Utilities Department's annual budget was approved by the Santa Fe County Board of Commissioners. Both of these approved budgets included the funded requested by BDD. Therefore, staff recommends formal adoption of the fiscal year 18/19 annual operating

budget of \$8,544,624 plus the annual contribution of \$626,706 for the Major Repair and Replacement Fund.

CHAIR IVES: Very good. Thank you for that introduction. Questions from the Board on the final approval of the budget?

COMMISSIONER HAMILTON: I have a question. So given our earlier discussion on the status of the fiscal agent agreement, I'd like to move – I feel that it would be more appropriate to approve with the current fee and let it get modified in the future when the agreement itself is modified. So I want to move to approve this budget with the 1 percent fiscal agent fee not the 4 percent fee.

CHAIR IVES: Part of our challenge is that budget will then have to go back, I suspect, to each of the respective bodies because we approved this previously and both the bodies have approved this in its current form. Correct me if I am wrong.

MS. ROMERO: Mr. Chair, members of the Board, we did discuss this in FSAC about the possibility of reducing the budget by the 3 percent. So if it is the pleasure of the Board, what I would recommend is that the partners who have already approved the budget, that's still approved, but it would just be BDD just wouldn't adopt 100 percent of that. We would adopt our budget less that fee because once the agreement is executed we would come back and do a budget amendment resolution to restore the budget to whatever that percentage would be and so we would want our respective partners to keep that budget intact or held for BDD's purposes. It is just for budgeting of BDD's budget it would not be included.

COMMISSIONER HAMILTON: Right, and I agree with that and this is just consistency with what we're doing and –

MS. ROMERO: So the partners would not do anything to their budget. It would still be for the full amount that BDD requested. BDD would just only adopt a lesser amount and then later on increase that if that's the desire of the Board.

CHAIR IVES: Councilor.

COUNCILOR HARRIS: Well, if we want to be consistent, I think we should be consistent with what we've done the last two years. We had 4 percent. We didn't resolve it and we just netted that back down to 1 percent and moved that balance forward. So if it worked the last two years I think it should work for this year as well. I don't see any reason to do this. Really, I just don't see a reason to do this. I mean we've agreed that we're going to reconstitute the committee and go back through all this and reanalyze it and see what they come up with but, again, and this was before my time and I think most everybody here with possible exception of Ms. Fort and Councilor Ives. But I don't know how they got to the 4 percent. I don't know what they're going to end up with now. But I assume there was a rational decision made at the time. Certainly, circumstances have chances are changed a little bit. But, again, if we've had this procedure and it's worked over the last couple of years, keep the 4 percent in the budget and it'll be an unexpended balance and move forward and maybe we end up with 2 percent, 3 percent, I don't know. Anyways, I just don't see a reason to do this.

CHAIR IVES: Commissioner.

COMMISSIONER HAMILTON: Right now in my view it's a poorly substantiated number and the charges are – and I know that we have discussed this with the previous action to reconstitute the committee and develop the justification for all of

these numbers. But what we're dealing with right now in the month-to-month agreement is 1 percent. I think the budget ought to reflect that until we actually refine it.

I understand your point that you don't see it as a big deal. But for accuracy sake and it's a little motivation to get this thing to move appropriately.

CHAIR IVES: And this is certainly in your memorandum, this Board's original action was taken on March 1st approving the budget that is brought before the City which ended up approving it on May 30th and it was a week ago, June 26th, a week and two days that the presumably the full County approved this budget. So I hate to say it, but I think it honors the action taken by both the City Council and the County Commission.

MS. ROMERO: Mr. Chair, members of the Board, I just want to make a comment. In preparing the budget we did know that this was obviously an unresolved issue so we did designate it as a contingent. So it is 3 percent contingent fee so hopefully – it is contingent upon execution of the agreement and so hopefully if that helps.

CHAIR IVES: So you're saying that it is 3 percent not 4 percent.

MS. ROMERO: No, it's the 1 percent plus the 3 percent contingent.

CHAIR IVES: Thank you for that clarification.

COMMISSIONER HAMILTON: That is true. It is in as a contingent.

MS. ROMERO: Right.

CHAIR IVES: So is there a motion? Did we take a motion?

COMMISSIONER HAMILTON: Nancy, do you have any thoughts on relationship between the agreement and the way it is reflected in the budget?

MS. LONG: Mr. Chair and Commissioner Hamilton, I think Ms. Romero's explanation about what the Board could do made sense to me so I think you can do either one. I think because the 3 percent is designated as contingent that that is helpful because it will just sit there if and until you get to the point of an action fee in an agreement and then it could be moved over. So I think that the way it is handled in the budget probably handles everyone's concerns.

COMMISSIONER HAMILTON: Okay, that's fine. I will withdraw my motion.

CHAIR IVES: So, what is the pleasure of the Board?

COUNCILOR HARRIS: Move to approve.

COMMISSIONER HAMILTON: I'll second.

CHAIR IVES: Okay, we have a motion and a second. Any further discussion?

The motion passed by unanimous voice vote.

CHAIR IVES: The motion passes and we will look forward to resolving that issue in our meeting in September.

MS. ROMERO: Yes, thank you.

- 16. Request for approval to carry forward unexpended funds from the FY 17/18 Operating Budget to the FY 18/19 Operating Budget**
 - a. Request for approval of Budget Amendment Resolution \$590,000**

MS. ROMERO: Mr. Chair, members of the Board, we are requesting approval to increase our fiscal year 18/19 operating budget by \$590,000 which was unexpended from our fiscal year 17/18 operating budget. This request will budget fund balance from the BDD Operating Fund and increase our legal services line item. Any unexpended funds will remain as an uncommitted budget balance and will be held in the partners respective pre-bill accounts per the BDD working capital and billing policy. Any questions?

CHAIR IVES: Questions from the Board? What is the pleasure? Commissioner.

COMMISSIONER HANSEN: I'll move to approve.

COUNCILOR HARRIS: Second.

COMMISSIONER HAMILTON: Second.

CHAIR IVES: We have a motion and several seconds. Any further discussion? All those in favor.

The motion passed by unanimous voice vote.

CHAIR IVES: Thank you, Mackie.

MS. ROMERO: Thank you.

MATTERS FROM THE PUBLIC

CHAIR IVES: Is there anyone from the public who would like to address the Board on any matter? Our public hearing is closed then.

MATTERS FROM THE BOARD

CHAIR IVES: Let me start on this side, Commissioner.

COMMISSIONER HANSEN: I'm okay. We brought up the study session already so that is one of the main issues that we all are concerned about is getting that moving and hopefully it can happen in August.

CHAIR IVES: Commissioner.

COMMISSIONER HAMILTON: No, I have no additional comments.

CHAIR IVES: Councilor.

COUNCILOR HARRIS: I'm fine. Mackie, FSCA got lost in the shuffle for me on Tuesday. No excuses. It was clearly an important session. I will be there the next time. Commissioner Hamilton, as well as you.

CHAIR IVES: Very good, I have nothing in addition.

NEXT REGULAR MEETING: Thursday, August 2, 2018 at 4:15, City Council Chambers, 200 Lincoln.

COMMISSIONER HAMILTON: Mr. Chair, I will not be present for that meeting. I will be out of town. I hate to say that. It will be an important meeting.

COMMISSIONER HANSEN: I can cover for her.

EXECUTIVE SESSION

In accordance with the New Mexico Open Meetings Act NMSA 1978 Section 10-15-1(H)(2) and Section 10-15-1 (H)(7), discussion regarding pending litigation in which the BDDB is a party and limited personnel matter.

COMMISSIONER HANSEN: Do we need a motion to go into executive?

MS. LONG: Yes, Mr. Chair and Commissioner. A motion to adjourn and go into executive session in accordance with the New Mexico Open Meetings Act NMSA 1978 Section 10-15-1 (H)(2) and Section 10-15-1 (H)(7) for discussion regarding pending litigation in which BDD is a party and limited personnel matters.

COMMISSIONER HANSEN: So moved.

CHAIR IVES: Is there a second?

COUNCILOR HARRIS: Second.

CHAIR IVES: We have a motion and a second. Any further discussion?

The motion to go into executive session passed by unanimous [5-0] voice vote with the following BDD Board members voting in the affirmative:

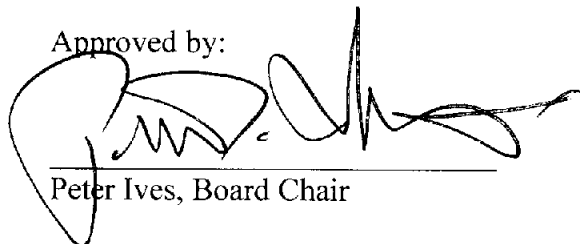
Councilor Ives	Yes
Councilor Harris	Yes
Commissioner Hamilton	Yes
Commissioner Hansen	Yes
Member Fort	Yes

CHAIR IVES: Very good. We are adjourned and moving into executive session. Thank you all for your attendance and stay dry.

ADJOURNMENT


Having completed the agenda, this meeting adjourned at approximately 5:50 p.m.

Approved by:

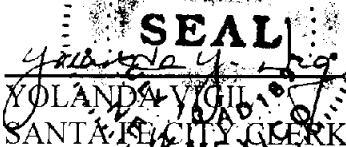


Peter Ives, Board Chair

Respectfully submitted:


Karen Farrell, Wordswork

ATTEST

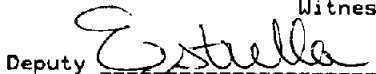

YOLANDA VIGIL
SANTA FE COUNTY CLERK



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BUCKMAN DIRECT DIV MIN
PAGES: 27

I Hereby Certify That This Instrument Was Filed for
Record On The 18TH Day Of September, 2018 at 04:32:58 PM
And Was Duly Recorded as Instrument # **1867813**
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy  County Clerk, Santa Fe, NM

1942





AGENDA

The City of Santa Fe
And
Santa Fe County

CITY CLERK'S OFFICE

DATE 6/28/18 TIME 9:36

SERVED BY M. Garmendia

RECEIVED BY del

Buckman Direct Diversion Board Meeting

THURSDAY, July 5, 2018
4:15 PM
CITY HALL
CITY COUNCIL CHAMBERS
200 LINCOLN



1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE JUNE 7, 2018 BUCKMAN DIRECT DIVERSION BOARD MEETING
6. REPORT ON JULY 3, 2018 FISCAL SERVICES AUDIT COMMITTEE (FSAC)

INFORMATIONAL ITEMS

7. Monthly Update on BDD operations. (Michael Dozier)
8. Report from the Facilities Manager. (Charles Vokes) **VERBAL**
9. Update on BDD Treatment and Water Quality Items. (Glorieta GeoScience and Charles Vokes) **VERBAL**

CONSENT AGENDA

10. Request for approval to extend chemical contract bids for an additional year from various awarded vendors for a total amount of \$336,000 for FY18/19. (Michael Dozier)

11. Request for approval to reauthorize unexpended funds approved by the BDDDB from the BDD Capital Carve-out budget. (Mackie Romero)
 - a) Request for approval of Budget Amendment Resolution \$344,811
12. Request for approval of Amendment #1 in the total amount of \$43,000 exclusive of NMGRIT for On-Call Repair of BDD Infrastructure for FY18/19. (Sub Surface Contracting, Inc.) (Mackie Romero)
13. Request for approval to enter into a Joint Funding Agreement with the US Geological Survey in the amount of \$53,219 for operation and maintenance of the monitoring station equipment for FY18/19. (Mackie Romero)

DISCUSSION AND ACTION

14. Request for approval to accept a policy with American Alternative Insurance Corp. for the BDD Insurance Policies including Real Property coverages in the amount of \$131,642. (Mackie Romero and George Segura, Daniel's Insurance)
15. Request formal adoption of the Fiscal Year 2019 Annual Operating Budget in the amount of \$8,544,624 plus \$626,706 in contributions to the Major Repair and Replacement Fund. (Mackie Romero)
16. Request for approval to carry forward unexpended funds from the FY17/18 Operating Budget to the FY18/19 Operating Budget. (Mackie Romero)
 - a) Request for approval of Budget Amendment Resolution \$590,000

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT REGULAR MEETING: Thursday, August 2, 2018 @ 4:15pm, City Council Chambers, 200 Lincoln

ADJOURN

EXECUTIVE SESSION

"In accordance with the New Mexico Open Meetings Act NMSA 1978, Section 10-15-1 (H)(2) and Section 10-15-1 (H)(7), discussion regarding pending litigation in which the BDDDB is a party and limited personnel matters."

End of Executive Session

PERSONS WITH DISABILITIES IN NEED OF ACCOMODATIONS, CONTACT THE CITY CLERK'S OFFICE AT 505-955-6520, FIVE (5) WORKING DAYS PRIOR TO THE MEETING DATE