

City of Santa Fe



New Mexico



AGENDA

THE CITY OF SANTA FE
And
SANTA FE COUNTY

CITY CLERK'S OFFICE

DATE 1/26/11 TIME 3:40 PM
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BUCKMAN DIRECT DIVERSION BOARD MEETING

THURSDAY, FEBRUARY 3, 2011

4:00 PM

CITY HALL

CITY COUNCIL CHAMBERS

200 Lincoln Avenue

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF AGENDA**
4. **APPROVAL OF MINUTES FOR THE JANUARY 7, 2011 BUCKMAN DIRECT DIVERSION BOARD MEETING**
5. **APPROVAL OF CONSENT AGENDA**
6. **MATTERS FROM STAFF**
7. **FISCAL SERVICES AND AUDIT COMMITTEE REPORT**

CONSENT AGENDA

8. Project Manager's Monthly Project Exception Report. (Rick Carpenter)
9. Update by Rick Carpenter on Financial Status of Contracts. (Rick Carpenter)
10. Monthly Update on Status of Annual Operating Budget and Invoicing. (Rick Carpenter) **HANDOUT**

11. Project Manager's Report on Staffing and Training Program Progress. (Rick Carpenter)
12. BDD Public Relations Report for January 2011. (Lynn Komer)
13. Update on Staffing & Vacancies. (Robert Mulvey)
14. Update on the Status of the Triennial Review. (Kyle Harwood)

DISCUSSION AND ACTION ITEMS

15. Request for Approval of FY 2011/2012 OMR&R Budget Request and Five Year OMR&R Projection, Including Approval of the emergency Fund and the Major Equipment Repair and Replacement Fund, Working Capital and Billing Policy and Associated Procedures. (Robert Mulvey)
16. Discussion and Request for Conceptual Approval of New PNM Caja del Rio Substation. (Rick Carpenter)

INFORMATION ITEMS

17. Update on the Las Campanas LP Transition and Related Changes to BDD Board Documents. (Rick Carpenter and Kyle Harwood)
18. Status Update on PNM Energy Efficiency Rebate. (Rick Carpenter and Mark Ryan)
19. Status Update on BLM Pipeline Easement Private Property In-Holding. (Rick Carpenter and Kyle Harwood) - **VERBAL**

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT MEETING: THURSDAY, MARCH 3, 2011 @ 4:00 P.M.

ADJOURN

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

February 3, 2011

This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting was called to order by Commissioner Virginia Vigil, Chair, at approximately 4:05 p.m. in the Santa Fe City Council Chambers, 200 Lincoln Avenue, Santa Fe, New Mexico.

Roll was called and the following members were present:

BDD Board Members Present:

Commissioner Virginia Vigil
 Councilor Rebecca Wurzbarger
 Commissioner Liz Stefanics
 Councilor Chris Calvert
 Member Consuelo Bokum

Member(s) Excused:

[None]

Other Elected Officials:

Commissioner Danny Mayfield

Others Present:

Rick Carpenter, BDD Project Manager
 Nancy Long, BDDDB Consulting Attorney
 Kyle Harwood, BDDDB Consulting Attorney
 Steve Ross, County Attorney
 Pego Guerrerortiz, County Utilities Director
 Doug Sayre, Prior County Utilities Director
 Jeanette Yardman, PNM Representative
 Mark Ryan, CDM
 Joni Arends, Concerned Citizens for Nuclear Safety
 Robert Mulvey, BDD Facility Manager

3. APPROVAL OF AGENDA

[Exhibit 1: Agenda]

RICK CARPENTER (Project Manager): Madam Chair, Staff would like to request that item 16, which is an action item, be moved to an information item. There are some questions unresolved and we feel it would be more appropriate to have that as an information item.

CHAIR VIGIL: Okay. Item 16 will be under Information Items. Any other changes?

MR. CARPENTER: There are none, Madam Chair.

COUNCILOR CALVERT: Move for approval as amended.

CHAIR VIGIL: Is there a second?

COMMISSIONER STEFANICS: I'll second.

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

4. APPROVAL OF MINUTES: January 2, 2011

Councilor Wurzburger moved to approve the minutes as published. Her motion was seconded by Commissioner Stefanics and passed by unanimous voice [5-0] vote.

APPROVAL OF CONSENT AGENDA

- 8. Project Manager's Monthly Project Exception Report**
- 9. Update by Rick Carpenter on Financial Status of Contracts**
- 10. Monthly Update on Status of Annual Operating Budget and Invoicing**
- 11. Project Manager's Report on Staffing and Training Program Progress**
- 12. BDD Public Relations Report for January 2011**
- 13. Update on Staffing and Vacancies**
- 14. Update on the Status of the Triennial Review**

CHAIR VIGIL: Are there any items that anyone would like any information on? Okay, I need a motion.

COUNCILOR WURZBURGER: Move for approval.

COMMISSIONER STEFANICS: Second.

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

COUNCILOR CALVERT: I'm sorry. There was one item, number 10, it said there would be a handout. Did we get that?

MR. CARPENTER: Madam Chair, Councilor Calvert, the information was not received in time to make it into the packet. I spoke to the chair about it and we'll present this at the next board meeting.

15. Approval of FY 2011/2012 OMR&R Budget Request

COMMISSIONER STEFANICS: Madam Chair, I'm sorry. I'm might be confused. But shouldn't we be doing numbers 6 and 7? Or did we already do those?

CHAIR VIGIL: No we didn't.

6. Matters from Staff

CHAIR VIGIL: Are there any Matters from Staff? I skipped it, but you're right.

MR. CARPENTER: Madam Chair, there are no Matters from Staff.

7. Fiscal Services and Audit Committee Report

CHAIR VIGIL: I sort of assumed that was going to come with the item on there but if you have a separate report we're willing to hear it right now.

MR. CARPENTER: Madam Chair, I was actually not at the last Fiscal Services and Audit Report Committee, but I understand most of the conversation revolved around item 15 on your agenda, but if Commissioner Stefanics or Councilor Calvert would like to add to that or even Mr. Mulvey who is in the audience, since I wasn't there.

COMMISSIONER STEFANICS: Madam Chair, the comment I'd like to add is as long as there's open communication between the BDD staff, the City staff and the County staff and the questions get answered in advance I think we'll be able to move agenda items along, and that as we wind down, for example, our construction, our capital portion of the budget and so on, our work might become a little less. But the big item that came through was as long as the staff are communicating together and the questions get answered in advance then we won't have concerns to hold up some of the agenda items. Thank you.

CHAIR VIGIL: Councilor Calvert.

COUNCILOR CALVERT: Actually, we didn't really discuss item 15 much because that was pretty much agreed that it was resolved. We spent most of the time talking about the contingency balance and the item 16 on our agenda. So I think those will – I think nothing that will affect any of the items on the agenda today.

CHAIR VIGIL: Okay. Any other comments? Does staff have any comments?

15. Request for Approval of FY 2011/2012 OMR&R Budget Request and Five-Year OMR&R Projection, Including Approval of the Emergency Fund and the Major Equipment Repair and Replacement Fund, Working Capital and Billing Policy and Associated Procedures

CHAIR VIGIL: I'll turn it over to Mr. Carpenter. Mr. Carpenter, you defer to anyone you need to on this item.

MR. CARPENTER: Madam Chair, this has been before the board in draft form and then came again last month. There were some questions that have been resolved in the interim. Mr. Mulvey is in the audience if the Board has any questions of him.

CHAIR VIGIL: Okay. Mr. Mulvey, would you take the podium in case we have any questions. I think we have heard this before. The Fiscal Audit Committee heard it. Conci, you have a question. Please proceed.

MEMBER BOKUM: I had a question on the emergency fund, on page 2 of Appendix A. The fourth bullet. My question is the emergency fund is going to pay out in two instances. One is where we have something insured and it will get reimbursed, and the other is where something is not insured, or we're self-insuring. And I'm wondering if the fund is being depleted because of the latter. In other words, we're not expecting a reimbursement, whether we shouldn't make some provision to replenish those funds in a timely manner so that the fund doesn't get inappropriately depleted if there are other emergencies.

ROBERT MULVEY (Facility Manager): Madam Chair, members of the Board, that is our intent. If the fund is tapped to pay for emergency repairs that are not insurable, at that time we would assess what that cost is and then we would be coming before you with a recommendation on how to make up that balance. I thought we addressed it in here but I apologize if we weren't clear on that but you make a very good point and that is our intent on how to handle it.

MEMBER BOKUM: I just don't want there to be any nasty surprises but if we have something in writing [inaudible] so we have some expectation of covering it, expectation of being reimbursed in a timely manner so that we don't end up with a depleted fund.

MR. MULVEY: Okay, if I'm understanding correctly, you would like language in the Appendix that sets a timeline for the reimbursement period.

MEMBER BOKUM: I just wanted [inaudible] the project manager.

COMMISSIONER STEFANICS: On this point, Madam Chair.

CHAIR VIGIL: Please.

COMMISSIONER STEFANICS: I'm wondering if Board Member Bokum is asking that we be immediately notified when we drop below \$500,000, a half a million, if that's her concern. That it not –

MEMBER BOKUM: When the balance drops below \$500,000, then we would seek an emergency appropriation of funds, and I guess my concern is to know that the funds are going to be replenished by insurance [inaudible] replenish the funds before we get to the \$500,000 limit. We know that the money's not going to [inaudible]

MR. MULVEY: Yes. Absolutely.

MEMBER BOKUM: So I guess there should be additional language about timely reimbursement of funds so that the process starts almost immediately rather than waiting until after we get [inaudible]

MR. MULVEY: Madam Chair, members of the Board, the way I envision this occurring is that if we have an emergency situation we will be acting on it immediately. We will be sending you a memo notifying you of the emergency situation and what our expected costs are. To the extent that we know what is insurable and what isn't, and our consultant Norm Gaume did quite an extensive evaluation, but there may be some questions at the time as to what is insurable and what isn't. So we may need to work through that as we go. But our intent would be to get that in front of you right away, let you know what the costs are, and to keep you updated on the status of the emergency. Then once we know what the liability is or what the total costs are, then we will be coming back and asking that that cost be put back into the fund so that we can keep it whole at the \$2 million.

So I'd be happy to clarify the report to state that if you'd like and maybe I can send you some draft language that you could take a look at before we come back with it.

MEMBER BOKUM: If we have agreement among the Board that they would like that, that would be fine.

MR. MULVEY: I'd be happy to do whatever the Board wishes.

CHAIR VIGIL: Liz Stefanics, did you have your hand up?

COMMISSIONER STEFANICS: Well, Madam Chair, the only other comment I was going to make is that I did feel that having a half million available probably would not jeopardize it until it's replenished, but I would look to legal counsel for a recommendation on that one.

NANCY LONG (BDDDB Consulting Attorney): We'd be happy to look at that and communicate with Bob and Rick and come back to the Board if you would like.

CHAIR VIGIL: Councilor Calvert.

COUNCILOR CALVERT: I think the original intent is to accrue this amount over the first two years, to soften the blow to a certain extent. So if you were to deplete it in one event I guess not only replenishing it but the timing of the replenishment would come into play because you're going to ask for it all in one lump sum? Or how are you going to do that? Again, we're establishing it over two years to allow it not to be a major blow, so if you're going to replenish it, especially if you're not insured – I think that's the key aspect is how you're going to do – not only when but over a period of time. If you get yourself another two years or if it's down to \$500,000 are you going to give yourself a year? A year and a half? Or what?

CHAIR VIGIL: Councilor Wurzburger.

COUNCILOR WURZBURGER: I was just going to speak in support of having some language that does clarify the intention, since it might be that when this arises is that some of us might not be here.

COUNCILOR CALVERT: Might not be the same people.

COUNCILOR WURZBURGER: So I'm underscoring the necessity of doing that, even though it doesn't get operationally defined in terms of a number or a time period.

CHAIR VIGIL: Counsel, can we take action, as this is an action item, and minus that particular bullet point and come back and amend this once counsel and staff has had an appropriate time to bring forth the language that's been requested?

MS. LONG: Yes, I believe that you could and could amend other portions of it too as you need to. But we could take out that specific item and come back to you with that.

CHAIR VIGIL: Okay. Councilor Calvert.

COUNCILOR CALVERT: On that point though, we would want the amount to remain in the amount we approve for the budget. It's just the discussion of how this emergency fund would be replenished is that we're having questions. So even if we take out everything in Appendix – if we hold all of Appendix A we still want that \$2 million in the approved budget, right?

MEMBER BOKUM: Right.

CHAIR VIGIL: Conci.

MEMBER BOKUM: I think we could leave the language in and then add to it, is what I see happening. Because it's just missing – it's not that it's a problem in its own self, it's just what it's missing.

COUNCILOR WURZBURGER: I'll make a motion to approve this as presented with the recognition that we will be in the future considering other language.

COUNCILOR CALVERT: Amendment shortly? At the next meeting? Time specific or something if we can?

CHAIR VIGIL: Okay. Is that okay with the maker of the motion?

COUNCILOR WURZBURGER: Yes.

CHAIR VIGIL: Okay.

COMMISSIONER STEFANICS: Second.

CHAIR VIGIL: Any further discussion?

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

INFORMATION ITEMS

16. Discussion and Request for Conceptual Approval of New PNM Caja del Rio Substation

MR. CARPENTER: Thank you, Madam Chair and members of the Board. I'll remind you this is not an action item anymore. What this item is associated with is a new substation location, an alternative site that's been identified. It's near the old Caja del Rio Substation site, about 500 yards to the northwest. It would be located on MRC land that's patented to the City by the BLM, just like the other site.

There's some work that needs to be done in the interim. PNM does intend to go before the Board of County Commissioners for the land use approvals and before City Council on February 2nd. But there are some other things that need to be done, a survey and appraisal. We need to work with BLM on some of the permitting. So PNM will be working to accomplish those things in short order. There are representatives from PNM in the audience that may want to make some comments or certainly would be willing to stand for any questions that the Board may have.

CHAIR VIGIL: Questions for staff?

COMMISSIONER STEFANICS: Madam Chair and Rick, in the Fiscal Committee we had a comment and a document that said PNM would probably not be coming before the County until March, that they wouldn't be ready.

MR. CARPENTER: That was not my understanding but maybe that's changed since then.

COMMISSIONER STEFANICS: Councilor Calvert, do you remember that same document?

COUNCILOR CALVERT: I've got the document here. Let's see if I can find it.

CHAIR VIGIL: Actually, let me defer to PNM on this so we can get it clarified right away, because they're the ones that would be going through the approval process. Jeanette would you clarify this issue for us?

JEANETTE YARDMAN: Good evening. I'm Jeanette Yardman, regulatory and public coordinator for PNM. We are scheduled to be on the February 8th Board of County Commissioners agenda to take this new site forward.

CHAIR VIGIL: Okay. Is there anything you'd like to add to this?

MS. YARDMAN: No, only as Mr. Carpenter stated we are looking forward to moving this new site forward. We feel that it is a very positive move on our part to work with the neighborhood.

CHAIR VIGIL: Okay. Councilor Calvert.

COUNCILOR CALVERT: While you're still there, one of the things we also saw at the Fiscal Service and Audit Committee was a line item in the contingency budget for \$210,000, which was our cost of this relocation. Do you agree with that figure? Is that the end, or would there be other things that this doesn't reflect?

MS. YARDMAN: Madam Chair, Councilor Calvert, that figure is correct. We have conducted an analysis. Additional transmission and distribution lines will have to be installed. The distribution costs are approximately \$210,000. Four new feeder lines will be installed. PNM is covering the cost of one of the feeder lines and the BDD will cover the cost of the other three, which is consistent with the original contract when we put the original feeder lines in for the prior site. PNM will also be covering all the transmission costs.

COUNCILOR CALVERT: Okay. And if I'm hearing you correctly, and this may be for you, you're saying this \$210,000 – and maybe this is more for Rick, is above what we had budgeted. So there are certain things that we had already budgeted which you mentioned, and this is in addition to what we had budgeted.

MR. CARPENTER: Madam Chair, Councilor Calvert, members of the Board, that's correct. This would be in addition to what we already had planned on paying for the old substation.

COUNCILOR CALVERT: Okay, so this is it. We don't anticipate any costs beyond this \$210,000?

MS. YARDMAN: Madam Chair, Councilor Calvert, that is correct. PNM does not foresee any additional cost.

CHAIR VIGIL: Councilor Wurzbarger.

COUNCILOR WURZBURGER: Thank you, Madam Chair. I just want to thank you, Jeanette, and I want to thank the staff and I want to thank the neighbors. It's been a long process and I think this has turned out to be a win-win situation and I'm happy to see \$200,000 as opposed to a million or more, which is where we were several months back. So I do want to publicly thank all of you who have been involved in bringing this to a compromise that I think benefits the greater community.

CHAIR VIGIL: Thank you. Commissioner Mayfield has some questions.

COMMISSIONER MAYFIELD: Thank you, Madam Chair, and thank you for affording me the opportunity to ask a question. Ms. Yardman, why wouldn't PNM incur this additional cost for the additional \$200,00-plus for the new site line?

MS. YARDMAN: Madam Chair, Commissioner Mayfield, it's the cost of doing business. We're having to move the substation an additional 1500 feet to the northwest and there's a cost to installing wire and getting the system up and running. Because this is a customer driven project the customer is responsible for some of the costs.

COMMISSIONER MAYFIELD: Madam Chair, Ms. Yardman, is only the BDD going to be the customer on this new substation or are there going to be other end customers?

MS. YARDMAN: Madam Chair, Commissioner Mayfield, there will be the capacity in the substation to serve future growth, which is why PNM is absorbing the cost of one of the feeder lines.

COMMISSIONER MAYFIELD: And Madam Chair, what is the cost of the new feeder line?

MS. YARDMAN: I do not have that cost individually. The fourth feeder that PNM is absorbing is \$70,000.

COMMISSIONER MAYFIELD: Thank you, Madam Chair.

CHAIR VIGIL: Thank you. Any others? I just need to comment. I wasn't there when staff had to sit down and work out all of the negotiations but I certainly was there to say please try to work something out, because this is in my district. I did hear a lot of constituent concerns about this. We hit a lot of roadblocks and many of you know that, more so than even I do. So I cannot even imagine how much hammering out there had to be, and I know Nancy, you worked on this. Rick, you did, and Jeanette, you did. We had staff from the County working on this, our Legal staff. Steve was involved in this. This is such a wonderful outcome as far as I'm concerned, to be able to work with a utility company, to try to address concerns of our neighborhoods is huge. So I think we've moved towards a step forward that creates a real positive outcome for our community. So thank you very much to all of you who put all of that work into it and believe me, I was sometimes passing by watching you hammer things out thinking, oh, gosh. I don't know what they're having to deal with, but you dealt with it and you came to us with a really good outcome. I cannot tell you how proud I am about that. Thank you.

MS. YARDMAN: Thank you, Madam Chair.

CHAIR VIGIL: Okay. This being an informational item, unless there are any other comments we'll move on to item 17. Chris Calvert.

COUNCILOR CALVERT: I'm sorry. On that point. Do we need to schedule this for a future meeting for the actual approval or when we do take action?

CHAIR VIGIL: I'll defer to counsel.

MS. LONG: Madam Chair, Councilor Calvert, I think the item that may need to come back to this Board will be amendments to the service agreements, because of the new location. The Board approved the original agreement, so we may very have to do that, as well as approval for the additional funds that it will require to get this done.

COUNCILOR CALVERT: And assuming that nothing changes when it goes through the respective governing bodies.

MS. LONG: That's correct.

COUNCILOR CALVERT: Okay.

17. Update on the Las Campanas LP Transition and Related Changes to BDD Board Documents

MR. CARPENTER: I'll just briefly introduce the item and then I'll turn it over to Mr. Harwood. The partners in this project have always been the City, County and

Las Campanas, LP, and we had known there would be some transitions going on. There are now several different entities with whom the Board will be dealing and Mr. Harwood would like to make some comments in that regard.

CHAIR VIGIL: Mr. Harwood, it's yours. Good evening.

KYLE HARWOOD (BDDDB Consulting Attorney): I'd like to suggest that we start with the map change, which I think is a little more of a technical issue. I do want to note an error on the map, which is under City-County separate facilities. We mistakenly have the City paying half, the County paying half and Las Campanas paying it all over again. That should be zero under that box.

But just to address the Facility Operations and Procedures Agreement which the City, County and Las Campanas executed in 2005 did contain a map which is at this point outdated in three minor ways. If you look at the map that's got the three yellow numbers you'll see a key on the next page that describes some of those changes. I don't know if you'd like me to walk you through those or just continue through the presentation.

CHAIR VIGIL: You could just highlight them.

MR. HARWOOD: Okay. Very good. Number one reflects the fact that Las Campanas has not yet constructed their raw water pipeline. In fact that alignment has changed. So we simply showed ending where it exists in the ground and when it gets finished in the future to supply raw water for the golf courses it will not be a BDD project element so it can go as the BLM permits it and this map should not require further updating unless the Board wishes to do it.

The current map in the FOPA shows an alignment that has been abandoned. So that's what's changed there. Number 2 of course reflects the County-Las Campanas bulk water service agreement, which was executed by Las Campanas and the County. And then the third change is a small change at the end of the line supplying potable water into the City-County system and the design-build contract of course came three years after the facility operations and procedures agreement, did refine the actual point of interconnection, so the clean map that follows, with the exception of changing the City-County separate facility Las Campanas cost-share part which is clearly in error is the one we would propose amending the facility operations and procedures agreement with. And again, I think these are all technical changes. These reflect the changes in the field.

CHAIR VIGIL: Okay. Are there any questions? Does County staff have anything to add to this at all? Okay. Great. Thanks, Kyle.

MR. HARWOOD: So I would suggest that the Board take action on this matter so it can be forwarded to the City and County and Las Campanas.

CHAIR VIGIL: It's under information items so we'll need to notice it under action.

MR. HARWOOD: Request that we forward it to those parties. I apologize.

CHAIR VIGIL: Okay. I think that would be a standard practice. We could give you direction to do that.

MR. HARWOOD: Great. Thank you. I misspoke when I first said it. Since the Board didn't actually execute the FOPA in the first place this just needs to go back to the parties that did for their concurrence.

Okay, and then the second item which is less specific by several orders of magnitude is the fact that we just wanted to let the Board know that we're aware of

changes at Las Campanas and that staff has had some – Rick in particular has had some discussions with the other entities out there, other than the development company on how when and in what manner these entities will be substituting or adding to Las Campanas LP for the facility operations and procedure agreement. And we wanted to make the Board aware of those transition items and the fact that we believe an amendment or substitution for Las Campanas in the facility operations and procedures agreement may occur, and ask for your guidance on how to proceed with that. And there are members of most – or there are representatives of most of those entities in the audience tonight should you have questions that we can't answer.

CHAIR VIGIL: Okay. So what is it you're asking for specifically? I don't think we have clarity on that.

MR. HARWOOD: Well, there have been several – the transition process is I think it's fair to say, mid-stream at this point. The development company has been assigning or conveying various assets of the development company to the club and the water-sewer co-op and the master association out there, and to the extent that we anticipate a change to the facility operations and procedures agreement we might request suggestions on how to proceed with those entities. We've had discussions with them and one of the suggestions has been that the Board send them a letter asking for a clarification. The other alternative is we might ask some of those entities to come and present to this Board. I just wanted to let you know that we're aware of these changes and to just inform you that we're aware of the changes, really.

CHAIR VIGIL: I have Commissioner Stefanics and then I have Rebecca Wurzbarger.

COMMISSIONER STEFANICS: Thank you, Madam Chair. Steve, are you not working with the Board at Las Campanas?

MR. ROSS: Yes.

COMMISSIONER STEFANICS: So is there anything in your dealings with these changes that you believe need to come to the BDD?

STEVE ROSS (County Attorney): Madam Chair, Commissioner Stefanics, eventually there's going to have to be a discussion. I think that's what Mr. Harwood was trying to start here of whether we need to substitute some of these parties for the LP, so that we actually have a contract with people who are actually doing things that they say they're going to do in the various agreements.

COMMISSIONER STEFANICS: Okay. Madam Chair, I believe that we are dealing with this at the County level first, and that once we deal with this at the County level then it can be determined if we are even in agreement with Las Campanas is asking us, and then bring it forward to the BDD.

CHAIR VIGIL: And are those discussions being held with them, Steve?

MR. ROSS: Not specifically on that topic. We're talking about the whole range of other topics, however.

CHAIR VIGIL: Okay. That topic needs to be included? Would you recommend?

MR. ROSS: Yes.

CHAIR VIGIL: Councilor Wurzbarger.

COUNCILOR WURZBURGER: Thank you, Commissioner Stefanics, for your idea. I totally agree.

CHAIR VIGIL: Okay. So it sounds like staff has to work together and coordinate some efforts here. Is that all, Mr. Harwood? Thank you so much.

18. Status Update on PNM Energy Efficiency Rebate

MR. CARPENTER: Thank you, Madam Chair. We've been working with our consultant CDM and PNM also on this for a while now. I think CDM did a great job in helping to make suggestions on the energy efficiency equipment that the BDD has installed that. I asked that my name be put next to this agenda item because it's actually money coming in; I'm usually associated with money going out.

CHAIR VIGIL: Ah, you want to change your image here.

MR. CARPENTER: And we're happy that the credit is a little over – almost \$93,000. Mark Ryan is in the audience. He's the Board engineer who did most of the heavy lifting on this so if you have any questions of him he's available.

CHAIR VIGIL: Mark, would you like to add anything? And thank you very much for your work on this. Well, I have a question, so I think I see hands up. Councilor Calvert, I'll defer to my colleagues before I ask my question because they may ask the question I'm asking.

COUNCILOR CALVERT: Since this is coming in, how is this going to show up in the budget?

MR. CARPENTER: It's not currently a line item in the budget because we didn't know what the dollar amount would be until very recently, so my assumption would be it will just be a credit back to the overall funds that would be left over in the surplus at the end of the project.

COUNCILOR CALVERT: Capital budget?

MR. CARPENTER: Yes. Capital budget. It's not an operating – however, we do have the accountants in the audience who have prepared both those budgets and if I misspoke in any way now is the time.

CHAIR VIGIL: Are those dollars, do they need to be specifically dedicated to energy efficiency or can they become part of a pool that we can dedicate to other needs? Does anybody know?

COMMISSIONER STEFANICS: Well, Madam Chair, they were indicating that they would go back to the capital budget so it would just decrease the bottom line.

CHAIR VIGIL: But there's no requirement on the other end? Okay. Great. Thank you very much. Appreciate that.

19. Status Update on BLM Pipeline Easement Private Property In-Holding

MR. CARPENTER: Madam Chair, I would defer to Mr. Harwood on this.

MR. HARWOOD: In the interests of providing the Board with the information that we received from BLM last month they apparently have granted us a right-of-way over a piece of land that they did not own. So, we've been working with the BLM staff and then also reviewing the title documents related to this parcel to determine

who owns it and I believe we'll be prepared to come back to the Board at the March meeting in executive session to review with you options on how to address the issue.

CHAIR VIGIL: Thank you very much. Any questions? Councilor Wurzburger.

COUNCILOR WURZBURGER: Why do we have to determine who owns it? Meaning we have to pay for it, since they're the ones that gave it to us and they didn't have the correct easement.

MR. HARWOOD: They told us who they thought owned it and we double-checked before we –

COUNCILOR WURZBURGER: So had we not double-checked they would have had to pay for it? So we double-checked, they didn't know about it and it's their mistake or it's not their mistake.

MR. HARWOOD: I'm sorry. I might be misunderstanding your question, Councilor Wurzburger. When they told us last month that they discovered there was a tract of land they did not own they said, here's the owner that we think it is. And I said, well, you know, the Board is going to expect BLM to contribute to the solution. And they said, well, why don't you talk to the current owner and let us know what the terms and conditions are for resolving the problem. So they're on notice that we expect BLM to assist with the solution but we still don't know what those solutions might be.

COUNCILOR WURZBURGER: Okay. I would just like us to include our fees associated with clarifying their problem, which became our problem.

MR. HARWOOD: It became our problem, unfortunately.

COUNCILOR WURZBURGER: Do you understand what I'm saying, counsel?

COUNCILOR CALVERT: When you say assist with the solution, are you talking money, perhaps?

MR. HARWOOD: Well, we don't know what the terms or resolution are yet, Councilor Calvert.

COUNCILOR CALVERT: Is that one of the options?

MR. HARWOOD: I believe it is.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Madam Chair, Mr. Harwood, did you all have a title policy on this and go through a title company?

MR. HARWOOD: We did not pull a title policy on this because this was a right-of-way from a federal agency.

CHAIR VIGIL: Okay. Thank you very much. Look forward to the update on that.

Matters from the Public

CHAIR VIGIL: Is there anyone from the public that would like to address us? Would you please raise your hands? Joni. Anyone else? Joni, how much time do you think you'll need?

JONI ARENDS: Two minutes.

CHAIR VIGIL: Welcome.

MS. ARENDS: Good afternoon, members of the Board and Madam Chair. At the last meeting I brought a packet of comment letters about the independent peer review done by ChemRisk and I wasn't able to get a receipt signed so I made a receipt specifically for the Buckman Board to acknowledge that. So shall I give that to Ms. Long?

MS. LONG: Yes. I'll look at it.

CHAIR VIGIL: Is that all you needed, Joni? Okay. I'll have counsel just review it and make contact with you.

Matters from the Board


COUNCILOR WURZBURGER: I would like to welcome Commissioner Mayfield. We had a little meeting prior to this meeting. I know I welcomed you from afar when you were in the back of the room but I'm very happy that given your experience you've joined us on this Board.

NEXT MEETING: THURSDAY, MARCH 3, 2011 @ 4:00

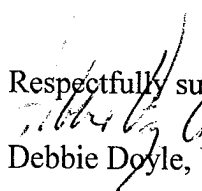
ADJOURNMENT

Having completed the agenda, this meeting was declared adjourned at approximately 4:45 p.m.

Approved by:


Virginia Vigil, Chair

Respectfully submitted:


Debbie Doyle, Wordswork

ATTEST TO:


VALERIE ESPINOZA
SANTA FE COUNTY CLERK

ATTEST TO:

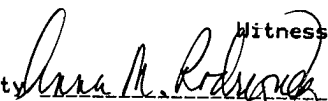
YOLANDA VIGIL
SANTA FE CITY CLERK

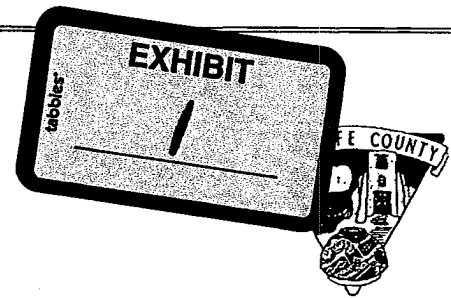


COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BUCKMAN DIRECT DIV MIN
PAGES: 14

I Hereby Certify That This Instrument Was Filed for
Record On The 13TH Day Of April, 2011 at 03:37:08 PM
And Was Duly Recorded as Instrument # 1632231
Of The Records Of Santa Fe County

Deputy  Witness My Hand And Seal Of Office
Valerie Espinoza
County Clerk, Santa Fe, NM



SF C CLERK RECORDED 104113/2011

AGENDA

THE CITY OF SANTA FE
And
SANTA FE COUNTY

CITY CLERK'S OFFICE

DATE 1/26/11 TIME 3:00 PM

SERVED BY [Signature]

RECEIVED BY [Signature]

BUCKMAN DIRECT DIVERSION BOARD MEETING

THURSDAY, FEBRUARY 3, 2011

4:00 PM

CITY HALL

CITY COUNCIL CHAMBERS

200 Lincoln Avenue

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES FOR THE JANUARY 7, 2011 BUCKMAN DIRECT DIVERSION BOARD MEETING
5. APPROVAL OF CONSENT AGENDA
6. MATTERS FROM STAFF
7. FISCAL SERVICES AND AUDIT COMMITTEE REPORT

CONSENT AGENDA

8. Project Manager's Monthly Project Exception Report. (Rick Carpenter)
9. Update by Rick Carpenter on Financial Status of Contracts. (Rick Carpenter)
10. Monthly Update on Status of Annual Operating Budget and Invoicing. (Rick Carpenter) **HANDOUT**

11. Project Manager's Report on Staffing and Training Program Progress. (Rick Carpenter)
12. BDD Public Relations Report for January 2011. (Lynn Komer)
13. Update on Staffing & Vacancies. (Robert Mulvey)
14. Update on the Status of the Triennial Review. (Kyle Harwood)

DISCUSSION AND ACTION ITEMS

15. Request for Approval of FY 2011/2012 OMR&R Budget Request and Five Year OMR&R Projection, Including Approval of the emergency Fund and the Major Equipment Repair and Replacement Fund, Working Capital and Billing Policy and Associated Procedures. (Robert Mulvey)
16. Discussion and Request for Conceptual Approval of New PNM Caja del Rio Substation. (Rick Carpenter)

INFORMATION ITEMS

17. Update on the Las Campanas LP Transition and Related Changes to BDD Board Documents. (Rick Carpenter and Kyle Harwood)
18. Status Update on PNM Energy Efficiency Rebate. (Rick Carpenter and Mark Ryan)
19. Status Update on BLM Pipeline Easement Private Property In-Holding. (Rick Carpenter and Kyle Harwood) - **VERBAL**

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT MEETING: THURSDAY, MARCH 3, 2011 @ 4:00 P.M.

ADJOURN

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.