



Buckman Direct Diversion

A joint regional project of the City of Santa Fe and Santa Fe County to build a reliable and sustainable water supply.

Memorandum

Date: September 1, 2016
To: Buckman Direct Diversion Board
From: Matthew Sandoval, Interim Operations Superintendent *MS*
Subject: Update on BDD Operations for the Month of August 2016

ITEM:

1. This memorandum is to update the Buckman Direct Diversion (BDD) Board on BDD operations during the month of August 2016. The BDD diversions and deliveries have averaged, in Million Gallons Daily (MGD) as follows:
 - a. Raw water diversions: 3.39 MGD Average
 - b. Finished Drinking water deliveries through Booster Station 4A: 1.17 MGD Average
 - c. Finished Drinking water deliveries through Booster Station 5A: 1.26 MGD Average
 - d. Raw water delivery to Las Campanas at BS2A: 24.90 MG Total.
 - e. 2016 Raw water diversions year to date: 1,114.97 MG Total
2015 Raw water diversions for the same time period: 908.41 MG Total
2. The BDD is providing approximately 11.5 percent of the water supply to the City and County for the month.
3. Please see the following pages from the Monthly report to the Office of the State Engineer (OSE) for accurate information up to August 15, 2016.
4. Please note all prior years are also included for reference.
5. The current Drought Update Summary and Reservoir Storage Status are attached.



Drought, Monsoon/El Nino, and ESA Update

NOAA has recently (8-15-16) updated ENSO (El Nino) status to: neutral conditions are now present with slightly favored likelihood for La Nina conditions (hot/dry) to develop by August - October, with about a 55%-60% chance of La Nina during fall and winter 2016/17.

The dynamic model average indicates La Nina by August, while the statistical models predict a transition to La Nina by fall. Dry conditions in 2016/17 could present significant challenges to all water purveyors, water utilities, and irrigators if there is not significant filling and carry-over storage in regional reservoirs from the current run-off season and/or monsoon rains. Regional reservoir levels on the upper Santa Fe, Rio Grande, and Chama Rivers are still low but rising due to warmer temperatures and resultant snowmelt runoff. Preliminary estimates are for an approximate 95%-100% delivery of full firm-yield of San Juan-Chama Project water. There are no water-related Endangered Species Act (ESA) updates. Updates on ESA issues will be made as needed. Rio Grande Compact Article VII storage restrictions went back into effect 4/22/16, which means the City will not be allowed to impound "native" runoff into Nichols and McClure Reservoirs above the pre-Compact pool of 1,061 AF (unless an exchange for water is made with the NMISC). Updates to this condition will be made as needed.

Current City of Santa Fe 2015/2016 SJCP Reservoir Storage:

Heron:

4,839 AF (2015 SJCP water must be vacated by September 31, 2016 pursuant to a BoR waiver). 2016 deliveries are at 95% of annual total, as of 7/1/16.

El Vado:

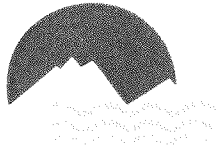
3,026 AF

Abiquiu:

9,416 AF SJCP carry-over from previous years, no time limit to vacate due to storage agreement with ABCWUA

TOTAL:

17,281 AF



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Memorandum

Date: September 1, 2016
To: Buckman Direct Diversion Board
From: Mackie Romero, BDD Financial Manager *MR*
Subject: 4th Quarter Financial Statements

Purpose:

This memo is intended to update the BDD Board and its partners on our 4th Quarter Financial position as of June 30, 2016.

Budget Overview – A financial plan that quantifies our current operations at year-end.

- Beginning Budget – FY15/16 Adopted Budget plus budget adjustments.
- Expended – Expenses for services and/or goods received as of 6/30/2016.
- Available Balance – Represents vacancy savings and unexpended budget balance as of 6/30/2016.

Fixed & Variable Costs - Expenses billed to partners for services and/or goods received as of June 30, 2016.

Outstanding Accounts Receivables - Represents the dollar amount owed by each partner as of June 30, 2016, that was billed after the year-end close.

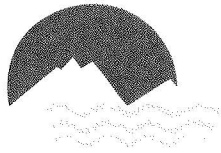
Other Funds - Major Repair and Replacement & Emergency Reserve Fund monthly contributions and budget overview for budgeted funds approved by the BDDB for expenditure.

This presentation of financial information for fiscal year ended June 30, 2016, certifies the BDD accounting transactions are reconciled and are ready for its annual audit.

BDD will continue to provide quarterly updates with financial information to provide the highest level of transparency to our partners and the BDD Board.

If you require any additional information to be included in this report, please contact me.





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4th Quarter Financial Statement – Operations (Unaudited 07/01/2015-6/30/2016)

Budget Overview

CATEGORY	BEGINNING	EXPENDED	EXPENDED	EXPENDED	EXPENDED	TOTAL	BALANCE
	BUDGET	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		AVAILABLE
Salaries & Benefits	3,143,949	733,884	862,403	654,467	709,562	2,960,316	183,633
Electricity	1,338,000	227,336	236,187	267,696	324,674	1,055,894	282,106
Chemicals	290,000	87,257	63,541	53,087	72,230	276,115	13,885
Solids	171,800	53,240	25,779	26,193	46,162	151,375	20,425
Materials & Supplies	608,561	24,343	127,317	180,507	197,635	529,802	78,759
Other Operating Costs	2,187,690	157,139	186,714	495,991	387,246	1,227,090	960,600
Fiscal Agent Fees	67,400	16,850	16,850	16,850	16,850	67,400.00	-
TOTAL	7,807,400	1,300,050	1,518,791	1,694,792	1,754,359	6,267,992	1,539,408
DOE Federal Grant	96,000	-	-	91,237	2,353	93,590	2,410
Grand Total						6,361,582	1,541,818

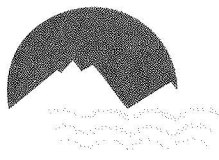
Fixed and Variable Costs (Billed) – Operations

	Total	1st -3rd Qtr	April	May	June
Partner Revenue					
City of Santa Fe	4,463,585	3,194,668	395,548	290,871	582,498
Santa Fe County	1,548,261	1,112,838	112,880	101,341	221,202
Las Campanas	120,072	66,478	4,723	6,507	42,364
Total	6,131,918	4,373,984	513,151	398,719	846,065
Other Revenue					
PNM Solar Rebate	136,074				
DOE Federal Grant	93,590				
Total	229,664				
Grand Total	6,361,582				

Outstanding Accounts Receivable - (4th Quarter billed 08/26/16)

	Balance
City of Santa Fe	1,268,917
Santa Fe County	435,424
Las Campanas	53,594
	1,757,935





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4th Quarter Financial Statement – Other Funds (Cumulative)
(Unaudited 07/01/2015-6/30/2016)

Pre-Bills – Major Repair & Replacement Fund (Yearly Contribution)

	Total	City of SF	SF County	Las Campanas
Major Repair Fund	411,804	292,764	102,818	16,222
	411,804	292,764	102,818	16,222

Financial Position

	Emergency Reserve	Major Repair
Balance at 06/30/2015	1,565,109	1,238,128
*Yearly Billings	441,459	411,804
Total	2,006,568	1,649,932
Less Expenses	-	78,898
Balance at 06/30/2016	2,006,568	1,571,034

* Emergency Reserve Fund have reached its funding target. Billings are to replenish funds spent in FY14/15 as per the established policy.

Budget Overview – Major Repair and Replacement Funds

CATEGORY	BEGINNING	EXPENDED	EXPENDED	EXPENDED	CARRY-FORWARD BUDGET	TOTAL	BALANCE
	BUDGET	1st Quarter	2nd & 3rd Quarter	4th Quarter			AVAILABLE
Materials & Supplies	579,067	27,260	-	51,638	500,000	578,898	169
TOTAL	579,067	27,260	-	51,638	500,000	578,898	169

Outstanding Accounts Receivable

	Balance
City of Santa Fe	-
Santa Fe County	-
Las Campanas	-
	-






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Memorandum

Date: September 1, 2016

To: Buckman Direct Diversion Board

From: Charles M. Vokes, BDD Facilities Manager 

Subject: Request approval for Amendment #1 to the contract with Alpha Southwest to build and install four (4) additional raw water pumps for pump stations 1A and 2A for an amount of \$466,000.00 plus NMGR in the amount of \$38,736.25 for a total amount of \$504,736.25.

Issue and Item

The Buckman Direct Diversion (BDD) staff requests approval for Amendment #1 to the contract with Alpha Southwest to construct and install four (4) additional raw water pumps for pump stations 1A and 2A for an amount of \$466,000.00 plus NMGR in the amount of \$38,736.25 for a total amount of \$504,736.25.

Background

The BDD Booster stations 1A and 2A each have four pumps. Due to the heavy sediment load in the raw water, these pumps have required numerous repairs. Four of the pumps can no longer be effectively repaired. The remaining four pumps while still in service, will also reach the point where they cannot be effectively repaired. In July, 2016, the BDD requested bids to replace four pumps (two at each pump station). At the August 4, 2016 Board meeting, the BDDDB authorized \$504,736.25 from the Major Repair and Replacement fund to purchase four new raw water pumps from Alpha Southwest. The contract specifies that the pumps will be constructed and installed within 240 days so potentially, the installation of the new pumps may not occur until May, 2017.

The Raw Water Pumps bid also addressed "Alternative Bid Items" which included up to 4 additional pumps to be purchased by the BDDDB within 1 year. The Alternative Bid was included to provide options to the BDD that should competitive and competent bids be received, the BDD could move forward with purchasing the needed additional pumps. The engineer's (Deere and



Ault) estimate for four pumps was \$500,000 and the successful bid was less than 1% more than this amount. The engineer also approved the pump equipment proposed by Alpha Southwest. The Alternative Bid price per pump was \$122,800.00 plus NMGRT of \$10,207.75 for a total of \$133,007.75 each. This amount is higher than the base bid because it includes a premium to hold the pricing of \$6,823.69 per pump for 1 year. Alpha Southwest has been contacted and has agreed to provide the additional 4 pumps for the base bid amount of \$504,736.25 if the BDD elects to move forward with the purchase of the additional four pumps at the September Board meeting.

The BDD at full capacity operates with up to 3 booster pumps (at each station) online at one time with one in reserve. These pumps not only provide raw water to the BDD Regional Water Treatment Plant but also, to the sediment return system and to Las Campanas.

Recommended Action

The BDD staff requests approval for Amendment #1 to the contract with Alpha Southwest to construct and install four (4) additional raw water pumps for pump stations 1A and 2A for an amount of \$466,000.00 plus NMGRT in the amount of \$38,736.25 for a total of \$504,736.25 and approval authorizing \$504,736.25 from the Major Repair and Replacement Fund to fund the total contract price.

Fund Source	Business Unit/Line Item	Amount
FY 2016/2017	07415/520150	\$504,736.25
Major Repair and Replacement Fund		

BDD Board Approval Date: September 1, 2016

Councilor Carmichael Dominguez, BDD Board Chair

**BUCKMAN DIRECT DIVERSION BOARD
AMENDMENT No. 1 TO THE
AGREEMENT WITH ALPHA SOUTHWEST, INC.**

This AMENDMENT No. 1 (the "Amendment") to the Agreement between Owner and Contractor dated August 4, 2016, (the "Agreement"), is made between the Buckman Direct Diversion Board (the "BDDDB") and Alpha Southwest, Inc. ("Contractor"). The effective date of this Amendment shall be the date it is executed by the BDDDB.

RECITALS

WHEREAS, under the terms of the Agreement, Contractor agreed to provide professional services to the BDDDB to remove, construct and install four (4) raw water pumps for the Buckman Direct Diversion's Booster Pump Stations 1A and 2A, pursuant to Bid No. 16/38/B for the BDD Raw Water Pump Project ("the Bid");

WHEREAS, the Bid contained Alternative Bid Items which included up to four (4) additional pumps that could be purchased by the BDDDB within one year of the Agreement;

WHEREAS, the BDDDB wishes to purchase the four (4) additional pumps as provided in the Alternative Bid Items, at this time;

WHEREAS, the General Conditions of the Agreement limit the warranty to be provided after final completion of the Project (including for the Alternative Bid Items);

WHEREAS, the warranty limitation is based upon conditions currently existing at the Buckman Direct Diversion facility due to the design and construction of the facility's intake structure; and

WHEREAS, pursuant to Article 10.22 of the Agreement, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the BDDDB and Contractor agree as follows:

1. The Work

Article 2, The Work, paragraph 2.2 of the Agreement is amended, so that Article 2, paragraph 2.2 reads in its entirety as follows:

2.2 The Work is located at Buckman Direct Diversion's Booster Pump Stations 1A and 2A, which are located approximately 17 miles northwest of Santa Fe, New Mexico.

The Work includes:

- a. Removing eight (total) existing vertical turbine pumps from two existing pump stations.
- b. Removing eight (total) electric motors from two existing pump stations and shipping those motors to a motor testing and repair facility. Those motors shall be returned to the Buckman Direct Diversion (BDD) and re-installed after service and testing.
- c. Manufacture, installation, startup and testing of eight (total) new vertical turbine pumps and all appurtenant equipment.
- d. All electrical and controls wiring and testing to make the new pumps completely operable with the existing system.
- e. It is understood that all mechanical, electrical and controls work will be performed by Contractor. It is also understood that BDD staff are familiar with the existing plant control systems and will assist Contractor with software programming changes necessary to make the system fully functional.
- f. The Work also consists of but is not limited to furnishing all equipment, labor and materials as required by the Owner.

2. Contract Sum

Article 4, Contract Sum, of the Agreement is amended so that Article 4, paragraph 4.1 reads in its entirety as follows:

4.1 The Owner shall pay Contractor in current funds for the performance of the Work, subject to additions and deductions by Change Order as provided in the Contract Documents, the Contract Sum of One Million Nine Thousand Four Hundred Seventy-two and .50/100 Dollars (\$ 1,009,472.50).

The Contract Sum is determined as follows:

Base Bid Price	<u>\$ 932,000.00</u>
Bid Alternates (0 thru 0)Price	<u>\$0</u>
Gross Receipts (8.3125%) Tax	<u>\$ 77,472.50</u>
TOTAL:	<u>\$1,009,472.50</u>

3. AGREEMENT IN FULL FORCE.

Except as specifically provided in this Amendment, the Agreement remains, and shall remain, in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 to the Agreement as of the dates set forth below.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK;

SIGNATURE PAGE FOLLOWS]

BUCKMAN DIRECT DIVERSION BOARD

CONTRACTOR:
Alpha Southwest, Inc.

By: _____
Carmichael Dominguez, BDDDB Chair

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:



Nancy R. Long, BDDDB Counsel

APPROVED:

Oscar Rodriguez, City Finance Director

ATTEST:

Yolanda Y. Vigil, City Clerk

File Date: _____

Business Unit/Line Item _____



Buckman Direct Diversion Board Summary of Contracts, Agreements, & Amendments

Section to be completed by department for each contract or contract amendment

1 **FOR:** ORIGINAL CONTRACT or CONTRACT AMENDMENT

2 Name of Contractor Alpha Southwest Inc.

3 Complete information requested Plus GRT
 Inclusive of GRT

Original Contract Amount: \$504,736.25

Termination Date: 240 NTP

Approved by BDDB Date: Pending

or by BDD Facilities Manager Date: _____

Contract is for: Raw Water Pumps BDD 16/38/B

Amendment # _____ to the Original Contract# _____

Increase/(Decrease) Amount \$ _____

Extend Termination Date to: _____

Approved by BDDB Date: _____

or by Facilities Manager Date: _____

Amendment is for:

4 **History of Contract & Amendments:** (option: attach spreadsheet if multiple amendments) Plus GRT

Inclusive of GRT

Amount \$ 504,736.25 of original Contract# pending Termination Date: 240 NTP

Reason: Raw Water Pumps

Amount \$ _____ amendment # _____ Termination Date: na

Reason: _____

Amount \$ _____ amendment # _____ Termination Date: _____

Reason: _____

Amount \$ _____ amendment # _____ Termination Date: _____

Reason: _____

Total of Original Contract plus all amendments: \$ 504,736



**Buckman Direct Diversion Board
Summary of Contracts, Agreements, & Amendments**

5 **Procurement Method of Original Contract:** (complete one of the lines)

RFP# 16/38/B Date: June 23, 2016

RFQ _____ Date: _____

Sole Source _____ Date: _____

Other _____

6 **Procurement History:** 1 year contract
example: (First year of 4 year contract)

7 **Funding Source:** _____ **BU/Line Item:** 72420

8 **Any out-of-the ordinary or unusual issues or concerns:**
none
(Memo may be attached to explain detail.)

9 **Staff Contact who completed this form:** Maya Martinez

Phone # 955-4271

10 **Certificate of Insurance attached.** (if original Contract)

Submit to City Attorney for review/signature

Forward to Finance Director for review/signature
Return to originating Department for Committee(s) review or forward to City Manager for review
and approval (depending on dollar level).

To be recorded by City Clerk:

Contract # _____

Date of contract Executed (i.e., signed by all parties): _____

Note: If further information needs to be included, attach a separate memo.

Comments:

Log # {Finance use only}:	
Batch # {Finance use only}:	

City of Santa Fe, New Mexico

BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME						DATE
						09/01/2016
ITEM DESCRIPTION	BUSINESS UNIT	LINE ITEM	SUBSIDIARY {.000000}	SUBLEDGER {0000}	INCREASE	DECREASE
<u>EXPENDITURES</u>					<i>{enter as positive #}</i>	<i>{enter as negative #}</i>
System Equipment	72420	570550	991330		504,736	
<u>REVENUES</u>					<i>{enter as negative #}</i>	<i>{enter as positive #}</i>
BDD City	71420	439960	100		(313,391)	
BDD County	71420	439960	200		(129,212)	
BDD Las Campanas	71420	439960	300		(62,133)	

JUSTIFICATION: *(use additional page if needed)*
--Attach supporting documentation/memo

To budget fund balance from BDD Major Repair and Replacement fund 07415, to purchase 4 new raw water pumps. Funds will be budgeted and expended in 07420 BDD Special Revenue Fund.

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
<u>Fund(s) Affected:</u>	<u>Fund Bal. Increase/ (Decrease):</u>
07415	(504,736)
TOTAL:	

Mackie Romero	09/01/2016	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i>	
Prepared By <i>{print name}</i>	Date	CITY COUNCIL APPROVAL City Council Approval Date: <input style="width: 100px; height: 20px;" type="text"/> Agenda Item #: <input style="width: 100px; height: 20px;" type="text"/>	Budget Officer _____ Date
Division Director <i>{optional}</i>	Date		Finance Director <i>{≤ \$5,000}</i> _____ Date
Department Director	Date		City Manager <i>{≤ \$50,000}</i> _____ Date