

MINUTES OF THE
THE CITY OF SANTA FE & SANTA FE COUNTY
BUCKMAN DIRECT DIVERSION BOARD MEETING

April 3, 2014

This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting commenced at approximately 4:30 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:

Councilor Joseph Maestas
Commissioner Miguel Chavez
Commissioner Liz Stefanics
Ms. Consuelo Bokum
Councilor Carmichael Dominguez

Member(s) Excused:

None

Others Present:

Nancy Long, BDD Board Consulting Attorney
Shannon Jones, Interim Facility Manager
Stephanie Lopez, BDD Office Manager
Rick Carpenter, City Water Resources and Conservation Manager
Claudia Borchert, County Utilities Director
Adam Leigland, County Public Works Director
Bernardine R. Padilla, BDD
Mackie Romero, BDD
Wendell T. Egelhoff, The Club at Las Campanas
Pete Maggiore, DOE/NNSA
Paul Karas, CDM Smith

3. Election: Chair and Vice-Chair of the Buckman Direct Diversion Board

MS. LONG: If I may for the Board, on the agenda you'll notice that the next item number is actual an action item and it's because we need to have you elect your chair and vice chair for the remainder of this year. We may actually be changing the time that you elect a chair and vice chair. There was some suggestions at the February meeting that maybe January is not the right time to do that.

And as you know, this item was tabled or some of you will not know that, but it was tabled from the February meeting because we had impending City elections and appointments.

So the item is now before you to elect a chair and vice chair. The chair should be from the City this year and the vice chair from the County.

COMMISSIONER STEFANICS: Board members, I would like to nominate City Councilor Joe Maestas as the chair and myself as the vice chair.

COUNCILOR DOMINGUEZ: I'll second that.

COUNCILOR MAESTAS: Any discussion on the motion?

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

COMMISSIONER CHAVEZ: Congratulations.

COUNCILOR MAESTAS: Thank you. Before we get to approving the agenda I just want to make a few opening remarks. I'm new to this Board but the significance I think of the Buckman Direct Diversion project is certainly not lost on me and I think it really truly represents a significant project in the city, in the county and I think represents a tremendous partnership and I think we're realizing the benefits of it. Not just within the City but throughout the County and I pledge to do my best to really move this project forward. I know we have a lot of action items today and we have a lot of challenges in the future with the expiration of some key agreements. But you have my pledge to do the best job I can and I look forward to working with all of you.

Again, I'm really happy to be here and I think this is a fantastic project.

4. APPROVAL OF AGENDA

[Exhibit 1: Agenda]

COUNCILOR MAESTAS: You have the agenda before you. Are there any changes to the proposed agenda? If not, can I entertain a motion to approve the agenda?

COMMISSIONER CHAVEZ: Move for approval.

COUNCILOR DOMINGUEZ: I'll second.

COUNCILOR MAESTAS: Okay, we have a motion and a second. Any discussion on the motion? Yes.

SHANNON JONES (Interim Facility Manager): Chairman, members of the Board, staff would like to request that we remove items 11 from the agenda and bring that back next month with a more comprehensive update.

COUNCILOR MAESTAS: Is that okay to the maker of the motion?

COMMISSIONER CHAVEZ: Yes, so then I'll just make a motion as amended.

COUNCILOR DOMINGUEZ: And I'll second that.

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

5. APPROVAL OF CONSENT AGENDA

COMMISSIONER CHAVEZ: Mr. Chair, I think we should have some discussion on items 14, 17 and 18.

COUNCILOR MAESTAS: Okay, any other amendments to the consent agenda?

COMMISSIONER STEFANICS: I'll move for approval as amended.

COMMISSIONER CHAVEZ: Second.

CHAIR MAESTAS: Okay. Any further discussion?

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

CONSENT AGENDA

12. **Update and discussion of BDD operations**
 13. **Drought, Monsoon and Water Resource Management Update**
 14. Request for approval of Amendment No. 1 to the Professional Services Agreement with Hall Environmental Analysis Laboratory for certified laboratory analysis for the amount of \$20,000 exclusive of NMGR – removed for discussion
 15. **Request for approval of Amendments with Bradbury Stamm Construction for the BCC Booster Station 2A 1.5MW Solar Power Project**
 - a. **Amendment No. 2 (Changes Order No. 2) Decrease if \$<81,288.00> exclusive of NMGR**
 - b. **Amendment No.3 (Change Order No.3) Increase of \$60,633.63 exclusive of NMGR**
 16. **Request for approval of Amendment No. 1 to the PSA with Smith Engineering for unanticipated extended construction management services for the BDD Booster Station 2A 1.5MW Solar Power Project for the amount of \$35,1000 exclusive of NMGR**
 17. Request for approval of 2014 Fiscal Services and Audit Committee Schedule – removed for discussion
 18. Request for approval of payment to Bureau of Land Management in the amount of \$1890,000 for land lease 2012-2014 – removed for discussion
 19. **Request for approval of Budget Adjustment Request to the FY 2013/2014 Operating Budget to replenish several budget line items resulting in no budget increase**
5. **APPROVAL OF MINUTES: February 6, 2014**

COMMISSIONER STEFANICS: I'll move for approval.

COUNCILOR MAESTAS: Okay, I have a motion on the floor; do I have a second?

COUNCILOR DOMINGUEZ: Second.

COUNCILOR MAESTAS: Any discussion on the motion?

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

6. MATTERS FROM STAFF

MR. JONES: Mr. Chair, members of the Board, I'd like to give a brief staffing update. Just recently, actually, Monday, we had our BDD public relations coordinator position filled by Bernadine Padilla. I have asked her attend this evening so I'd like to have her come up and do a brief introduction.

BERNADINE PADILLA: Mr. Chair, members of the Board, I just wanted to introduce myself and say that I'm very excited, very happy to accept the position as the public relations coordinator for the Buckman Direct Diversion department. I've been looking for a position for quite awhile now and when I saw this position I was excited because I thought this job was actually tailored just for me. And when I interviewed and was offered the position I was just excited, elated, and I have a variety of marketing background but I'm hoping that I will bring to the table and bring some great ideas and initiatives and relationships.

So if you have any questions, anything that you would like to work with me on I will be more than happy to entertain that and meet with you on that.

COUNCILOR MAESTAS: Any comments from the Board? Yes, Commissioner.

COMMISSIONER STEFANICS: Thank you very much, Mr. Chair, and, welcome to your position. One of the things that we had talked about – I was off the BDD last year but on prior years – and one of the things that we had talked about was continuing to do a lot of public outreach so that the people, the community members really understood what it is we were doing but also starting to educate the children in the schools.

MS. PADILLA: Right.

COMMISSIONER STEFANICS: And I know that sometimes that requires some special grants but I would still like to see that put into the mix of how we could try and accomplish some outreach to school age children. Thank you.

MS. PADILLA: Thank you. Shannon and I have discussed that in the last few days that I have been working and I find that's very important as well and I have extensive background in community outreach as well. I worked with Christus St. Vincent for about nine years in targeted and community outreach in the wellness and health aspect. So I have a lot of relationships that I've built in northern New Mexico, Santa Fe, Los Alamos, Española, Las Vegas – so I do have a lot of contacts and relationships already built. And I would love to continue that. I did work with the Santa Fe Public Schools as well and I'm looking forward to initiating those type of initiatives as well.

COMMISSIONER STEFANICS: Thank you very much.

MS. PADILLA: You're welcome.

COMMISSIONER STEFANICS: Thank you, Mr. Chair.

COUNCILOR MAESTAS: Anyone else?

COMMISSIONER CHAVEZ: Welcome onboard.

MS. PADILLA: Thank you so much.

COUNCILOR MAESTAS: It's good to see you Berna, I know we've worked together when you worked for the Wellness Program at Christus. So I have no doubt you'll do a great job for us.

MS. PADILL: Yes, definitely. Thank you.

COUNCILOR MAESTAS: Welcome aboard.

MS. PADILLA: Thank you so much.

COUNCILOR MAESTAS: All right. Was that all the matters from staff, Shannon?

MR. JONES: Mr. Chair, members of the Board, yes it is. Thank you.

8. REPORT ON APRIL 1, 2014 FISCAL SERVICES AUDIT COMMITTEE MEETING [*Exhibit 2: Notes from April 1, 2014 meeting*]

COMMISSIONER CHAVEZ: Mr. Chair.

COUNCILOR MAESTAS: Yes, Commissioner.

COMMISSIONER CHAVEZ: In front of you we have a handout [*Exhibit 2*] that I asked staff to provide. I hope that this will help in the interest of time. The meeting was held on this Tuesday the 1st and those in attendance were Teresa Martinez, the County finance manager, myself, Mackie Romero, the finance manager for BCC and Shannon Jones the BDD interim facility manager. And so the items that were discussed, there are eight items on the agenda. We discussed the eight items. Some of those items are on the agenda today; items 14, 17, and 18 were discussed on Tuesday. And so I think, again, in the interest of time, I think that each of us can review the handout. It's for information. If there are any questions from staff that can be directed to staff either now or after the meeting.

COUNCILOR MAESTAS: Okay, and we will cover those because we did take them out of the consent agenda. Commissioner, thank you for the report and then we'll cover the rest of those issues when we get to consent.

COMMISSIONER CHAVEZ: Unless I could, maybe I could, Mr. Chair, ask Mackie at this time if she wanted to expand or share any details that I may have overlooked or that might be really relevant/timely?

MACKIE ROMERO (BDD Finance Manager): Mr. Chair, Commissioner Chavez and members of the Board, the only one that isn't mention is the update on our BDD financial statements which if you please, I can elaborate on that?

COMMISSIONER CHAVEZ: Sure. Mr. Chair, would you allow time for that?

COUNCILOR MAESTAS: Sure, yes.

MS. ROMERO: So we discussed the construction of the project is scheduled to be completed by auditors around May 15, 2014. Due to the timeline the auditors – they were not able to complete our operations and therefore the City is going to go ahead and include fiscal years 11 and 12, 12 and 13 in the fiscal year 14/15 RFP. The RFP is estimated to be awarded by middle May and our auditors would start with BDD operations somewhere around June 1st. So the auditors that the City will hire will do three years of operations for BDD. So we are excited to hopefully get that finally completed.

COUNCILOR MAESTAS: Any questions?

COMMISSIONER STEFANICS: Yes.

COUNCILOR MAESTAS: Commissioner.

COMMISSIONER STEFANICS: Thank you, Mr. Chair. So, not having completed audits is that going to hold us back from any state government funds or federal funds that we might want to apply for?

MS. ROMERO: Mr. Chair, Commissioner Stefanics, I don't believe so since BDD itself cannot accept any grant money that is being transmitted through the City or the County which are up to date on their audits. But that is my understanding.

COMMISSIONER STEFANICS: Okay, Mr. Chair, if we do apply for something and we're denied based upon this audit issue, I would like that brought back to the Board so we're aware of it.

MS. ROMERO: Okay.

COMMISSIONER STEFANICS: Thank you.

MS. ROMERO: Thank you.

COUNCILOR MAESTAS: Maybe just as a point of clarification, whenever we do pursue any state funds because I know there's an executive order that the governor passed that restricts capital outlay funds for governments that are behind on their audits, but isn't it the County and the City that directly solicit capital outlay from the legislature.

MS. ROMERO: Correct, correct.

COUNCILOR MAESTAS: Okay, thank you.

MS. ROMERO: Thank you.

COUNCILOR MAESTAS: Commissioner Chavez, anything else on the committee?

COMMISSIONER CHAVEZ: No, I think that's it and the others will flesh out as we go through the consent calendar.

COUNCILOR MAESTAS: Just to clarify, are there any requirements that there need to be some coincidental changes to the committee composition or is completely independent of the new BDD board members? Ms. Long.

MS. LONG: The only committee is the Fiscal and Audit Committee of the Board and that has typically been fairly informal as to which members would like to serve on it: a member from the City and a member from the County. But we have not had quorums of the Board on that committee.

COUNCILOR MAESTAS: Typically does the Board designate BDD Board members to sit on the committee? Do we need to do that?

MS. LONG: Yes, it's asked for volunteers. It would be appropriate to do that.

COUNCILOR MAESTAS: Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: I assumed that I was one of the members that was assigned that duty when I was appointed to the BDD so unless that changes I'm willing to continue that.

COMMISSIONER STEFANICS: I would love for you to continue that.

COUNCILOR MAESTAS: Councilor Dominguez, would you like me to sit on that? I know you've got expertise in finance –

COUNCILOR DOMINGUEZ: I think it would be appropriate for you to sit on it. You are on the finance committee so anything that's relevant that needs to be brought forward you have that opportunity at that time to bring it up.

COUNCILOR MAESTAS: Okay. I'm assigning myself to the committee. All right. I just wanted that clarified. Thank you.

INFORMATIONAL ITEMS

9. Update on National Pollutant Discharge Elimination System (NPDES) Permit

MR. JONES: Chairman, members of the Board, I do want to bring forth this update. So the BDD does maintain an NPDES permit, a National Pollutant Discharge Elimination System Permit, that allows us to discharge water back into the Rio Grande. That permit was issued in 2008. It's typically a five-year term for a permit. Our permit renewal was in November of 2013. BDD staff did submit the appropriate applications in appropriate time and the EPA does see that permit as complete and in their hands. Unfortunately, they were not able to issue the new permit at that time so they placed the BDD on administrative continuance. Which in a sense means that our existing permit stays in place until they issue a new permit.

Since November we've continued to work both with New Mexico Environment Department and the Environmental Protection Agency to obtain this new permit. A significant change that did take place is because the permit was under administrative continuance there were certain requirements in the permit that we're required to fill. One of which was a geomorphic study that is done to evaluate our discharge into the river and how that affects the riverbank and the sediment deposits. Because we're in administrative continuance we did issue a contract in the amount of \$49,000 in the firm who did our initial geomorphic study to do that for two more quarters until the new permit is issued.

With that being said, we are making good progress and constantly meeting with both the Environmental Department and the EPA and it is expected for that permit to go to review in May.

COMMISSIONER CHAVEZ: Mr. Chair.

COUNCILOR MAESTAS: Any questions, Commissioner Chavez.

COMMISSIONER CHAVEZ: Yeah, Shannon, I know that the type of discharge permit or the discussion about how we handle the discharge relative to the BDD when on for a couple of years and the way it was finally permitted was not how they usually do things. Is that going to work against us in this new permit process and that's one question. And the follow would it be beneficial for us to communicate to our congressional delegation the significance and importance of this permit to help move things along a little bit?

MR. JONES: Chairman, Commissioner Chavez, members of the Board, while I do consider our permit to be unique and I know there was a lot of effort put into getting the initial issuance of the permit, I do not see this as an issue –

COMMISSIONER CHAVEZ: You mean currently?

MR. JONES: Currently. As far as the amount of work and effort that was put forth, I do not see this permit requiring that amount of time and effort. Even with the

progress that we've made it has been communicated to me that this is kind of typical that the EPA could take an additional six or eight months to actually issue the permit.

So with that being said, while we are in administrative continuance I do see that moving forward in an appropriate manner.

As far as contacting other individuals to help us issue the permit, I don't see that being an issue at this time. Again, we are working very close with the EPA and the Environmental Department to execute this permit and at this point we do not see an issue with that.

COMMISSIONER CHAVEZ: Okay. That's encouraging. I guess I'm just kind of playing devil's advocate, you know, what if? But if you're comfortable then we just watch the process run its course. What's the timeframe? What kind of timeframe are you looking at again?

MR. JONES: Chairman, Commissioner Chavez, the timeframe – we are expecting the EPA to issue a draft permit that they are required to post for 30-days for comment and review and we're expecting that to be posted the first part of May.

COMMISSIONER CHAVEZ: Okay, but the other thing is that as we're in this continue – or transitional period or administrative continuance that seems to be adding to our cost as well; how do we get around that, that curve, or is there nothing we can do?

MR. JONES: Chairman, Commissioner Chavez, at this point, I would say I don't think that there's anything that we can do because we are just serving under the existing permit that's in place. So in order for us to discharge we do have to remain within compliance of that discharge permit.

COMMISSIONER CHAVEZ: Okay, so the cost is just the cost of doing business then?

MR. JONES: Yes, sir.

COMMISSIONER CHAVEZ: For the actual testing that you're doing?

MR. JONES: Yes, Chairman, Commissioner Chavez, in addition as staff tries to also streamline this, as we continue to work with the EPA that we'll talk about later on, as questions come up or if there's doubts in their mind, we're working with them as far as collecting additional samples, providing them with as much data as they deem necessary to be able to make an informed decision on the permit.

COMMISSIONER CHAVEZ: Okay, thank you, Mr. Chair.

COUNCILOR MAESTAS: Mr. Jones, can you clarify what's the status of the geomorphic study? Is it complete and submitted to EPA pending their review or are we still in the process of doing the study?

MR. JONES: Chairman, the status of the geomorphic study, under the original permit was a four-quarter report and that was complete and finished the first year of the permit issuance. Because of the continuation it did stipulate that in the event that a new permit wasn't issued that the study would reoccur. So the contract that I secured was actually only for two quarters because once a new permit is issued it may or may not require that type of study. So in a conservative nature I thought it was within reason that we could complete that within two quarters. The first quarter has been completed and we have the resources in place to conduct a second quarter study and report if necessary.

COUNCILOR MAESTAS: Any other questions on the NPDES?

COMMISSIONER CHAVEZ: So I guess Shannon related to our budget then you're budgeting for that on an annual basis you have money set aside for all of that testing?

MR. JONES: Chairman, Commissioner Chavez, as we move through the agenda you'll also see that one of the reasons – one of the items that we'll talk about is the BAR. While we have the funding within our budget, which means we don't have to go back to the partners for an increase in budget, the funding is there it just requires some realignment where funding was moved from certain line items into the appropriate line items to secure that funding.

COMMISSIONER CHAVEZ: Thank you, Mr. Chair.

COUNCILOR MAESTAS: Any other questions on the permit? All right, let's move on.

10. Update on LANL MOU Early Notification System

COUNCILOR MAESTAS: Who is going to lead off? Mr. Jones?

MR. JONES: Yes, Mr. Chair, members of the Board, this is going to be mine. And I just want to bring an update. Each month we bring an update back and I would like to encourage the Board that staff has been meeting with the Department of Energy and Los Alamos National Labs in negotiating an extension of the MOU. Those conversations and meetings have been happening and we feel we're making good progress in moving forward and we will continue to bring an update to the month, each month on this process.

COUNCILOR MAESTAS: When does the MOU expire?

MR. JONES: Chairman, members of the Board, the MOU expires May 1, 2015.

COUNCILOR MAESTAS: Yes, Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair. So I guess there really is no update other than you are continuing communications with those parties to establish and finalize the MOU.

COUNCILOR MAESTAS: Mr. Chair, Councilor Dominguez, because we do have an existing MOU in place, we're continuing to work under the current MOU and so while those conversations still happen we're also having conversations on obtaining the extension or the amendment to the MOU.

COUNCILOR DOMINGUEZ: So has there been any progress on that extension that you haven't reported on already?

MR. JONES: Chairman, Councilor Dominguez, there has been progress and while a majority of that has just mostly been under discussions. We did have a chance to present the Department of Energy and Los Alamos National Lab staff with a draft appendix A2 to kind of start that discussion. So that document has been issued and that's being reviewed and will be follow up on.

COUNCILOR DOMINGUEZ: That's all, thank you, Mr. Chair.

COUNCILOR MAESTAS: Thank you, Councilor. And just to clarify, it is our position to continue the MOU. That's been established in BDD Board policy, correct?

MR. JONES: Chairman, that is correct.

COUNCILOR MAESTAS: I see some representatives here from DOE. Mr. Jones, did you plan on having them make any statements to the Board?

MR. JONES: Chairman, that was not staff's intent but we do appreciate their participation and they have remained active in the role of being available for questions if there's direct questions that staff cannot answer.

COUNCILOR MAESTAS: Thank you, Mr. Jones. Is there a desire to make any comments? Thank you for coming.

Let's move on to the Consent Agenda items that were pulled.

CONSENT AGENDA

14. Request for approval of Amendment No. 1 to the Professional Services Agreement with Hall Environmental Analysis Laboratory for certified laboratory analysis for the amount of \$20,000 exclusive of NMGRT

MR. JONES: Chairman, members of the Board, as discussed previous, so currently the BDD does have a contract with Hall Environmental who does our analysis of water both for compliance and process control. We execute an annual contract in the estimated amount of \$50,000 a year. Due to some of the constraints as I mentioned before including the continuation, the administration continuation for the permit that we have seen some additional costs that we do not anticipate in the future but currently in this fiscal year we are asking approval to amend the contract for an additional \$20,000 to cover current commitments of samples that we need to do and also anything else we can anticipate as the permit is released for review.

COUNCILOR MAESTAS: Any question on this proposed action? Yes, Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair. Just a couple of questions. So this is something that EPA has requested but it's not mandated, can you explain that a little bit?

MR. JONES: Yes, Chairman, Councilor Dominguez, it hasn't been mandated as we work with the agencies in these meetings, again, as questions come up I do feel that it's in the best interest of the BDD when questions come up as to where and what levels are at or just to really eliminate any question and give them the best opportunity to make an informed decision – we do undergo some additional sampling so if something does come up as question whether it's a sample or a different time of year we do execute that sample and get those results to them.

COUNCILOR DOMINGUEZ: So is that to say we're above any mandates that are given to us by EPA or anybody else for that matter on when it comes to, you know, these sorts of samples?

MR. JONES: Chairman, members of the Board, the BDD is in compliance with all regulatory compliance, we are in compliance. So really the intent that I am taking is that if the EPA has a question on where something is at, instead of them imposing that into my permit and require me to monitor for five years, if I can eliminate those questions early on, again, I feel that serves the BDD in the best interest.

COUNCILOR DOMINGUEZ: And one other last question, Mr. Chair, the last sentence in the memo just talks about this series includes collecting 12 samples – is

that, this 12 samples is what this amendment is going to fulfill or is that total and this amendment is going to fulfill a number of that 12?

MR. JONES: Chairman, Councilor Dominguez, it is included in what we call the additional sample requested by EPA and while the 12 samples does not total up to the 20,000, it does encumber that amount but also leaves some room that if for some reason we do need to collect additional samples it would save us the time and your time to have to come back and request a lesser amount of funding.

COUNCILOR DOMINGUEZ: Okay, that's all I have. Thank you.

COUNCILOR MAESTAS: Commissioner Chavez.

COMMISSIONER CHAVEZ: I move for approval.

COUNCILOR MAESTAS: Okay, I've got a motion on the floor. Do I hear a second?

COUNCILOR DOMINGUEZ: I'll second.

COUNCILOR MAESTAS: Second by Councilor Dominguez. Any discussion on the motion?

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

17. Request for approval of 2014 Fiscal Services and Audit Committee Schedule

COUNCILOR MAESTAS: Ms. Lopez.

STEPHANIE LOPEZ (BDD Office Manager): This calendar was pulled together. It's kind of hard to schedule this meeting. We try to do it around City Council meeting, County Commission meetings and all of the City committee meetings. We also try to have this meeting land right before, just a few days before, this BDDDB meeting so that the information is more current and up to date. So – we're looking for approval.

COUNCILOR MAESTAS: I think it's presented for information, is that correct?

Commissioner Chavez: Action item.

MS. LOPEZ: No, you have to act on it.

COUNCILOR MAESTAS: Okay, all right.

Commissioner Chavez: Move for approval.

COUNCILOR MAESTAS: Motion is on the floor. Do I hear a second?

Commissioner Stefanics: Mr. Chair, I'll second with the intent that if changes are needed we'll make changes as time goes on.

COUNCILOR MAESTAS: Okay. I've got a motion and a second. Any discussion on the motion?

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

18. Request for approval of payment to Bureau of Land Management in the amount of \$1890,000 for land lease 2012-2014

COUNCILOR MAESTAS: Ms. Romero.

MS. ROMERO: Mr. Chair, members of the Board, the Buckman Direct Diversion currently has a right-of-way grant agreement with the Bureau of Land

Management for the Buckman water treatment plant and the solar site. This agreement has been previously approved by the Board and it is a 30-year agreement. The agreement includes an annual rental fee of \$63,000 for use of 31.7 acres of public land. BDD had these bills previously been paid through calendar year December 31, 2011; however, the Bureau had failed to bill us after that and therefore we received a three year bill for \$189,000 which is three calendar years. This will pay us from January 2012 through December 31, 2014.

BDD does currently have available budget to cover this payment. This payment – the annual rent fee is \$63,000 was also included in our fiscal year 14/15 approved budget and will continue to be in our yearly budget every year and hopefully will not be forgotten again. Any questions?

COUNCILOR MAESTAS: Any questions. Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: Even though it was an oversight, I guess, on the Bureau of Land Management's side, is there any late fee for not paying in time?

MS. ROMERO: Mr. Chair, Commissioner Chavez, no, the Bureau has agreed to go ahead and waive any late fees because it was an oversight.

COMMISSIONER CHAVEZ: Okay, all right, good. Thank you, Mr. Chair.

COUNCILOR MAESTAS: Any other questions? Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair. Is this assessed on a calendar year?

MS. ROMERO: Yes, it's assessed on a calendar year.

COUNCILOR DOMINGUEZ: This agreement is for calendar year and our budget is not calendar year, right?

MS. ROMERO: Correct.

COUNCILOR DOMINGUEZ: So, we're taking care of this for the next budget cycle. For the next budget fiscal year.

MS. ROMERO: Councilor Dominguez, members of the Board, yes, this will pay us through calendar year December 2014.

COUNCILOR DOMINGUEZ: Calendar year 2014 which it says here –

MS. ROMERO: Correct.

COUNCILOR DOMINGUEZ: So we need to make sure that in the budget, obviously, is the remainder of that.

MS. ROMERO: Right, the budget does have \$63,000 to cover the January 1, 2015 through December 31, 2015.

COUNCILOR DOMINGUEZ: Does it make a difference if we have this calendar year/budget year, staff – anybody?

MS. ROMERO: No, because we will receive the bill somewhere around January of 2015 which is within that budget year.

COUNCILOR DOMINGUEZ: Okay. I'll move for approval.

COMMISSIONER CHAVEZ: Second.

COUNCILOR MAESTAS: I have a motion on the floor and a second.

Any discussion – I had just maybe one comment. You said the Forest Service lease was for 30 years.

MS. ROMERO: Correct.

COUNCILOR MAESTAS: And I guess is that because most of the facilities are on Forest Service land and it seems like looking at the map of the project that the raw water line kind of falls on that boundary and how vulnerable are we going year to year with BLM and yet have the security of having a 30-year lease with the Forest Service? Can anyone maybe explain that to us briefly?

MR. JONES: Mr. Chair, members of the Board, actually the BDD has lease agreements with both the Bureau of Land Management and the Forest Service. Both of them are 30-year agreements and are handled separately. But because we have the 30-year agreements so then those would just have to be renegotiated as we approach the end of the 30 years.

COUNCILOR MAESTAS: So we have negotiated an agreement to secure the term but not the payment on an annual basis? Am I misunderstanding this?

MR. JONES: Chairman, members of the Board, for the Bureau of Land Management we do have a 30-year lease agreement. The actual cost of the agreement is based on an appraisal system. So I do expect in the future that the Bureau of Land Management will do an appraisal of the property and we could likely see an increase based on the value of the property.

COUNCILOR MAESTAS: Okay, thank you. Any other discussion?

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

DISCUSSION AND ACTION ITEMS

20. Request for approval of the Major Repair and Replacement Fund Policy

MR. JONES: Chairman, members of the Board, in the Buckman Direct Diversion governing documents that are two funds that are called out and that have been put in place. One is Emergency Reserve Fund that was brought to the Board mid last year and approved policy. So, we're bringing forth a Major Repair and Replacement Fund Policy. In the memo we try to articulate the purpose of that fund and also provide a table of how this fund has been allocated up to this point. So the purpose of the policy is while the fund is being funded by the partners in those amounts that a policy has to be approved and put in place to be able to utilize those funds for their intent.

COUNCILOR MAESTAS: Thank you, Mr. Jones. Any questions regarding the proposed policy? Yes, Commissioner.

COMMISSIONER STEFANICS: Yes, thank you, Mr. Chair. I'd like to ask one of our staff, either Adam or Claudia, to come forward. Who has been involved in this discussion? Well, Teresa might have been involved but she might not know the equipment. So the issue I would like to know is, is the County involved in reviewing and agreeing to the course of actions taken for expenditures here and this specifically is equipment related to the project.

CLAUDIA BORCHERT
(County Utilities Director): I would say. Teresa is involved in that and I am to a little degree and I think Adam has been involved too and we support moving forward on the policy that Shannon is seeking to further develop. So, yes, we are very involved in that.

COMMISSIONER STEFANICS: Thank you very much. Thank you, Mr. Chair.

COUNCILOR MAESTAS: Any other questions regarding the proposed policy?

COMMISSIONER CHAVEZ: Move for approval.

COUNCILOR MAESTAS: Motion by Commissioner Chavez. Do I hear a second?

COUNCILOR DOMINGUEZ: I'll second.

COUNCILOR MAESTAS: Second by Councilor Dominguez. Any discussion on the motion? Just one question, is the \$411,804 is that an absolute basement? If it falls below that do we need to replace it to that minimum level? Can you clarify that, Mr. Jones, on that amount?

MR. JONES: Chairman, members of the Board so the intent, currently our budgeting factor has been the \$411,000 as brought before the Board annually for that. Because we have not had the fund policy in place the current balance on that fund is \$823,000. So while the intent isn't that that would be our annual target but there would be years where the repair and replacement requirements were below that but we are anticipating that would be years where it would be above that. So those funds would carry in an account and draw interest based on our working capital policy and if in the future as we work with staff if we saw that was an issue between the partners we'll bring that back before the Board for an amendment and also it will be included in the budget each year.

COUNCILOR MAESTAS: Mr. Jones, if you in the future could explain the methodology that was used in coming up with this amount. Because I think we all know that in dealing with capital projects we kind of know what the natural design life is. We know how much routine maintenance may cost but there is the possibility that there could be a catastrophic failure of our equipment. And who knows, maybe \$400,000 may not be enough to cover it. So I assume there is some possible assumption or consideration to having some set aside in the event of an unanticipated or catastrophic failure. Could you maybe – we don't have to talk about it today but if you could maybe explain what goes into that total amount and just for information only. I think that would be beneficial for to the Board to see how you arrived at that total.

MR. JONES: Chairman, thank you. That direction is clear and we will do that.

COUNCILOR MAESTAS: Okay.

COMMISSIONER CHAVEZ: Mr. Chair.

COUNCILOR MAESTAS: Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: Shannon, maybe while you're researching that I think that we also have a separate reserve fund in addition to this Major Repair and Replacement Fund. And I don't know if you have a dollar amount on that now or if it ties into what the Councilor is pointing to. And I don't know if even that reserve would be enough if something catastrophic did happen. But maybe we could look at both of the reserve funds and have a discussion on all of it.

MR. JONES: Chairman, Commissioner Chavez, absolutely, we can bring that back. The amount on the Emergency Reserve Fund that you speak of is in place and it is fully funded at \$2 million. But we can absolutely bring that back as an informational item and update the Board to get everyone up to the same speed.

COUNCILOR MAESTAS: All right. Any further discussion? Yes, Ms. Bokum.

MS. BOKUM: Just to make this – when we did the emergency fund we took into account insurance so it's not just the \$2 million. There were some assumptions built in about having access to insurance.

COUNCILOR MAESTAS: Thank you for that clarification. Any other discussion on the motion?

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

21. Request for approval of process for selecting Buckman Direct Diversion Project Manager

ADAM LEIGLAND (County Public Works Director): Good afternoon, members of the Board. My name is Adam Leigland I'm the Santa Fe County Public Works Director. You have in front of you a pretty detailed and thick packet. So I'll just quickly walk you through it and I'll note this action was presented to the Board in February but in anticipation of the new membership the Board at that time decided to push it until this first meeting of the new board members.

So a little background, the Joint Powers Agreement which actually created this Board established the role of the BDD Project Manager. The one thing I would like to stress because it is a little bit confusing is the BDD Project Manager is Shannon, it is not the person. Shannon is the Facility Manager. The BDD Project Manager is the entity that that will serve as what we might consider operational support services. And so the project manager role was created in the JPA and then a separate agreement called Project Management Fiscal Services Agreement which was signed in 2007 fleshed out the actual roles and responsibilities of the Project Manager. The JPA signed in December of 2015, the Project Management Fiscal Services Agreement would expire and at that time the Board would have the opportunity to implement a new Project Manager Fiscal Services Contract with any agencies are the Sangre de Cristo Water Division, which is the City Utility and the Santa Fe County Water Utility, or a regional entity.

So in anticipation of this selection, last summer the Board asked the BDD staff to come up with a process to make the selection, a selection process so that the BDD Board can make this choice – so that direction was given in July. And in the prior month the BDD staff came back with a recommended membership and you'll see that membership in your packet. And this process selection committee met in August and every month thereafter.

The committee has come up with a selection process and you'll see that explained within the memo. And then there's a chart. The first step is actually to identify the tasks that the project manager does. We culled the JPA, the PMFS and also the FOPA which is the third governing unit to identify those tasks. And you'll actually see those tasked identified within your packet. The number of tasks was on the order to 80 so we actually tried to group those into six like categories just to make it easier to sort through.

The next step in this process is to rank the ability of each of the possible successor agencies to do that. So for instance, one of the tasks may be facility maintenance and evaluate the time and – [inaudible] so this next step would be to evaluate the ability and

that might be a little bit of a harder task than the first test. And then step three is really to combine the results of the first two steps. We say, these are the tasks and these are abilities of various entities to do these tasks and that would produce possible successor agencies.

A lot of the challenges that we saw in this is that the JPA mentions this concept of a regional entity but there's no guidance or direction of what that regional entity would look like. We thought it would be useful for evaluation purposes to craft what we call notional entity, just sort of straw men if you will, of what a regional entity may look like. And actually in the packet on page 5 you'll see the term organization charts. The first organization chart is the current structure and that shows you how the City and County work through a board and with a project manager and all the tasks. And then to sort of illustrate the difference of what this notional original entity would like we created a second regionalization organization chart and you'll see that on the back and that just illustrates what this notional original entity might look like.

COMMISSIONER CHAVEZ: Mr. Chair.

COUNCILOR MAESTAS: Commissioner Chavez.

COMMISSIONER CHAVEZ: Well, Adam, would it be – well, for me I think it might be helpful. I don't if anyone else would like to see a flow chart with a modified status quo.

MR. LEIGLAND: So I think Shannon did a regional chart that [inaudible] and so yes, Commissioner Chavez, I'll modify the status quo on the regional chart as well. –

MS. BOKUM: On that point.

COUNCILOR MAESTAS: Yes, Ms. Bokum.

MS. BOKUM: We got a new chart in this month's thing so I'm a little confused. Are you talking about this reflecting –

MR. LEIGLAND: Mr. Chair, Ms. Bokum, exactly.

MS. BOKUM: So it's page two that has it?

MR. LEIGHLAND: Yes. The first chart is called current Buckman Direct Diversion Organizational Structure and then on back it's called Regionalization. The intent here is to illustrate what organizational differences you might see in this – actually I think it's closer to level 2 of level 3, what we call the SWMA model. We tried to find something that was local so the Solid Waste Management Agency, the original model.

So members of the Board, what we're asking for today is – let me just back up a sec. On the very last page of the packet you'll see a document called, Attachment E. [Exhibit 3] And these are the four recommendations that the committee thought were important regardless of what else happens. So for instance, I mentioned early on that the Project Manager title has been confusing since inception so we recommend that whatever else happens, even if the Sangre de Cristo water division continues on its present form and we changed the name to something like support agency just to clarify that, the difference between facility manager versus the project manager.

The JPA says that the selection happens in December which doesn't align with any fiscal. It doesn't align with our local fiscal year so we recommend that whatever happens that the transition take place aligned with a fiscal year either they accelerate the

transition to happen in July 2015 so it happens at that fiscal transition or it's delayed until the following July so it aligns with that fiscal year.

We recommend that the BDD Board develop its separate set of personnel policies. And then just as we went through this process we identified maybe some holes in the existing agreements, the JPA, the governing agreements. So we think that those should be addressed as part of this process to maybe cleanup the JPA, the FOPA, the Project Manager Fiscal Services Agreement and – we realize that this was a brand new endeavor when we started on it and we've now been on it – the BDD has been operating so I think it's a good thing to come back and fine tune it.

So, Mr. Chair, members of the Board, what we're asking for today is one, approval of the selection process. Two, we're going to recommend a panel to implement the process because I just want to note that the committee was not charged with actually implementing it, just developing it. And, then, three, consideration of the four recommendations that I just described. And with that, I will stand for any questions.

COUNCILOR MAESTAS: So just to clarify, we have a three-part agenda item here. The first part is to approve the process for selecting the next project manager. The second process is to accept the recommendations from the process selection committee. And the third is to I guess ratify a committee. Do you have specific names or is it just going to be the same committee that developed the process?

MR. LEIGLAND: Mr. Chair, our recommendation is the same committee that developed the process. [inaudible] needed some particular expertise that [inaudible] but it was felt that the committee could be kept small and outside expertise could be brought in as needed. So for instance, for this particular question about, again, I mentioned facility management earlier, if the committee can't answer that that they can reach out and draw out the members who could.

COMMISSIONER CHAVEZ: Mr. Chair.

COUNCILOR MAESTAS: Commissioner Chavez.

COMMISSIONER CHAVEZ: Adam, would the motion need to include Attachment E?

MR. LEIGLAND: Mr. Chair, Commissioner Chavez, yes, we are asking for approval of Attachment E, yes.

COUNCILOR MAESTAS: And also if the maker of the motion could name the members or we haven't really done that and read that into the record. I know it's in your briefing – however you want to handle it but I think we should at least identify by position and it's included in the memo. So whoever makes the motion.

COMMISSIONER CHAVEZ: Mr. Chair, I'll try and make a stab at it then. So the motion would be to approve the process for identifying the project manager. That the committee would be comprised of the following members: BDD Facility Manager and it has chair in parenthesis –

COUNCILOR MAESTAS: I think that was the leadership structure of the selection process.

MR. LEIGLAND: Mr. Chair, that's correct, yes. The BDD facility manager as chair of the selection committee.

COMMISSIONER CHAVEZ: Okay, but the committee would still be the same composition that's in the memo. So I'll read them. It's the BDD Facility Manager, BDD Financial Manager, City of Santa Fe Public Utilities Director, City of Santa Fe

Water Resources manager, City of Santa Fe Finance Director, County of Santa Fe Public Works Director, County of Santa Fe Finance Director, and County of Santa Fe Budget Manager. And the third – what was the third part?

COUNCILOR MAESTAS: Recommendations, Attachment E.

COMMISSIONER CHAVEZ: Yes, that the motion also includes Attachment E which are the Project Manager Selection Process Committee Recommendations.

COUNCILOR MAESTAS: We have a motion on the floor.

MS. BOKUM: Could I ask a question?

COMMISSIONER STEFANICS: Second.

COUNCILOR MAESTAS: We have a second for the purposes of discussion from Commissioner Stefanics. Ms. Bokum.

MS. BOKUM: I would feel a little bit more comfortable if we divided this into three motions because it think they each have – there might be some discussion that might be more clear if we could break it down into three pieces.

COMMISSIONER STEFANICS: I'm fine with that.

COUNCILOR MAESTAS: Maker of the motion are you okay with that?

COMMISSIONER CHAVEZ: Yes.

MS. BOKUM: I don't know that this will change a whole lot but I just think we should talk through them a little bit more and it might help if they were not all bunched together.

COUNCILOR MAESTAS: Okay. Is there a particular order you want to start with in the process?

MS. BOKUM: No, I don't care whichever anybody wants is fine with me.

COMMISSIONER CHAVEZ: Just in the order in which they were listed and I guess separate motion and a second on each one of them.

COUNCILOR MAESTAS: You okay with that, Commissioner?

COMMISSIONER STEFANICS: I'm fine.

COUNCILOR MAESTAS: All right. We have a motion to approve the recommended process for selecting the Buckman Direct Diversion Project Manager. We have a motion and a second. Any discussion on that first motion?

MS. BOKUM: Yes. It's mostly just a comment.

COUNCILOR MAESTAS: Ms. Bokum.

MS. BOKUM: When I went through this in January or this was in February, it just raises some questions and some of the questions don't come up until we get partway down the process. I had some thoughts about what would happen – I guess one of my questions is that we're not committing ourselves necessarily to a timetable, are we? This is what we're aiming for but things may come up and we don't know what. When you go through the first process we don't know what's going to come out of that and it may be great and we may not have any questions or it may raise issues. So I just want to have some confidence that we are going to be able to be deliberate as we go along and look at what the results are and be able to ask questions or if we need more study or if we have questions that come up that need to be evaluated that we have built in some room for that. That we haven't committed to something we may not be comfortable with.

COUNCILOR MAESTAS: Any other discussion on the motion?

COMMISSIONER CHAVEZ: No, I just – to comment on that. I guess, I don't want to rush into anything. I don't want to do anything that is radical if it doesn't make sense. And so – I didn't focus on the timeline. I was just focusing on the work at hand and not really paying attention to a calendar too much. That would be my position, so I think that the more time we spend on it with reason is probably good.

COUNCILOR MAESTAS: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Mr. Chair. I was just going to say that we're the deliberate body so if at any time if we have issues, it is our role to bring those issues to the table. So I don't believe the integrity of the process is going to be, you know, affected if we approve and start moving.

COUNCILOR MAESTAS: I gather by the minute of the last meeting that there is a sense of urgency on the part of this body to move forward. And I don't want to feel like this selection team needs to report to us. It really does need to maintain its integrity and have somewhat of a closed process from this Board. You know, I had issues myself with the process. How do you evaluate an entity or entities that don't exist? My preference would have been, let's evaluate the entities that do exist and select a project manager and depending on the outcome of how those entities are evaluated then we pursue the ideal model for the future of BDD. But there's a lot of history and I had a conversation with Commissioner Stefanics and I'm going to honor all the work that has been done by all of you to come up with this process.

I think it's fine. I think it was very well done. I'm very interested to know how you evaluate a notional entity; this is something I am not familiar with. But I'm going to learn along with everyone else. Commissioner Chavez?

COMMISSIONER CHAVEZ: Yeah, the only thing I would add to that comment is that I think that is going to be hard to evaluate something that doesn't exist but I sort of had another question, a follow-up question, and that would be, to evaluate where we are now and see how successful we are at achieving our goals. Because I don't hear any discussion about that. Would that tell us what's working and what's not working? It might. But anyway, I think for me that was also something that was kind of left out of the discussion. Not to put staff on the spot or anything but for me it would be a starting – it could be a starting point if we're going to evaluate. Because we do have that institutional knowledge. We do have some experience and I don't think we should just throw that to the wayside.

COMMISSIONER STEFANICS: Mr. Chair.

COUNCILOR MAESTAS: Yes, Commissioner Stefanics.

COMMISSIONER STEFANICS: Since Commissioner Chavez brought that up, I do have some concerns and I've made them very vocal over the year. When we have – and bless the staff who are here – but when we have a rotating door on the staff for the BDD, I think that's an issue that needs some evaluation. And that could be a standalone issue or it could be related to a project management issue. We don't know. So when Commissioner Chavez says there might be some other issues that need to be evaluated in terms of our goals – our goals of course are to have safe drinking water for our community. It's to stay within our budget. It's to have some consistent leadership, et cetera, et cetera and to grow our own within our community. So we do have some goals that hopefully are inherent as you move ahead with the evaluation of this for the future.

We have also discussed that we don't always want to be looking outside the State of New Mexico for leadership on this project if we could develop our own.

So I would like the group, and the group seems pretty evenhanded between the City, the County and the Buckman staff. So I would hope they would be extremely honest and put the pen to the paper on this. Thank you.

COUNCILOR MAESTAS: Thank you, Commissioner. I was thinking about the overall timeline and I know one of the recommendations is that the next project manager would begin on a fiscal year basis so I'm not sure that we can reasonably expect the new project manager to begin July 1 of this year so if a notional entity were to be selected wouldn't we have to begin the transition July 1, 2015 and that only gives us six months before the expiration of the agreement. Do you see a problem with that timeline and that transition?

MR. LEIGLAND: Mr. Chair, I think that that is a good point. And I think that whatever happens – we'll have time to make the transition. This is July of 2016 after – actually, I was just reviewing what the JPA says and the Board has the ability to essentially extend that if it needs to. So I would imagine that you probably want to maybe make the selection in July of 2015 in case any kind of budgetary resources were needed to effect the transition, it will give it a whole year to put it into place and then it will be in effect the following.

I think we need to be careful to pay attention to that. I think we're not anytime too soon. And I think it's going to be that whatever happens we want a careful transition.

COUNCILOR MAESTAS: Any further discussion on the first motion to adopt the process?

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

COUNCILOR MAESTAS: Thank you. All right the second motion and I'm going to – okay, take it away, Commissioner Chavez.

COMMISSIONER CHAVEZ: Well, let me see. The second motion was to approve the committee composition. And I don't think I need to read them in again.

COUNCILOR MAESTAS: No, you can just refer to it.

COMMISSIONER CHAVEZ: So there's a motion and a second. Oh, sorry, Mr. Chair, I'm doing your job.

COUNCILOR MAESTAS: So you're making a motion to adopt the recommended committee members which coincides with the same committee that helped develop the process?

COMMISSIONER CHAVEZ: Right.

COUNCILOR MAESTAS: Okay. Do I hear a second?

COMMISSIONER STEFANICS: It was my second.

COUNCILOR MAESTAS: Okay. Commissioner Stefanics. Okay, I thought we were starting all over. All right. Any discussion on the motion?

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

COMMISSIONER CHAVEZ: And then the third motion would be to include Attachment E staff's recommendations for the project manager selection process and there are four committee recommendations.

COUNCILOR MAESTAS: In Attachment E.

COMMISSIONER CHAVEZ: Right.

COUNCILOR MAESTAS: Okay, we have a motion and a discussion.

Any discussion?

MEMBER BOKUM: On the fourth one I think it's – but we have a number of agreements and I do think that at this point in time it really makes sense to look at all of them and figure out what's working great and what isn't and evaluate whether or not we should be changing some elements of them. And hopefully it will get to Commissioner Stefanics's point about how well we're operating or not operating. We should always be looking at things that need improvement or that we're not doing well and so I would like that thought to get incorporated in this and I guess that's my thought.

COUNCILOR MAESTAS: I tend to agree. Number four of the recommendations seems to be the most substantial recommendation and I realize it's not in any order of importance but I would say that that would be one of the top priorities to get a handle on that and maybe share what the committee has identified in terms of major differences and potential modification that would help improve the agreements in place.

MS. BOKUM: Mr. Chair, actually I have one question.

COUNCILOR MAESTAS: Yes, Conci.

MS. BOKUM: I think I remember from when we did this some discussions around when we got started and also some discussions about when we bought the water company to start off with in Santa Fe. Can we – this is a legal question, can we just write a whole separate personnel policy manual if in fact people are employed directly or indirectly by the City of the County or by a third entity? Is that premature maybe to start thinking about doing that? That was just a question.

MR. JONES: Chairman, members of the Board, absolutely, I think that is definitely a good question. We'll begin to look at that and see and while the Board does have the authority to set policies right now currently the positions, the employees, are City of Santa Fe employees, not BDD Board employees so that would be something to take into consideration. And at each step through the process I think those are updates that we'll bring back for consideration.

COUNCILOR MAESTAS: Thank you. Any other discussion on the motion? Yes, Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair. I guess it's a question as I read number three right now what manual is being utilized depending on which entity – I mean they work for one entity right?

MR. JONES: Chairman, members of the Board, so currently they are viewed as City of Santa Fe employees and under those policies that are being enforced. A lot of this derived from number three had to do with our evaluation of the SWMA model under the Solid Waste Management Agency those employees are viewed as Solid Waste Management Agency employees and they have built their own personnel rules and policies and procedures and that's where three was derived from.

MS. BOKUM: Mr. Chair.

COUNCILOR MAESTAS: Yes, Ms. Bokum.

MS. BOKUM: Based on that, I would recommend that we not put any work into that until we know whether we have any interest in what's referred to as a notional entity – I would say if we start thinking that that's where we want to go, then that's when we would do that but I don't think that we should spend time on it prior to that.

COUNCILOR MAESTAS: Councilor Dominguez.

COUNCILOR DOMINGUEZ: Mr. Chair, I want to tend to agree with that because it seems to me that if we go in that direction – not that it's a bad direction or we shouldn't do it but maybe at the very least we could ask staff to look at potential fiscal impacts because are they going to have to have their own human resources director? What does the structure look like? Not that I don't think that this is a worthy idea but maybe evaluating what some of those fiscal impacts might be would be beneficial. Thank you, Mr. Chair.

COUNCILOR MAESTAS: Yes, Commissioner Stefanics.

COMMISSIONER STEFANICS: Before I would delete that I would want to hear the rationale by the committee for including it.

MR. LEIGLAND: Mr. Chair, Commissioner Stefanics, it was just as Shannon announced we [inaudible] may be a little bit premature according to Ms. Bokum's comments but we just thought that we needed to establish some separate personnel policies. So I don't know that there's much to say beyond that. We just [inaudible] and identified that as possible entity.

COMMISSIONER STEFANICS: So, Mr. Chair, perhaps number three language needs to be amended to indicate looking at another type of personnel system or something to that effect so that if you want to bring in a comparison of a regional entity, like SWMA, that it be that and not the detail breakout. So if that would lend itself to our consideration maybe that's how that language should be finessed a little bit. Thank you, Mr. Chair.

COUNCILOR MAESTAS: Councilor Dominguez.

COUNCILOR DOMINGUEZ: So essentially, Commissioner Stefanics, it would basically just say, staff should evaluate independent personnel policy manuals –

COMMISSIONER STEFANICS: It's not even a manual. It's evaluating a different structure. A regional structure, probably.

COUNCILOR DOMINGUEZ: So I think that that gets to the intent is to have staff kind of look at that and evaluate pros and cons and I don't – in all my eight years I've never sat on SWMA believe it or not. So I have no idea how big that organization is or the board or what complexities that they may have. And it's not that I want to sit on SWMA but – so it would just be helpful for me as a board member here.

COUNCILOR MAESTAS: Hold on. Let me just throw something out for you to consider. If you look at the last statement it says that it's a recommendation regardless of the selected manager, so to me this is independent of the process and there are a lot of questions here and if this is something that the staff wants to pursue concurrently to the whole project manager selection then perhaps we ought to just put this on the agenda for the next meeting. That would be my suggestion and that way we can discuss -- okay, regardless of who is selected what are the pros and cons of having an independent personnel policy manual. That would be suggestion to the maker of the motion and the person that made the second. So what's your pleasure?

COMMISSIONER CHAVEZ: I think you could sever the discussion and have these recommendations move forward independently of the discussion that you're suggesting. I think that's good because we have a group of employees that may be the model that we're using isn't the best model and maybe discussion around that I think would be beneficial. So if you wanted to place that for discussion on the next agenda that could move us at least in a forward direction.

COUNCILOR MAESTAS: Ms. Bokum.

MS. BOKUM: I think the further we get away, if we choose to look at something further away from what we're doing now it's going to raise more and more issues. The employee personnel management is one and I think there would probably be a lot of legal issues. There will probably be a lot of financial issues. On this one in particular for instance, if we're concerned about employee, keeping employees and not having them – a whole bunch of them leave at one time I don't know to what extent this also involves benefits. Whether they lose their – I'm just thinking back to when we bought the water company. There was a lot of – part of the pain of going through that was that the employees all of a sudden found themselves under a completely different structure, employees' manual, benefit package, and it was hard. I think they lost stuff, maybe they gained stuff. I guess what I'm trying to say is maybe it would – not that we shouldn't start but I think the further away we get from what we have now we're going to find that there's bigger questions looming out there that aren't really covered in here that we would want answered before you moved in that direction. And I think the whole process of dealing with employees is one of them.

I would be happy to support the motion but I just want to make that statement.

COUNCILOR MAESTAS: Yes, Commissioner.

COMMISSIONER STEFANICS: I'm a little bit confused now. Was the intent in number three to try and look at a different model? Or was it in the recommendation was it to say what is missing for our employees?

MR. JONES: Chairman, members of the Board, in number three, viewing the SWMA model and seeing that in place and then at that point regardless of who the selected project manager was it did secure questions for current and future BDD employees as far as the pay structure, the benefits, the retirement and by securing that as we work through this process to eliminate that as a future concern as the project manager may or may not change in the future. That was the intent.

COMMISSIONER STEFANICS: So you're saying [inaudible] to look at a different model and to look at how it would affect our employees?

MR. JONES: It was looking at the SWMA model on how their structure is built.

COMMISSIONER STEFANICS: So why don't we just say that there? Why don't we just say that we're looking at a regional model, i.e., like SWMA?

COMMISSIONER CHAVEZ: Mr. Chair.

COUNCILOR MAESTAS: Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: Commissioner Stefanics, I think we are saying that in step two because there's language that says the committee examine existing regional entities in the area as well as across the state including BDD, as it is today, and the Solid Waste Management Authority, SWMA, based on this the committee crafted two

national regional entities listed below. The level one would be the modified status quo and level two would be the SWMA model. So it's referenced in the memo.

COMMISSIONER STEFANICS: In the body.

COMMISSIONER CHAVEZ: Right, in the body of the memo. But it doesn't jump out in the attachment but I think it's clear that that was one of the models that we're looking at.

COMMISSIONER STEFANICS: Okay, so, Mr. Chair, I'm still comfortable with all four tenets of Attachment E.

COUNCILOR MAESTAS: Okay. Any other further discussion?

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

MATTERS FROM THE PUBLIC

None were offered.

MATTERS FROM THE BOARD

COUNCILOR DOMINGUEZ: Mr. Chair, 4:30 is an okay time. I apologize for being late. It was just one of those days. I need to get together with you so we can take a tour. I know you invited me prior to the election so I'll take you up on that in the next few months.

COUNCILOR MAESTAS: And I just had a couple of things. Thank you, Councilor. A couple of things. On the agenda I'd like an update on the annual operating plan, the status of the 2014, differences between the City and the County on that. And then if staff could please tab the agenda items in our booklets so we can find them a little easier.

Any other matter from the Board?

NEXT MEETING: Thursday, May 1, 2014 @ 4:30 pm, City Council Chambers

ADJOURNMENT

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

Approved by:

Joseph Maestas, Chair

Respectfully submitted:

Karen Farrell, Wordswork

ATTEST BY:

GERALDINE SALAZAR
SANTA FE COUNTY CLERK

ATTEST TO:

YOLANDA VIGIL
SANTA FE CITY CLERK

DRAFT

subject to approval