



Buckman Direct Diversion



CITY CLERK'S OFFICE

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AGENDA

The City of Santa Fe
And
Santa Fe County

Buckman Direct Diversion Board Meeting

THURSDAY, NOVEMBER 5, 2015

3:00 PM

CITY HALL

CITY COUNCIL CHAMBERS

200 LINCOLN

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE SEPTEMBER 23, 2015
BUCKMAN DIRECT DIVERSION BOARD MEETING
6. MATTERS FROM STAFF
7. REPORT ON NOVEMBER 3, 2015 FISCAL SERVICES AUDIT
COMMITTEE

CONSENT AGENDA

8. Monthly Update on BDD operations. (Randy Sugrue)
9. 1st Quarter Financial Report. (Mackie Romero)

10. Request for approval of 2016 Buckman Direct Diversion Board meetings calendar. (Stephanie Lopez)

INFORMATIONAL ITEMS

11. Report on completed "Financial Statements with accompanying Independent Auditors Reports" for Buckman Direct Diversion facility operations as of fiscal year ended June 30, 2012, June 30, 2013 and June 30, 2014. (Mackie Romero)

DISCUSSION AND ACTION

12. Consideration of amendment to the Joint Powers Agreement (JPA) to allow for an alternate citizen member, to remove certain conditions related to the citizen member and to recommend the amendment to the respective governing bodies. (Nancy R. Long)
13. Consideration of matters related to the process for the Appointment of the Citizen Member and any Alternate Citizen Member to the Buckman Direct Diversion Board. (Nancy R. Long)
14. Request for authorization to allow the Facilities Manager to enter into contracts in an amount not to exceed \$500,000.00 plus NMGRF for four (4) raw water pumps utilizing funds from the Major Equipment Repair and Replacement Fund. (Charles Vokes)
15. Consideration of amendment to the Project Management and Fiscal Services Agreement between the Buckman Direct Diversion Board and the City of Santa Fe to extend the term of the Agreement from December 1, 2015 to June 30, 2016. (Nancy R. Long)

EXECUTIVE SESSION

In accordance with the New Mexico Open Meetings Act NMSA 1978, §10-15-1(H)(7) and §10-15-1(H)(6), discussion regarding threatened or pending litigation in which the BDDDB is, or may become, a participant, including without limitation: discussion regarding Diversion Structure issues and to discuss the contents of a competitive sealed proposal for the purposes of contract negotiation. (Nancy R. Long)

End of Executive Session

16. Consideration of and possible action on the award of RFP# '16/12/P to Sheehan & Sheehan, P.A. as Litigation Counsel for the BDDDB on matters related to the Diversion Structure. (Nancy R. Long)

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT MEETING: Thursday, December 3, 2015

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**

November 5, 2015

This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting was called to order by Commissioner Stefanics, Chair, at approximately 3:00 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 Liz Stefanics, Chair
Councilor Carmichael Dominguez
Commissioner Miguel Chavez
Councilor Joseph M. Maestas

Member(s) Excused:

Ms. Consuelo Bokum

Others Present:

Charles Vokes, BDD Facilities Manager
Nancy Long, BDD Board Consulting Attorney
Stephanie Lopez, BDD Staff Liaison/Office Manager
Mackie Romero, BDD Finance Manager
Bernardine Padilla, BDD Public Relations Coordinator
Randy Sugrue, BDD Interim Operations Superintendent
Will Kessler, CH2M Hill
Claudia Borchert, Santa Fe County
Adam Johnson, Santa Fe County
Dan Gershon, Sheehan & Sheenhan
Paul Karas, CDM Smith
Bruce Frederick, Santa Fe County
Kyle Harwood, BDD Board Counsel
Charlie Nylander, Club at Las Campanas
Sandra Ely, Santa Fe County
Marcos Martinez, City of Santa Fe
Jerry Schoeppner, Santa Fe County
Joni Arends, Concerned Citizens for Nuclear Safety (CCNS)

3. APPROVAL OF AGENDA

Charles Vokes, BDD Facilities Manager, requested that both Matters from the Public and Matters from the Board be heard before Executive Session.

Councilor Dominguez moved to approve the agenda as amended. Councilor Maestas seconded and the motion passed by unanimous [3-0] voice vote. [Commissioner Chavez was not present for this action.]

4. APPROVAL OF CONSENT AGENDA

Mr. Vokes requested removal of item 10, Approval of 2016 Buckman Direct Diversion Board meetings calendar, for discussion.

Councilor Dominguez moved to approve the consent agenda as amended with item 10 coming before item 12. His motion was seconded by Councilor Maestas and passed without opposition. [Commissioner Chavez was not present for this action.]

CONSENT AGENDA

8. Monthly Update on BDD Operations

9. 1st Quarter Financial Report

10. Request for approval of 2016 Buckman Direct Diversion Board meetings calendar [Removed from consent]

5. APPROVAL OF MINUTES: September 23, 2015 BDD Board Meeting

Councilor Dominguez moved to approve the minutes as presented. Councilor Maestas seconded and the motion to approve the September 23, 2015 minutes passed by unanimous [3-0] voice vote. . [Commissioner Chavez was not present for this action.]

6. MATTERS FROM STAFF

None were presented.

7. REPORT ON NOVEMBER 3, 2015 FISCAL SERVICES AUDIT COMMITTEE

MACKIE ROMERO: Madam Chair, members of the Board, a FSAC meeting was held on November 3rd. In attendance was Commissioner Chavez, myself, Mr. Vokes, Claudia Borchert the County Public Utilities Director and Carole Jaramillo the County Finance Director. We did discuss consent agenda item number 19 which was our report on the BDD's 1st quarter expenses. All other topics discussed are either action or informational items so I will hold for any comments on those.

I did want to let the Board and staff know that –

COMMISSIONER STEFANICS: We don't have an item 19.

MS. ROMERO: Sorry, that's number nine.

COMMISSIONER STEFANICS: Okay, thank you.

MS. ROMERO: I did want to note that in the past these meetings had been cancelled. However, due to budget and financial matters that will be discussed in the next couple of months these meetings will remain scheduled and participation by staff and Board is greatly appreciated.

I also wanted to note that the 2016 FSAC calendar will be coming out as soon as we get the calendar meeting for the County Commissioners.

COMMISSIONER STEFANICS: Thank you very much. Are there any questions on the Fiscal Services Audit Committee?

Welcome Commissioner Chavez.

INFORMATIONAL ITEMS

11. Report on completed "Financial Statements with accompanying Independent Auditors' Reports" for Buckman Direct Diversion facility operations as of fiscal year ended June 30, 2012, June 20, 2013 and June 30, 2014

COMMISSIONER STEFANICS: And I believe we have a handout.

MS. ROMERO: Yes, you do have a handout. Madam Chair, members of the Board, I am pleased to present to you the completed financial statements for BDD Facility Operations for fiscal year ended June 2012, June 2013 and 2014. In your packets the full financial statements are in your packets. I also included a memo which highlights some account balances at the end of each fiscal year for our three major fund types. I also provided a handout so that you can have a comparative side-by-side.

I would like to, just briefly, go over the numbers and then I can answer any questions.

COMMISSIONER CHAVEZ: Mackie.

MS. ROMERO: Yes.

COMMISSIONER CHAVEZ: Just before you start I have just a real minor correction. If you go to the 2013 financial statement on page 7. You have the Board members, Commissioner Holian, Councilor Dominguez, Commissioner Stefanics, Councilor Calvert and at-large member Bokum. It seems that the City representatives for 2013 would not be accurate?

MS. ROMERO: I'm not sure what the members were at the end of that fiscal year but I will definitely review that and see if there's any corrections that need to be made to that. But, thank you for pointing that. I will take a look into that.

COMMISSIONER CHAVEZ: Thank you, Madam Chair.

COMMISSIONER STEFANICS: Thank you. Anything else on that? Okay, so back to the spreadsheet.

MS. ROMERO: Yes, so if you will look at the handout, the handout is our major operating fund and as you can see those three years of data lined by each other. In fiscal year ending June 30, 2012 we had an \$8.9 million budget. We spent about \$5.6

million. You can see our expenses by major category and revenue contributions from our partners. At the bottom of that you also see partner credit balances. As we know BDD was doing a pre-bill policy – was pre-billing the budget and therefore there are credits due to reconciliation of expenditures. If you go onto 2013, you'll see we had about an \$8.5 million budget, expended about \$5.7 million. Again, you see partner credit balances at the bottom. Any negative balances are balances that are due to BDD and this is cumulative. So these credit balances just continue to roll forward as we go through each fiscal year.

The final fiscal year that was included in the report is as of June 30, 2014 which we had a \$7 million budget and we spend about \$6.1 million. And at the bottom you should see final partner credit balances. I do want to just note that this policy has changed as of fiscal year 2015 so these should be the final credit balances for our partners. There was a small carry-over budget that was approved for about \$205,000 that will be included in the next year's audit so I will work with the partners to make sure that I give them their final numbers and those will be discussed as far as what they want to do with those credits in the future.

The funds that I did want to mention that are not included in the handout but it is the memo, and it is page number 6 or the last page of my memo. This data was just showing our capital projects fund which currently holds funds for the habitat restoration project which is as everyone knows is the carve out budget and then the funds for our capital construction of our booster station solar array for 2A. As you can see this is an accumulative budget that just rolls forward for each year and I've given you budget and balances that were expended. The capital outlay project which is the solar array was capitalized in our 2015 financial statements. I would stand for any questions on those balances.

The habitat restoration project, as we know, is not finished and if there's any funds that will continue to roll forward past 2016 we'll bring it back to the Board to re-authorize expenditure of those funds.

COMMISSIONER STEFANICS: I'm a little confused, Ms. Romero. Do we not need to accept this as a formal item? It is only listed as informational.

MS. ROMERO: Madam Chair, members of the Board, no. The City as the fiscal agent, as the PMFSA Agreement they are required to issue financial statements in accordance with that agreement and this is the final report of that. I have provided copies to County finance director Carole Jaramillo and of course the County, the City and Las Campanas as partners, they do confirm all balances as far as accounts receivable and partner balances as part of the audit process. Those partners did confirm those balances.

COMMISSIONER STEFANICS: Okay, so on page 7 would you reiterate the findings for the record, please.

MS. ROMERO: Yes. The auditors did note two findings. The first finding is the late completion of the audit report and that is per the PMFSA agreement, it states that the City as fiscal agent has 90 days after the end of the fiscal to issue financial statements. And, as we are all aware, that was late. We will continue – it was a great achievement that we got this accomplished and the 2015 was audited and we're just waiting for the final financial statements. This should us back in line with the requirement or timeline and, hopefully, this finding will go away.

COMMISSIONER STEFANICS: And the second item?

MS. ROMERO: The second finding is a project-wide cost allocation to partners. Project-wide cost allocation is a cost sharing methodology that is implied in BDD's cost accounting systems matrix billing and budget procedures. However, the principle is not specifically stated in the FOPA which was executed in 2006; however, it is derived from cost-sharing principles that are stated in the FOPA. Therefore, the auditors have recommended that staff amend the FOPA to include the cost-sharing principle to ensure transparency. However, I do feel that it is appropriate to inform the Board that currently the City of Santa Fe is currently opposing the cost-sharing methodology project-wide and legal counsel for the City and BDD, Ms. Nancy Long, are discussing the facts involved and to hopefully resolve the issue. Depending on the outcome of those discussions, we will then, if needed, proceed with requesting guidance from the Board as well as involvement from the other partners.

COMMISSIONER STEFANICS: Thank you. Comments, questions?
Yes, Councilor Maestas.

COUNCILOR MAESTAS: Well on the first finding regarding the timeliness of the audit, the auditor – page 50 of the packet – the auditor's recommendation, he questions whether we have adequate personnel resources to produce a timely audit. And I think our response was that we're going to look into it. But have we looked into it? And do we, in fact, need additional resources to produce a timely audit?

MS. ROMERO: Madam Chair, members of the Board, I do know that the finance manager before me there was a six month gap where that position was not filled. And we are looking at it internally to make sure that we do have enough financial staff to make sure that reconciliations are done timely and so that we can provide – in working with the City to provide those numbers. We will definitely continue to look at that as we prepare next year's budget.

COUNCILOR MAESTAS: So what you're saying is that the conclusion is we probably have enough allocated resources but that in this circumstance we had a vacancy and –

MS. ROMERO: We had a vacancy. The other obstacle that the City had to deal with is that they had to close out the construction audit prior to, because that capital asset was then going to be part of the operating asset as an asset. And I know that that took a while to get completed and that was in 2014 so that also helped with the delay in that.

COUNCILOR MAESTAS: So will there actually be an amendment necessary to the Fiscal Services Agreement or we can just handle it?

MS. ROMERO: I will in the new agreement with the City I would recommend that we extend that. I don't know – even we were on time for the 2015, we had everything reconciled and ready. The auditors came in before September and they did audit BDD's operation but due to some higher PERA requirements it's going to take the audits a little bit longer to actually prepare the final financial statements so we will probably recommend that that date be extended out a little bit further than 90 days. I think staff would agree that we need a little bit longer than 90 days.

COUNCILOR MAESTAS: The agreement may have nothing to do with our resources but may change the dates required for the cycles associated with audit preparation.

MS. ROMERO: Right, just a little bit more in line with maybe when the City's audit is due because there are some requirements that the City has, like PERA contributions, retirement contributions, and so as the City is preparing that – as BDD does have City employees they are part of each other so we may definitely extend that date.

COUNCILOR MAESTAS: I know, Madam Chair, I'm not trying to jump ahead but item 15 is calling for an extension to that agreement. My question is, would it be prudent to amend it during this extended period to maybe change some of the dates associated with the audit?

MS. ROMERO: I don't know, Nancy, do you feel that's –

COMMISSIONER STEFANICS: Ms. Long.

NANCY LONG (BDD Board Counsel): Yes, Madam Chair, members of the Board, we can certainly look at whether that's required – whether there's some language in the current PMFSA that that would be contradictory to that we would need the change. I would be happy to look at that.

MS. ROMERO: And we may, Madam Chair, members of the Board, we may be okay, because 2015, like I said, is in the works. We should be getting a completed financial statement here in the next couple of months and then 2016 would probably be with the new agreement which would then have dates extended. The new agreement would be effective July 1, 2016 which is at the end of our fiscal year so we might be okay.

COUNCILOR MAESTAS: Okay. So, Madam Chair, one more question. I guess on the other finding on page 51 of our packet. I guess this may warrant an amendment to the FOPA so any idea on a timeframe for amending that? It's not on our agenda just yet and I guess I can see why if there's some legal disagreements associated with the principles used in the absence of some formal methodology in the FOPA. But any idea when we might be prepared to amend that? I guess it's going to take some kind of an agreement between the City and the County.

MS. LONG: Yes, Madam Chair and Councilor Maestas. We are putting together the background information doing some research where project-wide cost allocation, when it was devised, how that methodology was arrived at. We realize that there's been this audit finding and there's some question about how those cost allocation principles fit with the FOPA. So if there is some agreement, and we are working with the City attorney's office now, my plan is to put together an analysis of the issue and to share that with all of our partners and obviously if we can come up with an agreement that would result in an amendment to the FOPA that would be one path forward. If we can't then there won't be an amendment to the FOPA and they'll be some other action that we'll have to choose.

COUNCILOR MAESTAS: Ms. Long, would you characterize the project-wide costs as kind of capital in nature and not operation?

MS. LONG: The costs are operational costs. They are fixed-operational costs.

COUNCILOR MAESTAS: I realize that the pro rata share for the construction was 50/50 but the operational are in proportion to water use and I can see why this would be gray on the project-wide costs. So – if I wanted to be parochial I guess I would say I prefer 50/50 but I think it's in the hands of the attorneys at this point.

Do we have a timeframe when we're going to formalize this pro rata split for project-wide costs? I don't see a timeframe in our management response.

MS. LONG: Yes, Madam Chair, Councilor Maestas, our plan is to get our analysis finished and continued discussions with the City attorney throughout this month. Bring something to the Board, it may be in executive session next month depending on the nature of the claim and the dispute at that point. So our plan is to diligently stay after it because we do have to get to a resolution.

COUNCILOR MAESTAS: One last question. I guess this was flagged by the auditor, could this have any retroactive effect of that informal split or cost sharing principle applied in the past; could it have that kind of implication?

MS. LONG: Madam Chair, Councilor Maestas, at this point the City, as I understand it, is going back from the time of the implementation project-wide formula and looking at those amounts and I don't know where that will finally fall out. I don't know that there will be any additional audit issues now that they've flagged it but, yes, you are correct the City is looking at past years and how that allocation was calculated.

COUNCILOR MAESTAS: Thank you. That's all I have, Madam Chair.

COMMISSIONER STEFANICS: Thank you.

COMMISSIONER CHAVEZ: Madam Chair.

COMMISSIONER STEFANICS: Yes, we'll just go right down the row. Commissioner Chavez.

COMMISSIONER CHAVEZ: Just for my clarification, Councilor Maestas, your questions and discussion focused on a June 30, 2013 schedule of findings and responses; is that correct? Because there is more than one page 50 in our packet.

COUNCILOR MAESTAS: Oh, there is? This is the FS 2012 Project-Wide Cost Allocation of Partners. It's the last page basically on that tab. On tab 11.

COMMISSIONER CHAVEZ: Is there a date June 30, 2013 or is it –

COUNCILOR MAESTAS: No, I think as Ms. Long stated they went all the way back, right? That 2.588 million, that is total, right? Those are totals.

MS. ROMERO: Madam Chair, members of the Board, that is – we got the finding each fiscal year financial statement. So if you look at the end of each financial statement the amount will be different based on that year's number.

COMMISSIONER CHAVEZ: Okay, got you. I guess that's really what I wanted to ask. So the finding then for the project-wide cost allocation to partners shows up as a finding in all three years?

MS. ROMERO: That is correct.

COMMISSIONER STEFANICS: Anything else?

COMMISSIONER CHAVEZ: No.

COMMISSIONER STEFANICS: Okay, thank you. Councilor, anything? Thank you very much.

MS. ROMERO: Okay, and I just did want to note that for future cost allocation BDD does want to make sure that the partners are reviewing that in conjunction with our budget because to me that's important. That's the way we're going to get our budgets through. So if we're not able to get it amended through the FOPA, we're definitely hoping to include it in this part of our budget, at least for one year. Thank you.

COMMISSIONER STEFANICS: Thank you.

MS. ROMERO: And I do have copies of financial statements if anybody wants a copy if not they are included in your packet and they are also on our website.

COMMISSIONER STEFANICS: Thank you very much for the public to know that they're on our website.

10. Request for approval of 2016 Buckman Direct Diversion Board meetings calendar

COMMISSIONER STEFANICS: Mr. Vokes.

MR. VOKES: Madam Chair, members of the Board, as you know we requested an earlier start time for this meeting due to the nature of events that we are handling in executive session. One of my concerns is that the normal business of the BDD, there's not enough time for it within this. We have another meeting that follows this meeting and I would just like to ask for a proposal that we move the meeting up to perhaps 3 o'clock if that's possible or even 3:30. That will allow us to handle the matters we have going forward at least for the next three to six months. Is that a possibility?

COMMISSIONER STEFANICS: Mr. Vokes, the meeting that follows us starts at what time; 6 or 6:30?

MR. VOKES: Six p.m.

COMMISSIONER STEFANICS: So members what would you like to do? Councilor Maestas?

COUNCILOR MAESTAS: Well I have to ask – I have an answer for that, but first I'll ask, how many times have we fallen short of time over the last, well, since you've been here, Chuck?

MR. VOKES: I think, Councilor Maestas, the time interval has been pushed probably in the last three meetings but before then it was quite adequate. And again with the executive sessions that we've had that has been pushing us into the next meeting. Again, that's my concern. We had a presentation that I felt like we would not have had time to do at this particular meeting and it's just a presentation on the normal activities of the BDD. So, to me, there is this pressure in trying to schedule, estimate the meeting time and make sure that we are done by 6 p.m. Again, my proposal is to move it up to give us time for not only the executive session items but just the normal business at hand.

COMMISSIONER STEFANICS: Councilor Maestas, if I could direct this a little differently. How much time – do we want two hours, two and a half hours, three hours – before we start talking about a time to start and a time to end what do you think would be an appropriate length of time for our meetings?

COUNCILOR MAESTAS: Well, I do think that an hour and a half is not enough time. I think we do need to allow some time for contingencies such as complex matters that would be discussed in executive session. I don't think we need more than two hours and then I'll state just kind of an inconsequential fact, I work in Albuquerque and so I need to get back here and if we have it any earlier than 4 it's going to be a task for me. But I think there's a lot to be said for our time management and being disciplined in the proceedings of our meeting. So, with that being said, I would say two hours should be more than enough.

COMMISSIONER STEFANICS: Thank you. I'd like to get the feeling from the rest of the group. And, another thing here besides work schedules, we could start looking at the County facilities for the meeting. Commissioner Chavez, length of time?

COMMISSIONER CHAVEZ: I would agree with Councilor Maestas, I think that two hours should be adequate and that means that we would start at 4 and want to be finished by 6 so we could have the building available for the next committee meeting. I could adjust my schedule. It's a half-hour difference and that meets your, that gives you enough travel time. I could do 4 o'clock.

COMMISSIONER STEFANICS: Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Madam Chair. I also agree with Councilor Maestas. I think that two hours is enough. Four o'clock is a little difficult for me. It works on most occasions but there will be times that I will be five to ten minutes late. So as long as we have a quorum, I don't think that that's a problem. But 4 o'clock does work generally speaking for me as well. Three-thirty is pushing it a little bit and I think that with everyone's schedules, we have tons of meetings to contend with and I think Councilor Maestas is correct.

COMMISSIONER STEFANICS: Thank you. So, Mr. Vokes, I think the majority here is speaking to a 4 o'clock start time. If we were to look at the schedule, Board members behind tab 10 and changes those 4:30s to 4 pm, is that acceptable and is there a motion?

COMMISSIONER CHAVEZ: Madam Chair, I think that is acceptable and I'll make that motion and hope for a second.

COUNCILOR MAESTAS: Second.

COUNCILOR DOMINGUEZ : And if I could make a comment, Madam Chair.

COMMISSIONER STEFANICS: Yes, absolutely.

COUNCILOR DOMINGUEZ : So again, we will be potentially changing Board members in March and so I'm not sure if that is something that will have to be revisited but not knowing who is going to be on there of course – I just wanted to make the Board aware of the fact that we might be changes committee members or board members.

COMMISSIONER STEFANICS: Right, and actually the County Commission might change in January. So we'll see what happens. Okay, there is a motion to accept this schedule starting at 4 p.m. for 2016 for the dates noted and there was motion and a second.

COMMISSIONER CHAVEZ: Madam Chair.

COMMISSIONER STEFANICS: Yes.

COMMISSIONER CHAVEZ: Under discussion, following up on the comment that even though we're setting the meeting schedules and the time now not knowing how the composition of the Board might change, I wonder if you could – how could you communicate that to those in the future. How could you do a memo that would justify why you're doing this so that the new board members would be apprised of that because I think if we're sensing that there's some urgency and we need to manage our time and allow more time. I think we want to hold ourselves to that and see if we can keep that pattern in place so that staff is able to do their work.

COMMISSIONER STEFANICS: So, Commissioner Chavez, my comment on that is that every intergovernmental group that meets has to reconsider their members and their schedules and –

COMMISSIONER CHAVEZ: It's just kind of a moving target for staff and I wanted to see if we could maybe massage that a little bit but I guess we'll just stay tuned.

COUNCILOR MAESTAS: I would just say that regardless of who sits on this body that is not going to change the nature of the business and the time required to conduct business and I would say that we're entering a period of much discussion and we have some tough issues ahead so I think regardless we are going to need two hours.

COMMISSIONER STEFANICS: So Board members I would amend our motion to include that the two hour meetings, so that it is clear that the meetings are two hours and if the schedule gets changed that the two hours are still considered.

COMMISSIONER CHAVEZ: I would amend my motion to include that language. So that if the schedule or the dates specified and that we have a two-hour time lot but not the dates.

COMMISSIONER STEFANICS: And who was the second? You both seconded it? Are you both okay with the language including the language for two hours?

COUNCILOR MAESTAS: But we are still going to abide by the start time that is proposed, right?

COMMISSIONER STEFANICS: Right, 4 o'clock.

COMMISSIONER CHAVEZ: And the dates, the dates could change but we want to be sure that if the date – whatever dates are scheduled that a two-hour time slot is allotted for each of those meetings because I agree with the Councilor Maestas that the workload has increased and I don't think that it's going to dissipate anytime soon. So the more aggressive we are with that I think the better off we'll be.

COMMISSIONER STEFANICS: So Board members we have a motion with an amendment that was accepted for a two-hour meetings starting at 4 pm for the dates so noted. Any further discussion?

The motion passed by unanimous [4-0] voice vote.

12. Consideration of amendment to the Joint Powers Agreement (JPA) to allow for an alternate citizen members, to remove certain conditions related to the citizen member and to recommend the amendment to the respective governing bodies

MS. LONG: Madam Chair, members of the Board, there is a proposed amendment in your packet but I did place a handout in each of your places that is in redline form so you could see the change and it was a change that was recommended on behalf of the County and I thought it made sense so I've included that.

COMMISSIONER CHAVEZ: Madam Chair.

COMMISSIONER STEFANICS: So Ms. Long, could you – just a minute, Commissioner. Could you just summarize how we're handling the alternate for the record.

MS. LONG: Yes, Madam Chair, and I'll give you some background on this as well. The Board has been discussing for some time the possibility of adding an alternate citizen member. There was discussion and direction at your September Board meeting that I should prepare an amendment to the JPA that you all would recommend to the two governing bodies that are parties to the JPA to allow for that citizen member. I have also removed the rather peculiar requirement that the Chief District Judge for the 1st Judicial District appoint a successor if you fail to appoint a citizen member within 60 days of the expiration of their terms. So that is what you have before you. I prepared this amendment and I got it out to the respective City and County legal offices. We did hear back from staff at the County that perhaps we should include this provision that if a citizen members should expire or resign during their term that make it clear that the Board would appoint a successor. So that made sense to me and it's in line with the language that is already in the JPA for elected office members.

There was a lot of discussion at the meeting about what you wanted that citizen member to do. Would they be expected to attend all meetings? What would you tell them that their job would be? I went through the minutes pretty carefully from the meeting last month and I think the consensus was that the alternate member would serve as alternates do on your board, that they will receive all materials, they will be invited to come and participate if they want to but you didn't feel you could require them to come to meetings where they are not going to have a vote. And this is another agenda item but we've got ahead and prepared, that staff is looking at now, an announcement for that citizen member and Bernardine will be helping getting that out and the alternate as well as an application form. There was also discussion about who you might want to see. What sort of talents and qualifications that you might want to see in the citizen member. And it seemed that there was a consensus that there are different experiences that might be helpful to the Board that would not necessarily just be limited to water, water resources and water issues. So we have intentionally at this point left the application and the ad general, so say, What is it that you could bring? And why are you interested in serving on the Board? We're hoping to get those sort of open ended responses.

COMMISSIONER STEFANICS: Okay, let's wait on that and have discussion on this. Commissioner Chavez, you had a comment.

COMMISSIONER CHAVEZ: Just a question. Citizen member, this citizen member is technically at large, right, because it's not specific to City or County or any one district, right?

MS. LONG: That is correct, Madam Chair and Commissioner Chavez. In the JPA the term that is used is "citizen member to be appointed" by you four elected officials on the Board.

COMMISSIONER CHAVEZ: And the alternate would be the same. It would fall under the same guidelines I would imagine.

MS. LONG: Yes.

COMMISSIONER STEFANICS: Other questions, comments? Yes, Councilor Dominguez.

COUNCILOR DOMINGUEZ: So just for clarification. What we've got up here is both what has been highlighted in red and not is new language. It's a whole new paragraph.

MS. LONG: Yes. The entire amendment is new and you are correct Section 5 would be replacing the current Section 5 in the JPA because you obviously already do have provision for a citizen member but we're just deleting that and replacing it with this paragraph.

COUNCILOR DOMINGUEZ: And just for clarification also, number two on the second page – amendment number one is that amendment, that's what you're referring to.

MS. LONG: Yes, it is this amendment.

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

COMMISSIONER STEFANICS: Anything, Councilor?

COUNCILOR MAESTAS: I support the amendment but I'd offer maybe just a slight modification to that, that the person would be removed for three consecutive unexcused absences. I think there is a difference – I know that members if there are extenuating circumstances they'll call the chair and ask for an excusal. But if somebody is that irresponsible to do that for three consecutive meetings they shouldn't serve. So would you guys be open to qualifying that absence to unexcused?

COMMISSIONER CHAVEZ: Definitely and for the discussion I think that if we have an appointed member and in this case we have an alternate it makes it easier to have a quorum and I think that's the reason we're doing it so I think it is totally appropriate.

MS. LONG: And, Madam Chair, on my draft I wrote unexcused question mark on here when we were taking roll call and we heard that Member Bokum was excused. In the JPA itself for you elected official Board members this provision is in there as well and it does not provide for unexcused absences. You may want to consider amending, since we're doing an amendment anyway, I could amend that provision of the JPA for elected officials it would be unexcused as well, if you would like.

COUNCILOR MAESTAS: I would support that.

MS. LONG: Keeping it consistent makes sense.

COUNCILOR MAESTAS: And it would be part of our protocol of doing business.

COMMISSIONER STEFANICS: Yes, Councilor.

COUNCILOR DOMINGUEZ: Can we do that in this or would we have to have a separate amendment or can we can take action on that with this motion?

MS. LONG: No, Councilor Dominguez, I would recommend that we do it all in one amendment. The motion would be to approve the amendment adding the provision for unexcused absences for both the citizen member and the elected officials. And, again, you're recommending this to the City Council and to the Board of County Commissioners and you all presumably maybe called upon to explain it or advocate for it. We don't know if that will happen. It could be that this would fail and if that happens we'll go ahead with getting the citizen member appointed.

COUNCILOR DOMINGUEZ: I'm good. Thank you, Madam Chair.

COMMISSIONER STEFANICS: Further discussion? Is there a motion?

COMMISSIONER CHAVEZ: Madam Chair, I'll make a motion to approve this would be amendment number one to the Joint Powers Agreement and the motion would include the added language that would add the unexcused absences for both board member and citizen member. That was the only change, right?

COMMISSIONER STEFANICS: Right.

COUNCILOR MAESTAS: Second.

COMMISSIONER STEFANICS: There's a motion and a second. All those in favor.

The motion passed by unanimous [4-0] voice vote.

13. Consideration of matters related to the process for the Appointment of the Citizen Member and any Alternate Citizen Members to the Buckman Direct Diversion Board

MS. LONG: Madam Chair, members of the Board, as the Board noted I was veering off into this area in the last agenda item. At your meeting last month you did have discussion regarding the role of the alternate member and some of the qualifications and experience you might like to see in a Board member. What I'm asking for here is that you just approve the issuance of an announcement of the citizen member and alternate citizen member at the appropriate time and then for staff to implement the process for selection of the citizen member and the alternate member.

The process that was discussed at least at the September meeting was that there would be submissions of some type and that's why we've come up with the application and that there could be a committee that would review those and make final recommendations to the Board.

COMMISSIONER STEFANICS: I'd like to talk about timing here for the City and the County. The change, the amendment that we just passed has to go before those two bodies. The County Commission after next week only has two more meetings during 2015. It is feasible; there is enough time if we could get this to the County to get it on the November 24th agenda. I'm not sure about the City and your timing when you could get that amendment on because this announcement for the alternate and the citizen member is contingent upon that change being adopted.

COUNCILOR DOMINGUEZ: Madam Chair, we have a Council meeting next week and I don't think there's a fiscal impact with this so I don't think it has to go before committee, maybe Public Utilities to vet it a little more. And we have one more meeting in December and that's it.

COUNCILOR MAESTAS: I don't think the approval of this amendment has anything to do with the advertisement to appoint someone and get some expressions of interest because these changes are going to be irrelevant, I think, to whomever is interested. Right? We're just speaking to the process of a prolonged vacancy so I think we can go ahead with the announcement and not wait until each respective governing body has approved this amendment.

COMMISSIONER STEFANICS: Ms. Long.

MS. LONG: Madam Chair and members of the Board, it might be prudent to at least try and get some sense that this is going to pass by your Council meeting in December. It sounds like we can get it to the County Commission, only because we are advertising for a citizen member and a alternate citizen member. On the application we are asking are you interested in if you're not chosen as the citizen member of being and being an alternate or are you interested in being the alternate to begin with.

So it would be helpful if we had the amendment in place. Obviously, we are going to run out of time as the Chair has noted if it doesn't pass early December at the Council meeting we could issue it then. Ms. Bokum's term expires I think January 7th, she can continue under the current JPA she can continue for another 60 days so we do have a little bit of room there. So we may want to see what happens in December and go from there.

COMMISSIONER CHAVEZ: And Madam Chair.

COMMISSIONER STEFANICS: Yes.

COMMISSIONER CHAVEZ: And so if it doesn't happen in December what's the consequences of that? Are we just without a Board member? No, we have the 60 days but if that 60 days runs out then we are without a Board member technically and that would not be good.

MS. LONG: Yes.

COMMISSIONER CHAVEZ: So I think it does support the argument to issue this now and be ahead of that so we have a place holder of people who are interested in serving and we know what their interest is and where they are better placed.

COMMISSIONER STEFANICS: So it looks like you're looking for direction from us to go ahead and advertise the application process. Is there any opposition to that from the Board?

COMMISSIONER CHAVEZ: No.

COUNCILOR MAESTAS: No, not at all. I'm just thinking we have a policy it's a number of committee referrals and for something like this, I don't know, Councilor Dominguez, what appropriate committees would have to hear a JPA amendment? It doesn't have a fiscal impact.

COUNCILOR DOMINGUEZ: I think if anything, Councilor Maestas, maybe Public Utilities and when is the next PUC meeting?

STEPHANIE LOPEZ (Office Manager): That is Wednesday, December 2nd.

COUNCILOR DOMINGUEZ: So that will hit the week before Council. So it will at least get to that committee and then we'll have Council the week after that so I think that will work.

COMMISSIONER STEFANICS: On the County level, I believe this item could end up on a consent calendar but I'm not sure about your City process.

MS. LONG: Madam Chair, members of the Board I should also note that I believe this amendment requires DFA approval as the original JPA did. I wouldn't see that there would be any problem with that. The SWMA Joint Powers Agreement was amended to add alternate members and that got approved very quickly and we would certainly ask that it get approved quickly. But that is a further step.

COMMISSIONER STEFANICS: So my question was is everybody in consensus about going ahead to advertise? Great. So we've taken care of item 13.

14. Request for authorization to allow the Facilities Manager to enter into contracts in an amount not to exceed \$500,000.00 plus NMGRT for four (4) raw water pumps utilizing funds from the Major Equipment Repair and Replacement Fund

MR. VOKES: Madam Chair, members of the Board, as you're aware we have been repairing pumps in an alarming rate. Currently we have four pumps at the 1A pump station, two pumps at the – no, four pumps at the 2A pump station. Four pumps at each of those stations. There are two at each station that we feel are no longer repairable. There are just not enough parts to put them back together. We are asking for authorization to go forward in replacing those pumps at this time. The not to exceed amount is based on our engineer who is still considering which pump would serve us best. We have already received several bids but we're waiting for the decision by Mr. Eldridge with Deere & Ault as to which would be the best pumps to buy.

COMMISSIONER STEFANICS: Thank you. Comments, questions from the Board.

COMMISSIONER CHAVEZ: Just for the record, Mr. Vokes, could you state the source, the funding source for this allocation. Oh, it's the – I see it here; funding is available in the Major Repair and Replacement Fund. So that would take that balance down by that much then, right?

MR. VOKES: That's correct.

COMMISSIONER CHAVEZ: Thank you. Thank you, Madam Chair.

COUNCILOR MAESTAS: Madam Chair.

COMMISSIONER STEFANICS: Yes, Councilor Maestas.

COUNCILOR MAESTAS: There's some additional pump work that was recommended; a pump seal lubrication and a pump restraint system to address the vibration problem. Can these repairs be done later after these pumps are replaced?

MR. VOKES: Madam Chair, Councilor Maestas, we had a vibration study performed approximately two weeks ago. Again, our engineer, Mr. Eldridge, is reviewing that data. The recommendations of that report supports – we feel like those are some things that staff could accomplish. Once we have the design we can build the supports and install those supports.

The issue as to the lubrication, again, that's still in the planning process. We talked about briefly with the Board the issue of using perhaps the Buckman Wells as a lubricant system. We're also looking at pumps that are possibly oil lubricated with food-grade oil. So we are still in the planning process in making those decisions. At this time, I don't think that we need authorization on any particular solution but we will be bringing that information, those costs and the decisions back to the Board as soon as we can, hopefully by next Board meeting.

COMMISSIONER CHAVEZ: So, Madam Chair.

COUNCILOR MAESTAS: If I could, I just had one more question.

COMMISSIONER STEFANICS: Yes, yes.

COUNCILOR MAESTAS: Will we when we replace the pumps that are no longer even repairable, will we retain those?

MR. VOKES: Yes, yes.

COUNCILOR MAESTAS: Okay, I just want to make sure that we don't toss them for other reasons. That's all I had, Madam Chair.

COMMISSIONER STEFANICS: Thank you. Commissioner.

COMMISSIONER CHAVEZ: You mean like to keep as evidence.

Following up on Councilor Maestas' questioning, so, Mr. Vokes, then and also for my clarification, you're talking about two different systems. One that would be water lubricant and one that would be food-grade oil. Two different pumps? I mean they can't be the same pumps so there are two different systems then?

MR. VOKES: What we're considering is the existing system we're using raw water as the lubricant and that's causing problems that –

COMMISSIONER CHAVEZ: Which is the river water not well water.

MR. VOKES: Yes, the river water which is what we consider raw water. So as an alternate to that to mitigate the damage that is being caused by that, we are considering both tapping into the Buckman Wells perhaps and using a cleaner source as a lubricant. Another alternative which I am familiar with, I've been with other water systems that have used these pumps, is a food-grade lubricant and that would eliminate the raw water as the lubricant from the pumps and cease the damage that is occurring with that. So the decision to go forward with that is going to look at cost. It's going to look at life expectancy; it's going to look at many factors.

COMMISSIONER CHAVEZ: So the pump that uses the oil, the food-grade oil, as a lubricant compared to one that uses water as a lubricant do they both have the life span, life expectancy? Or will one run longer than the other?

MR. VOKES: I would say that the life expectancy would be very similar with both systems. We just have to look at the overall cost in implementing the well system versus the alternate which is the food-grade oil.

COMMISSIONER CHAVEZ: Okay, so that I guess will then determine which would be the preferred alternate.

MR. VOKES: Exactly, yes.

COMMISSIONER CHAVEZ: Thank you. Thank you, Madam Chair.

COMMISSIONER STEFANICS: So since you brought that up what that does for me then is look at the long-term cost that go along with either system. And so the initial investment is not all that needs to be considered here. So have you done estimates on the two different types so we would know if we need to buy stock in an olive oil company or what we would end up paying for well water? I mean that's an issue that we should probably be considering since it's been brought up.

MR. VOKES: Chair Stefanics, that is all in progress with our engineer as to looking at those long-term costs and the reliability factors. We have some estimates on what the well systems would cost. It's quite high and so we need to examine that for the long term. Does it make the most sense to go with that system or the food-grade pumps are more expensive in the short term but it may make sense in the long term. And, again, Mr. Eldridge is our expert and will be making those recommendations to staff.

COMMISSIONER CHAVEZ: Madam Chair, and what's the time line on that? I mean I would imagine that you have a window that you're looking at.

MR. VOKES: Madam Chair, Commissioner Chavez, we hope to have those recommendations within the next two weeks. The lead time on the pumps can be up to a year long depending on the type of pump that we purchase. That will be part of

the consideration because we are down to two pumps at each of those pump stations and therefore time is of the essence that we get the new pumps in there because unfortunately the existing pumps have been exposed to the same damage. They have just held up better at this point.

COMMISSIONER CHAVEZ: It almost sounds like we don't have enough time to think about drilling a well but maybe – I mean, I don't know but I guess we'll just have to see where this goes.

COMMISSIONER STEFANICS: So Board members we are being asked to approve the authorization to spend up to \$500,000 plus gross receipts taxes for these. What is the thinking of the Board?

COMMISSIONER CHAVEZ: Madam Chair, I don't think there is any way around it. I think unfortunately we are not going to be able to wait. I think this is sort of again a placeholder if you will and I think that I would be willing to make a motion to authorize staff to enter into a contract not to exceed the \$500,000 for the four pumps and then I guess depending on the results of the engineering firm the system that will be determined is yet to be determined. So if that's a motion – I would make that as a motion.

COUNCILOR DOMINGUEZ: Second.

COMMISSIONER STEFANICS: Yes, Councilor Maestas.

COUNCILOR MAESTAS: I'll just state that it is difficult to make a decision to expend this much money for equipment that is going to be operating in an environment that is going to drastically reduce its design life. Obviously, it's going to take us some time until we can get a lot of that heavy gravelly sediment out of the raw water. I wish there were other options, for example, maybe, reconstructed pumps that are on the market that could serve in that same fashion instead of new ones. But I'm not familiar and you're probably more familiar, Mr. Vokes, with reconstructed versus brand new. Certainly, it is difficult but I agree with Commissioner Chavez I'm not sure that there is any other way around this and I think that we had a presentation earlier with regard to the risk associated with the failure of these pumps and as you said we're down to two only and I think we're paying for that risk and for that vulnerability through this, at least in part, through this purchase.

So, Madam Chair, I'm just a little – I'm pained but I don't see any way around it. Unless, Mr. Vokes, there is any other option? Is there a way to maybe buy more durable pumps for raw water that we're dealing with or is there a market for reconstructed pumps to buy us some time until we can build this pre-sedimentation basin if that's what we go with?

MR. VOKES: Madam Chair, Councilor Maestas, the unfortunate truth is that pumps are built specific to their application. This is a very specialized application. Again, if I believed that our staff could extend the life of the existing pumps beyond what they have done and still provide that level of reliability, as you said, it is all about risk. The longer that we delay these purchases the higher the risk becomes. That's where we are.

COUNCILOR MAESTAS: One last question. Mr. Vokes, you said these pumps are no longer repairable. Can you just give us a very brief answer as to why a pump would be no longer repairable?

MR. VOKES: Certainly. Chair Stefanics, Councilor Maestas, the heart of a pump is the propeller system, the impeller system. If you think about the sanding that the impellers are getting from the sand from the river it throws them out of balance. It causes them to move off the pump curve and become inefficient. It gets to the point where they no longer can be balanced so that they don't just shake themselves apart. It's similar to if the weights come off your tire on your car, you get the same effect. Those are the conditions are of those four pumps. If we start them we risk them falling apart on us.

The other main component on the pump is the bowl that surrounds the impeller. The water floods into the bowl and then is pushed by the impeller. Those bowls have actually been welded closed where the sand has eaten through the sides of the bowls and so it's just a matter of that thickness that originally came with the pump has been compromised. We can continue to patch and patch, again the level of risk goes up as far as can we continue to provide service; can we continue to move water? So that's the state that these four pumps are at.

We can no longer keep them in balance. We don't feel that it is safe to continue to operate them.

COUNCILOR MAESTAS: Mr. Vokes, do we have any photos of these pumps showing – not that I don't believe you but I think in the spirit of transparency, I think for the public when we make these decisions, I mean, we don't have these photos but what you have described to me is very compelling and given what I've already said about risk, I support the motion. If there is any way for the record to maybe provide some of this documentation showing these pumps and the condition that they're in to at least demonstrate that they are in fact no longer repairable. Just for the record.

MR. VOKES: Certainly, Councilor Maestas. One of the things that has been impressed upon staff is the documentation of everything that we are finding. We have taken digital photographs. We have experts in the City of Albuquerque, our pump contractor and their documentation is critical also. So, the documentation does exist if you'd like to see that or if you recommend some sort of posting of what that looks like.

COUNCILOR MAESTAS: No, it's just a light recommendation. There's documentation for attorneys and then there's documentation for the general public. So if we do put out maybe some kind of a press release to announce this, maybe include some pictures of the pumps to at least make sure that the public understands what's going on. That's all I have. Thank you, Madam Chair.

MR. VOKES: Certainly.

COMMISSIONER STEFANICS: Thank you, Councilor. Commissioner Chavez.

COMMISSIONER CHAVEZ: I want to expand or talk a little bit about risk and how we define that risk. First thing that comes to mind is our inability to produce water; right? Having the plant, the facility shut down.

MR. VOKES: Commissioner Chavez that is correct.

COMMISSIONER CHAVEZ: Would there or could there be risk to employees if one of these pumps implodes or –

MR. VOKES: Certainly, certainly, that is one of the risks. Again, if you wanted to experience the vibration in these pumps – I would not stand next to them.

COMMISSIONER CHAVEZ: No, no, I can imagine what it would be like and that's why I'm asking the question. So I think risk is at different levels.

MR. VOKES: Correct.

COMMISSIONER CHAVEZ: So I think that would also have to be part of your interest in explaining to the public our situation not only from a delivery standpoint but from a safety standpoint for employees; right? So I think we have a dual sort of liability there.

COMMISSIONER STEFANICS: Okay, anything else Board members? We have a motion and we have a second. All those in favor of the \$500,000 plus New Mexico gross receipt taxes for four raw water pumps please say aye.

The motion passed by unanimous [4-0] voice vote.

15. Consideration of Amendment to the Project Management and Fiscal Services Agreement between the Buckman Direct Diversion Board and the City of Santa Fe to extend the term of the Agreement from December 1, 2015 to June 30, 2016

MS. LONG: Yes, Madam Chair, members of the Board, this item was brought up in previous financial discussions this evening. The amendment is simply to extend the term of the current PMFSA with the City of Santa Fe Water Division to allow the final negotiation and preparation of the new PMFSA which would then be effective beginning on July 1. I have provided this proposed amendment to the City and I hope it is acceptable. I have not received any feedback yet but I think it is certainly in line with what was recommended by the staff committee and adopted by this Board when the new support entity was selected, that we extend the term of the current PMFSA.

COMMISSIONER STEFANICS: Yes, Councilor Maestas.

COUNCILOR MAESTAS: Madam Chair, I'll move for approval of amendment number four to the Project Management and Fiscal Services Agreement as proposed.

COMMISSIONER STEFANICS: Thank you. Is there a second?

COUNCILOR DOMINGUEZ: I'll second.

COMMISSIONER STEFANICS: Motion and second. Any further discussion? All those in favor please say aye.

The motion passed by unanimous [4-0] voice vote.

MATTERS FROM THE PUBLIC

COMMISSIONER STEFANICS: We are now on matters from the public, we have moved that item up. And any public members if you would come down and please identify yourself and we'd be happy to hear you.

CHARLIE NYLANDER: Madam Chair and members of the Board, my name is Charlie Nylander and I here representing the Club of Las Campanas. I wanted just to give you a quick update and make you aware that yesterday the Club and the Las Campanas Water and Sewer Co-op attended a meeting with Mr. Vokes and Ms. Long and

Randy Sugrue and where we had a nice discussion and briefing on the diversion structure and the issues associated with it since the examination of the structure last summer. And it was very, very helpful. I want to compliment Nancy and Chuck and Randy, they did a really nice job. And we were all very respectful of any attorney client privilege or confidentiality on our discussions of issues regarding the diversion structure and making sure that we just understood where the Board was and what they were contemplating. And I wanted to alert you that the Co-op and the Club both stand in support of this Board's very careful deliberations and very methodical processing of the information that you're gathering on the issues with the diversion structure and as limited partners in the shared facilities which includes the diversion structure itself, we have a very direct interest and we just stand in support of this Board's activities and thank your staff. Thank you.

COMMISSIONER STEFANICS: Thank you very much, Mr. Nylander, for coming forward. And thank you to the staff for meeting with Las Campanas.

JONI ARENDS: Good afternoon. My name is Joni Arends and I'm with Concerned Citizens for Nuclear Safety. I haven't been here for a while and it's good to see everyone, hi.

I was surprised on the agenda that there wasn't anything about the chromium plume. There is a lot over at LANL and there's a lot of things going on right now. And I've handwritten, I'm sorry, a memo about what's going on especially next week. And I don't know if you're familiar but I have a map; can I show it to you about it. This is a LANL map.

COMMISSIONER STEFANICS: Okay, so the one problem is that you have to be on the microphone for it to be recorded, so maybe you can drop it over the front of the podium.

MS. ARENDS: So what's happening is the Department of Energy is in a big hurry right now to get a lot of paperwork done and a lot of permits done before the ground freezes. And, yes, this is a priority but this plume was discovered in 2004 and so we're very concerned that once again the Department of Energy is making everybody rush in order to address this on their time schedule and not on this time schedule that the regulations would have required. We would have been done with this project if the New Mexico Environment Department and the Department of Energy would have acted when this was first reported over a decade ago.

So, of course, the river is down here and the Buckman is down but these plumes for the perchlorate and the chromium are directly west of the Buckman and the Buckman wells. So the Department of Energy released a draft environmental assessment for the chromium plume for where they want to look at just the center of the plume and not the nature and extend meaning the edges of the plume. And I think it's important for the Buckman Diversion project to be aware that the edges of the plume is where we need to be concerned because we need to see what direction it is going in and what its concentrations area.

So let me just back up and say that when the chromium plume was first discovered it was 400 parts per billion which is eight times the New Mexico standard. It is now 1200 parts per billion. So it has quadrupled in concentration over this time and chromium, hexavalent chromium is a contaminant of concern that is the subject of the Erin Brockovich movie where it was used as a corrosion inhibitor in the steam plants up

at TA3 at the main administrative area. It was discharged into the canyons. It is in the regional aquifer. It is 1,000 feet down. It has migrated probably six to eight miles over the period of time. It's going to continue to migrate towards the river.

Chromium can cause reproductive problems. It can cause skin problems, all sorts of different forms of cancers. Its chemical composition is chlorine and four oxidants so it moves with the water and it moves in the regional aquifer.

The perchlorate, if you're exposed in the first trimester you end up with learning disabilities. It again is a chlorine atom that travels – no, excuse me. The percholorate is CLO4 the chromium is CR6. So please excuse my error. The percholorate is the CLO4.

What I want to say is that the Department of Energy has to get a lot of permits. So in the draft environment assessment which is required under the Environmental Policy Act they say that they're going to have to get an air permit, they going to have to get a permit from the State Engineer but they don't describe the permit from the State Engineer and I haven't had time to research what that is but it may be a credit for the discharge, I'm not sure. But they also need to get discharge permits in order to use the extraction wells and [inaudible] they also going to use land application which they have already been doing and they have temporary permits to do 4 million gallons per day of land application which would allow for the dumps that are in this area if they don't do it properly for those dumps to discharge and for more contamination to move toward the river.

And then the third method is mechanical evaporation which would release these contaminants into the air where they could concentrate or else they could fall back down to the earth and get in the soils. They have been resistant to creating any kind of baseline for the land application for the amount of stuff in the soils.

So coming up next week there's a number of things. So related to this, all of this work is being done under the consent order because it is legacy waste and so the New Mexico Environment Department is releasing a consent order agreement next week or this week – I'm sorry, it has been a long day. Next Thursday on the 12th at the CAB meeting, the Citizens Advisory Board. They are also going to be talking to the Regional Coalition and I know some of you might be members of that. That's going to have an impact on this chromium plume as well and how we move forward. Comments are due on the 13th of November about this draft environmental assessment. There's also DOE just released a flood plain assessment that they want to be able to discharge into the flood plains in this area. Those comments are due on November 20th and then on the 27th comments are due on the draft groundwater discharge permit 1835 which would allow for reinjection of 648,000 gallons of water back into the regional drinking water supply which is directly west of the Buckman and the Buckman wells.

So CCNS has a request of the Board to ask to send an official letter to the Department of Energy and say that this is not adequate. It has too many holes in it. It has too many problems in it and that we need a full environmental impact statement so that we can look at the cumulative effects of all of these different proposals for the mechanical evaporation of the water, for the land application and for reinjection because the way that it is going forward it is just a haphazard piecemeal puzzle like maze and I've gone through a lot of these over the last 27 years of being involved in this issue and I have never seen anything like this in terms of understanding all the different pieces that are out there right now for public comments. And I don't even know if the Board has

staff time devoted to this project right now because there is real concern about these contaminants showing up at the river and getting in the Buckman. And I hate to be the bearer of this kind of news today. I haven't been in town for a while but I'm here today and I wanted to provide this information so please excuse the rough nature of my memo but I thought it was important to let you know about what's going on. Do you have any questions?

COMMISSIONER STEFANICS: I don't for you but later I will for staff. Anything from the Board for Ms. Arends? Thank you for coming and bringing this to our attention.

MS. ARENDS: Thank you.

COMMISSIONER STEFANICS: Is there anybody else from the public that would like to make a comment?

MATTERS FROM THE BOARD

COMMISSIONER STEFANICS: Mr. Vokes, let me first ask you who on our staff is in fact following our water quality and in fact reviewing anything dealing with the plume?

MR. VOKES: Madam Chair, members of the Board, I became aware of this issue just this week. I did speak with Daniela Bowman who is our regulatory compliance officer, she had the study and she is aware of it. We have been told that there were some test wells drilled on the San I reservation but LANL is not releasing any results. So we are aware of it and we are following the issue. Again, we are probably going to be seeking information from LANL as to what the results of that was if those are available but at this point, again, this came up two or three days ago. But I was very pleased when I asked Ms. Bowman that she presented the study that was referenced and she has read through it. But as of yet, we don't have enough information.

COMMISSIONER STEFANICS: Okay, we usually have a LANL partner here with us; is there anybody from LANL here today? [No response] I think we need to invite LANL to the next meeting so that the Board members have the opportunity to either ask questions or learn whatever they would like to share.

MR. VOKES: Certainly.

COMMISSIONER CHAVEZ: Madam Chair.

COMMISSIONER STEFANICS: Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: Well, aside from that, would it be out of order or inappropriate for us to ask for the environmental impact independent of LANL staff being here? Has that been done before?

COMMISSIONER STEFANICS: Ms. Long? I mean I don't think that has anything to do with LANL. I think it has to do with – it's not noticed for action but we could in fact direct staff to do it.

MS. LONG: Madam Chair, I agree you don't have an action item in that regard so I would advise against taking any motion or action on it. I think in asking Daniela to take a look at this issue, that is something that she can consider as well and if we needed official Board action we could bring that back.

COMMISSIONER CHAVEZ: Okay. Thank you, Madam Chair.

COMMISSIONER STEFANICS: Anything else? Councilor Maestas.

COUNCILOR MAESTAS: Just a comment, Madam Chair. I would think that Buckman would at least be kind of a stakeholder in this and would receive formal notification an opportunity to comment. I don't know whether that is required under a draft EIS. Certainly if it was an EIS that's a more formal outreach to affected entities and key stakeholders but I do think that in terms of staff direction I would look into the process to ensure that we are an entity that should be formally contacted at a minimum as part of their public involvement process. And it's probably not enough time, Madam Chair, but I know the City of Santa Fe and Santa Fe County are represented on the LANL Communities Coalition. It would be good to try and get some kind of a brief briefing to them, a status report on this project. Obviously, it is probably not enough time to really speak on it. I certainly – I'm the alternate for the City of Santa Fe on that coalition but perhaps there should be some kind of a briefing paper on that, maybe a one-page briefing for the City of Santa Fe and the Santa Fe County members of the LANL Communities Coalition.

COMMISSIONER STEFANICS: From BDD?

COUNCILOR MAESTAS: From BDD, yeah.

COMMISSIONER STEFANICS: I would agree. And, Commissioner Roybal is our representative on that LANL Coalition and since he doesn't sit here he wouldn't be aware of the conversation so I think that briefing would be very important.

Anything else from the Board members? Okay, we have a need for an executive session.

EXCECUTIVE SESSION

In accordance with the New Mexico Open Meetings Act NMSA 1978, Section 10-15-1(H)(7) and Section 10-15(H)(6), discussion regarding threatened or pending litigation in which the BDDB is, or may become, a participant, including without limitation: Discussion regarding Diversion Structure issues and to discuss the contents of a competitive sealed proposal for the purpose of contract negotiation

COMMISSIONER STEFANICS: If a Board member would make a motion with the language that is actually stated here it would be very helpful.

COMMISSIONER CHAVEZ: Madam Chair, I'll make a motion to go into executive session in accordance with the New Mexico Open Meetings Act NMSA 1978, Section 10-15-1(H)(7) and Section 10-15-1(H)(6), discussion regarding threatened or pending litigation in which the BDDB is, or may become, a participant, including without limitation: Discussion regarding Diversion Structure issues and to discuss the contents of a competitive sealed proposal for the purpose of contract negotiation.

COMMISSIONER STEFANICS: Is there a second?

COUNCILOR MAESTAS: Second.

COMMISSIONER STEFANICS: Roll call please.

The motion to go into executive session passed by roll call vote as follows:

Commissioner Stefanics	Aye
Councilor Maestas	Aye
Ms. Bokum	Excused

Commissioner Chavez Aye
Councilor Dominguez Aye

[The BDD Board met in executive session from 4:30 to 5:40.]

COMMISSIONER STEFANICS: Okay, I'm calling the meeting back to order. Is there a motion?

COUNCILOR DOMINGUEZ: So moved.

COMMISSIONER CHAVEZ: Second.

COMMISSIONER STEFANICS: Any discussion?

The motion passed without opposition.

COMMISSIONER STEFANICS: We have one more item of business.

16. Consideration of and possible action on the award of RFP # '16/12/P to Sheehan & Sheehan, P.A. as litigation counsel for the BDDDB on matters related to the Diversion Structure

MS. LONG: Yes, Madam Chair and members of the Board, as stated in our memo it is the recommendation of the committee that reviewed the RFPs in response to the request for litigation services that the RFP be awarded to Sheehan & Sheehan and the motion that I am seeking from the Board is that you do approve the award of the RFP to Sheehan & Sheehan with the final terms of the professional services agreement to be negotiated and finalized by your attorney.

COMMISSIONER STEFANICS: And the finalization and the budget would probably come back to us in December?

MS. LONG: Yes, Madam Chair, we will seek a litigation plan and budget that will come back to you in December and we'll ask them to get going on that as soon as we meet with them.

COMMISSIONER STEFANICS: Board members?

COUNCILOR MAESTAS: I'll move for approval.

COMMISSIONER CHAVEZ: Second.

COMMISSIONER STEFANICS: Any discussion? All those in favor please say aye.

The motion passed by unanimous [4-0] voice vote.

COMMISSIONER STEFANICS: It's unanimous.

MS. LONG: And, Madam Chair and members of the Board, here this evening from Sheehan & Sheehan is Mr. Dan Gershon who has been in the audience. I just want to introduce him and thank him for coming to the Board meeting.

COMMISSIONER STEFANICS: Thank you very much and we'll be hearing from you in the future.

NEXT MEETING: Thursday, December 3, 2015 @ 4:00 – County Commission Chambers

COMMISSIONER STEFANICS: The next meeting is December 3, 2015 and I will be absent. Please excuse me, I'm at a National Board meeting up in Colorado for the Counties. I hope we will have a quorum.

MS: LOPEZ: Madam Chair, Board members, I just want to let you know that on that day on the 3rd the meeting will be at the County Commission Chambers, next month.

COMMISSIONER STEFANICS: Okay, and at what time?

MS. LOPEZ: Four o'clock.

COMMISSIONER STEFANICS: Thank you very much.

ADJOURNMENT

Having completed the agenda, Chair Stefanics declared this meeting adjourned at approximately 5:45 p.m.

Approved by:




Liz Stefanics, Board Chair

Respectfully submitted:


Karen Farrell, Wordswork

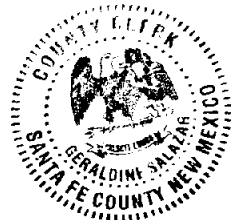
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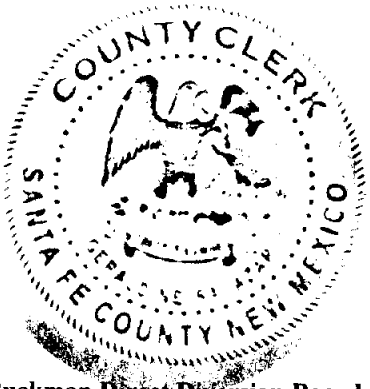
GERALDINE SALAZAR
SANTA FE COUNTY CLERK

ATTEST TO:

YOLANDA Y. VIGIL
SANTA FE CITY CLERK




1-11-2016



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BUCKMAN DIRECT DIV MIN
PAGES: 26

I Hereby Certify That This Instrument Was Filed for
Record On The 12TH Day Of January, 2016 at 09:12:21 AM
and Was Duly Recorded as Instrument # 1783733
Of The Records Of Santa Fe County

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



Memo to: BDD Board

From: Joni Areads ^{jareads@nuclearactive.org}
505 986-1975

Concerned Citizens for Nuclear Safety (CCNS)

Date: November 5, 2015

Re: Upcoming Chromium Plume Events | Due Dates

Th. Nov. 12 Citizens Advisory Board
1-4³⁰ pm Cities of Gold Conference Center
Pajoague "LANL Consent Order Agreement"

Fri Nov 13 Regional Coalition of LANL Communities
9-11 Hernandez, NM "LANL CO Agreement"

Fri Nov. 13 Comments due on DOE Env'l
Assessment of Chromium Plume.

Fri. Nov. 20 DOE Floodplain Comments due

Fri. Nov. 27 Comments due on draft DP-1835
(re injection of treated chromium
plume remediation waters) into
regional drinking water aquifer
* 648,000 gallons per day

CCNS request: BDD ask for Env'l Impact Stmt
on Chromium Plume so public has necessary
information to assess cumulative impacts of proposed
impacts.

SFC CLERK RECORDED 01/12/2016