

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

July 3, 2014

This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting was called to order by Chair Joseph Maestas, Chair, at approximately 4:33 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 Liz Stefanics
Ms. Consuelo Bokum
Councilor Carmichael Dominguez
Commissioner Miguel Chavez

Member(s) Excused:

Others Present:

Nancy Long, BDD Board Consulting Attorney
Stephanie Lopez, BDD Office Manager
Nick Schiavo, Acting City Public Utilities and Water Division Director
Claudia Borchert, County Utilities Director
Teresa Martinez, County Finance Director
Gary Durrant, BDD Chief Operator
Mackie Romero, BDD Staff
Kyle Harwood, BDD Board Contract Attorney
David Rhodes, LANL Field Office
Rick Ulibarri, LANL
Wendell Egelhoff, Club at Las Campanas

[*Exhibit 1: Sign-in Sheet*]

3. APPROVAL OF AGENDA

[*Exhibit 2: Agenda*]

Upon motion by Commissioner Stefanics and second by Councilor Dominguez the agenda was approved 4-0. [Commissioner Chavez was not present for this action.]

4. APPROVAL OF CONSENT AGENDA

Commissioner Stefanics moved to approve the Consent Agenda and Member Bokum seconded. The motion carried by unanimous voice vote. [Commissioner Chavez was not present for this action.]

5. APPROVAL OF MINUTES: April 3, 2014

Councilor Dominguez moved to approve the minutes as submitted. Commissioner Stefanics seconded and the motion passed 4-0. [Commissioner Chavez was not present for this action and arrived shortly thereafter.]

6. MATTERS FROM STAFF

GARY DURRANT (BDD Chief Operator): We just want to note the solar project completion at 2-A. We had some good attendance there. We wanted to bring that back to the Board and congratulate them on their good voting for having that available for people. I think everybody appreciates the dollar savings available from that.

We have just an update on vacancies at the BDD. We have four operator vacancies right now that we're working to fill. We will not post those until the first of this month. We wanted to wait until the new AFSCME contract went into effect. And the facility manager and an administrative assistant. So we're getting there. That is all the matters from staff.

CHAIRMAN MAESTAS: Okay, I do want to congratulate staff on a wonderful event, the ribbon-cutting on the solar array for the booster station. I think now that brings our savings up to almost \$400,000 in electricity costs, so that's fantastic. Is Bernadine here? Our public information officer? She did a fantastic job. I know her and all the staff were really key in making that a great success, and it was nice to kind of get out there onsite instead of having it in an air-conditioned building up the hill there where the facility is. Okay. Anything else from staff?

MR. DURRANT: Mr. Chair, there are no additional matters from staff.

7. Report on the July 1, 2014 Fiscal Services Audit Committee

CHAIRMAN MAESTAS: Who'll be reporting on that?

MR. DURRANT: We hoped that Commissioner Chavez will be reporting on that.

COMMISSIONER CHAVEZ: I guess I walked in just at the right time. I'll do my best. Sorry I'm late. So the Fiscal Services and Audit Committee did meet on Tuesday, July 1st. There were three items on the agenda, update on audit of BDD financial statements, that was a verbal report, and then the request for approval of award on contract extension for one additional year for water treatment plant chemicals – that's Consent Agenda item #2. So you're beyond that. And then the third was request for formal adoption of the 2014/15 annual operating budget, and that's discussion and action item #12.

So on the update on the audit of the BDD financial statements, there were two audits that the BDD staff is working on. One is the construction audit and the other is the operations audit. And if I could ask staff to elaborate just on those two points because honestly I did not take notes.

MACKIE ROMERO (BDD Staff): Mr. Chair, members of the Board, the update of the BDD audit is that the City Finance has received the approved contract from the state auditor and so now we're just pending a meeting with the accounting firm,

which is Accounting and Consulting Group for a schedule and prepared by client listing. So as soon as we get more information on that we will report that back to the Board. But we are moving along on getting those completed.

CHAIRMAN MAESTAS: I just had a follow-up question on the construction. When do we expect to totally close out the construction of the project?

MS. ROMERO: Mr. Chair, members of the Board, I did speak with Teresita Garcia from City Finance and she does have the draft version of the construction audit and me and her together are working on completing that. So I hope by the end of the month we will have a final version and when we do we will report that back to the Board.

CHAIRMAN MAESTAS: Will that represent kind of the closing of the construction part of the project?

MS. ROMERO: Yes. And we do need that to actually move forward with the operations for 2012. So we are hoping to finish that up.

CHAIRMAN MAESTAS: That's exciting. I would hope that we would have some kind of celebration to celebrate the completion.

MS. ROMERO: We will.

CHAIRMAN MAESTAS: Commissioner Chavez, anything else?

COMMISSIONER CHAVEZ: I think that pretty much covers everything because the other two items are on the agenda, so we can discuss those at that time.

CHAIRMAN MAESTAS: Any questions for Commissioner Chavez? Okay. Thank you.

INFORMATION ITEMS

8. Update on LALN MOU Early Notification System

KYLE HARWOOD (BDD Board Contract Attorney): I'm going to try to channel Mr. Jones who's not here tonight. The technical teams are continuing to meet and what we are engaged in right now on both the LANL side and the BDD side is trying to assess how well we have met the goals of the existing MOU so we can use that to inform the upcoming agreement. And the technical questions that have been asked by Ms. Bowman who is the new compliance officer were significant and the lab has provided a significant amount of data and I know they're working though that information so that we can give that picture of how well we have done in meeting those goals for the last 4 ½ years so I can inform the new agreement.

Mr. Rhodes is here again tonight. I don't know if you remember. He's subbing in for Pete Maggiore. Mr. Maggiore deals with the WIPP issues but he's also here if you have questions.

CHAIRMAN MAESTAS: Would you like to say a few words or only just respond to questions if we have any.

DAVID RHODES: I don't have anything. We're planning on meeting after the holiday. [inaudible]

MR. HARWOOD: That was the last thing I was going to mention. The technical meeting and then a negotiating meeting before the next BDD Board meeting are both anticipated in July.

CHAIRMAN MAESTAS: Any questions for Mr. Harwood? I just wanted to mention to the Board I did, about a month ago I met some representatives from the Department of Energy and Los Alamos National Labs and toured the early warning system, the gauging stations and I subsequently met with staff to give them kind of my feedback on what I'd like to see in the next early notification system. I think the primary points I'd like to see is re-establishing the gauging point on San I property. I know that's going to be a challenge but I think it's critical because it's downstream of the two we have in place in the upper canyons.

And the other thing is I really want us to start packing this data that we acquire, the water quality data particularly and put it in a user-friendly format, possibly in the form of an annual report. I just want to make sure that we're being as transparent as possible. And then the other thing too is I want to make sure that we don't – that this doesn't expire on us, that we do kind of negotiate a new MOU and get it in place before the expiration of the existing MOU.

MR. HARWOOD: Thank you, Mr. Chair. Yes, we have taken your direction and Pete and I believe David's support for getting something in place by the end of this calendar year, which will be six months before, or five months before the expiration. So we take that very seriously as our goal and deadline.

CHAIRMAN MAESTAS: Okay. Great.

9. Update on Wild Earth Guardians' Notice of Intent to Sue

MR. HARWOOD: I have no update.

CHAIRMAN MAESTAS: Okay.

COMMISSIONER CHAVEZ: Mr. Chair.

CHAIRMAN MAESTAS: Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: So, Kyle, does that mean no news is good news?

MR. HARWOOD: Well, the deadline runs early next week and we had thought there might be some activity this week or last week but there in fact were not. There actually are some interesting court decisions coming out of different parts of the country on the interplay of the Endangered Species Act with state jurisdiction and other issues but nothing directly relevant. But the 60-day notice for the supplement Notice of Intent to Sue runs on the 8th and so this was sort of a placeholder in case something had happened but nothing has yet appears to have happened.

COMMISSIONER CHAVEZ: And in your estimation, Kyle, where do you see the critical – because the silvery minnow has a habitat – it's concentrated in certain areas? And where are those critical areas?

MR. HARWOOD: The designation of critical habitat is largely between Cochiti and Elephant Butte for the minnow, and it's in more specific areas for the southwestern willow flycatcher, and there are some other species of concern, but for the water management issues that are related the Buckman Direct Diversion project it's really the minnow and the southwest willow flycatcher and those critical habitat areas are below Cochiti.

COMMISSIONER CHAVEZ: Got it.

MR. HARWOOD: They studied areas above Cochiti and Espanola and up the Chama but they were not deemed suitable for reintroduction or stocking.

COMMISSIONER CHAVEZ: Thank you, Mr. Chair.

CHAIRMAN MAESTAS: Any other questions for Mr. Harwood. Kyle, just one. It's not related to the Notice of Intent, but we do have a habitat restoration project that we're obligated to complete. I think it's affiliated with the environmental assessment. What's the status of that habitat restoration project? Do you know or can anyone –

MR. HARWOOD: It's a project that Rick manages and he's out of town this week as well. I help him – the habitat mitigation issues were driven by the Record of Decision. They were things the Board agreed to do in exchange for the construction permits that we used to put the facility in and I have to admit I do not know the current status of those projects today.

CHAIRMAN MAESTAS: Okay. Can we get an update and have that on the agenda for the next Board meeting?

MR. HARWOOD: I'm sorry I'm not up on that.

CHAIRMAN MAESTAS: It's okay. Yes.

MEMBER BOKUM: Isn't that considered construction? In terms of the budget?

CHAIRMAN MAESTAS: I believe so.

MR. HARWOOD: I believe those habitat restoration projects are being paid out of the old capital budget. Yes, ma'am.

CHAIRMAN MAESTAS: Anything else?

CONSENT AGENDA

- 10. Monthly Update on BDD Operations**
- 11. Drought, Monsoon and Water Resource Management Update**
- 12. Request for Approval of Contract Extension for One (1) Additional Year for Water Treatment Plant Chemicals in an Amount Not to Exceed the Budgeted Amount of \$299,400 plus NMGRT. Various Vendors Provide the Chemicals for the Buckman Regional Water Treatment Plant. The Specific Vendors and Costs are All Listed in the Attached Memo**

CHAIRMAN MAESTAS: Any desire to discuss any of those? Okay.

DISCUSSION AND ACTION ITEMS

- 13. Discussion and Possible Action on the Hiring Process for the BDD Facility Manager**

NICK SCHIAVO (City Utilities): -- comprehensive and targeted recruitment and so on the last pages of the memo I put in just what that would look like, either a 90- or a 120-day advertising blitz that we put in trade magazines where you can find people such as the director. And I also gave an estimated cost of about \$2,500 to do that.

Also in the packet, item 2, I've included revisions to the existing job description. So I've included the current job description and the second one actually shows the strikethroughs and changes to that job description.

CHAIRMAN MAESTAS: Any questions? Yes, Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Mr. Chair. I asked that this come back this month rather than provide direction last time because we actually had started our meeting late and then we had to move out of these chambers for another meeting and I wanted to give this some attention. One of the reasons I would like for us to discuss this is because we're also waiting for some recommendations from our team for the future. And I did bring up once again that as long as the position is under the City, and maybe even under the County, that it would have some salary caps and that if we in fact are asking for some advanced level skills and education that we might not be receiving applications, applicants that would stick around.

So I wanted to bring this back to see if we wanted to stay in a holding pattern for a period of time or if we wanted to move ahead with this position. So I'm interested in my colleagues' comments.

CHAIRMAN MAESTAS: Ms. Bokum.

MEMBER BOKUM: I'm on the committee that I think Liz referred to and I don't think anything coming out of that committee is going to be very specific or specific enough to say that within six months we're going to have a whole different regime for dealing with management. That's just a point of information. In terms of I don't think we can expect anything coming out of that committee that's going to lead to something quickly. So I think that should impact what we want to do in the short term.

CHAIRMAN MAESTAS: I know in this and the previous meetings, I did have some discussions with Nick about a month and a half ago about the need to fill this position because as you know, when you have interim positions and others are vacant it just creates a lot of instability and I don't think it really helps morale either in an organization. But my thoughts on this – we're considering different models going forward and if we simply backfill this position as a City position we're essentially endorsing the status quo.

So my thought is I think it would be good for us to perhaps maybe have staff go back and consider either creating a new executive director position or converting the facility manager position to an executive director position with the same qualifications. My only concern with converting the facility manager to an executive director position is there's no buffer between the staff and the Board and I think – I know David Marquard, he's kind of a teambuilding guru. He's been working with the BDD staff to bring them together. It's a new entity and it's still evolving as we speak. And so I don't want to upset the developing morale of BDD staff. If I had my druthers I would keep the facility manager, maintain it to be classified, and establish an executive director position, because if you look at the organizational structure of Buckman there's other administrative functions; it's not all technical. And the facility manager position, if you look at the qualifications it's heavily technical.

So what I wanted to throw out there is that if you don't want to – I'm not going to say hold off on advertising this modified job ad. We can do that, but I would like to see perhaps staff go back and present the pros and cons of establishing an executive director position. So regardless of what model we go with in terms of selecting the next project

manager, we'll have a position that's exempt and reports solely to the Board and is evaluated by the Board and there is no affiliation with any governments. So I wanted to throw that out there. And I want to commend you, Madam Vice Chair for really kind of pushing this too, because we do need to do something. We need to create some stability in the upper ranks.

So my recommendation, let's go forward with this modified ad. I don't want to hold up progress but perhaps we can have staff come back and look at some kind of an executive director type model for this position – not the facility manager but just creating an executive director position. I realize if we create an additional position it will have budget impacts. There's no doubt about that but I think that this would address, regardless of whatever model, whoever gets selected as the next project manager, having an executive director that's independent and reports solely to the Board I think is consistent with what this Board wants.

So I want to put that out there. Any comments by Board members? Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: Well, I like the model of having the executive director model is good. We have a similar organization, SWMA that I think has been operating well under that model and does provide that buffer. But I do think that it would be good to post this and see if we get any responses and what the pool is like, because I think that will tell us, really, what's happening in the field, in the industry and if there are any interested applicants or not. So I think we could move forward with it.

CHAIRMAN MAESTAS: Yes, Commissioner.

COMMISSIONER STEFANICS: Thank you, Mr. Chair. I actually like the idea of the executive director but I would like to have a legal discussion about it as well. And I'd like to ask Mr. Schiavo first, has not this position been advertised open-ended?

MR. SCHIAVO (Acting City Public Utilities and Water Division Director): Mr. Chair, Commissioner, yes. It's been advertised. It's been open until filled so it's been consistently advertised. What I should have told you at the beginning was we actually had someone who recently applied. This gentleman has applied before and was offered the position two years ago but declined at that time because of family reasons. But he's reapplied and so I have been working with staff to set up an interview with him and working with Santa Fe County to interview that applicant one more time.

COMMISSIONER STEFANICS: So my question, my next question is how many – how long has it been advertised and how many applicants have there been?

MR. SCHIAVO: It has been advertised pretty consistently since Robert Mulvey left two years ago. Two years or 18 months.

COMMISSIONER CHAVEZ: But Nick, you have the current facility manager job description in a modified – so if you post this again will it be with a modified job description?

MR. SCHIAVO: That would be up to the Board, what they would want to do. The Commissioner's question was how long had it been posted.

COMMISSIONER CHAVEZ: I know, and I did remember that. But I thought the intention was with a modified job description that we were hoping that we would get maybe a different round of candidates. I could be wrong but that was my understanding.

COMMISSIONER STEFANICS: Well, Mr. Chair.

CHAIRMAN MAESTAS: Yes, Commissioner.

COMMISSIONER STEFANICS: The salary has not changed. The independence of the position has not changed. To ramp up the quality of the applicants – and I think our staff is excellent. But I think if somebody wants to come in to run an excellent facility and excellent service for a City and a County that they probably are going to want a level of independence and authority. And that doesn't happen. So my next question was – and I believe we discussed this a couple years ago – my next question was is there room for an executive director, because we were told in previous years that it had to fit with the City of Santa Fe personnel system. So I don't know who wants to answer that.

MR. SCHIAVO: This will be the engineer's perspective, certainly not the legal perspective. One of the potential challenges with the executive director is that he would have a hard time directing staff because if he's going to be someone who's appointed or someone who is not directly working for the City then he may have a hard time directing all the union staff. So he could certainly be – that person could certainly be a good liaison between this Board and staff but there may be challenges.

COMMISSIONER STEFANICS: Ms. Long?

NANCY LONG (BDD Consulting Attorney): I was understanding your question to be a little bit different maybe in that the executive director, sort of revamping the position to be an executive director but that director would still be a City employee if they were hired during the time that the City was the project manager. Maybe that's not what your intent was but that's what I was understanding. Now if there is a desire to hire an executive director who does not work for the City but is actually just an employee of the Board, I would think that needs to be part of the recommendations in a possible transition that you are looking at in terms of all of the employees. I think it could be an issue just to have one person fill that role.

But you certainly could revamp the position and have additional duties that are not as technically related. You can call it whatever you want to. The facility manager was a position that was created as part of operations. So the operative documents just refer to the project manager, which as we've come to know is not a person but is the City now and could be another entity. There are some organizational charts that you all have approved along the way that have referred to a facility manager but that could certainly be fixed if you decided on an executive director.

CHAIRMAN MAESTAS: Yes, Ms. Bokum.

MEMBER BOKUM: Could we have an executive director that was an employee of the City or the County, depending on what happens with the transition, that reports directly to the Board? Is that legal? Rather than setting up a whole – we don't have to set up a whole separate agency that's totally independent to have an executive director or a facility manager that on an organization chart reports to us rather than to people in the County or the City?

MS. LONG: I believe it could be structured that way. The reporting would be to the Board.

MEMBER BOKUM: I've never thought of that and it wasn't until you raised that possibility. What I thought I heard you saying was maybe there's another thing that we haven't considered.

CHAIRMAN MAESTAS: Why don't we do this? Why don't we have staff look at creating an executive director position, and of course we probably wouldn't create it until we make a project manager selection. My only concern is I don't want to water down the duties if we choose to retain a facility manager. Because I'm concerned like making the level 4 certification preferred instead of mandatory because this is the highest type facility out there. So I'm a little concerned about watering down this in lieu of an executive director. So let's just go ahead and follow through. Let's post this, and I think the consensus is you want to post it as amended.

COMMISSIONER CHAVEZ: Right. That would be my suggestion.

COMMISSIONER STEFANICS: Mr. Chair, this is an action item.

CHAIRMAN MAESTAS: Right. Why don't we conduct this interview, the interview was an application based on the current criteria, right?

MR. SCHIAVO: That's correct, Mr. Chair. It's based on the current.

CHAIRMAN MAESTAS: So would the Board be interested in awaiting the outcome of that before we pull the trigger on this modified advertisement?

COMMISSIONER STEFANICS: Mr. Chair, I'd like to ask a question. If we actually interview an individual and they're extremely competent and willing to take a position and we're interested in them, would it in fact be a term position until any recommendations and decisions were made about the future? Because if the – I've been pretty opinionated about what the committee should be bringing back and I don't think the committee should be carrying on for another year. I think the committee should be coming back with a strong recommendation that we debate fully and we help move things along.

We also have one of our local state senators interested in assisting us in changes to state statute if we needed it in this next legislative session – Senator Peter Wirth. And he's spoken to myself, he's spoken to the Mayor, he's spoken to some members of the work team on this. So if we were to do a status quo we're really going to continue the same discussion for the next couple years. And I hope that we're not in a cycle. I also hope we get somebody competent and maybe things would be different if we found the perfect person who wants to work in this structure, but we haven't yet. That's all I'm saying.

CHAIRMAN MAESTAS: What's the timing on bringing a recommendation for a project manager selection in the timeline?

MR. SCHIAVO: Mr. Chair, if we interview that person in the next week and they accept it I could come back before the next Board with an update as to where that's at. We would know at that point. And the way the position was advertised and the way the gentleman applied for it was as a classified position.

CHAIRMAN MAESTAS: Okay, why don't we do this? Let's adopt the modified job ad and the recruitment strategy and implement that if this position is not filled. That way we go ahead and – when do you think you'll be done with the interview process?

MR. SCHIAVO: Mr. Chair, if I'm able to set it up next week with Santa Fe County I should be done next week.

CHAIRMAN MAESTAS: Okay. How is that? Is that –

COMMISSIONER STEFANICS: So, Mr. Chair, I'd like to clarify the process. In the past, after interviews the Board really had nothing to say about the hiring. Is that the same situation, Ms. Long?

MS. LONG: I am not sure what the protocol is for the hiring of this position. I do recall previously that on the hiring of past facility managers you're correct, that that was done without the Board involvement. And I also recall that the last cycle that you, Commissioner, had requested, that there be a meeting with the Board and the final person selected for the job. And there was some debate about that but I think that's how it finally worked out and then we finally just never had anyone that came forward.

So for this particular hire I don't know if there's been any incorporation of Board involvement and I would say probably not.

MR. SCHIAVO: So, Mr. Chair, my understanding that the only person who's ever accepted the position in a non-interim status has been Robert Mulvey, and that person was hired before the facility started to operate. Since then only interim positions have been put in – Erika and then Shannon Jones.

MS. LONG: That is correct, it's just that we've gone through some previous attempts at hiring and there was the debate about involvement of the Board. It just never got to the point of a final applicant to bring to you, is what I'm recalling.

COMMISSIONER CHAVEZ: Mr. Chair.

CHAIRMAN MAESTAS: Yes, Commissioner Chavez.

COMMISSIONER CHAVEZ: Yes, I guess I have mixed feelings about whether the Board should review and make the final approval for that applicant. I'm more comfortable with staff handing that, especially if we've articulated and we're very clear in the skills and abilities and their requirements. So I think if the individual meets staff requirements and everything that we're asking of them I'm trusting that staff will make the right decision. That's where I'm at. It's not to say that I want to be disconnected or that I'm not concerned but I think sometimes that gets into a little bit of micromanaging and I want to stay away from that as much as possible. I think we need to have interaction with staff but at the appropriate place and time. So that's my take on it.

CHAIRMAN MAESTAS: Councilor Dominguez and then Ms. Bokum.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair. I guess it would seem to me that it would be appropriate to kind of go through this process that has already started in terms of maybe – I don't know who this applicant is, but if that doesn't come to fruition for whatever reason then I think it's a pretty clear signal to the Board that we need to reorganize or some up with some sort of reorganization that could include a new position, an ED position. But one of the questions that I had was how much time do we need to determine whether or not the current system we have in place with the right person is sufficient enough, is going to get us to the point we need to be at. I guess that's the question that I have that keeps lingering in my mind is this could be the right person, it could be the right model, but then they decide to leave at the spur of the moment. And so we're back to square one and having to potentially reorganize or some up with a different model.

But I think for now it would be appropriate to just kind of see where this takes us since we've already got an applicant and like I said, if it doesn't happen then it's a clear signal that something else needs to happen.

CHAIRMAN MAESTAS: Why don't we just go with a redundant, like multiple type actions here? Let's go forward. Let's determine whether or not this person is the right person for this position. If it's not filled then we'll automatically implement the revised job ad and implement this management recruitment strategy. And then I think the third thing would be for staff to maybe look at – I don't know if it would be a conversion. Let's just say create an executive director position with appropriate job duties. Again, I don't think – I agree with Nick. I'm not sure that a facilities manager that is highly technical can be an effective executive director, number one. And then number two, no techie is going to want to serve in an exempt position and be accountable to a Board and I think we'd really have a hard time attracting top talent. That's why I think we should keep this facility manager classified and that person can maybe be like a de facto chief of staff to help with morale they're protected by virtue of being classified but he'd be the executive director that would really handle the day to day and a lot of the interaction with the Board and be solely accountable to the Board, and be evaluated by the Board.

So I think we're pursuing all fronts here, if that's –

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MAESTAS: Yes, Commissioner.

COMMISSIONER STEFANICS: If we – I'm not opposed to an executive director, in fact it's probably in keeping with some of my ideas about the structure, but if we actually offered somebody a position it might be wise for them to know that there might be a different supervisory structure that might be occurring in the future, versus the structure that's currently set, so that they're just clear about lines of authority. So if I were an applicant I'd like to know if I'm responsible to the City Water Department or if I'm responsible to an executive director and perhaps that can be just clarified in the job interview and the job offer, that things might change.

CHAIRMAN MAESTAS: I think we talked about that because our budget cycle, our calendar year we're going to go from a calendar year to a fiscal year and given the project manager selection process I think I made that point in a previous meeting that we may not be able to make that transition effective July 1, 2015 and I think we've changed that. Isn't it July 1, 2016, so really we're looking at almost a two-year transition. Right? So, but I agree. Nick, in the interests of full disclosure I think that should be discussed with this prospective applicant.

COUNCILOR DOMINGUEZ: Mr. Chair.

CHAIRMAN MAESTAS: Yes, Councilor Dominguez.

COUNCILOR DOMINGUEZ: Just on that point, I guess it's been advertised under supervision received, operates within the governance of the BDD Board. Is that – I don't know if this is a legal question or not but does that – how significant is that? To say whether it's governance or direction of the BDD Board?

MS. LONG: I'm looking at that supervision received provision as well. What it seems to say is you'll be working under the Water Division Director, operating within the governance – I read that to mean that that's the governing authority but here is who your director is, the Water Division Director.

COUNCILOR DOMINGUEZ: So it doesn't give the impression that they will be working for the Board, necessarily, just under the governance that the Board has set policy –

MS. LONG: I believe that's a fair reading of that.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair.

CHAIRMAN MAESTAS: Okay, so I think we have consensus to move forward and interview this prospective candidate under the existing job description. If that's not successful, if we don't successfully fill it we will automatically advertise the revised job ad and implement the recommended recruitment strategy and also staff will study or bring some recommendations on the creation of an executive director position. And perhaps certain administrative duties that the facility manager currently has may be shifted over to the executive director. That way we make the facility manager maybe almost purely technical and less administrative, instead of having just a figurehead that sits in the hot seat.

Is that okay? This is an action item so I'd like that in the form of a motion.
Commissioner Chavez.

COMMISSIONER CHAVEZ: The only thought I have is that in that same process, in that same line of thinking, I would imagine that staff would have to look at the budgetary implications in doing that even though we may not be ready right now but if we do decide to go down that path I think we want to start budgeting for that so that if we make the decision we have everything in place. So is that part of your sort of direction to staff?

CHAIRMAN MAESTAS: Yes. And then you and I sit on the SWMA Board, on the Solid Waste Management Agency and I think that's a model that's close to home. Maybe that would be another source of information in putting some recommendations together to the Board. Okay, this is an action item, so do you want me to make the motion? Can I make the motion?

COMMISSIONER CHAVEZ: I think you can. We're approving not the amended or revised job description but the current BDD facility manager job description. We're going to interview the applicant on that, post the modified –

CHAIRMAN MAESTAS: If it's not filled by this –

COMMISSIONER CHAVEZ: Right. If it's not filled we'll post the modified along with the strategy. And so that would be in the form of a motion.

CHAIRMAN MAESTAS: Okay. I have a motion on the floor right here.
Do I have a second?

COUNCILOR DOMINGUEZ: Second.

CHAIRMAN MAESTAS: Okay. Second by Councilor Dominguez.

COUNCILOR DOMINGUEZ: Mr. Chair, is that for the direction for staff to start looking at the next step if we end up going –

CHAIRMAN MAESTAS: Executive director? Yes. That's not contingent on anything. They're going to move forward and bring some recommendations on an executive director position as well.

COMMISSIONER CHAVEZ: And I don't know if that needs to be part of this motion. I think that could just be direction to staff, right?

MS. LONG: I agree, Commissioner.

COMMISSIONER CHAVEZ: Then what I just moved. Are you okay with that?

CHAIRMAN MAESTAS: Yes. We have a motion and a second. Any discussion on the motion?

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

14. Request Formal Adoption of the 2014-2015 Annual Operating Budget

MS. ROMERO: Mr. Chair, members of the Board, we are here to request formal adoption of the BDD annual budget for fiscal year 2014-15. On December 12, 2013 the BDD Board did approve the proposed fiscal year 14-15 operating budget of \$6,524,600, and the annual contribution of \$411,804 for the major repair and replacement fund. This budget was then approved by each governing body. This adoption also includes carry-forward funding of \$2015,130 from fiscal year 13-14, which was approved by the Board on June 5th, and this will bring our total budget to \$7,141,534.20. Does anybody have any questions on the final budget?

CHAIRMAN MAESTAS: Any questions for Ms. Romero? Just one comment on page one, if you could just maybe change the Board composition to reflect the current Board.

MS. ROMERO: Okay.

COMMISSIONER STEFANICS: Mr. Chair, the other option would be, if you want to keep the Board that did the operating budget to put in an amended budget with the current Board.

MS. ROMERO: Okay.

COMMISSIONER STEFANICS: Because there are major differences here, in terms of people. Thank you.

CHAIRMAN MAESTAS: Any other questions? If not, do I hear a motion to approve the 2014-2015 –

COUNCILOR DOMINGUEZ: I'll move to approve but I have a question.

COMMISSIONER CHAVEZ: Second.

CHAIRMAN MAESTAS: Okay, we have a motion by Councilor Dominguez and a second by Commissioner Chavez. Councilor Dominguez.

COUNCILOR DOMINGUEZ: So I'm just looking, Mr. Chair, and it might be in here but I don't see it. I guess the –

CHAIRMAN MAESTAS: What page are you on?

COUNCILOR DOMINGUEZ: I'm not on any page.

CHAIRMAN MAESTAS: Okay.

COUNCILOR DOMINGUEZ: Just I guess the reserve philosophy of the organization. How much do we have in reserves? How much do we keep? For how long? I don't see that explicit in this budget.

CHAIRMAN MAESTAS: I know we do have a policy. It's an adopted policy.

COUNCILOR DOMINGUEZ: Maybe it's in here; I just don't see it.

MS. ROMERO: Councilor Dominguez, it is. It is page 15, describes the emergency reserve fund, which is fully funded at \$2 million.

COUNCILOR DOMINGUEZ: Okay.

MS. ROMERO: The second reserve fund that we have is on page 16, which is the major repair and replacement fund. That is currently funded at \$823,624. This new budgeted fiscal year, fiscal year 14 and 15, you did approve additional

contribution of \$411,804. So that will bring the balance to \$1.2 million, when this fiscal year is done. We did hire a contractor for our capital asset management plan and once that is complete that will give staff the tools to re-evaluate this funding for the major repair and replacement and we could potentially be coming back to the Board for additional funding for that reserve fund.

COUNCILOR DOMINGUEZ: Okay. So what does the policy say in terms of how much we should have in there? Is there a policy that articulates that?

MS. ROMERO: Commissioner, members of the Board, there is a policy. The original policy was the \$2 million cap on the emergency reserve fund, and then the policy for the major repair and replacement fund was done three years ago and I believe Shannon had brought that back to the Board, and the analysis of how they came up with that number, that's why we hired this contractor to come in because it needed to be a little bit more detailed than what they did originally.

CHAIRMAN MAESTAS: Councilor, the policy even, I think outlines detailed scenarios under which the funds would be used, emergency scenarios.

COUNCILOR DOMINGUEZ: Okay. I hadn't seen it and I guess that's what I'm looking for. \$2 million, does that get you – how much water does that deliver?

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MAESTAS: Commissioner Stefanics.

COMMISSIONER STEFANICS: I believe, at the end of calendar year 12, we had a major discussion about creating a policy, and I think you'd have to go back to look at the date. And it was when Mel Morgan was still with the City and we looked at proportionate use of the facility and the water in establishing the percentages for the reserve fund. And that the reserve fund – and I'm stretching my memory here – would be utilized for the future and if it in fact exceeded that amount of \$2 million we would refund the partners but we would maintain the \$2 million. Do you remember anything about this, Ms. Long?

MS. LONG: I do remember the discussions regarding enactment of that policy and the provisions for replenishing the policy, if there were an emergency that you had to dip into and how quickly that would be done. In terms of refunding, I don't recall that detail but I do know that we had also risk assessments done to come up with that number. Our insurance consultant sat down and tried to figure out, okay, what could go wrong and how much money could we possibly need on an emergency basis, not just a routine basis? So there was some thought and analysis put into it.

COMMISSIONER STEFANICS: Mr. Chair and Board members, the Fiscal Audit Committee did prepare that. That doesn't mean that it couldn't be revised or upgraded. Ms. Martinez was part of those discussions from the County and Mr. Morgan from the City, the Finance Manager, other staff from both the City and the County were involved. City Councilor Chris Calvert, myself and of course the BDD staff.

CHAIRMAN MAESTAS: Councilor, would it help if we maybe have staff come at the next meeting and just provide an overview of both policies, the equipment replacement and the emergency reserve?

COUNCILOR DOMINGUEZ: No, I think Mr. Chair, it would probably just be appropriate for staff to provide that to me via an email. It doesn't impact the action that we're going to take now, but just at least for my information.

2014 JUL 03 10:58 AM

CHAIRMAN MAESTAS: Okay. Do we at least have a policy, like assess it periodically very four years, five years?

MS. ROMERO: Mr. Chair, members of the Board, I know we just brought the major repair and replacement policy to this Board a couple months ago. The emergency reserve fund has been in place, I believe, for about a year. But I can re-provide those to the Board and like I said, we do, staff does intend to revisit the major repair and replacement fund policy.

CHAIRMAN MAESTAS: Okay. Because I know being on the Solid Waste Management Agency the state requires an emergency closure fund and they have to appraise the closure costs periodically and of course they just continue to escalate, so that's why I was wondering. But if it's only been in place for a year I'm comfortable that \$2 million is fine.

MS. ROMERO: Okay. And I will provide the policy.

CHAIRMAN MAESTAS: Okay. Commissioner Chavez.

COMMISSIONER CHAVEZ: Yes, I think, just an observation. The emergency reserve fund, that \$2 million seems okay but my concern has been on the major repair and replacement fund and we're weak on that side. I do encourage staff in the work that they're doing and I think we should be ready to increase this because, I don't know, this is just maybe shooting at the hip a little bit, but this just on the surface seems a little too low. And this does need to be evaluated so if we have to revise our policy in the major repair and replacement fund to increase that I would encourage that we do that because it just seems to be out of balance.

CHAIRMAN MAESTAS: You think \$1.2 million is too low?

COMMISSIONER CHAVEZ: I think it could be. It sounds like it's low because of the size and the scale of the operation and the worst-case scenarios that we might be faced with. And so it just seems a little low but I think that staff is doing their work and I think we'll find out exactly where we are.

CHAIRMAN MAESTAS: But I think we do have a category of more lower level maintenance work. This is considered major. So I think we have ongoing preventive maintenance, rehabilitation of a lot of the facilities there on a specific schedule for this maintenance, so I don't think this includes the entire facility. It's just considered major.

COMMISSIONER CHAVEZ: Right. And actually on that point, Mr. Chair, if we could have a list of that infrastructure that would be considered major. What is that?

CHAIRMAN MAESTAS: That is in the policy, so maybe –

MS. ROMERO: Mr. Chair, members of the Board, again I do have to refer back to the contract that you guys did approve, which is we did hire a contractor to create a capital asset management plan and that should definitely give us a list of every single major equipment and that will give us the basis to go ahead and re-evaluate this fund and see if this is enough funding for that fund. So we do look forward to getting that report done. I believe they're scheduled to be done by October or November.

CHAIRMAN MAESTAS: Well, I think the replenishment is an indication that we have a good buffer there. If we were replacing the whole thing of \$1.2 million then that would be cause for concern, at least for me, that it probably is too low, so I think we're good. I think we're good, Commissioner, but is there anything else?

COMMISSIONER CHAVEZ: No. I guess I'm just maybe being overly cautious on it but I think it might not be bad.

CHAIRMAN MAESTAS: Okay. Any other discussion? We have a motion on the floor and a second.

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

MATTERS FROM THE PUBLIC

CHAIRMAN MAESTAS: Anyone from the public that wishes to address the Board? Going once, twice? Okay, that's closed.

MATTERS FROM THE BOARD

CHAIRMAN MAESTAS: Any matters from the Board? Seeing none.

NEXT MEETING: August 7, 2014

ADJOURNMENT

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

Approved by:

Joseph M. Maestas
Joseph Maestas, Board Chair

Respectfully submitted:

Debbie Doyle for Wordswork
Debbie Doyle, Wordswork

FILED BY:

Geraldine Salazar
GERALDINE SALAZAR

SANTA FE COUNTY CLERK

ATTEST TO:

Yolanda Vigil
YOLANDA VIGIL

SANTA FE CITY CLERK

9-16-2014



**BUCKMAN DIRECT DIVERSION
MEETING**

SIGN IN SHEET

July 3, 2014

NAME (Please print)	ORGANIZATION
Mackie Romero	BDD
Nick Schiavo	CoSF
David S. Rhodes	Los Alamos Field Office
Rick Ullhorn	LANL
Wendell T Egelhoff	The Club at Las Campanas
Claudia Borchert	SF County
Kyle Harwood	BDD Board counsel.
Teresa Martinez	SF County

BUCKMAN DIRECT DIV MIN
PAGES: 19

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

I Hereby Certify That This Instrument Was Filed for
Record On The 16TH Day Of September, 2014 at 10:29:59 AM
And Was Duly Recorded as Instrument # 1746109
Of The Records Of Santa Fe County



Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy *Marcella [Signature]* County Clerk, Santa Fe, NM

INFORMATIONAL ITEM

8. Update on LANL MOU Early Notification System. (Shannon Jones/Kyle Harwood/NNSA/DOE) **VERBAL**
9. Update on Wild Earth Guardians Notice of Intent to Sue regarding the Rio Grande Silvery Minnow. (Kyle Harwood)

CONSENT AGENDA

10. Monthly Update on BDD operations. (Gary Durrant)
11. Drought, Monsoon and Water Resource Management Update. (Rick Carpenter)
12. Request for approval of award of contract extension for one (1) additional year for water treatment plant chemicals in an amount not to exceed the budgeted amount of \$299,400.00 plus NMGR. Various vendors provide the chemicals for the Buckman Regional Water Treatment Plant. The specific vendors and the costs are all listed in the attached memo. (Gary Durrant)

DISCUSSION AND ACTION ITEMS

13. Discussion and possible action on the hiring process for the BDD Facility Manager. (Nick Schiavo) (requested by Stefanics)
14. Request formal adoption of the 2014/2015 Annual Operating Budget in the amount of \$7,141,534.20. (Mackie Romero)

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT MEETING: August 7, 2014

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.**