

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

**March 23, 2021**

1. This special meeting of the Santa Fe County & City Buckman Direct Diversion Board meeting was called to order by Commissioner Anna Hansen, Chair, at approximately 5:00 p.m.

In accordance with the Public Health Emergency Order issued by the State of New Mexico, and pursuant to the New Mexico Attorney General's Open Government Division Advisory during COVID-19, public entities are authorized to conduct virtual meetings. All votes were conducted by roll call.

[For clarity purposes, repetitive identification and confirmations of those on the line and their audibility have been eliminated and/or condensed in this transcript.]

2. Roll was called and the following members were present:

**BDD Board Members Present:**

Commissioner Anna Hansen, Chair  
Councilor Carol Romero-Wirth  
Commissioner Anna Hamilton  
J.C. Helms, Citizen Member  
Councilor JoAnne Vigil Coppler  
Tom Egelhoff, Las Campanas [non-voting]

**Member(s) Excused:**

None

**BDD Board Alternate Members Present:**

Peter Ives, Community Alternate – Former City Councilor  
James Lightfoot, Las Campanas Alternate

**Others Present:**

Rick Carpenter, BDD Facilities Manager  
Nancy Long, BDD Legal Counsel  
Bernardine Padilla, BDD Public Relations Coordinator  
Jamie-Rae Diaz, City Administrative Assistant  
Marcos Martinez, City Assistant Attorney  
Greg Shaffer, County Attorney  
John Dupuis, County Utilities Director  
Jesse Roach, City Water Division Director  
Regina Wheeler, City Public Works Director

### 3. APPROVAL OF AGENDA

BDD Board Attorney Nancy Long noted the agenda included an executive session which was unnecessary and requested that be removed from the agenda.

Councilor Romero-Wirth moved to approve the agenda as amended. The motion was seconded by Mr. Helms and passed by unanimous [5-0] voice vote

### 4. MATTERS FROM THE PUBLIC

None were presented.

### 5. ACTION ITEMS: DISCUSSION AND ACTION

- A. **Request for Approval of an Agreement between the City and the Buckman Direct Diversion (BDD) Board Allowing for the Installation of Energy Efficient Equipment and Improvements at the BDD Project and Providing for the Transfer of such Equipment and Improvements to the BDD Board**
- B. **Request for Limited Approval of a Cost Sharing Agreement for the Lease-Purchase of Energy Efficiency Measures to Reduce the Energy Use of the Buckman Direct Diversion Project**

MS. LONG: Yes, I will address both agreements at the same time. They are meant to go together and it will provide a clearer picture for the Board, if that's okay.

CHAIR HANSEN: That's great.

MS. LONG: So that's 5 A and B. At long last we are ready for you, the Buckman Direct Diversion Board, to consider hopefully for approval the two agreements on your agenda that are necessary to implement the energy efficient projects at the Buckman Direct Diversion. You've heard about the project citywide and specifically as to Buckman for quite awhile now and really what it took was unwinding things specifically for Buckman because of our unique relationships and partners and cost-sharing mechanisms. And because we are a separate entity we needed to provide permission for the installation of those energy facilities at our site.

The City performed what they called an investment grade energy audit that was performed by Yearout Energy. And the Buckman Direct Diversion facility was included in that audit. It was included and it was concluded that it would benefit from LED lighting at four different locations at Buckman and also recommended two solar renewable energy facilities at Booster Station 1A and the lift station, so both down closer to the river.

That necessitated an agreement between the Buckman Direct Diversion Board and the City to allow for the installation of those facilities, to provide for the transfer of all of those improvements upon the completion of their construction by the contractor. Of course, before that we have to receive permits from the U.S. Forest Service to allow for those installations, at least for the solar installations and this is in process. So we're giving permission for that to happen and for the facilities to be installed – this is in the

first agreement. And it also provides all the guarantees and warranties that the energy contractor is providing will go along with the ownership of those facilities. It is all subject to the rights of the lender. The City is entering into a lease purchase agreement just around the corner, next week, with Sterling National Bank to finance the installation and maintenance of all the energy savings projects including the projects at Buckman.

So the lender has rights in the equipment should there be a default and that was provided for and it was mandated by the lender. So that really covers the first agreement. It is an agreement between the City and the Buckman Direct Diversion Board.

Secondly, is the cost sharing agreement and this one got very complicated and thanks to the very hard work of Greg Shaffer, Marcos Martinez at the City as well as Erin McSherry, and Las Campanas, particularly the Club because they take water from the project. So we spent many hours in many meetings getting that ironed out as to how the cost-sharing would be agreed to. Of course, the whole idea of the project is that the energy savings – and I'm just talking about the solar facilities now – will cover the lease payments. So Buckman is a party to this agreement because we have to agree – we're not putting in any cost, but we bill the partners and we provide all the accounting, we will set up a special reserve fund to receive those energy costs savings and then pay those over to the City.

There is a chance that there will not be sufficient savings, of course, to cover the payments and there hopefully will be sufficient money in the special reserve fund to cover any payments that aren't covered by energy savings. But that will be up to all of the partners as to whether they voluntarily contribute to that fund, although, there is an initial contribution that is provided for as kind of a buffer in the Cost Savings Agreement by each partner. The hope was that we could get all partners, meaning the Club, the Co-op, the City and the County to sign onto the agreement and we have received an endorsement and/or approval from everyone. So the agreement before you for cost sharing has been fully vetted including by Buckman. So Rick and Mackie had to take a look at it to say, is this something that we understand, that we have the capability to do and that we're willing to do? And they have all said yes. So that's really our role in the agreement.

At this point, the City Council has approved the agreement subject to any revisions that are within the intent of the agreement. They did that earlier this month. As you, County Commissioners know you approved these agreements at a special BCC meeting last night. So we are the last ones here to consider and approve the agreements.

I would ask that any motion for approval for both agreements allow for any revisions that are consistent with the terms of the agreement. Mr. Shaffer and I just received an email today from the City's finance attorney who said, I need signed agreements tomorrow if this passes. So we know that Las Campanas, we're hoping to get their signature on them of course. But they are signatories just to the cost-sharing agreement. And we do have a provision in the, what I'm calling the permission agreement between the City and Buckman that makes the agreement contingent on executing a cost sharing agreement. So we need to remove that paragraph but we know that we do have agreement on the cost sharing so it would not be a problem to do that.

We just want to make sure that we get this signed off on if you, the Board, approve these two agreements so that we can get the documents to the City and they can get to their closing next week.

Thank you, Madam Chair and members of the Board.

CHAIR HANSEN: Thank you, Ms. Long. Are there any questions from the Board? Commissioner Hamilton.

COMMISSIONER HAMILTON: Small question, thank you, Madam Chair. Can you just, Nancy, can you just clarify what type of wording you need with respect to allowance for changes?

MS. LONG: Yes, Madam Chair and Commissioner Hamilton, in a motion to approve and I think both agreements can be approved together, the cost sharing agreements and the agreement between the City and the Board, in a motion to approve the agreements and allow for any revisions that are necessary in order to achieve the funding deadlines but that are consistent with the agreements. Obviously, if there was some substantial revision that was requested we would not agree to that. And, again, this is going to happen very quickly I believe because we will be looking for the Chair's signature tomorrow. So I don't know that we really any revision other than removing that one paragraph making the agreement contingent on the cost sharing agreement, since we may be getting Las Campanas' signatures after the fact.

CHAIR HANSEN: Are there any other questions? Councilor Vigil Coppler.

COUNCILOR VIGIL COPPLER: Thank you, Madam Chair. Nancy, I know you said something about allowing for revisions from time to time, are those just like not consequential decisions like on cost sharing, are they just other kinds of minimal things that this Board wouldn't – it wouldn't come to this Board then, right?

MS. LONG: Yes, Councilor, you are correct. They would be minimal. They would be I would call, non-substantive type of revisions. Certainly, if there was something that was consequential or that we believe went outside the intent of what you are approving then we could not make those changes without coming to you.

COUNCILOR VIGIL COPPLER: Okay. And then can you go over again, I'm on page 4 of 10 of the cost sharing agreement, item D, you have some dollar amounts there. Is this sort of like startup money for lack of a better word?

MS. LONG: Yes, Councilor Vigil Coppler, that is exactly right. We are setting up this special reserve fund within the Buckman accounting system and the parties did agree to make a contribution to that fund as startup money that would be held in that fund should payments or savings not be sufficient to make the loans payments that we will make to the City or if there's operation, maintenance, replacement costs because Buckman will be responsible for maintaining the LED facilities as well as the solar facilities. So there will be some money in that fund that can be added to – it's all voluntary, but these first amounts are provided for in the agreement so that there is some money to take care of any costs associated with the projects that aren't covered by energy savings. And we hope that the energy savings exceed obligations and that there may be a buildup of a buffer but we don't know that yet and it is not likely to be much. This was thought to be a sound way to get started. So you're exactly right.

COUNCILOR VIGIL COPPLER: Okay. Is it based on a percentage these allocations? I know that there's been some discussion about how much each gives and I wasn't able to really find that.

MS. LONG: Yes, Councilor, and these amounts contributed we follow this general pattern is that the maintenance of the facilities, the solar facilities, it was

agreed would be covered by the partners pursuant to their water usage. And of course, the electric billing would similarly follow that pattern. The parties would be billed based on how much electricity they are using to get the water. So it is based on a percentage of use.

COUNCILOR VIGIL COPPLER: Okay, it seems that way on page 4 and I just wanted to get clarification. Those are all my questions. Thank you, Madam Chair.

CHAIR HANSEN: Thank you, Councilor. JC, I can't see you but do you have any questions?

MR. HELMS: Thank you. No, I do not.

CHAIR HANSEN: Mr. Egelhoff, do you have a question? I see your hand raised.

MR. EGELHOFF: Not a question. I just want to thank Greg, Erin, Marcos and Nancy on behalf of the Club for the week's worth of questions that they satisfied. The Club felt very engaged in this process and truly a partner. We thank you.

CHAIR HANSEN: Mr. Egelhoff, is it possible that somebody could come into town tomorrow morning to sign the document?

MR. EGELHOFF: I think so. I'm not sure who the signee is on ours. I don't know if it's the Club president or Al Antonez, the general manager, I am sure we can make that happen.

CHAIR HANSEN: Okay, that would be fantastic. Thank you. Is there any other comments or questions from the Board? Seeing none, what is the pleasure of the Board?

MR. HELMS: Move to approve.

CHAIR HANSEN: Move to approve both the agreements with the explanation that Ms. Long gave about any minor changes?

MR. HELMS: Yes.

COUNCILOR VIGIL COPPLER: Second.

COMMISSIONER HAMILTON: Second.

CHAIR HANSEN: So we have multiple seconds from Commissioner Hamilton and Councilor Vigil Coppler.

**The motion passed by unanimous [5-0] roll call vote.**

**6. MATTERS FROM STAFF**

None were presented.

**7. MATTERS FROM THE BOARD**

CHAIR HANSEN: I would like to thank everyone – all of the attorneys, Greg, Erin, Marcos, Vicki, everyone who spent hours and hours working on this agreement. We are all grateful to your hard work and dedication to the Buckman and how important it is for our entire community. I just want to make that statement for the record.

Any other comments from the Board? Councilor.

COUNCILOR VIGIL COPPLER: Thank you, Madam Chair. I would like to also echo your thanks to the City staff, the County staff and to Ms. Long for all your work because I know this has gone several rounds and rounds and rounds and rounds. I can only imagine the work it took and the time it took. It's good to finally get this off BDD's plate for now and I look forward to the solar panels working and being a good investment. Again, thanks to everyone.

CHAIR HANSEN: Yes, and I think we should call out Regina Wheeler, thank you for your work on this. Also, John Dupuis and as you said all of the staff, thank you, Councilor Vigil Coppler.

MR. HELMS: As I read the documents the Chair of the BDD does the signing for the Board. The rest of us don't have to go down there and sign, do we?

CHAIR HANSEN: That's correct.

MR. HELMS: Thank you.

**8. NEW MEETING: Thursday, April 1, 2021 – 4:00 p.m.**

**9. ADJOURNMENT**

Commissioner Hamilton moved to adjourn and Mr. Helms seconded. Chair Hansen declared this meeting adjourned at approximately 5:22 p.m.

Approved by:

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Anna Hansen, Board Chair

Respectfully submitted:

Karen Farrell, Wordswork

**ATTEST TO**

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Kristine Bustos-Mihelcic  
SANTA FE CITY CLERK