

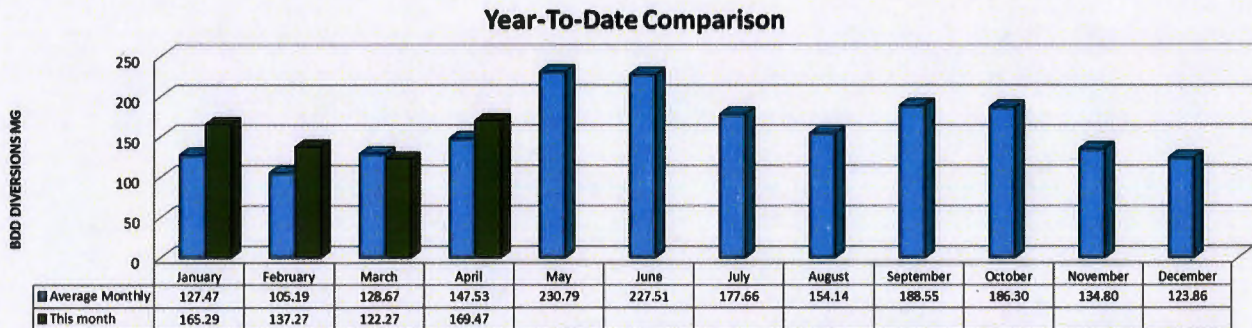




**Date:** May 5, 2022  
**To:** Buckman Direct Diversion Board  
**From:** Randy Sugrue, BDD Operations Superintendent  
**Subject:** Update on BDD Operations for the Month of April 2022

**ITEM:**

1. This memorandum is to update the Buckman Direct Diversion Board (BDDDB) on BDD operations during the month of April 2022. The BDD diversions and deliveries have averaged, in Million Gallons Per Day (MGD) as follows:
  - a. Raw water diversions: 5.65 MGD.
  - b. Drinking water deliveries through Booster Station 4A/5A: 5.06 MGD.
  - c. Raw water delivery to Las Campanas at BS2A: 0.35 MG
  - d. Onsite treated and non-treated water storage: 0.24 MGD Average.
2. The BDD is providing approximately 71% percent of the water supply to the City and County for the month.
3. The BDD year-to-date diversions are depicted below:



4. Regional Demand/Drought Summary and Storage-see page 2.



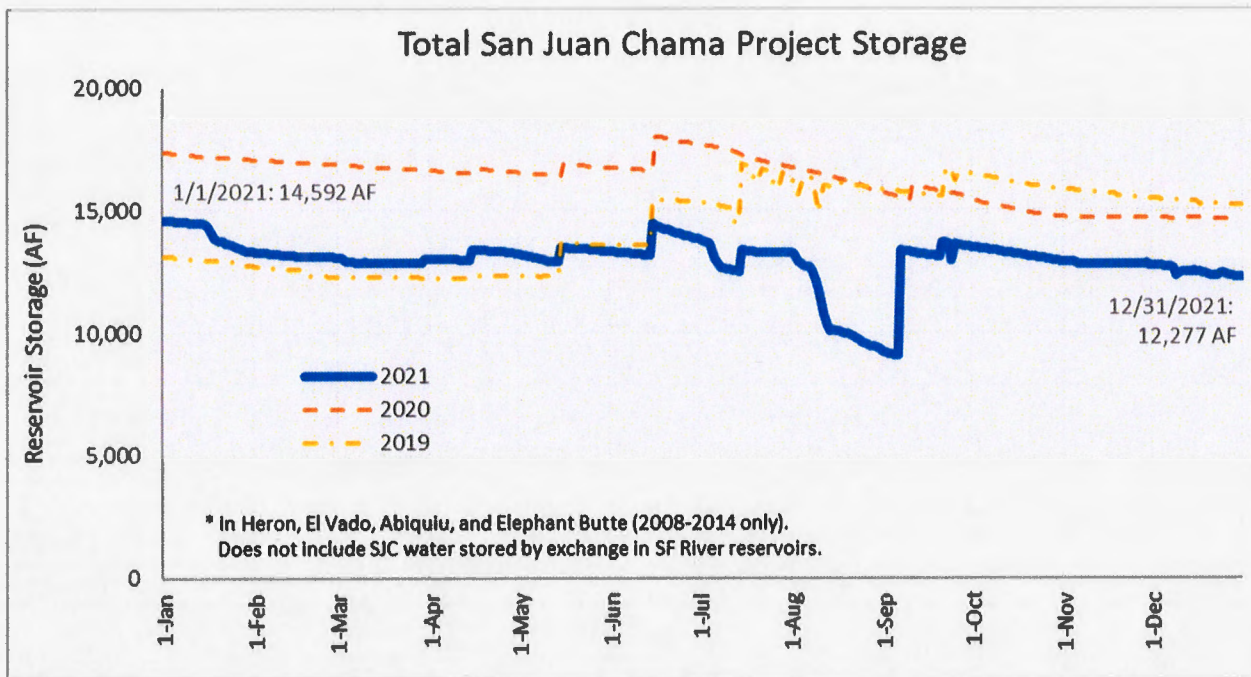
## Regional Water Overview

Daily metered regional water demand for the month of April 2022 is approximately 8.1 MGD.

Rio Grande flows for April 2022 averaged approximately 1000 CFS (cubic feet per second.)

CRWTP reservoir storage: Nichols: 69.3%/McClure: 16.1% (25.1% combined) Watershed Inflow: 1.9 MGD

City/County/LC Storage- as updated by partners.



## ENSO Summary

April 18, 2022

**La Niña is present.\***

**Equatorial sea surface temperatures (SSTs) are below average across the east-central and eastern Pacific Ocean.**

**The tropical Pacific atmosphere is consistent with La Niña.**

**La Niña is favored to continue through the Northern Hemisphere summer (59% chance during June-August 2022), with a 50-55% chance through the fall.**





# Buckman Direct Diversion

## Buckman Direct Diversion Monthly SJC and Native Diversions

Apr-22		In Acre-Feet					
Month	Total SJC + Native Rights	SP-4842 RG Native COUNTY	SD-03418 RG Native LAS CAMPANAS	SJC Call Total	SP-2847-E SJC Call CITY	SP-2847-N-A SJC Call LAS CAMPANAS	All Partners Conveyance Losses
JAN	511.288	154.905	0.000	356.382	356.382	0.000	3.203
FEB	421.814	421.814	0.000	0.000	0.000	0.000	0.000
MAR	376.496	302.219	0.000	74.277	74.277	0.000	0.758
APR	520.270	382.120	0.000	138.150	138.150	0.000	0.901
MAY	0.000	0.000	0.000	0.000	0.000	0.000	0.000
JUN	0.000	0.000	0.000	0.000	0.000	0.000	0.000
JUL	0.000	0.000	0.000	0.000	0.000	0.000	0.000
AUG	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SEP	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OCT	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NOV	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DEC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>TOTAL</b>	<b>1,829.867</b>	<b>1,261.058</b>	<b>0.000</b>	<b>568.809</b>	<b>568.809</b>	<b>0.000</b>	<b>4.862</b>

## In Million Gallons

Month	Native COUNTY	Native Las Campanas	SJC TOTAL	SJC CITY	SJC Las Campanas	All Partners Diversions
JAN	50.458	0.000	114.878	114.878	0.000	165.336
FEB	137.399	0.000	0.000	0.000	0.000	137.399
MAR	98.443	0.000	23.913	23.913	0.000	122.356
APR	124.469	0.000	45.000	45.000	0.000	169.469
MAY	0.000	0.000	0.000	0.000	0.000	0.000
JUN	0.000	0.000	0.000	0.000	0.000	0.000
JUL	0.000	0.000	0.000	0.000	0.000	0.000
AUG	0.000	0.000	0.000	0.000	0.000	0.000
SEP	0.000	0.000	0.000	0.000	0.000	0.000
OCT	0.000	0.000	0.000	0.000	0.000	0.000
NOV	0.000	0.000	0.000	0.000	0.000	0.000
DEC	0.000	0.000	0.000	0.000	0.000	0.000
<b>TOTAL</b>	<b>410.768</b>	<b>0.000</b>	<b>183.792</b>	<b>183.792</b>	<b>0.000</b>	<b>594.560</b>





## Buckman Direct Diversion Monthly SJC and Native Diversions

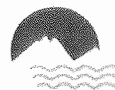
Dec-21							
In Acre-Feet							
Month	Total SJC + Native Rights	SP-4842 RG Native COUNTY	SD-03418 RG Native LAS CAMPANAS	SJC Call Total	SP-2847-E SJC Call CITY	SP-2847-N-A SJC Call LAS CAMPANAS	All Partners Conveyance Losses
JAN	378.548	42.119	0.000	336.429	336.429	0.000	3.456
FEB	408.601	191.550	0.000	217.051	217.051	0.000	2.229
MAR	442.832	442.832	0.000	0.000	0.000	0.000	0.000
APR	624.282	506.349	0.000	117.933	117.933	0.000	1.195
MAY	868.184	483.518	0.000	384.666	384.666	0.000	2.477
JUN	879.493	302.801	0.000	576.692	576.692	0.000	3.555
JUL	562.156	-17.518	0.000	579.674	579.674	0.000	2.767
AUG	758.665	-0.154	0.000	758.819	758.819	0.000	3.757
SEP	542.059	-49.305	0.000	591.364	591.364	0.000	2.930
OCT	553.705	-22.895	0.000	576.600	576.600	0.000	5.614
NOV	423.977	368.177	0.000	55.800	55.800	0.000	0.543
DEC	423.345	-0.732	0.000	424.077	424.077	0.000	2.367
<b>TOTAL</b>	<b>6,865.847</b>	<b>2,246.741</b>	<b>0.000</b>	<b>4,619.106</b>	<b>4,619.106</b>	<b>0.000</b>	<b>30.890</b>

## In Million Gallons

Month	Native COUNTY	Native Las Campanas	SJC TOTAL	SJC CITY	SJC Las Campanas	All Partners Diversions
JAN	13.720	0.000	108.306	108.306	0.000	122.026
FEB	62.394	0.000	69.875	69.875	0.000	132.269
MAR	144.245	0.000	0.000	0.000	0.000	144.245
APR	164.934	0.000	37.971	37.971	0.000	202.906
MAY	157.498	0.000	123.871	123.871	0.000	281.369
JUN	98.632	0.000	185.788	185.788	0.000	284.420
JUL	-5.706	0.000	186.765	186.765	0.000	181.059
AUG	-0.050	0.000	244.396	244.396	0.000	244.346
SEP	-16.060	0.000	190.470	190.470	0.000	174.409
OCT	-7.458	0.000	185.724	185.724	0.000	178.266
NOV	119.927	0.000	17.973	17.973	0.000	137.901
DEC	-0.238	0.000	138.136	138.136	0.000	137.898
<b>TOTAL</b>	<b>731.837</b>	<b>0.000</b>	<b>1,489.275</b>	<b>1,489.275</b>	<b>0.000</b>	<b>2,221.113</b>



# Memorandum



Buckman Direct Diversion

**TO:** BDD Board

**FROM:** Rick Carpenter, BDD Facilities Manager

**DATE:** April 25, 2022

**SUBJECT:** Legal Settlement Funds and Formation of Technical Working Group

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The BDD Board has reached a legal settlement with several parties. At the direction of the Board, I am forming a technical working group to begin planning the next steps in order to make the necessary repairs and/or replacements to the BDD project.

Suggested tentative approach (discussed by the technical working group at the first meeting) includes:

Meeting frequency (standing pre-scheduled meetings preferred)

The plan for "The Plan" (initial approach and priorities)

Basic procurement approach and 3d party engineer

Project delivery method

Coordination for on-going delivery of water during construction

Project management and basic roles and responsibilities

Contract management

Permitting

Financial management/accounting/transparency

Budget

Future Components:

Schedule/prioritization/sequencing of projects

Design

Construction

Training

Close-out



Buckman Direct Diversion 341 Caja del Rio Santa Fe, NM 87506








# Memorandum



## Buckman Direct Diversion

**Date:** April 26, 2022  
**To:** Buckman Direct Diversion Board  
**From:** Rick Carpenter, BDD Facilities Manager   
**Subject:** Revised Proposed Fiscal Year 2023 Annual Operating Budget Request

### ITEM AND ISSUE:

Request for approval and recommendation of the BDD Annual Operating Budget & Other Fund Contributions for Fiscal Year 2023.

### BACKGROUND AND SUMMARY:

BDD is pleased to present the proposed Buckman Direct Diversion (BDD) Annual Operating Budget for Fiscal Year 2023 and proposed contributions to the Major Repair & Replacement Fund. The proposed budget accounts for all projected necessary costs to meet the Board's service level objectives and to continue to provide high quality water to our partners, the City of Santa Fe, Santa Fe County, the Club at Las Campanas and the Las Campanas Water and Sewer Cooperative.

The BDD actively collaborated with its partners on the development of this budget, and with their support, we present this budget request.

### Budget Highlights & Considerations:

- Requesting budget approval of \$8,235,780 for FY 2023 Operations (Page 2)
  - \$8,019,780 – Partner Reimbursements
  - \$120,000– PNM Solar Rebate Revenue
  - \$96,000 – Federal Funds
- FY 2023 Budget Request decreased by \$612,419 from the FY 2022 Adopted Budget (Page 5)
- Emergency Reserve Fund is fully funded to our target balance of \$2,000,000 (Page 12)
- Major Repair & Replacement Fund - \$1,000,000 requested contributions. (Page 13)



Buckman Direct Diversion 341 Caja del Rio Santa Fe, NM 87506



*Memorandum cont.*

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**ACTION REQUESTED:**

Staff recommends approval and recommendation of the BDD Annual Operating Budget for Fiscal Year 2023 and the requested contributions to our Major Repair and Replacement Fund to City of Santa Fe's City Council and Santa Fe County Board of Commissioners.

We look forward to presenting the proposed budget and addressing your comments and questions.

Thank you

Approved by BDDB May 5, 2022

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Carol Romero-Wirth, BDDB Chair





# Buckman Direct Diversion

## FISCAL YEAR 2023

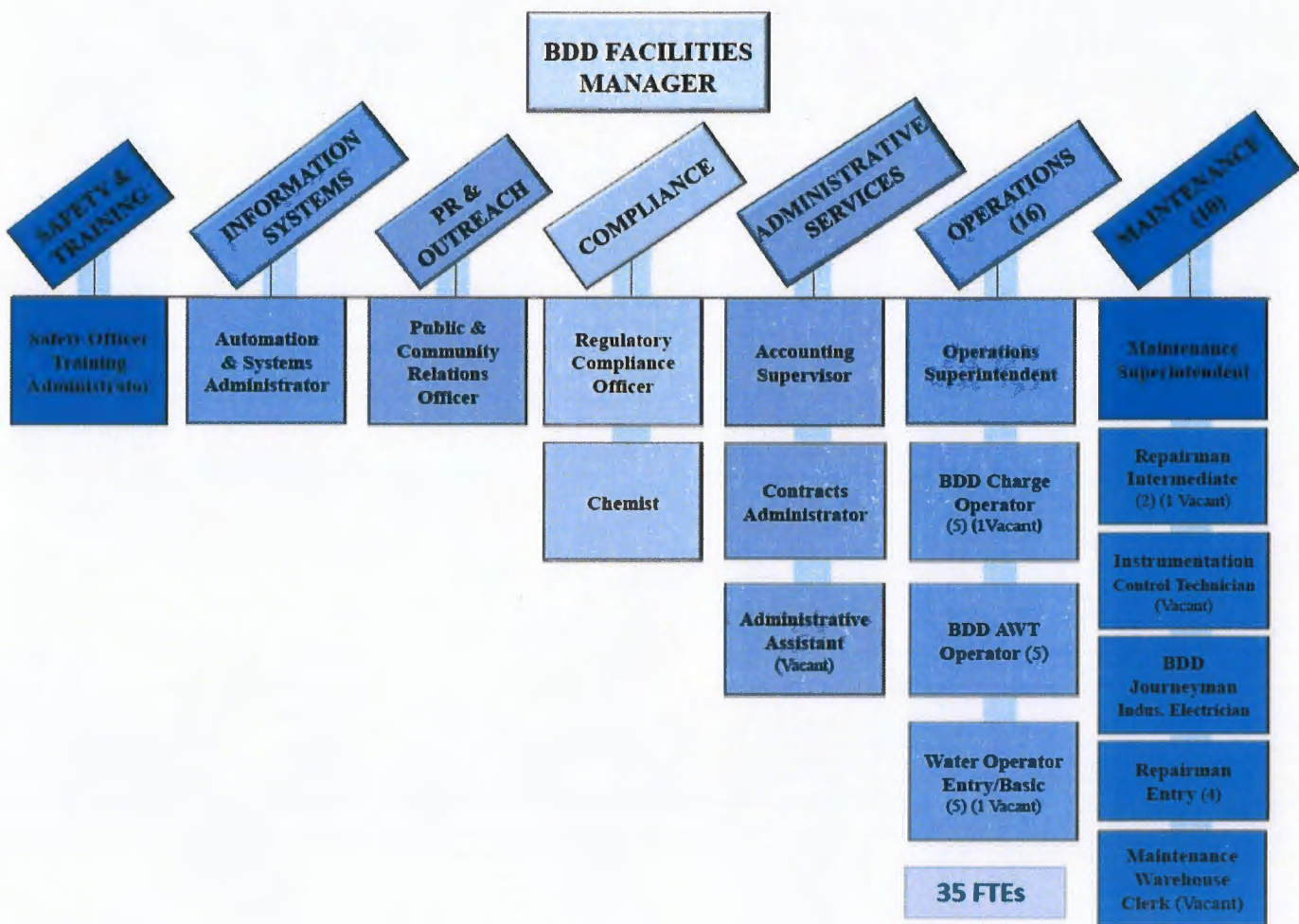
Proposed Annual Operating  
Budget & Partner Contributions



**Prepared by:**  
**Antoinette Armijo-Rougemont, BDD Accounting Supervisor**  
**Rick Carpenter, BDD Facilities Manager**



**BUCKMAN DIRECT DIVERSION REGIONAL WATER PLANT**  
**ORGANIZATIONAL CHART**







## Buckman Direct Diversion (BDD) Proposed Annual Operating Budget for FY23

### Budget Message

The *Project Management and Fiscal Services Agreement* (PMFSA) requires the Project Manager to submit an Annual Operating Budget. With this submittal, the Project Manager requests the Buckman Direct Diversion Board (BDDDB) approve and recommend the Fiscal Year 2023 Operating Budget of \$8,235,780.

### Budget Revenue/Reimbursement Summary

#### TOTAL PROPOSED FISCAL YEAR 2023 OPERATING BUDGET

TABLE A

	<u>Fixed</u>	<u>Variable</u>	<u>Total</u>	<u>%</u>
<b>Revenues/Reimbursements by Source:</b>				
Federal Funds	\$ 96,000	\$ -	\$ 96,000	1%
PNM Solar Rebates	-	120,000	120,000	1%
City of Santa Fe	4,461,919	1,315,078	5,776,997	70%
Santa Fe County	1,650,042	439,222	2,089,264	25%
Las Campanas (Club)	67,024	-	67,024	1%
Las Campanas (Coop)	86,495	-	86,495	1%
<b>Total Revenues by Source</b>	<b>\$ 6,361,480</b>	<b>\$ 1,874,300</b>	<b>\$ 8,235,780</b>	<b>100%</b>
% of overall budget	77%	23%	100%	

This budget request consists of fixed and variable costs and includes revenue/reimbursements from several sources. The principle operating revenue of BDD’s operating budget is reimbursements from the partners for the cost of operations.

BDD was granted federal funds from the Department of Energy for the BDD Storm Water Sampling Program. This funding will be used for the collection of samples from the Rio Grande at the BDD in order to make determinations on the water quality of the river during LANL events.

The monthly PNM solar rebates received for the water treatment plant solar array are also accounted for as a source of revenue. The resulting reimbursement requests for American Capital Energy (primary owner of this solar array) to the City of Santa Fe and Santa Fe County will be reduced by the revenue received.

The partner reimbursement revenue is estimated based on projected expenditure types and allocated based on the cost sharing allocations established in the governing documents. Partners are billed in accordance with the BDD Working Capital and Billing Policy.



## Budget Expenditure Summary

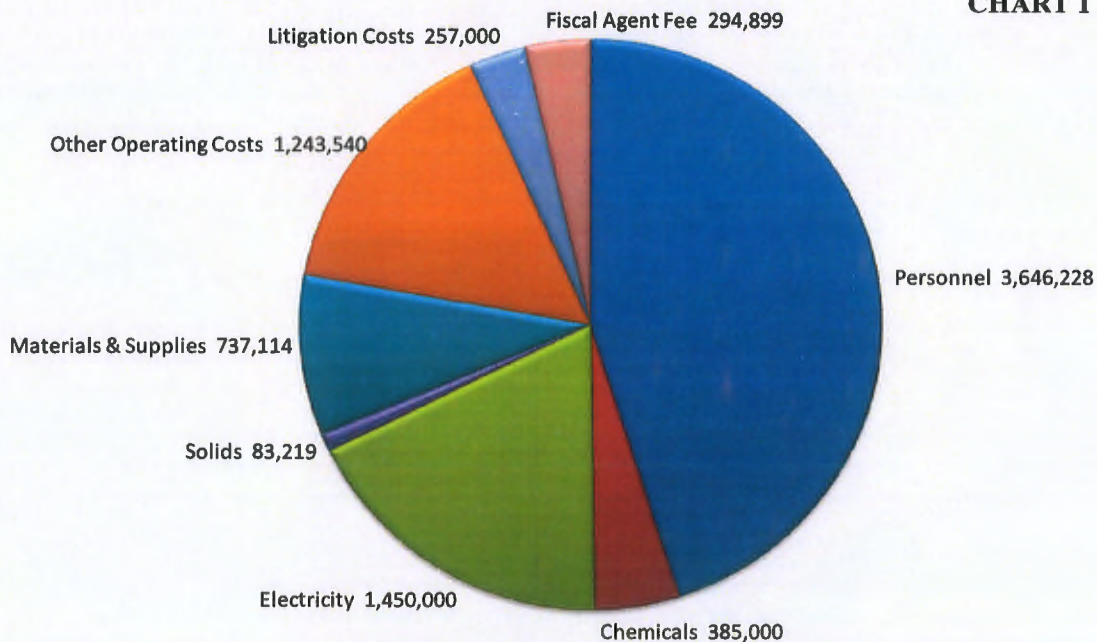
The Buckman Direct Diversion budget consists of seven major categories as presented below. These categories are used to track expenditures for reporting and monitoring our available budget balance. In accordance with our BDD Working Capital and Billing policy, any budget adjustment requests between major categories require board approval. Expenditures are generally recorded when a liability is incurred and are reported in BDD's main enterprise fund.

### PARTNER SHARE OF TOTAL PROPOSED FISCAL YEAR 2023 OPERATING BUDGET

TABLE B

Expenditure by Category:	City of Santa Fe	Santa Fe County	Las Campanas (Club)	Las Campanas (Coop)	Federal Funds	Total
Personnel	\$ 2,679,344	\$ 985,342	\$ 52,531	\$ 67,791	\$ -	\$ 3,785,008
Electricity	1,088,482	354,445	3,088	3,985	-	1,450,000
Chemicals	291,291	93,709	-	-	-	385,000
Solids	62,953	20,266	-	-	-	83,219
Materials & Supplies	518,367	195,131	10,310	13,306	-	737,114
Other Operating Costs	827,998	317,034	1,095	1,413	96,000	1,243,540
Litigation Costs	185,965	71,035	-	-	-	257,000
Fiscal Agent Fee	213,389	81,510	-	-	-	294,899
<b>Total</b>	<b>5,867,789</b>	<b>2,118,472</b>	<b>\$ 67,024</b>	<b>\$ 86,495</b>	<b>\$96,000</b>	<b>\$ 8,235,780</b>
PNM Solar Rebates	(90,792)	(29,208)				
<b>Total</b>	<b>\$ 5,776,997</b>	<b>\$ 2,089,264</b>				

CHART 1







## Budget Summary & Highlights

In Fiscal Year 2023, the BDD will be in its twelfth year of operations. The BDD also uses yearly volumetric flow predictions provided by each partner for our variable and project wide allocation of expenditures.

The BDD has collaborated with its partners on the development of this budget and with their support; we present the Fiscal Year 2023 budget request with the following changes:

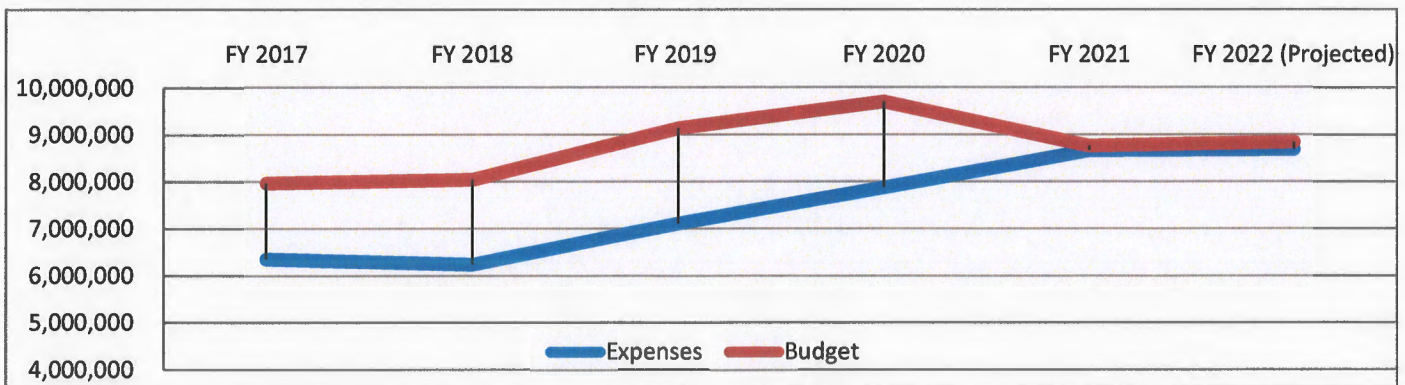
- The proposed annual operating budget for fiscal year 2023 is \$8,235,780 plus the fiscal agent fee of \$294,899, which represents 4.5% of the prior year’s annual operating budget as stated in the amended Facility Operations and Procedures Agreement (FOPA).

Closing the gap between actual expenditures and budget was considered in the development of the annual operating budget request. This will continue to be factor, to ensure funds are properly expended for the purposes as requested.

- Fiscal Year 2017 Actual Expenditures \$6,242,497 (with 6 vacant positions and \$701,988 of unexpended litigation fees) which was \$1,724,657 lower than the adopted budget.
- Fiscal Year 2018 Actual Expenditures \$7,112,089 (with 5 vacant positions and \$641,427 of unexpended litigation fees) of which \$590,000 was carry forwarded to the FY2019 Adopted Budget.
- Fiscal Year 2019 Actual Expenditures \$7,882,811 (with 11 vacant positions and \$255,212 of unexpended litigation fees) which was \$1,251,813 lower than the adopted budget.
- Fiscal Year 2020 Actual Expenditures \$8,665,134 which was \$1,031,275 lower than the adopted budget.
- Fiscal Year 2021 Actual Expenditures \$8,686,832 which was \$76,883 lower than the adopted budget.

CUMULATIVE BDD EXPENSES TO ADOPTED BUDGET

CHART 2







## Budget Comparisons

Table C presents actual expenses by major category for fiscal year ended June 30, 2021. The change in the fiscal year 2023 operating budget request in comparison to the current 2022 adopted budget. There was an overall reduction in the budget estimate, in the amount of -\$612,419, due to a decrease in projected litigation costs as a result of the settlement. We are re-allocating some of that savings towards categories that were reduced in FY21, due to Covid budget cuts, as well as increasing salaries by 8%, and re-allocating an additional \$373,294 to the Major Repair and Replacement Fund to reach the recommended annual contribution of \$1,000,000. The Major Repair and Replacement Fund is currently underfunded. We are also projecting increases to electricity and gas. The BDD staff will continue to work with its partners, the City of Santa Fe, Santa Fe County and Las Campanas entities, in determining the costs and funding needed to ensure BDD properly operates and maintains the facilities to meet the demands of its partners.

**BUCKMAN DIRECT DIVERSION OPERATING BUDGET**

**TABLE C**

	FY 2021 Adopted Budget	FY 2021 Unaudited Actual 6/30/21	FY 2021 Variance \$ (Under) / Over Budget	%	FY 2022 Adopted Budget	FY 2023 Proposed Budget	\$ Change FY 2023 vs FY 2022	%
<b>Revenues/Reimbursements by Fund:</b>								
Partner Reimbursements	\$8,477,715	\$ 8,466,757	(10,958)	100%	\$ 8,626,711	\$ 8,019,780	\$ (606,931)	-7%
PNM Solar Rebates	120,000	150,076	30,076	125%	120,000	120,000	-	0%
Federal Funds	96,000	-	(96,000)	0%	96,000	96,000	-	0%
Unrestricted Funds	70,000	70,000	-		-	-	-	-1%
<b>Total</b>	<b>\$8,763,715</b>	<b>\$ 8,686,832</b>	<b>\$ (76,883)</b>	<b>99%</b>	<b>\$ 8,842,711</b>	<b>\$ 8,235,780</b>	<b>\$ (606,931)</b>	<b>-8%</b>
<b>Expenditures by Category:</b>								
Salaries	\$2,100,596	\$ 1,845,988	\$ 254,608	88%	\$ 2,119,281	\$ 2,405,427	\$ 286,146	14%
Overtime	150,000	233,434	(83,434)	156%	152,025	230,000	77,975	51%
Benefits	1,167,463	943,156	224,307	81%	1,078,735	1,149,581	70,846	7%
Electricity	1,000,000	1,378,864	(378,864)	138%	1,157,090	1,450,000	292,910	25%
Chemicals	336,000	411,972	(75,972)	123%	371,906	385,000	13,094	4%
Solids	63,219	65,260	(2,041)	103%	63,219	83,219	20,000	32%
Materials & Supplies*	563,150	372,170	190,980	66%	528,762	737,114	208,352	39%
Other Operating Costs*	1,050,928	1,000,185	50,743	95%	1,082,282	1,243,540	161,258	15%
Litigation Costs	2,000,000	2,103,444	(103,444)	105%	2,000,000	257,000	(1,743,000)	-87%
<b>Total</b>	<b>8,431,356</b>	<b>8,354,473</b>	<b>76,883</b>	<b>99%</b>	<b>8,553,300</b>	<b>7,940,881</b>	<b>(612,419)</b>	<b>-7%</b>
Fiscal Agent Fee	332,359	332,359	-	100%	289,411	294,899	5,488	-1%
<b>Total</b>	<b>\$8,763,715</b>	<b>\$ 8,686,832</b>	<b>\$ 76,883</b>	<b>99%</b>	<b>\$ 8,842,711</b>	<b>\$ 8,235,780</b>	<b>\$ (606,931)</b>	<b>-7%</b>

\* See Table C-1 and C-2 for a detailed summary of Major Category Costs





**BDD Materials & Supplies Detailed Summary**

**TABLE C-1**

<u>Description</u>	<u>Amount</u>	<u>Total</u>
Repair & Maintenance Building / Structures - sprinkler, fire alarm, plumbing	28,000	
On-Call HVAC Service Agreement	65,000	
<b>Total</b>		<b>\$ 93,000</b>
<b>Repair &amp; Maintenance System Equipment</b>		
General maintenance, repairs and replacement to water system facilities	232,000	
Hach Service Agreement - Yearly calibration of instrumentation	-	
Eaton Service Agreement - VFD Troubleshooting	10,000	
Yukon & Assoc - On-call process instrumentation and control systems	10,000	
Wunderlich-Malec - On-call SCADA & computer networking	20,000	
Great Southwest Meters- Annual meter calibration and inspection	10,000	
Subsurface Contracting - On-call repair and replacement to water systems	10,000	
Alpha Southwest - On-call services mechanical & electrical	60,000	
Automation & Electric - On-call SCADA support, software, programming	20,000	
Positive Energy - Maintenance and service of BS2A Solar Array	7,000	
<b>Total</b>		<b>\$ 379,000</b>
Repair & Maintenance Grounds/Rd - Landscaping agreements		76,000
Repair & Maintenance Machine & Equipment -Copiers, machinery & equipment		31,800
Operating Supplies -Field supplies maintenance/operations		68,000
Auto Parts, Tires, Gasoline & Diesel - Fleet maintenance of vehicles		28,000
Inventory Exempt / IT - Small tools, radios, and phase III replacement of computers		31,889
Uniforms (\$500 clothing, \$200 boots = \$700 per employee)		19,600
Safety Supplies - First aid, protective gear, safety guides, periodicals		9,825
<b>Total</b>		<b>\$ 265,114</b>
<b>Total Materials &amp; Supplies Category</b>		<b>\$ 737,114</b>



## BDD Other Operating Costs Detailed Summary

TABLE C-2

<u>Description</u>	<u>Amount</u>	<u>Total</u>
<b>Agreements</b>		
BDDB Insurance Broker/Agent	9,500	
Chavez Security - provides facilities patrol along Buckman road corridor	194,240	
Stenographer Agreement - BDD Board meetings	6,500	
BDDB Independent counsel	220,000	
Consultant for Technical Assistance	60,000	
Compliance Agreements -TREAT Study analysis	50,000	
Compliance Agreements -GAC Sampling and analysis	50,000	
Compliance Agreements -Stormwater sampling (Federal program)	120,000	
Compliance Agreements -Drinking water, solids analysis	15,000	
Compliance Agreements -Annual fire inspection and compliance	14,500	
Audit professional services agreement	7,500	
BDD Board - Public liability and real property insurance premiums	133,000	
Land Leases - BLM right of way agreements	68,200	
<b>Total</b>		<b>\$ 948,440</b>
Benefits Dept. Assessments - City Benefits Assessment Fees		8,026
General Liability Dept Assessments - City Risk Assessment Fees		10,736
General Liability Third Party - Crime Liability Assessment Fees		100,145
General Liability Third Party - Unemployment Claims		6,999
Public Relations - tours, outreach, promotions, website, virtual tour		8,650
Software/Software Subscriptions- Software support and upgrades		34,500
Employee Training - Safety, training, education, travel, dues & registrations		11,500
Advertising - Job postings, RFP bids		1,000
Office Supplies - General office supplies		36,044
Postage & Mailing Services - Delivery of water samples, correspondence		3,000
Utilities - Cell phones, landlines, data, website, satellite phone, natural gas, fees		74,500
<b>Total</b>		<b>\$ 295,100</b>
		<b>\$ 257,000</b>
<b>BDDB Litigation Costs</b>		
		<b>\$ 257,000</b>
<b>Total Other Operating Costs Category</b>		<b>\$ 1,500,540</b>





## Budget Fixed & Variable Costs Analysis

The BDD’s annual operating budget consists of fixed, variable and project-wide costs. These costs are allocated by percentages contained in the Facility Operations and Procedures Agreement (FOPA). This budget request was prepared with the following cost sharing principles.

### Cost Sharing

TABLE D

<u>Fixed</u>	<u>City of Santa Fe</u>	<u>Santa Fe County</u>	<u>Las Campanas (Club)</u>	<u>Las Campanas (Coop)</u>	<u>Total</u>
Shared Facilities (CCL)	62.09%	25.61%	5.37%	6.93%	100.00%
Separate Facilities (CC)	75.33%	24.67%	-	-	100.00%
<b><u>Project Wide</u></b>					
Projected Volumetric Flow (PW)	72.36%	27.64%	0%	-	100.00%
<b><u>Variable</u></b>					
Projected Volumetric Flow (CCL)	72.36%	27.64%	0%	-	100.00%
Projected Volumetric Flow (CC)	75.66%	24.34%	-	-	100.00%

Annual volumetric flow predictions provided by the partners are also used as the basis for project wide costs and variable costs that are primarily related to chemicals, electricity, and solids management.

## Volumetric Flow History and FY 2023 Predictions

TABLE E

<u>Volumetric Flow (acft)</u>	<u>City of Santa Fe</u>	<u>Santa Fe County</u>	<u>LC (Raw Water) via County</u>	<u>Las Campanas (Raw Water)</u>	<u>Total Diverted</u>
FY 2017	3,896.60	1,156.87	273.60	297.73	5,624.80
FY 2018	4,397.40	1,147.92	343.38	260.61	6,149.30
FY 2019	3,300.96	1,207.86	423.08	102.35	5,034.25
FY 2020	3,435.42	1,314.08	156.08	493.44	5,399.02
FY 2021	5,141.85	1,398.75	334.23	159.73	7,034.56
FY 2022	5,255.00	1,700.00	300.31	-	7,255.31
<b>FY 2023</b>	<b>4,973.40</b>	<b>1,600.00</b>	<b>300.00</b>	<b>-</b>	<b>6,873.40</b>
<i>FY 2023 %</i>	72.36%	23.28%	4.36%	0.00%	100%

% Percentage is used in calculation of partner share (CCL) of variable costs & project wide



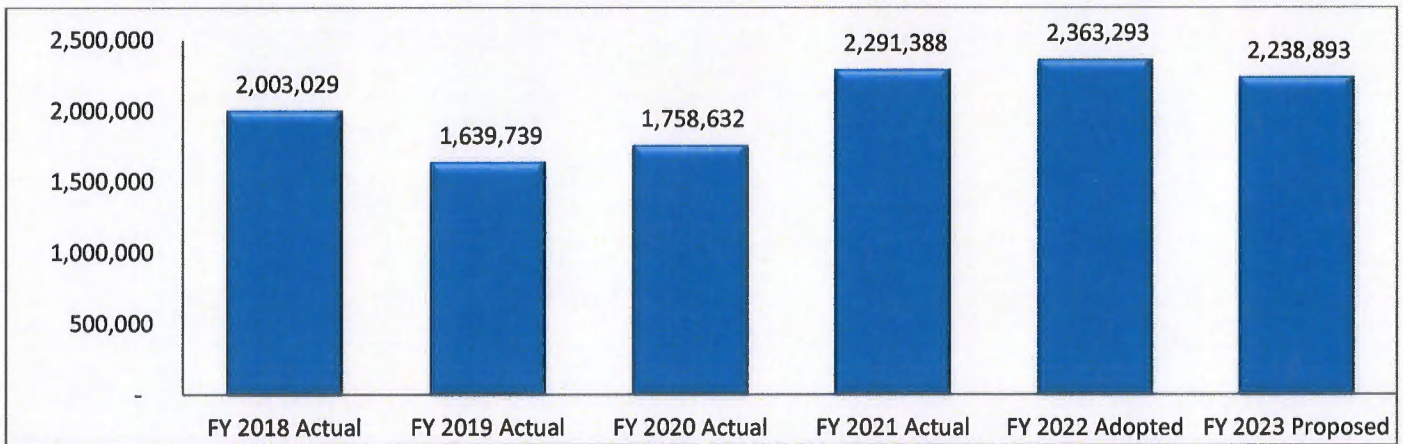


## Volumetric Flow History

BDD has completed a budget analysis for fiscal year 2023, which includes volumetric predictions of 2,238,893 gallons. This is an estimated 5.3% decrease in water delivery thru BDD over fiscal year 2022 predicted water call. The BDD will continue to work with the partners to adaptively manage BDD water deliveries to meet changes in partner demands.

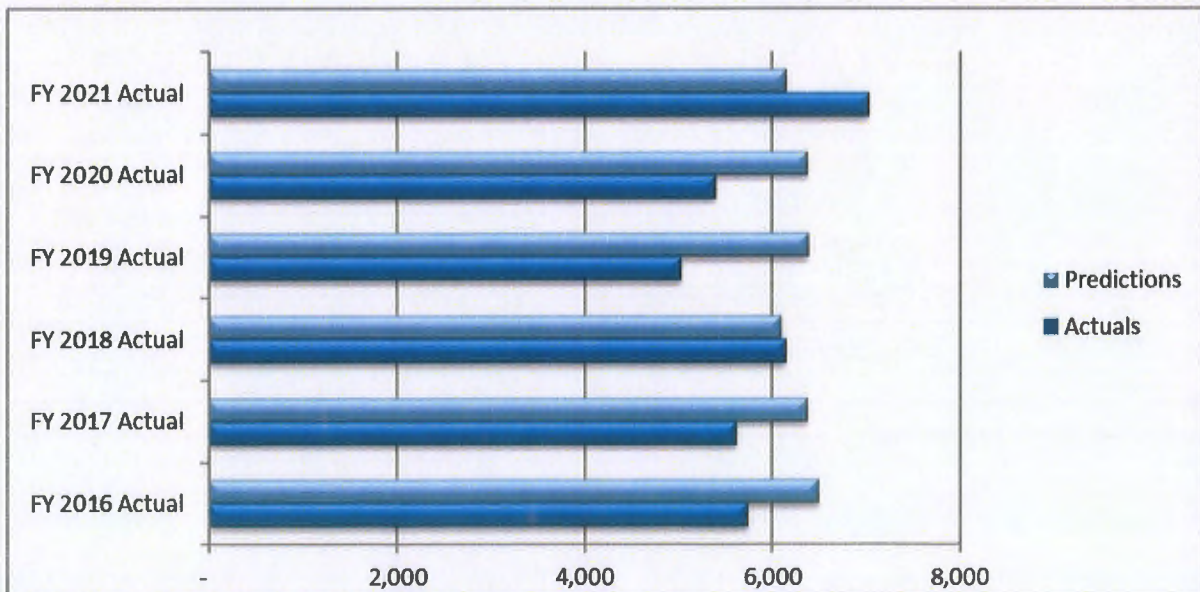
**Total gallons delivered in 1,000's**  
(Includes raw water)

**CHART 3**



**Total gallons delivered vs. volumetric predictions**  
(Includes raw water)

**CHART 4**





## Programs

As the focal point for key resource decisions, the budget process is a powerful tool. The *National Advisory Council for State and Local Budgeting* (NACSLB) was created in 1997 to provide assistance to governments in improving their budgeting processes. In fulfilling that role, the NACSLB set forth a voluntary framework that provides budgeting guidance for state and local governments. The NACSLB established “Best Budgeting Practices” (BBP) which link budget decisions to desired outcomes consistent with organizational goals. This budget incorporates many BBP’s set forth by NACSLB.

While local governments struggle with declining revenues, *Outcome-based* budgeting has become an increasingly important national budgeting standard. This type of advanced budgeting links resources to key business strategies and performance indicators. This “performance-based” approach connects key financial decisions to interdependent concepts of strategy, planning, business execution and measurement. Hence, this budget document contains more than a tabulation of financial figures. Rather than narrowly focusing on expenditures, we’ve established a structure for measuring the “value” citizens receive for their dollars by quantifying organizational achievement. In other words, the heart of this budget centers on determining how well the BDD executes its core business functions. We’ve shifted the focus from “paying for costs” to “buying results”. In addition, this budget simultaneously unifies our financial planning efforts with the *High Performance Organization* (HPO) principles which have become thriving core values of the BDD’s working culture.

The BDD is divided into seven (7) key programs with explicit business functions. Each Program was developed to support specific goals and objectives. These business activities encompass all functions necessary to operate the water treatment plant, maintain full regulatory compliance, execute Fiscal Agent responsibilities, and optimize infrastructure investments through comprehensive asset management.





## Program Budget Comparison

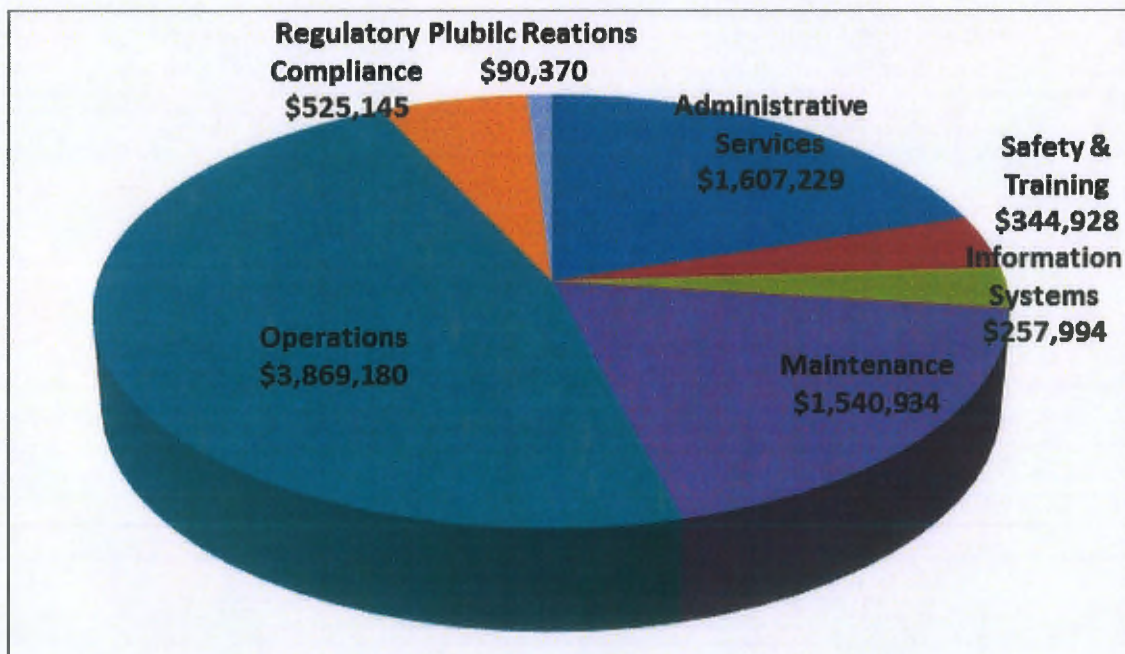
The expenditure budgets for these seven key programs are presented below. Total program funding includes all employee wages and benefits for full time equivalent employees, and associated overhead expenses. These key programs incorporate all business expenses necessary to execute core business functions, and allow the reader to understand how limited resources are allocated within the budget.

### Strategic Goals – Supported by program resources

- ✚ **Operations** – To ensure the highest standard of water quality, using the most efficient and up to date water production methods.
- ✚ **Regulatory** – To maintain and improve LANL/DOE monitoring program.
- ✚ **Maintenance** – To equip the staff with the tools and equipment to efficiently and effectively maintain and repair the assets of the BDD.
- ✚ **Safety & Training** – To promote and assure workplace safety and health in preventing workplace injuries.
- ✚ **Administrative Services** – To operate and maintain the BDD within budget and in accordance with the governing documents.
- ✚ **Information Systems** – To maintain and support all automation and security systems.
- ✚ **Public Relations** – To coordinate, create and support key events for the BDD outreach program.

### BDD Operating Budget – by Program

CHART 5







## Emergency Reserve Fund (ERF)

The Project Management and Fiscal Services Agreement, Article 3. (E.) requires the BDD Board create an Emergency Reserve Fund, and establish procedures for its management. The Emergency Reserve Fund provides immediate reserves for unforeseen or catastrophic infrastructure failures that render facilities unable to deliver water at the needed capacity. The Project Manager, in consultation with the partners, must submit to the BDD Board an analysis of the funds required for an emergency reserve and suggest procedures for creation of and management of the Emergency Reserve Fund.

The BDD Board approved the Emergency Reserve Fund policy and funding contributions as part of the Fiscal Year 2012 budget request. This policy established target balances, replenishment requirements and funding allocations.

### Emergency Reserve Fund Balance

**TABLE F**

Emergency Fund	City of Santa Fe	Santa Fe County	Las Campanas Club	Las Campanas Coop	Balance
Fund Balance at June 30, 2021	1,362,854	486,273	133,363	103,777	2,086,267

As of June 30, 2021 the Emergency Reserve Fund remained fully funded to its targeted balance of \$2,000,000. As per the BDD Working Capital and Billing Policy, these funds are interest bearing and are allocated to the partners based on the percentage of cash held in their respective accounts at the end of each fiscal year.





## Major Repair and Replacement Fund (RRF)

The BDD Board also previously approved the Major Repair and Replacement Fund as part of the Fiscal Year 2012 Budget. Per the Major Repair and Replacement Fund policy these funds are to receive yearly contributions held in reserve to support major repair and replacement costs of facility equipment and systems.

The BDD Board has authorized expenditures of \$582,927 for repair and replacement of system equipment in accordance with the policy. These authorizations, upon expenditure will reduce the available balance in this fund. The Major Repair and Replacement fund will continue to receive yearly contributions in accordance with the policy. We are proposing to re-appropriate budget savings in the amount of \$373,294 toward the fund, in addition to the annual contribution amount of \$626,706, for a total of \$1,000,000 to ensure a sustainable fund for the future as much equipment will be reaching its life expectancy, per the asset replacement schedule.

### Major Repair and Replacement Fund Balance

TABLE G

Major Repair & Replacement	City of Santa Fe	Santa Fe County	Las Campanas Club	Las Campanas Coop	Balance
Balance as of June 30, 2021	743,722	256,609	24,809	14,947	1,040,087
2022 Contributions	445,545	156,494	10,769	13,898	626,706
Funds authorized for expenditure	(414,421)	(145,562)	(10,017)	(12,927)	(582,927)
<b>Projected Fund Balance</b>	<b>774,846</b>	<b>267,541</b>	<b>25,561</b>	<b>15,918</b>	<b>1,083,866</b>

### Major Repair and Replacement Fund Fiscal Year 2023 Contributions

TABLE H

Major Repair & Replacement	City of Santa Fe	Santa Fe County	Las Campanas Club	Las Campanas Coop	Balance
2023 Proposed Contributions	710,932	249,708	17,184	22,176	1,000,000

With the approval of this contribution and no additional authorizations, the fund balance will be \$2,083,866 for fiscal year 2023.



## Budget Summary

With this submittal, the Project Manager requests the Buckman Direct Diversion Board approve and recommend the funding for our Fiscal Year 2023 Operating Budget of \$8,235,780, with the annual contribution of \$626,706 for the Major Repair and Replacement Fund, plus an additional \$373,294 in budget savings towards the fund, for a total request of \$9,235,780. We appreciate the input and support from our partners and our Buckman Direct Diversion Board Members.

**Fiscal Year 2023 Funding Allocation**

**TABLE I**

<b>Funds</b>	<b>City of Santa Fe</b>	<b>Santa Fe County</b>	<b>Las Campanas (Club)</b>	<b>Las Campanas (Coop)</b>	<b>Total</b>
Operating Fund	\$ 5,776,996	\$ 2,075,763	\$ 67,025	\$ 86,496	\$ 8,006,280
			PNM Solar Rebate Revenue		120,000
			Federal Funds		96,000
			County Conservation Fee		13,500
					<b>\$ 8,235,780</b>
Major Repair & Replacement Fund	710,932	249,708	17,184	22,176	1,000,000
<b>Total Fiscal Year 2023 Request</b>	<b>\$ 6,487,928</b>	<b>\$ 2,325,471</b>	<b>\$ 84,209</b>	<b>\$ 108,672</b>	<b>\$ 9,235,780</b>