

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

May 1, 2025

This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting was called to order by Chairman Justin Greene, Chair, at approximately 4:00 p.m.

Roll was called and the following members were present:

BDD Board Members Present:

Commissioner Justin Greene, Chair
Councilor Carol Romero Wirth
Commissioner Hank Hughes
Councilor Jamie Cassutt
Rolf Schmidt-Petersen, Citizen Member
Mr. Tom Egelhoff [non-voting]

Member(s) Excused:

[None]

BDD Board Alternate Members Present:

Peter Ives, Citizen Member Alternate

Others Present:

Bradley Prada Facilities Manager
Nancy Long, BDD Board Consulting Attorney
Bernardine Padilla, BDD Public Relations Coordinator
Matt Sandoval, BDD Operations Superintendent
Emily Oster, City Finance Manager
Jay Lazarus, Glorieta Geoscience
Boot Pierce, Glorieta Geoscience
Dan Frost, Snell & Wilmer Law Firm
Eric Spurlin, Carr Riggs & Ingram
Kurt Traverse, CLA Accounting Support

3. Approval of Agenda

CHAIR GREENE: Do we have any changes to the agenda from staff?
Seeing none, any comments?

COUNCILOR ROMERO-WIRTH: Motion to approve.

COMMISSIONER HUGHES: Second.

CHAIR GREENE: Motion from Councilor Romero-Wirth and second from Commissioner Hughes. Since we're all here in person do we need a roll call or can we do it by voice?

NANCY LONG (BDDDB Attorney): You do not need a roll call since no one's attending remotely.

The motion passed by unanimous [4-0] voice vote. [Councilor Cassutt was not present for this action.]

4. Approval of Minutes: April 3, 2025

CHAIR GREENE: Has everybody had time to review these?

COUNCILOR ROMERO-WIRTH: Move to approve.

CHAIR GREENE: Thank you.

MEMBER SCHMIDT-PETERSEN: Second.

CHAIR GREENE: Thank you. We've got a motion from Councilor Romero-Wirth and second from Member Schmidt-Petersen.

The motion passed by unanimous [4-0] voice vote. [Councilor Cassutt was not present for this action and arrived shortly thereafter.]

5. Matters from the Public

There was no one from the public wishing to speak.

6. Presentations on Informational Items

A. Monthly Update on BDD Operations

MATT SANDOVAL (Operations Superintendent): Thank you, Chair Greene, members of the Board. BDD operations during the month of April 2025: BDD diversions and deliveries have averaged in million gallons per day as follows: raw water diversions, 7.2 million gallons per day; drinking water deliveries through Booster State 4A/5A, 6.47 million gallons per day; and raw water delivery to Las Campanas at Booster Station 2A, .52 million gallons per day.

BDD provided approximately 71.7 percent of the water supply into the city and county for the month of April 2025. I'll stand for questions.

CHAIR GREENE: Thank you. Anything?

MEMBER SCHMIDT-PETERSEN: I had one question. Just looking at the lack of snowpack. I was just wondering, are you anticipating something like normal operations at BDD in May and June of about 8 million gallons per day? Or is there a potential to go up above that?

MR. SANDOVAL: Depending on the demand it will increase. As far as the snowpack goes, there's currently zero snowpack, so that will have an effect on our operation.

MEMBER SCHMIDT-PETERSEN: Right. But there shouldn't be any issue if there's an addition call for water?

MR. SANDOVAL: No. Because we have our water stored at Abiquiu we'll use that supply. It shouldn't be an issue.

MEMBER SCHMIDT-PETERSEN: Great. Thanks.

MR. SANDOVAL: You're welcome.

CHAIR GREENE: Any other – So just as a little sort of forecasting thing, it's great to look at the snowpack as one of those things. I'm wondering if our partners, being the City and the County and Las Campanas, do they give you any forecasts, like when Canyon Road is going to come off line and then they're further going to be drawing more from BDD? Or if the County is going to be drawing from other sources, which are pretty limited but it might come on at some point. To date have they given you any expectations looking ahead?

MR. SANDOVAL: Thank you, Chair Greene. So we do have a meeting every Tuesday and that meeting is to coordinate for the following week, so we do coordinate. So the City of Santa Fe water resource team, they do assist us, and Tom Egelhoff also is in attendance usually. But we do meet every Tuesday for that purpose.

CHAIR GREENE: It's only from one week ahead? You don't have like monthly things, like we're taking Canyon Road off for maintenance? Or the County is going to be doing this?

MR. SANDOVAL: We usually cover that in the Tuesday meeting. If something special comes up we do coordinate with each other and kind of handle it that way.

CHAIR GREENE: And BDD can surge and taper based on one week's notice without a problem?

MR. SANDOVAL: That's correct. Yes.

CHAIR GREENE: Okay. Great. Thanks for clarifying.

6. B. Report from BDD Facilities Manager

CHAIR GREENE: Brad, you're up.

BRADLEY PRADA (Facilities Manager): Good afternoon, Chairman, members, staff, and distinguished guests. Thank you for taking time out of your busy schedule to meet. On the MRR projects, we are actively collaborating with City Procurement to finalize purchase orders for the GAC replacement project and the membrane rack replacement. On the Rebuild Project, Phase 2 of our RFQ, the rebuild, design-build is due tomorrow, May 2nd. The selection committee will promptly review submissions and determine the next steps for contract negotiations.

Staffing updates: we continue to focus on filling vacancies. The water operator advanced position has been filled with the candidate starting on May 10th. We are actively processing selected candidates for the equipment repair ladder, the water operations ladder, accounting supervisor, environmental compliance officer, automation and security admin positions. The contracts administrator, journeyman electrician and administrative assistant positions are pending reposting.

And that concludes my report. I'll stand for questions.

CHAIR GREENE: Any questions? Seeing none, thank you for that report and we'll see you next month.

6. C. Presentation of the FY 2024 BDD Audit

CHAIR GREENE: Our friends at Carr, Riggs and Ingram and Emily Oster.

ERIC SPURLIN: Good afternoon, Mr. Chair, member of the Board. Those of you who I haven't had the pleasure of speaking with previously, my name's Eric Spurlin, partner with Carr, Riggs and Ingram, the other firm starting with a C. CLA you all work with quite a bit as well. So today we'll be going through the fiscal year 2024 financial statement audit results.

As a part of that we'll do a quick recap of the audit timeline, what that looked like, the auditor's reports, which of course I always draw attention to that and it's what I pay attention to in this particular presentation. The auditor's reports themselves are the overall result of the financial statement audit and that's really what the main content is. I will touch briefly on some new and upcoming financial reporting standards, and some value-added suggestions as well.

So to recap our timeline, back in June of 2024 we contracted with both the City and BDD in order to perform that joint FY2024 audit. That's when the audit contract itself was signed. Then throughout the course of October through December we went through and did all of our required procedures, so we do a risk assessment, we request sample reports and do a bunch of testing in order to perform the audit. The exit conference for the audit was ultimately delivered December 13th, and then the independent auditor's report was dated December 16, 2024, which is on time on the deadline, so we were hitting the mark there. And then after that particular deadline, that report goes to the State Auditor's Office. The State Auditor goes through and does a review process of their own and eventually they release the report. And so they released that report to the public as of March 6, 2025. So it took them a little bit of time. And then of course they were doing the Board presentation.

Now on this next slide what you're going to see are the audited financial statements themselves. There are two letters that we're primarily responsible for. The first one you're going to see on the left side of your screen there. That's the independent auditor's report. That speaks to the opinion on the financial statements and whether we feel that the document is presented correctly in all material respects with the reporting framework, which is US GAAP, and I'm happy to report that BDD received an unmodified opinion. There were no audit areas that we could not render that opinion on. That's the best opinion that you could receive, so really no issues there.

And then on the right side of the screen you're going to see a representation of the second letter that goes into that report. This one appears in the back of the financial statement. And I guess I'm not giving you page numbers as I go here, but this particular one is on page 42. The independent auditor's report is on page 8. So whenever we audit we follow the rules of Governmental Auditing Standards, and so those governmental auditing standards require that we also issue a report on internal control and compliance. Now, we are not rendering an opinion on the internal controls and compliance. We are simply reporting anything that comes to our attention as a result of the procedures that we perform. So if we do happen to identify throughout the course of our audit process issues, internal control issues and so forth, those get reported in this report. And so it's a negative assurance report, which means that – so that's why we're not rendering an

opinion. We're just reporting what comes to our attention as a result of our audit procedures.

Within that report there was one finding noted, one significant deficiency, which is detailed out on page 44. The one thing I do want to talk about with regards to the finding is the auditing standards classify findings into different severity levels. Mostly here it's going to be a material weakness, and so material weakness is something that's resulted in a material error to the financial statement document itself and it warrants the attention of the governing body. A significant deficiency is sort of the next step down, so it may not have actually resulted in a material error but it in combination with other factors may be at high risk of resulting in some type of material issue simply in the reporting in the financial statement document itself. And so that's where this particular finding fell was in that significant deficiency bucket.

COUNCILOR ROMERO-WIRTH: Mr. Chair.

CHAIR GREENE: Yes.

COUNCILOR ROMERO-WIRTH: I don't think – we don't have the actual audit. We just have your presentation. Will we get the actual audit?

MR. SPURLIN: Yes. I believe there are paper copies that have been mailed to you but we can provide electronic copies of copies of course as well.

CHAIR GREENE: I prefer an electronic copy, and for the purposes of transparency in a room full of interested people and the minutes, can you speak to the finding in the negative assurance? The specifics of those?

MR. SPURLIN: That's a good point. Okay, so Mr. Chair, so to your question and just to clarify what the finding was in relation to, and I'll also mention that all this information is publicly available on the State Auditor's website. They have the database with the financial statement document itself publically available. But the finding was in relation to the billings process. And so this was primarily caused by turnover and lack of a consistent financial accountant working with BDD and that works through hiring and so forth over the past couple of years. But essentially it was an issue with the way that those billings with all of your partners were getting reconciled. And so CLA came in and consulted in order to help sort of sort through all of those things and one of the results of their work was that there was a restatement to the financial statement document itself. And so this finding around the process that resulted in those outcomes, the process of reconciling billings with your partners, which is something that should take place periodically throughout the year, whether it's quarterly, monthly and so forth. There was just a little bit of inconsistency with that process.

CHAIR GREENE: If I may follow up on that. Is that a – that was something that I think I'd heard last year as well. Is that a recurring –

MR. SPURLIN: That is correct. This was a repeat finding from FY23.

CHAIR GREENE: And I guess this is just a question for staff. Do we have a remedy for this? We're six months into this new year. Do we think we have it fixed?

MR. PRADA Chair Greene, thank you for that question. Yes, we've moved forward with offering the position to certain applicants. Or one applicant in particular. And so we're hoping that we alleviate that. But to speak to what Mr. Spurlin is saying, there was an inconsistency because the billing wasn't going out on time every month and we were behind due to not having staff in place. CLA has come out and helped us cover he has been taking care of us and we're all caught up on our billing.

CHAIR GREENE: So Kurt, maybe there's – you can say to the affirmative, do you think – have you been able to get ahead and consistently take care of this?

KURT TRAVERSE (CLA): Absolutely, Chair Greene. I think we did have an accounting supervisor in place. I trained her up on all the processes and you're required to do monthly billing. She was doing monthly billing. After she left I continued the process. And I think we are generally running – I've done the February billing to the partners. I did not quite get March billing out in April but it will be done next week. So I think we're doing a consistent process monthly and reconciling the partner payments as they come in too. So that issue that we had, the deficiency seems to have been resolved and we're providing continuity right now with CLA support.

CHAIR GREENE: Okay. Great. I'm a big fan of automation, especially for something that happens every month and for relatively easy financial things. So if there's a way that some best practice that you know of that can be implemented, make it easier for whoever comes in, especially when you have someone new that comes in. You can teach them new good habits as opposed to -- but thank you.

MR. SPURLIN: Thank you very much. So continuing on, I'm not sure where my presentation went but I think you all have it in front of you as well. So we like to always report back to you what, according to the auditing standards that we audit to, what our responsibilities are with management of BDD's responsibilities are. So the responsibilities of the auditor – we're here to form and express an opinion on those financial statements and whether they are represented materially correctly with the reporting standards. We obtain reasonable assurance, not absolute assurance. So that's to say that we're not going to look at every single transaction throughout the course of the audit. If we did we probably would never leave and so I don't think that's something that Brad wants. We'll try and stay out of your hair as much as we can, obviously.

Additionally, we consider internal control processes and procedures. That helps us assess risk and understand what areas we need to focus on more. And communication of significant matters, which is what we did during the entrance conference, exit conference, this meeting and so forth, just to keep the governing body and management in the loop as to what we've done, what our results are and so forth.

Additionally, the responsibility of management of BDD. So with the oversight of the governing body, management should be establishing and maintaining internal control policies and procedures, and monitoring those activities on an ongoing basis. Selection of accounting principles, fair presentation of the financial statement document. So although we assist in assembling the financial statement document, ultimately management has to take ownership of that document and is responsible for its completeness and accuracy. And then you internal control policies and procedures should also be designed to consider sort of what could go wrong and any fraud considerations that have been made exist within your organizations, things that you think could possibly happen. You want to design control procedures around that. And then governing board participation through the entrance and exit conference.

So I'll speak very briefly as to what our reporting changes were during FY24. So the Governmental Accounting Standards Board who really writes the rules and how the financial statement document gets presented and how transactions are reported, they're constantly changing what that looks like, what the rules are. So during 2024 there was

one new standard that went into effect. That was GASB statement 100, which relates to how prior year error corrections and reclassifications, implementations of new standards, how those get reported in the financial statement document. This did have an effect on BDD's financial statements. As I mentioned earlier, you had a restatement related to those partner billings, so that's where the impact was there.

Additionally, looking forward, GASB Statements 100 and 102 won't go into effect for FY25. Those relate to how accrued vacation and vacation liability gets reported, certain risk disclosures, which I believe is really a reflection of bringing consistency to how risk in the organization gets reported in the financial statement, coming out of the COVID 19 timeframe. There was a lot of inconsistency because there was no guidance in that area previously.

And then moving onto FY26, GASB Statement 193 and 104 are relating to financial reporting model improvements. That's really a mixture of different items, just improving the reporting standards, and the GASB 104, disclosure of certain capital assets, which tends to focus on very specific buckets of capital assets, things like if a property is held for sale – how's that supposed to be reported and so forth?

So those are being evaluated on a continuing basis as it relates to BDD. Off the cuff, I think GASB 101 is probably the area where they may be a little bit of impact on your financial statements moving forward.

Just our value-added suggestions, treat CRI as a year-round resource. We're a big believer that although we're your auditor for maybe four or five months out of the year, the best way to prevent issues is to consult early and often so we're a resource to you at all times.

GASB training and guidance, as I mentioned, I got a little technical I know but the standards are changing at a rapid pace. That's something that we specialize in, so if there's ever assistance needed there we're available to you.

And then information technology – you all have probably heard this plenty up to this point but the IT landscape is continuing to change at a rapid pace so we do encourage you to continually be evaluating your IT environment and security, having outside contractors come in and test that. Have your internal IT take a look at your firewalls and so forth in order to make sure that you're protected. Unfortunately, state and local government gets targeted more and more every year.

With that, I just want to say a big thank you to Brad and his team. It's been really great to work with you all. We appreciate the support. An audit is a heavy lift. It's a team sport and we request quite a bit of information and so we appreciate the support there and we think of you all as a member of our team. We appreciate the opportunity to serve BDD and hope to continue to build on that relationship on into the future. With that I would stand for any questions that you all may have.

CHAIR GREENE: Questions? Yes, sir.

PETER IVES: Not so much a question about the audit. This is just on that last IT recommendation. Don't we know necessarily how BDD's IT operations differ from the City's although I'm sure the mechanics of operating the plant would probably come into play there. Is the City, is BDD undertaking those efforts and how often does that happen?

MR. PRADA Member alternate Ives, what are you referring to?

MR. IVES: The value-added suggestion that the IT landscape is

continually changing and at a rapid pace. BDD should continue to assess and test the IT environment and cybersecurity, how BDD adapts, whether internally or with outside consultation.

MR. PRADA Absolutely, we're doing that. Internally, and then we also have our own internal IT guys and then we're also depending on the City for help in that direction.

CHAIR GREENE: Are you specifically asking about cybersecurity or just general IT support?

MR. IVES: More about cybersecurity, just because we do hear about various grids being hacked and damaged by foreign operators.

MR. PRADA Yes. IT monitors a lot of what we do. We also have our internal firewalls through the Water Department and BDD.

COUNCILOR ROMERO-WIRTH: Mr. Chair.

CHAIR GREENE: Yes.

COUNCILOR ROMERO-WIRTH: We have just gotten a presentation through the budget hearings on the IT work that's going on and it's very focused on cybersecurity and the risks to local governments.

MR. IVES: Thank you.

CHAIR GREENE: Thank you. Any other questions? Okay, so just to be clear, in this presentation you went through a bunch but there should have really been a page specifically speaking to the two findings, or those things. Lots of pro forma in here but the things that really look at who we are and what we're doing, and where there are areas to improve would have been really – literally on page – it says these are the two – it didn't spell out what they were.

COUNCILOR ROMERO-WIRTH: Mr. Chair, to your point, I think that's why it would be helpful to have the audit itself because the audit will have the finding and it will have management response, and that's what I was asking about earlier. So I don't know – I think it's important that the Board have that pamphlet. I'm not sure where it was mailed to. It seems like it's been out for a while and I haven't received it here at City Hall. So if you could check on the hard copy that would be good, but in the interim, to the Chairman's point, it would be good to have that electronic copy as soon as possible.

MR. SPURLIN: Mr. Chair, members of the Board, first of all, I want you to know that I do appreciate the feedback and we'll definitely take that to heart. I'm not sure where the egg up was in the logistics. Typically our goal is to have that report with you for this presentation so that you can flip to the pages that are being referenced. But I did want to clarify one point, which is there is only one finding. Wherever you see negative assurance in that slide presentation, that's speaking to this governmental report requirement. The report itself is a negative assurance report. So I just want to clarify that.

CHAIR GREENE: Only one finding. Okay. But that one finding – it's great. Keep it to a minimum. Zero is better than one. One is better than two. But calling it out, especially when you have a summary like this it's an easy way for us to show it and people don't have to go through the whole thing. Thank you very much. Thanks for working with our team to make sure we're doing the right thing.

MR. SPURLIN: Thank you very much. I appreciate your time.

CHAIR GREENE: Ms. Oster, do you have any comments in this space?

EMILY OSTER (City Finance Director): Mr. Chair, members of the Board, I'm happy to answer any questions and I can get the audit report over to Brad as soon as I get back to my office so we'll get it distributed to you during the meeting.

CHAIR GREENE: I don't know if it's protocol to put it in the packet, as part of our packets, but if that is the case let's not do it retroactively to this packet. Let's include it for the future in the next packet so we can have it distributed for history.

COUNCILOR ROMERO-WIRTH: Mr. Chair, actually, I'd like to have it in both packets perhaps. Put it in the one for this, because if somebody's going back and looking for it and it's not there, and then maybe just have it for the next one.

CHAIR GREENE: And we'll just make a note of it as an agenda item for next time, just to say it is here. We're not going to go over it but actually we should go over it, even just for a moment, just so we have a chance to review the whole thing and if we have no comments, there'll be no comments but make a note of it in the next meeting.

MS. OSTER: Mr. Chair, a clarifying question, just to make sure I understand. So you would like the presentation of the audit report to be on your next BDD agenda as a presentation with the document attached?

CHAIR GREENE: Let's attach the audit to this packet so it's available in this packet. Then let's also include it in the next packet with an item so if there are any comments during the next month we were able to come up with some things that we weren't able to discover in this one that the Board could bring those up at the next meeting. We don't need the presentation from the auditor per se.

COUNCILOR ROMERO-WIRTH: Just one thought, Mr. Chair, is that actually, the only person that could really answer your questions if you have them about the audit is the auditor. That's not Director Oster's role. So that would require having the auditor come back. And again, it is one finding and I think we're pretty clear about what it is. So I'm not sure it's necessary to put it on the agenda. I'm actually not even sure it's necessary to put it in the next packet. I think it should be attached to this packet because that's where, when people are looking through agendas when they see that the audit was presented at this meeting they're going to be looking for the supporting materials. So I think it would be appropriate to just have it uploaded to this and present it to us as soon as possible.

CHAIR GREENE: I agree with that. And if somebody from the Board wants to bring something up at the next meeting based on that they can do that on their own. Thank you very much.

7. Action Items: Discussion Agenda

A. Request approval of a Professional Services Contract with AECOM Technical, Inc. for an Amount not to Exceed \$2,671,875.00, Including NMGR for Owner's Representation Services for a Four-Year Term

CHAIR GREENE: Nancy, take it away.

MS. LONG: Yes, Mr. Chair and members of the Board, I'm very pleased to bring to you the owner's rep contract for your approval, AECOM Technical Services. Also with me tonight in the audience, some of you may not know him, is Dan Frost who has been working on this project with me. As you know, he was the attorney with Snell and Wilmer who represented us in the litigation resulting in the settlement funds for the

refurbishment, repair, of the project.

So just some history on the owner's rep and this is coming at a very good time because we're now entering Phase 2 of the RFQ. The owner's rep then can be there to assist us with this next phase of the RFQ on the design-build. We did go out with an RFP for an owner's representative. That did not – that was a failed procurement. There was no one qualified that submitted a proposal. So City procurement recommended, or at least offered to us the option of utilizing their procurements for owner's rep services and engineering services that had already been procured. Basically a piggyback kind of procurement.

There were three available firms that did owner's rep kind of services that had contracted with the City, and staff and consultants looked at those firms pretty carefully. Everyone agreed that AECOM was the top choice for owner's representative services. That started a process of communication with AECOM to see if they would agree to do the job, what more information they needed, and then eventually resulting in the contract that you have before you.

The representatives of their team, they put together a team that would likely be the subject matter areas that they would need their expertise on. They went to the BDD facility, did a thorough tour and had a conversation about it, and they are ready and willing to go on this project. Also provided in the packet is a list of the team members. Now, this could change depending on what phase we are in, but in this initial phase these are the team members that they have identified with their relevant experience and the areas within which they would work. And you could see that it's very multi-disciplinary. You've got engineering experts. You've got sediment experts and permitting personnel. And so this is who they have identified with their relevant experience. That would be the team that would be working on it.

Primary will be John Sikora. He's the first name mentioned there. He is familiar with the City. He's done work here – is doing work for the City, and I think everyone who has worked with him and with AECOM has been very impressed. So they come with some good references.

So we are pleased to move to this stage of getting an owner's representative on board to represent you as we move forward with the design-build project.

CHAIR GREENE: Thank you for getting this teed up for us.

COUNCILOR ROMERO-WIRTH: Mr. Chair, so you need a motion on this to approve this contract?

MS. LONG: Yes. Yes, I do.

CHAIR GREENE: Any questions before we go to motion? Yes.

COMMISSIONER HUGHES: This is mostly because I'm new, but how does this relate to – it doesn't relate, I guess. But what is Phase 2 on the RFQ that's due tomorrow?

MS. LONG: So that is the design-build project. So that will be the design and construction of the work that is to be done on the facility. That is a separate procurement, and Phase 1 of that was called a request for qualifications. So we did have – that was met and we do have someone out there. There were submittals, and now they were notified that they have qualified. They must submit for Phase 2 that is tomorrow. It's basically a schedule, kind of a scope of work and some pricing. And then the committee will evaluate that according to some criteria and decide if they move on from

there to contract negotiations and award of that RFQ. That will come to the Board once we have concluded that process, and hopefully have a negotiated contract if we need to discuss having the negotiations with the Board we can do that in executive session if necessary. And that phase we're hoping to have done in the next several months.

COMMISSIONER HUGHES: So there's only one respondent basically, for tomorrow?

MS. LONG: Well, that is all confidential. We do not – and I'm not part of the committee, so we are not clear about that. We do not know who they are but the committee does, and so they'll be evaluating that.

COUNCILOR ROMERO-WIRTH: Mr. Chair and Commissioners, so this is an active procurement, which is why while it's going through the procurement process it's a confidential process until we approve an award.

MS. LONG: That's right.

COUNCILOR ROMERO-WIRTH: I think is how that works, correct?

MS. LONG: That's correct. The owner's rep process is not a procurement process any longer. That was already concluded by the City and we're just able to utilize that procurement that was already completed.

COMMISSIONER HUGHES: Right. So who's on the committee then to decide?

COUNCILOR ROMERO-WIRTH: On which one?

MS. LONG: For the RFQ?

COMMISSIONER HUGHES: For Phase 2.

MS. LONG: Our consulting engineer is Wayne Lorenz. I think our facilities manager is. Mr. Roach may be on that, Dr. Roach may be on that committee too. I'd have to look at that. We've had some personnel changes so we're trying to figure that out now.

CHAIR GREENE: And I think Brian Snyder from Santa Fe County is on that as well.

MS. LONG: I think that's right, as the representative from the County.

COMMISSIONER HUGHES: Okay. So is the engineer we're approving the contract for this going to help with the selection or just later? They're not on the committee for selection.

MS. LONG: They're not on the committee for selection but they will be able to help us once the committee concludes their evaluation and tenders their report to the City. And then we can move on. At that point they would be involved.

COMMISSIONER HUGHES: Yes. Thank you for clearing – explaining all that to me.

MS. LONG: Yes, it's a complicated process that we're going through here.

CHAIR GREENE: Thank you. Member spp.

MEMBER SCHMIDT-PETERSEN: Just a couple questions on your recommendation. So on the fee schedule that was handed to us on separately, I'm assuming that the fees that we're seeing here are similar to the fees that they charge the City under its overall contract. There's not a big difference between those?

MS. LONG: Yes. AECOM has represented to us that these are the fees they charge the City.

MEMBER SCHMIDT-PETERSEN: Okay. Thank you. And then in looking at Exhibit A, which is the scope of work piece there, I was trying to get a feel for what the engagement of the BDD Board would be on the ultimate selection. We're not just getting one thing and it's choose yes or no. And in the past I've gone through a decision analysis type of a framework with design engineers and stuff, where essentially they're looking at the pros and cons of different options, and laying those out so that the ultimate decision-maker understands the risks associated with moving forward in one direction, what your opportunities are, pros and cons and so on.

I think that would be project management perhaps in here. But nothing like that is called out specifically, and I think it would be worthwhile. It could be a closed session, executive session type of a process where we really get a feel for what are the different things that could be done to solve the problems that are there, and what are we trying to optimize for. What's not being optimized for, and that way we deal with different paths.

So it's just a suggestion as something to be included in the scope. I know that John Sikora and others have gone through that multiple times – AECOM and those individuals in my experience have done a really good job for projects they did for the . And many competent individuals in my experience have done a really good job for the IFC. I just wanted to mention that. But if we could do that piece I think it would be very helpful.

MS. LONG: Thank you. We can certainly visit with them about that.

COUNCILOR ROMERO-WIRTH: I guess I'm a little concerned based on a meeting we had a little earlier with Dan Frost about our role in this and how we use our consultants, and also having the expertise and not – that we're not supplanting our – I just think we do not have the technical expertise to – I'm concerned about our technical level of expertise and directing too much from up here, which is why we're hiring people. So I'm not sure where – how our role is and isn't.

MEMBER SCHMIDT-PETERSEN: If I could add real quick, in that case it's a technical – their job is to do those things.

COUNCILOR ROMERO-WIRTH: Yes.

MEMBER SCHMIDT-PETERSEN: But through decision analysis you have a way of looking at area's components of the project or long-term operations where you can separate that out, so that the decision-makers understand that they making a decision about the possible consequences of that. I've been through many different types of things where there doesn't happen and then there's buyer's remorse.

MS. LONG: Yes, and I think to that conversation, I think there could be times when the owner's rep would say this is a good time to go to the Board, or we need to go and make a decision about – this recommendation will tell you why we're making the recommendation. I think that very well could happen.

CHAIR GREENE: I think some methodology and understanding and matrix, we may not – just so that we could be advised and understand how they got to their decisions. Not necessarily that we're going to overrule them but we go, oh, that seems like a good logic, rather than just rubber-stamping.

MS. LONG: I think there could be presentations on that. We just don't want them to make the recommendations and make the decisions so we don't get into that.

CHAIR GREENE: Certainly don't choose A, B, or C. They should be

very – we think A, and B, maybe, but only because of these other considerations. Yes, sir.

BOARD MEMBER IVES: Thank you, Mr. Chair. A couple questions. I tried to read through everything pretty thoroughly and on the qualifications of the various participants in the process there are two columns. One is diversion design and the other is sedimentation analysis. I'm curious what each of those means in terms of expertise. And I know that under the diversion design, while there was one gentleman that had worked on – was an investigator on the Yampa River Basin Stream Channel Study, most of the other diversion design opportunities seem to have been around reservoirs, lakes, other similar sorts – a little more still water than moving water. That of course is a big issue with the Buckman heretofore. So I'm curious as to what those mean in these contexts.

MS. LONG: Mr. Chair, Member Ives, my understanding of it, and I'm sure AECOM could give a much more complete answer is that the sedimentation analysis is the sediment that's in the river, that they would be analyzing, and the diversion design would be a design that would take that into account and actually be the structural part of the facility that is the diversion itself. That's the way that I read it, as a layperson's conclusion.

BOARD MEMBER IVES: Me too. Yes. It just wasn't clear that, again, having lived through the litigation previously, just knowing those two components are so critical to working on the Rio Grande.

MS. LONG: And I did see the one individual that you mentioned. Ned Andrews is a PhD and I know on the prior project they did have some consultants and PhDs out of UNM that were looking at that. So I think that's common to have that particular specialty that's done by a PhD.

BOARD MEMBER IVES: And then I had a question or two towards the back of the document, page 10, paragraphs dealing with warranties, reliance, B, C, and D on that page, and it notes at the bottom of the page that the contractor should not be responsible for failure of the BDD's contractors, engineers, vendors or suppliers, to comply with their respective contract documents. So I'm wondering if they're not looking at that, who is? They do seem to have the builder's design alternatives, evaluate the design-builder's design, they'll provide construction inspection services. Some of those seem to relate to doing that category of the work. So I just felt the tension between those provisions and Exhibit A, which is the scope of work.

MS. LONG: Yes, and Member Ives, in negotiating these were some recommended inclusions by AECOM and it was much more inclusive. We pared it down to this. But what they said is that they of course cannot be responsible if our contractors or consultants do not comply with their own contracts. Not that they wouldn't be advising us as to whether they're complying or not or providing inspection services. They will certainly do that. But they cannot be a guarantee of work on other firm's contracts.

BOARD MEMBER IVES: Understood, but they would be advising us as to whether or not that work has been in accord with those other contracts.

MS. LONG: That's correct.

BOARD MEMBER IVES: Okay. Good.

MS. LONG: And with the design the inspectors would come in and do that.

BOARD MEMBER IVES: Yes, because they I think are also agreeing to review invoices and make sure they're appropriate for payment, and that of course means

that that work has been performed. So just wanted to –

MS. LONG: Yes. That was a question we had for them too.

BOARD MEMBER IVES: Okay. Very clear on that one. Thank you.

Thank you, Mr. Chair.

CHAIR GREENE: Anybody else? Are we ready to move this forward or not?

COUNCILOR ROMERO-WIRTH: Move to approve.

COMMISSIONER HUGHES: Second.

CHAIR GREENE: We have a motion from Councilor Romero-Wirth, a second from Commissioner Hughes.

The motion passed by unanimous voice vote.

CHAIR GREENE: Good job, guys. I must say this was a very important step. So great job and good job for the City for helping us procure this in proper and alternative fashion, so we'd like to thank them.

7. **B. Request Approval to Re-Authorize Unexpended Funds Approved by the BDD Board from the Major Repair and Replacement Fund (MRRF) from FY24 to FY25**
 - i. **Request BDDB Approval of a Budget Adjustment (BAR) to Re-Authorize the Unexpended Funds**

CHAIR GREENE: Kurt, you're up.

MR. TRAVERSE: Thank you, Chair Greene, members of the Board and partners. I'm here to submit this request to reauthorize funding for the MRRF from fiscals year 24 to 25. These are funds that were appropriate by this Board, agreed to by the partners. They agreed to pay upfront for major repair and replacement projects and what this does is at the end of every fiscal year all those projects do have to be closed down in the accounting system and then re-entered into the upcoming fiscal year. This is an annual housekeeping item. We missed doing it due to staff transition. It was an oversight. Typically this would happen at the end of August or September. We are here on May 1st, but we will put this place to again, as we close out this fiscal year, go through analysis with staff and see what projects still remain that have been authorized that have not have funds expended. We'll do that timely next year.

But again, this is a list of projects. They all had procurements open last year. We do not have to go through the procurement process again. It's a standard process for the City. We'll simply reauthorize them for the next fiscal year. I stand for any questions. Thank you very much.

CHAIR GREENE: Any questions from the Board?

COUNCILOR ROMERO-WIRTH: Move to approve.

COUNCILOR CASSUTT: Second.

CHAIR GREENE: Got a motion from Councilor Romero-Wirth, a second from Councilor Cassutt.

The motion passed by unanimous voice vote.

8. Matters From the Board

CHAIR GREENE: Anybody got anything?

MEMBER SCHMIDT-PETERSEN: Mr. Chair, I have one item to bring it up. The last month and a half I've been getting lots of questions about water supply, how dry things are and I think most everybody here realizes we're low on precipitation now. I just saw a report that it's the driest year on record for the last four months at least, from December, in 130 years of records. So very, very dry, but the water situation, I think it would be a situation because the City and County and others have been preparing for years and have gone through droughts. But the point that comes up and what my answer is it's not about the Direct Diversion Board that you go to kind of get a feel for the bigger picture of the water supply in the Santa Fe City/County area.

But I wanted to bring that up to you all. I think there are – I know there are other presentations and things that are out there. I'd like to be able to direct people a little better. So if I had some more information on where that was for both the City and County that would be helpful.

COUNCILOR ROMERO-WIRTH: Mr. Chair, we can certainly – I think we're talking about it. I know I talked to Nancy, so Dr. Jesse Roach, who's the interim director of the Public Utilities Department at the City, he's doing a presentation, I believe on the 15th of May on Zoom. That advertising is just starting. It's called "What's up with Water?" to give a big picture overview of where we are and kind of overall experiencing. So there's that.

Also the City's website can speak to the conservation efforts to the 40- and 80-year water plan which I'm sure will be in Dr. Roach's presentation. So we've had a very dry winter and there's been ongoing work to mitigate what we're experiencing, so I think it's a great opportunity for people to become more aware of what's happening and the work that's going on.

Also, I think that presentation is going to come to us too, so if you don't catch it, and I think it will also be available on the City website. So there will be lots of opportunities.

CHAIR GREENE: That's great. I think all of these are water resource presentations and knowledge-based – if there's a page on our website that can be used for updated sort of forecasts that some people might not – whether the County people want to look somewhere and say, we can point them to the BDD website, as well as the City's as well. Say it once, say it twice, say it three times. People will find it. That's how you find it. It's to the top of search lists if it's listed three times.

9. Next Meeting: Thursday, June 5, 2025

10. Adjournment

Having completed the agenda, Chair Greene declared this meeting adjourned at approximately 4:55 p.m.

Approved by:

Justin Greene, Board Chair

Respectfully submitted:

Wordswork

ATTEST TO:

KATHARINE E. CLERK
SANTA FE COUNTY CLERK

DRAFT

subject to approval