



Steve King
GENERAL MANAGER

ELDORADO AREA WATER & SANITATION DISTRICT
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John Calzada, PRESIDENT
Gregory Hart, VICE PRESIDENT
David W. Yard, SECRETARY
Elizabeth Roghair, TREASURER
David Burling, DIRECTOR

FINAL MEETING MINUTES - REGULAR BOARD MEETING
24 July 2024 – EAWSD Conference Room – 5:30 PM

MEETING CALLED TO ORDER by President Calzada at 5:30 PM.

ROLL CALL by Debra Sanderson. Those present were President Calzada, Treasurer Roghair, and Director Burling. A quorum of Directors was present. Secretary Yard and Vice-President Hart were absent.

ALSO IN ATTENDANCE: Anthony Marino, JACOBS OPERATIONS MANAGER; Steve King, GENERAL MANAGER; Josue (Josh) Escobar, JACOBS SCADA SOFTWARE DEVELOPER/ANALYST; Dan Crane, JACOBS LEAD OT/ICS CYBERSECURITY TECHNOLOGIST; Cynthia Lyons, CLIFTONLARSONALLEN CONSULTING CONTROLLER; Anna Mondragon-Metzger, ADMINISTRATIVE PROJECT MANAGER; Debra Sanderson; ADMINISTRATIVE ASSISTANT and (2) guests.

APPROVAL OF AGENDA: 24 July 2024

➤ President Calzada asked if there were any additions or corrections to the agenda of 24 July 2024.

MOTION: Director Burling moved to approve the agenda for 24 July 2024. Treasurer Roghair seconded the motion.

- No further discussion.
- Vote was 3 to 0 in favor of the motion to approve the agenda for 24 July 2024.

APPROVAL OF MEETING MINUTES: 19 June 2024

➤ President Calzada deferred the motion to approve the meeting minutes for 19 June 2024 until next month, due to lack of a quorum owing to his absence at the 19 June 2024 meeting.

CONSENT AGENDA:

A 2024 FAAC Updated Plan

D. Burling

B Consideration and approval of proposed General Manager Salary Adjustment

J. Calzada

➤ President Calzada asked if there were any additions or corrections to the Consent Agenda as presented.

MOTION: Treasurer Roghair moved to approve the Consent Agenda as presented for 24 July 2024. Director Burling seconded the motion.

- No further discussion.
- Vote was 3 to 0 in favor of the motion to approve the Consent Agenda for 24 July 2024.

REPORTS:

Management Report:

S. King

➤ Mr. King reported that a Request for Proposals (RFP) to provide Engineering & Architectural Services for the next 4 years was issued on June 24th, with proposals due on August 5th. The current 4-year contract with Molzen Corbin (District's Engineer) will expire in early November. As of the required deadline, two firms, Molzen Corbin and HDR, sent in their ACKNOWLEDGEMENT OF RECEIPT forms indicating that no more than 2 proposals will be received.

Operations Report:

A. Marino

➤ Mr. Marino acknowledged the increase displayed in the non-revenue water graph in the Operations Report and then described what he felt were the contributing factors stating that it's not uncommon to see increases or decreases because *gallons billed* are viewed based on the billing cycle, and *gallons pumped* are viewed based on the month. Last month's increase was probably due to the timing of the billing cycle. He anticipates next month to return to an average for the year.

- President Calzada asked if the wet spot discovered at Tank 4 was a contributing factor to the amount of unaccounted for water. Mr. Marino explained that Operations first noticed a wet spot a few weeks ago and dug a hole 18 inches deep to continue to monitor. Being that there is a weep hole right where the wet spot was found, Operations currently thinks the wet spot is more likely due to recent rains, not that the tank floor is leaking. They will continue to monitor it closely.
- GARY SANFORD, a resident at 3 Bluebell Court, wanted to know if it was a concern for the District to drain one tank as part of ongoing maintenance while having another one with a potential leak. Mr. King responded that the "leak," if it is such, is incidental to the total amount of water that is managed in a day but since it is unaccounted for water it does mean that over time it adds up. If there is any uncertainty, the next step would be to hire a diver to inspect the tank floor in order to evaluate whether an issue exists. Mr. King relayed that he submitted a WATER TRUST BOARD (WTB) grant application, the first step in the process, totaling \$1.75M for tank improvements. Included in the amount is \$500,000 to replace the floor of Tank 4 if necessary.

- Mr. Marino added that Jacobs is still looking for community participants for the Lead and Copper Sampling process. He asked if those attending the meeting would ask around and call Customer Service and Billing with any names or leads. He cautioned that participants that have a water softener system installed in their home are not eligible to participate.
- Per a request by a Board member, Mr. Marino agreed to provide a monthly chart comparing the amount of water usage Cañoncito residents are using per day, (i.e. Gallons Per Capita Per Day or GPCD).

Treasurer's Report:

E. Roghair

- Treasurer Roghair did not have anything to add to the report but said that Ms. Lyons (CLIFTONLARSONALLEN) was in attendance and could answer any questions that the Board may have.

Legal Update: None

C. Bruff

PUBLIC COMMENTS:

- JOE LOEWY, a resident at 6 Monterey Road, urged the Board to approve Agenda Item #2, FY2025 Final Budget to the New Mexico Department of Finance and Administration/Local Government Division (NMFA/LGD). Additionally, he urged the Board to approve Agenda Item #4, an annual increase in the Water Wheeling Charge as provided under the Replacement Water Delivery and Wheeling Agreement between Santa Fe County and EAWSD.

AGENDA

1. SCADA Security Presentation – Information Only

Jacobs

- Mr. Sanford thanked Mr. King and Mr. Marino for the opportunity to understand EAWSD's SCADA system security, particularly after the security breach in the City of Muleshoe, Texas, and its water utility.
- Mr. Marino introduced the two team members giving the presentation, Josue (Josh) Escobar, and Dan Crane. Mr. Marino gave a broad overview and timeline which started with a SCADA needs assessment in 2018, outlining what the District's greatest needs were at the time.
- Mr. Escobar began his portion of the presentation by sharing a basic overview of the EAWSD Network prior to 2022 followed by a description of the current configuration which is much more robust than the original. There is no longer a single Windows 7 SCADA computer. As part of the upgrade to the system, there are now virtual machines with servers and hosts. Most importantly, the SCADA Network has a dedicated server that is separate from the Business Network server.
- Next, Mr. Crane discussed his role in managing cybersecurity for the District. For instance, he explained that his team monitors traffic, and if an unrecognized IP address connects to the firewall, the Security team receives an alert.
- In summary, Mr. Crane finished by giving an overview of the various upgrades over time to EAWSD's SCADA system, including new servers, updated software, cybersecurity upgrades and resiliency improvements which includes cloud backup, secure accessibility by remote connection and others.

2. Approval and submittal of the FY2025 Final Budget to the New Mexico Department of Finance and Administration/Local Government Division (NMFA/LGD), for Board consideration and action by Resolution N°. 25-07-01

*C. Lyons/
E. Roghair*

- Ms. Lyons (CLIFTONLARSONALLEN) said that only a few minor changes were made from the interim budget to the final budget, which are broken down in a side-by-side comparison in the document she shared. She said the District is in a strong position with Operating Revenue and Property Tax Revenue. She also made note of the \$493,000 set aside specifically from Reserves, noting that its purpose is for the final Bond payment to be made at the end of FY2025. Mr. King added that the FAAC (FINANCE AND AUDIT ADVISORY COMMITTEE) has reviewed the FY2025 Final Budget and is making a recommendation to the Board to accept the final budget as presented.
- Mr. Loewy asked if the money set aside for site security included the Field Workshop and whether the amount was enough to cover all associated costs. Mr. King said that the money set aside last year was not used, but he discussed the potential to start by setting up SimpliSafe, which is the security system used in the Administration building or investing in a more comprehensive security system. There was further discussion of potential security options for the Field Workshop and equipment that is currently sitting in the yard.

MOTION: Director Burling made a motion that the Board approval the FY2025 Final Budget to the New Mexico Department of Finance and Administration/Local Government Division (NMFA/LGD) by Resolution N°. 25-07-01. Treasurer Roghair seconded the motion.

- No further discussion.
- Vote was 3 to 0 in favor of approving the aforementioned motion.

3. Consideration and approval of the 2024, 4th Quarter Cash Report by Resolution N°. 25-07-02

*C. Lyons/
E. Roghair*

- Treasurer Roghair pointed out that the Cash Reports are shared quarterly, but the 4th Quarter Report is the only one in which the Board is required to authorize by a vote.

MOTION: Director Burling made a motion that the Board approve the 2024, 4th Quarter Cash Report by Resolution N°. 25-07-02. Treasurer Roghair seconded the motion.

- No further discussion.
- Vote was 3 to 0 in favor of approving the aforementioned motion.

4. **Consideration and approval of an annual increase in the Water Wheeling Charge as provided under the Replacement Water Delivery and Wheeling Agreement between Santa Fe County and the Eldorado Area Water and Sanitation District** *S. King*

- Mr. King did not have anything to add but offered to answer any questions.
- Treasurer Roghair inquired if the annual increase could be included in the District's Rate Schedule rather than approving it each year. However, the conclusion was because the Rate Schedule is only published every five years and the Water Wheeling Charge is negotiated each year, it will remain a yearly agenda item for Board consideration and approval.

MOTION: Treasurer Roghair made a motion that the Board approve the annual increase in the Water Wheeling Charge as provided under the Replacement Water delivery and Wheeling Agreement between Santa Fe County and the Eldorado Area Water and Sanitation District. Director Burling seconded the motion.

- No further discussion.
- Vote was 3 to 0 in favor of approving the aforementioned motion.

BOARD COMMENTS:

- Treasurer Roghair expressed gratitude to Mr. King for his perseverance in negotiating the Replacement Water Delivery and Wheeling Agreement contract with Santa Fe County and having the most comprehensive understanding of its complexities.
- Director Burling was impressed by the SCADA Security presentation and all that he learned from it.
- President Calzada shared that he had considered building security on his way to the Board meeting and feels it should be a priority moving forward.

ADJOURNMENT:

- President Calzada adjourned the meeting at 6:45 PM.

