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AGENDA



**THE CITY OF SANTA FE
And
SANTA FE COUNTY**

BUCKMAN DIRECT DIVERSION BOARD MEETING

THURSDAY, DECEMBER 1, 2011

4:00 PM

CITY HALL

CITY COUNCIL CHAMBERS

200 Lincoln Avenue

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF AGENDA**
4. **APPROVAL OF MINUTES FOR THE OCTOBER 6, 2011 BUCKMAN DIRECT DIVERSION BOARD MEETING**
5. **APPROVAL OF CONSENT AGENDA**
6. **MATTERS FROM STAFF**
7. **FISCAL SERVICES AND AUDIT COMMITTEE REPORT**

CONSENT AGENDA

8. Request for Approval of the 2012 Buckman Direct Diversion Board Meetings Calendar. (Stephanie Lopez)

DISCUSSION AND ACTION ITEMS

9. Consideration of and Possible Action on Appointment of Citizen Member to the Buckman Direct Diversion Board. (Nancy Long)

10. Update, Discussion and Possible Action on the Buckman Restoration and Recreation Plan and Proposed Strategy for the Construction and Maintenance of a Vault Toilet. (Rick Carpenter and Allan Hamilton, New Mexico Wildlife Federation)
11. Discussion and Possible Action on Close-Out of BDD Capital Budget. (Shawn Stack)

INFORMATIONAL ITEMS

12. Update on Status of Second BDD 1mW Solar PV System. (Dale Lyons)
13. Update on BDD Board Insurance Broker Procurement and Services. (Bob Mulvey)

EXECUTIVE SESSION

Review and Consideration of Issues Relating to the Acquisition of Real Property Pursuant to NMSA 1978, Section 10-15-1-H(8). (Nancy Long)

END OF EXECUTIVE SESSION

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT MEETING: THURSDAY, JANUARY 5, 2012 @ 4:00 P.M.

ADJOURN

PERSONS WITH DISABILITIES IN NEED OF ACCOMODATIONS, CONTACT THE CITY CLERK'S OFFICE AT 505-955-6520, FIVE (5) WORKING DAYS PRIOR TO THE MEETING DATE.

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

December 1, 2011

This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting was called to order by Virginia Vigil, Chair, shortly after 4:00 p.m. in the Santa Fe City Council Chambers, 200 Lincoln Avenue, Santa Fe, New Mexico.

Roll was called and the following members were present:

BDD Board Members Present:

Commissioner Virginia Vigil
Councilor Rebecca Wurzbarger
Ms. Consuelo Bokum
Councilor Chris Calvert
Commissioner Liz Stefanics

Member(s) Excused:

None

BDD Board Alternate:

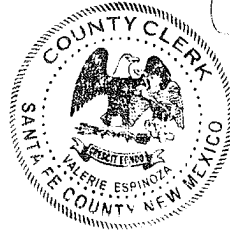
Commissioner Danny Mayfield

Staff Present:

Robert Mulvey, Facility Manager
Nancy Long, BDDDB Consulting Attorney
Stephanie Lopez, City Staff
Dale Lyons, City Staff
Steve Ross, Santa Fe County Attorney

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss
I Hereby Certify That This Instrument Was Filed for
Record On The 1ST Day Of March, 2012 at 12:36:23 PM
And Was Duly Recorded as Instrument # **1662022**
Of The Records Of Santa Fe County

Deputy *Marcella Lopez* Witness My Hand And Seal Of Office
Valerie Espinoza
County Clerk, Santa Fe, NM



[Exhibit 1: Sign-in Sheet]

EXECUTIVE SESSION

Review and Consideration: Issues relating to the acquisition of real property pursuant to NMSA 1978, Section 1-15-1-H(8)

Councilor Wurzbarger moved to go into executive session pursuant to NMSA 1978, Section 1-15-1-H(8) to discussion issues relating to the acquisition of real property. Her motion was seconded by Commissioner Stefanics and passed by unanimous roll call vote as follows: Commissioner Vigil, Councilor Wurzbarger, Councilor Calvert, Commissioner Stefanics and Board Member Bokum all voting in the affirmative.

[The Board met in Executive Session from 4:15 to 4:35]

Returning to open session and announcing the only items that was discussed that that was noted in the agenda, Councilor Calvert moved to return to open sessions. His motion was seconded by Commissioner Stefanics and passed by unanimous voice vote. [Councilor Wurzburger was not present for this action.]

3. APPROVAL OF AGENDA

[Exhibit 2: Agenda]

Facility Manager Robert Mulvey requested the deletion of item 11, "Discussion and possible action on close-out of BDD Capital Budget."

Upon motion by Commissioner Stefanics and second by Councilor Calvert, agenda was unanimously [4-0] approved as amended. [Councilor Wurzburger was not present for this action.]

4. APPROVAL OF MINUTES: October 6, 2011

Mr. Mulvey said staff had no corrections.

Councilor Calvert moved approval as amended. His motion was seconded by Commissioner Stefanics and passed by unanimous [4-0] voice vote. [Councilor Wurzburger was not present for this action.]

5. APPROVAL OF CONSENT AGENDA

8. Request for Approval of the 2012 Buckman Direct Diversion Board Meetings Calendar

Councilor Calvert moved to approve the consent agenda. Commissioner Stefanics seconded and the motion passed by [4-0] unanimous voice vote. [Councilor Wurzburger was not present for this action and arrives shortly thereafter.]

6. MATTERS FROM STAFF

None were presented.

7. FISCAL SERVICES AND AUDIT COMMITTEE REPORT

MR. MULVEY: Madam Chair, the Fiscal Service Audit Committee did not meet this week and there is nothing to update.

COMMISSIONER STEFANICS: Madam Chair, on this point. There are a couple of Fiscal Services meetings that conflict with the Board of County Commissioners' meeting and I have sent notices to you all about those. So those might want to be rearranged.

COUNCILOR CALVERT: When we did eight; did any of those conflict?

COMMISSIONER STEFANICS: I sent emails, I don't have it here, but I sent emails about every conflict so I don't know if these dates – well, these are the regular meetings --

STEPHANIE LOPEZ: These are for 2012 BDD –

COMMISSIONER STEFANICS: -- Councilor Calvert, but I don't know about the Fiscal Services.

CHAIR VIGIL: What we tried to do and I think we addressed that originally is we tried to do it on Tuesdays but on a Tuesday that the Board of County Commissioners doesn't meet. So that when you look at the calendar maybe we can take action on that. It's the first [sic] and last Tuesday of every month. So if you can fit it in the second and third.

MS. LOPEZ: Yes, and I hadn't responded back because we were not sure if Fiscal Services was going to meet. I just set the calendar but they may meet sometimes on an as needed basis. So as we get closer to that meeting or to that month or something, we'll try to pick a date.

COUNCILOR CALVERT: I think the key is that because Fiscal Services arguably needs to meet before the actual meeting and the actual meeting is always the first Thursday it may get tough.

CHAIR VIGIL: It would be good if we could meet the third Tuesday of every month and let's see how that plays out in the calendar and that would be sufficient time before the first Thursday. Look at what that means on the calendar and maybe at the next meeting you can show us that and we'll be able to see the amount of time before the Fiscal Audit Committee meeting and the Board of County Commission. I think as much time as we can have between those and before BDD – it doesn't always work out on the calendar but let's look at it.

MS. LOPEZ: Commissioner, we'll check that out and bring it back.
Thank you.

CHAIR VIGIL: Sounds good.

INFORMATIONAL ITEMS

9. Consideration of and Possible Action on Appointment of Citizen Member to the Buckman Direct Diversion Board

CHAIR VIGIL: I think there was some question as to whether or not we look at alternative people who are interested and possibly serving. And I would say that of course we would, however, the chair makes a recommendation as to whether or not our current citizen member is or is not interested in serving. Currently, I think we have an excellent citizen member to serve on the Buckman Direct Diversion not only because of her knowledge and experience and background in studying and being in the community on water issues, but also because of her knowledge and experience with the Buckman Direct Diversion Board.

I did learn today very graciously from Conci Bokum that she is willing to continue serving. There is no term limit on this position so I am happy to have somebody recommend her.

COUNCILOR CALVERT: Move for nominating Conci Bokum.

COUNCILOR WURZBURGER: I'll second.

CHAIR VIGIL: I have a motion and a second.

The motion passed by unanimous [4-0] voice vote. [Ms. Bokum abstained]

COMMISSIONER STEFANICS: Madam Chair, I'm wondering if – I know there might be times when any of us might be absent and just like the County Commission has done I'm wondering if we should consider an alternate to the citizen member.

CHAIR VIGIL: I think we'll have to look at the rules for that so maybe we can even consider that under future rule review and recommendation.

NANCY LONG (BDD Board Counsel): Yes, Madam Chair, we will be looking at our rules for the Board and we will consider that as well.

CHAIR VIGIL: Okay, thank you very much.

10. Update, Discussion and Possible Action on the Buckman Restoration and Recreation Plan and Proposed Strategy for the Construction and Maintenance of a Vault Toilet

MR. MULVEY: Thank you, Madam Chair, members of the Board. This is listed as an update, discussion and possible action, we are not asking for any action tonight. Allan Hamilton of the New Mexico Wildlife Federation is here to give a brief update on this issue.

CHAIR VIGIL: Mr. Hamilton, welcome.

ALLAN HAMILTON (NM Wildlife Federation): Thank you, Madam Chair, Commissioners, Councilors and the citizen-at-large thank you for letting me come and answer any of your questions.

As you saw the environmental analysis for this restoration and recreation plan is now open for public comment and will be open until December 12th. So I'm hoping that you had the opportunity to look at the document and I'm here to answer any questions and address any concerns that you might have.

CHAIR VIGIL: Questions? Yes, Councilor Calvert.

COUNCILOR CALVERT: On the issue of the – is it a pit toilet? A vault toilet, I'm sorry.

MR. HAMILTON: Yes, sir.

COUNCILOR CALVERT: I understand the need for it. It's sort of one of those chicken and egg things, if you build it, they will come sort of thing. I'm wondering if we might not be attracting more attention than we want in that area. That's my only concern.

MR. HAMILTON: Attention, meaning if we upgrade the recreational infrastructure we'll be inviting –

COUNCILOR CALVERT: I guess I mean that it's leading people – let me backup. Where is the vault toilet going to be located?

MR. HAMILTON: In the document we have proposed two vault toilets. One will be at Diablo Canyon and that one will be maintained, I hope, by BLM and the

other one will be at Buckman. Where it is presently located on this document is right by the diversion, right by the parking lot.

COUNCILOR CALVERT: That's my only concern is that we have to be concerned about security and that proximity to the facility itself – I don't know if those are the only choices. I appreciate the need for one because otherwise those people that go there will use the great outdoors and that would not be a good idea next to a diversion project. It's sort of a conundrum of – it'll help with that problem but it might cause some sort of security problem at the same time. That's my only concern.

MR. HAMILTON: I understand. If there are other locations that you'd like to propose that might be a better solution we would be open to that.

CHAIR VIGIL: Councilor Wurzburger.

COUNCILOR WURZBURGER: We've heard this in the City not on BDD but what some of us consider an extremely high cost of exterior toilets. We've been round and round on this before. I just want to make certain that all options with respect to pricing are pursued. I agree, I understand that the price for the cleaning of the toilets that that's a standard price but in this time in terms of competitive bidding when 35 percent to 40 percent of our contractors do not have work at all, I'm just wondering if it's really going to cost \$18,000 to do a toilet. And I'd like to have some kind of assurance and clarification on that as we proceed with this project.

MR. HAMILTON: Councilor Wurzburger, I appreciate that. And these figures were just preliminary figures that I got from BLM.

COUNCILOR WURZBURGER: Well, since BLM doesn't want to pay for it then we ought to find our own prices – and I can recommend three or four plumbers that, you know, if we need to do that.

MR. HAMILTON: I'll be pulling this together in writing the Memorandum of Agreement and I would be happy to work with whoever I can from the City or the County to make sure that –

COUNCILOR WURZBURGER: Okay, I'm going to ask for another condition and that is as you proceed there has got to be a local company that is capable of building a concrete block thing with a toilet in it. Hopefully we're not going to bid this to Portland, Oregon. Thank you.

MR. HAMILTON: Thank you. I appreciate that, thank you.

CHAIR VIGIL: Any other questions. So you will be coming forward with further recommendations on this? Mr. Mulvey?

MR. MULVEY: Madam Chair, when this project kicks off and after we've gone through the MOU, the City's standard procurement processes will apply so we'll have competitive bids and I've made a note regarding the desire to use local contractors.

CHAIR VIGIL: Very good, thank you. Any other questions? Thank you, Mr. Hamilton.

MR. HAMILTON: Thank you.

INFORMATIONAL ITEMS

12. Update on Status of Second BDD 1mW Solar PV System

DALE LYONS (City of Santa Fe Water Resources Coordinator): Good afternoon, members of the Board, Madam Chair. As you're all aware that we have 1 megawatt of solar operating at the Buckman Direct Diversion Water Treatment Plant. And that system has been in operation now for eight months. It's generating an average of 205 kW hours per month. The original plan called for a second megawatt installed at the Buckman Direct Diversion Water Treatment Plant and the electrical components to receive a second megawatt were installed at the same time that the first megawatt were built. The timing of that second megawatt isn't quite right at the water treatment plant so it turns out that the output from the existing one-megawatt facility is very closely matched to the power usage for the water treatment plant currently so we don't actually need more of renewable generation, at least during the day at the water treatment plant.

Staff looked at options for building a second megawatt in some other part of the Buckman Direct Diversion system as a way to offset power we would otherwise buy from PNM. On March 14 of this year, I submitted a project interest from to the New Mexico Finance Authority under the Drinking Water Revolving Loan program for a \$5 million, one megawatt -- \$5 million to fund construction of a one-megawatt facility that would be owned by the BDD. So this would not be a power purchase arrangement like the first megawatt. This would be a facility that would be solely owned by the Buckman Direct Diversion project and because of that it would be less reliant on RECs and also we would be able to control how the system was operated.

That's basically what I've been working on. I've been in contact with New Mexico Finance Authority staff and they told me that we're very likely going to be awarded that \$5 million or up to \$5 million to fund construction of a facility like that and the location, the likely location of construction for that new facility would be at the new Buckman Direct Diversion Booster Station 2A, which is more or less in between the Rio Grande and the water treatment plant. It pumps water from the Rio Grande up to the treatment plant. Looking at 10 months of electric usage at the booster station 2A it could easily handle a one-megawatt solar facility could offset the majority of the electric usage at that booster station and the power generation estimates and getting our existing one-megawatt -- and also the City's one-megawatt facility at the wastewater treatment plant. So we would have two solar facilities nearby that we have good access to records to and our own demand information at the new booster station.

And I don't know if you had a chance to look at the financial projections but based on the amount of power that we could generate from the new one-megawatt solar facility at the booster station you would be able to offset approximately \$16,000 almost \$17,000 of power we would currently buy from PNM. So that would be our monthly savings by generating our own power. And because it's not a power purchase arrangement we wouldn't actually pay anybody for the power; it's just free. I should mention the terms of the loan agreement from New Mexico Finance Authority under the Drinking Water program are really favorable. Half of the loan amount would be forgiven and the remaining amount would be charged interest of 2 percent. So our loan and principle payment per month would be approximately \$12.5 thousand per week. So

essentially we would be ahead in cost savings per month of about \$4,000 and that doesn't include REC sales. This facility would be eligible for RECs. The REC program – the REC incentive is quite a bit smaller than it used to be. There are basically 1.5 megawatts left in the \$0.07 per kilowatt slot at this point and 1.5 megawatts left in capacity in the \$0.05 per kilowatt slot. I think we could easily, if we are able to get somebody under contract and do our interconnection applications within the next months say, we could easily be able to get at least the \$0.05 REC per kilowatt. That would mean with the additional REC sales that our total positive net revenue would be about \$15,000 per month. And if we were able to get in the \$0.07 per kilowatt REC, it would be up to almost \$20,000 per month in cost savings and in REC sales.

The procurement process we have developed with New Mexico Finance Authority and the City's Procurement Director is – what we're talking about is a two-step procurement. The first step would be an RFP would be released. We would be able to evaluate proponents based on their qualifications and their proposed development approach. Then the next step would be the bid step. A selected group would be invited to bid and respond to a request for bid document. We'd be able to evaluate bids and negotiate price at that point. And everything I'm hearing about the cost of development is that \$5 million is ample for a 1-megawatt facility. The facility could very well come in at the \$3 million to \$4 million range. And of course we would just borrow whatever the facility cost. We wouldn't borrow the total \$5 million.

CHAIR VIGIL: I do have a question. Yes, Councilor Wurzburger.

COUNCILOR WURZBURGER: So this is an informational item? You don't need direction? Because the only direction we could give you is to say go faster. Let's go for the \$0.07 rather than the \$0.05. If your not bringing it back to us at a certain and then our taking an action – I would rather just give you direction to go ahead and do it and try and get the higher rate rather than losing a month or two in the process.

CHAIR VIGIL: On that matter. Maybe just for further clarification in terms of a question, I thought we had made an application before PNM to get the 7 percent. Because they're actually going before the PRC now to even lower it less than 5. So are we at risk with that because my understanding with this particular project is that I thought we were locked in.

MR. LYONS: In order to secure our spot in the line for a REC under the existing – you actually need to have a design and because we don't have that under contract we don't have a design and we can't submit an application. So in order to begin the interconnection process we essentially need to have somebody under contract. We're coming up on the holiday and the soonest we could release an RFP would be right after the first of the year. I would hope that within a month we could whittle down the group and they would already be working on preparing their bids. So potentially a month and a half, say in mid-February I'd be able to have something to bring to you – bring a contract to the Board for approval. And I talked to folks in PNM and as far as they know there's no other projects that are pending. I think a lot of these power purchase agreements have been done. I think that the REC at a \$0.05 or \$0.07 level doesn't justify going into a power purchase agreement in a lot of cases but if you own the facility, you have financing it makes a lot of sense. I'm not aware of any other municipalities that are pursuing this option.

CHAIR VIGIL: On that point, Chris Calvert.

COUNCILOR CALVERT: I think what you're referring to which is before the PRC right now is the bracket that is usually a smaller scale. This at the 1 megawatt is a different animal; although, I am not saying that they're not trying to eliminate those. But I think what you're talking about that is before the PRC is of a smaller category in size of facility.

CHAIR VIGIL: I've read the pleadings but I know there is an intent and an advocacy to lower all of those.

COUNCILOR CALVERT: Or eliminate them.

CHAIR VIGIL: Yes, or even eliminate them. The floor is still with Councilor Wurzburger.

COUNCILOR WURZBURGER: Well, I think that starting in Thanksgiving we suddenly think we can't get things done until January and I'm not picking on you, I'm picking on our culture. Having said that, again, I would just iterate, I would hate to lose, because the difference is \$5,000 if I'm calculating this correctly, a month, which is over time is a lot of money so I would like you to explore with your resources and I know that you've done this before, if there is anyway that we can get that RFP out faster and move ahead with it. That would be my expressed recommendation.

CHAIR VIGIL: Okay, so we're taking the whip out. Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. The design being required, is that by the Finance Authority or an LPD?

MR. LYONS: No, that's actually required by PNM. The PRC just mandates that regulated utilities meet their minimum portfolio standard and it's up to the utilities to determine how they do that. So PNM has established their solar program and the program has rules. So in order to comply with those rules we actually have to have a design.

COMMISSIONER STEFANICS: I was just reading something about our overall budget and finances and how we did the design for the BDD and how we went out for – and I'm not sure what the term was, but we gave some monies instead of doing a whole RFP we split – what was that called? No, it wasn't the design-build it was a –

MS. LONG: A request for qualifications.

COMMISSIONER STEFANICS: We asked for unsuccessful bidders to – prepare the bid and that was on the BDD several years ago and I'm reading some history here. So, I'm just wondering if there's some other process that we could do –

MR. LYONS: The BDD can secure the services of a consultant to come up with a design and submit it with an interconnection application but whoever we hire, could take exceptions to that design. It may affect how the facility is priced. It's in our interest to receive bids based on proponents development approach which may be different. So the facility could be a lot more expensive if we go that route.

COMMISSIONER STEFANICS: I'm finished for the moment.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. Madame Chair, sir, couldn't we look at the old design and interconnect on the old design and try and do some simple modifications to that because we're just moving it down less than a mile?

MR. LYONS: The older design for the existing 1-megawatt facility isn't our design. We don't own it. We don't own the facility. We could potentially just contract with the company that is the developer and owner of that facility –

COMMISSIONER MAYFIELD: -- but, Madam Chair, we have the rights to that development through the BDD, don't we?

MR. LYONS: No, no, we don't. We don't own that facility. We just have rights to purchase power from that facility.

COMMISSIONER MAYFIELD: Thank you. Madam Chair, sir, as far as the property, we own the property to site this new 1-meg down there?

MR. LYONS: Both the land where the existing 1-megawatt facility is built as with the water treatment plant and the proposed new site for the new megawatt facility is BLM land and one of the things that we're intending is that the contractor we hire would be responsible for doing all the permits. Environmental permitting and mending the right-of-way to include the additional 8+/- acres for the new solar facility and the interconnection work and the development so it's a turnkey concept.

COMMISSIONER MAYFIELD: Madam Chair, that first – that John that was presented before you, I second what was said on the bathroom facility.

And then the last question, is there anyway that we could look at the siting for the substation that we allow PNM to do down there, the [inaudible] smaller substation to generate this other meg down there?

MR. LYONS: Directly across the access road from the BDD Booster Station 2A and behind it the proposed solar facility is PNM's substation and I think that's what's called the Buckman Substation and --

COMMISSIONER MAYFIELD: -- but, Madam Chair, I don't think they've constructed it yet. They still have it out there on trailers of 18-wheelers.

MR. LYONS: Yes, it's a mobile substation. I'm not sure if that mobile substation is actually being used as part of that facility at this point. So you have a question about --

COMMISSIONER MAYFIELD: -- my question is if we site this new meg down there and we're going to generate all this new power without needing that additional power from the substation that PNM is planning to build out there and then they could size that station smaller.

MR. LYONS: That's a good question. I don't know. It's a good question. I think once we begin the interconnection process then PNM they do a review of their system to see how they can essentially feed in the solar power at that location. How it will affect their system. Our intention is to consume all the power onsite based on how much power we use already and it will handily do that.

COMMISSIONER MAYFIELD: And, Madam Chair, my thoughts on that is that they haven't built theirs, now is the time to get the rest to pony up together.

CHAIR VIGIL: And on that point, I have Councilor Calvert.

COUNCILOR CALVERT: Yes, I think, Commissioner, I think though that part of PNM's intent on that substation was for other customers besides us. In other words, they were planning for future growth in that whole area.

CHAIR VIGIL: Any other questions or comments. Seeing none, I see some direction on this.

2011 DEC 01 PM 03:00
BDD DIRECT DIVERSION BOARD
RECORDING

13. Update on BDD Board Insurance Broker Procurement and Services

MR. MULVEY: Thank you, Madam Chair. The Joint Powers Agreement, Section 23, requires that the Board carry insurance coverage separate and apart from the partners' respective policies. So over the last couple of months we've been in the process of meeting this contractual requirement. We've procured a broker to go out and solicit competitive bids in order to place the Board's required insurance policies.

So, just with that, I'm going to turn this over to Nancy for any comments. And then we have Tweak Segura from Daniels Insurance who was the successful competitive bidder for the broker contract who can also answer any questions for the Board.

CHAIR VIGIL: Okay. Mr. Segura, where are you? Okay, I see. Come on up just in case we want to hear what you sound like. Ms. Long.

MS. LONG: Madam Chair, as Mr. Mulvey reported, we are at that point where we have transitioned from the construction phase of the project to ownership and operation. So our Joint Powers Agreement does require, and we think it is also a good idea, to have insurance coverage for all the Board property as well as the public officials' policy general liability and the related coverages. We did go out to bid for a broker to procure insurance and get competitive pricing. We're doing an interim period that just began at the end of November through next July staying with Travelers as it turns out who is the City's insurer. And then there will be another process where our broker will go out in the spring and get competitive bids for the coverage.

I know that Mr. Segura and that Daniels Agency has been working very closely with Don Waddell who is our insurance consultant and risk advisor. They have come up with this program and the portfolio insurance that will now be in the Buckman Direct Diversion Board's name. Mr. Segura is here and can answer any questions about specific coverages or pricing if you have questions.

CHAIR VIGIL: Are there any questions? Is there anything that you wanted to add to that?

TWEAK SEGURA: Madam Chair, members of the Board, as the agent of record and duly selected we did go out to procure coverages on behalf of the Board. We went to five different carriers, three of which came back with bids. Two of them were close. The one that was closest to Travelers do not have the depth as far as loss control, risk management, claims handling and so forth, and, so we recommended staying with Travelers.

What we will do this spring is rework the entire the account to include the real property for a July 1st effective date and what that will do is that I think we will have some more players come to the table at that point in time and so it is our goal to, like I said, we will rework this and get figures to the Board 60 days prior to the expiration on July 1st so we can make a good decision on this is.

CHAIR VIGIL: Yes, Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you very much, Madam Chair. Does Travelers – what other similar projects does Travelers insure that is similar to the BDD?

MR. SEGURA: Travelers writes this type of coverage on a national level so most of your cities and counties are going to have water treatment plants and they're encompassed with their public entity mode of business.

COMMISSIONER STEFANICS: I perceive this as a little bit different because of our relationship with federal properties, with laboratories, with Native American lands, with water rights, etc. I am just wanting to see that Travelers has dealt with something comparable.

MR. SEGURA: Yes, ma'am. I can get you additional information and I would be happy to.

COMMISSIONER STEFANICS: Okay, because I am looking for something a little different than regular cities.

MR. SEGURA: Certainly. I understand your concerns.

CHAIR VIGIL: Other comments or questions? Okay, thank you for the update.

MATTERS FROM THE PUBLIC

CHAIR VIGIL: I do understand there is public here. Can you please raise your hand so I can allocate time. Okay so there are four, okay, please step forward and state your name for the record. Joni, how much time do you need?

JONI ARENDS: Just a few minutes.

CHAIR VIGIL: Okay, then let's do about a three minute –

MS. ARENDS: Okay. Good afternoon, members of the Board. I sent around an attendees list because that's been an issue that all of the people that have been attending meetings haven't been listed on the minutes. So I want to present that and hopefully that would be come a regular part of the meeting that there would be a sign-up sheet.

Number two, is I would again invite you to go on a toxic tour with CCNS where we go out to the Buckman, maybe we don't have to go there but we could go up to the Lab and I want to show you some areas of concern especially since the Las Conchas fire and also with respect to statements being made by the Laboratory that there's only 10,000 drums transuranic waste when on one hand they're publishing, they're saying 10,000 drums transuranic waste sitting in the fabric tents at Area G not far from the water supply and other public meetings like yesterday at the CAB meeting they said at citizen advisory board, they're telling people that there's between 40 and 42 which is more than what they've told me before. So there's a big discrepancy in terms of the amount of hazard at the Lab and I would like to be able to offer you that opportunity to go on a toxic tour. Maybe we can do that after the first of the year? Yeah; okay, I'll email you.

And, then, with respect to the plutonium part of the proposal for the area, the restoration, we support the restoration area. We would ask that the Board write a letter in their comments to the Forest Service and the BLM that they call the Department of Energy to the table on this because it's another situation where we have an opportunity to go in there and clean up the plutonium mess that's in the area of the restoration. And, so under the National Environmental Policy Act the Forest Service and the BLM can ask the DoE to be a cooperating agency on this and there is great growing public concern about that there is plutonium that is offsite from the Laboratory and that it needs to get cleaned

up. So we would ask that in your comments that you ask that as a governing body to say that DoE needs to be called to the table and the want this cleaned up now. There is a grassroots movement already going on in terms of this, in terms of submitting public comments about our ongoing concern about the plutonium out there. It's offsite under the consent order they're supposed to clean up all offsite contamination and we need more official people to bring them to the table on all of this.

I think that's all. We would support the joint powers agreement to specify how nominations are made for community members on the board. And we support the idea of an alternative member on the board. Thank you very much.

CHAIR VIGIL: Thank you, Joni. Next.

ELANA SUE ST. PIERRE: My name is Elana Sue St. Pierre, spokesperson for Healthy Water Now, ASAP, a group of parents with children with special needs children and advocates for health care for pregnant women and children. Thank you so much again for being here and thank you for calling out on an \$18,000 toilets and asking that it be constructing locally. We're very concerned about this area now. The fact that there is – I was out there three weeks and seeing beer bottles, whiskey bottles, gun cartridges, sexually transmitted waste, diapers, feces, garbage of all sorts. We need porta-potties and we need garbage cans out there now. It's not going to invite more. It is going to keep this – it's disgusting and I know that you don't want that to be happening.

On the bigger realm, we're talking about plutonium-238, this is the report from Los Alamos Legacy Contamination Study the Buckman Direct Diversion. Plutonium-239, 240, eight times greater than BGLs. Thirty to 50 times greater than LANL background. Cesium 137 three times than BGL referenced, 14 to 11 times greater at LANL background. Uranium, 234, 235, 238, two to three times above background levels. Strontium 90, five times that of LANL dataset. Aluminum and arsenic exceeds residential SSLs. Magnesium exceeds construction workers pathways limits. We don't want this disturbed and going into our drinking water. I know you don't. What are we doing to protect that from happening?

I was very alarmed at the report that was sent out because I don't feel these things were addressed. I want you to know that you really need to look at it closely. We want signage. We want public notification. It's a great time to do more cleanup.

The other area that I wanted to address was I attended the hearing on November 7th of the Nuclear Defense Facility Safety Board. This again was very alarming. The Safety Board called LANL to task on many things. The things that I was most alarmed about is that when they look at a worst case scenario of the magnitude of an earthquake that could affect us in the way Fukushima is affecting. They looked at a 10 miles radius looking at only plutonium in isolation. Our water for our Santa Fe is three miles down river from there. They did not include us in that risk analysis. They only looked at airborne contamination. They did not look at how our public water would be affected. They did not look at if there is an uncontrolled nuclear reaction that has to be shut down with water. They're going to be taking our drinking water that is going to be contaminated and how are we going to be reacting to a nuclear triad situation where the water is already contaminated. It is horrendous the oversights that have happened and I will be writing letters about this and I would like to send you a letter of my comment, Healthy Water Now's comments, about the [inaudible] plutonium project as well as the

nuclear defense hearings. I hoped to have had them here but my printer went down. If I could email them to one person and have them disseminate them I would really appreciate it.

CHAIR VIGIL: You can email them to Mr. Mulvey and Mr. Mulvey and can disseminate it to all the Board members.

MS. ST. PIERRE: Thank you very much. The last thing is thank you for being accountable to the insurance. We're looking at major health risk if standards change and accountability ends here. Current standards do not protect pregnant women and children. At the hearing -- is acknowledged that this is going to be changed possibly within 10 years. They are recognizing it is a problem. The insurance needs to cover this. Thank you. *[Exhibit 4]*

CHAIR VIGIL: Thank you. Did you have a question? Next, Mr. Bacon, please state your name for the record.

DAVID BACON: David Bacon. I really want to urge you to start looking at a citizens advisory board. I have heard so many things about the Buckman Direct Diversion -- at the water summit in Eldorado, as Elana Sue said at the Nuclear Facilities Defense Board they rejected LANL's language at that, at those hearings. They utterly rejected everything that LANL said. They said none of this makes sense in the real world.

What I heard just now about the 5-megawatt solar project needs a thorough review by people who know what they're doing about onsite electricity generation. It's shocking to hear complex situations like this coming up that need thorough analysis by people who have the time and expertise to look into them. I would urge at least three citizens more on the panel that have the time, the expertise, the ability to call expert witnesses and ask questions of them. There's so many questions out there. There are so many loose ends out there. This thing is unraveling everywhere in the County right now and I think you really need someone who can start tying up loose ends. Just what Joni and Elana Sue said is off the charts. That is a polluted area, deeply polluted, and the Nuclear Facilities Safety Board those members are from deep within the nuclear industry and I hope you can read a transcript or see the video of those questions because LANL had no answers for them and they didn't even touch on the pollution at the plutonium park they just talked on the seismic issues that LANL couldn't answer. So there's huge questions and I really feel that if this thing is not going to get away on a bad way that we need to really sit down with people and begin to find out what's actually happening up river and at the site right now. Thank you.

CHAIR VIGIL: David, I have a question. I've heard this recommendation, it sounds really good and creates some level of citizens' input that we currently don't have but my concern and I guess my question to you is why wouldn't the citizens themselves form an advisory board? Why are you coming to us for it? Because the problem that I would see is that it would create first of with the anti-donation, I don't know. Would a citizens advisory board really create the objectivity if it's created by this board? And if it is what are the consequences of that? I guess because we have such really concerned citizens with regard to this why hasn't there been sort of a think tank put together to do this on their own.

MR. BACON: That's a good suggestion but we need some ability to call witnesses and ask questions. I don't know how we would get that ability as a citizen

forum. I certainly would be willing to talk it over with you but I think something like that needs to be formed where we can begin to ask questions.

CHAIR VIGIL: There's a lot of models out there. I'm thinking of New Mexico First – there's some organizations out there that are totally different and dealing with issues very similar to the concerns that you have that really do have the ability to interview and speak to whoever it is they would like to regarding the expertise and questions that they want answered and they established themselves in terms of having a really good reputation to gain that. They provide the opportunity for public forums, input, bring in panel discussions those kinds of things. It's been such a recommendation here and I don't know that we can move forward with it. My question would be does it violate the anti-donation and maybe it doesn't, I don't know. Because it's been recommended so much there's energy I was thinking should be going towards moving on something and I think we would benefit from it especially if weren't a part of it, because the question that always comes up is is this truly an objective citizens' advisory board if it is created within the organization. Same issue we have when we RFP for other things.

It is worthy of discussion and I'm happy to visit with you on this some more. I know you have enough energy to move towards that.

MR. BACON: Well if you want, we'll create a white paper or something and you guys can look at it and we can take it from there if you'd like to do that.

CHAIR VIGIL: Actually, my recommendation was really zeroing in on just creating a board and I don't think a white paper would address that in particular because I think we have had enough testimony in terms of the issues that you're concerned about. But if you want us a citizens board and you want objectivity those kinds of things that's what sort of recommendation I would make.

MR. BACON: Good, thank you.

CHAIR VIGIL: Thank you. Anyone else want to speak?

ANNA HANSEN: Anna Hansen, Santa Fe, New Mexico. I attended the National Nuclear Safety Defense hearing. I didn't see a lot of elected officials but maybe were there earlier. But I really highly recommend that all of you listen to it, get a transcript of it. It was the most impressive meeting that I've been to in a long time of somebody actually calling DoE on the table. And telling them you're not doing your job. This is not acceptable, 25 grams, you're allowing people to be exposed to that and you think that's okay. These people were professionals. They were tough. They report directly to the President of the United States and they were here in our community talking about a really serious issue that we have and it was the first time I've ever actually seen high level DoE officials at LANL come to a meeting because mostly what gets sent to the legislature or gets sent here are the underlings who don't have any answers and even the top officials didn't have the answers that this board was asking for.

So it really behooves you to take some time to listen to this because they were extremely concerned about what was going on.

CHAIR VIGIL: Anna, maybe you could give the website or the way to get whatever transcript is available to Bob and Bob can zero in on getting that information to all of us to review it. Is it available on CD is it a transcript?

UNIDENTIFIED SPEAKER: Yes, it is available through Andy Tibble and he will make copies and send them to you free of charge.

CHAIR VIGIL: If you could facilitate that –

MS. HANSEN: We will work on getting you that information because I think it is really important for you to be educated.

CHAIR VIGIL: Anna, you're in charge of that. I have a question for you. Councilor Wurzburger.

COUNCILOR WURZBURGER: That's what I was going to ask.

CHAIR VIGIL: Okay, thank you. Next.

MICHELLE DELON: My name is Michelle Delon. I live in Santa Fe. Just to reiterate what the last people presenting on, I was also at this Nuclear Safety Board meeting and it seems the more meetings, board meetings like this and other meetings here in Santa Fe the more alarmed I am of what we're dealing with from Los Alamos National Lab. I just have this sense that really the dangers that we face are not adequately addressed and I think part of it is because we're dealing with something that we don't see, we don't taste, we don't – we're not aware that it's there until the affects of it are known. I just ask that whatever can be done in terms of viewing this material be done by all the Board members because this is really crucial. And it seems that the plans that LANL have really are not adequate in terms of insuring that the community is safe and we're seeing from Fukushima just how devastating an accident can be and it just feels like we're in a situation just kind of waiting for something to happen and it seems that there's things that can be done.

I know that I have a lot of questions regarding the water and other issues and I'm wondering what kind of forum can be created where the public can come and ask these questions whether it's a town hall meeting or some other forum where people can really come and there is a question and answer period so that more of us know what the board is doing, what situation that we're really in as far as our water and other planning projects that are being made. Because it's wonderful that we can come here and we have a moment to address the Board and I really appreciate that, however, we're just here showing up saying what we think and it seems that a dialogue would be really, really helpful to the community especially when we're talking about something as critical as our water supply. So I don't know how that needs to get addressed but if there could be some kind of meeting where the community can come and ask questions I think that would be really, really helpful. You know, one of the issues that I keep thinking of since I became a little bit more active in this since the Las Conchas fire is how is it that our water is tested and we don't have results for 30 to 60 days. To me that's just unbelievable especially when we have a nuclear facility up mountain from our water supply. And I think we need to know these answers faster than this sort of period.

Another issue that I heard recently and I don't know if it came up at the Nuclear Safety Board or not, was that there's this potential for nanoparticles to get into the water supply. And from what I understand the protected membranes of the diversion aren't able to filter these nanoparticles out and I think that's something that we really need to look at is all the new technology. It sounds like science fiction but unfortunately it's true and if those particles are radioactive or have other dangerous properties we're ingesting them so I think that needs to be addressed.

I'm also really concerned about this idea of this park that is being built and it seems that we have an opportunity to clean up an area and it was mentioned that we could have assistance from other governmental organizations. What I'm wondering is, I keep hearing that the Lab does not really know where all of these legacy wastes are.

They seem to be all around the area and if we're planning to create a park where obviously children will be playing, I think every measure and even extraordinary measures need to be taken that that land is safe before any kind of park is even imagined that anyone is going to go in there and I think that if there isn't absolutely 100 percent sure cleanup of the area, I think that signs need to be posted that there could be potentially very, very hazardous materials and not just this could be a threat but something really specifying that we're talking about radioactive materials.

And, I just need to close, because I've lived here for a couple of years now and it just seems to me that there's a sense of safety that maybe doesn't really exist and I know that Los Alamos is a big part of the history of this area and I don't think we should be sacrificing our lives and children's lives and our community so that LANL can go on doing whatever they're doing and I think some really serious, very strong questions need to be asked like we heard at this Nuclear Safety Board so I would really like that the Board and whether there's citizens more involved are not but some of these really crucial questions get some real solid answers and not the kind of answers that were mentioned at the Safety Board meeting because the panel was really alarmed and I think most of us who were sitting there also were.

Thank you very much.

CHAIR VIGIL: Thank you, Michelle. Let me give you a little bit of a response because you are new face in this process I'm going to direct you to Bob. We do have an excellent – Erika Schwender, is someone I would like you to meet and talk to to get some of the questions that you want answered. The other thing that I need to tell you too is that you're also dealing with a political body that is comprised of two local government entities. In January the faces you see up here may not be the same ones. We're all going through our own processes of appointing each one of the elected representatives to new committees, new entities, so the dynamics of how these projects get moving always get affected by new appointees who may have a different learning curve than some of us do. Most of us who are here are very interested and have been very dedicated to what's happening with the Buckman Direct Diversion. I would imagine if I got asked to reserve on this I certainly would want to but it also has to be negotiated with four other of my colleagues who I serve on the County Commission with. And that's the same with the City Council, they will be making appointments in March. Yes, ours are in January and theirs are in March. So some of the dynamics that are dealt with here have a lot to do with the changes that occur politically. But I think that we have been very consistent in our concern for what's going on with that. You know, and I hope we continue to be able to do that. I don't know who will be here replacing those of us who won't be but all of these questions may need to be revisited.

MS. DELON: I just think that this is such a huge issue that when politics begin to drive our safety we're all in trouble. And if you have any suggestions on how we can create a truly empowered citizen board that would be great to hear. I know that Joni has worked tirelessly and other people in the community. And it's wonderful that there are those of us who are willing to do work but we need to move from concern to action. And this Erika Schwender is she –

CHAIR VIGIL: You can speak with Mr. Mulvey after the meeting and he'll be able to give you contact information and her background and everything.

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BUCMAN DIRECT DIVERSION BOARD
RECORDED
OFFICE OF THE CLERK

I know you need to leave, Conci, thank you very much. I don't think there's going to be anyone else addressing the Board.

MATTERS FROM THE BOARD

CHAIR VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: Madam Chair, I think I'd like a few minutes with our CPA firm and maybe I can get some questions clarified and it can be individually thank you.

NEXT MEETING: January 5, 2012 @4:00 P.M.

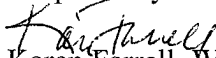
ADJOURN

Having completed the agenda, and upon successful motion by Councilor Wurzbarger and second by Commissioner Stefanics, this meeting was declared adjourned at approximately 5:35 p.m.


Approved by:


Virginia Vigil, Chair

Respectfully submitted:

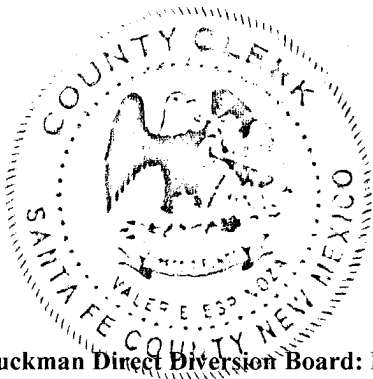

Karen Farrell, Wordswork

ATTEST TO:


VALERIE ESPINOZA
SANTA FE COUNTY CLERK

ATTEST TO:

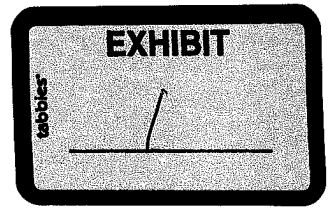
YOLANDA VIGIL
SANTA FE CITY CLERK



BDD

12/1/11

Attendees



Joni Arends

CCNS

jarends@nuclearactive.org

Basia Miller

CCNS

bmiller@sjcsf.edu

Alan Hamilton

NMWF

alan@nmaildlife.org

Annatt Hansen

dakenidesign@newmexico.com

Mise Sanderson

Las Campanas

msanderson@lascampanas.com

Elsodie St-Pierre

Healthy Water
Now ASAP

Healthy water Now ASAP@aol.com

Joey Peters

SF Reporter

joey@sfreporter.com

Michelle Delon

Smart Lifeway

michelle@smartlifeway.com

Judith Lawson

The NM Broadside

jwzcls@gmail.com

~~Kevin Lynn~~

Kevin Lynn

kevinlynn2@gmail.com

Dale Lyons

Steve Ross

Santa Fe County

dalyons@santafenm.gov

Nancy Seewald

CCNS

sross@santafecounty.org

David Bacon

CCNS

rlouise78@gmail.com

Michael Meade

Living Water

locino@cnsp.com

Travis S.

mmeade@conncoll.edu

~~Tyler~~

Daniel

tsimisi@unm.edu

gsquard@unm.edu

9. Consideration of and Possible Action on Appointment of Citizen Member to the Buckman Direct Diversion Board. (Nancy Long)

THE UNIVERSITY OF CHICAGO

10. Update, Discussion and Possible Action on the Buckman Restoration and Recreation Plan and Proposed Strategy for the Construction and Maintenance of a Vault Toilet. (Rick Carpenter and Allan Hamilton, New Mexico Wildlife Federation)
11. Discussion and Possible Action on Close-Out of BDD Capital Budget. (Shawn Stack)

INFORMATIONAL ITEMS

12. Update on Status of Second BDD 1mW Solar PV System. (Dale Lyons)
13. Update on BDD Board Insurance Broker Procurement and Services. (Bob Mulvey)

EXECUTIVE SESSION

Review and Consideration of Issues Relating to the Acquisition of Real Property Pursuant to NMSA 1978, Section 10-15-1-H(8). (Nancy Long)

END OF EXECUTIVE SESSION

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT MEETING: THURSDAY, JANUARY 5, 2012 @ 4:00 P.M.

ADJOURN

PERSONS WITH DISABILITIES IN NEED OF ACCOMODATIONS, CONTACT THE CITY CLERK'S OFFICE AT 505-955-6520, FIVE (5) WORKING DAYS PRIOR TO THE MEETING DATE.

2012/01/03 09:51:53 AM RECEIVED

City of Santa Fe



New Mexico



EXHIBIT

3

DATE: September 29, 2011

TO: BDDDB and City and County Staff

VIA: Brian Snyder, PUD and Water Division Director

FROM: Stephanie Lopez, Office Manager
City of Santa Fe
Public Utilities Department

ITEM AND ISSUE:

2012 Buckman Direct Diversion Board Meetings Calendar

BACKGROUND AND SUMMARY:

Currently, the Buckman Direct Diversion Board meetings are being conducted on the 1st Thursday of each month. The meetings are held in the City Council Chambers. The following is the proposed 2012 meeting calendar:

DATE OF MEETING

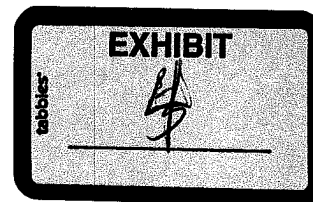
Thursday, January 5, 2012 @ 4:00
Thursday, February 2, 2012 @ 4:00
Thursday, March 1, 2012 @ 4:00
Thursday, April 5, 2012 @ 4:00
Thursday, May 3, 2012 @ 4:00
Thursday, June 7, 2012 @ 4:00
Thursday, July 5, 2012 @ 4:00
Thursday, August 2, 2012 @ 4:00
Thursday, September 13, 2012 @ 4:00
Thursday, October 4, 2012 @ 4:00
Thursday, November 1, 2012 @ 4:00
Thursday, December 6, 2012 @ 4:00

RECOMMENDED ACTION:

For BDDDB approval.

Sanford Hurlocker, District Ranger
Espanola Ranger District
PO 3307, Fairview Station
Espanola, NM 8753

fax- 505-753-9411 email comments-southwestern-santafe-espanola@fs.fed.us (.doc,.rtf,.txt and html; formats onlt)



I am writing to express our concern about health and safety issues for the PROPOSED ACTION PLANS FOR THE RIO GRANDE CORRIDOR AT BUCKMAN RESTORATION AND RECREATION ENHANCEMENT PROJECT.

As reported August 2008, in the Los Alamos National Laboratory Legacy Contaminant Study at the Buckman Direct Diversion ,nuclear bomb waste is buried 3-6 foot deep within the 8 acres up river from the Buckman Direct Diversion (BDD) with in the recreation project area. Testing in this report shows that Plutonium238 is found to be three times greater that background data set, Plutonium 239/240 eight times greater that BGUL and 30-50 times greater that LANL background data set,Cesium 137 is up to 3 times greater than BGUL references and 11-14 times greater that the LANL background set, Uranium 234/235/238 is 2-3 times above background levels, Strontium 90 is 5 times the mean of LANL data set, Aluminum and Arsenic exceed residential SSL ;Manganese exceeds the construction worker pathways limits. How will these facts be incorporated into public information signs and safety for construction workers, park staff and pregnant women and babies?

We recommend that:

-areas where nuclear contamination has been found be clearly marked with signs for the public to read

-that all trail head signs include information about LANL nuclear waste being found, how it got there, why it is currently not being cleaned up, how it will continue to be monitored and how digging in the sand and illegal off road all terrain vehicle could disrupt t buried nuclear waste.

-soil testing be on going for unexpected radionuclide where ever construction or restoration disrupts soil more than 2 foot deep and that construction worker are notified of all test results

-soil testing be done at all burrowing animal sites and if toxins are found that the animals be tested for nuclear related genetic and fertility health risks.

-herbicides being used are tested for public drinking water safety for pregnant women and babies

-clear signs are posted in areas that are being sprayed with herbicides

-coordination with BDD staff occurs to assure the public is informed of water qualitative testing for the herbicides used and that test results are reported in real time with public posting. Currently there is a 30-60 day delay between testing sample for radionuclide and test results being return...in the mean time contaminated could be water could drunk with out the public being notified until after test return.

-immediate placement of portable toilets and garbage cans at BDD access points to stop human bio waste and garage from being sucked into our public water source

-state of the art bio remediation and clean up of all nuclear bomb waste be included in PROPOSED ACTION PLANS FOR THE RIO GRANDE CORRIDOR AT BUCKMAN RESTORATION AND RECREATION ENHANCEMENT PROJECT with full cost being coeverd byLANL.

Signed:(name, address, date)

Healthy Water Now ASAP
Elan Sue Spivey Spikes women
Santa Fe NM 87505

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