Buckman Direct Diversion

AGENDA

The City of Santa Fe
And
Santa Fe County
Buckman Direct Diversion Board Meeting
THURSDAY, FEBRUARY 7, 2019
4:00 PM
CITY HALL
CITY COUNCIL CHAMBERS
200 LINCOLN

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF CONSENT AGENDA

5. APPROVAL OF MINUTES FROM THE DECEMBER 6, 2018 BUCKMAN DIRECT DIVERSION BOARD MEETING AND THE NOVEMBER 29, 2018 BUCKMAN DIRECT DIVERSION BOARD SPECIAL STUDY SESSION

6. REPORT ON FEBRUARY 5, 2019 FISCAL SERVICES AUDIT COMMITTEE (FSAC)

INFORMATIONAL ITEMS

7. Monthly Update on BDD operations. (Randy Sugrue, Interim BDD Operations Manager, rcsugrue@santafenm.gov, 955-4501)

8. Presentation on Los Alamos National Laboratory Clean Up Efforts. (Doug Hintze, Manager of the Environment Management Los Alamos Field Office (EM-LA) and Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206, Kyle Harwood, Legal Counsel, kyle@egolflaw.com, 986-9641 and LANL NNSA Staff) **VERBAL**

RECEIVED AT THE CITY CLERK'S OFFICE
DATE: January 30, 2019
TIME: 2:49 PM

9. Report on 2nd Quarter Financial position for Fiscal Year 2018/2019. (Mackie Romero, BDD Financial Manager, mmromero1@santafenm.gov, 955-4506)

10. Presentation of the Buckman Direct Diversion Project Annual Financial Report for fiscal year ended June 30, 2018. (Mackie Romero, BDD Financial Manager, mmromero1@santafenm.gov, 955-4506 and CliftonLarsenAllen, LLP)

11. Report from the BDD Facilities Manager. (Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206) **VERBAL**

CONSENT AGENDA

12. Update on 2019 Annual Operating Plan. (Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206)

13. 2019 Buckman Direct Diversion Annual Operating Plan for the United States Forest Service. (Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206)

DISCUSSION AND ACTION

14. Consideration and possible action on Resolution 2019-1, Determining Reasonable Notice for Public Meetings of the Buckman Direct Diversion Board. (Nancy Long, BDD Legal Counsel, nancy@longkomer.com, 982-8405)

15. Request for approval and for BDDB recommendation to Santa Fe County Board of County Commissioners and City of Santa Fe's City Council to approve the Fiscal Year 2020 Buckman Direct Diversion Operating Budget and Other Fund Contributions. (Mackie Romero, BDD Financial Manager, mmromero1@santafenm.gov, 955-4506)

- Presentation of the proposed Fiscal Year 2020 BDD Operating Budget.
- Presentation of the proposed Fiscal Year 2020 Fund Contributions.
- Public Comment
- Request for approval of the proposed Fiscal Year 2020 Operating Budget and Other Fund Contributions and recommendation to approve by the County Commission and City Council.

Buckman Direct Diversion

16. Consideration and possible action on BDD Board Rio Grande Water Quality Special Study Session (November 29, 2018) Memo. (Kyle Harwood, Legal Counsel, kyle@egoflaw.com, 986-9641)

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT REGULAR MEETING: Thursday, March 7, 2019 at 4:00pm

ADJOURN

EXECUTIVE SESSION

In accordance with the New Mexico Open Meetings Act NMSA 1978, §10-15-1(H)(7), discussion regarding pending litigation in which the BDDB is a participant, including, without limitation, *Buckman Direct Diversion Board v. CDM Smith, et al.*, First Judicial District Court Case No. D-101-CV-2018-01610. (Nancy Long, BDD Legal Counsel, nancy@longkomer.com, 982-8405)

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

February 7, 2019

1. & 2. This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting was called to order by Councilor Peter Ives, Chair, at approximately 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:
Councilor Peter Ives, Chair
Commissioner Anna Hamilton
Denise Fort, Citizen Member
Councilor JoAnne Vigil Coppler [City alternate]
Commissioner Anna Hansen

Member(s) Excused:
Councilor Michael Harris

Tom Egelhoff [non-voting]

BDD Board Alternate Members Present:
Ginny Selvin [Las Campanas alternate]

Others Present:
Rick Carpenter, Interim BDD Facilities Manager
Nancy Long, BDD Board Consulting Attorney
Mackie Romero, BDD Finance Manager
Stephanie Lopez, City Utilities Department
Bernardine Padilla, BDD Public Relations Coordinator
Randy Sugrue, Interim BDD Operations Supervisor
Bruce Frederick, County Attorney
Michael Kelley, County Public Works
Kyle Harwood, BDD Counsel
Doug Hintze, EM LA
Jay Lazarus, Glorieta Geoscience
Alex Puglisi, City Utilities, Environmental Compliance Specialist
Daniele Bowman, BDD
Michael Kelley, County Public Works
Sara Smith, County Constituent Liaison

SFC CLERK RECORDED 04/01/2019

Joni Arends, CCNS
Marcos Martinez, Assistant City Attorney
Ben Underwood, DOE
Dan Frost, S & W
Steven Horan EM-LA

3. APPROVAL OF AGENDA

[*Exhibit 1: Agenda*]

Staff requested that Information Item #10, "Presentation of the BDD Project Annual Financial Report for fiscal year ended June 30, 2018" be heard before item #7. Also, Discussion and Action item #15, "Request for approval and for BDDB recommendation to the Santa Fe County Board of County Commissioners and City of Santa Fe City Council to approve the Fiscal Year 2020 BDD Operating Budget and other fund contributions" to be heard as an informational item to follow Item #11. Staff will bring the item back in March for action.

Commissioner Hamilton moved to approve the agenda as modified by staff. Commissioner Hansen seconded and the motion passed without opposition. [Ms. Fort arrives directly after this vote.]

4. APPROVAL OF CONSENT AGENDA

CHAIR IVES: And we only have two items on the consent agenda and I do understand that those are documents which we do every year that don't have many changes quite frankly. So any changes from staff?

RICK CARPENTER (Acting Interim Facilities Manager): No, Mr. Chair.

CHAIR IVES: What is the pleasure of the Board in this regard?

Commissioner Hansen moved to approve the consent agenda and Councilor Vigil Coppler seconded. The motion passed by unanimous [5-0] voice vote.

Consent Agenda

12. Update on 2019 Annual Operating Plan

13. 2019 Buckman Direct Diversion Annual Operating Plan for the US Forest Service

5. APPROVAL OF MINUTES

December 6, 2018

The following corrections were noted:

Page 11, top of the page: Should read Commissioner Hamilton rather than Hansen

November 29, 2018: Study Session

Page 3, middle of the page "...we were in a room that had..."

Page 8, "...that an emergency request because by January ..."

SFC CLERK RECORDED 04/01/2019

Commissioner Hamilton moved to approve the two sets of minutes as corrected. Councilor Vigil Coppler seconded and the motion passed by unanimous voice vote.

5. REPORT ON February 5, 2019 FISCAL SERVICES AND AUDIT COMMITTEE (FASC)

CHAIR IVES: Mackie.

MACKIE ROMERO (BDD Financial Manager): Mr. Chair, members of the Board, a Fiscal Services and Audit Committee meeting was held on Tuesday, February 5th. In attendance was myself, BDD Financial Manager, from the City, Rick Carpenter, Interim Water Division Director, from the County we had Commissioner Hamilton, Joe Gonzales, Utilities Administrative Manager. From Las Campanas, Tom Egelhoff, Ginny Selvin, Kim Visser and Linda Spingler. We discussed the financial statements and the audit finding which will also be presented later on in this agenda. We discussed the second quarter financial report and we discussed the budget in detail. If there's any questions from the Board.

CHAIR IVES: Any questions from the Board on the report?

COMMISSIONER HAMILTON: Mr. Chair, I just wanted to say that it was actually a very informative meeting and I really appreciate all the information that Mackie brought. Not that anybody is surprised about that, that's pretty consistent but it really was very helpful.

CHAIR IVES: Excellent.

MS. ROMERO: Thank you.

CHAIR IVES: Thank you very much, Mackie.

INFORMATIONAL ITEMS

10. Presentation of the BDD Project Annual Financial Report for fiscal year ended June 30, 2018

MS. ROMERO: Mr. Chair, members of the Board, I have Georgie Ortiz from CLA. She's our auditor and she's going to give us a quick presentation of the financial statements.

GEORGIE ORTIZ: Mr. Chair, members of the Board, as Mackie said, my name is Georgie Ortiz, I was the engagement partner for Buckman Diversion. I'm going to first over some required communication for governance and then I'm going to give an update on the audit.

The auditor's responsibility under generally accepted auditing standards is that we give an opinion on the audit over the financial statements. But the financial statements' responsibilities remain with management. During the course of this audit there were no new significant accounting policies from the prior year, no new financial disclosures that affected BDD. There was one new GASB that came out related to recording the retiree health care just like the PERA for the pensions but since BDD does not record PERA or RHCA they were not on their books. It was a new announcement that I wanted to make sure you understood that came out but in this case would not affect BDD.

There were no audit adjustments or no past audit adjustments, meaning that we

SFC CLERK RECORDED 04/15/2019

didn't come in there and find something that was below materiality and say, We're going to go ahead and pass on that. We did not find any of that. There were no management judgments and accounting policies that we found unacceptable. So you always have estimates during the course of an audit. You have estimates related to your capital outlay, the number of years or days that they have life available we found that in good order and compensated absences too can be an estimate which we found, was fine. There were no difficulties encountered during the course of the audit. Mackie has always been very professional and had everything ready for us and we really appreciate that.

There were no disagreements with management. We didn't – as we know there was no consultations with other CPAs prior to our retention and not that there is anything wrong with that we jus would want to make sure that everybody was on the same page and everybody had the same information so the outcome and hopefully the judgment would be the same.

There were management representations made to us as in the course of any audit that management gave to us all the information that we needed and any information that we asked and they were truthful. And that is a representation that we get in writing from management at the end of the audit.

For the 2018 audit results, it was a clean opinion and that's the best opinion that we can give. It was a very easy audit. Again, Mackie, had everything ready for us so we really appreciate it. And as you know, last year there was one material weakness and one significant deficiency related to a late audit report: both of those were cleared. So this year there was only one item as a significant deficiency and it related to accounts receivable not being done timely. But the other two findings from the prior year were resolved.

The audit was timely with the OSA and it has been released already from the State Auditor's Office.

CHAIR IVES: Questions from the Board? Glowing comments from the Board.

COMMISSIONER HANSEN: Great, thank you. Thank you, Mackie.

CHAIR IVES: Indeed, it is both in my mind wonderful to see with regards to the status of prior year findings of the two items identified that both are indicated as resolved, which is wonderful. And the only issue raised was the timeliness of billing and we certainly know that there are challenges as we redo all of our software systems, etc., etc., within the City. But I presume that it would anticipated that on a going forward basis, that one too will be resolved next year. Would that be a reasonable assessment, Mackie?

MS. ROMERO: Mr. Chair, you are correct. We have already done our first quarter billing. We've implemented a 90-day cash reserve to help with cash balances and we are also – the second quarter billings have also gone out this week. So, hopefully that finding will go away next year.

CHAIR IVES: Excellent. Congratulations to you on a very good and smooth audit process and I know it is really appreciated by the Board and by everybody involved in BDD. Thanks to you and the team.

MS. ROMERO: Thank you. I also have bound copies if anyone is interested but they have also been provided to the City and County and Las Campanas financial centers.

SFC CLERK RECORDED 04/01/2019

COMMISSIONER HAMILTON: In the glowing comments category, I wanted to remind everybody that this was achieved at an understaffed level so we should really be appreciative and I know there are priorities on filling all of these positions and they're not the only ones who I know that everybody is working under a little bit of stress. But I think that deserves some extra note and kudos.

MS. ROMERO: Thank you.

CHAIR IVES: Excellent.

7. Monthly Update on BDD Operations

RANDY SUGRUE (Interim BDD Operations Manager): Mr. Chair, members of the Board, good afternoon. For the month of January 2019, our raw water diversions averaged 3.76 MGD, our drinking water deliveries about 3.32 MGD. Raw water delivery to Las Campanas is beginning at .047 million gallons and they'll be diverting again this month and into the springtime. Our onsite treated and non-treated storage was a little less than half-a-million gallons. So for the month of January, on average, we are providing about 54 percent to the City County water supply.

I do want to mention that the BDD achieved in 2018 a milestone that we had not achieved in the past. For the first time we requested over 5,000 acre-feet of San Juan Chama waters which essentially represents an even higher San Juan Chama allotment for the City of Santa Fe and with the County's native waters we diverted over, requested, and utilized over 7,000 acre-feet from the river for the first time. It's really a tremendous achievement considering the drought conditions in the river, the low-flows, the varying water quality in the river during storm events, the maintenance and challenges involved are not easy to overcome. So I am really proud of this. It represents a delivery of over 2.3 billion gallons of water for the year 2018. I'm really proud of it. We've got a great crew.

The chart at the bottom, I included the entire year of 2018 and then January, next month, we'll update that to just include 2019 deliveries. So I stand for any questions.

CHAIR IVES: Questions from the Board. Commissioner.

COMMISSIONER HANSEN: So – is that with the delivery of the maximum amount of water that we have from San Juan Chama?

MR. SUGRUE: Essentially so. I mean, Las Campanas does have some San Juan Chama rights but it is the first time we've requested from the Bureau of Reclamation the entire over 5,000 or close to 5,230, I think is what it comes down to. It is listed more precisely in the tables.

COMMISSIONER HANSEN: And then did we store any of that I the tank or –

MR. SUGRUE: Well, we maintain a certain storage throughout the City year round. But that's a good question. Water conservation is certainly a critical issue I Santa Fe and the community has always, since I was in water conservation 10 years ago, stepped up and done a great job. So this represents making up waters when the Canyon Road Treatment Plant was offline with some treatment issues and algae and the reservoirs, we kept the wells off and utilized more BDD waters because it was available and we had the pumps available to pump that water so that's good for the aquifer and the recovery of the wellfields.

SFC CLERK RECORDED 04/01/2019

COMMISSIONER HANSEN: Thank you, Randy.

MR. SUGRUE: You're very welcome.

BOARD MEMBER FORT: Mr. Chairman, I have a question that I think might belong here or it might belong later in Mr. Carpenter's presentation on the next year operating plan but I'll ask it now. I heard a presentation recently in which it was alleged that the City looks at potential groundwater contamination near its wells, and this was in conjunction with the pipeline proposal, and of course if that were to be the case and we turned off those wells we would be in trouble in terms of using the maximum amount available from the river. Would you be – would this be an appropriate time, Mr. Carpenter, to comment on that? This was Mr. Schneider's presentation.

MR. CARPENTER: Yes, Mr. Chair and Board Member Fort, we are currently looking at and working with NMED at the potential for some relatively significant areas of groundwater contamination within and around the City wellfield. It's significant for a couple of different reasons. If we wanted to pump that wellfield as hard as we could, we're not sure at this point if we would be pushing or pulling those plumes around within the aquifer. Also, has part of the City's long-range water supply plan, actually it has moved up from the City's long-range water supply plan and is now in our CIP for the coming couple of years, we would like to drill a couple of new large production wells and for the last year Bill Schneider and myself and John Shomaker and Associates have been doing some research of where those wells should be and there are a great many factors that determine where they should be approximated to existing tanks or lines and pressure zones and things like that, but also, we're not sure at this point if we wanted to sink $2,200,000 or so into a new well. Where would we put that well where it would be safe from existing or potential new contaminations and so we're working through that and I think maybe one of the points that Bill Schneider was trying to make in the meeting the other day was since the City wellfield is now in question as to fully developing its potential, other sources of supply become that much more important.

BOARD MEMBER FORT: Thank you, Mr. Chairman. And as everyone knows I have many opinions on that which I won't go into but is the understanding of the potential contamination around the wellfield already been a matter explored by the City, Mr. Chair?

CHAIR IVES: I know the City has awareness of certain areas where there has been contamination. Perhaps the best known is the Baca Street area where the old PNM facility there which is in the active process of being monitored and with some remediation with the hope of additional remediation dollars coming in to be able to address that. But there are other areas that have evidence of some contaminants where again, I know it is under active study as Mr. Carpenter has described. Yes, would be the short answer.

COMMISSIONER HANSEN: What are the contaminants in the wells? Or is that too extensive of a question?

CHAIR IVES: Well, Baca Street it's mostly diesel and gasoline I believe. Some 85, 90,000 gallons was roughly the amount that I had heard. Others involve TCE from potentially dry cleaning facilities. There may be a few other gasoline circumstances but mostly the TCE and gasoline and diesel and Baca Street.

COMMISSIONER HANSEN: What was reported in the paper, I just wondered if there were any other contaminants?

SFC CLERK RECORDED 04/01/2019

MR. CARPENTER: I'm sorry, I couldn't hear the question.

COMMISSIONER HANSEN: I just wondered if there were any other contaminants besides the diesel, gasoline and the TCE.

MR. CARPENTER: Board member Hansen, those are the main ones. There probably are some others but those are the ones that we are primarily concerned about that we've been able to identify so far.

COMMISSIONER HANSEN: Thank you.

CHAIR IVES: And of course we know from the papers earlier this week additional work on the Court House, at least there are reports in the paper that there is additional concern about needing to control vapor from the I believe that was all gasoline at that site. So I'm not sure what the implications are there but that too was reported just recently.

Other questions? Thank you.

MR. SUGRUE: Thank you very much.

8. Presentation on Los Alamos National Laboratory Cleanup Efforts
[*Exhibit 2: LANL DOE cleanup information*]

CHAIR IVES: I had asked Doug if he could come because he had presented at the Regional Coalition of LANL Communities and folks had expressed to hear here what we heard there. So this was an effort to try and make sure that we were ensuring that that happened. Kyle.

KYLE HARWOOD (BDD Counsel): Good afternoon. This is our latest in the recurring presentations by Mr. Hintze who will be speaking in a moment. Just to mention, the Board did ask back at the November meeting, I believe, for an update on the RDX presentation that was made to Los Alamos City Council. And early this week we decided, given the nature of the agenda, to go ahead and move that technical presentation to March so it is not happening today. I'm mindful, I don't know if you want to say anything about mindful of the whole calendar and how much time we want to spend on this topic today. Obviously, Doug has been generous with his time in the past and has renewed his abiding commitment to come to future meetings as requested.

CHAIR IVES: We certainly are aware we had a full agenda and so we are hoping maybe up to 15 minutes. I am sure there will be some questions as well but enough to allow us to move along and complete the agenda by 6 o'clock when we have to be out of here. Doug, please.

DOUG HINTZE (EM LA): Mr. Chair, members of the Board, it's hard for me to do anything in less than 15 minutes. But I will do my best.

So the first thing is, you have packages that we gave you because we didn't want to leave you just high and dry. The technical presentation from the RDX is a little bit longer so we'll come back in March and give you that presentation. What you have in your packages are a couple of fact sheets. One on the RDX so that you can get some information there and also on the chromium. We've been here several times in the past for the chromium. You have a fact sheet and you also have a question and answer sheet on that. And then we just gave you by the numbers just a little overview of what we have for the cleanup so far. And then I threw just in there on the top, it's kind of the org structure at the – up there at Los Alamos because some folks may not understand that our

SFC CLERK RECORDED 04/01/2019

organization has split off from the lab and there are two federal agencies up there or two federal organization. One that's the landlord for the site, takes care of most of the programs and they have over 90 percent of the budget. We, on the other hand, are responsible for cleanup on the legacy and waste disposition of the legacy. So that's my office from the federal side. And then we have a separate contractor that took over in April of last year. So that little sheet shows you the division of the responsibilities in regard to the lab.

So I'm just going to give you a big picture overview of where we stand on all of our programs including RDX and we'll talk about the chromium as well because those two of the projects there that we're doing that are always of interest.

So I always have to start out with safety because safety should be inherent in everything that we do. There was an event several years ago at WIPP that was a result of some of the actions up there and this should be just like when you go to Disney World, you should never have to worry about coming out safe from Disney World. You talk about us in our activities, you should be concerned about first off I have a great job in that folks are actually interested in what we do. Normally the concern is how quickly can you get it cleaned up and how clean is clean. So the actual nature of the work is very good so you should have no concerns on how safe we are. So we keep, of course, just tons of statistics on safety and so far in this fiscal year starting October 1st we have had not reportable incidents from a safety perspective and that's what you should expect as well.

Let's go and talk budget just for a minute or so. Our budget this year is $220,000,000, same as it was for last fiscal year. Our fiscal years go from October 1st to September 30th. The budget rollout for the president's budget request for fiscal year 20 was supposed to have been this past Tuesday, it's suppose to be the first Tuesday of February, did not happen. It is planned on being released on March 11th so I'm not quite sure what the Board meeting is. It might be right before the budget release but we'll definitely come back and let you know what the budget request is for 2020 which will start in October 1st.

Consent Order, just a little bit about the Consent Order. Last year for the fiscal year we completed all of the milestones from the Consent Order. The Consent Order is based on the budget that we receive and then we in conjunction with New Mexico Environment Department come up with 10 to 20 enforceful milestones that are, of course, tracked during the course of the year. But the important thing is that those are just pretty much either the final end state or those are progress along an entire project like the RDX or the chromium project. So one of the things in the Consent Order that we also are going to be making a bigger push on is the need to understand the entire baseline for what the projects are to make sure you understand those milestones aren't just the end-all be-all, they in a lot of cases are just steps to make sure we're reaching that final end state. That's one of the things that we're going to be pushing here.

As we go forward we recognize the need for an enhanced public outreach program because in a lot of cases in the past you have more of a pool-type of communications. You put it out on the website and just folks go out. In a lot of cases it is hard to do that. So we're going to enhance our program so that it is more of push so we can make sure that we're sending the information out to the interested stakeholders so that you can get the information and understand exactly what are the challenges that we

SFC CLERK RECORDED 06/01/2019

have and then as we go forward make sure that everyone understands what is that and how clean is clean as we go forward. So that's one of the things and that will take time because the first step of that is much more education for what we have in place up there. So more to come on that. We're just developing that right now in-house and what we actually did was look back at lessons learned from Rocky Flats up in Colorado as far as the things that were done in order to make sure that the public was involved in the process.

More on the Consent Order for this year here, we have 19 milestones for the Consent Order and several of those – and I'm not going to go through all 19 of those but we certainly could – several of those involve the chromium project and I'm going to talk a little bit about that, and the RDX project as well as some of the other cleanup in the aggregate areas and so forth. So I kind of want to touch on all of these projects. They are parts of the 19 enforceable milestones for the Consent Order.

So let me go into the chromium project. We came here several times before and talked about how we have chromium plume that is in the regional aquifer and it's migrating to the south, southeast. And we talk about interim measure that we were putting in place, pump and treat system, to pull up the contamination, ion exchange and then pump the water back into their regional aquifer that is cleaner than actually what background is. So we started that interim measure several years ago and this past year we started one phase of it, the southern boundary because the southern boundary is closest the migration off site which is to the Pueblo of San Ildefonso. And I'm very happy to report today that after the six or eight months of the pumping we are seeing the positive indications of the reduction in the chromium in the area along that. The pump and treat is to establish a hydraulic barrier so that that migration doesn't continue, and, again, it is an interim measure so we can go back and come up with a final remedy once we have that plume stabilized where it is. We'll hear more about that because we're doing some final testing as far as tracer testing to make sure that the sampling that we get – you don't want to just take one sample because the way the sample is you need to make sure that the trend is either, in this case, in the downward direction but it spikes up and down as it does – we need to make sure that we're not jumping to a conclusion before we do that.

Another thing, as part of last year's Consent Order, and we came and briefed you last time was that when we initially had the interim measures we were going to have six injection wells and four extraction wells and when we put in the sixth injection well we through the modeling/through the sampling came to the conclusion with New Mexico Environment Department that we actually needed to convert that to an extraction well. Because if we left it as an injection well that would actually push the plume closer toward the water supply well for Los Alamos. So this year, because there's a different infrastructure as far the piping between the different injection and extraction wells, that's one of the things that we know have in the milestone this year for the Consent Order is to go back there and convert the injection well to an extraction well. And as well as put in an additional monitoring well up in that area. So those are some of the things in the chromium that are going on this year.

RDX, last time we talked a little bit about RDX. RDX is further out in the middle of the site. It's approximately where the plume is, again, in the regional aquifer, it's approximately three miles away from the closest water supply well for Los Alamos

SFC CLERK RECORDED 04/01/2019

County. A couple of years ago we put in a monitoring well, R68, the result of that, as part of the Consent Order, we determined that we needed another monitoring well, R69. That was put in this past year and just this past week we got the first samples from that. So we need to continue to take sampling because what we have to do is characterize what the plume is about and then propose a final remedy to New Mexico Environment Department. And you'll hear much more on that. The present technical presentation will go into where is the plume, cause of the plume, how it moves through the groundwater down to the aquifer, what it looks like as far as concentrations and so forth and so on. So we plan to come back in March for that one.

Technical Area 21, that is the area if you go up to Los Alamos it's just as you're passing the airport you look to the left and that's the mesa top that is over there. That's where the second generation of the processing for the weapons program was. It shut down about, the last part of it, in early 2000s. That area has already been by public law is going to go to the Los Alamos County and so during the Recovery Act of 2009 to 2012 all of the facilities were taken down to slab except for one building. So right now we're going back in there doing the general cleanup of the area. We have a contract that will be let here in the next couple of months to tear down that last facility and then to go in there and pull up the processing lines, check to characterize to see if any of the lines leaked and we actually expect that there was leakage because things weren't so tight back then or double-walled and so forth. And then we'll go into pulling up the slabs. So that's the next phase and then we also have material disposal areas up there that we have to address as well.

So that project itself is a campaign within the Consent Order and we will probably take us close to 10 years to do all of the activities that are necessary up there.

Waste management activities, another good thing to announce is that for the first time in the history that our organization has been in existence we shipped transuranic waste down to the Carlsbad facility. We did a readiness in the fall of last year and on October 4th we shipped our first shipment and since we've shipped four more. That may not seem that big, but you know, after the WIPP event the scrutiny just for all of the sites to ship to the Carlsbad facility and the process you have to go through is very extensive. And so we're hoping to get into a routine process of one shipment a week is what we'd like to get from up here down to Carlsbad. But we're still working with Carlsbad because we go to get our waste certified and we have to make sure we have facilities here that we can do the loading and shipping. But everything so far is going pretty good. It's actually accelerated from what we expected originally for the shipments down to Carlsbad.

Waste Control Specialist, this is just a little bit on the side, but after event in February of 2014, we continued to ship waste and we ship waste down to Waste Control Specialist in Texas. In doing so, we shipped 113 of the same drums that caused the event down in the WIPP facility. So those drums have been in storage down there since that time and in a safe configuration buried below ground. We're now doing additional testing here to determine what we're going to do with that. I bring this up because we did a feasibility study and that came out last year, and there's basically three options that we're looking at. One option is to treat it at the facility down there which would be difficult because that's a commercial facility not under DOE regulations. It's under NRC and EPA. So we've estimated that that is a $2 or $3 million activity to put in the facility

SFC CLERK RECORDED 04/01/2019

and do that. It is probably about 15 years. The second option which is not a very good option if you live in New Mexico would be to bring it back here. And so believe me, we've had that discussion and it's very clear the desire is not to bring it back to New Mexico because we actually treated the 60 drums that we had left up here. And then the third option is there a possibility for it to actually be shipped straight to the WIPP facility in Carlsbad. Right now we're conducting what we call an H-study test and what it is looking at is that the drums had the kitty litter mixed in there. The kitty litter is a fuel and so the chemical reaction is continuing at a low order right now eating up that fuel. And think of it as a battery. If you go and just buy A or D batteries after five or 10 years those batteries are no longer good because the chemical reaction continues even if it is sitting on the shelf. So down in Texas that chemical reaction has been occurring for the four years and at some point we have all the PhDs who are looking at could say that there's no longer a concern with any sort of catastrophic event. That there is a tough one because you've got to make 100 percent certain that that would be the case. It's not a 90 percent. It's not a 95 percent. It's 100 percent. So we are working on that. So far that will continue to be stored in Texas until we come up with a solution on that.

And then just the last thing, there's been a lot of concern with DOE 140.1 which is our interaction with the Defense Nuclear Facilities Safety Board. The concern is that there will be information that won't go to the different site reps. We have two site reps up there. And I can assure you that it is not going to change from my perspective. We have requirements by law, by other DOE orders as well as this order and we have to make sure that we're doing things safe for the public, the environment and workers and that means using all sources available and the DNFSB reps and the way they do business is one of those sources. So if you're interested it's February 21st the hearing down in Albuquerque. I will be on that panel and so will the other three field office managers from the Department of Energy and the National Nuclear Security Administration who are here in New Mexico. The four of us will be down there on the panel for the first half of that hearing. And with that, that's all I have.

COMMISSIONER HANSEN: Who are the panel members on that board?

MR. HINTZE: So the four panel members are me here from the Environment Management of Los Alamos, Steve Goodrum who is the National Nuclear Security Administration manager here at Los Alamos, Jeff Harold who is the manager at the Sandia Laboratory, the Federal manager and then Todd Trader who is the field office manager at the WIPP facility in Carlsbad. Those are the four of us who will be on there. That's all I have and I am open for questions.

CHAIR IVES: Questions from the Board.

COMMISSIONER HANSEN: I have a few.

CHAIR IVES: Commissioner.

COMMISSIONER HANSEN: So what are you doing in Area G? Are you doing anything there?

MR. HINTZE: So Area G is where our waste management facility is and one of the things that we'll be pushing out and you might want me to come back is to actually see what our lifecycle baseline cost estimate looks like because as far as Area G itself when you're talking about any of the disposition or the material disposal area, that won't be started for probably 10 years now because what we have to do is get the waste out of Area G. So right now there is about 4,000 drums that are above grade that we need

SFC CLERK RECORDED 04/01/2019

to certify and ship down to WIPP and then we have to retrieve the waste, that transuranic waste, that has to go to Carlsbad. So what we are doing in Technical Area 54 where Area G is we're now putting in process lines so that we retrieve the waste we can treat the waste so it can be certified and go to WIPP. That will take us what I anticipate to be about 10 years before we get to the point where we've finished our waste management/waste disposition and we start addressing the Area G.

BOARD MEMBER FORT: Thank you, Mr. Chair. On the frequently asked questions handout you gave us, you said there's no practical way for the chromium contamination to reach the wellfield, our wellfield, the Buckman wellfield, and the possibility of it reaching the Rio Grande is extremely unlikely. Is there a technical report in support of that second assertion?

MR. HINTZE: Yes, and Mr. Chair and members of the Board, part of that discussion that we had in October whenever we had folks come and talk about the chromium, those were the technical guys, so we have the reports that can back up that statement. And we're happy to get it to you.

BOARD MEMBER FORT: Mr. Chairman, would it be just something – a link to the report could be made available.

MR. HINTZE: We can do that.

BOARD MEMBER FORT: I don't need to take it but it would be a nice thing to have in the Buckman records, thank you.

CHAIR IVES: Any further questions? Commissioner.

COMMISSIONER HANSEN: I don't see any mention here for the perchlorate plume. So what are you doing on that?

MR. HINTZE: Yes, and the question was talking about the perchlorate plume and as you can imagine one of the things that we have not talked a lot about is the extensive regional groundwater monitoring program that we have. And so as part of that started out I think in the late '90s and there are just dozens if not hundreds of wells out there. So there are different constituents out there and it's all available on a public website that you can see what are those materials out there. So perchlorate is one of those that is in the area close to where the chromium plume is. Up until that last couple of months here or quarters that we've done the sampling, had not exceeded any of the screening levels that were required. We did one sample that I believe was a quarter ago that did spike up above that. So we have not addressed specifically, and you wouldn't expect, all of the different constituents that you get in a sampling unless it comes to a level that you have to. This one here is actually and I hate to use the word "easier" but the perchlorate because it acts simpler to the chromium, as we're going and doing the pump and treat for the chromium, it removes those constituents too. And so it's being treated at the same time through the pump and treat system we have with the chromium. So we have not dedicated yet a specific project for the perchlorate because until this one sample it was not above the screening levels which require that.

COMMISSIONER HANSEN: I know you're still doing interim testing; when do you think you'll have a permanent solution?

MR. HINTZE: For the chromium you're talking?

COMMISSIONER HANSEN: Yeah.

MR. HINTZE: The expectation now is that this year when we get the entire interim measures up there that will probably be going for maybe five years. This

SFC CLERK RECORDED 05/01/2019

past year we started with our amendment testing to determine the final remedy and I think part of the discussion that we had before was there were two tests that we were doing. One was with the molasses, injecting molasses down into the ground and the other was with sodium dithionite and that's a chemical that was used up in Hanford along the Columbia River. And that's to create an environment that you can convert the chromium 6 to chromium 3. And so we've been doing the testing for the last year and this year – what we did before was we injected each of those into a well and then after a certain period of time it would go out and then you would suck the water back and you see what changed in the chromium concentrations. This year we're in the midst of injecting it in one well and then next to it just about 75 feet there's a second well. So we're going to see how it goes between the two wells for us to determine – we've kind of settled on the sodium dithionite to believe that that's – because like we said it has been used for 13 years up in Hanford.

The big issue that you have here is that when you inject it down into a well it only goes out maybe the circumference of this room here. When you have the size of the plume, you've got to make sure that the entire plume is going across where that sodium dithionite injection is. So we're working with the oil and gas industry on how we can do horizontal drilling so that as we do any sort of injection it gets across all of the plume. That will probably take us another two or three years for us to come up with that final solution. And we then have to go and propose that as a corrective measures evaluation to New Mexico Environment Department. It goes through the public hearing process at that point and then we'll have a corrective measures implementation for actually implementing it.

COMMISSIONER HANSEN: And so the molasses you didn't feel was adequate or you're not getting the same results or what is the reasoning behind choosing the sodium dithionite?

MR. HINTZE: When you inject the molasses what it does is cause the microbes down there to multiply and then as they are consuming the oxygen they cause a reducing environment for the chromium 6 to go to the chromium 3. The problem, not the problem, but the issue you have to deal with is that as soon as the oxygen is consumed the microbes die so then you have to go and reinject molasses so it's not a consistency in how you get that result that you want for the reducing environment. So how well the microbes, you can't say that I know I have the same concentration microbes here and here. So everything that we do you want to make sure that you can actually get the results that you expect and not have continuing variation on that and you would need to make sure that you don't cause additional damage or concern by a solution if what you do is absolutely worse by injecting that. And that's why we do a lot of work with industry folks throughout the country who work with chromium plumes like I talked about in Hanford and the folks out in California as well to make sure that anything we do is using lessons learned from out there as well.

CHAIR IVES: Very good.

COMMISSIONER HANSEN: Well, I actually have more questions but I know that we're time limited so I will defer until later.

CHAIR IVES: And we will have – it sounds like we'll have you back hopefully next month.

SFC CLERK RECORDED 04/15/2019

MR. HINTZE: It depends because if it's the first week of March it won't be me it will be somebody else because I have to be at a conference the first week.

CHAIR IVES: Got you. But in any event, somebody back soon to talk to some of the more technical aspects.

MR. HINTZE: You betcha.

CHAIR IVES: So the one question I had was just on the first sheet you handed out which was the legacy cleanup by the numbers. In there on the left-hand side it says, "more than 1/2 of the legacy cleanup has been completed." Tell me about that because I never – you always hear about the continuing progress that is made on a year by year basis but of course there are schedules and other 18 years or so of cleanup with significant dollars so what is that based on?

MR. HINTZE: Mr. Chair, this is one of the things that a lot of folks don't realize is that the Office of Environmental Management has been here in Los Alamos since 1989. Up until our office was created in 2015, we had a group of about 20 folks that were part of the existing field office under the National Nuclear Security Administration. So since 1989 we've been working this. And when we say half of it has been cleaned up, originally there were over 2,100 sites or solid waste management units or areas of concern that had to be cleaned up. We're down now as of this year to around 950 of those. So that's where that statement comes from that we're half way done. And if you look at it from a time wise, '89 to now and to 2037 time wise as well.

And one of the thing, I can never lobby for funding but, you know, this sort of work here is really you can accelerate this work here by more funding. That means we could get more folks out to the sites to clean up the sites as long as they're not on top of each other where you'd run into each other but that's not the case here. So we're really dependent on the funding for the most part and the funding really is how quickly can we get the waste out so that we can get to Area G.

CHAIR IVES: Thank you. I know there are many folks who are happy to advocate for more funding to get that job done more quickly. Thank you for that very much and for coming down and updating us on these matters. We'll look forward to a continued conversation on this and the other efforts of EM.

MR. HINTZE: You betcha. I'll be back.

CHAIR IVES: Great.

9. Report on 2nd Quarter Financial Position for Fiscal Year 2018/2019

MS. ROMERO: Mr. Chair, members of the Board, this report is to update the BDD Board and its partners on the second quarter financial position as of December 31, 2018. I have provided a budget overview and in that budget overview I have 1st and 2nd quarter expenditures, our encumbrances through 12/31/18, our projected expenditures through 6/30/19 and our projected balance at the end of the fiscal year. So we are track to spend about 93 percent of our adopted budget and our 2nd quarter expenditures through 2nd quarter are $3,269,768. I have also provided a snapshot of the allocation between the City, the County and our Las Campanas entities and there I have divided the 1st quarter, 2nd quarter and project wide billings to the partners. I have also included our other revenue that we have received from our PNM solar rebate and revenue from the DOE federal grant.

SFC CLERK RECORDED 04/01/2019

On the second page I have provided a snapshot of our other funds and that is our major repair and replacement fund and our emergency reserve fund. As you know the major repair and replacement fund expenditures can only exist once they are authorized by the BDD Board. But I have also provided a budget overview of authorized funds. To date, the Board has authorized $617,870. And I provided a budget overview of major categories of where those exist today and how much we've expended through the 2nd quarter including encumbrance balances.

I have also provided a budget overview for the capital carve out budget and those expenditures that have been incurred through the second quarter I am available for any specific questions about the report.

CHAIR IVES: Questions from the Board? I just had one and this is on the budget overview and looking at balance availability. It shows positive balance availability of about $644,000 reflecting savings in employee salaries and benefits or at least anticipated over the year of about $321,000 and then benefits $157,000 and then another $150,000 in materials and supplies and other operating costs. Is this due to vacancy, what we refer to as vacancy savings, i.e., we have not filled positions so we have budgeted funds available?

MS. ROMERO: Mr. Chair, members of the Board, you are correct. So the projections include positions as they are filled currently as of today. So those are vacancy savings. And then on the materials and supplies, those are just funds that aren't obligated. It doesn't mean that we won't spend it but we just don't have it obligated in current purchase orders or contracts as of the 2nd quarter.

CHAIR IVES: Good, it's always good to have a surplus at this point in the year as things happen.

MS. ROMERO: Yes, thank you.

CHAIR IVES: Any other questions? Very good. Mackie, thank you.

MS. ROMERO: Thank you.

11. Report from the BDD Facilities Manager

CHAIR IVES: And, Rick, I know you're not feeling well, hopefully your report is brief and hopefully we will be kind with our questions.

MR. CARPENTER: Thank you, Mr. Chair. My report is brief. I just have a few items to update the Board on. First of all, with the departure of Nick Schiavo I was asked to function in the capacity of Interim BDD Facilities Manager for those of you who didn't know. A position that I expect to hold until we can fill the position with some more permanent hopefully this time. To that end, good news on that, that position has been posted along with the Operations Superintendent that is the position that Randy Sugrue is functioning in also in an interim capacity. But both of those positions have been posted so we are actively seeking to fill those.

Lastly, there is a report on your desk published in the *Federal Register* is a report on the activities along the Colorado River related to the drought and the drought contingency plan. That's an item that Mr. Kyle Harwood has been following closely and he thought it would be interesting to provide that handout to you and it is on your desk for your perusal. And that concludes my report, Mr. Chair.

CHAIR IVES: Very good. Questions for our Interim Facilities Manager?

SFC CLERK RECORDED 04/01/2019

GINNY SELVIN (BDDB Las Campanas alternate): I'm not sure who to address this to Mr. Chair or Mr. Carpenter but it did come as a surprise to us that there was another interim manager. We had not been advised when Mr. Schiavo became the interim manager. So we are just wondering if there's a mechanism. Who would be the one to let Board members know that if they're not at every meeting in the interim?

CHAIR IVES: We should be able to handle that very easily by providing an announcement for all participants through the City as any such appointments are made. So if we can make sure that we do that on a going forward basis.

MR. CARPENTER: Mr. Chair, certainly.

MS. SELVIN: And along those same lines again, Mr. Chair, Mr. Carpenter, we're in the 90 day posting process; are we at the beginning or at the end? I think it has been like four or five months.

MR. CARPENTER: The position is recently posted so it'll be awhile till it gets filled.

MS. SELVIN: I assume there is some administrative process that takes so long to make it happen for this important position –

MR. CARPENTER: As I sit here, I can assure that I will move it along as rapidly as possible.

CHAIR IVES: And when I heard it, it had already been posted as Mr. Schiavo moved into a different job within the City. The speed with which that posting occurred seemed to be approaching light speed compared to many others that I have had the experience with while a City Councilor. I was actually impressed with which that was done, of course, I think Mr. Carpenter is now wearing at least three different hats. Commissioner.

COMMISSIONER HANSEN: Thank you, Mr. Chair. So on Ginny's question, so the City Manager sent the County Manager a note that Nick had moved on to hopefully a more permanent position and that Rick was taking over. But none of us on the Board were directly contacted and I think that that might have been a much more appropriate way that the City Manager could have sent at least something to the Board, and that way Tom and Ginny would have been notified at the same time, because they are members of the Board along with Denise. So it's just a process that I think we can learn from and approach in a better way. So I just wanted to make that comment.

CHAIR IVES: Simply hoping that those notices will go out to the entire Board. So hopefully we have addressed that.

COMMISSIONER HAMILTON: I was just going to add, in a little bit of defense, I think a couple of us were told by Nick directly but it was at the audit exit meeting. And so I think it just generated some confusion that that wasn't actually a full Board meeting. There was a sense that it was communicated whereas it wasn't. I recognize that there's already agreement to fix it. I just wanted to add that just as a little bit of an explanation.

BOARD MEMBER FORT: I was not at that party. Thank you. Mr. Chair, my question would be, I think very much following up and I know if J. C. were here he would want to know what the participation of Board members will be in selection of the permanent position. I know there's been discussion but perhaps we could refresh the discussion.

SFC CLERK RECORDED 04/01/2019

CHAIR IVES: I kind of remember the specifics of amendment number 8 to the JPA but that's where we covered that, and I presume that we will follow fastidiously the requirements.

COMMISSIONER HAMILTON: I believe, if I'm not mistaken, that was that at the discretion of the Board they can have the at-large member or the citizen member participate on the interview panel and that was in deference to that it's not appropriate for the City Councilors or the County Commissioners aren't doing it anyway. And that's so – I'm sure that would be the Board's prerogative to put them on. I'm sure the Board will do that when the interviews start happening.

BOARD MEMBER FORT: I think that's exactly what he'd want to hear, Mr. Chair. So now interviews will start in the next month, presumably, but at the next Board meeting, perhaps that should be addressed in terms of résumés being sent to the citizen member and an opportunity to participate.

CHAIR IVES: That's certainly a good chance to affirm the process. So why don't we review that at the next meeting of the Board as an informational item and because we've already taken action on it I don't think any further action will be necessary, other than to make sure we're following through with what we said we were going to do. Commissioner.

COMMISSIONER HANSEN: I think we might want to add it as an action item in case we do want to do something else. I mean it's always handy to have it listed as an action item so that you can make those – there doesn't have to be any action, but if it's listed that way you have the ability to do something in such a case.

CHAIR IVES: We do need to identify what type of action we're taking.

COMMISSIONER HANSEN: Well, possibly members of the selection committee are –

CHAIR IVES: I'm not quite –

COMMISSIONER HANSEN: That's taken care of in the –

CHAIR IVES: I think that does cover it pretty thoroughly.

COMMISSIONER HANSEN: And I think it is a personnel issue then after that, right, Mr. Carpenter or Mrs. Long?

NANCY. LONG (BDD Board Counsel): Mr. Chair and members of the Board, among your discussion you're correct that the latest amendment to the PMFSA, that was an item that was considered in some depth and was recommended from the committee as well as some City constraints regarding personnel matters that it would not be either a City Council or as Commissioner Hansen remembered, because of that there wouldn't be either a Commissioner on that committee but that we could have a representative from the Board being the citizen member, presumably.

As for the other constituents of that committee, I think that would be part of the City process that would constitute those members. And we can certainly provide updates, as you heard today, about where we are in that process and when interviews will be taking place and that sort of thing. And if an action item occurs to us along the way we'll certainly let the Board know.

CHAIR IVES: Any other questions on the – yes.

COMMISSIONER HAMILTON: It's related. Do we have to do something formal to put it on the agenda to do something more formal than what we did last time about who our citizen – about the citizen member? So that when we want to say,

SFC CLERK RECORDED 04/01/2019

yes, in fact we want this member to participate in interviews we know – we actually have one.

CHAIR IVES: I think the answer is yes, and I don't know, Nancy, if you want to explain the complexities there.

MS. LONG: Mr. Chair, members of the Board, after our last meeting, when Member Fort was recalling that she would switch positions with Mr. Helms and then as the alternate that she had been the citizen member, she would become the alternate after one year, but in fact she was not interested in being the permanent alternate member. So we did some research into the minutes from the meeting where the citizen member and alternate citizen member were appointed and there was nothing that conditioned those appointments or required – there was never any agreement that those would switch. So all that we have officially is that Ms. Fort is the citizen member unless she chooses to resign, and that Mr. Helms is the alternate member, and their terms expire next March. So a year from next month. They have two-year terms. So if we have a vacancy in the citizen member due to the resignation of Ms. Fort, then Mr. Helms would continue to serve, as an alternate would take that position, and the Board would have to make a decision about what they wanted to do to fill the citizen member position before we start the process of filling those positions because they expire in a year anyway. And so we'd be happy to put that on the agenda and have a discussion, get some direction from the Board about what you would like to do if in fact Ms. Fort has not changed her mind.

COMMISSIONER HAMILTON: Just since I asked the question it seems to me we clearly have to do that. That makes sense. Thanks for looking into that. But if by some magic there were applicants and there were going to be interviews next month we would have an alternate member, even if Ms. Fort resigns. So we're not really in jeopardy, not being able to have a member on the interview panel.

MS. LONG: That is correct.

CHAIR IVES: Commissioner.

COMMISSIONER HANSEN: So when – how long is the listing for the – how long is the advertisement for the new facility manager? When will that close?

MR. CARPENTER: Mr. Chair, members of the Board. I don't know the exact date. I know that it was listed for 90 days and I think it's been out for about three weeks already. I'm told mid-March.

COMMISSIONER HANSEN: So it's 60 days.

MR. CARPENTER: Sixty days.

COMMISSIONER HANSEN: I just wanted to get some clarification. Thank you.

CHAIR IVES: Any other questions on this item? If not we'll move along. The Consent Agenda was approved.

SFC CLERK RECORDED 04/01/2019

DISCUSSION AND ACTION ITEMS

14. Consideration and possible action on Resolution 2019-1, determining reasonable notice for public meetings of the Buckman Direct Diversion Board.

CHAIR IVES: Madam Attorney.

MS. LONG: Mr. Chair and members of the Board, as you all are well aware, public bodies in New Mexico are required to determine annually what constitutes public notice for its meetings, so presented before you is Resolution 2019-1. This is unchanged from the previous year. Our meetings requirements seemed to have worked well. They're in compliance with the law. I do like to point out to the Board that the way in which our notice is perhaps unique is that members are not allowed to appear telephonically unless necessary to constitute a quorum for the meeting. Public bodies are allowed to have attendance by their members by telephone so long as it is in their resolution. The law wants you to really think about that and whether you want members to participate by phone and so that is something that has been carried over in the years since we first put that in about five years ago. And that is the only way in which ours may differ from what you usually see.

CHAIR IVES: Just a point of clarification, we do have alternates selected presumably for that circumstance where the actual appointees are unable to attend.

MS. LONG: That is correct. That is the purpose of having alternates. You hope you do not have a quorum problem.

CHAIR IVES: Questions from the Board on this particular matter?

COMMISSIONER HANSEN: I would move to approve this resolution.

COUNCILOR VIGIL COPPLER: Second.

CHAIR IVES: We have a motion and a second to approve Resolution 2019-1. Is there any further discussion? There being none.

The motion passed by unanimous voice vote.

CHAIR IVES: Very good. Resolution 2019-1 is approved.

15. Request for Information and for BDDB recommendation to Santa Fe County Board of County Commissioners and City of Santa Fe's City Council to Approve the Fiscal Year 2020 Buckman Direct Diversion Operating Budget and Other Fund Contributions

Presentation of the proposed Fiscal Year 2020 BDD Operating Budget

Presentation of the proposed Fiscal Year 202 Fund Contributions

MS. ROMERO: Mr. Chair, members of the Board, the JPA agreement provides that the BDD provide a yearly annual operating budget. The budget is to be approved and recommended by the BDD Board. At this time we are just going to present the budget to the Board members. And so with that I have prepared a slide show just to show you our overall budget request and demonstrate the changes between this fiscal year and the requested fiscal year.

SFC CLERK RECORDED 04/01/2019

Our proposed fiscal year 2020 operating budget, we are recommending that the Board approve $9,696,409. Of that, you can see our budget is made up of fixed and variable costs and it does include revenue reimbursements from several sources including our partners the City of Santa Fe, Santa Fe County, Las Campanas, the Club and Las Campanas Cooperative. We have also included in our budget an unrestricted fund balance of $65,000. We have federal funds which support our BDD stormwater sampling program of $96,000. We also have budgeted funds from our PNM solar rebates and those are projected at $120,000. Those revenue sources plus our partner contributions make up our budget request.

The next slide shows you our expenses by major category. So of our $9,696,409 budget request you can see that there are some changes from our fiscal year 2019 adopted budget. Those changes are related to – overall it's a 13 percent increase and those are related to salaries and benefits. We have included a two percent increase which is required per our union contract. In our materials and supplies category we have a projected increase that is due to the final phase of our security system upgrade project. As the Board may remember, we have been working on this project for probably about four years and that is to upgrade our current security system in fiscal year 2020. This will be the final phase and that will be to update our access control database system, which we're projecting to cost about $250,000.

The next increase in our category, or included in the materials and supplies is the purchase of a new utility vehicle with attachments. We are estimating that that costs about $65,000. Staff is recommending that we get permission to budget unrestricted fund balance to cover the cost of the purchase of that vehicle. Per BDD working capital on billing policy, BDD is allowed to receive interest on its funds and then any small reimbursements or refunds have also been accumulating in that fund and therefore BDD has about $90,000 of unrestricted cash funds in its operating fund. So we would request to budget $65,000 of that to cover the cost of that vehicle.

In our other operating costs – did you have a question?

COMMISSIONER HANSEN: What type of vehicle are you buying for $65,000?

MS. ROMERO: So it's related to a bobcat, so something that has attachments so that maintenance can move snow around the area and maintain the road. So something similar to a bobcat is what they've quoted.

COMMISSIONER HANSEN: Thank you.

MS. ROMERO: The other increase is the relations in our other operating costs and that is $60,000. This is for SQL access server database upgrade. We need to update our server so that our SQL and our access can talk to each other and so we're estimating that to cost about $60,000.

The final increase to the budget has to do with our litigation costs, and we are projecting that to be an increase of $890,000. So that is the overall representative of the 13 percent. I do want to mention that the fiscal agent fee was also increased to the 4.5 percent which was as amended per the PMFSA amendment number 8, so that has been included and that does not include litigation costs as agreed upon.

The next section of our budget is our Other Fund contributions, and the only contributions that we request from our partners right now is contributions to the major repair and replacement fund as our emergency reserve fund is fully funded and so we no

SFC CLERK RECORDED 04/01/2019

longer need contributions from the partners for that fund. Our major repair and replacement fund, we are requesting that the partners contribute $626,706 and this is – there is no change in this request from prior year contributions. I have provided in this slide projected balances. So the projected balance of this fund at 6/30/2019 would be $1,579,690. With the partners' contributions and no additional authorizations out of this fund, by the end of fiscal year 2020 the fund would have a balance of $2,206,396.

It is still staff's intent to continue with the evaluation of our current asset management program so that in the future we can support increases or future increases to the contributions to this fund and I did want to mention that staff did work on a couple of things last year. We did upgrade the software, which is the SAMS software, which is where we have all our assets and so we are continuing that project as we get more staff and positions filled we hope to continue to bring that back to the Board.

So in final, I have provided a quick budget summary of the recommendation that we are asking each partner to contribute to the fiscal year 2020 operating budget and that is again with all the partners, including our other revenue reimbursements for the total budget request including our contributions as $10,323,115. So if there's any specific questions about the budget or the packet that I've provided, let me know.

CHAIR IVES: Questions from the Board? Commissioner.

COMMISSIONER HAMILTON: Member Fort was raising her hand first.

BOARD MEMBER FORT: Mr. Chair, and I hate to ask someone who's not feeling well this question, but in our meeting that we're about to get to and the meeting of our study session, we identified – I'm looking at page 4 of Kyle's handout of action items from that meeting and we identified having a greater role from the BDD staff in terms of advocating for increases in water quality in the Rio Grande and it was pointed out that an issue now is that that would require additional time and additional staff to do so; conceivably it would require additional time of Kyle's as well, if we talking about presentations with respect to TMDLs and so on. This would be item 14, Mr. Chair, on page 4 of the last item in our packet.

I don't know, even now I don't know how to get an item into the budget for increased staffing and I think it would come up through the newly appointed director when we have one and after we've had some more conversation about what it would mean for the Buckman staff to work on improving water quality and I think that would be mostly through regulatory agencies and so on. But we definitely – from our conversation at the prior meeting that would require increased staff. So this would be a question I guess for you, Mr. Chair, if there would be room in a $10 million budget for a placeholder for an additional staff position and if so, if that could be done later in the year, how that would be done. Thank you.

CHAIR IVES: I think that consideration of that is certainly a possibility. I think it might involve a greater conversation between the City and the County and perhaps Las Campanas who are fundamentally representing the constituents who are affected by that water quality and whether or not that's done through EDD or through the other efforts is the only point I'm not clear on. But I think it's certainly something we can consider. I wonder if we could get a sense of what the cost of such a position would be to City/County, just so we know what we're looking at.

MR. CARPENTER: Mr. Chair, I would like a chance to actually research that and then bring an answer back at the next Board meeting. It's possible that a new

SFC CLERK RECORDED 04/01/2019

FTE might need to be created. I'm open to that if it's justified. It's also possible that in all or in part it could be absorbed either with existing BDD staff and or with the support from existing City staff. We have staff that work on this at the City that aren't necessarily attached to the BDD but we could provide that support. So maybe we could get it done that way. I just don't know the answer to that question now but I will look into it and bring that back to the Board at the next Board meeting.

COMMISSIONER HAMILTON: Mr. Chair, just in that regard. I was going to add that, but in addition to existing staff and City staff and there's occasion when you get help from contractors. So if an FTE, if a new person isn't justified but there's some distinct piece of work needed maybe all of those can be considered.

CHAIR IVES: We could make that just a discussion item, based upon what you are able to find out, Rick, that would be great.

MR. CARPENTER: Be happy to.

CHAIR IVES: Good.

COMMISSIONER HAMILTON: Mr. Chair, I had a different – it's not really a question, it was just a point because we did discuss it in our financial meeting, and I just wanted to point out for the record and for everybody else that something like 3/4 of that 13 percent increase is because of litigation. Which is why this is on, which is why it was suggested we get an update before we actually put it on that litigation – level of litigation increase which is why this is an informational item.

COMMISSIONER HANSEN: And on that point, it says "request approval for BDDB recommendation to Santa Fe County and to the City of Santa Fe to approve this fiscal year 2020 budget," so does that mean that it has to go to our respective bodies also to be approved? So this is just an informational item and are you requesting that at this point for it to be sent to the two respective bodies or is that further down the line?

CHAIR IVES: What we agreed to at the beginning of the meeting was to essentially table the second two bullet points there which were the public comment and request for approval so those would be handled at our next meeting.

COMMISSIONER HAMILTON: And then in any case, Mr. Chair.

CHAIR IVES: Yes.

COMMISSIONER HAMILTON: I think the process is we hear it here and then it's a draft approval and then it goes to the City and County and then it comes back for adoption.

MS. ROMERO: Formal adoption, correct.

COMMISSIONER HAMILTON: We postponed that first piece to March and then it will go back.

COMMISSIONER HANSEN: Mr. Chair, that is what I was trying to make sure that we were clear on. I apologize.

CHAIR IVES: Other questions on the presentation? There being none, again, Mackie, thank you and we'll look forward to hearing more at our next meeting.

MS. ROMERO: Thank you.

CHAIR IVES: And I apologize for not following what we decided but no harm no foul, hopefully.

MS. ROMERO: Oh, that's okay. Thank you.

SFC CLERK RECORDED 04/01/2019

16. Consideration and possible action on BDD Board Rio Grande Water Quality Special Study Session of November 29, 2018

MR. HARWOOD: Thank you, Mr. Chair. So you have in your packet a memo that tracks on top of the Board minutes for the Special Study Session that you did approve at the beginning of the agenda from November of last year, November 29th. Just to orient you to the memo structure, it uses letters to pick up on references on archived materials. We are waiting on a couple of archive materials from Ms. Conn. But I can send out the drop box link to the Board and leave it open for a week or two so you can pull down the many, many megabytes of materials there. And of course, we can always print hard copies if you like or bring you a jump drive or anything else. But we won't wait on Ms. Conn any longer and go ahead and get that archive out to the Board. So there are the letters. Entries on the memo starting on page 2, the numbered ones were my best attempt to pick up recommendations and suggestions at the study session. As you all remember the study session was specifically noticed, it was noticed appropriately for the public but we noticed it as a non-action meeting. So these are the suggestions as reflected by my memory and the minutes and then highlighted are Board member suggestions.

As I think you all know from last Friday, I did send this out to all of the invited presenters. I did hear back from Ms. Arends, who is here this evening, this afternoon. There were some edits that I actually haven't been through in any real detail so I'll need to bring you an update on her suggested edits at another time. But I didn't hear from anyone else. I heard from no other invited presenters or other folks that received the packets.

There has been one suggestion that with all the activity on the Waters of the US Rule that we might sort of wrap that information in. It's very easy for me to add that into the archive. We have the Rapanos Case that many of you know about. We have the 2015 Rule, we have the proposed Trump Rule and I can just put all of that in the archive. There's obviously letter drafting going on with various entities, the City and County. That was not something that we explicitly embraced for the study session so it doesn't really fit into the current minutes and memo structure but I can certainly put that stuff in the archive if that's of interest to the Board. There is a potential link with what the definition of Water of United States changing that may or may not have picked, for example, LA Pueblo Canyon. And so there's some issues there but I don't want to make things – well, I guess I now have already. I apologize I already made things more complicated than beyond the memo. But at any rate, the memo is meant to be a tool for you to decide how you wish to go forward.

COMMISSIONER HAMILTON: Mr. Chair, just on that last point. I think it would be very useful. I think it's relevant. I know that Commissioner Hansen is doing stuff on that as well so that there are a lot of linkages, you know, NMED – there are implications to BDD. So I think it will probably be relevant in the future.

BOARD MEMBER FORT: Mr. Chair, I appreciate guidance. I'm delighted that we're on this item and it was very helpful to have these items highlighted so as I'm looking at these we have potential action items. One being, not for this meeting, my question is an inquiry as to how we do this. So Item 2, Board Member Hansen proposing our letter to the Governor and the new Cabinet Secretary with respect

SFC CLERK RECORDED 04/01/2019

to a number of items having to do with LANL monitoring. A letter as well to the Congressional delegation on the topic we've heard about increasing the funding for cleanup. A request that I made that we look at what states have done in terms in of public water supply standards, water quality standards that would presumably be a staff or a legal research question. Item 10 suggestion that we participate in the Triennial Review which I think I would like to say that we participate in a positive fashion in the Triennial Review and attempt to get improved water quality on the Rio Grande. And then finally that we pursue a TMDL with the Environment Department and that would be item 11, pursuing the TMDL.

So that's a lot of potential actions coming out of this, Mr. Chair, and the question would be how do we move to get each of these letters before the Board and assigning staff responsibilities and so on? How does this happen?

CHAIR IVES: I think it is, hopefully, relatively a simple matter of finding somebody who is willing to take on drafting and that could certainly be staff based and it could also be by members of the Board. I don't think we're necessarily removed from the possibility of doing some of that drafting. So, I think first we need to consensus that we want to do that and what the proper focus given what the Board's responsibilities are and again I don't know the constraints on staff or the capacity of staff to take that on in addition to the day to day that you're doing. So it's up for discussion and determining.

COMMISSIONER HAMILTON: My first thought is that we don't want to let some of these drop. On the other hand, we also have interim management. So maybe we can have the interim manager consider some of these and what would appropriately fall on maybe Mr. Harwood as well to staff and what might fall to us or outside of the staff and that can be a discussion item on the next agenda in March. That will give us a little bit of time because there are a lot of people who are really new at what's going on right now.

CHAIR IVES: For instance, and I look at the first item which was the possibility of submitting a letter to the new Governor and Cabinet Secretary of NMED to highlight the importance of LANL monitoring, the Consent Order and NMED engagement on LANL contaminants of concern. That could be a one-page letter it could be a 50-page letter probably depending on who is doing the drafting which is why I sort of ask that question. I think that it is reasonable for the Board to do such a letter but if we're going to ask for a deep analysis of data over the last 10 years by way of evidencing the concerns that people have, we're asking for something that would be a significant burden I suspect on staff to put together in the first instance. Whereas, again, I think some of the Board members have some expertise on those issues and a capacity to do that in two to three pages. Commissioner.

COMMISSIONER HANSEN: Thank you, Mr. Chair, for that comment. So, I think that it would behoove us to write a two to three, four-page letter max to the new Governor and the Secretary of the Environment. I have spoken with him a few times already and he is interested and wanting to learn about our concerns at Buckman. He has a background with EPA and DOE but he might not have a background with the Buckman Direct Diversion Board which would be surprising. So I think it would behoove us to write a letter explaining some of the issues that we are concerned about especially with the Consent Order which he can really help with as the new Environment Secretary and their engagement and how we want to engage with them as the Environment Department.

SFC CLERK RECORDED 04/01/2019

So I do think that I will make a motion that we move with that letter as maybe our first action. Not as an end all action, but just as our first action on the many suggestions that we have. And it's a place to start.

BOARD MEMBER FORT: Mr. Chairman, I guess I'd actually like to see because we've spent a couple of years getting to this point, I'd like to see each of these items begin with a draft by our very able counsel on them. So the letter to the Environment Department indicating that we are interested in participating in a TMDL process for the stretch. I think that will – it could be the same letter. It will kick things off with them.

So I've named in our list 2, 6, 9, 10, 11 and 12 as areas where we can begin work and ask the staff to come back with a plan to implement it. And that was the reason I brought up the budget question earlier. I don't think it's – I appreciate, we all appreciate the compliment that we can write letters as well, but I do think it will probably think it will probably be a question of having some additional staff resources to do so, and to carry these forward.

I'd like to see votes on – I'm concerned that these are in minutes of a meeting we had, while there might be a consensus on them there were fewer than all Board members present. So if we start the process of getting these on a work plan for the Board including a work plan with our counsel, I'd be assured that they are each going to move forward.

CHAIR IVES: Let me ask about capacity within the entity to handle 2, 6, 8, 9, 10, 11, 12 I think.

BOARD MEMBER FORT: That's 2, 6, 9, 10 and 11, 12.

CHAIR IVES: Sorry, no eight.

MR. HARWOOD: Those I think are pretty straight forward and I would be glad to bring that back at the next meeting.

COMMISSIONER HANSEN: I include that in my motion. I assume that's a friendly amendment and I accept that friendly amendment but we need a second.

BOARD MEMBER FORT: Second.

CHAIR IVES: We have a motion and a second to ask Mr. Harwood to begin the process of drafting potential responses items identified as numbers 2, 6, 9, 10, 11 and 12 in the materials that have been presented in the packet summarizing our earlier study session on the Rio Grande. And potentially to bring back potential drafts to the next meeting of the Board in March for review and consideration.

MR. HARWOOD: There was another comment that the Source Water Protection Plan come back to a future Board meeting for either renewal or adoption. I don't know if you would like that to come back at the same time.

CHAIR IVES: Probably bring it back at the same time given the hour because I'm not sure what is in there so we could have that as an action item and get that out to folks in their packet so they can look at it and review it and be ready to act on it in the next meeting.

COMMISSIONER HAMILTON: That's actually prepared and it may be nice to get it as an early delivery. Earlier than the packet comes out, maybe a few days before, only if it's possible.

CHAIR IVES: And the only other thing and this is a concern I expressed at our study session is the proper role of BDD so I would love to hear thoughts and comments on that on these various points as well. The other thing I would ask the Board

SFC CLERK RECORDED 04/15/2019

members from especially the public agencies is to engage their own staff to see what the interest is in within the respective water departments and environment departments of each of the public agencies to participate in this because that was an open question as well whether or not that might be a more appropriate place for the participation in this regard especially with regards to engaging either the Governor's office and/or the our congressional staff on these issues. Commissioner.

COMMISSIONER HANSEN: Well, we have a motion on the floor and a second and so I think we've kind of diverted but so I'm going to divert myself at this point.

COMMISSIONER HAMILTON: Do we want to vote first?

COMMISSIONER HANSEN: Yeah, we should vote I think.

CHAIR IVES: Speaking under further discussion before we voted but I'm done. All those in favor. Any opposed? Any abstentions?

The motion passed by unanimous voice vote.

CHAIR IVES: Very good the motion carried. Are you clear on the direction, Kyle?

MR. HARWOOD: I am.

CHAIR IVES: Excellent. Commissioner.

COMMISSIONER HANSEN: So a fact that Kyle brought up on WOTUS, there is at the moment a resolution that has been written through the River Commission of the City of Santa Fe which I serve on that is being brought to the City and the County about WOTUS and the BDD is mentioned in this resolution as something to comment on about WOTUS. So I'm just giving you a little bit of any update separately from that which I believe it will be coming to the City maybe first and it won't come to us until February 26th because we don't have time to get it on the agenda and I don't know if it's on your agenda. But there is motion – there is movement on WOTUS that has come from the River Commission to both the City and the County and that is moving forward through both of our bodies.

CHAIR IVES: I do not recall an item being introduced yet at the City – so presumably it could be next week or it could be also at the end of the month, I don't know.

COMMISSIONER HAMILTON: Mr. Chair. I just wonder if it might be good to make sure that goes to the BDD also so that Nancy and Rick get it.

COMMISSIONER HANSEN: I think that that is a great idea. I totally think that's a good idea. I think that I did send it to Kyle and he did a little bit of wordsmithing on it for BDD. So you know, it is still in draft format so we're kind of getting it into the correct format for both the City and the County. But I think it's really important that we comment on WOTUS and get some standing once it is published in the *Federal Register*. So far it has not been but I believe it was delayed because of the federal government shutdown.

I was just giving a little bit of an update since Mr. Harwood mentioned it.

BOARD MEMBER FORT: If it's appropriate, I would like to thank the members of the BDD for taking on the water quality in the Rio Grande. It's a good thing that we're claiming the Rio Grande as our own and claiming a concern with what we're

SFC CLERK RECORDED 04/01/2019

taking out for drinking water. I know we've committed to a whole bunch of work or really properly we've committed Kyle and staff to a whole bunch of work but it's an important – it makes me feel good as a citizen of Santa Fe City and County that we are taking on the Rio Grande. So, thank you.

CHAIR IVES: Any other thoughts. There being none, Kyle, thank you for undertaking those efforts and look forward to seeing what you got at the next meeting.

MATTER FROM THE PUBLIC

CHAIR IVES: Is anybody here to address the Board. Please, come down.

JONI ARENDS: Good afternoon. My name is Joni Arends.

CHAIR IVES: Is that mike on?

MS. ARENDS: I am with Concerned Citizens for Nuclear Safety. [Ms. Arends microphone was not working] There are a lot of comments I could make about Mr. Hintze's presentation. I want to know – CCNS has a lot of concern about monitoring station 109.9 monitoring and how do we get that on line before the stormwater starts flowing through Los Alamos and Pueblo Canyon? And I think that that needs to be a priority along with the letter as well. And how do we have that timeframe? How do we get the Department of Energy to pay for that station to be put back into service? So thank you.

CHAIR IVES: Thank you. Is there anybody else who would like to address the Board?

MATTERS FROM THE BOARD

CHAIR IVES: Commissioner.

COMMISSIONER HANSEN: I just have a question about we have yearly elections so when will we be having elections? I'm just curious and it's mainly because the City has changed their schedule for voting for elected officials so on some of the other City-County boards that I have served on we have moved it all up to January and February. And so I am just wondering what we are planning to do here.

CHAIR IVES: I am not sure we have necessarily addressed that, but, Madam Attorney.

MS. LONG: Yes, Mr. Chair and members of the Board, the elections for Chair and you Vice Chair are held in April. That is pursuant to your Rules of Order for the Board. The reason April was chosen, of course, is because the City elections were in March. We used to select the Chair and Vice Chair in January and it just wasn't working with the City election cycle. But now that they are going to November we can consider another date. Although in April we will have on the agenda your Chair and Vice Chair and the Board will need to decide if you want to cut that term short and have elections in January/February or keep it as it currently is in April. And we can take that up in April when you have the elections.

COMMISSIONER HANSEN: Thank you.

CHAIR IVES: Good, other questions from the Board?

COMMISSIONER HANSEN: I am concerned about the runoff and not having a station at 109.9 and especially in light of what is happening with the amount of

SFC CLERK RECORDED 04/01/2019

snow that is up in Los Alamos at the moment and the amount of runoff and I do feel very strongly that LANL could be negotiating with San I on re-establishing that station. I don't know how to go about that or how to get that done since Mr. Hintze has left. But how do we make that known? I don't know if I can make a motion because we don't have – it's not an action item. But I am concerned because in the past that station has been incredibly valuable to the Buckman Direct Diversion Board as a sampling and as an indicator of the amount of runoff that is reaching the Rio Grande. And so without that station we do not have the same kind of information that has been available in the past.

CHAIR IVES: What I might suggest is that that might be a very appropriate item to put in our letter to both the Governor and to the congressional staff that this has been there in the past and we would strongly recommend allocation of funding to put that back in place, if at all possible. We, of course, can't tell San I what to do and can't tell LANL what to do but we can certainly ask and make sure that policy makers are aware of that and its significance to the monitoring system for the Rio Grande.

COMMISSIONER HANSEN: And I think it does fall into our Board action because that was one of the things that was talked about. So I do think it is possibly appropriate that we add it to the letter and so can I make a motion to add it to the letter?

CHAIR IVES: I don't even think you have to.

COMMISSIONER HANSEN: Okay, fine.

CHAIR IVES: I think it is covered in importance of LANL monitoring.

COMMISSIONER HANSEN: Okay, I just wanted to make sure because I do feel it is imperative for protection of our water quality.

CHAIR IVES: Good. Other matters from the Board?

NEXT REGULAR MEETING: Thursday, March 7, 2018 @ 4:00 p.m.

ADJOURNMENT & EXECUTIVE SESSION

In accordance with the New Mexico Open Meetings Act NMSA 1978, Section 10-15-1(H)(7), discussion regarding pending litigation in which the BDDB is a participant, including, without limitation, *Buckman Direct Diversion Board v. CDM Smith, et al.*, First Judicial District Court Case No. D-101-CV-2018-01610

MS. LONG: Mr. Chair, motion to adjourn and go into executive session for the purpose as stated on the agenda for the litigation of the *Buckman Direct Diversion Board v. CDM Smith, et al.*, with the case number as listed.

COMMISSIONER HAMILTON: Mr. Chair, I'd like to so move.

COMMISSIONER HANSEN: Second.

CHAIR IVES: We have a motion and a second to adjourn and go into executive session as stated for the minutes. Is there any further discussion?

The motion to adjourn and go into executive session passed by unanimous [5-0] roll call vote as follows:

SFC CLERK RECORDED 05/15/2019

Councilor Ives	Aye
Commissioner Hamilton	Aye
Councilor Vigil Coppler	Aye
Commissioner Hansen	Aye
Board Member Fort	Aye

ADJOURNMENT

Having completed the agenda, this meeting adjourned at approximately 6:00 p.m.

Approved by:

Peter Ives, Board Chair

Respectfully submitted:

Karen Farrell, Wordswork

CITY OF SANTA FE ORGANIZED 1610 SEAL NEW MEXICO

ATTEST:

YOLANDA Y. KIGIN
SANTA FE CITY CLERK

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BUCKMAN DIRECT DIV MIN
PAGES: 29

I Hereby Certify That This Instrument Was Filed for Record On The 1ST Day Of April, 2019 at 11:11:43 AM And Was Duly Recorded as Instrument # 1882543 Of The Records Of Santa Fe County

COUNTY CLERK SANTA FE COUNTY NEW MEXICO GERALDINE SALAZAR

Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy _____ County Clerk, Santa Fe, NM

SFC CLERK RECORDED 04/01/2019

EXHIBIT
tabbies
1

Buckman Direct Diversion

AGENDA

The City of Santa Fe
And
Santa Fe County
Buckman Direct Diversion Board Meeting
THURSDAY, FEBRUARY 7, 2019
4:00 PM
CITY HALL
CITY COUNCIL CHAMBERS
200 LINCOLN

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE DECEMBER 6, 2018 BUCKMAN DIRECT DIVERSION BOARD MEETING AND THE NOVEMBER 29, 2018 BUCKMAN DIRECT DIVERSION BOARD SPECIAL STUDY SESSION
6. REPORT ON FEBRUARY 5, 2019 FISCAL SERVICES AUDIT COMMITTEE (FSAC)

INFORMATIONAL ITEMS

7. Monthly Update on BDD operations. (Randy Sugrue, Interim BDD Operations Manager, rcsugrue@santafenm.gov, 955-4501)
8. Presentation on Los Alamos National Laboratory Clean Up Efforts. (Doug Hintze, Manager of the Environment Management Los Alamos Field Office (EM-LA) and Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206, Kyle Harwood, Legal Counsel, kyle@egolflaw.com, 986-9641 and LANL NNSA Staff) **VERBAL**

RECEIVED AT THE CITY CLERK'S OFFICE
DATE: January 30, 2019
TIME: 2:49 PM

9. Report on 2nd Quarter Financial position for Fiscal Year 2018/2019. (Mackie Romero, BDD Financial Manager, mmromero1@santafenm.gov, 955-4506)

10. Presentation of the Buckman Direct Diversion Project Annual Financial Report for fiscal year ended June 30, 2018. (Mackie Romero, BDD Financial Manager, mmromero1@santafenm.gov, 955-4506 and CliftonLarsenAllen, LLP)

11. Report from the BDD Facilities Manager. (Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206) **VERBAL**

CONSENT AGENDA

12. Update on 2019 Annual Operating Plan. (Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206)

13. 2019 Buckman Direct Diversion Annual Operating Plan for the United States Forest Service. (Rick Carpenter, Interim Water Division Director, rrcarpenter@santafenm.gov, 955-4206)

DISCUSSION AND ACTION

14. Consideration and possible action on Resolution 2019-1, Determining Reasonable Notice for Public Meetings of the Buckman Direct Diversion Board. (Nancy Long, BDD Legal Counsel, nancy@longkomer.com, 982-8405)

15. Request for approval and for BDDB recommendation to Santa Fe County Board of County Commissioners and City of Santa Fe's City Council to approve the Fiscal Year 2020 Buckman Direct Diversion Operating Budget and Other Fund Contributions. (Mackie Romero, BDD Financial Manager, mmromero1@santafenm.gov, 955-4506)

- Presentation of the proposed Fiscal Year 2020 BDD Operating Budget.
- Presentation of the proposed Fiscal Year 2020 Fund Contributions.
- Public Comment
- Request for approval of the proposed Fiscal Year 2020 Operating Budget and Other Fund Contributions and recommendation to approve by the County Commission and City Council.

Buckman Direct Diversion

16. Consideration and possible action on BDD Board Rio Grande Water Quality Special Study Session (November 29, 2018) Memo. (Kyle Harwood, Legal Counsel, kyle@egoflaw.com, 986-9641)

MATTERS FROM THE PUBLIC

MATTERS FROM THE BOARD

NEXT REGULAR MEETING: Thursday, March 7, 2019 at 4:00pm

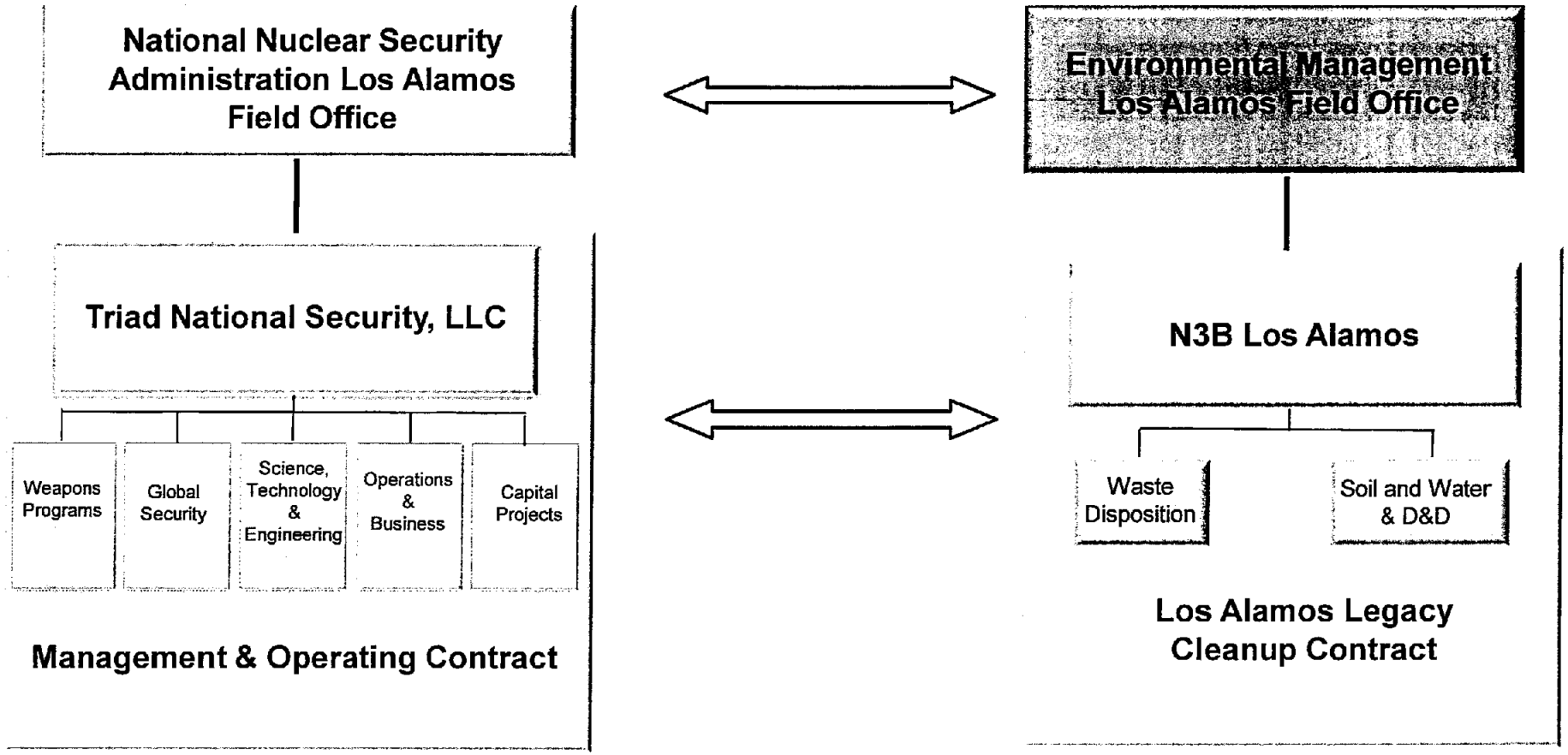
ADJOURN

EXECUTIVE SESSION

In accordance with the New Mexico Open Meetings Act NMSA 1978, §10-15-1(H)(7), discussion regarding pending litigation in which the BDDB is a participant, including, without limitation, *Buckman Direct Diversion Board v. CDM Smith, et al.*, First Judicial District Court Case No. D-101-CV-2018-01610. (Nancy Long, BDD Legal Counsel, nancy@longkomer.com, 982-8405)

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

Los Alamos National Laboratory Organizational Structure



ENVIRONMENTAL MANAGEMENT
SAFETY ❖ PERFORMANCE ❖ CLEANUP ❖ CLOSURE

tabbies

EXHIBIT 2

Los Alamos National Laboratory
Chromium Plume FAQ

What is being done to address the chromium plume at Los Alamos National Laboratory?

A network of 35 monitoring, extraction and injection wells has been installed in and around the chromium plume. These wells and associated infrastructure support efforts to characterize the plume and to halt the plume's movement via an Interim Measure (IM). In May 2018, the IM resumed along Los Alamos National Laboratory's (LANL) southern boundary with the Pueblo de San Ildefonso. Full implementation of the IM will take place in 2019. While the IM is in operation, efforts to characterize the plume and determine a final remedy will continue.

Is the plume growing?

As reported by the Department of Energy (DOE) in various documents, including the 2015 Interim Measures Work Plan, increasing chromium concentrations in some monitoring wells along the plume's southeastern edge indicate possible plume expansion. The increasing concentrations were the reason that the DOE proposed to the New Mexico Environment Department (NMED) to conduct an IM under the 2016 Compliance Order on Consent (Consent Order) to control and reduce plume migration while a final remedy is evaluated. The IM will result in the reduction of the plume footprint.

Are more monitoring wells needed to better understand the shape of the plume?

DOE currently has sufficient information to implement the IM. An additional well will be drilled to monitor changes in the plume under the IM.

Is chromium entering the Los Alamos County drinking water supply?

No. Los Alamos County's groundwater wells are all outside the chromium plume. There is no chromium contamination in any water-supply wells. DOE supports the county by supplementing their own monitoring of the water-supply wells. Additionally, two "sentinel" monitoring wells are located between the plume and the nearest downgradient water-supply well. These sentinel wells would detect any chromium before it could reach the county's well.

Are there pathways for chromium from this plume to contaminate water-supply systems?

The actions of DOE and its cleanup contractor N3B will reduce the footprint of the plume while a permanent remedy is developed. As well, DOE and N3B are working closely with Los Alamos County to ensure that nearby water-supply wells are appropriately monitored so that the county can take action if it were to become necessary. There is no practical way for the chromium contamination to reach the Buckman Well Field (which serves as part of the water supply for the City of Santa Fe and Santa Fe County). The possibility of chromium from the plume reaching the Rio Grande is extremely unlikely, due in part to the distance of the plume to the river and because of the protective actions being taken to address the plume.

Is there a possibility chromium is being unknowingly drawn into a Los Alamos County water-supply well?

No. As well as direct monitoring of the water-supply wells, there are monitoring wells in place that would detect that.

How close is the plume to the nearest Los Alamos County water-supply well?

The nearest Los Alamos County water supply well is approximately ¼ of a mile beyond the 50 parts per billion edge of the plume.

Los Alamos NATIONAL LABORATORY EST 1943 · N3B Los Alamos

Produced by Los Alamos Legacy Cleanup Contractor, N3B Los Alamos, on behalf of DOE's Environmental Management Los Alamos Field Office

How close is the plume to the boundary with San Ildefonso?

The southern edge of the plume is estimated to be adjacent to LANL's boundary with the Pueblo de San Ildefonso. A monitoring well downgradient of the plume on Pueblo de San Ildefonso land indicates background levels of chromium.

Has the source of chromium contamination been cut off?

A non-nuclear power plant, the source of the chromium contamination, stopped releasing water with chromium from its cooling towers in 1972. There are no active sources of chromium at LANL.

The chromium contamination was discovered in 2005. What has DOE been doing since?

Since the plume was discovered in 2005, over 25 monitoring wells have been installed to characterize and monitor the plume's behavior. Comprehensive groundwater models have been developed to guide installation of wells and to support a better understanding of the plume. The wells, treatment system, and several miles of piping necessary for the IM have also been installed. The IM was partially implemented between January and June of 2017 prior to stopping the work to build additional piping infrastructure, and restarted along the boundary with Pueblo de San Ildefonso in May 2018.

How does the Interim Measure work?

Chromium contaminated groundwater is pumped from the regional aquifer via extraction wells and piped to a centrally located treatment system that utilizes a technology called ion exchange to remove chromium from the groundwater. The treated water is then pumped to injection wells located near the downgradient edge of the plume via a network of pipes. Over time, the injection of the treated water will reduce the chromium concentrations at the edge of the plume and gradually reduce the plume's size.

When will the Interim Measure be fully active?

The IM is operational along the southern edge of the plume near the boundary with the Pueblo de San Ildefonso. Full implementation of the IM is scheduled for 2019.

What will the final strategy be for the treatment of the chromium plume?

DOE and N3B are evaluating potential technologies to remediate the plume, including introduction of amendments into the plume that would convert the chromium in place into a non-mobile and safe form. The final remedy will be proposed by DOE and is subject to public participation and approval by NMED.

When will the final remedy be implemented?

No date has been established for final remediation, however the goal of the IM is to ensure that the footprint of the chromium plume remains within the LANL boundary while the technical approach for final remedy is evaluated and approved. The timing of the final remediation will be dependent on the approach selected and a process that involves public participation and NMED approval.

CONTACT DOE Environmental Management Los Alamos Field Office **(505) 665-5658 | publicaffairs.emla@em.doe.gov**

Los Alamos NATIONAL LABORATORY EST 1943 | N3B Los Alamos

Produced by Los Alamos Legacy Cleanup Contractor, N3B Los Alamos, on behalf of DOE's Environmental Management Los Alamos Field Office

Revised: 2/2/2019

Los Alamos National Laboratory
RDX Characterization Fact Sheet

CAMPAIGN:
Royal Demolition Explosives (RDX) Characterization

LOCATION:
Technical Areas 16 and 9 at Los Alamos National Laboratory (LANL)

CAMPAIGN DESCRIPTION:
Characterize groundwater movement and RDX concentrations through aquifer tests and tracer studies, and issue a corrective measures evaluation (CME), as needed

CAMPAIGN GOAL:
Ensure contamination from past LANL operations does not threaten human and environmental health

ESTIMATED COMPLETION:
2020-2024

HISTORY

Building 260 at LANL's Technical Area 16 was the conventional, high explosive machining facility. From 1951-1996, 13 sumps discharged effluent containing high explosive compounds (RDX, HMX and TNT) and barium through the building outfall and into Cañon de Valle. Soils, surface water and groundwater beneath Cañon de Valle were contaminated. RDX in groundwater was first identified in the late 1990s and discovered in the regional aquifer in 2005.

FEBRUARY 2019 STATUS

- No drinking water is at risk.
- Analyses of groundwater hydrology and RDX movement continue.
- Nine wells monitor RDX concentrations in groundwater. Wells R-68 and R-69 exceed the state's tap water screening level of 7.02 micrograms/liter.

REGULATING WATER QUALITY

The New Mexico Water Quality Control Commission establishes standards based on the Environmental Protection Agency drinking water standards. New Mexico's standards are applied to regional aquifers.

RDX AT A GLANCE

- ✓ RDX was used widely in World War II and remains common in military applications.
- ✓ RDX is an organic man-made product that does not occur in nature.
- ✓ RDX has a low water solubility but does not bind significantly to soils, so it can leach into groundwater.
- ✓ The state's tap water screening level of 7.02 micrograms/liter is based on a 150-pound person drinking 1 liter of contaminated water per day, 350 days a year, for 70 years. That person's increased cancer risk would be 1 in 10,000.

AREA HYDROLOGY

Scientists are working to refine their understanding of how RDX migrated through the subsurface at LANL. Conceptual models based on multi-year studies indicate the primary RDX migration pathway is via surface water moving down Cañon de Valle and seeping downward through the rock layers into the underlying groundwater zones (shallow to deep). Monitoring wells located in each of the groundwater zones provide information on the hydrologic connections and changes over time.

Los Alamos National Laboratory (est. 1943) · N3B Los Alamos

Produced by Los Alamos Legacy Cleanup Contractor, N3B Los Alamos, on behalf of DOE's Environmental Management Los Alamos Field Office

CLEANUP WORK CONDUCTED TO DATE

Surface soil cleanup in 2000-2001 and in 2009-2010 removed, and properly disposed of, approximately 1,500 cubic yards of high explosive-contaminated soil from the outfall area. Residual RDX remains in the subsurface groundwater. Long-term monitoring and maintenance is conducted to evaluate the effectiveness of the corrective measure and provide information for the conceptual site model for RDX movement through surface water, springs and groundwater.

THE RDX MONITORING NETWORK

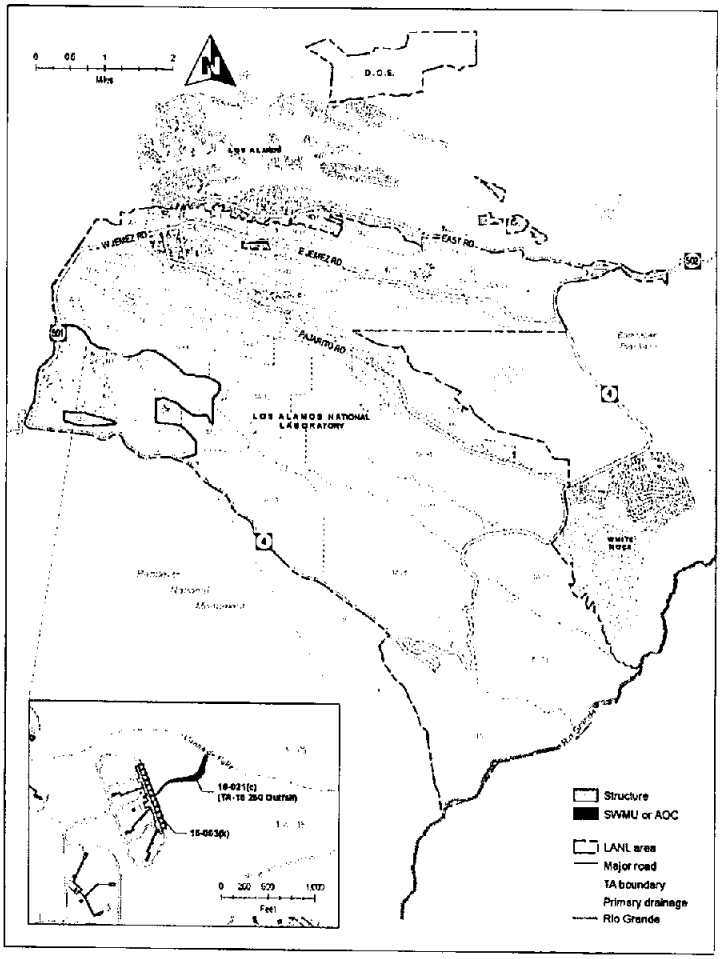
Nine wells in TA-16 and TA-9 monitor groundwater in the regional aquifer that provides water for Los Alamos County. Groundwater samples from the nearest monitoring wells (R-68 and R-69), which are more than three miles from Los Alamos County water supply wells, show contamination above the New Mexico tap water screening level of 7.02 ppb. The Department of Energy (DOE) has not detected RDX in water supply wells. since monitoring for high

DEFINITION: CORRECTIVE MEASURES EVALUATION
A study or report evaluating alternatives for the removal, containment, and/or treatment of contamination, and recommending a preferred remedial alternative

RDX CHARACTERIZATION AND THE 2016 CONSENT ORDER

The 2016 Consent Order between DOE and New Mexico Environment Department (NMED) divides cleanup work into 16 campaigns. One of these campaigns is RDX Characterization. The Consent Order milestones for 2019 and targets for 2020 for the RDX Characterization campaign include:

- ✓ Submit to NMED the annual Long-term Monitoring and Maintenance Report.
- ✓ Continue collecting samples at well R-69. This newly-completed well will provide important information of how RDX contamination has reached the groundwater.
- ✓ Prepare and submit to NMED the Deep Groundwater Investigation Report. The report will present the results of hydrology, geology, and geochemistry studies, and include an assessment of the long-term fate and transport of RDX contamination and the associated risk.
- ✓ If further remediation is necessary to protect groundwater, issue the CME for RDX in the deep groundwater.



CONTACT DOE Environmental Management Los Alamos Field Office **(505) 665-5658 | publicaffairs.emla@em.doe.gov**

Los Alamos NATIONAL LABORATORY EST. 1943 | N3B Los Alamos

Produced by Los Alamos Legacy Cleanup Contractor, N3B Los Alamos, on behalf of DOE's Environmental Management Los Alamos Field Office

Revised: 2/4/2019

Los Alamos National Laboratory
Chromium Plume Fact Sheet

CAMPAIGN: *Chromium Interim Measure and Characterization*

LOCATION: *Beneath Sandia and Mortandad canyons at Los Alamos National Laboratory (LANL)*

CONTAMINANT OF CONCERN: *Hexavalent chromium*

PROJECT GOAL: *Control migration of the chromium plume and reduce the plume footprint, while investigating the final remedy*

ESTIMATED COMPLETION: *2020-2022*

HISTORY

From 1956 to 1972, workers at a non-nuclear power plant at LANL periodically flushed chromium-contaminated water from the cooling towers into Sandia Canyon. Chromium was commonly used as a corrosion inhibitor. The water flowed down Sandia Canyon as surface water, penetrated the underlying rock layers, and in time seeped into the regional aquifer beneath Sandia and Mortandad canyons. LANL ceased releasing chromium-contaminated water in 1972.

FEBRUARY 2019 STATUS

- Implementing the Interim Measure along the southern edge of the chromium plume
- Preparing to implement the remaining portion of the IM along the eastern edge of the plume
- Evaluating Final Remedy options

BY THE NUMBERS

50 parts per billion — *New Mexico hexavalent chromium groundwater standard*

1 mile long x ½ mile wide x 50-75 ft. thick > 50ppb — *Approximate size of the chromium plume*

900-1,000 feet — *Depth of the regional aquifer. Chromium is located within the top 100 feet of the aquifer.*

35 — *Number of monitoring, extraction and injection wells installed in and around the plume*

2 years — *Approximate time it will take the IM to fully control the plume within the LANL boundary*

¼ mile — *Approximate distance from the plume edge to the nearest Los Alamos County groundwater well*

5 miles — *Distance (as measured at the surface) of the plume from the Rio Grande*

0 — *Amount of chromium contamination in Los Alamos County drinking water wells*

Los Alamos National Laboratory | N3B Los Alamos

Produced by Los Alamos Legacy Cleanup Contractor, N3B Los Alamos, on behalf of DOE's Environmental Management Los Alamos Field Office

CHROMIUM INTERIM MEASURE AT A GLANCE

An interim measure is a set of actions that have a high probability of meeting environmental protection goals until a final remedy is implemented. In the case of the chromium plume, a combination of extraction, treatment, and injection is being used to control plume migration and hold it within the LANL boundary.

WHY IT'S NEEDED

The Interim Measure, approved by the New Mexico Environment Department, is needed to address plume growth.

WHAT IT IS

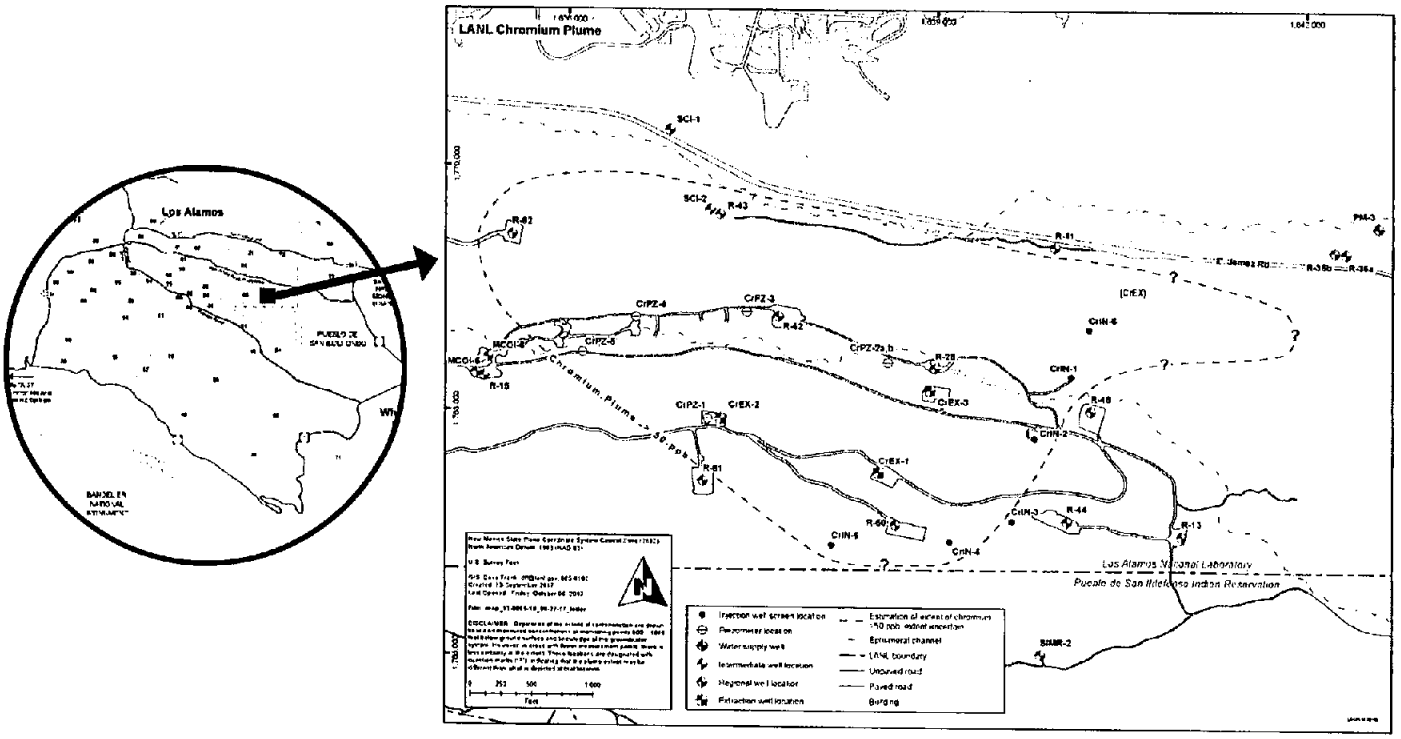
The Interim Measure consists of extraction and injection wells, a centrally located treatment system, and piping and infrastructure tying it all together.

HOW IT WORKS

Contaminated water is extracted and treated. The treated water is then injected along the plume edge. Chromium concentrations will be reduced at the plume edge and the plume footprint will be reduced in size.

WHAT'S NEXT

The Interim Measure will take place over the next several years until a final remedy has been identified and implemented. Optimization will include converting injection well CrIN-6 to an extraction well in early fiscal year 2019.



FINAL REMEDY

DOE's Environmental Management Los Alamos Field Office and its contractor, N3B, are investigating potential remedy options for remediating the plume. Public review and comment is integral to the decision-making process.

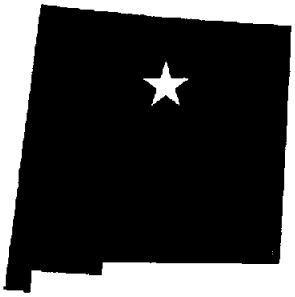
CONTACT DOE Environmental Management Los Alamos Field Office **(505) 665-5658 | publicaffairs.emla@em.doe.gov**

Los Alamos NATIONAL LABORATORY EST 1943 · N3B Los Alamos

Produced by Los Alamos Legacy Cleanup Contractor, N3B Los Alamos, on behalf of DOE's Environmental Management Los Alamos Field Office

Revised: 2/4/2019

JUNE 2018



Los Alamos National Laboratory Legacy Cleanup By the Numbers

Los Alamos National Laboratory (LANL), located in Los Alamos, New Mexico, was established in 1943 as Site Y of the Manhattan Project for a single purpose: to design and build an atomic bomb. It took just 20 months to detonate the world's first atomic bomb 200 miles south of Los Alamos at the Trinity Site on the Alamogordo bombing range. The Department of Energy's Environmental Management Los Alamos Field Office (EM-LA) investigates hazardous chemical and radioactive materials contamination as a result of past LANL operations and remediates sites where such materials are found above acceptable regulatory levels. This is known as the legacy cleanup mission.

Cleanup locations include sites of former LANL buildings, hillsides, canyon bottoms, and old landfills. Mission activities include surface and groundwater monitoring and remediation, removing contaminated soil, and decontaminating and decommissioning surplus process-contaminated buildings. Cleanup of contaminated sites follows the requirements of the 2016 Compliance Order on Consent with the New Mexico Environment Department.

Additionally, EM-LA retrieves, remediates, packages, and disposes of radioactive waste. Most low level and mixed low level waste is transported from LANL and disposed of in commercial licensed facilities, while transuranic (TRU) waste is disposed of at the Waste Isolation Pilot Plant, located in Carlsbad, New Mexico.

2,100 contaminated sites were originally identified for action, ranging from small spills to large landfills.

90% of initial investigations completed of the remaining sites.

>1/2
of legacy cleanup has been completed.

Demolition of **28** buildings, installation of 1 regional groundwater monitoring well, and remediation of Material Disposal Areas in Technical Area 21 have been completed.

Treatment of **60** remediated nitrate salt drums completed in November 2017, while the treatment of **27** unremediated nitrate salt drums completed in March 2018. The drums will be shipped offsite for disposal.

93% of the legacy TRU waste stored above ground has been removed. Over 4,000 above-ground TRU waste containers have been removed in recent years as a result.

A network of **35** monitoring, extraction and injections wells has been installed in and around the chromium plume at LANL. These wells and associated infrastructure support the efforts to characterize the plume and to halt the plume's movement via an Interim Measure.

115 legacy cleanup sites were identified across what is now the Los Alamos townsite on private property, Los Alamos County property, and DOE property adjacent to Los Alamos Canyon. The last planned cleanup of these legacy sites in the Los Alamos townsite was completed in July 2017.

U.S. DEPARTMENT OF ENERGY
OFFICE OF ENVIRONMENTAL MANAGEMENT

EM-LA