



Agenda

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**PUBLIC UTILITIES COMMITTEE
MEETING AND
SPECIAL STUDY SESSION
CITY COUNCIL CHAMBERS
WEDNESDAY, AUGUST 19, 2009
SPECIAL STUDY SESSION - 4:00 PM
PUBLIC UTILITIES COMMITTEE MEETING - 5:00 PM**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE AUGUST 5, 2009 MEETING

SPECIAL STUDY SESSION - 4:00 p.m.

Water Rate Evaluation Study Session. (Brian Snyder and Jason Mumm)

- a. Overview of previous City water rate setting processes. This overview will include a briefing on past Policy Steering Committee reports and recommendations and the processes that followed, leading to the adoption of the current water rates. S
- b. Discussion of objectives the Council would like to achieve with water rates.
- c. Presentation of several water rate structures that StepWise would recommend for Council consideration.
- d. Narrowing the list recommended water rate structures to three (3).

END OF STUDY SESSION

INFORMATIONAL ITEMS

6. Presentation on Energy Efficient and the Federal Stimulus Funds. (Nick Schiavo)
7. Presentation of Solid Waste Rate Recommendations and Consultant Report. (Bill DeGrande and Jason Mumm)

CONSENT CALENDAR

8. Update on Current Water Supply Status. (Victor Archuleta)
9. Update on Solid Waste Division. (Bill De Grande)
10. Request for Approval of the Award of Bid # '10/01/B to Advantage Asphalt & Seal Coating of Santa Fe – CIP # 3030 for the City Wide Water Utility Pavement Restoration Contract for the Amount of \$84,360.00 Exclusive of NMGR. (Bill Huey)

DISCUSSION ITEMS AND ACTION ITEMS

11. Evaluation Report for the Pressure Reducing Valve Project. (Robert Jorgensen)
 - a. **PUBLIC HEARING**
 - b. Request for Approval of Project Completion per Evaluation Report Recommendations or as Directed.
12. Update on Reservoir Pass-Throughs to the Santa Fe River and Request for Direction. (Allan Hook)

MATTERS FROM THE CITY ATTORNEY

ITEMS FROM STAFF

MATTERS FROM THE COMMITTEE

NEXT MEETING: WEDNESDAY, SEPTEMBER 2, 2009

ADJOURN

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

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PUBLIC UTILITIES COMMITTEE MEETING
AND SPECIAL STUDY SESSION
Wednesday, August 19, 2009**

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**MINUTES OF THE
CITY OF SANTA FE
PUBLIC UTILITIES COMMITTEE
AND SPECIAL STUDY SESSION
Wednesday, August 12, 2009**

1. CALL TO ORDER

A meeting of the Public Utilities Committee was called to order by Councilor Rebecca Wurzburger, Chair, at approximately 5:00 p.m., on August 12, 2009, in the Council Chambers, City Hall, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Rebecca Wurzburger, Chair
Councilor Christopher Calvert
Councilor Ronald S. Trujillo

MEMBERS EXCUSED:

Councilor Matthew E. Ortiz
Councilor Rosemary Romero

OTHER COUNCILORS ATTENDING:

Councilor Patti J. Bushee

OTHERS PRESENT:

Galen Buller, Public Utilities Director
Stephanie Lopez, Public Utilities
Marcus Martinez, Assistant City Attorney
Melessia Helberg, Stenographer

There was a quorum of the membership present for conducting official business.

NOTE: All items in the Committee packet for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Public Utilities Department.

APPROVAL OF AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Calvert, to approve the agenda as presented.

VOTE: The motion was approved unanimously on a voice vote.

The Committee recessed the meeting at 4:05 p.m. to reconvene following the Special Study Session

SPECIAL STUDY SESSION

The Special Study Session was called to order at approximately 4:05 p.m.

WATER RATE EVALUATION STUDY SESSION. (BRIAN SNYDER AND JASON MUMM)

- A. OVERVIEW OF PREVIOUS CITY WATER RATE SETTING PROCESSES. THIS OVERVIEW WILL INCLUDE A BRIEFING ON PAST POLICY STEERING COMMITTEE REPORTS AND RECOMMENDATIONS AND THE PROCESSES THAT FOLLOWED, LEADING TO THE ADOPTION OF THE CURRENT WATER RATES.**
- B. DISCUSSION OF OBJECTIVES THE COUNCIL WOULD LIKE TO ACHIEVE WITH WATER RATES.**
- C. PRESENTATION OF SEVERAL WATER RATE STRUCTURES THAT STEPWISE WOULD RECOMMEND FOR COUNCIL CONSIDERATION.**
- D. NARROWING THE LIST RECOMMENDED WATER RATE STRUCTURES TO THREE (3).**

Items A through D were combined for purposes of presentation and discussion.

Chair Wurzburger thanked everyone for attending today, saying there are some very important policy options to consider. Councilor Wurzburger introduced Jason Mumm of Stepwise Utilities Advisors.

Mr. Mumm said he has been asked to revisit the rate structure and the purpose of this Study Session is to talk to the Committee about what has happened previously, what is happening now and what the Committee wants to achieve from revisiting the rates.

Mr. Mumm introduced John Duddon, a partner of his with Stepwise Utilities Advisors, who manages the operations in Texas out of San Antonio, noting he has 20 years of experience in the industry. He said between the two of them, they have 35-40 years of experience which they bring to this project.

Mr. Mumm presented information regarding this matter via power point. The text of the power point is contained in the Committee packet. Please see this document for specifics of this presentation. et.

Chair Wurzburger said, for the benefit of the Councilors who weren't on the Council at that time, at time the current rates were adopted, some members of the Council were very adamant, regardless of the data that was presented with respect to the impact on commercial, and that commercial would pay more. She said the information presented really doesn't point out how that decision was made, and she wanted to share this perspective, because she believes this issue will come up again.

Councilor Calvert said another problem are certain "mini malls" where there is a master meter, so there is a big meter with all of these individual uses within that who are paying the higher rate which isn't reflected by the type and size of business.

Mr. Mumm said multi-family was an issue along those lines as well.

Councilor Calvert said there is also another issue on the residential side where there was a fair number of people with one inch meters in residential – just single family homes. He said the problem was they were paying more on the administrative fee, but they weren't getting the break on the additional water before the rates "broke." He said these customers were paying more for the service fee, but weren't getting a break on the usage.

Mr. Mumm said when this rate structure was introduced initially, it had that feature, so the rates for these residential customers looked a lot like the commercial rate structure for everyone. He said the Council didn't prefer this with the residential class and wanted to ensure all the residential customers were on the same scale, but were okay with it on the commercial side.

Mr. Mumm noted that the conservation message was well received by the community at the time, and there generally is low usage – one of the lowest in the United States

Responding to Councilor Trujillo, Mr. Mumm said the rates on page 11 aren't the existing rates, this is one of the recommendations from the policy steering committee, noting the current rates are on page 15. He said his suggestions are on page 10.

Commissioner Trujillo is concerned about the impact on the customers in Santa Fe, and asked how much more it will be, noting currently the rate is \$13.44 and this will go to \$16.14.

Mr. Mumm said this was calculated in 2006 and this was the proposal at that time. He said he would need to go back and calculate the numbers which would go with this kind of structure, based on what we know today. He said it would be necessary to update what has been done.

Councilor Trujillo said this needs to be updated, because he needs to have numbers that he can show his constituents, because they will ask him.

Mr. Mumm said he isn't requesting any action today. He said the scope of work is to look at three rate structures. He said he needs direction this evening on which three kinds of structures you want him to examine. He said the structure needs to be examined strongly, because they spent a lot of time and made a good decision. He said the next steps would be to update the numbers.

Councilor Calvert said one of the things we asked is whether to do away with rates based on meter size, and asked if this is still a factor. Mr. Mumm said he wouldn't recommend what they have right now.

Councilor Wurzbarger said the request is to change the connection between charging more, based on a meter size, regardless of use. And she understands Mr. Mumm wouldn't recommend doing that.

Mr. Mumm said, "I wouldn't do this, where we've scaled it for the commercial class. I think what I said during that time was having an inclining block for the commercial class, regardless of how we do it, is really problematic and it's going to lead to certain issues. And, I guess if I were to recommend anything to you, I would say take a hard look at that again, if we're going to do it, and we had the opportunity to do it again – take a strong look at that."

Councilor Bushee asked Mr. Mumm why he would recommend against it, and what doesn't he like about it and what problems has it created.

Mr. Mumm said there were two specific problems and they tried to solve the policy issues. He said some of the problems the City will continue to encounter will be related to usage, and having the size of the meter to match what's happening at that particular commercial address. He said these are the kinds of things he was concerned about when it was implemented. He said there is a need, if it is going to work, to work on sizing the meters for the current activity at the address. He said the activity at an address is changed at time and there is a situation where you are captive in the upper tiers.

Councilor Bushee asked what Mr. Mumm is recommending in its place.

Mr. Mumm said he is suggesting that the City look again at the recommendation that came out of the policy steering committee. He said one of the things they found during the policy steering committee work on this particular rate structure, was that it produced a better rate of conservation than the inclining block structure. He said, on a technical basis, when you look applying a price signal to all uses, as opposed to just some of it, you get a conservation response from all the usages, as opposed to just some of it. He said they were able to show, quantitatively, the difference between the two. He said "this one," actually performs better than the inclining block rate structure.

Councilor Calvert said on page 10, where we have that, then Mr. Mumm is saying, in response to his question about meter size, there are still service charges based on meter size.

Mr. Mumm said it is standard and traditional to do it that way.

Councilor Calvert said then what Mr. Mumm is saying, in response to his question, is that there wouldn't be different usage charges based upon meter size.

Mr. Mumm said what they usually do in cost of service in creating the monthly service charges, is that they're set to recover the typical billing and administrative cost of the utility and meter servicing cost. The difference in the rate that you see by the meter size is linked to the difference in cost for maintaining a meter of that size versus a smaller meter. He said larger meters cost more to maintain

Councilor Calvert said it still gets a little "sticky" in the situation with a master meter in a building or a strip mall or such. So, the bigger monthly service charge gets passed along to each of the businesses and not necessarily reflecting their usage or needs.

Mr. Mumm said the conservation message gets lost at that point, and asked Councilor Calvert if this is his concern.

Councilor Calvert said his concern is that they are all having to pay because of the way the infrastructure was set up, and having to pay the higher service charge. However, if they were metered individually, they probably wouldn't have a meter of that size and wouldn't have the burden of the service charge.

Mr. Mumm said that point is raised often with multi-family developments, because the submetering is an issue.

Mr. Mumm said the study is going and they have the scope of work. He asked if there are goals and objectives which are important to be met in analyzing the rates, which aren't spelled out in the criteria which were used by the policy steering committee – some things this group wants to see with any kind of change in the rate.

Chair Wurzbarger said she wants to use this meeting as an information meeting. She said she will put this on the agenda for the next meeting, and ask the Committee to look at the design criteria. She said her personal opinion is that the goals haven't changed that much, and the issue is going to be one of strategy, and part of this is political strategy. The key questions are ones such as, do you believe we should base our rates on usage, or do you believe we should base the rates on whether you are a business or a residents. These are the kinds of policy discussions she believes we need to revisit, as well as any others the Committee would like. She said she would like to start with the four issues we identified earlier – things that worked or didn't work – and have this information in advance.

Councilor Calvert said, "If I was to put in one of the categories or criteria from before, I guess it would be rate stability. It goes, partly to what Councilor Trujillo said. My own thoughts... we are already putting in a substantial rate increase, so whatever do, will have to factor-in that and how it will affect... I know you're going to update the one on page 10, if we look at that type of a rate structure, and I think that's going to be one of the big questions is how that plays out under the financial plan."

Mr. Mumm said, "Yes, and basically how do we update it to the current rate requirement."

Councilor Bushee Mr. Mumm asked whether or not it should be based on usage or if there should be made a distinction between commercial and residential users, as long as the message is continuing to be conservation for both. She said in the past the message had been, a larger meter, larger pipe size, cheaper water, and that had generally been the commercial customer. So, it was an inverse message when it came to conservation. And at the time, the "rate guys" were averse to doing anything differently about that, and that's where we got into "commercial is not going to be just based on volume size." It gets

harder to narrow when it comes to usage, because there are some businesses that peddle water, so "you get caught in between the cross wires on that."

Chair Wurzbarger asked Mr. Mumm if he has guidance for the Committee for the process we want to do next.

Mr. Mumm then presented the timeline via power point. Please see this document for specifics of this presentation.

The Study Session was adjourned at approximately 5:00 p.m., and after a short break, the Regular Public Utility Committee Meeting was called to order at approximately 5:10 p.m.

3. APPROVAL OF AGENDA

Chair Wurzbarger said the WiFi is being turned off for the rest of the meeting. She said the agenda is going to be changed to move the public hearing to the first item on the agenda. She said because of the interest expressed by people on this item, the Committee will be holding the Public Hearing on Item #11 today, but the Committee will not be making a decision on that item today. She said there will be another public hearing on this item at the Public Utilities Committee on September 16, 2009, and a decision will be made at that time.

MOTION: Councilor Calvert moved, seconded by Councilor Trujillo, to amend the previously approved Agenda to hear Item #11 first on the agenda, and to approve the Agenda as amended.

VOTE: The motion was approved unanimously on a voice vote.

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Calvert moved, seconded by Councilor Trujillo, to approve the following consent agenda as published.

VOTE: The motion was approved unanimously on a voice vote.

CONSENT CALENDAR

8. UPDATE ON CURRENT WATER SUPPLY STATUS. (VICTOR ARCHULETA)

A copy of "Weekly Water Report, Week of , 2009, is incorporated herewith to these minutes as Exhibit "1."

9. UPDATE ON SOLID WASTE DIVISION. (BILL DeGRANDE)

10. **REQUEST FOR APPROVAL OF THE AWARD OF BID # 10/01/B TO ADVANTAGE ASPHALT & SEAL COATING OF SANTA FE – CIP #3030 FOR THE CITY WIDE WATER UTILITY PAVEMENT RESTORATION CONTRACT FOR THE AMOUNT OF \$84,360.00, EXCLUSIVE OF NMGR. (BILL HUEY)**
5. **APPROVAL OF MINUTES FOR THE AUGUST 5, 2009, PUBLIC UTILITIES COMMITTEE MEETING.**

MOTION: Councilor Trujillo moved, seconded by Councilor Calvert, to approve the minutes of the meeting of August 5, 2009, as submitted.

VOTE: The motion was approved unanimously on a voice vote.

DISCUSSION ITEMS AND ACTION ITEMS

PUBLIC HEARING

11. **EVALUATION REPORT FOR THE PRESSURE REDUCING VALVE PROJECT. (ROBERT JORGENSEN.**
 - A. **REQUEST FOR APPROVAL OF PROJECT COMPLETION PER EVALUATION REPORT RECOMMENDATIONS OR AS DIRECTED**

A copy of Arthur Firstenberg's statement for the record is incorporated herewith to these minutes as Exhibit "1."

Brian Snyder, Water Division Director, presented information from Robert Jorgensen's Memorandum of August 11, 2009, to the Public Utilities Committee, which is in the Committee packet. He said staff's recommendations for addressing community concerns are in Table 6-2 of the Report.

Mr. Snyder said staff continues to recommend radio telemetry. He said the reasons are addressed in the report with a comparison of the factors, including cost. He said the focus at this time is only on Phase 1 and to move forward with Phase 1. He said Phase 2 is 1½ to 2 years in the future, so there is a lot of time, and before that can be undertaken there first needs to be community input and then design.

Councilor Calvert asked the locations of the 8 stations that were eliminated.

Mr. Snyder said those are: Station 14 Camino Cerrito at Camino San Acacio, Station 15 Camino Sin Nombre, Station 16 Camino Don Miguel at Don Miguel Alley, Station 17 Camino del Monte Sol at El Caminito, Station 18 Camino Rancheros, Station 19 Camino Ranchitos at Camino Rancheros, Station 22 Camino Corrales at East Barcelona and Station 35 Valley Drive at Valle Piedras.

Councilor Trujillo asked the difference between radio and telephone telemetry.

Mr. Snyder said the information on radio telemetry, which costs \$76,000 is on Table 6-1, and on telephone, which costs \$121,750, is in Table B-2.

Councilor Bushee asked why eight were eliminated and is the issue of not going to telephone coverage a cost issue.

Mr. Snyder said there are 50 PRVs in Santa Fe, and there is a lot of grade change from the west side to the east side of town – over 1,000 feet, and because of that there are 10 pressure zones. He said it is necessary to reduce pressure at every pressure zone line to avoid blowing pipe out in the ground and in people's plumbing. He said Phase 1 had 25 station sites. He said staff looked at those in terms of how the water gets around in the water distribution system. He said a lot of it is a function the way the City grew, and the 8 eliminated in the same area so there is redundancy. He said some minor piping or valving was needed at the 8 sites, and staff determined that good distribution can be accomplished to get water to houses, businesses and for fire protection. He said they did a quick cost benefit analysis – cost to install a SCADA system at each site versus elimination of the site, and what it would cost to eliminate the site. The site was eliminated if it was more cost beneficial to do minor piping rather than invest \$30,000, noting 8 sites were eliminated. He said the goal for phase 2 is to do something similar and look at sites which could be eliminated.

Councilor Bushee said the Councilors received communications from the public indicating that the City doesn't necessarily need these monitoring stations and we could simply rely on the telephone company in some manner to transmit information. She doesn't know if this is an accurate description. She asked if it is a possibility, and if the reason staff is not recommending going this route is solely a function of cost.

Mr. Romero said it definitely is a function of costs. He said the main difference, when comparing staff's proposal, from a cost standpoint is the ongoing monthly service fee of \$45 per month per site. The other major difference is that with a radio system, there are people internally to the Water Division that can respond to any malfunctions and address it quickly. Whereas, in a telephone system there is a third party, most likely Qwest, which we would have to contact, advise them of the problem, and have to recommend them to do a service call to that site.

Councilor Bushee said then that is not something that staff is recommending at this time.

Mr. Snyder said staff is not recommending that, and would recommend that we have control of the system and not have to rely on a third party and its response time. He said we would rather rely on our response time.

Councilor Bushee asked Mr. Snyder if he has experience with Qwest or another service provider and found the response time to be inadequate.

Mr. Snyder said he isn't saying that. He said on the existing City well system – Buckman and tank system – there is a very similar radio telemetry already in existence. He said staff is familiar with it, knows

how it operates and there is an on-call maintenance service contract, but they don't have to use it frequently because they have in-house expertise. He said this is basically an expansion of that system.

Chair Wurzbarger asked Mr. Snyder to make the report available to Councilor Bushee who doesn't sit on this Committee, so she will have a chance to review it.

Public Hearing

Chair Wurzbarger reiterated that she made a decision as Chair, with the support of the Committee, that we will hold the public hearing, but we will not vote today. There will be another public hearing in one month to allow more time for those who could not be here to look at report. The Committee will make a decision on Phase 1 at that time.

Chair Wurzbarger said everyone will be given two minutes to speak to the issue, and asked people not to be repetitive of one another. She said those speaking do not have to be sworn. Responding to a question from the audience, Chair Wurzbarger said people can speak to Phase 2 this evening as well as come back in the future and speak to Phase 2.

Chair Wurzbarger reiterated that the WiFi is off and will remain off for the duration of this topic.

Ann Browning, 1908 Cerros Colorados, said she lives near where the water pump easement is located. She doesn't want to live under the shadow of a water radio tower. Her residence is located close to the pump and it is 60 feet from the structure to the house underground utilities. She said she has a boundary survey showing that proximity. She said a radio tower will be feet from her front entrance, her only egress and it will negatively impact her property values and her ability to sell. She never would have bought the property 18 months if she had received notice of this intrusion. She said close radio signals can affect appliance usage, electronics and personal health. She said the radio tower will be a vertical eyesore, it will be unscreenable and a big detriment to their neighborhood. She said this tower monstrosity should not be built.

Fred Sybel, 2005 Senda de Andres, which is adjacent to Cerros Colorados. He said has a question about telephone versus radio. He wonders if "he" realizes that we, almost to a person, do not get cell phone service. He said if the radio is line of site, it won't work. He asked if the engineers have heard about service level agreements with the phone companies, and if they have a line in place, then they can be held responding in some pre-set amount of time. He said the whole community of Cerros Colorados has underground utilities throughout. It has no overhead poles, no street lights and they wonder why they should have to "put up with" a 14 ft. tower. It just doesn't make sense for the community.

Arthur Firstenburg entered his statement into the record in opposition to the radio telemetry system [Exhibit "1"], saying Phase 2 has to be considered, because once Phase 1 is approved, they're not going to change what they do. He said if Phase 1 is approved for a 14 ft. tower, they will do that in Phase 2, so everyone should have been notified, signs should have been posted of all those hearings and all

those people belong here. He disagrees with the cost estimates in the report, noting there are duplicate charges for telephone and costs not included for Radio. Please see Exhibit "1" for the specifics of this presentation.

Jim Gauthier, 835 Calle David, Ridge Canyon Subdivision, off Ridgetop. He said he believes a tower has already been erected. He doesn't like it, and believes the other neighbors agree. He said he is speaking for a lot of people in the neighborhood. He asked why the towers can't be built on City property if they have to be built. He suggested perhaps in parks and on medians. He lives in a brand new neighborhood and people buy there because of views. He said most of the residents can see the City lights and mountains from their houses. He said this doesn't fit in the neighborhood. He said a lot of people spoke against this as well as called the office, called staff and spoke with them. He asked how many people called and said this is neat, I'd like to have one of these in my front yard. He doesn't think many people would do this because it isn't appropriate for the front yards. There's nothing like it, and there should not be anything like it.

Jean Patrick, President, Los Colorados Homeowners Association. She is concerned that the Association was not notified *per se* about the towers being planned. She said their CC&R's require underground utilities, and anything built such as this would have to be screened with a coyote fence, but she doesn't see a 14 ft. coyote fence around this. She said the plan is to put two towers in her neighborhood, and as the President of the Association she is offering to pay the \$90 monthly fee for the telephone from their Association Dues, to pay for the telephone, rather than having these towers built, and she would like to go on record for this. She said the Association would pay in advance if necessary.

Jim Burdelsky, 839 Gonzales Road, said he always sees workers working on the water pump near his property. One day they were working on the property and the next day there was a very large tower which he believes is taller than 14 feet. He said he talked with people from the City, and two engineers from the City came out and he met with a neighbor. He said he bicycles down Valley Drive and one morning there was a tower. He said the next day there were group of neighbors on cell phones with a very large sign saying, "Call the Mayor at City Hall." A few days later the tower disappeared. He asked if they hired attorneys to get it removed, which seems ridiculous. He said they have all underground utilities and it is a very nice area. He believes the whole thing was done inappropriately.

Barbara Fix, 610 Alicia, said she lives in the traditional Baca Street/Sierra Vista neighborhood. She is glad that the Committee has delayed its decision. She heard about this from someone else, and admires the Cerros Colorados HOA for its unified organizing. She said their neighborhood organized against the Mejia line which PNM wanted to build down her street as well as the Baca Street Well f/k/a Santa Fe Well. She said people need more notice. She said it is best not to just spring things on people because it tends to create confrontation when it's not needed. She thanked the Committee for looking at this in a more reasoned pace.

Randall Bell, said he is here on behalf of clients, Sally Bingham and Donald Frances, who live on Camino de Monte Sol. He said they were pleased to know the tower in front of their house has been eliminated, but they still have strong interest in the overall project and its effect city-wide, and asked him to

speak because of that. He said at the previous meeting, Mr. Jorgensen said effectively that the radio telemetry and telephone line telemetry were essentially technically equal. He gathers that the position of the gentleman from the City who spoke earlier is essentially that it's a cost issue for them. He said at page 8-3 of the Report, it indicates the radio telemetry annual cost is \$18,475 and the telephone telemetry is \$17,842. He said it is somewhat less unless he is misreading the Report. He said the community seems to be unanimously opposed to the radio telemetry and the Water Division seems to give no weight to the desires of the community which he finds shocking. He said it is a small cost difference, and should be balanced by the strong desire of the community to preserve, throughout the City and not just the historic district, the blight of large mechanical installations. He urged the Committee not to adopt the staff recommendation to use radio telemetry, but to require the transmissions to be underground by cable.

Judy Bowles Sena, on behalf of her mom Sara Bowles who has lived on Rodeo Road for 59 years, and is out of City limits and they have a well, so they are questioning why they put one of the stations in front of her house. They also want to comment that there was no notification and all of a sudden this tower just appeared. She has been in contact with the City and asked them to move it, because they are supposed to be at 3918 Rodeo Road or 3924 Rodeo Road, and they are wondering why they didn't look at the map more closely before installing the tower since they aren't in the City.

Robin Black, 1050 Camino Manana, said she received a flyer on her door and it is the only way she knew about this. She said her understanding is that if the City can do it a different way without imposing health risks, esthetic risks or loss of property value, it is a "no brainer." She believes in the future the City needs to think about the impact it has on homeowners, and the homeowners need to be more in the loop. .

Ronald Miller, 813 Calle David, said he is an officer with the Santa Fe Estates Neighborhood Association, which hasn't taken a position on this issue, but they are watching the conflicting facts. He said they are particularly watching the installation of #51, which hasn't been done, which is on Calle David, which is the one Mr. Gauthier spoke about. He said their Association is downhill and looks in the other direction from his objection to the view. He said the neighborhood has mostly buried utilities, except for the white domes which house the water facility which the tower is supposed to monitor. He said the white domes are ugly, but not as tall as the tower which has been there for a year in its "non functional ugliness." He said it has been installed as a *fait accompli*, but presumably the City can cut it down, shorten it or rip it out if necessary. He said another issue related to the white domes and the water system structures within them is that on very rare occasions it releases compressed air which is very loud, annoying and unpredictable. He said that may or may not be addressed by this monitoring system. He said the hydro mechanics of that system should be considered in terms of its nuisance value.

Jane Larson, apologized that she does not have prepared remarks. She also was given a flyer so she just recently became aware of the issue. She lives in Casa Solana on Pine Street, and her neighbor across the street will be the recipient of the 14 ft. radio tower. She said they are a very poor couple, who are original residents. She said her neighborhood has enough problems with esthetics and people being able to afford to "keep up" their houses. She said this is a City which cares deeply about esthetics and art

and we have to preserve that. She said as long as there is an alternative, we should think long and hard about considering that. She urged that there be more time to deliberate on this issue if possible.

L.B. West, said he is a lawyer representing certain homeowners and developers in the Monte Sereno Subdivision. He said he would echo a number of concerns you have heard here. His clients just recently heard about this, as have others, and share some of the same concerns about esthetics and health risks. He urged this Committee and the City Council to afford due weight to the citizens concerns about these issues, and to explore the telephone line telemetry.

Nina Ramirez said she is here on behalf of the community located at [inaudible] Mobile Home Park at 30 Camino [inaudible] and they just received the notice hours ago. She is disappointed that they didn't have adequate time to round up their residents to come here and protest. She said aside from the radio frequency signals, they have children. She said she can't imagine have a tower on one side and one opposite, which is absolutely ludicrous. She said it is already an eyesore that they have the PNM towers, and it's just not fair to the community overall.

Albert Durant, Board Member of the Canyon Neighborhood Association, said he has been asked by the Association to represent it in monitoring this issue. He has been asked formerly by the Old Santa Fe Association to participate and monitor its position. As a consequence, there have been a number of meetings with the water company in connection with this project. He said the Canyon Association has been impressed with the amount of effort the water company has put into the neighborhood in terms of the water plant and treated water storage tank over the last several years. He said it is apparent that the water company has taken a considerable and justified beating on this project for not recognizing that the community would be as concerned as they are with the issues of esthetics and radio signal issues. He said neither he nor the Canyon Neighborhood Association is not taking a position with regard to the radio telemetry health issues, because they aren't educated sufficiently to take a reasonable, responsible position. Regarding the esthetic impacts, they are impressed that after a number of meetings, the water company has made substantial changes, particularly in the historic districts to eliminate 8 of the stations in Phase 1. He said in Phase 2, several of the monitoring stations are at locations where they are already existing, such as the water tank, a critical monitoring station, the primary valve coming out of the two upper dams which is a primary safety issue, and the Dempsey Tank. These are three of the 6-7 remaining historic district issues. He reiterated that the water company has agreed that all projects in the historic districts will be reviewed by the Historic Board, so there will be a public monitoring option during that process. However, the Historic Board, in his view, probably isn't qualified or authorized to deal with the health issues that will be addressed.

The Public Hearing was closed

Chair Wurzbarger thanked everyone for attending and speaking to this issue, and this will be on the agenda for decision at the next Public Utilities Committee meeting on September 16, 2009.

INFORMATIONAL ITEMS

6. PRESENTATION ON ENERGY EFFICIENT AND THE FEDERAL STIMULUS FINDS. (NICK SCHIAVO)

A copy of the Executive Summary for the Building Resource Audits Phase 2, is incorporated herewith to these minutes as Exhibit "2."

Mr. Schiavo asked the Committee to read the Executive Summary of the energy audits and let him know if they have questions. He said the Executive Summary covers the different buildings which were audited and the proposed projects for energy efficiency and energy reduction, payback periods, associated costs, noting this represents \$1.8 million in proposed projects. He said they are "cherry picking" the ones which make the most sense and intend to do 50 out of 62, or about 82%, and are moving forward in getting those lined up.

Mr. Schiavo presented information from the power point presentation regarding the stimulus funding. The text of this presentation is in the Committee packet. Please see this document for specifics of this presentation.

Mr. Schiavo introduced Kerry Weiner, the City's new renewable energy planner.

Mr. Weiner continued presenting information from the power point presentation regarding other potential funding.

Chair Wurzbarger asked if the Energy Rx program would be only for YouthWorks, and asked if it could be used for contractors who have no work in Santa Fe, or is this grant tied to young people.

Mr. Weiner said it is tied to at risk youth.

Councilor Calvert said the figures include the methane grant which we didn't get, so the best we can do is something less than these figures show.

Mr. Weiner said this is correct – the savings were \$92,000 per year, and 500 tons of greenhouses annually.

Mr. Schiavo said he understands Wastewater is moving forward to do this, and has already issued an RFP to do that work, and we were just hoping to help fund that. Wastewater intends to move forward with the methane capture project anyway.

Councilor Calvert said then we'll get greenhouse savings, and some gas use reduction, but not some of the other things.

Mr. Schiavo said we will get all of the reductions, but it won't be funded by someone else.

Councilor Calvert said the lighting at the main library is on the list. He wants to be sure it is lighting which is compatible with reading, and that people still can see to read.

Mr. Schiavo met with Pat Hodapp who had similar concerns. He said they took a light meter to the Library and showed that in many areas she only has 10-20 ft-c, and so he can assure everything that the lighting will be much better.

Councilor Calvert said some of the buildings at Siringo are on the list. He asked, given some of the potential plans and facilities, if we want to proceed with those, although a short payback would be to our benefit. He doesn't want to be spending a lot of time and resources to improve buildings that we may not continue, although it would add to the value at sale.

Mr. Schiavo said he can provide a tighter matrix of what he intends to do. He is working closely with CIP and he is aware of what could happen, so they haven't considered any projects which have a payback of less than five years.

Councilor Trujillo asked about the proposal to add single glaze storm windows to existing historic windows, saying he thought double pane would be better.

Mr. Schiavo said the challenge is that because of historic, we wouldn't be permitted to remove the windows and install quality double-pane. The best we can hope to do is to install a storm window over top, noting the payback would be 75 years. He said that is one with which they probably won't proceed.

Councilor Trujillo asked if we decide to proceed, if we would have to go before the H-Board to get its approval on how the storm window would look, and Mr. Schiavo said yes.

Responding to Councilor Trujillo, Mr. Schiavo said CID is in the process of redoing a portion of the exterior northeast wall at Salvador Perez, and he was able to intervene and put in 4 inches of spray insulation which will give an R value of 18-19.

Councilor Trujillo asked, regarding Genoveva Chavez, what is meant by "route recovered heat to ice melt pit."

Mr. Schiavo said there is a zamboni which scrapes the ice and at the end it is dumped into an ice melt pit. He said most facilities drive the zamboni outside and dump a load of ice, but it can't be done at this facility because of the way it was designed by Ed Mazria. He said the ambient temperature in the room is about 60 degrees and the ice never melts and keeps building, and as designed they use boiler water to melt the ice. He said in lieu of using water we are boiling and heating, we will use the waste heat from the ice compressors to melt the ice.

**7. PRESENTATION OF SOLID WASTE RECOMMENDATIONS AND CONSULTANT REPORT.
(BILL DeGRANDE AND JASON MUMM)**

Bill DeGrande presented information from the summary of the combined Rate Analysis and Recommendations compiled by Jason Mumm of Stepwise, which is in the Committee packet. The report indicates that the division is in good shape financially and will not require a rate increase this fiscal year.

Mr. Mumm said in his 10 years working with Santa Fe, he has had very few opportunities to give news as good as this. He said they looked closely to be sure that if annexation does or not happen, they won't have to come back and revise the report. He said they established boundaries on the analysis based on the expectation for annexation, noting the numbers are in the report. He said the rate increases without annexation would be a little easier to handle, but the difference is slight. He said with annexation, the real difference is that there is some capital investment which Solid Waste needs to make in order to serve new customers – purchasing new equipment, bins, dumpsters and other things needed to provide service.

Chair Wurzburger said the next step will be to bring this back for a recommendation and approval.

Mr. DeGrande said he expects to bring this back to the Committee before the end of the year.

DISCUSSION AND ACTION ITEMS

12. UPDATE ON RESERVOIR PASS-THROUGH TO THE SANTA FE RIVER AND REQUEST FOR DIRECTION. (ALLAN HOOK)

Allen Hook presented information from his Memorandum in the packet, noting staff recommends continuing to allow surface water to pass through the City Reservoirs, supporting a Living Santa Fe River, through the weekend of September 13, 2009, maximizing our diversionary right of 5,040 feet and achieving the goal of approximately 40% carryover storage.

Councilor Trujillo asked what the capacity of the reservoir will be at September 13, 2009.

Mr. Hook said he would have to look at the capacity at that time, and it depends on pass throughs and usage. He said on Sunday we were at 74% on Sunday, so it possibly could be 60-68%, noting this is just an estimate.

Responding to Councilor Calvert, Mr. Hook said the Resolution sets a target of 40% for carryover storage. He said this is what we've used for diversionary, plus what they estimate that we will use through the end of the year, plus the pass-throughs, and at September 13th it could be at about 40% and not more, unless there are changing conditions and monsoonal activities.

Councilor Calvert said it sounds as if Mr. Hook is saying things are going according to plan.

Mr. Hook said the issue is that the 700 afy would get us to September 3rd. Staff believes there is enough surface water in storage water to get us through September 13th.

Chair Wurzbarger said they are asking for a ten day extension.

MOTION: Councilor Trujillo moved, seconded by Councilor Calvert to allow the Santa Fe River to run through September 13, 2009.

DISCUSSION: Councilor Calvert asked if this has gone before the River Commission, and Mr. Hook said no.

Councilor Calvert asked if there is time to do that.

Mr. Hook said the River Commission is meeting on Monday, and he spoke to Brian, a staff member, about presenting to the Commission.

Chair Wurzbarger asked Councilor Calvert if he would like to modify the motion that it is subject to the positive recommendation of the River Commission, or can we move forward with this.

Councilor Calvert said he would like to get a recommendation from the Water Commission, but he wants to move forward.

VOTE: The motion was approved unanimously on a voice vote.

Chair Wurzbarger said, contrary to recent comment, this shows that our Council still is very committed to seeing a living river, and particular those of us who serve on this Committee.

MATTERS FROM THE CITY ATTORNEY

There were no matters from the City Attorney

ITEMS FROM STAFF

There were no matters from staff.

MATTERS FROM THE COMMITTEE

Councilor Calvert said he thought we agreed to rely on personal responsibility to attend meetings. He does not think it is a good use of staff time to call the members to be sure we will attend. He believes it is our responsibility to advise the Chair, staff or whoever they can reach that they will not attend.

Chair Wurzburger said it was her decision to do this because it is the summer, and hopes we can continue to rely on personal responsibility, noting she appreciates his comments.

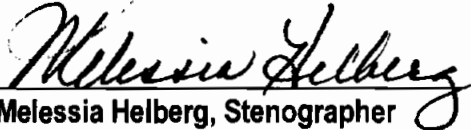
Councilor Calvert believes we should apply the same rules as we do to other Committees, in terms of attendance, and has a problem when people just don't show up.

NEXT MEETING: WEDNESDAY, SEPTEMBER 2, 2009

ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at approximately 6:25 p.m.

Rebecca Wurzburger, Chair


Melessia Helberg, Stenographer