



Agenda

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**PUBLIC UTILITIES COMMITTEE
MEETING
CITY COUNCIL CHAMBERS
WEDNESDAY, FEBRUARY 6, 2008
5:15 PM**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FOR THE JANUARY 16, 2008 PUBLIC UTILITIES COMMITTEE MEETING

EXECUTIVE SESSION:

Discussion of City of Santa Fe v. Lone Mountain Contracting, Inc. & St. Paul Travelers First Judicial District No. D-0101-CV-2007-00142 (Hospital Water Tank); Pursuant to §10-15-1 (H) (7) NMSA 1978. (Gary Martinez, Maureen Reed and Tim Sheehan, Sheehan Sheehan and Stelzner, P.A.)

END OF EXECUTIVE SESSION

PUBLIC HEARING:

Update to the Recent Problems Regarding Frozen Water Meters. (Shannon Jones)

END OF PUBLIC HEARING

INFORMATIONAL ITEMS

6. Update on Current Water Supply Status. (Victor Archuleta)
7. Update on Solid Waste Division. (Vivian Martinez)

8. Update on Kopy Kaps. (Peter Ortega)
9. Update on the Santa Fe River Fund. (Rachel Friedman)

CONSENT CALENDAR

10. Request for Approval of Bid # '08/23/B for the Purchase of One (1) Front-Loading Collection Vehicle from Rush Truck Center for \$218,325.00. (Bill de Grande)
11. Request for Approval of Bid # 08/24/B for the Purchase of Two (2) Roll-Off Collection Vehicles from Roberts Truck Center for \$334,603.82. (Bill de Grande)
12. Request for Approval of the Purchase of 2500 Recycling Bins from Cascade Engineering in the Amount of \$14,000.00 under the HGAC Contract. (Bill de Grande)
13. Request for Approval of the Purchase Twenty (20) 4 YD and Fifty (50) 8 YD Front Load Dumpsters from Wastequip, Inc. Under the HGAC Contract in the Amount of \$54,980.00. (Bill de Grande)
14. Request for Approval of the Purchase of Seven (7) Bath Tub Style Roll-Off Containers from Wastequip, Inc. in the Amount of \$26,528.00 under the HGAC Contract. (Bill de Grande)
15. Request for Approval of the Purchase of: **1)** One (1) Ford F-46 Cab and Chassis/Maintenance Support Vehicle (Welding Truck) from Bob Turner Ford Country in the Amount of \$33,240.00 under the State of NM Purchasing Contract; **2)** Purchase of One (1) Ford F-150 Pick-Up Truck/Support Vehicle from Bob Turner Ford Country in the Amount of \$22,583.00 under the State of NM Purchasing Contract; **3)** Purchase of One (1) Ford F-46 Cab and Chassis/Maintenance Support Vehicle (Container Delivery Vehicle) from Bob Turner Ford Country in the Amount of \$33,715.00 under the State of NM Purchasing Contract. (Bill de Grande)

DISCUSSION ITEMS

16. Request for Approval of Memorandum of Agreement between City of Santa Fe and Santa Fe County for Regional GRT Funds for Buckman Direct Diversion Project. (Rick Carpenter)
17. Request For Approval of a Revised NMFA Loan Agreement for the Buckman Direct Diversion Board Project that Increases the Existing Approved Low-Interest Loan Amount of \$7 Million by an Additional \$8 Million, for a Total Loan Amount of \$15 Million. (Rick Carpenter)

18. Request for Approval of Resolution No. 2008-_____. A Resolution Authorizing Staff to Seek Section 595 Environmental Infrastructure and Resource Protection Assistance Funding from the U.S. Army Corp of Engineer for the City's Canyon Road Water Treatment Plant Phase III Residuals Handling Improvement Project. (Brian Snyder) (Councilor Chavez)

MATTERS FROM THE CITY ATTORNEY

ITEMS FROM STAFF

MATTERS FROM THE COMMITTEE

NEXT MEETING: WEDNESDAY, FEBRUARY 20, 2008

ADJOURN

SUMMARY INDEX
PUBLIC UTILITIES COMMITTEE
February 6, 2008

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER	Quorum	1
APPROVAL OF AGENDA	Approved [amended]	1
APPROVAL OF CONSENT CALENDAR	Approved	1-2
CONSENT CALENDAR LISTING		2
APPROVAL OF MINUTES JANUARY 16, 2008	Approved	2-3
<u>EXECUTIVE SESSION</u>		
DISCUSSION OF CITY OF SANTA FE V. LONE MOUNTAIN CONTRACTING, INC. & ST. PAUL TRAVELERS, FIRST JUDICIAL DISTRICT COURT CASE NO. D-0101-CV-2007-00142 (HOSPITAL WATER TANK), PURSUANT TO §10-15-1(H)(7) NMSA 1978. (GARY MARTINEZ, MAUREEN REED AND TIM SHEEHAN, SHEEHAN, SHEEHAN AND STELZNER, P.A.)	Executive Session Approved	
<u>PUBLIC HEARING</u>		
UPDATE TO THE RECENT PROBLEMS REGARDING FROZEN WATER METERS	Information/Discussion	3-16
<u>INFORMATIONAL ITEMS</u>		
UPDATE ON CURRENT WATER SUPPLY STATUS	Information/discussion	16
UPDATE ON SOLID WASTE DIVISION	Information/discussion	17-19
UPDATE ON KOPY KAPS	Information/discussion	19-20
UPDATE ON THE SANTA FE RIVER FUND	Information/discussion	20-22

ITEM**ACTION****PAGE****DISCUSSION ITEMS**

REQUEST FOR APPROVAL OF MEMORANDUM OF AGREEMENT BETWEEN CITY OF SANTA FE AND SANTA FE COUNTY FOR REGIONAL GRT FUNDS FOR BUCKMAN DIRECT DIVERSION PROJECT

Not approved

22-25

REQUEST FOR APPROVAL OF A REVISED NMFA LOAN AGREEMENT FOR THE BUCKMAN DIRECT DIVERSION BOARD PROJECT THAT INCREASES THE EXISTING APPROVED LOW-INTEREST LOAN AMOUNT OF \$7 MILLION BY AN ADDITIONAL \$8 MILLION, FOR A TOTAL LOAN AMOUNT OF \$15 MILLION

Approved

25-26

REQUEST FOR APPROVAL OF RESOLUTION NO. 2008- _____. A RESOLUTION AUTHORIZING STAFF TO SEEK SECTION 595 ENVIRONMENTAL INFRASTRUCTURE AND RESOURCE PROTECTION ASSISTANCE FUNDING FROM THE U.S. ARMY CORPS OF ENGINEERS FOR THE CITY'S CANYON ROAD WATER TREATMENT PLANT PHASE III, RESIDUALS HANDLING IMPROVEMENT PROJECT

Approved

26

ITEMS FROM STAFF

None

27

MATTERS FROM THE COMMITTEE

None

27

NEXT MEETING: WEDNESDAY, FEBRUARY 20, 2008

27

ADJOURN

27

**MINUTES OF THE
CITY OF SANTA FE
PUBLIC UTILITIES COMMITTEE
Wednesday, February 6, 2008**

1. CALL TO ORDER

A meeting of the Public Utilities Committee was called to order by Councilor Miguel Chavez, Chair, at 5:15 p.m., on February 6, 2008, in the Council Chambers, City Hall, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Miguel Chavez, Chair
Councilor Patti J. Bushee
Councilor Carmichael Dominguez
Councilor Karen Heldmeyer
Councilor Ronald S. Trujillo

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.

3. APPROVAL OF AGENDA

MOTION: Councilor Heldmeyer moved, seconded by Councilor Trujillo, to approve the Agenda as published.

VOTE: The motion was approved on a voice vote, with Councilors Heldmeyer and Trujillo voting in favor of the motion, none against and Councilors Dominguez and Bushee absent.

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Heldmeyer, to approve the following consent agenda as published, with the caveat that some of the items fall under the City Manager's discretionary approval powers, and as a general practice we shouldn't put those on the agenda unless they are controversial or otherwise need to be discussed.

VOTE: The motion was approved on a voice vote, with Councilors Heldmeyer and Trujillo voting in favor of the motion, none against and Councilors Dominguez and Bushee absent.

CONSENT AGENDA

10. **REQUEST FOR APPROVAL OF BID #08/23/B FOR THE PURCHASE OF ONE (1) FRONT LOADING COLLECTION VEHICLE FROM RUSH TRUCK CENTER FOR \$218,325.00. (BILL DeGRANDE)**
11. **REQUEST FOR APPROVAL OF BID #08/24/B FOR THE PURCHASE OF TWO (2) ROLL-OFF COLLECTION VEHICLES FROM ROBERTS TRUCK CENTER FOR \$334,603.82. (BILL DeGRANDE)**
12. **REQUEST FOR APPROVAL OF THE PURCHASE OF 2,500 RECYCLING BINS FROM CASCADE ENGINEERING IN THE AMOUNT OF \$14,000.00 UNDER THE HGAC CONTRACT. (BILL DeGRANDE)**
13. **REQUEST FOR APPROVAL OF THE PURCHASE OF TWENTY (20) 4 YD AND FIFTY (50) 8 YD FRONT LOAD DUMPSTERS FROM WASTEQUIP, INC., UNDER THE HGAC CONTRACT IN THE AMOUNT OF \$54,980.00. (BILL DeGRANDE)**
14. **REQUEST FOR APPROVAL OF THE PURCHASE OF SEVEN (7) BATHTUB STYLE ROLLOFF CONTAINERS FROM WASTEQUIP, INC., IN THE AMOUNT OF \$26,528.00, UNDER THE HGAC CONTRACT. (BILL DeGRANDE)**
15. **REQUEST FOR APPROVAL OF:**
 - 1) **PURCHASE OF ONE (1) FORD F-46 CAB AND CHASSIS/MAINTENANCE SUPPORT VEHICLE (WELDING TRUCK) FROM BOB TURNER FORD COUNTRY IN THE AMOUNT OF \$33,240.00, UNDER THE STATE OF NM PURCHASING CONTRACT;**
 - 2) **PURCHASE OF ONE (1) FORD F-150 PICKUP TRUCK/SUPPORT VEHICLE FROM BOB TURNER FORD COUNTRY IN THE AMOUNT OF \$22,583.00 UNDER THE STATE OF NM PURCHASING CONTRACT;**
 - 3) **PURCHASE OF ONE (1) FORD F-46 CAB AND CHASSIS/MAINTENANCE SUPPORT VEHICLE (CONTAINER DELIVERY VEHICLE), FROM BOB TURNER FORD COUNTRY IN THE AMOUNT OF \$33,715.00, UNDER THE STATE OF NM PURCHASING CONTRACT. (BILL DeGRANDE)**
5. **APPROVAL OF MINUTES FOR THE JANUARY 16, 2008, PUBLIC UTILITIES COMMITTEE MEETING.**

MOTION: Councilor Heldmeyer moved, seconded by Councilor Trujillo, to approve the minutes of the meeting of January 16, 2008, as submitted.

VOTE: The motion was approved on a voice vote, with Councilors Heldmeyer and Trujillo voting in favor of the motion, none against and Councilors Dominguez and Bushee absent.

EXECUTIVE SESSION

DISCUSSION OF CITY OF SANTA FE V. LONE MOUNTAIN CONTRACTING, INC. & ST. PAUL TRAVELERS, FIRST JUDICIAL DISTRICT COURT CASE NO. D-0101-CV-2007-00142 (HOSPITAL WATER TANK), PURSUANT TO §10-15-1(H)(7) NMSA 1978. (GARY MARTINEZ, MAUREEN REED AND TIM SHEEHAN, SHEEHAN, SHEEHAN AND STELZNER, P.A.)

MOTION: Councilor Heldmeyer moved, seconded by Councilor Trujillo, to go into Executive Session for the purpose of discussing City of Santa Fe v. Lone Mountain Contracting, Inc., & St. Paul Travelers, pursuant to 10-15-1(H)(7) NMSA 1978.

VOTE: The motion was approved on the following Roll Call vote:

For: Councilor Heldmeyer and Councilor Trujillo.

Against: None.

Absent: Councilors Bushee and Councilor Dominguez.

The Committee went into Executive Session at 5:20 p.m.

Councilor Dominguez arrived during the Executive Session

MOTION: At 5:56 p.m., Councilor Heldmeyer moved, seconded by Councilor Trujillo, to come out of Executive Session, and stated that the only thing which was discussed was the item on the agenda, and no votes were taken.

VOTE: The motion was approved on a voice vote, with Councilors Heldmeyer, Dominguez and Trujillo voting for the motion, none against, Councilor Bushee absent, and the Committee came out of Executive Session at 5:56 p.m.

PUBLIC HEARING

UPDATE TO THE RECENT PROBLEMS REGARDING FROZEN WATER METERS (SHANNON JONES)

A copy of a communication dated February 6, 2008, with attachments, to the Chairman and Members of the Public Utility Committee, from Gary P. Martinez, Water Division Director, is incorporated herewith to these minutes as Exhibit "1."

Presentation by staff

Councilor Bushee arrived at the meeting at this time

Gary Martinez read his communication of February 6, 2008 into the record [See Exhibit "1."].

Public Hearing

Chair Chavez asked each speaker to limit their remarks to three minutes.

Peter Bassett, said he is consulting engineer, and spoke about the situation which occurred in Villa de la Paz where he lives. He said the City's primary problem is lack of insulation on the north facing water meters. He said they aren't insulated in his development, and they had seven major freezes of water meters, and they wiped out reserves fixing busted pipes this year. He said the City's jurisdiction ends at the water meter and the City needs to look at insulating the interior pipes to the houses, commenting it doesn't do any good to insulate the pipes if the City doesn't insulate its meters. He said the fireflies are part of the problem. He said with the old water meter cannisters there was a metal cap, and on a cold night you could "hit" it with a blow torch and put a blanket over it and it doesn't freeze. This can't be done with the new meters because fireflies like light redundant cannisters. He said the difference between a steel cap and rubber cap is about 8 degrees, and during daylight, the rubber caps don't allow sunlight to put radiant heat inside the meter can. The other issue with the new caps is because only the City can open those. He said he has communicated with Gary Martinez saying "we" should have insulated the pipes, and the City should have insulated the meters, and we can work together to do this. He said a complete insulation kit for a water meter is \$25, and a cheap expense compared with what we have. He said in their development they wasted one million gallons of water because of these issues, and this works against water conservation. He said we need to look at this together and do some serious troubleshooting. He said one person died during this time. He believes it is an easy problem to fix and we need to do it now.

Guy Fuller, Gonzales Road, said he has had no water for two weeks, and it isn't likely to change. He has a long water line which will cost an estimated \$8,000 to \$10,000 to dig up. He doesn't have the money to do this. He said he called the City when his meter froze and it took five days for the City to get there. He asked if he could open the meter and put a light bulb in it, and the City staff person said no, it is a \$200 fine if you open your meter can. He said if the City had come within one day, it wouldn't have frozen down his line and he would have been okay. He understands this is an extreme situation and the City was overwhelmed. However, he's stuck with this and he gets no help. He said his house was built in 1948. He heard it hasn't been this cold for 60 years, but that isn't true. He said the duration of the cold has nothing to do with it because all the meters froze in the first two days. He said this is a ridiculous situation and he's holding the City responsible. He said if the City is going to fine him for opening the meter cannister, the City needs to show up to deal with it, or allow him to keep his water line from freezing. He is just going to have to run a hose from the neighbors. He finally put a light bulb in the meter, and the City people came by and cut the cord. He said there is an attitude problem with City staff, and he

understands they are overworked. However, he is going to wind up in a class action lawsuit against the City. He needs help.

Sandra McKenzie, mailing address 369 Montezuma, residence on Camino de la Luz. Ms. McKenzie said the City was given emergency training recently, and if that is true, then Santa Fe failed. If this had been a national emergency, she can only imagine what would have happened. She extended sympathy to the family of the person who lost his life. She has been out of water for a week, and she wrote a letter to Councilor Heldmeyer, Sev, Jerry and his assistant Bernie who came to her house, and they were very efficient. Her major complaint is with the office. She said the team who came previously, didn't do the job correctly – didn't torch the line, install an insulation cap. She said when they did the job correctly, she wrote the commendation letter. She said she had a problem with the office communication, because she couldn't get any kind of answer. She said on the 5th day, a team came next door and repaired her neighbor's line. She asked if they were coming to her house which was 100 feet away and was told they weren't coming because "you're not on our work order, and it's against our rules to do that." She asked him to call his office and he told her he couldn't do that. She said, "There are two of you. One can call, one can drive, one can get permission." They didn't do it, and told her to call, and by the time she spoke with the superintendent, those workers had disappeared. She said the City could have saved a lot of fuel with communications between the workers and the office, commenting she was told they didn't have that, and they had a radio and some didn't have cell phones, but the radios were tied up. She believes if you solve the communication issue, the work could be done more quickly and saved time and energy.

Ms. McKenzie said she was told by some people, "We've been out there, call a plumber. It's your problem, it's on your property. I said no, I've build seven houses. It isn't my problem, I know it's yours." She said it was only because she "stuck with it," that another team was sent. She said the technology is the problem. She asked if the City would be offering rebates. She said "we" were told to put some peat moss around our meters for additional insulation. She said, "...the other part of the City comes along, in their shoveling the road, removes some of the dirt from the sides of the cannister. If that is causing some exposure to help cause freezing, then okay, peat moss is fine with me. But maybe the City, when the City does the roads, as far as plowing the roads and removing some of the dirt, ought to take a look if they're getting too close to the cannister." She reiterated her problem is with the technology that perhaps the City doesn't have in the water company."

Kirk Ellis, 675 Old Santa Fe Trail, said he has no complaint with the people who were actually doing the work to get the meters repaired. He said the teams were very responsive, very polite and very helpful in their suggestions. However, he feels the working guys on the street were ill served by what appears to have been a non-existent crisis management structure at the Water Division. He is encouraged to hear about some of the things which are happening. He has been without water since January 18, 2008. He called immediately about a frozen meter, and waited for five days for a call back to say a crew was coming, but no one called. He called Councilor Bushee out of frustration, and Shannon Jones called a few hours later and a crew came later that evening. The team discovered the meter was frozen and cracked. He said as a result, the water in the pipes froze, and he will have to wait for the line to unfreeze. He said the ground is frozen to 3 ½ to 4 feet, and they have to wait for it to unfreeze before any excavation

can begin. He said two plumbers came out and told him if the problem was corrected at the outset, the line would not have frozen and he would have water. He agrees with the previous comments about technical and systemic failures which need to be addressed. He suggested that a staff of 23 people to address the problems in a crisis of this magnitude is inadequate, and more people need to be on the job to do this.

Jerry Porter, 662 ½ Canyon Road, said he just got water about an hour ago. He said in the beginning the water was pouring down Canyon Road in a flood, and he presumed a main had broken above him. Before that happened, he had water, but it stopped flowing once the City main problem happened. He sees the cause and the responsibility being the City's. He said a City crew came by and thawed out the meter, but his problem is between the meter and the house. He has had a plumber at his house with all kinds of equipment. He said he has no complaint, but he does have a request for relief, that the City assume the responsibility for the problem that has been created on his property, and asked the Committee what relief is possible.

Marsha DeChadnate, West San Francisco, said her water froze in the middle of the day on January 17th and was restored on January 26th. She has no problem with the workers in the field, but she did discover that neighbors on each side of her had their meters thawed and working, including a house where no one lived. She called numerous times. She suggested that there be a much better infrastructure for a crisis. When she called the people had no recommendations or answers, and gave no instructions such as don't let the toilet dry out so the sewer system goes into the house. She said it was never made clear whether or not she should continue to call every day, so after the third day she called every day so they would know her water was off. She isn't surprised that there were 3,000 calls. She said the emergency dispatch people were angry at being called, and had no information. She hopes the City would offer some lime because everyone's yards will need to be dusted for public health reasons.

Marie Wilkinson, Abeyta Street, said her meter froze twice, the first January 2-3, and they were there within three hours to unfreeze it. It froze again on January 20th, and they came on January 24th, replaced the meter and left a note for them because they were out of town. She said due to the five days without running water, their pipes froze somewhere between the meter and the house. She said they have been told it is their problem, not the City's problem. She spoke with three different plumbers, noting their meter is not on the north slope, and she still has no water. She has two options. One is to spend about \$5,000 to jackhammer their driveway which is shared with two other houses, and close Abeyta Street for 3-5 days. The other is to wait until it thaws in March or April. She said when she called January 2nd she gave all of her numbers and everyone was fine. However, when she called on January 20th, she tried to give additional numbers and the person hung up on her. She said when she called on the 21st she left her home number, work number and cell number because the situation was so dire, but she never received a call back. She said the pipes froze somewhere between the meter and the house, but it isn't their fault.

Marge Veneclossen, 205 Williams Street, said she has a small property management company

with houses mostly on the east and north sides. She said her experience is nothing compared to what she's heard. She said she had six houses without water. She said Councilor Heldmeyer has asked how they were treated. She said, "Well, I'll tell you how I was treated. I asked the person did she have an idea when, this was on Garcia Street, and practically all of Garcia Street was having a problem. And I said, my people have had to move to a hotel. I said do you think the City will pay for that. She said, well they didn't have to move to a hotel, they could just go get a bucket of water from the neighbor and hung up." She said the City is going to have to assume the responsibility for this. She has been told by two well know builders and three plumbers that it wasn't the weather.

The public hearing was closed

Councilor Heldmeyer said she has received lots of emails and calls on this in the last two days, and it isn't over. She said what we heard here is what she has heard from others. They have no problem with the crews that came out and worked in very cold weather and very long hours. Ms. McKenzie was worried about the man's hands working on the line and asked if the City could get them some gloves.

Councilor Heldmeyer said the problem is that we, as a City, didn't respond correctly to this. She knows that most meters started to freeze on the Friday before the Martin Luther King holiday weekend. She didn't start hearing from people until they had been without water for 5-7 days, and believes these people showed enormous restraint. However, you shouldn't have to call your Councilor to get something done. She said there were two problems. One, a problem of communication, that over this long holiday weekend, the phones were not being answered by City staff, but by people who had no information, nor access to the City data base, nor who was being dispatched. They were "phone answerers." They were getting frustrated as well as those who were calling, and calling multiple time which she understands. The multiple calls weren't logged as multiple calls, which is a lack of good management. On Tuesday, after the holiday she gave the complaints to Sevastian Gurule, Director of Constituent Services. Mr. Gurule said we need to be giving people information, and getting information from them. She said several people were told by the City that someone had come to their house, no one was there, and either nothing was done, or they didn't think it was a problem.

Councilor Heldmeyer said emergency training has been given to large numbers of employees, and there is a system which could have been put into place, but wasn't. The reason it wasn't, is because this wasn't considered an emergency. As late as the Friday after the holiday, she was told by someone in the water company, "Well, it's not like this is life threatening or anything." She said there is a threat to health, safety and welfare where people have been without water for a week, and in some cases could be life threatening. It is definitely an emergency.

Councilor Heldmeyer thanked Councilor Chavez who was the Acting Mayor and who met with staff on Thursday, and got more people on the phones with access to the City system and could give people information, and on Friday pulling people from other departments with similar skills. The fact that this wasn't done a week earlier was a combination of using a dispatch service which didn't recognize this as an emergency and convey it to City staff, and then City staff not seeing it as an emergency situation to be dealt with. She thanked Peter Ortega and staff for working overtime.

Councilor Heldmeyer said the problem is that systemic response didn't get off the ground for a week. She is assuming there were major "post mortems," on this situation. She said some of what staff is proposing are, for the most part, good ideas. However, the main thing is the initial identification that there is an emergency and we have to deal with it. There has to be a way to set up the system so that link comes into play.

Councilor Heldmeyer said the open questions are:

- (1) The issue of where plumbers get involved. When City staff didn't go out, then it became a problem of the whole system. Plumbers advised when the new lids were installed for the fireflies which couldn't be removed by plumbers, this hinders them in helping people quickly.

In other cities, training is given to certify plumbers to remove the new lids and then they are licensed.

- (2) Was the City trying to get outside help from other nearby cities which weren't freezing to get staff to come out and help.
- (3) What is the story on the meter cans, and does it have to with the new lids and the fireflies. She said most of South Capital had a problem. She said something has changed, and is it the case we've never had a cold spell to last this long. The meters started freezing on January 17th, and asked why that day, and was it just the weather or something else. Many people who called or wrote her had meters replaced in a short period of time in the past, and asked if there was something about the new meters as opposed to the fireflies which was different. She said insulation is a relatively inexpensive way to deal with this, and the City may need to insulate some of the meters.

Councilor Heldmeyer said before we develop solutions, we have to find out what the problem was.

Councilor Heldmeyer said she heard Mr. Martinez talk about people whose homes were vacant for 2-3 days, and pointed out that lots of peoples' homes are vacant for 2-3 days, especially over a holiday weekend. She wants to know if there is something people can do to protect themselves in these situations. She said what can be done immediately is to change the system so an emergency is identified immediately and more responsive in an emergency and the right things are done. She said we need to know why it happened and what kind of systemic response the City can have if this happens again.

Councilor Bushee said Mr. Martinez made a presentation last week at Public Works. At that time, Mr. Martinez was unsure whether the firefly was the culprit, but he seems more sure now. She isn't sure this is the case. She would like an answer now.

Chair Chavez said he wanted the Committee to list all their questions and then have Mr. Martinez to respond, pointing out he didn't allow Mr. Martinez to respond to her question.

Councilor Bushee said she needs a response to this question, because Mr. Martinez has changed his opinion.

Mr. Martinez said four meter cans were installed on the north facing slope side on the water conservation side. There are temperature data logs in four individual cans, two have metal lids, two have plastic lids. He said one metal can and one plastic can have inner lids, the others don't. He said the probe is set at 24 inches, which tells him the temperature is right at freezing, 32.6 to 32.8 degrees. This tells him this is the same temperature as the frost line and the soil temperature, and it isn't going up and down, noting the "blue" line is the ambient temperature on the graph. He said for the past two days, the temperature has been below freezing, but the temperature inside the meter can hasn't changed and has remained consistent.

Responding to Councilor Bushee, Mr. Martinez said most of the meters in the City have fireflies. He said they didn't install fireflies in the test meter.

Responding to Councilor Bushee, Mr. Martinez said meters are installed at 24 inches. He said the surface line going into the meter can is about 36 inches deep, below the meter can, then it tees into the meter, and then it goes down 36 inches to the service of the customer, which is standard. The meter is at 24 inches so personnel can get to it without having to go deeper. He said, in the test, if the meter can is at a constant temperature and is the same as the soil conditions, that doesn't tell anything different. He wants to see if there is a difference between that freeze line and below the freeze line. He said they haven't dropped the probe below the frost line to determine if the temperature below it is warmer than at the 24 inch depth. It may be warmer, and if so that means the soil conditions around are indicative of what the meter can is doing. He said the City will be moving forward with insulation, and look at the high risk service meters which have been identified and to continuously ensure these are insulated. Staff is also looking at different techniques being used by other cities to insulate the meter cans from the meter itself, and if it is appropriate to the City of Santa Fe and can be incorporated into the 32,000 meters before next winter. However, staff has to evaluate what is best for the City's needs at this point.

Responding to Councilor Bushee, Mr. Martinez said the two feet down for the meter is pretty standard, and if it is deeper than that you run into complications. One of which is that a larger meter can is needed to give employees access to the meters. Other cities have installed flexible type tubing where the meter can sit below 24 inches and employees can raise it and work on it. Mr. Martinez said these kinds of things have to be evaluated as to whether they are feasible for Santa Fe, and the Engineering Department currently is looking at that. To drop the meter more than 24 inches could create more problems than it is worth.

Responding to Councilor Bushee, Mr. Martinez said in looking at frost line and frost depths, it is dependent on two things. One is climatic conditions, and the other is heat transfer properties of the soil in adjacent materials, whether there is precipitation, whether it's wet, whether you have cold events – all of which affect the frost line. Some of the things which can protect it is the asphalt insulation, homes close to the meter cans, and we have to look at this. He said many of the meters are on sidewalks, and doesn't know the standard.

Responding to Councilor Bushee, Mr. Buller said this was on Martin Luther King weekend, but doesn't know whether it was Saturday or Sunday.

Councilor Bushee asked Mr. Buller what steps were taken when he first learned of the problem, and what does he regret not doing.

Mr. Buller said he wants to reiterate some of Councilor Heldmeyer's remarks, because those were points well taken. He said the first he heard was a phone call from Councilor Bushee with 2-3 names. He then heard from two other Councilors during the weekend for another 2-3 calls. He believes those were resolved quickly. The problem is that the bulk of the calls were going to an external dispatch center, so the nature of the problem was disguised during the weekend, and information wasn't coming to his office with the exception of the 3-5 situations. So, it wasn't looking like hundreds during the three-day weekend. On Tuesday, the reality was no longer disguised, and they had full staff. He appreciates Councilor Chavez convening the meeting. On Tuesday he realized that the theme of the phone calls was the same as we've heard tonight: "I can't get any information." He said he was still trying to sort through the number of calls, and by Wednesday he had a better handle on the calls.

Mr. Buller said outside contractors were called, and were working on Tuesday on line leaks. He recalls that on Tuesday the decision was made to take the flow of calls away from the contract dispatcher and move it to Mr. Ortega's group in the evening until 10:00 p.m., and people didn't call after that time. It was moved back to the dispatch after 10:00 p.m.

Mr. Buller agreed that the real problem was not recognizing the emergency as quickly as it should have been. It was disguised because we weren't receiving any flow of information from the external dispatcher during the three-day weekend.

Mr. Buller said there has to be water flow to prevent the lines from freezing. He said there were 23 people working during the three-day weekend, and then Parks, Solid Waste, meter readers as well as the contract people coming in Wednesday morning, with a minimum of 16 hour shifts and others were working longer.

Councilor Bushee said many people who had to wait in that stretch couldn't get into their meter cans, and many people did hire plumbers.

Mr. Buller said one point being raised by Councilor Bushee is recognizing the emergency. It is harder to recognize the emergency on Tuesday morning than on Saturday morning if it hadn't been disguised by the information not flowing through his and Mr. Martinez's office.

Councilor Bushee expressed concern about the time to recognize the emergency and the reaction time.

Mr. Buller said Shannon got to all of the calls within minutes, but it was still disguised. It was still a very cold day and night, and only a few calls were coming through his office. It took time to uncover the

emergency, and it really came to the forefront on Tuesday. The problem is that there was no flow of water in many peoples' lines because it had now been 2-4 days. The lack of flow exacerbated the problem, and it then became an issue of lines being blocked on both sides of the meter as it turned out. He said it was not possible to bring in other people on Tuesday who hadn't been trained on meters. It was necessary to train people. Tuesday and Wednesday became training sessions. Shannon had some of his crew training other people so they could go out.

Councilor Bushee said when Shannon's people were able to get to people, they did a good job and responded quickly. She reiterated her concern with the initial response and the gap in time. This is a long period of time for people to be out of water. She said Zocolo was told the issues were on their side of the line. She said she won't get into other issues, because she believes we will have some risk management situations. She said she never felt as if it stopped being the City's responsibility.

Mr. Buller said he was asked if someone had a frozen meter, if the frozen water travels down the service line and freezes that line, and the answer is no, not really. However, what does happen if water isn't moving, is that it freezes the line. So, the whole issue is whether you can keep water moving, because sometimes it works the other way – the frost can start elsewhere and work its way to the meter. He said it isn't always clear-cut from which direction the problem is coming, and which direction the problem is going. This will have to be sort out, and it may need to be done on a case-by-case basis. One scenario is whether people had to wait a long time before the meter froze, and as a result there was no flow and the line became blocked.

Responding to Councilor Bushee, Mr. Martinez said there are now six outstanding work orders. He said the six are those where we haven't identified whether the City has the water source to the meter itself. He has heard this evening that the water service was or could be frozen beyond the meter to the residence. This is not accounted for in these six unresolved work orders.

Councilor Bushee said this is where we were the last time this was discussed at Public Works.

Mr. Martinez said he is unsure of the specifics, but it could go either way.

Mr. Martinez said he was corrected by Robert, that the lines have to be buried 48 inches, instead of 36 inches. However, if the lines aren't buried to depth they could freeze and cause a problem down through our meter and through their service. He said we don't know if that is the case. There have been cases where service lines aren't buried to depth.

Councilor Bushee said the water comes from the street, through the meter to the line to the house, and it starts the other way.

Mr. Martinez said this is correct, and it is necessary to protect the meters so the meter isn't the device which is causing the problem. However, until we get further data, we really don't know if the inner and outer lids protect us from that.

Councilor Bushee asked the plan for the people who are still without water.

Mr. Buller said staff has seen the potential for a number of different causations. He said there were some houses where the service line on the owners' side were very shallow. In this case, the shallow line may have frozen and caused the meter to freeze. There would be a different solution, in terms of how we treat that person, than where it is clear that our meter froze and they couldn't get flow, and they called us, we lost the phone number and didn't get there for five days, thawed the meter and their line was frozen. These are two very different situations he is using as illustrations to say that these need to be considered on a case by case basis, from a risk management point of view.

Mr. Buller said he has received very few requests for help in his office, but Mr. Gurule has received more, and hasn't given him a report on what kinds of management issues there are.

Responding to Councilor Bushee, Mr. Buller said Mr. Gurule is a great first place to report these, but it will have to go through risk management. However, Mr. Gurule can take the initial phone call.

Councilor Bushee asked if the people without water who are going to get into a legal situation with the City will stay without water, and we will "stand off" because of liability, or what.

Mr. Martinez understands the City could get into legal issues if it goes beyond the meter, and the City responsibility ends at the meter. He said whether right or wrong, this is the direction.

Councilor Bushee asked if we are going to let plumbers get into the "sacred caps."

Mr. Martinez said staff has to look at this, and we understand there is a situation where we need to revisit this. The reason we don't want anyone in the meter cans is that they are not certified water facility operators as required by the State, and anytime anyone "messes" with a utility or infrastructure they have to be certified. He said if the City wants to grant or release that responsibility to someone else, then ultimately the City is still responsible because it is our infrastructure.

Councilor Bushee has no problem with this policy if staff can guarantee that all emergency calls will be addressed within 24 hours.

Mr. Martinez said other cities make the meter the responsibility of the customer, but in Santa Fe the City is responsible for the meter, so it will be necessary to evaluate this.

Mr. Buller said it is forbidden by state law to allow somebody who is not certified in our public water supply, and it is also dangerous because the water line is exposed to whatever could possibly happen, so we want to stop short of that.

Councilor Bushee asked what the City doing about the wasted water and who is paying, and exactly what the City plans to do about the people who still are without water.

Mr. Buller said people are without water for a variety of reasons, so we need to have a way to sort out each reason which isn't always easy. We will have to have a system whereby people can make a claim. He said if it isn't the City's fault at all, the City is prohibited from doing anything under the anti-donation clause. He said even if it's not prohibited by the anti-donation clause, there are risk issues in terms of liability which we need to run through our risk assessment. So he would, at least, need to work with Mike Lujan and with Frank Katz to develop a way to address claims which are made to the City. He said he can't say this evening that the City will be going onto people's property to thaw their lines without evaluation – legally he can't do that.

Councilor Bushee asked Mr. Buller what does he say to the people in the room.

Mr. Buller said we need to be notified, noting he has spoken with Kirk Ellis, and he has notification from some people, but he doesn't have notification from the vast majority of people.

Councilor Heldmeyer asked if calling the water company is notification.

Mr. Buller said it is notification, but it's not notification by someone who is seeking claim because they believe the damages are the result of some fault of the City. He said when there is a tort claim, causation is a fundamental principle in determining whether or not there is liability. He doesn't want to go too far down the "legal road," but that causation has to be determined. This begins when someone says they think it is the City's fault, or would the City look to see if it is the City's fault.

Councilor Bushee asked if the answer is to get a lawyer and you'll talk. She wants an answer and what to tell the constituents who called her.

Mr. Buller said he will talk to the people in the morning, and before he leaves he will see that these people have the phone numbers where they can call and assert a claim against the City, and the basis for that. He said he doesn't want to say this translates into the City having a backhoe there tomorrow.

Councilor Bushee said she understands the caution, but we have satisfied and unsatisfied customers and she is following through on customer service.

Mr. Buller said Mr. Gurule is the best person to call to shepherd the people through the bureaucracy.

Responding to Councilor Bushee, Mr. Martinez said he will provide a report on this situation as soon as he gets the data, and feels comfortable with it, and it shouldn't take long after that. He can provide an update at the next PUC meeting. He is dealing with the frozen meters on a day-by-day basis with current staff.

Councilor Dominguez asked the protocol to look at the individual cases where we are unsure what happened.

Mr. Buller said we need technical expertise to help sort through this from the technical people at the Water Division. He said we need legal help. Right now, he is accumulating this kind of information. He will speak with Mr. Gurule tomorrow about how he is accumulating information, noting almost all of the calls are going through Mr. Gurule, and he is logging those. He said he has been talking with the people who would be the evaluation team, and the team can start tomorrow to make this analysis.

Mr. Buller reiterated he has not received these kinds of requests or claims in his office. He has heard people say they have a problem. Right now, people are calling to get someone out to unthaw their meter, or to let them know where they are in the queue. He said the next step is to respond to the post mortem calls.

Councilor Dominguez said people are paying to have this service provided to them, and we owe it to them to provide the best service possible, because they pay good money for that, and this means the City needs to be able to help or even make an analysis to determine responsibility, and to be more proactive rather than reactive.

Councilor Dominguez appreciates the history and helping us to understand the system failures, but this is really about communication. He said it is about getting information to the public about what they need to do to help the City to respond better, and believes we should have learned from our experience with the snow last year, we absolutely should learn from this experience. He appreciates the work everyone has done, and that staff is working hard to resolve the issues. He said it is Mr. Buller's job to ensure that things happen within the system. He said it critical that we do what we can to assist people who are paying for this service we are providing.

Mr. Buller agrees that communication is critical. He said once it was discovered that water wasn't moving and this was the problem, they tried a PR blitz, but he is unsure that was as effective as it could have or should have been.

Councilor Trujillo asked how long the analysis has been going on.

Mr. Martinez said for the past 4-5 days.

Councilor Trujillo asked if there have been more frozen meters in the past 4-5 days.

Mr. Martinez said staff hasn't seen an 8 degree difference and he will discuss that with the gentleman. He said he has included information on the temperatures that are unique to the time frame. He said there have been other ambient temperatures in the past years which are similar, and the reason he is unsure if it is ambient temperatures. He said it seems to lead more to the frost line. He said analyses needs to be done regarding the frost line. If it is the frost line, we need to determine if we have the tools necessary to find out when the danger point is, and how to inform the public that this is occurring so they can work with us to prevent services from freezing.

Councilor Trujillo asked once water is restored to a customer, are we installing insulation to avoid having to go back.

Mr. Martinez understands the next step after the thaw, is to replace any defective meters and install insulation. He said we also need to evaluate the insulation we are using, and if there is a special type of insulation, the pros and cons. He said the City took the immediate action to try to save the meters.

Councilor Trujillo said City employees need to be courteous to the public no matter how tough the situation may be, and asked him to relay that to the work crews.

Councilor Heldmeyer asked, hypothetically, what would happen over President's Day holiday if the meters start freezing – what will be different.

Mr. Buller said a number of things will be different and some system changes have already been made, and we will recognize frozen meters as an emergency with the first call, and this will be different. He will have spoken with dispatch and told them they need to tell us they're seeing a red flag, and that they need to let somebody know they are receiving a different volume of calls. This will happen next time.

Councilor Heldmeyer asked if this were to happen, if there is a system to swing into place. She said she heard from the dispatchers that they were trying to be polite, but they just had no information.

Mr. Buller said staff will be ready, but stressed that it is impossible to fix it 100% if it is a President's Day problem. He said what we really need is better software to link Mr. Ortega's group with the work orders coming in with dispatch, so everyone can look at screen and see the same thing. That software isn't in place, so we are at a disadvantage of information flow. However, we are now in a position to call people, tell them they're in the queue, we have their phone number. He said he has identified who can work on meters throughout the City. If we get notification from the dispatcher to our people that there is an abnormal number of calls, we can put those people into place right away. The key to the meters is the same as the key to the snowstorm: speed is really the key to it. It is necessary to recognize the emergency and then act on that recognition, and he believes we can do a better job.

Chair Chavez said we have now moved into the area of some claims or compensation, helping people in certain situations if the conditions are right, which is a whole other area.

Chair Chavez said over the past two weeks it has been painful for the public. He thanked those who spoke this evening, which is a part of communication and sharing information with the City Councilors. He wanted to provide staff the opportunity to bring information to the public this evening. He commented that mother nature has the last word, which is the case more often than not. He said we still have some work to be done, and would like regular reports to this Committee for the next two months. He thanked staff for all of their work.

Mr. Buller provided the following phone numbers for the public:

955-6848 Galen Buller
955-4364, 955-4354 Peter Ortega
955-6047 – Sevastian Gurule
955-4201 Gary Martinez

Mr. Ortega said he would be available to assist the public in filing a claim, and he would like those to be submitted in writing in letter form, and he will channel those to the appropriate offices. He said people needing immediate assistance can contact Homewise who can recommend people to assist in unfreezing their water lines as well with financial assistance. He said people can either call him or email him and he will provide that number, because he doesn't have that information with him.

Councilor Dominguez asked if Mr. Gurule has the resources he needs to work on this.

Mr. Buller said if he doesn't, he will recognize it as an abnormal number of calls and do something about it, and could do that very quickly.

INFORMATIONAL ITEMS

6. UPDATE ON CURRENT WATER SUPPLY STATUS. (Victor Archuleta)

The Weekly Water Report for the week ending , is incorporated herewith to these minutes as Exhibit "2."

Mr. Victor Archuleta reviewed the information contained in Exhibit "2." Please see Exhibit "2"for specifics of this presentation.

Councilor Heldmeyer said the total demand has been going up over what it was 2006-2007, and asked if that is a natural variation or if it could be related to some of the things we've heard tonight about water main breaks and meter breaks.

Mr. Archuleta said that could lead to part of it, and the other is just natural occurrences.

Councilor Heldmeyer said then we won't know until we have another month's data.

Councilor Trujillo asked how much water we take out of the reservoir weekly.

Mr. Archuleta said on a weekly basis right now they are treating 1.86 million gallons a day, with an inflow of 1.2 million gallons a day.

7. UPDATE ON SOLID WASTE DIVISION. (VIVIAN MARTINEZ)

Ms. Martinez presented information from Mr. DeGrande's Memorandum of February 6, 2008, which is in the Committee packets.

Councilor Heldmeyer said when we went to recycling every other week, we told people not to put out their bins unless they were full, and asked if this advice still is being given.

Ms. Martinez said it would be easier for the crews not to go just to pick up one glass bottle, but whatever is convenient for the customer is okay and they will pick it up.

Councilor Heldmeyer said one of her constituents doesn't generate enough recycling to put the bins out every week, but they do generate paper. However, if they put out a bag of cardboard or whatever, without the bin, it tends to get overlooked. She asked what advice they are giving people now that we have gone to the once a week schedule.

Ms. Martinez said it is the same. They bundle the cardboard and flatten it, and put the newspaper in a paper sack. She would suggest that the customers put the paper sack in the recycling bin if it is just paper, so the workers will see it.

Responding to Councilor Trujillo, Mr. DeGrande said when they did the walk through at Siler, there was a huge number of dumpsters. Over the past 2-3 months, they have salvaged the dumpsters they could and sold the others for scrap. At the end of the process, the inventory showed an excess of 3 yard dumpsters and 6 yard dumpsters, and a shortage of 8 and 4 yard dumpsters. He said it is expected this purchase will last for 2-2 ½ years.

Councilor Bushee asked when we can suggest that people should put out their recycling once a week.

Ms. Martinez said they currently are short staffed six maintenance workers, and are currently interviewing. They just received two recycling trucks fitted for recycling. She said they are working hard to do this.

Councilor Bushee asked if we should then back off and say it's not happening.

Ms. Martinez said no, it is happening.

Responding to Councilor Bushee, Mr. DeGrande said Monday, Tuesday and Friday of last week 30% of the staff was absent, and they fell behind and are still behind. This doesn't include the vacancies, noting they just hired three new drivers, and are interviewing for the six maintenance workers who should be on board in two weeks. He has an absenteeism issue right now with the flu. He doesn't want to pull back, and wants people to put their recycling out, because they have to get used to picking it up and those houses that put out recycling. He said if they miss, people should call and they'll come and get it.

Councilor Bushee said it would be easier to wait.

Mr. DeGrande asked Councilor Bushee how long she wants to wait.

Councilor Bushee asked if it wouldn't serve the public better just to say we really mean it, and give a specific date it will start.

Mr. DeGrande said they really mean it, and he just has to get staffed up, but he doesn't want to wait until then. He wants to start the program and iron out the bugs before going full blast with the advertising to encourage people to recycle, and he wants to keep doing it. He doesn't want to start over again.

Mr. DeGrande said the reason Councilor Bushee's neighborhood wasn't automated last month was because of staffing, but her neighborhood is first on the list.

Councilor Bushee said people don't believe "you."

Mr. DeGrande said people haven't believed us for years.

Councilor Bushee suggested a press release saying due to weather conditions and staff shortages the program will be launched and then give a specific date.

Mr. DeGrande said he isn't going to make excuses. He said Councilor Heldmeyer often comments on the redundancy in Solid Waste, but it is one thing to have redundancy on paper, and another to have the bodies. He hasn't had a full staff in the 18 months he's been with the Division.

Councilor Bushee said when she has called the Division, the staff hasn't given the best, most courteous responses, and prefers him to work that out before she asks people to call.

Mr. DeGrande said there are two relatively new people in the Assessment Division, and he is hoping to resolve that issue. He said it goes both ways, and like Councilors Dominguez and Trujillo said earlier, he believes staff should be courteous and helpful to the public.

Councilor Heldmeyer said an insert in the paper announced once a week recycling beginning the 15th, but that was the week of "the perfect storm" in recycling. She said we need to be sure that the reality matches the PR.

Mr. DeGrande said he saw the article after it went out, and it didn't not originate with him.

Chair Chavez said there was a letter to the editor last week from a person who was confused about how the recycling program works. The letter gave the impression that this individual felt we were taking the public through an exercise in recycling their recyclables into different bins and then our crews would pick them up and mix them all up. The writer said they followed a truck and got the impression that

the recyclables might be ending up in the landfill. He asked Mr. DeGrande if he read the letter and if it would be prudent to respond.

Mr. DeGrande said he read the letter and there were two inquiries to the City Manager's office today concerning a garbage truck picking up recycling. He said when they have equipment issues in the recycling unit they use a rear loading truck to collect the commingled, and a second truck comes to collect glass. He said he responded to the letter through Laura Banish's office on Monday night, but it hasn't come out in the paper.

Chair Chavez suggested that we not wait for the local media and get something out on public access and control that story as much as possible.

Mr. DeGrande said, with regard to the stuff going to the transfer station and being pushed in with the refuse, the individual was seeing those items in recycling bins which are not recyclable, that have gone through the sort line twice – butter tubs, microwave trays, neon paper – and then are put in the trash.

Chair Chavez said this needs to be explained to the public.

Councilor Heldmeyer suggested we need to tell the City Clerk not to use the "neon" paper for the weekly agendas since it's not recyclable.

Councilor Trujillo asked if Costy came for the bailer.

Mr. DeGrande said he wanted the trammel screen, but he hasn't talked to him about the bailer, and he can have it if he wants it.

8. UPDATE ON KOPY KAPS. (PETER ORTEGA)

Mr. Ortega said he received 100 KopyKaps the week of November 26, 2007, and he distributed them to the staff who had been working on this to see if the modifications were made and to test them before distributing them to anyone else.

Mr. Ortega said the manufacturer did add a 3rd button in the new version which has a resettable counter which could be reset at the touch of the button. The manufacturer addressed some of the issues of the quality of the case and the buttons, and the suction cups were upgraded. The overall quality of the product was improved somewhat. They did modifications to the program, and it is a little more user friendly. However, he said they did not modify the leak notification, commenting he asked the manufacturer to place an indicator, a red light, which would flash once the firefly is receiving a signal of a possible leak. He also would like just to get a meter read so people can compare it to their bill, but that wasn't addressed. He said he wanted an indicator which indicated fixed zeros so people would know whether 35, 350 or 3,500 gallons went through the meter.

Mr. Ortega said they distributed more KopyKaps throughout the staff, and because he wanted to launch the program to include all 100 KopyKaps, to get input. He said around January 13th, Datamatic contacted him and said there was a programming problem and to recall all 100. He said he was able to retrieve and ship 96 KopyKaps back to the manufacturer, and it is expected they will be returned within the next two weeks.

Mr. Ortega said staff felt people would be wanting to use these in the early spring when turning on irrigation systems and watering outdoors, and that's when he wants to go full force with the initial testing of the program.

Councilor Heldmeyer said she would like a KopyKap to test.

Mr. Ortega said he would provide one to her.

9. UPDATE ON THE SANTA FE RIVER FUND. (RACHEL FRIEDMAN)

Rachel Friedman presented information regarding this matter to the Committee. She said \$24,491 has been raised to date from contributions to the River Fund, which will be matched dollar for dollar by the City. She said over \$20,000 was pledged and billed through water bills, and more than \$4,000 was in one time cash contributions. She said the expenditures in 2006-2007 were more than \$18,000, of which only \$8,600 was spent, with \$9,800 not spent. She said in 2007-2008, the budget was reduced to \$11,000, and to date just a little more than \$1,000 has been spent. She said some of the funds were spent on flyers and informational packets on how to sign up for the River Fund.

Ms. Friedman said they have t-shirts and ads in the Sustainable Santa, in the bus shelters, The Santa Fe New Mexican, and The Santa Fe Reporter.

Ms. Friedman said one report indicated 792 people signed up, but the report wasn't complete. However, this is all the information she was able to obtain in the past two weeks.

Councilor Heldmeyer asked, of those signed up, how much are for ongoing pledges, and how much for one time contributions.

Ms. Friedman said currently they don't keep track of the difference, but they told her they could go through the information and have an answer by the end of the week. She said City Hall keeps its own records in the cashier's office, and they gave her a separate report for June-December 2007, and they did break it down by amount contributed each month and the number of people.

Responding to Councilor Heldmeyer, Mr. Ortega said he would need to tally the totals and get in touch with staff at Accounts Receivable, and it is possible to get this information.

Councilor Heldmeyer said the idea was that this was to be a continuous source of revenue, and if we don't keep track of which is which, we don't have that.

Mr. Ortega said in the beginning there was a communication breakdown between the City and the bank, noting one time donations go directly to the bank who is to notify us that it is part of a donation, but that has been corrected although it took some time. He will have to double check with Accounts Receivable to see if they can tally the one-time versus recurring donations.

Chair Chavez asked, as it relates to the Santa Fe River Corridor, if Ms. Friedman is working on the related stormwater and erosion issues. He would like feedback on that and asked if there is related funding to help with erosion control or to deal with stormwater management which would help to add that flow of water into the River.

Ms. Friedman said she has been working with the Stormwater Division on methods for the current outfalls going to the River and correcting some of the erosion problems which have been getting worse throughout the years. She noted the YouthWorks contract which was just approved, will help to build or rebuild erosion control structures as well as infiltration galleries. She has been talking with Stormwater about developing policies as to what the infiltration galleries will look like, and how they should be built, and a method of implementation. She said Stormwater is looking at increasing its fees, which will help to meet the goals of some of these tasks.

Responding to Councilor Chavez, Ms. Friedman said YouthWorks hired an independent consultant last year, and he will be working with her, the Stormwater Division and other consultants to help design some of the controls.

Chair Chavez asked if some of the designs are flawed, can they be redesigned and take a different approach.

Ms. Friedman said yes, the contract for YouthWorks is through the end of 2008. During that time we'll have the monsoon season and other storm events, and if any of the structures fail we can fix them, and determine what caused the failure.

Chair Chavez asked if she has suggestions as to how to make the sign-up for the River Fund work better, so there is one contact point.

Ms. Friedman has no suggestions, but she has spoken with a few community groups about putting more information at public places such as River Day, and she can put a table at the Film Festival at the Lensic.

Chair Chavez asked about an insert in the billings.

Chair Chavez asked if we accept the scenario that it will come from water rate increases, would the increases apply only to City customers, or would it apply to County customers.

Councilor Bushee said it would apply to the ratepayers.

Mr. Carpenter said presumably, the County would have to raise rates or what it charges for UECs, but its rate base is so small it wouldn't make a lot of different, and the reason the County is seeking other funding sources.

Chair Chavez asked if the Wholesale Water Agreement with the County will change.

Mr. Carpenter said those terms wouldn't change without redoing the agreement, which isn't on the table to his knowledge.

Chair Chavez said then the amount of water and what they pay for that water would remain the same.

Councilor Bushee said she thought this was a joint GRT, and that we were going to spend it on this, and asked why it is going to the County.

Mr. Carpenter said it is a joint GRT and it is being spent on the BDD which is a joint City/County project, so that part tracks pretty well. The explanation he has been operating under, is that the County must have this funding source in order to come up with its half of the costs, because it has such limited funding sources and it is a 50% owner of the BDD and has to pay 50% of all capital costs.

Councilor Bushee said it also wanted 50% operations and future ability to pipe water. She doesn't understand why the City is supposed to agree to this MOU.

Councilor Heldmeyer said because this Council already voted in favor of this once.

Mr. Carpenter said he doesn't recall that a formal vote like this was ever taken, and the reason it is here. He said this has been the crux of the argument.

Councilor Bushee pointed out that the County also could impose impact fees. She asked Mr. Carpenter if he wants this Committee to vote yes on this.

Mr. Carpenter said he has no recommendation on this, noting that Mary Helen Follingstad, the Executive Director of the RPA is in the audience.

Councilor Bushee said she understands the background, and asked what happens if we don't vote for this.

Mr. Carpenter said it wouldn't go to the City Council without a recommendation from this Committee, noting it is on the BCC Agenda for February 12, 2008, and presumably the BCC would vote for it.

Responding to Councilor Bushee, Mr. Carpenter said this has already been through the RPA, and is being advanced here from the RPA. He said Councilor Wurzbarger and Councilor Chavez serve on the RPA.

Chair Chavez said he is on the RPA, but this wasn't one of our main charges.

Councilor Bushee asked why it is coming from the RPA, rather than the BDD.

Mr. Carpenter said the RPA was charged with administering the funds which were generated from the Joint GRT.

Councilor Bushee said the County has claimed most of those funds anyway.

Mr. Carpenter said this is correct.

Councilor Heldmeyer said tomorrow will be her last BDD meeting. She the County already got a deal, which was approved by the Council, on the operational costs. She said in order to get 50% ownership and 50% control, which the County wanted, the County originally agreed to 50% operating cost and 50% capital costs. The operating costs already have been renegotiated. She said we are now coming to the capital costs, and there have been several broad hints at BDD meetings that the County really isn't happy about paying 50% of the capital costs, and are going to want some change in that.

Councilor Bushee said, "Well they're already not, if they get this money."

Councilor Heldmeyer said, "This is in addition to this. They have dropped hints that there are certain ceiling amounts above which the County won't go for their 50%. They have dropped hints that, because for them the Buckman Direct Diversion is more something for the future, than it is immediate, which it is more immediate for the City, they think somebody should take that into consideration." She said over the next several months as Mr. Carpenter moves forward to secure a contract to build the BDD, will be the prime time where you will see someone from the County wanting to renegotiate.

Councilor Bushee asked if the County is going to give up ownership.

Councilor Heldmeyer said that would be the *quid pro quo*. She said if they want to pay 40% and have 40% ownership she could live with that, but she doesn't think that will happen. She thinks this will happen in the next 2-3 months.

Councilor Dominguez said there is so much at stake here, and he is concerned about not being able to move this forward. He understands there may be some unintended consequences yet to be

identified specifically, but he wants to move this forward, noting a lot of time has been spent on this whole thing.

MOTION: Councilor Dominguez moved, seconded by Councilor Trujillo, to approve this request.

VOTE: The motion was defeated on a voice vote, with Councilors Dominguez and Trujillo voting in favor of the motion, Councilors Heldmeyer and Bushee voting against, and Chair Chavez voting against the motion to break the tie vote to defeat the motion.

Mr. Carpenter said the BDD Board will be considering the design build contract at its March 6, 2008 meeting, and it is very important that we have as much of the funding puzzle put together by that date, regardless of who is paying what and how much, or the design build contractor might not enter into the contract. This is a time sensitive issue as well.

Chair Chavez said although Councilor Dominguez has valid concerns, this has been kicked around back and forth, and the County needs to hear this message. He said if we are going to be equal partners and invest equally in this project, then that's what we need to do.

Councilor Heldmeyer asked if March 6 is the best day to hold the meeting, because it is after the election and before the new Councilors and Committees are sworn in.

Mr. Carpenter agreed that the date is problematic, but the driver is that the bids which were submitted have a 90 day price limit, and if we go beyond that, escalators will kick in and cost money.

Councilor Bushee left the meeting at this time

17. REQUEST FOR APPROVAL OF A REVISED NMFA LOAN AGREEMENT FOR THE BUCKMAN DIRECT DIVERSION BOARD PROJECT THAT INCREASES THE EXISTING APPROVED LOW-INTEREST LOAN AMOUNT OF \$7 MILLION BY AN ADDITIONAL \$8 MILLION, FOR A TOTAL LOAN AMOUNT OF \$15 MILLION. (RICK CARPENTER)

A copy of a draft Taxable Drinking Water State Revolving Loan Fund Loan Agreement, is incorporated herewith to these minutes as Exhibit "4."

A copy of a draft Ordinance authorizing a Loan Fund Agreement is incorporated herewith to these minutes as Exhibit "5."

Mr. Carpenter said this is time sensitive as well, and a piece of the funding for the project. The City entered into a loan agreement with NMFA for \$7 million. Since then, as we were waiting for the permitting, additional funds were identified that could be used for this project. He is recommending increasing the loan amount by that additional amount of funding, \$8 million, so the total would now be a loan of \$15 million. The payback is spread over 20 years at 2% interest, so staff is recommending

increasing the loan amount by \$8 million, for a total loan of \$15 million. This would be just for the City and not shared with the County.

Chair Chavez said then we can't use the GRT generated from the County to pay for this.

Mr. Carpenter said the Intergovernmental Agreement specifies that grant funds would be shared equally between the two parties, but loans are up to the individual parties to procure.

Councilor Heldmeyer said this has been worked out.

MOTION: Councilor Heldmeyer moved, seconded by Councilor Dominguez, to approve this request.

VOTE: The motion was approved on a voice vote, with Councilors Dominguez, Heldmeyer and Trujillo voting in favor of the motion, none against and Councilor Bushee absent.

18. REQUEST FOR APPROVAL OF RESOLUTION NO. 2008- ____ . A RESOLUTION AUTHORIZING STAFF TO SEEK SECTION 595 ENVIRONMENTAL INFRASTRUCTURE AND RESOURCE PROTECTION ASSISTANCE FUNDING FROM THE U.S. ARMY CORPS OF ENGINEERS FOR THE CITY'S CANYON ROAD WATER TREATMENT PLANT PHASE III, RESIDUALS HANDLING IMPROVEMENT PROJECT (COUNCILOR CHAVEZ). (BRIAN SNYDER)

Brian Snyder said these are federal funds of \$900,000, which came through Congressman Udall's office, to begin the agreement process with the U.S. Army Corps of Engineers for this project which will be in construction in Spring to Summer of this next year.

Councilor Heldmeyer asked Mr. Snyder if he trusts the Corps of Engineers to do this correctly.

Mr. Snyder said he hopes so. He said this is federal money which is appropriated, and typically given to the Corps to be disbursed as it sees fit. These funds came with a condition from Congressman Udall's Office that it would be used solely for the Canyon Road Water Treatment Plant.

Chair Chavez understood the reason this project is attractive is that it meets certain guidelines and criteria for this type of funding.

Mr. Snyder said he is unaware of that.

MOTION: Councilor Heldmeyer moved, seconded by Councilor Trujillo, to approve this request.

VOTE: The motion was approved on a voice vote, with Councilors Dominguez, Heldmeyer and Trujillo voting in favor of the motion, none against and Councilor Bushee absent.

Ms. Friedman said she looked at that last year, and the costs were quite high. She said currently it is written on the bottom of the bill, and people can just check it. She said maybe we could look at changing it so it is more noticeable, or putting up big posters.

Chair Chavez suggested getting a Public Service Announcement on public access.

DISCUSSION ITEMS

16. REQUEST FOR APPROVAL OF MEMORANDUM OF AGREEMENT BETWEEN CITY OF SANTA FE AND SANTA FE COUNTY FOR REGIONAL GRT FUNDS FOR BUCKMAN DIRECT DIVERSION PROJECT. (RICK CARPENTER)

A copy of a Memorandum dated February 6, 2008, with attached Memorandum of Agreement, to the Santa Fe City Council and Council Committees, from Mary Helen Follingstad, Executive Director, Santa Fe Regional Planning Authority, is incorporated herewith to these minutes as Exhibit "3."

Rick Carpenter said he just emailed this, and doesn't anticipate it will change much as it moves through the Committee process to City Council and the BCC. He said the County Attorney wants one more crack at the draft. He said this MOU addresses the joint City/County Regional GRT which was passed in 2003, and seeks to allow the RPA to cut loose this money for the purposes of the Buckman Direct Diversion project, which would count toward the County's cost allocation for the project. He said these funds are about \$16 million, and will continue to accumulate annually would also go toward the BDD.

Chair Chavez said the County is using this portion of the GRT for its share, and asked where the City's match will come from – the General Fund, or if there are funds in the Water Division.

Mr. Carpenter said the City has various funding sources at its disposal – revenue bonds, increasing rates, grants and such. This is not one of those. The GRT taxes which would be spent on the BDD would count only toward the County's cost share.

Councilor Heldmeyer said she has consistently voted against this and will do so again. She said originally, this was sold to the City by the County that if the City supported this particular joint GRT that it would be used on joint projects. She has always felt for the Buckman Direct Diversion it should go for the joint portion of the BDD which we take off the top. She voted against the FOPA [Facility Operations and Procedures Agreement] for that reason and she will vote against it again.

Councilor Heldmeyer said theoretically there are a number of places the City can get the money for the BDD project. However, if we get a grant, the grant will come off the top as a joint contribution and won't be counted toward the City's portion. She said to sell Revenue Bonds there has to be revenue attached, and barring a miracle, it will be impossible to pay for this, from the City's point of view, without raising rates. This has always been part of the funding plan for the City's water system, and it will need to be done in the relatively near future as we get closer to getting the BDD on line.

ITEMS FROM STAFF

There were no items from staff.

MATTERS FROM THE COMMITTEE

Chair Chavez asked if there will be a report on the water meters by the next meeting.

Mr. Martinez said it would be better to give it in March.

Chair Chavez said if we don't do it in February, we can do it at the April meeting, noting there will be no meeting in March.

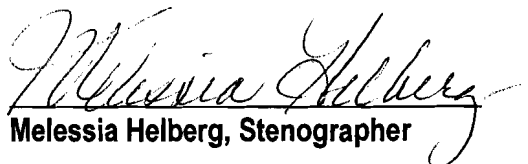
Councilor Dominguez said he will be absent for the February 20, 2008 meeting.

NEXT MEETING: WEDNESDAY, FEBRUARY 20, 2008

ADJOURN

There being no further business to come before the Committee, and the Committee having completed its agenda, the meeting was adjourned at 9:00 p.m.

Miguel Chavez, Chair



Melessia Helberg, Stenographer