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**PUBLIC UTILITIES COMMITTEE
MEETING
CITY COUNCIL CHAMBERS
WEDNESDAY, MAY 2, 2012
REGULAR MEETING – 5:00 P.M.**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE APRIL 4, 2012 MEETING

INFORMATIONAL ITEMS

6. Spring Reservoir Management, Estimated Reservoir Storage, and Santa Fe River Target Flows. (Alan Hook)
7. 2011 Annual Water Quality Report (Consumer Confidence Report). (Jonathan Phillips and Alex Puglisi)
8. Status of implementing the Long Range Water Supply Plan. (Claudia Borchert)

CONSENT – INFORMATIONAL CALENDAR

9. Status Report on the Environmental Services Division. (Cindy Padilla)
10. Update on Current Water Supply Status. (Victor Archuleta)
11. Drought, Monsoon and Water Resource Management Update. (Rick Carpenter)

CONSENT – ACTION CALENDAR

12. Request for approval of Amendment No. 2 to the contract between Dataprint LLC and the City of Santa Fe for printing and mailing services of utility bills and reimbursement of postage fees. (Peter Ortega)

- a. Request for approval of Budget Adjustment Request in the amount of \$64,000 to cover projected expenditures to 6/30/12.

FC – 4/30/12

PUC – 5/2/12

CC – 5/9/12

DISCUSSION ITEMS AND ACTION ITEMS

13. Follow up discussion regarding proposed rate increase for Solid Waste rates for FY 2012/2013. (Cindy Padilla)
14. Request for direction on the preliminary findings from the Treated Effluent Management Plan Update process. (Claudia Borchert)

MATTERS FROM THE PUBLIC

MATTERS FROM THE CITY ATTORNEY

ITEMS FROM STAFF

MATTERS FROM THE COMMITTEE

NEXT MEETING: WEDNESDAY, JUNE 6, 2012

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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**MINUTES OF THE
CITY OF SANTA FE
PUBLIC UTILITIES COMMITTEE
Wednesday, May 2, 2012**

1. CALL TO ORDER

A meeting of the Public Utilities Committee was called to order by Councilor Christopher N. Calvert, Chair, at approximately 5:00 p.m., on Wednesday, May 2, 2012, in the Council Chambers, City Hall, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Calvert, Chair
Councilor Bill Dimas
Councilor Carmichael A. Dominguez
Councilor Christopher M. Rivera
Councilor Ronald S. Trujillo

OTHERS PRESENT:

Bryan Romero, Wastewater Division 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 Dominguez moved, seconded by Councilor Trujillo, to approve the Agenda as presented.

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

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Dominguez moved, seconded by Councilor Dimas, to approve the following Consent Informational Calendar and Consent Action Calendar as presented.

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

CONSENT – INFORMATIONAL CALENDAR

- 9. STATUS REPORT ON THE ENVIRONMENTAL SERVICES DIVISION. (CINDY PADILLA)**
- 10. UPDATE ON CURRENT WATER SUPPLY STATUS. (VICTOR ARCHULETA)**
- 11. DROUGHT, MONSOON AND WATER RESOURCE MANAGEMENT UPDATE. (RICK CARPENTER)**

CONSENT – ACTION CALENDAR

- 12. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO THE CONTRACT BETWEEN DATAPRINT LLC, AND THE CITY OF SANTA FE, FOR PRINTING AND MAILING SERVICES OF UTILITY BILLS AND REIMBURSEMENT OF POSTAGE FEES. (PETER ORTEGA)**
 - A. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT REQUEST IN THE AMOUNT OF \$64,000 TO COVER PROJECTED EXPENDITURES TO 6/30/12. FC – 04/30/12; PUC – 05/02/12; AND CC – 05/09/12.**

5. APPROVAL OF MINUTES FOR THE April 4, 2012 MEETING

MOTION: Councilor Trujillo moved, seconded by Councilor Dimas, to approve the minutes of the meeting of April 4, 2012, as submitted.

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

INFORMATIONAL ITEMS

- 6. SPRING RESERVOIR MANAGEMENT, ESTIMATED RESERVOIR STORAGE, AND SANTA FE RIVER TARGET FLOWS. (ALAN HOOK)**

A copy of *SNOTEL as of 05/02/2012*, with attachments, is incorporated herewith to these minutes as Exhibit "1."

A copy of *Water Watch – Streamflow conditions*, is incorporated herewith to these minutes as Exhibit "2."

Alan Hook reviewed the information in Exhibit "1." Please see Exhibit "1" for specifics of this presentation. Mr. Hook noted in his previous Memo he indicated we were hoping for reservoir storage above 50%, and it appears it will be 55-60% going into June, with 2.5 cfs coming from Nichols for the next two weeks, noting it is dropping significantly, which indicates there is an early melt out in the watershed. Mr. Hook said it is hoped the reservoir will get to 60% going into the summer

Chair Calvert said then the existing snow is "dry" in terms of moisture content and Mr. Hook said this is correct.

Councilor Trujillo asked what this means for the Fishing Derby, unless we get some heavy monsoons which he doesn't see happening this year.

Mr. Hook said at this point the Water Division can't guarantee those the flows out of the Nichols Reservoirs – the 4.5 to 5 cfs needed for that week. He said Game & Fish asked that we also have that amount of flow after the Fishing Derby. He said given what is coming from the watershed and how little is going into the reservoirs, we can't guarantee the outflows matching the inflows. He said at this time it would be best to postpone the Fishing Derby to next year.

Councilor Trujillo said he understands the situation, and thanked Mr. Hook for work on the Fishing Derby.

Councilor Rivera asked why the Fishing Derby has to be at this time and why it can't be held after the monsoons or at a later date.

Councilor Trujillo said we usually try to do it at the first week in June when Game & Fish has the free fishing day. He said he just introduced Resolution which gives staff the opportunity to change the date, and with that change, we can look at other dates throughout the year.

Councilor Rivera asked if that change would allow it to happen this summer.

Councilor Trujillo it might, and it would depend on the weather patterns, although he would like to see it happen.

**7. 2011 ANNUAL WATER QUALITY REPORT (CONSUMER CONFIDENCE REPORT).
(JONATHAN PHILLIPS AND ALEX PUGLISI)**

Jonathan Phillips presented information from his Memo of April 24, 2012, which is in the packet.

8. STATUS OF IMPLEMENTING THE LONG RANGE WATER SUPPLY PLAN. (CLAUDIA BORCHERT)

Claudia Borchert presented information from her Memorandum, with attachments, of April 24, 2012, which is in the Committee packet. Please see this Memorandum for specifics of this presentation. She noted the good news is that, in general, we can be proud of the progress we've been making in diminishing the gap between our available supply and the projected needs, the demand. She believes this is due to the City's conservation efforts, the water banking program and the requirement that all development bring water for its development.

Ms. Borchert asked the Committee to look at the proposed strategies, to see if those are the ones they want. She noted there has been discussion at the Water Conservation Committee that people don't realize we are in a drought, and what should be done by the City in addition now that we are in a drought, noting that is something which could be reconsidered.

The Committee commented and asked questions as follows:

- Councilor Dominguez said the long-range water plan was a 40 year plan, and given the statement that the gap has been pushed into the future by 10 years, does this that it becomes a 50-year plan, or are we still looking at a target of 2052.

Ms. Borchert said she is taking the 40-year planning horizon, which she considers reasonable, and moved it from 2012 for 40 years to 2052, noting the gap will start showing up in the mid-2030's, so even moving it out 40 years, the gap will still show up about a decade later.

- Councilor Dominguez said we need to continue to remain diligent in looking beyond the 40 years and in looking further into the future if possible.

Ms. Borchert said some developments are required to prove water for 100 years, and if the development is folded into groundwater, they must prove they can extract 100 years of water from the underwater supply, but there is no guarantee in year 101. Ms. Borchert said this is a sustainable supply which will exist for 40 years for the population at that time, so there is no sense in the 41st year there is no more water available.

- Responding to Councilor Dominguez, Ms. Borchert said the City currently is at 105 GPCD, and the goal is to get to 85 GPCD.
- Chair Calvert said the GPCD overall includes commercial uses, but residential only is considerably lower than that, and Ms. Borchert said this is correct, and our residential GPCD is around 65 GPCD.
- Chair Calvert said the overall goal is an aggregate and not split-out.

- Chair Calvert said it flavors the discussion of future targets for water conservation, and might indicate the better target for the future would be in the commercial sector.
- Councilor Dominguez asked Ms. Borchert, given the City's policies in place with regard to water rights, water offsets and the whole spectrum, if she feels we need to continue to work on policy issues to get us to a better place, or if the demand for water rights, and the cost, is a difficult policy to which to adhere.

Ms. Borchert asked Councilor Dominguez if he is asking her for other ideas on what kinds of policies might be helpful in terms of water rights.

- Councilor Dominguez said he is asking if we need to continue to focus on water policy to get us even further into the future.

Ms. Borchert said she would like to defer most of the answers to his questions until the climate change analysis is done, to see how that incorporates into the outlook as present in her Memo.

- Councilor Dominguez said we've worked on long range, conservation and a number of other things, and the last piece is climate change.

Ms. Borchert said they are just embarking on a two-year study with the County to look at how climate change will impact our water supply and reserves in the future. She said there should be a preliminary assessment report should be ready in about two months, but in about two years there will be a new graph which incorporates climate change. She said currently, the focus is to have people bring Rio Grande water surface rights, with groundwater percentages increasing over time because of the climate change scenarios, which could include use of treated effluent as a backup supply.

- Chair Calvert said one of the reasons he asked staff to work on this, is because we talked about the gap in the future when we first looked at the plan. He wants to know what we are doing now to eliminate that gap eventually for the future. He said one strategy is that continued conservation could do that, but wanting that and making it happen are different things. He said the good thing is what Ms. Borchert presented today. However, the bad news is, when climate change is considered, we may be giving up some of that good news.
- Chair Calvert said there may be some ground to be made in water rights purchases because of the current situation, but that is more a short term thing.
- Councilor Dominguez said the challenge is how we, as policymakers, push an agenda to address the water situation, noting we sometimes work better under duress, and we might want to continue to create policy that gets us there.

- Chair Calvert said by bringing this forward now, he is trying to avoid having to achieve this under duress – think this out in advance and come up with a policy for the most effective use of resources to get us the same result and prevent us “coming to that cliff in the future.”
- Chair Calvert said storage is an issue in general on this plan, but with climate change it will be even more of an issue, and precipitation may come in bursts and not spread-out like the snowpack is now. He said storage will become even more important in terms of sustaining our water supply over the long run.
- Chair Calvert said, in terms of purchase in the short term, he would ask Ms. Borchert to come back to a future meeting with a plan and a strategy, including financing, which accomplishes some of this in the near term.
- Councilor Rivera asked if there is a any contingency plan in the event of 3 years of severe drought, noting we have storage in other reservoirs – are there plans for a worst case scenario and would that go along with climate change.

Ms. Borchert said our reserve is our groundwater, and the plan has the City using 2,000 afy from each of the two well fields, noting we have the rights to divert 10,000 afy from the Buckman well field and we are working on 4,865 afy from the City well fields. So our reserve, in part, is that we have a groundwater reserve, and if we really needed to, we could pump the groundwater “pretty darned hard.” She said we are fortunate to have several sources of supply such that we can supply the full demand with 3 of the 4 sources, and if necessary we could supply the City for quite a while from our groundwater which would include emergency restrictions and reducing the demand. She said staff does try to contingency planning and we are fortunate that the City has 4 sources of supply to do that.

- Chair Calvert said part of the reason for the BDD was to get us this redundancy or reliability of supply even in drought conditions in the event of an emergency. He said the planning includes the management of these 4 sources and not to have the need to go into restrictions, or at least to minimize the need for restrictions.

CONSENT DISCUSSION

No items were removed for discussion.

DISCUSSION AND ACTION ITEMS

13. **FOLLOW UP DISCUSSION REGARDING PROPOSED RATE INCREASE FOR SOLID WASTE RATES FOR FY 2012/2012. (CINDY PADILLA)**

Cindy Padilla presented information regarding this matter from her Memorandum of May 2, 2012, which is in the Committee packet. Please see this Memorandum for specifics of this presentation.

Ms. Padilla said after looking at options, staff is requesting concept approval for a 3.4% rate increase, and for the Committee to provide direction/approval to proceed with a comprehensive analysis of the solid waste management system.

The Committee commented and asked questions as follows:

- Councilor Dominguez said it appears one of the reasons the increase is needed is because of the increase in tipping fees. He asked what are tipping fees.

Ms. Padilla said it is the fee per ton charged by SWMA to dispose of solid waste at the landfill.

- Councilor Dominguez asked how the fee is established.

Ms. Padilla said SWMA is an enterprise operation, which looks at cost of operations, the tonnage of waste received, and does an analysis of the break-even point to maintain operations. She said SWMA also has financial assurance requirements for NMED for landfill operations and so other things are included in the rates.

- Councilor Dominguez said then it's not just operations, but tonnage, and the revenue generated.

Ms. Padilla said the fee is set by considering all things necessary to operate the landfill – requirements to maintain the permit, financial assurance requirements and everything involved in operating the landfill.

- Councilor Dominguez said then there are things which are beyond SWMA's control – State and federal requirements and such.

Ms. Padilla said this is a fair statement, noting there are solid waste management regulations, federal regulations, and such which they have to maintain, but can't control.

- Councilor Dominguez said SWMA has control over some of the operating costs, such as salaries, efficiencies and operations.

Ms. Padilla said this is correct, and SWMA is like any business. She said what SWMA has no control over, is the amount of tonnage going into the landfill. She said in 2008, the landfill received 200,000 tons of waste. However, in 2008 there was a decline in the economy, and in 2011, the annual tonnage was 150,000 tons. She said they still have the cost of operations, doing business, but they have less revenues because the tonnage dictates SWMA's revenue.

- Councilor Dominguez said then, the more tonnage they have, the more operating costs they have.

Ms. Padilla said this is correct to a point, but there is a break-even point. One of the reasons she is recommending this study, is so we can look at SWMA's efficiencies as well, noting SWMA has agreed to pay for part of the study.

- Councilor Dominguez said he wants to make sure that staff is comfortable with the efficiencies at SWMA.

Ms. Padilla said this is the reason we reached out to SWMA and asked them to be a partner in this analysis, because they want to look at the efficiencies at the landfill at the same time we look at the efficiencies for collections, noting it will also look at BuRRT.

- Councilor Dominguez asked what the City is paying per ton in tipping fees.

Ms. Padilla said currently it is \$37.50 per ton at Caja del Rio, which will be increased to \$40 per ton on July 1, 2012.

- Councilor Dominguez said then, even though we are paying more ton, our customers paying less monthly, and Ms. Padilla said this is correct.

- Councilor Dominguez said, on page 3, Ms. Padilla says, "... Oftentimes smaller, more routine maintenance is done outside to allow for more than one vehicle to be serviced at a time." He asked if she means outside in the elements, or outside the City.

Ms. Padilla said she means outside in the elements.

- Councilor Dominguez asked what we are doing to meet the goal of a 33% recycling rate, one of which he presumes is publication.

Ms. Padilla said education is a strong part of what they do, noting there is a good infrastructure in place which allows for, and promotes recycling – residential curbside recycling, commercial recycling is available, reduced rates for commercial recycling. She said education and encouraging people to recycle is a big part of that.

Ms. Padilla said they are going to be more aggressive in meeting with businesses, noting commercial generates 60-65% of the waste, so we need to target those and get more businesses involved in recycling.

- Councilor Dominguez asked if the rate increase will help us meet that goal.

Ms. Padilla said yes.

- Councilor Trujillo said when SWMA was looking at the tipping fees, we were looking at ways to reduce that across the board. One of the ideas they looked at was getting other communities to dump at our landfill. He said they looked at bringing in Los Alamos, which hit a snag because some of the waste was coming from LANL, which wasn't going to be contaminated waste, but met with disfavor with the City Council. He said we wanted to keep rates as low as possible. He said Councilor Ortiz said the enabling Ordinance provided that waste accepted at Caja del Rio was to be strictly from within the County and City of Santa Fe.

- Councilor Trujillo asked if the Division will be building new bays for equipment repair.

Ms. Padilla said the preliminary study is to build a new facility with 3-4 bays, noting currently they have 1 bay.

- Councilor Trujillo asked if this would be for all City vehicles.

Ms. Padilla said it would be for Solid Waste vehicles, strictly.

- Councilor Rivera asked if they have the financing in the budget for the comprehensive plan.

Ms. Padilla said she has been working on this, and it will be with funds within the existing budget which aren't used in this budget year, or they will look to cash reserves, noting it is estimated to be \$200,000 which is a conservative estimate, reiterating that SWMA will pay a percentage. She hopes it will be less.

- Councilor Rivera said then SWMA is paying possibly up to 50% of the cost.

Ms. Padilla said yes, commenting she hasn't spoken with County about its participation.

- Councilor Rivera asked what a 3.4% increase would mean to the end users.

Ms. Padilla said in the first fiscal year, the rate would increase from \$12.17 to \$12.58 plus GRTs, and they are projecting an increase of 3.4% for each of the next 4 years, which is what StepWise has recommended. So in FY 13/14 it would be \$13.01, \$13.45 in 14/15 and cap at \$13.91 in 15/16. She said when they get the final analysis of the comprehensive study, if they can address efficiencies in all the operations – collection, landfill and transfer of recycling – it is hope it would have a positive impact on the rates. They may want to revisit the projections for the next fiscal years.

- Councilor Rivera said the staff recommendation is to approve the plan and not necessarily the rate increase.

Ms. Padilla said that is their recommendation and request.

- Chair Calvert said, to be clear, staff is asking for two things: first, approval to proceed with the comprehensive solid waste management study, as well as, secondly, approval in concept for the rate increase. He said in all likelihood you would be asking for the full 3.4% increase in the coming fiscal year, but it might be reduced in subsequent years, but there is no guarantee.

Ms. Padilla said this is correct.

- Chair Calvert asked Ms. Padilla what is meant by "approval in concept" for the next step, and how far she will take this approval in concept before bringing it for implementation.

Ms. Padilla said they wanted to have a discussion on the operations, system and the rate increase, so you would know what the rate increase would cover, and then they would come forward with an ordinance on the rate increase.

- Chair Calvert noted the City is in the process of preparing next year's budget, and the beginning of the next fiscal year is not that far away. He said perhaps the proposed Ordinance already should have been introduced.

Ms. Padilla said this is correct, and they will move forward, noting a similar Ordinance was rejected two years ago.

- Chair Calvert said given the timing it takes for Ordinance amendments, about 6 weeks, he thinks she needs to get something going as soon as possible.
- Chair Calvert said the main part of the rate increase is because the City has to pay tipping fees, but when we talk about reducing solid waste disposal and increasing recycling, it impacts SWMA. He said we need to work together to maximize the benefit overall.

Ms. Padilla said this goes to accepting out-of-county waste and the discussion of flow control. How can we make sure and require that all of the waste in the County is taken to our landfill. She said there are construction projects which are done in the City, but the waste is hauled to Rio Rancho or elsewhere. She said flow control would help to increase tonnage.

- Chair Calvert said we already do accept a small portion of out-of-county waste, and Ms. Padilla said yes, but it is a very small amount. Chair Calvert said, however, the precedent already has been set.

MOTION: Councilor Dominguez moved, seconded by Councilor Dimas, to approve staff recommendations #1 and #2.

DISCUSSION: Councilor Dominguez commented that even with this increase, the City's rates are still lower than other communities, which speaks to the efficiency we've been able to make to ensure we are providing our customers the best service we can, and complimented the City staff.

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

Councilor Trujillo said we have put recycling bins in our parks. He said they were thinking of putting the expandable bins in the dugouts to help.

Ms. Padilla said Gilda Montoya, Coordinator for Santa Fe Beautiful, has reached out to the Little Leagues and hope to put up those clear streams, and make sure they are serviced.

Councilor Trujillo suggested putting up signs, perhaps from Coca-Cola, asking people to please use the recycling bins.

Councilor Dimas said, in terms of the education outreach, people need to know what recyclables are accepted, and believes the education will help to do this.

Ms. Padilla said they have been working with SWMA, because we need to be sure that we have one messaging piece about what is to be recycled which can be shared between the City, the County and SWMA – what is recyclable, how to prepare the items for recycling, how to replace bins and such. She said they have been covering the various community events, and will be out for CommUNITY Day.

Councilor Rivera said, from a residential perspective, recycling isn't very easy, for example boxes which have to be bundled, or cut small enough to fit in the bins. Otherwise, they won't take them. He said if bottles aren't in their own separate bin they won't take them. He understands what they are doing, but recycling isn't user friendly. He said when he was in the Fire Department, they purchased thousands of dollars of exercise equipment, and you can imagine the number of boxes we had. He said they had to flatten all the boxes, cut them and bundle them. He said it became so cumbersome, they didn't want to do it any more. He said we need to look for ways to make it easier for people to recycle. He said it "drives me crazy" that they don't do pizza or cereal boxes, because he has lots of those with 4 kids.

Ms. Padilla said she understands. She said staff may have a pay as you throw recommendation where there is a smaller bin for refuse and a larger one for recyclables with a differential rate. She said they can get very creative. She said when a particular type of operation is changed, they may need to come forward requesting infrastructure changes as well – different kinds of trucks and containers. She said while there will be an initial expenditure, there will be a payout at the end.

Chair Calvert recommended taking a tour of the BuRRT facility where the recycling is done. He said we have to have somebody to take the recyclables, such as pizza boxes, which specifies certain parameters for contaminants or the quality of the product. He said it is a balancing act between what is thrown and the recovery of costs, noting there isn't a sufficient market for pizza boxes close to the City to make it cost effective for the operation to do it.

Ms. Padilla agreed, saying the market drives how the recyclables are processed. She said with regard to green waste, they are asking residents to sign up for a yard waste collection pilot program, and need at least 600 residents. She said yard waste is a significant part of the waste stream, and if it is

contaminated or commingle with other things, it becomes refuse and garbage. Otherwise, it is a resource we can use to create mulch or compost.

Councilor Rivera asked, for the next meeting, if Ms. Padilla could provide the number of recycling bins have replaced per year over the past two years.

Ms. Padilla said she can provide that information.

Chair Calvert noted the initial stock of recycling bins were brittle and broke up more easily, noting they also were sensitive to the sun's rays. However, the newer bins are more flexible and hopefully will last longer.

Ms. Padilla said they are more durable and also have a warranty.

Councilor Trujillo departed the meeting

14. REQUEST FOR DIRECTION ON THE PRELIMINARY FINDINGS FROM THE TREATED EFFLUENT MANAGEMENT PLAN UPDATE PROCESS. (CLAUDIA BORCHERT)

Claudia Borchert presented information regarding this matter from her Memorandum of April 24, 2012, with attachments, which is in the Committee packet. Please see this memorandum for specifics of this presentation.

Ms. Borchert said this is a complicated issue, and thought was given to a special study session. However, she wanted to save the study session for when there is a draft plan. She said she will be respectful of the Committee's time, noting she wants Committee input on the key policy questions once she finishes her presentation.

Ms. Borchert introduced the members of the TEMP2 working group in attendance: Bryan Romero, Charlie Nylander, Mike Crawford, Robert Wood and Brian Drypolcher. She said others serving on the working group are: Felicity Brennan, Santa Fe Watershed Association; Karen Torres, Santa Fe County; Kathleen Garcia, Wastewater; Jerry Lowance; Neva Von Peski; Rick Carpenter; David Harrington, La Bajada; Craig O'Hare, Santa Fe County; and John Allen from Marty Sanchez Golf Course.

The committee commented and asked questions as follows:

- Responding to the Chair, Ms. Borchert said the Santa Fe Horse Park does not have any water rights associated with the Hagerman Well. They have a lease with the county to use the Hagerman Well rights on their property. She said, for the record, it is in litigation, so it is difficult to answer that question.

- Councilor Dominguez asked, in terms of the timeline, what are we looking at, in terms of being able to policy to move this forward and to give you good direction.

Ms. Borchert said the Working Group would like to have a draft plan for this Committee in 2-3 months. They would like feedback today on the questions on pages 5-6 of the memorandum. They would then meet twice to incorporate your feedback. She will come back in July or August with a document for presentation in a study session.

- Councilor Dominguez said he has general comments and questions regarding the key questions, some of which has to do with his priorities.
- Councilor Dominguez said he can't answer Question #1 right now, because he doesn't know the financial implications, other than using some of the money to supplement the general fund. He needs information on the cost per gallon per user.
- Councilor Calvert said part of that information is in Question #1, noting revenue hasn't been much of a consideration, and we aren't getting anything close to the value of what we produce. He said if we had more revenue we would have more ability to purchase more water rights.
- Councilor Dominguez said we don't want to be so revenue driven that we use it to supplement the General Fund every year.
- Councilor Dominguez said in response to Question #2, yes it would be nice to have a water budget for each user.
- Councilor Dominguez said, with regard to Question #3, it would depend on how it is being used, saying he likes idea of having a tiered approach, but would like to see how it looks.
- Councilor Dominguez said he has a lot of questions on Question #4. He said it would be nice to be able to provide water downstream during the irrigation months, but we have to be sure our priorities are clearly identified. He would like to know how much the County and the State allocates to this effort, commenting he hears a lot of different things with regard to our obligations to downstream users. He would like to have some of this information.
- Councilor Rivera asked who Las Campanas is paying for its water currently.

Ms. Borchert said Las Campanas is splintered into several organizations. The Golf Club gets 200 afy using its own water rights from the BDD, noting it is a partner of the BDD. She said that untreated raw water ends up on the golf course. It also has a well water agreement with the County for 300 afy. She said the Las Campanas Homeowners Water Cooperative is a customer of the County for domestic potable water.

- Councilor Rivera said then they are paying the County for additional water, and Ms. Borchert said this is correct.
- Councilor Rivera said then the Equestrian Center, the Downs and the landfill could opt for the same agreement and the County could opt to sell them water.

Ms. Borchert said the question then is if the City can price itself out of them as a market, if they would turn to another source. She said the raw water goes to the Water Treatment Plant, so they would have to pipe the water to the Wastewater Treatment Plant where they get the water right now. She said Las Campanas still owns an existing pipeline, if they decide to look at that.

Ms. Borchert said currently, by Ordinance, treated effluent is charged at ½ of the potable water rate, because users can get it only at the outfall of the Wastewater Treatment Plant – pay the costs of the infrastructure and electricity to get it where they wanted.

- Councilor Rivera said, with regard to Question #1, it would be interesting to look at the revenue generation options, but be careful that we don't price ourselves out of the picture and we end up collecting even less.
- Councilor Rivera said he is unsure about Question #2, and he can't answer this question.
- Councilor Rivera said he agrees with Councilor Dominguez on Question #3 with the tiered approach.
- Councilor Rivera said, with regard to Question #4, he is all in favor of continuing discharge down the Santa Fe River. He said what is happening in La Cienega is an important part of our history and our culture – what people continue to plant and grow. He wants to see this continue
- Councilor Dimas said he agrees that generating funds has to be a priority to continue this. He said with regard to developing a water budget for each user, he doesn't know enough about this to be able to answer this question. He would like to see a tiered approach, commenting Councilor Dominguez stated it well.
- Councilor Dimas said he would like to see a continuation of the discharge into the Santa Fe River.
- Chair Calvert said, with regard to Question #1, he would like to see us avoid costs as well. He would like to see it factored in until he sees how it plays out, before he decides whether or not it is a priority. He said there might be some unintended consequences.
- Chair Calvert said, regarding Question #2, he would like to see a water budget developed for each user. He said in cases such as the Country Club where they aren't paying, if they would

cooperate, it would eliminate the lack of inclination to conserve. This is the largest user where there is no cost for what they use. He said there is no price associated with what we use in the City, and said perhaps it might be effective if that was reflected in the various budgets of the City.

- Chair Calvert said, with regard to Question #3, he had asked for an analysis of what is possibly the price breaking point between effluent and potable water, so we could say maybe it should be priced at 2/3 of potable, before people would opt not to use it and substitute potable water, which we don't want to happen. He said obviously, we aren't recovering the costs of treatment and distribution of the effluent, and we might want to bill differently and implement a tiered approach.
- Chair Calvert said, with regard to Question #4, he would like the City to continue to do this.
- Chair Calvert said he didn't see anything in here regarding offsets regarding uses and priorities.

Ms. Borchert said the only obligation currently is to offset the pumping impacts from the Buckman Well Field. There is uncertainty associated with an adjudication of the Santa Fe River, and whether an adjudication would say some of our effluent needs to be returned to the River. There is a lot of case law saying cities are entitled to their water, and even if users have grown accustomed to the wastewater, it doesn't mean they are entitled to it. There is also a question of whether La Bajada has priority dates. She said Mr. Martinez has come up with good evidence that our priority date is 1609, which trumps all the priority dates down there. She said Santa Fe was settled before people went upstream and downstream to settle.

- Chair Calvert understood there was a basin where there would be a need for us to offset.

Ms. Borchert said there is, and that is the discharge credit. However, we don't know the exact quantification, but it is around 100 afy per month.

- Chair Calvert said about 6 months ago we were talking about an obligation we have, but he will talk to her about this later.

Marcus Martinez said when we were talking about this 6 months or more ago, we didn't have as much information as Claudia has now gathered, and we didn't know the extent of that obligation for the Buckman Well Field. He said some preliminary models have been done by one of our consultants, which allows to give the figure in the graph.

- Chair Calvert said he didn't understand it was regarding the Buckman Well Field, and thought it was in regard to a report from the State Engineer about La Cienega or one of those basins, and asked if this is the same thing.

Mr. Martinez said it is the same thing. It is an offset obligation to La Cienega.

- Chair Calvert said, with regard to Question #4, he would echo some of the previous comments. He asked if the Equestrian Center is technically in the County.

Ms. Borchert said it is.

- Chair Calvert said, in cases like that, where they look to the City for effluent, he would prioritize returning water to River above that, and look to the County to provide the needed water to its constituents. He said this could “muddy the water,” in terms of annexation and some of the side agreements. However, we need to start shifting the dynamic of to whom County residents look for water, and who is responsible for water in the future. He wants to look at the priorities with this in mind, and River uses would be more important to him than the equestrian property.
- Chair Calvert asked if the input has been helpful, noting since many of the Committee members are fairly new, and might need time to look at the materials and meet one-on-one with Ms. Borchert for further discussion and clarification to refine their opinions and ideas on these things.

Ms. Ms. Borchert said the input has been helpful, and said anyone can contact her if they have more questions. She said this is a priorities exercise, and there always will be tradeoffs in picking one priority over another. She said she does have a sense of what is important to this Committee.

- Councilor Dominguez said the effluent line in Tierra Contenta was never intended to serve the SWAN park or any other park, but was intended to serve the Public Schools. He asked if we are keeping in mind potential future users in talking about this issue in general.

Ms. Borchert said yes, noting in 2016 there is the SWAN Park and the Southwest Sector Irrigated Parks, noting they have had to “wing it” with the numbers.

- Councilor Dominguez said the Public Schools are preparing to build another elementary school with multi-purpose fields.

Ms. Borchert said that isn't explicitly included here, unless it comes out of the budget of “The Other,” the Southwest Sector Irrigated Parks, which includes parks and schools.

- Councilor Dominguez said then, if the Schools were interested in paying for the effluent water in exchange for infrastructure at a reduced rate, that hasn't been considered. He wants to be more visionary.

Bryan Romero said as part of the design, a 12 inch line will be placed, which will allow them to deliver the water similar to the MRC. He said infrastructure wise, the capacity is there now, and it is a matter of how much water the City wants to put in the pipe. He said the design is sufficiently flexible to handle these new ideas or new facilities.

- Councilor Dominguez said he believes the Schools would be using effluent for its multi-purpose fields rather than potable water, and the reason he brought this up.
- Councilor Rivera asked if the New Mexico Game & Fish water use is still tied into the emergency crossing from the Fire Station behind the GCCC to Siringo Road.

Ms. Borchert said she doesn't know about that crossing. She said this use goes along Caja del Rio to the New Mexico Game & Fish office there, and they have a pond and some educational signs regarding the fish and fauna there, and they also irrigate a little of the landscaping with treated effluent.

Bryan Romero said the City did obtain an easement across the Arroyo Chamiso, but that expired and we are working on the renewal. He said they have been paying a non-potable rate based on the Ordinance, so there is no difference in pricing for them because of the easement.

- Councilor Rivera said he would like a copy of that agreement, which is for 7 years.
- Councilor Rivera said he attended the public hearing on the TEMP plan at the Southside Library and was very impressed by the process, the groups who participated and thanked Ms. Borchert for her work and for the work of the Working Group who have done a great job in bringing these priorities and is the start of a great plan for the use of treated effluent.
- Chair Calvert said, with regard to pricing, we have to be careful how it is applied, noting for example, increases to the landfill will be passed on as increased costs to the tipping fees.

Ms. Borchert said there is a similar issue in charging for water to Marty Sanchez and the MRC. She said the wastewater rates help subsidize golf at Marty Sanchez and the play at the MRC and other fields, and in the future at SWAN. There is a question as to whether you want to continue this in principle or if you want the users of those facilities to wind up paying more for the use of the facilities. One way or another, the City pays for it.

- Chair Calvert understands, but even as an exercise, it might provide them an idea of the amount and value of this resource they are using, and perhaps an incentive to conserve.

Chair Calvert said members who would like to meet with Claudia and ask questions and/or offer more suggestions, should do so, commenting he believes that would help her to refine the plan.

MATTERS FROM THE PUBLIC

Kyle Harwood said he is here on behalf of Los Alamos National Bank, the current owner of the Horse Park or the Equestrian Center. He has another item which he would like the Committee to be

aware, which is the maintenance of the Discharge Permit with NMED, which isn't a small matter, and something for which the Wastewater Division asks all treated effluent customers to be responsible. He said recently LANB made an investment in maintaining that discharge plan for the use of treated effluent. He said LANB has owned the Horse Park facility for the past 2 years, and there are 3-4 separate lawsuits "currently raging," around the facility, and the water resource supply for this facility is known. He said LANB isn't in the business of owning an equestrian facility and is looking for a buyer, and treated effluent is a very important option to the Bank, depending on how some of these cases turn out, but really for the future owner of the facility. He said he understands the point about the County being responsible for serving areas in the County.

Mr. Harwood said, "I would also just point out that several of the paying customers, potentially paying customers, are in the County, like The Downs and the Equestrian Center, partly because of the layout of where the presumptive City limits are, where the Wastewater Treatment Plant is. Las Campanas, which is even uphill, is also in the County."

Chair Calvert said, but unlike the other ones, the City probably will be phasing out some of those, noting the City already is mostly phased out of Las Campanas, and likely will phasing-out The Downs with the development of the SWAN Park. He said as the annexation moves forward, we are tending to separate our responsibilities.

Mr. Harwood said he is correct, and as policymakers, you are presumptively correct in your opinion. He said he hopes the City will find room in the budget for the Equestrian Center, given some of the other County uses which are coming off line.

MATTERS FROM THE CITY ATTORNEY

There were no matters from the City Attorney.

ITEMS FROM STAFF

There were no items from staff.

MATTERS FROM THE COMMITTEE

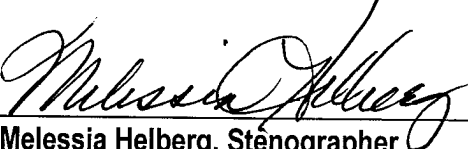
There were matters from the Committee.

NEXT MEETING: WEDNESDAY, June 6, 2012

ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at 7:15 p.m.

Christopher Calvert, Chair



Melessia Helberg, Stenographer

05P09S SNOTEL as of 05/02/2012

*** Provisional Data, Subject to Change ***

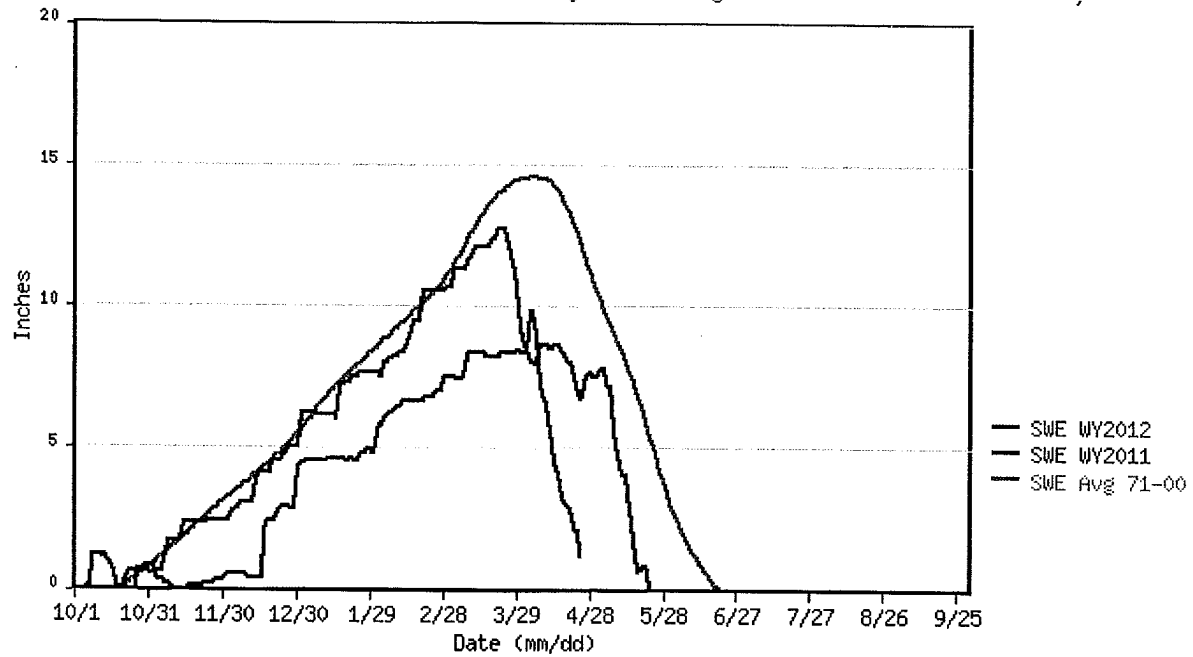


Exhibit "I"

/cdb/s/nm/snot35 12 Snow Water Equivalent

Station : NM05P09S, SANTA FE

----- Unit = inches

day	oct	nov	dec	jan	feb	mar	apr	may	jun	jul	aug	sep
---	---	---	---	---	---	---	---	---	---	---	---	---
1	0.00	0.80	2.40	6.20	7.60	10.70	8.80	0.00				
2	0.00	0.70	2.40	6.20	7.50	10.70	8.40					
3	0.00	0.60	2.50	6.20	7.50	11.20	9.00					
4	0.00	0.60	2.70	6.20	8.00	11.30	9.80					
5	0.00	0.60	2.70	6.20	8.00	11.30	9.80					
6	0.10	1.00	2.80	6.20	8.10	11.30	8.90					
7	0.00	1.20	3.00	6.10	8.10	11.30	8.00					
8	1.20	1.70	3.00	6.10	8.20	11.30	7.20					
9	1.20	1.70	3.00	6.10	8.20	11.50	6.80					
10	1.20	1.70	3.00	6.10	8.30	11.70	6.50					
11	1.20	1.70	3.00	6.10	8.30	11.90	5.90					
12	1.10	1.70	3.00	6.10	8.30	12.10	5.60					
13	1.20	1.70	3.40	6.10	8.50	12.10	5.00					
14	1.00	2.30	3.90	6.10	8.90	12.10	4.40					
15	0.90	2.30	4.10	6.00	9.10	12.10	4.00					
16	0.70	2.30	4.10	6.40	9.50	12.10	3.60					
17	0.50	2.30	4.10	7.20	9.50	12.10	3.20					
18	0.10	2.30	4.10	7.20	9.50	12.10	3.00					
19	0.00	2.30	4.10	7.30	10.00	12.40	2.90					
20	0.00	2.30	4.50	7.30	10.50	12.40	2.70					
21	0.00	2.30	4.50	7.30	10.50	12.60	2.50					
22	0.00	2.30	4.50	7.50	10.50	12.70	2.10					
23	0.00	2.30	4.50	7.50	10.50	12.70	2.00					
24	0.00	2.40	4.60	7.50	10.50	12.70	1.20					
25	0.00	2.40	4.80	7.60	10.50	12.40						
26	0.00	2.40	4.80	7.60	10.50	12.10						
27	0.70	2.40	5.00	7.60	10.50	11.80						
28	0.70	2.40	5.00	7.60	10.50	11.20						
29	0.70	2.40	5.00	7.60	10.50	10.60						
30	0.80	2.40	5.00	7.60	---	9.90	0.00					
31	0.80	---	5.00	7.60	---	9.20	---		---			---
mean	0.45	1.85	3.82	6.79	9.18	11.66	5.25	0.00				
max	1.20	2.40	5.00	7.60	10.50	12.70	9.80	0.00				
min	0.00	0.60	2.40	6.00	7.50	9.20	0.00	0.00				

***This data is provisional and subject to change.

2012

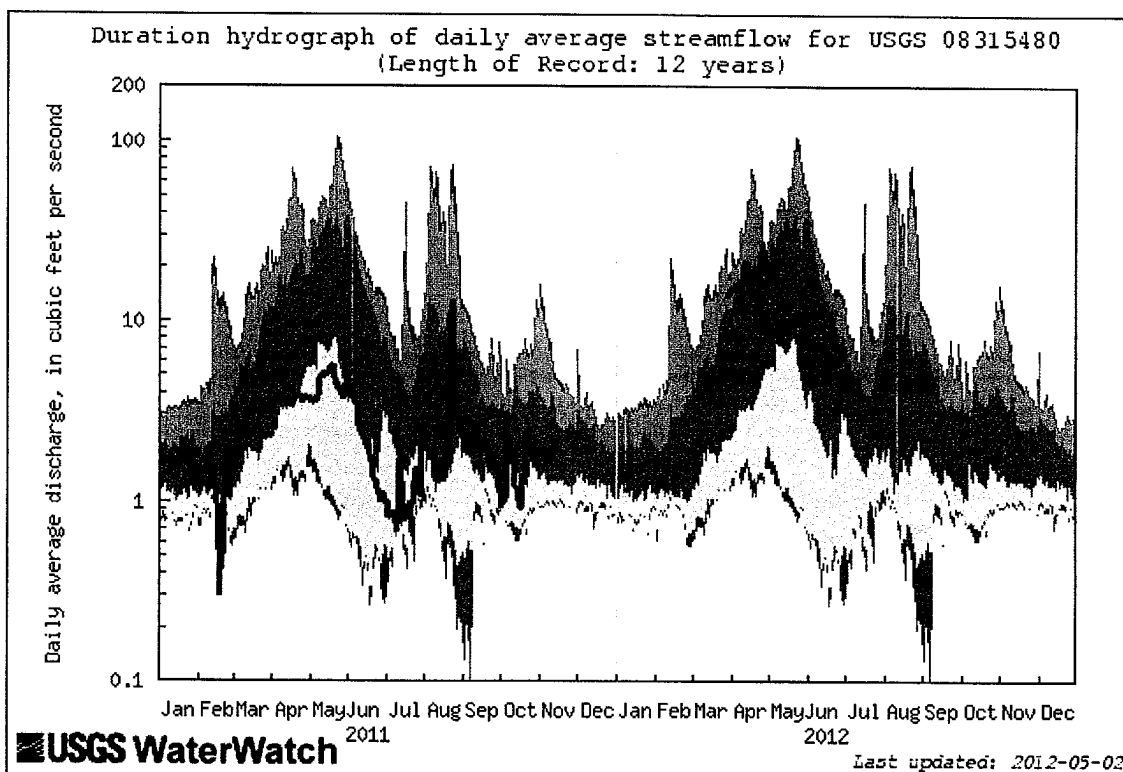
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18		
			8" WEIR (AVE MGWKV MGD)	8" WEIR MGWKV	Est lower Inflow MGWKV	McCLURE (In MG)	CAPACITY (%) of Total)	NICHOLS (In MG)	CAPACITY (% of Total)	TOTAL McCLURE & NICHOLS	TOTAL CAPACITY (% of 1284MG)	Surface Water Treated MGWKV	Surface Water Treated (AVE MGD)	Estimated 100% Storage ⁶	Estimated Spillover (100%Cap)	Flood Control Storage	SFE River Target Flows MGWKV	Spillover After Releases	Site River Target Flows In CFS	
DATE	18" WEIR MGWKV	8" WEIR (AVE MGD)	8" WEIR MGWKV	MGWKV	MGWKV	(In MG)														
2008 Inflow Data																				
A	02/26/12	1.39	9.73	0.00		436	41.09%	131	58.74%	658	44.2%	18.35	2.62							
B	03/04/12	1.12	7.84	0.00		318	29.97%	136	60.99%	454	35.4%	10.66	1.52							
C	03/11/12	1.62	11.34	2.86		324	30.54%	123	55.16%	447	34.8%	21.20	3.03							
D	03/18/12	3.42	23.94	5.42		341	32.14%	118	52.91%	459	35.7%	17.36	2.48							
E	03/25/12	4.18	29.26	9.50		370	34.87%	110	49.33%	480	37.4%	17.76	2.54							
F	04/01/12	9.80	68.60	0.00		425	40.06%	100	44.84%	525	40.9%	19.07	2.72							
G	04/08/12	10.14	70.98	0.00		476	44.86%	96	43.05%	572	44.5%	12.57	1.80							
H	04/15/12	11.61	81.27	0.00		547	51.56%	95	42.60%	642	50.0%	10.13	1.45						4 CFS	
I	04/22/12	9.95	69.65	0.00		577	54.38%	95	42.60%	672	52.3%	11.92	1.70						3 CFS	
J	04/29/12	13.66	95.62	0.00		623	58.72%	110	49.33%	733	57.1%	17.76	2.54							
Inflows Above McClure (MG)						468.23					1437 AF									
Unpaved Lower Inflows (MG)						17.78					55 AF									
RES Inflows Wks 2/26-4/29/12						486.01					1492 AF									
Est. Inflow Data ⁷						?					Total Demand Wks of 02/26-4/29/12 (MG)	156.79	481 AF							
Estimated Storage ⁸																				
Estimated Production ⁹																				
K	05/06/12	4.30	30.07																0.5 CFS	
L	05/13/12	4.79	33.51																0.5 CFS	
M	05/20/12	5.72	40.01																3.5 CFS	
N	05/27/12	6.59	46.13																3 CFS	
O	06/03/12	5.96	41.74																1 CFS	
P	06/10/12	5.09	35.60																1 CFS	
Est. Inflows Abv McClure (MG)						227.06					697 AF									
Estimated lower Inflows (MG)						227.06					0 AF									
Estimated Inflows 4/30-6/10/12						227.06					697 AF									
Total Inflows to Reservoirs (MG)						713.08					2188 AF									
											Total Demand (MG)	317.79	975 AF	0	AF	139				
																	</			

WaterWatch

USGS Streamflow Duration Hydrograph Builder

Site Number: Year: Flow type:

For some streams, flow statistics may have been computed from mixed regulated and unregulated flows; this can lead to inaccurate depictions of flow conditions.



Explanation - Percentile classes					Flow
lowest-10th percentile	10-24	25-75	76-90	90th percentile-highest	
Much below normal	Below normal	Normal	Above normal	Much above normal	