



Agenda

CITY CLERK'S OFFICE

DATE 3/29/12 TIME 3:50

SIGNED BY [Signature]

RECEIVED BY [Signature]

**PUBLIC UTILITIES COMMITTEE
MEETING
CITY COUNCIL CHAMBERS
WEDNESDAY, APRIL 4, 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 FEBRUARY 1, 2012 MEETING

INFORMATIONAL ITEMS

6. Public Utilities Department 2011 Accomplishments and 2012 Priorities. (Brian Snyder)
7. Water Division Drought and Supply Sustainability Planning Summary – the Past, Present and Future. (Rick Carpenter)
8. Update on Recent City Activities and Participation in Meetings With the “Regional Coalition of Los Alamos Communities,” LANL and NMED, Regarding Environmental Cleanup Activities at Los Alamos National Laboratory. (Alex Puglisi and Rick Carpenter)
9. Update on New U.S. Health and Human Services (HHS) Toxicological Effects Studies, Draft EPA Guidance on Flouride, and the Use of Flouride in the City’s Water System. (Alex Puglisi)
10. Financial Plan Updates. (Brian Snyder)
 - a. Water Division
 - b. Wastewater Management Division
 - c. Environmental Services Division.
11. Automatic Meter Reading Pilot Program Update. (Peter Ortega)

CONSENT – INFORMATIONAL CALENDAR

12. Status Report on the Environmental Services Division. (Cindy Padilla)
13. Update on Current Water Supply Status. (Victor Archuleta)
14. Drought, Monsoon and Water Resource Management Update. (Rick Carpenter)
15. Status of Treated Effluent Management Plan Update. (Claudia Borchert)
16. Status of Revisions to the Long Range Water Supply Plan and Incorporation of Projected Climate Change Impacts. (Claudia Borchert)

CONSENT – ACTION CALENDAR

17. Spring 2012 Reservoir Management, Storage Capacities and Santa Fe River Target Flow. (Alan Hook) **“CURRENT CONDITIONS” HANDOUT AT MEETING**
18. Request for Approval of a Forty Thousand Dollar (\$40,000) Expenditure to MCT Industries, Inc. Via the State Pricing Agreement to Cover the Cost of Parts, Supplies or Vehicles Repairs for the Environmental Services Division’s Fleet as Required. (Lawrence Garcia)

PUC – 4/4/12
FC – 4/16/12
CC – 4/25/12
19. Request for Approval of Change Order No. 3 for Weaver Construction Management Purchase Order (PO) # 17025546 for Construction Management Services for the Canyon Road Water Treatment Plant Phase 3 – Residuals Modifications and Improvements Project, CIP #3026 for the Total Amount of \$86,645.30. (Robert Jorgensen)
 - a. Approval of a Budget Adjustment Request (BAR) in the amount of \$103,276.90.
PUC – 4/4/12
FC – 4/16/12
CC – 4/25/12
20. Request for Approval to Purchase One (1) Residential Automated Side-Loader from Bruckners Trucks Inc, via the Cooperative Educational Services for the Environmental Services Division for the Total Amount of Two Hundred Twenty Thousand Five Hundred Twenty-Three Dollars (\$220,523.00). (Cindy Padilla/Lawrence Garcia)

PUC – 4/4/12
FC – 4/16/12
CC – 4/25/12

21. Request For Approval to Purchase Six Hundred Twenty-Four (624), Ninety-Six (96) Gallon Containers from Toter Incorporated via the National IPA Cooperative Purchasing Agreement for the Environmental Services Division for the Total Amount of Twenty-Eight Thousand Five Hundred Sixty-Six Dollars and Seventy Two Cents (\$28,566.72). (Cindy Padilla/Lawrence Garcia)

PUC – 4/4/12

FC – 4/16/12

CC – 4/25/12

DISCUSSION ITEMS AND ACTION ITEMS

22. Request for Approval of the 2010 Annual Water Report. (Alan Hook)

PUC – 3/7/12 (cancelled)

PUC – 4/4/12

CC – 4/11/12

23. Request for Approval of the 2011 Annual Water Report. (Alan Hook)

PUC - 4/4/12

CC – 4/11/12

24. Request for Approval of Resolution No. 2012-_____. A Resolution Directing Staff to Amend City Water Conservation Incentive Program Policies, Procedures and the City's Website Relating to Water Conservation Device Rebates So That Sangre de Cristo Water Customers Are Given Options for Providing Proof of Purchase or Trade for Water Conservation Devices That Qualify for a Rebate. (Brian Snyder) (Councilor Bushee)

PUC – 2/1/12 Postponed

FC – 3/5/12 Approved

PUC – 3/7/12 (cancelled)

WCC – 3/13/12 Not Approved

PUC – 4/4/12

CC – 4/11/12

25. Request by Stacy Community Property Trust for the City of Santa Fe to Enter Into a Memorandum of Understanding (MOU) With Santa Fe County and Stacy Community Property Trust to Provide Their Property, Located Outside the Presumptive City Limits, With a City Master Water Meter and for the County Wastewater Collection System to Discharge Into the City Wastewater System. (Brian Snyder and Marcos Martinez)

PUC – 4/4/12

FC – 4/16/12

CC – 4/25/12

26. Staff Update on Findings of National League of Cities Service Line Warranty Program in Accordance With Resolution 2012-5. (Brian Snyder)

PUC – 4/4/12

FC – 4/16/12

CC – 4/25/12

MATTERS FROM THE PUBLIC

MATTERS FROM THE CITY ATTORNEY

ITEMS FROM STAFF

MATTERS FROM THE COMMITTEE

NEXT MEETING: WEDNESDAY, MAY 2, 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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PUBLIC UTILITIES COMMITTEE MEETING
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END OF CONSENT – INFORMATIONAL AND CONSENT – ACTION DISCUSSION

DISCUSSION AND ACTION ITEMS

REQUEST FOR APPROVAL OF THE 2010 ANNUAL WATER REPORT	Approved w/caveat	17-18
REQUEST FOR APPROVAL OF THE 2011 ANNUAL WATER REPORT	Approved w/caveat	18
REQUEST FOR APPROVAL OF RESOLUTION NO. 2012- ____ A RESOLUTION DIRECTING STAFF TO AMEND CITY WATER CONSERVATION INCENTIVE PROGRAM POLICIES, PROCEDURES AND THE CITY'S WEBSITE RELATING TO WATER CONSERVATION DEVICE REBATES SO THAT SANGRE DE CRISTO WATER CUSTOMERS ARE GIVEN OPTIONS FOR PROVIDING PROOF OF PURCHASE OR TRADE FOR WATER CONSERVATION DEVICES THAT QUALIFY FOR A REBATE	Approved [amended]	18-22
REQUEST BY STACY COMMUNITY PROPERTY TRUST FOR THE CITY OF SANTA FE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH SANTA FE COUNTY AND STACY COMMUNITY PROPERTY TRUST TO PROVIDE THEIR PROPERTY, LOCATED OUTSIDE THE PRESUMPTIVE CITY LIMITS, WITH A CITY MASTER WATER METER AND FOR THE COUNTY WASTEWATER COLLECTION SYSTEM TO DISCHARGE INTO THE CITY WASTEWATER SYSTEM	Referred to Water Review Team	23
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MATTERS FROM THE CITY ATTORNEY	None	25

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**MINUTES OF THE
CITY OF SANTA FE
PUBLIC UTILITIES COMMITTEE
Wednesday, April 4, 2012**

1. CALL TO ORDER

A meeting of the Public Utilities Committee was called to order by Councilor Christopher Calvert, Chair, at approximately 5:00 p.m., on Wednesday, April 4, 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:

Brian Snyder, 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

Bran Snyder said he would like to remove Item #25 and send it back to the Water Review Team, and once they make a recommendation, he will bring it back to PUC, with a joint recommendation.

MOTION: Councilor Dominguez moved, seconded by Councilor Dimas, to approve the Agenda as amended.

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

Responding to a question from Councilor Rivera, Chair Calvert said the Informational Items will be presented to the Committee by staff. He said items on the Consent Informational Calendar which are for the Committee's information, aren't presented by staff unless removed for discussion by a member of the Committee. He said items on the Consent Action Calendar will not be presented by staff, and will be approved unless removed for discussion by a member of the Committee.

4. APPROVAL OF CONSENT AGENDA

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

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

CONSENT – INFORMATIONAL CALENDAR

- 12. **STATUS REPORT ON THE ENVIRONMENTAL SERVICES DIVISION. (CINDY PADILLA)**
- 13. *[Removed for discussion by Councilor Trujillo]*
- 14. **DROUGHT, MONSOON AND WATER RESOURCE MANAGEMENT UPDATE. (RICK CARPENTER)**
- 15. *[Removed for discussion by Councilor Dominguez]*
- 16. **STATUS TO THE LONG RANGE WATER SUPPLY PLAN AND INCORPORATION OF PROJECTED CLIMATE CHANGE IMPACTS. (CLAUDIA BORCHERT)**

CONSENT – ACTION CALENDAR

- 17. *[Removed for discussion by Councilor Trujillo]*
- 18. **REQUEST FOR APPROVAL OF A FORTY THOUSAND DOLLAR (\$40,000) EXPENDITURE TO MCT INDUSTRIES, INC., VIA THE STATE PRICING AGREEMENT, TO COVER THE COST OF PARTS, SUPPLIES OR VEHICLE REPAIRS FOR THE ENVIRONMENTAL SERVICES DIVISION'S FLEET AS REQUIRED. (LAWRENCE GARCIA) PUC 04/04/12; FC 04/16/12; and CC 04/25/12.**

19. **REQUEST FOR APPROVAL OF CHANGE ORDER NO. 3 FOR WEAVER CONSTRUCTION MANAGEMENT PURCHASE ORDER (PO) #17025546, FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE CANYON ROAD WATER TREATMENT PLANT PHASE 3 – RESIDUALS MODIFICATIONS AND IMPROVEMENTS PROJECT, CIP #3026 FOR THE TOTAL AMOUNT OF \$86,645.30. (ROBERT JORGENSEN)**
 - A. **APPROVAL OF A BUDGET ADJUSTMENT REQUEST (BAR) IN THE AMOUNT OF \$103,276.90.**
PUC 04/04/12; FC 04/16/12; and CC 04/25/12.
20. *[Removed for discussion by Councilor Trujillo]*
21. *[Removed for discussion by Councilor Dominguez].*

5. APPROVAL OF MINUTES FOR THE FEBRUARY 1, 2012 MEETING

MOTION: Councilor Trujillo moved, seconded by Councilor Dominguez, to approve the minutes of the meeting of February 1, 2012, as submitted.

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

INFORMATIONAL ITEMS

6. PUBLIC UTILITIES DEPARTMENT 2011 ACCOMPLISHMENTS AND 2012 PRIORITIES. (BRIAN SNYDER)

Brian Snyder reviewed the information in his Memorandum of March 27, 2012, which is in the Committee packet. Please see this Memorandum for specifics of this presentation.

7. WATER DIVISION DROUGHT AND SUPPLY SUSTAINABILITY PLANNING SUMMARY – THE PAST, PRESENT AND FUTURE. (RICK CARPENTER)

Rick Carpenter presented information from his Memorandum of March 26, 2012, which is in the Committee packet. Please see this Memorandum for specifics of this presentation. Mr. Carpenter noted Memo in the packet, new summary memorandum

Councilor Rivera said on page 3 of the Memo, Mr. Carpenter says, "Storage. The Water Division, as of December 2011, has stored 27,726 afy San Juan-Chama water in a combination of Heron, Abiquiu and Elephant Butte Reservoirs. The City of Santa Fe is still seeking a long-term or permanent storage capacity, preferably in Abiquiu Reservoir." He asked how that works.

Mr. Carpenter said the City has contracts to store water in various reservoirs up and down the Rio Grande. However, those contracts are not in perpetuity, and there are other entities, other water purveyors that have contracts which allow them to store water year after year in perpetuity. Our contracts are shorter term. He said we feel good about the amount of water we have stored, which could keep the BDD going in times of drought, noting we also have other uses for the water. The main goal is to negotiate storage above Santa Fe so we are downstream of that primarily, or contracts in perpetuity to keep storing that water, noting that Elephant Butte would work, but "that takes some paperwork."

Councilor Rivera said then the reservoirs just store whatever we agree to in excess of whatever they have.

Mr. Carpenter said this is correct, noting the City has the option to store unused San Juan-Chama water, or lease San Juan-Chama water, for example, from other entities willing to lease its water and then storing it and banking it for leaner years.

Councilor Rivera said under Water Bank it says, "... new land development is required to tender to the City viable water rights in an amount to offset the new development's demand on the overall water supply system." He asked what happens if they can't provide the amount of water, and if that means that the project dies.

Mr. Carpenter said typically the City requires the developer to tender water rights in good standing to the City prior to issuing a development permit. He said there are other options, and believes there may be a payment-in-lieu option as well.

Chair Calvert said that option is available for the smaller size builders.

Marcus Martinez said this is correct, noting 5, 7 and 10 afy are the cutoffs for small projects which would allow people to purchase water from the water bank. He said above that, the City made a policy decision in its ordinances to require developers to transfer water rights to offset that new demand in the system.

Councilor Rivera asked if the City has had any issues with this, in terms of developments not being able to meet that requirement.

Mr. Martinez said there has been no issue in that they can't proceed until they meet that requirement, so the City has never approved something and the developer hasn't been able to transfer the water rights. He said they have to get those water rights to a certain stage of finality before the City will move forward on the project.

Chair Calvert said the issue of long range water storage comes into play more when looking at the impacts of climate change on our water supply, so it does become very important in moving forward.

Mr. Carpenter said this is correct, and the reason climate change variability into the planning model for the Long Range Water Supply Plan.

8. UPDATE ON RECENT CITY ACTIVITIES AND PARTICIPATION IN MEETINGS WITH THE "REGIONAL COALITION OF LOS ALAMOS COMMUNITIES," LANL AND NMED, REGARDING ENVIRONMENTAL CLEANUP ACTIVITIES AT LOS ALAMOS NATIONAL LABORATORY. (ALEX PUGLISI AND RICK CARPENTER)

Alex Puglisi, Environmental Compliance Officer, Public Utilities Department, presented information from his Memorandum of February 27, 2012. Please see this Memorandum for specifics of this presentation.

Mr. Puglisi noted staff has included several recommendations in the Memorandum on pages 2 and 3, noting the recommendations focus on the City's due diligence to ensure that NMED's Consent Order on compliance is not modified solely on LANL's ability to remove TRU waste from Area G. The City should strive to be a participant in any collaboration with the NMED with regard to any modification of the existing Consent Order on compliance which directly or indirectly impacts the City, its environment or its citizens.

Chair Calvert said, "In a nutshell, basically what we're saying is that we're okay with the direction by the Governor and NMED to accelerate the TRU waste cleanup, but not at the expense of things they've already agreed to do in the Consent Order, and we also don't want them to beg, borrow and steal the funding that was allotted for those purposes as well, because those things directly impact the City and our water quality. So I think that's what we're basically saying, right."

Mr. Puglisi said this is correct. He said, "It is the City's position, especially with regard to the Los Conchas fire which happened last summer, that it obviously is an imperative to get that TRU waste off Area G, but not at the expense of environmental restoration, which could directly impact the City of Santa Fe's water supplies just from runoff after that fire. So, it's just as imperative that those environmental restoration sites get cleaned up, as it is for that TRU waste to be removed."

9. UPDATE ON NEW U.S. HEALTH AND HUMAN SERVICES (HHS) TOXICOLOGICAL EFFECTS STUDIES, DRAFT EPA GUIDANCE ON FLUORIDE, AND THE USE OF FLUORIDE IN THE CITY'S WATER SYSTEM. (ALEX PUGLISI)

Alex Puglisi reviewed the information in his Memorandum of February 27, 2012, which is in the Committee packet. Please see this Memorandum for specifics of this presentation.

Mr. Puglisi said, at the current time, the City of Santa fully meets the Center for Disease Control and Prevention ("CDC") guidelines for fluoride at 0.70 ppm, and staff sees no impact from the change in CDC's guidance which has not been fully adopted yet. He said we have been told it should be adopted within the next 2-3 months. He said, "One of the concerns that we have is that there is an existing

Ordinance which was passed in 1955, and the City's Water Code currently recommends a concentration of 0.80 to 1.2 ppm, which is much too high in relation to the CDC recommendation. So, our recommendation to the Council and to the PUC is, at some point in the future, maybe after CDC adopts their guidelines formally, the Council reconsider or amend the current City Water Code through Resolution to adopt the CDC recommendation or whatever recommendation the Council should so choose."

Councilor Calvert asked Mr. Puglisi if he is saying that the levels are in an Ordinance, or are they in a Resolution.

Mr. Puglisi said, "At the current time, the City Water Code specifies that we shall fluoridate at a concentration of 0.80 to 1.20 ppm."

Chair Calvert said then it is an Ordinance, and Mr. Puglisi said this is correct.

Chair Calvert said, "Then the CDC's recommendation is still draft though. It has not been finalized. Is that correct."

Mr. Puglisi said this is correct.

Chair Calvert said, "And so, we're ready to comply as soon as it becomes final, but we're not anticipating any problems in complying."

Mr. Puglisi said, "This is correct, Mr. Chair. And in conversations with CDC, what I've been told is that CDC is fully ready to adopt their number. They're just waiting from EPA with respect to their study."

Councilor Dominguez asked, "With regard to the 0.7 ppm threshold or level that we're meeting, how long has that been in place. And the reason I ask is, I've gotten a couple of calls from TC [Tierra Contenta] residents about what they're telling me is like an ammonia, or Clorox tasting kind of thing in their water, and so.."

Chair Calvert said he believes this is because of the chlorination.

Councilor Dominguez asked how long we have been meeting the fluoride level of 0.7.

Mr. Puglisi said, "We've actually been maintaining that concentration of fluoride for many years now. Even as the CDC comes on board, BDD is putting out a concentration of anywhere 0.7 to 0.8, but when those waters are inter-mixed with other City sources, we always maintain concentration of 0.7 ppm or lower."

Mr. Puglisi said these are guidelines, and we don't have to maintain that concentration, so it is totally up to the City in terms of what level of fluoride they want to maintain in their water supplies. However, this is a recommendation from the CDC. They strongly support fluoridation and they are amending their level as stated. He asked that people come forward with any concerns about the smell in

the water to staff, and someone will go out and sample and check for chlorine and various items, including Clorox. He said he does not, however, believe it is due to fluoride.

Chair Calvert said he would directed staff to move forward and draft the Ordinance change and we can start it through the process, with an effective date as of the effective date of the new guidelines, so everything in place and we can move forward once the CDC signs its guidelines. He suggested that we amend the Ordinance to provide that the fluoride will be at the level suggested by the CDC, rather than a specific amount, so we don't have to do this over and over. He said a companion Resolution should go forward with this to provide that the Ordinance will be updated based on the most recent recommendation by the CDC.

Mr. Puglisi said he will do so.

10. FINANCIAL PLAN UPDATES. (BRIAN SNYDER)

A. WATER DIVISION

Brian Snyder said there is a Memorandum in the packet regarding the Water, Wastewater and Environment Services Divisions from StepWise Utility Advisors, the City's contract financial advisors to evaluate water, wastewater and environmental service rates [solid waste]. Mr. Snyder noted the power point in the packet. Mr. Snyder reviewed the information in the StepWise Memorandum and the power point presentation *2011-12 Financial Update of the Santa Fe Utilities*, dated April 4, 2012, which is in the Committee packet. Please see these documents for specifics of this presentation.

Mr. Snyder said we are in the 4th year of the approved rate increases, with 5 consecutive years of 8.2% rate increases, noting the last will go into effect on January 1, 2013. The plan notes that we are in good standing, meeting our debt coverage and meeting the revenue rate requirements in this time period. He said the bottom line is that we seem to be in good standing, have good reserves and moving forward the rates are matching our needs.

Chair Calvert suggested that in the future they use different colors, noting the shades of blue are difficult to distinguish.

Councilor Rivera said a 2.7% increase was proposed that was never imposed, and Mr. Snyder said this is correct.

Councilor Rivera said it appears there will be an annual rate adjustment of 4.5% for the coming fiscal year, and Mr. Snyder said this is correct.

Councilor Rivera asked what would happen if it was decided not to go forward with that rate increase, and how would that impact the rate increase in the following years.

Mr. Snyder said there are breakdowns on the rate increase on page 8 of the Memorandum where it discusses the effect of the annexation, which is about 0.2% of the rate increase. Mr. Snyder said the other thing which is called out because of ongoing discussions of whether or not to do a building improvement to the Siler Road Facility, and that expenditure is estimated at \$5.5 million and requires a bond sale.

Mr. Snyder said in the report they broke down the impacts of doing those improvements or not doing those improvements, noting this sets the framework to answer Councilor Rivera's question. If we don't do the Siler Road improvements the rate increase would be from 2.8% to 5% in the next fiscal year. If we do the Siler Road facility, but don't approve the rate increase, it would 7.2% in the next fiscal year, noting it would be for 3 consecutive years of 5% or 3 consecutive years at 7.2%.

Chair Calvert asked, for clarification, what would an increase of 4.5% be on a monthly bill.

Mr. Snyder said the current bill is \$12.17 monthly, so this would be an increase somewhere between 10 and 50 cents.

Chair Calvert noted if the rate increase is not done, the rate increase will drop from 4.5% to 2.8%, so there are decisions which will be made which will affect the amount of the rate increase. He said the 4.5% isn't a huge increase on a monthly bill, but that will be up to other people to determine that.

Mr. Snyder said the bill would increase by 54 cents a month on a 4.5% increase.

Mr. Snyder continued his presentation.

B. WASTEWATER MANAGEMENT DIVISION

Mr. Snyder said the bottom line is the Wastewater Management Division appears to be in good shape, and we're meeting our revenue requirements. He noted Chart 10 *Wastewater GRT Transfers-out to General Fund*. He said during the budget process last year there was a decision to fill the General Fund budget gap by transferring GRTs assigned to the Waster Division into the General Fund.

Mr. Snyder said the graph on Chart 10 shows the amount which will be transferred out in FY 2011-12 which is \$1.75 million, and the amounts which could be transferred out in future years. He said there have been changes in revenue since last year, noting water use is down, therefore the wastewater revenues are down slightly, noting, however, this is good for conservation. Mr. Snyder noted Las Campanas canceled its Treated Effluent contract, and is getting raw water from the BDD via the County, which reduces our revenue by \$300,000 annually. He said a rate increase of 4% would be needed in 2016-2017 if we continue down the path with what was considered last year during the budget process.

Chair Calvert asked, for clarification, on page 5 of the Memorandum or Chart 10 of the power point, these were projections which were made saying we can transfer out this much to the General Fund without impacting the rates, and Mr. Snyder said this is correct.

Chair Calvert said the alternatives would be to stick to the schedule and force a rate increase, or modify the transfers-out so no rate increase would be required, and Mr. Snyder said this is correct.

Chair Calvert requested that Mr. Snyder prepare a modification of the Transfers-out schedule which would not result in a rate increase, so that we have that option.

Mr. Snyder said he asked that question of Jason Mumm, StepWise. He said, in summary, Mr. Mumm said it would be \$1.75 million for the first year, \$1.5 million the second year, \$0.75 million for the third year, \$0.5 million for the fourth and \$0.25 million for FY2015-16 and beyond – these transfers-out would not impact the rates.

Chair Calvert requested, for budgeting purposes, that Mr. Snyder prepare a Memorandum to this effect and send it to all members of the Governing Body, commenting this will be a factor during the budget hearings for the General Fund. He said the other rate increases will be “combined to their specific silos,” for example, the increase for Environmental Services which impacts that Division and its bonding capacity.

Mr. Snyder said this is correct, the rate increase stays within that particular enterprise fund, so a rate increase in water doesn’t transfer at all to Environmental Services or Wastewater, and likewise for the other funds.

C. ENVIRONMENTAL SERVICES DIVISION

Mr. Snyder said Environmental Services Division is in a different situation from that of Water and Wastewater. He said last year, StepWise recommended a 2.7% rate increase, with the main justification being the increase in tipping fees at the landfill, commenting it largely would be a pass-through to our customers for the increased payment to dispose of the refuse at the landfill. He said it was not approved during last year’s review, and because it was not approved, a 4.5% increase is needed.

Mr. Snyder reviewed the charts in the power point.

Chair Calvert said the main consequence, is if we don’t keep our revenues reserves at a certain level, then the bond ratings go down and it winds up costing more money on debt service in the long term.

Mr. Snyder said this is correct.

Chair Calvert said if the City decides not to pass the rate expense forward, it ends up costing us more and we pass an even bigger cost to the customers.

Mr. Snyder said this is the third consecutive year for rate increases at the landfill. In previous years, they have absorbed those costs by doing cost savings measures internally. However, we are at the point where they can't absorb any more in the operations and reason for the request for consideration of a 4.5% rate increase to do the Siler Road improvements and 2.8% if not, for 3 consecutive years.

Chair Calvert said for those Councilors now serving on SWMA, it is important to scrutinize the increases at the landfill. He said an increase is not a direct impact on the County, because the County contracts with Waste Management and Waste Management passes the increase to its customers, so it's not the County increasing its rates.

Councilor Dominguez asked, with regard to the lack of rate adjustments for the next 5 years for water, if that is all contingent on BDD obligations, noting our BDD obligations are paid from our water rates.

Mr. Snyder said there is a 10 year Financial Plan for water, noting the City sold bonds for a portion of the BDD cost, and the rates pay the bonds.

Councilor Dominguez said then if our BDD obligations change, that could affect the rates, and Mr. Snyder said this is correct, but at this time, they don't see this happening.

Councilor Dominguez, referring to Environmental Services and annexation, said the recommended rate increase takes into consideration the customer base which would come with annexation.

Mr. Snyder said this is correct, noting the rate increases do included annexation, noting on page 8 of the Memorandum says, "The effect of the annexation is about 0.2% on the proposed rate increases." He said the rate increase is needed whether or not annexation happens.

Responding to the Chair, Mr. Snyder said we do have capital expenditures up front as well as ongoing operation and maintenance.

Councilor Dominguez asked if we will have to make capital expenditures as the result of annexation.

Mr. Snyder said yes, noting it is about \$1.1 million to purchase vehicles, trucks, bins – we would have to make those up front capital expenditures.

Councilor Dominguez said, even without the capital costs, the needed increase will only decrease by 0.2%.

Councilor Dominguez said, with regard to the Water Division, he understood Mr. Snyder to say there was a slight increase in projected revenue, but there was a decrease in projected revenue for the Wastewater Division.

Mr. Snyder said there is not a direct linear relationship between Water and Wastewater revenues, noting water is billed monthly based on water consumed. He said Wastewater, residential-wise, is calculated during the winter months, and they take out the irrigation side, so there isn't a direct linear relationship. He said, "We have our own conservation going in a way in wastewater with the Gemi oxygen demand, the chemical oxygen demand [COD] that we charge for the commercial users. Commercial users are getting smarter and learning how to implement systems and process that don't have that high of a charge, so some of these variables that come into play when we have a decrease in the wastewater revenues."

Councilor Dominguez asked why there will be a slight increase in Water Division revenues.

Mr. Snyder said there is a slight increase in Water Division projected revenues in the 2011 Annual Report, which will be heard later on the agenda. He said they believe it is because the gallons per day increased slightly, especially during the summer months when there is more irrigation. He said we have been in drought the past two years, so people are using a little more water.

Councilor Dominguez said then the City generates more revenue when we are in a drought, and Mr. Snyder said this is correct.

Chair Calvert said people are trying to compensate for the dryness, so they are using more water which is the problem, although it's okay as long as we have it. He said the sewer rates are based on winter consumption which takes out the irrigation and the reason you see the difference.

Councilor Dominguez, referring to page 6, asked if the dip in 2012/13, is because of the monies transferred to the General Fund, noting he is looking for trends.

Mr. Snyder said he doesn't have an answer, but he can get an answer for him.

Councilor Rivera asked, since a rate increase will be proposed for this budget year, what are the proposed improvements to the Siler Road facility.

Mr. Snyder said it is for: 1) an expansion of the existing Environmental Services/Solid Waste Divisions work area, specifically a larger conference room so there can be full Division meetings, or at least a nice room to have staff meetings; 2) improvements at the maintenance shop, including at least one additional bay, noting they do the majority of fleet service in-house and there are only two bays; 3) A possible traffic light because it is a dangerous intersection; and 3) any utility expansion which would be necessary because of the improvements to be made.

Councilor Rivera asked if there is sufficient space to add an additional bay.

Mr. Snyder said the site is very constrained, and all of this is still in the planning stages, and they haven't moved beyond the concept of what is needed to perform the work test they're looking it, noting no final determinations have been made. They would need to go to the next level of planning.

Responding to Chair, Mr. Snyder said he intends to bring options to the next meeting with regard to the proposed rate increases with or without the improvements. He said the purpose of this item is to brief the Committee, as well as to get input from the Committee with regard to additional information they would like for the next meeting, noting he will bring back some of the options in the Memo which contain the Siler Road facility improvements, or no improvements, annexation or no annexation, and such.

Chair Calvert said it would be helpful to know what is included in the cost of the Facility Improvements – is it all or none, or do we have options within that, are some parts more important than others. He said this will come up in the budget discussions he is sure, and Mr. Snyder needs to be prepared for that.

11. AUTOMATIC METER READING PILOT PROGRAM UPDATE. (PETER ORTEGA)

Peter Ortega said there is a Memorandum in the Committee packet with a brief summary of the Automated Meter Reading Pilot Program which was initiated last summer, and reimplemented in January 2012. He said since they went live in January, they have had two solid meter reads in February and March which were done independently by staff, without assistance from the vendor.

Mr. Ortega reviewed the information in his Memorandum of March 23, 2012. Please see this Memorandum for specifics of this presentation.

Councilor Trujillo asked how we are sure the device isn't reading the neighbor's meter, because it is sending a signal. He asked, "Are the devices married to each other."

Mr. Ortega said yes.

Chair Calvert asked Mr. Ortega to continue to update the Committee on the progress of the program, and asked the plan for moving forward – how will we finance this. He said there are side issues with the old contractor which legal may want to address. He asked the plan if we decide to move forward – how do we pay for these improvements and if it fits in the 10-year plan and such.

Mr. Ortega said staff has applied for two grants from the Bureau of Reclamation, and should know if we've received those grants later in the month, which is one option for funding. He is unsure if it is included in the financial plan at this time, and Mr. Snyder said it is not included in the Financial Plan.

Chair Calvert asked Mr. Martinez to summarize the status of our negotiations with the old vendor.

Mr. Martinez said we currently are exploring options, and because nothing has been filed in Court, he believes it would be premature for him to say more at this time. He said, "But, everything is on the table."

MOTION: Councilor Trujillo moved, seconded by Councilor Dominguez to reconsider the previous approval of the Agenda to withdraw Item 17 from the Consent-Action Calendar for discussion, and to approve the agenda as amended.

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

CONSENT INFORMATIONAL DISCUSSION

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

A copy of *2012 McClure and Nichols Estimated Total Storage with Spring Bypass Flows to the Santa Fe River beginning April 16th* is incorporated herewith to these minutes as Exhibit "1."

Victor Archuleta reviewed the *Weekly Water Report Week of March 18, 2012*, which is in the Committee packet. Please see this document for specifics of this presentation.

Councilor Trujillo said his concern is the Fishing Derby and when to hold that.

Mr. Archuleta said he would defer to Alan Hook for that information.

Alan Hook said he handed out a document this evening with the estimated storage levels [Exhibit "1"]. He said the Fishing Derby is scheduled for June 2, 2012, which is the typical time period. He said currently the snow pack is not as much as we had hoped it would be, and we're looking at 60% of our annual stream flow coming into the reservoirs. He said they are looking at about 59%, and during the Fishing Derby it should be about 56% on total storage for both reservoirs. He included an assumption of 600 afy, based on the ordinance and the administrative procedures in the target flow ordinance.

Councilor Trujillo said then we would have 600 afy for the Fishing Derby.

Mr. Hook said on the table he assumed we would have the target flows would include the Fishing Derby, so there is a pulse flow about 7 cfs before the week of June 2nd, and that would included the needed flow for the Fishing Derby and also the River Festival during that time.

Chair Calvert said, to clarify, Mr. Hook is talking about 600 afy versus the 1,000 afy which would be the most, and we're pro rating it down because of the reduced capacity and inflow.

Mr. Hook said this is correct, noting there has been quite a bit of warm weather the past month, sublimation, runoff, noting the runoff has increased during the past week, compared to previous weeks. He said the lower elevation is pretty much dried up, although the ground probably is saturated.

Chair Calvert asked if there was any measurable effect from the last storm.

Mr. Hook said it gave us a little bit of boost, 6 inch increase in snowpack at the higher elevation, but looking forward, we're looking at some warmer weather. He said this is typical – we get a little boost in April, but the overall trend is warming.

15. STATUS OF TREATED EFFLUENT MANAGEMENT PLAN UPDATE. (CLAUDIA BORCHERT)

Ms. Borchert presented information from her Memorandum of February 28, 2012.

Councilor Dominguez said in Ms. Borchert's Memorandum in Item 2, she talks about two planned public meetings which were held where "approximately 40 attendees learned about the alternatives that are being considered," and such. He asked how those meetings were advertised. He commented the attendance was good at the meeting he attended, and asked if a lot of the same people attended both meetings.

Ms. Borchert said only one of the two public meetings has been held, and the second will be held after the next report to the PUC. She said she has a very long email list of people who have attended water meetings in the past which is her primary source of getting the word out about meetings. She said a press release also was issued, and there was a blurb in the paper about the meeting. She said she also got the email list from Mary who is planning the SWAN list and she also sent a meeting notice to the people on that list.

Councilor Dominguez said he wants to be sure we attract a good cross section of people to the meetings, not just one particular group, and he wants Ms. Borchert to do as much outreach as possible.

Ms. Borchert said she will do the best she can, noting they try not to spend too much money on advertising, and use every avenue available that doesn't cost a lot of money.

Councilor Dominguez would like a simple list of existing users and the volume of use, and an existing list of contracts and the contract status, and asked that she send copies to all of the Committee members, commenting he would like to get the list electronically.

CONSENT ACTION CALENDAR DISCUSSION

17. SPRING RESERVOIR MANAGEMENT, STORAGE CAPACITIES AND SANTA FE RIVER TARGET FLOW. (ALAN HOOK) "CURRENT CONDITIONS" HANDOUT AT MEETING.

This item was discussed under Item #13 above.

Chair Calvert said no action is required on this item at this time.

Mr. Hook said April 15th is the target date, and at that time, in conjunction with Brian Drypolcher and the Water Division the determination will be made in this regard. He said there will be an update at the next Committee meeting.

20. REQUEST FOR APPROVAL TO PURCHASE ONE (1) RESIDENTIAL AUTOMATED SIDE LOADER FROM BRUCKNERS TRUCKS, INC., VIA THE COOPERATIVE EDUCATIONAL SERVICES FOR THE ENVIRONMENTAL SERVICES DIVISION FOR THE TOTAL AMOUNT OF TWO HUNDRED TWENTY THOUSAND FIVE HUNDRED TWENTY-THREE DOLLARS (\$220,523). (CINDY PADILLA/LAWRENCE GARCIA). PUC 04/04/12; FC 04/16/12; and CC 04/25/12.

Councilor Trujillo asked how many of these trucks do we have currently.

Ms. Padilla said there is a total fleet of 60, which includes approximately 9-10 side loaders.

Councilor Trujillo asked the reason the City is purchasing another one.

Ms. Padilla said it is to replace Unit #533, a 2004 model, which is in poor condition.

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

DISCUSSION: Councilor Rivera asked if these are all the same vendor from different places.

Lawrence Garcia said the vendor is Bruckners, but there are three different bodies on the same type of chassis. One is a Pend Pac, one is a New Way and one is an Amrep. He said we have a lot of the Bruckners auto car in the fleet and they would like to standardize those to assist with parts.

Councilor Rivera said then there was only one vendor, but you asked for prices on 3 different models, and Mr. Garcia said this is correct.

Councilor River asked if there is another vendor, other than Bruckners, that provides a New Way, or an Amrep or a Pend Pac.

Mr. Garcia said yes. He said Rush Peterbilt can provide a cabin chassis with these types of bodies also. There are other vendors that can provide a cabin chassis and they all utilizes these different types of body vendors. He reiterated that, "We are trying to standardize with an auto car. It assists us when we're buying parts, that nature of things, so that's why we went with Bruckners. This is actually done through the CES Contract which is through the schools, so we requested from Bruckners with the 3 different body types so that we would be fair with pricing."

Councilor River said then they are purchasing off a bid process done by CES, and Mr. Garcia said that is correct.

Chair Calvert asked if this is like a state price agreement.

Mr. Garcia said it is not the State Price Agreement, but it is through the Schools, noting there are several different ones.

Chair Calvert asked if this allows us to limit our selection because of this. He said it seems like we invited other vendors, but for some reason honed in on this one, and asked if we get a particular break through CES.

Mr. Garcia reiterated that the reason for the Bruckners cabin chassis is they want to standardize the fleet, and 80% are auto cars. He said CES has gone through the bid process. He said he works with Purchasing so he can be assured they are doing everything correctly.

Councilor Rivera asked if CES charges the City to use its bid process.

Mr. Garcia said yes, it is \$100, which is paid by the vendor, but he is sure it is a pass through cost.

Councilor Dimas noted Bruckner's/Amrep indicated it is "Not Interested," on the trade in value, and asked what we do with the trade-in.

Mr. Garcia said they invited each member to give a trade-in price, because we didn't have sufficient funding to purchase the truck, and we usually send these trucks to a State auction, and we actually got a much better price for the truck doing it this way. However, since they didn't select Bruckner's/Amrep, they are requesting to purchase the New Way Truck, for which they would receive \$25,000 off the purchase price.

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

Chair Calvert asked Mr. Garcia and Ms. Padilla to introduce themselves.

Mr. Lawrence Garcia said he is the Project Administrator, Environmental Services Division, and Ms. Cindy Padilla said she is the newly-hired Environmental Services Division Director.

- 21. REQUEST FOR APPROVAL TO PURCHASE SIX HUNDRED TWENTY-FOUR (624) NINETY-SIX (96) GALLON CONTAINERS FROM TOTER INCORPORATED VIA THE NATIONAL IPA COOPERATIVE PURCHASING AGREEMENT FOR THE ENVIRONMENTAL SERVICES DIVISION FOR THE TOTAL AMOUNT OF TWENTY-EIGHT THOUSAND FIVE HUNDRED SIXTY-SIX DOLLARS AND SEVENTY-TWO CENTS (\$28,566.72). (CINDY PADILLA/ LAWRENCE GARCIA). PUC 04/04/12; FC 04/16/12; and CC 04/25/12**

Councilor Dominguez asked if there will be a general deployment of these bins around the City, or is this just for those which need to be replaced as requested.

Mr. Garcia said the purchase is for replacement of containers, and for new containers. It is for a stock so that we can provide the service, noting the bins have a 10-year warranty and they are tracking that and replacing old containers. He said there was a pilot program on the Shafer containers in 1995, so a lot of those containers are "falling apart," and are no longer under warranty.

Responding to Councilor Dominguez, Mr. Garcia said the life expectancy is 10 years, and the payoff is 5 years.

Councilor Dominguez asked the current rate of replacement.

Mr. Garcia said they are replacing about 7 per week, commenting the majority of the carts are old and worn, and a different brand and no longer under warranty.

Chair Calvert said the older ones were made of a material which was more brittle, and impacted by the sun as well. He said the more recent carts have a rougher texture and are more sturdy. He said he understands we are tracking the reasons for replacement, which would be helpful.

Councilor Dominguez asked if the numbers of bins being replaced is typical for this kind of operation.

Ms. Padilla said it is about the industry standard, and explained that they are updating the entire inventory of dumpsters and carts, and they definitely will be tracking the reasons for the replacement, and there will be an update to the inventory tracking for all of the containers.

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

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

DISCUSSION AND ACTION ITEMS

22. REQUEST FOR APPROVAL OF THE 2010 ANNUAL WATER REPORT. (ALAN HOOK). PUC 03/07/12 (CANCELED); PUC 04/04/12; and CC 04/1112.

Alan Hook presented information regarding this matter from his memorandum dated March 27, 2012, which is in the Council packet. Please see this document for specifics of this presentation.

Councilor Dominguez said then Mr. Hook is recommending approval of the report, but because there are sufficient credits for five years, there is no need to make a separate motion or include in the motion the allocation of water credits.

Mr. Hook said there needs to be both an approval of the Report, and approval to move the unallocated water credits forward to 2011.

MOTION: Councilor Dominguez moved, seconded by Councilor Rivera, to approve the 2010 Annual Water Report and to approve the allocation of the water bank accounting on page 8 of the Memorandum, with the caveat that the language “and approval of the allocation of the water bank accounting,” be included in the caption when this goes to the City Council.

DISCUSSION: Councilor Rivera asked if it is typical that two years of water reports come together, and Chair Calvert said no.

Mr. Snyder said staff is on track for the 2011 Report in April. He said staff struggles to get the data for the report in a timely fashion, noting there are a large number of resources from which they pull information to put together the report. He said it is required to bring this Report before the Council via the PUC. He said staff is working on streamlining the process, and we should be able to avoid this problem in the future.

Chair Calvert asked if one of the sources for data is the State Engineer, and if this is part of the problem.

Mr. Hooks said it really isn't just the State Engineer, and there are several sources. He said for example, the timeline for the Water Quality Report is April 1st, and they are always pushing up against different deadlines to get it to the PUC and the Council. He reiterated that we are working on streamlining the process, and looking forward to being “ahead of the game,” in this process.

Chair Calvert asked if this means coordinating things so people have the same deadlines for reporting so there aren't things happening at different times so it can be done by the deadline.

Mr. Snyder said it is establishing hard deadlines and communicating those deadlines with those that transmit information.

Chair Calvert asked if those deadlines are at the City's discretion.

Mr. Snyder said he understands this Report is supposed to go through this process in April and then be presented to the Office of the State Engineer in the April/May time frame, and that is the time frame with which staff is dealing.

Mr. Hook said he is unfamiliar with the OSE components, but he believes there are components of the Report which are requirements before the OSE and it is part of the compilation of this Report. He said the City Code highlights having this report before the PUC in April, so the final vote before the City Council can be done in May.

Chair Calvert said he is one that asked for the April deadline to the PUC, because we wanted it available for budget purposes if needed, and the reason for that deadline being put in place. He said if some of the deadlines are self-imposed and not necessarily needed, we can remove those obstacles.

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

23. REQUEST FOR APPROVAL OF THE 2011 ANNUAL WATER REPORT. (ALAN HOOK). PUC 4/04/12; and CC 04/1112.

A copy of *Precipitation* regarding SNOTEL weather stations, with attached graph dated 04/04/12, is incorporated herewith to these minutes as Exhibit "2."

Mr. Hook said this is a summary of our accomplishments and things ongoing in the Water Division, and calls out the water credits under each section.

MOTION: Councilor Dominguez moved, seconded by Councilor Rivera, to approve the 2011 Annual Water Report and the allocation of the water bank accounting on page 8 of the Memorandum, with the caveat that the language "and approval of the allocation of the water bank accounting," be included in the caption when this goes to the City Council.

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

24. REQUEST FOR APPROVAL OF RESOLUTION NO. 2012- _____. A RESOLUTION DIRECTING STAFF TO AMEND CITY WATER CONSERVATION INCENTIVE PROGRAM POLICIES, PROCEDURES AND THE CITY'S WEBSITE RELATING TO WATER CONSERVATION DEVICE REBATES SO THAT SANGRE DE CRISTO WATER CUSTOMERS ARE GIVEN OPTIONS FOR PROVIDING PROOF OF PURCHASE OR TRADE FOR WATER CONSERVATION DEVICES THAT QUALIFY FOR A REBATE (COUNCILOR BUSHEE). (BRIAN SNYDER). PUC 02/01/12 (postponed); fc 03/05/12 (approved); PUC 03/07/12 (canceled); WCC 03/13/12 (not approved); PUC 04/04/12; and CC 04/11/12.

Brian Snyder presented information regarding this matter from his Memorandum of March 26, 2012, which is in the packet.

Chair Calvert noted he was the Chair of the Water Conservation Committee at the time, and there was a general underlying theme that there have been taints of fraud with previous programs, such as the Toilet Retrofit, and the Committee didn't want any of that moving forward in any rebate programs for the future – so that was an underlying theme expressed by that Committee.

Councilor Dominguez said he thinks he likes the concept, noting that at the Water Conservation Committee meeting, concerns were expressed about #3. He said #1 provides, "Submit an original receipt," and asked the definition of an original receipt, and if that is from the store, or if it could be a receipt from a generic receipt book obtained at an office supply store.

Mr. Snyder said typically, the original receipt is typically from a store where you purchased the item, and it generally is the one that comes from the cash register. He said this is the way the policy reads currently, the original receipt, "and we don't deviate from that currently because of the concern for fraud."

Chair Calvert said #1 is the current policy.

Councilor Dominguez suggested perhaps "original receipt" needs to be better defined, because some hardware stores and even some vendors don't necessarily have the name of the business on the receipts, and it could just be a receipt from a generic receipt book.

Chair Calvert asked if we ever have encountered that situation.

Mr. Snyder said he is unaware of us encountering that. However, he doesn't know why an original receipt could be something more than a cash register receipt. It could be a handwritten receipt from someone who doesn't have a formal cash register. He said there needs to be something documenting that the item was purchased which can be put in the records. He said current policy is to keep the original receipt in the file, so if the program is audited, there is an original receipt saying this item was purchased and a rebate was issued on that item.

Councilor Dominguez said one of the issues is that someone, theoretically, could come up with a receipt as required, but we don't have the resources to determine whether or not those devices were purchased or even installed correctly. He said it would be unlikely for Lowe's to give a receipt for something you didn't purchase with the name of its business on the receipt, so there is some level of verification there.

Councilor Dominguez said #3 provides, "In the case of a trade of professional services for a water conservation device, submit an affidavit affirming that work...." He asked if this means, for example, if he is an electrician and fixes an electrical device, you could give me a rainbarrel in return."

Mr. Snyder said, "That is my understanding, that for services of similar value... it's a kind of a bartering system that services of like value, whether it be an electrician for a rainbarrel or whatever the case may be..."

Councilor Dominguez said then we'll have the same enforcement issues with that as well, because there really is no way to verify things.

Mr. Snyder said this is correct, and it is the reason for the additional hurdle to provide an affidavit.

Chair Calvert said the discussions at Water Conservation were that if someone is intent on committing fraud, they would have no compunction about signing a false affidavit. He said any rebate program in which he has participated always require an original receipt of purchase. He said the reason they do that is to avoid fraud. He said #2 says to submit a photocopy, but people can make several copies and pass them around, and get could get, for example, 15 rebates on one purchase. He said when he purchased his last washing machine at Sears, Sears offered a rebate receipt as well. He said you can get the original receipt plus a rebate receipt which is submitted for these purposes. He is concerned about #2 and doesn't think it helps us to avoid fraud. He said we want to make it easy for people to save water, but we don't want to open ourselves for fraud, which he thinks both #2 and #3 do.

Chair Calvert said members of the Water Conservation Committee say they barter, but they provide an original receipt to the person for the value of the service. He said if somebody wants to keep a copy of a receipt, then they could make a photocopy and keep the photocopy. He said if we just stick with #1, he believes everything is accommodated.

Chair Calvert said the Water Conservation Committee also had a problem with #3, notwithstanding the issues of bartering, in that in making a special accommodation, no GRTs are paid. It is then a City program funded by GRTs without requiring people to pay GRTs, so you're asking the people that pay GRTs to subsidize people who aren't.

Councilor Dominguez said he agrees that, and he believes #2 and #3 make it a little too "loosey goosey."

Chair Calvert said one option offered by staff, is that the receipt could be stamped as being used for rebate, and then return it to the person. Once stamped, it couldn't be used again.

Councilor Dominguez said he believes #2 and #3 would create an administrative nightmare for staff.

Councilor Dimas said he agrees, but if we #2 and #3, and we are left with #1, what is the change in this Resolution from the original.

Chair Calvert said none of this currently is in the Resolution and #1 is an administrative practice, so if we want to move this forward to more firmly establish that administrative practice, we could strike #2 and #3, and add the staff recommendation that upon request by the customer, the original can be returned after being stamped for being used in the rebate program

Mr. Snyder said this could be done, and if this is the recommendation of this Committee, it would memorialize or formalize the current administrative procedures practice into a resolution format.

Councilor Rivera asked, in the case of #3, if there are instances where a person could purchase a washer from a plumber, or an elderly person ask the plumber to purchase it for them and then install it. Is this what #3 is designed to do.

Chair Calvert said no. He said in the cases posed by Councilor Rivera, the person who originally purchased the washer has the original receipt. He said if you purchase it from someone else, you have no proof that it wasn't rebated already. He said this is the problem in purchasing second-hand, and the reason we insist on the receipt so we know it was purchased and it has not been rebated in the past. He said some of the older machines don't qualify for the rebate because it doesn't meet the performance requirements.

Councilor Rivera asked, for example, if the family purchased a brand new washing machine for his mother-in-law, would she be entitled to the rebate.

Mr. Snyder said one of the things to bear in mind is that there is no exchange of money from the City to the customer, and it is just credited to the water bill. He said in the case of Councilor Rivera's mother-in-law, she would submit the application with the original receipt, and a credit would be issued to her water utility account. He said we have no way of knowing exactly who purchased the washing machine, but she is saying the washing machine is now being used at her house and she would like to get the rebate credit. If approved, it will be credited to her account.

Councilor Rivera asked if #3 is so whomever installed it could submit an affidavit saying they installed it on her behalf.

Chair Calvert said the City doesn't follow-up to see if the item is installed. However, if you were purchasing it for her and want her to get the credit, it would be your responsibility.

Mr. Ransom said, "If Councilor Rivera purchased the machine for his mother-in-law, that is okay, because it was installed at her property. That money did change hands and you did purchase it from, for example, Sears. That is different than what they're talking about. When you do a trade, no money actually changes hands. It was 'I did some work for you, you come over and do some work for me,' and no money actually changed hands. So, that's the difference."

Councilor Rivera said, so a receipt with my name on it wouldn't matter if she was the one submitting it for a rebate.

Mr. Ransom said we do confirm that from the receipt, and confirm where the machine was installed.

Chair Calvert said that confirmation is done verbally, but staff doesn't go out and inspect.

Mr. Ransom said random inspections are done, noting if it "looks funny, we like to go and inspect it."

MOTION: Councilor Dominguez moved, seconded by Councilor Rivera, to approve this request, striking #2 and #3 from the Resolution, and adding language which would give customers the opportunity to get the original voucher after it is stamped.

DISCUSSION: Chair Calvert asked Mr. Ransom if he wants to propose the additional language.

Mr. Ransom said staff is perfectly okay with returning the receipt after it is stamped.

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

25. **REQUEST BY STACY COMMUNITY PROPERTY TRUST FOR THE CITY OF SANTA FE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH SANTA FE COUNTY AND STACY COMMUNITY PROPERTY TRUST TO PROVIDE THEIR PROPERTY, LOCATED OUTSIDE THE PRESUMPTIVE CITY LIMITS, WITH A CITY MASTER WATER METER AND FOR THE COUNTY WASTEWATER COLLECTION SYSTEM TO DISCHARGE INTO THE CITY WASTEWATER SYSTEM. (BRIAN SNYDER AND MARCOS MARTINEZ). PUC 04/04/12; FC 04/16/12; AND CC 04/25/12.**

This item was removed from the Agenda and sent back to the Water Review Team for further consideration.

26. **STAFF UPDATE ON FINDINGS OF NATIONAL LEAGUE OF CITIES SERVICE LINE WARRANTY PROGRAM, IN ACCORDANCE WITH RESOLUTION 2012-5. (BRIAN SNYDER). PUC 04/04/12; FC 04/16/12; AND CC 04/25/12.**

Bryan Snyder presented information regarding this matter from his memorandum dated March 27, 2012, which is in the Committee packet. He noted Brian Davis, Utility Services Partners is in attendance to answer any questions.

Chair Calvert said this is a program which was instituted by the National League of Cities as a service which cities can offer to its residents at no cost to the City, but the residents must pay a monthly premium for coverage. It is like any insurance coverage and it is up to the person to decide whether or not to purchase the coverage. He said where he delivers mail in Casa Solana, there is somebody almost daily having to replace their sewer line from the house to the street, and it's very expensive – \$1,000-\$2,000 and more, depending on how much digging and trenching has to be done and the method used. It is an option for people to choose if they would like.

Councilor Calvert noted on Page 2, lines 17 and 18, provide, "WHEREAS, USP will pay the City a royalty for every resident that participates in the program or the City could elect to pass the savings to the residents of Santa Fe." He said he would opt for the latter, so the constituents would pay less.

Councilor Dimas said then the monthly premium would be about \$10.

Brian Davis, Utility Service Partners, said this is correct, and if the City were to move forward and approve the program, they would start to interview Santa Fe based plumbing contractors, and get a more solid price. He said premiums for a sewer line cost anywhere from \$5 to \$7, and the water line premium is \$4.50.

Mr. Davis asked Mr. Snyder if he makes the homeowner responsible to the curb stop, or to the actual sewer connection under the street.

Mr. Snyder said, "They're responsible up to the sewer Y, all the way to where it ties into the sewer line, and that's where the repairs can get pretty expensive."

Chair Calvert said people don't have to pick coverage for both and have to pay only for the coverage they choose.

Councilor Dimas said this is a great idea, having had to replace his sewer line a few years ago.

Councilor Rivera asked if this covers the costs of the entire replacement from the house to the line itself.

Mr. Davis said this is correct – from the connection in the house to where the City would take over responsibility, noting they would pay \$4,000 per incident for the sewer line, and an additional \$4,000 if it was necessary to do any street cuts or boring to get to the line. For the water line product, it would pay \$4,000 per incident, with an additional \$500 if we had to cut through a sidewalk.

Chair Calvert asked if there are deductibles or copays.

Mr. Davis said 99.7% of the company's claims have fallen within the \$4,000 limit, so very rarely does a customer have to pay out of pocket.

Councilor Rivera said then the City will collect the fees and submit payment to the company.

Chair Calvert said the City stays completely out of the administration.

Mr. Davis said they would bill and work directly with the homeowner. He said the only involvement by the City would be the initial letter which would go out on the City's letterhead.

Responding to the Chair, Mr. Davis said United would provide the press release. He said the City would do a press conference about this, noting some of the participating cities are as big as Phoenix, Atlanta and Milwaukee. He said, "The sweet spot of cities, is right about your size, especially with Santa Fe's aging infrastructure, and it's going to be a wonderful program for the City."

MOTION: Councilor Dimas moved, seconded by Councilor Rivera, to approve this request.

DISCUSSION: Chair Calvert asked if we want to deal with lines 17 and 18 on page 2.

AMENDED MOTION: Councilor Dimas moved, seconded by Councilor Rivera, to approve this request, and to amend the Resolution on page 2, lines 17 and 18, to the pass savings to the customers.

Councilor Dominguez said, the WHEREAS on lines 14-15, provides that USP would pay for all marketing materials and program administration and will be responsible for marketing, billing, customer service and performing all repairs to local code." He asked if anything will be submitted with the bills, and Mr. Harris said no.

Councilor Dominguez said, "Then you're looking really for the City of Santa Fe as an endorser, to endorse this plan."

Mr. Harris said yes. "We know that if your name is attached to this, we will get, within 2-3 years, we'll have 30-35% of your households enrolled. We would not send a letter to them without your endorsement. If we did, which it isn't our business practice, and through the NLC we aren't allowed to do that, we would get 1%. So, by the City saying this is something that the NLC has looked at, we've looked at, we feel comfortable with, we're going to save a lot more people money."

Councilor Dominguez said this is a great option for our customers. He asked Marcus Martinez if there is any liability for the City whatsoever. For example, if the service is inadequate, the City, as an endorser isn't bound.

Mr. Martinez said he doesn't see any liability with this kind of program. It's very remote. People could always make the claim, but "I don't think it would be a very good one."

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

MATTERS FROM THE PUBLIC

There were no matters from the public.

MATTERS FROM THE CITY ATTORNEY

There were no matters from the City Attorney.

ITEMS FROM STAFF

Mr. Snyder noted that Earth Day is coming up and there are a number of programs and there will be some public outreach for that, and advertisement and such.

MATTERS FROM THE COMMITTEE

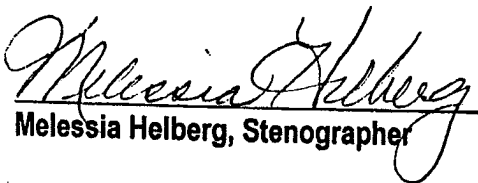
Chair Calvert thanked staff for the electronic version of the agenda, and the Committee members for their indulgence and patience with this long agenda, and promised they won't be this long in the future, noting this is sort of a makeup under extraordinary circumstances.

NEXT MEETING: WEDNESDAY, MAY 2, 2012

ADJOURN

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

Christopher Calvert, Chair


Melessia Helberg, Stenographer

2012

McClure and Nichols Estimated Total Storage with
Spring Bypass Flows to the Santa Fe River beginning April 16th
(April NRCS Forecast for 60% of Avg Daily Mean Inflow 1966-2007)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
DATE	18" WEIR MGWkiv	8" WEIR (AVE MGD)	8" WEIR MGWkiv	Est Inflow MGWkiv	McClure (In MG)	CAPACITY (%) of Total	NICHOLS (In MG)	CAPACITY (%) of Total	TOTAL McClure & NICHOLS	TOTAL CAPACITY (% of 128-MG)	Surface Water Treated MGWkiv	Surface Water Treated (AVE MGD)	Estimated Storage ⁵	Estimated Spillover (100%Cap)	Flood Control Storage	SFe River Target Flows MGWkiv	Spillover After Releases
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					
Inflows Above McClure (MG)																	
Unengaged Lower Inflows (MG)																	
RES Inflows Wks 2/26-4/01/12 (MG)																	
Total Demand Wks of 02/26-4/01/12 (MG)																	
Estimated Inflow Data ³																	
G 04/08/12		3.60	25.23								14.00	2.0	536	0	536	0	0
H 04/15/12		4.74	33.21								14.00	2.0	555	0	537	0	0
I 04/22/12		6.02	42.15								14.00	2.0	584	0	547	18	0
J 04/29/12		6.23	43.62								14.00	2.0	613	0	574	18	0
K 05/06/12		7.36	51.55								21.00	3.0	644	0	602	3	0
L 05/13/12		8.21	57.45								21.00	3.0	680	0	635	3	0
M 05/20/12		9.80	68.59								21.00	3.0	728	0	682	3	0
N 05/27/12		11.30	79.08								28.00	4.0	779	0	722	21	0
O 06/03/12		10.22	71.56								28.00	4.0	822	0	755	3	0
P 06/10/12		8.72	61.02								28.00	4.0	855	0			
Est. Inflows Abv McClure (MG)																	
Estimated lower Inflows (MG)																	
Total Estimated Demand (MG)																	
Estimated Inflows 3/11-5/10/12 (MG)																	
Total Inflows to Reservoirs (MG)																	
0 MG Est Spillover for 2012 w/ 4CFS Bypass Flows starting 4/16 and 4.5 CFS Bypass Flows for Fishing Derby & River Festival from 5/28 to 6/3																	
Notes: 1. "2012 Inflow Data" based upon Weekly Reports from CRWTP 2. "2012 Production Data" based upon Weekly Reports from CRWTP 3. "Estimated 2012 Inflow Data" calculated using USGS Daily Mean Inflows from 1966-2007 multiplied by the NRCS April Streamflow Forecast 50% Ave Yield(P50) for Santa Fe River near Santa Fe 4. "Estimated Storage" includes the "Estimated Inflow Data" for the weeks of 4/08/12 to 06/10/12 5. "Estimated Production" based upon projections by CRWTP.																	
"Maximum Capacity for McClure & Nichols = 1284 MG (McClure = 1061 MG, Nichols = 223 MG)																	
90% of Total Capacity = 1156 MG, 95% of Total Capacity = 1220 MG, 100% of Total Capacity = 1284 MG																	

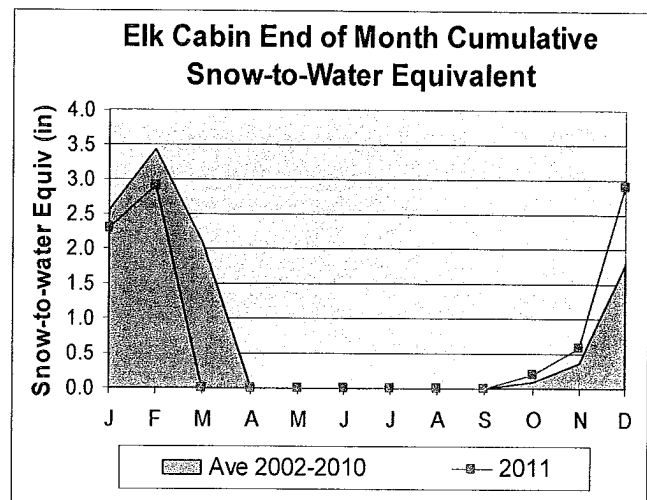
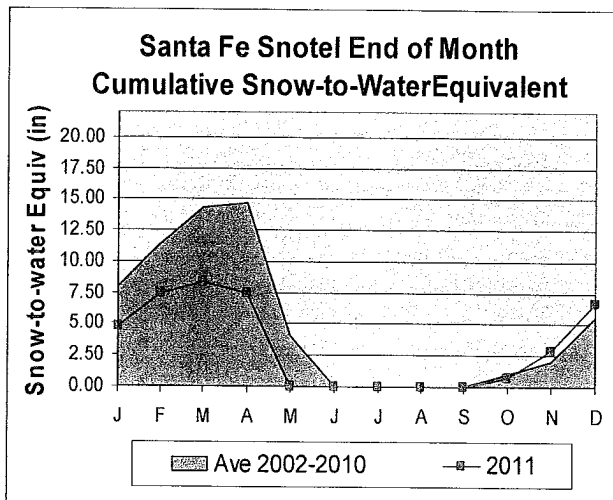
SF Snotel Site: 2012 Jan-Mar Snow Depth in Inches																	
1/29/12	2/5/12	2/12/12	2/19/12	2/26/12	3/5/12	3/12/12	3/19/12	3/26/12	4/2/12	4/9/12	4/16/12	4/23/12	4/30/12	5/7/12	5/14/12	5/21/12	5/28/12
7.60	8.00	8.30	10.00	10.50	11.30	11.90	12.10	12.40	8.80	26.00	35.00	29.00	35.00	34.00	38.00	43.00	36.00

SF Snotel Site: 2012 Jan-Mar Snow to Water Equivalent in Inches																	
1/29/12	2/5/12	2/12/12	2/19/12	2/26/12	3/5/12	3/12/12	3/19/12	3/26/12	4/2/12	4/9/12	4/16/12	4/23/12	4/30/12	5/7/12	5/14/12	5/21/12	5/28/12
7.60	8.00	8.30	10.00	10.50	11.30	11.90	12.10	12.40	8.80	26.00	35.00	29.00	35.00	34.00	38.00	43.00	36.00

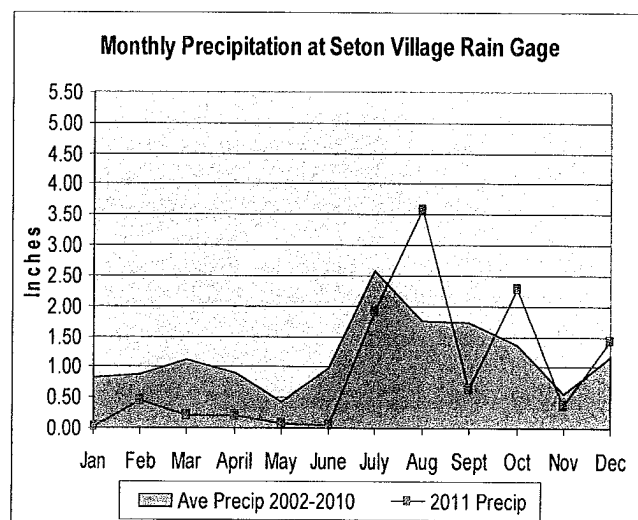
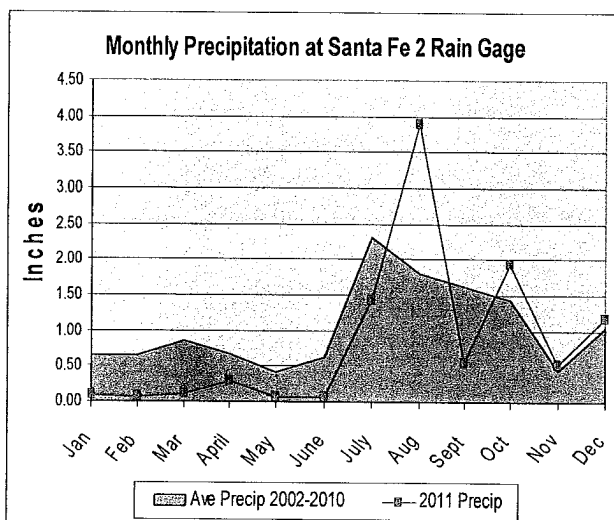
Spillout 11"

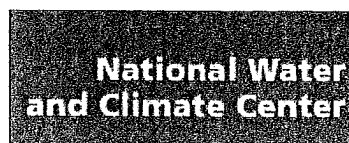
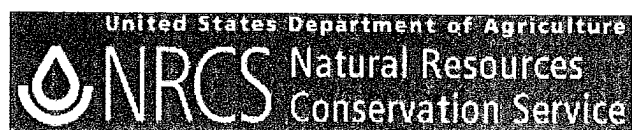
Precipitation

'SNOTEL' weather stations accurately measure snow pack as well as precipitation in the form of water ([http://www.wcc.nrcs.usda.gov/snotel/New Mexico/new_mexico.html](http://www.wcc.nrcs.usda.gov/snotel/New_Mexico/new_mexico.html)). The snow-to-water equivalence (SWE) of the snow pack is used to predict spring runoff and watershed yield. There are two Snotel weather stations in the upper Santa Fe watershed: 'Santa Fe' at an elevation of 11,445 feet and, 'Elk Cabin' at 8,210 feet. Santa Fe reported a peak accumulation of 8.3 inches of SWE for the end of March 2011. Elk Cabin reported a peak accumulation of 2.9 inches of SWE for the end of February 2011.



Precipitation data is also gathered in two additional locations in Santa Fe. Santa Fe 2 (approximately 2 miles southwest from the Santa Fe plaza) reported 10.22 inches for the year of 2011. Seton Village (approximately 4.5 miles south of downtown Santa Fe) reported 11.26 inches for the year of 2011.



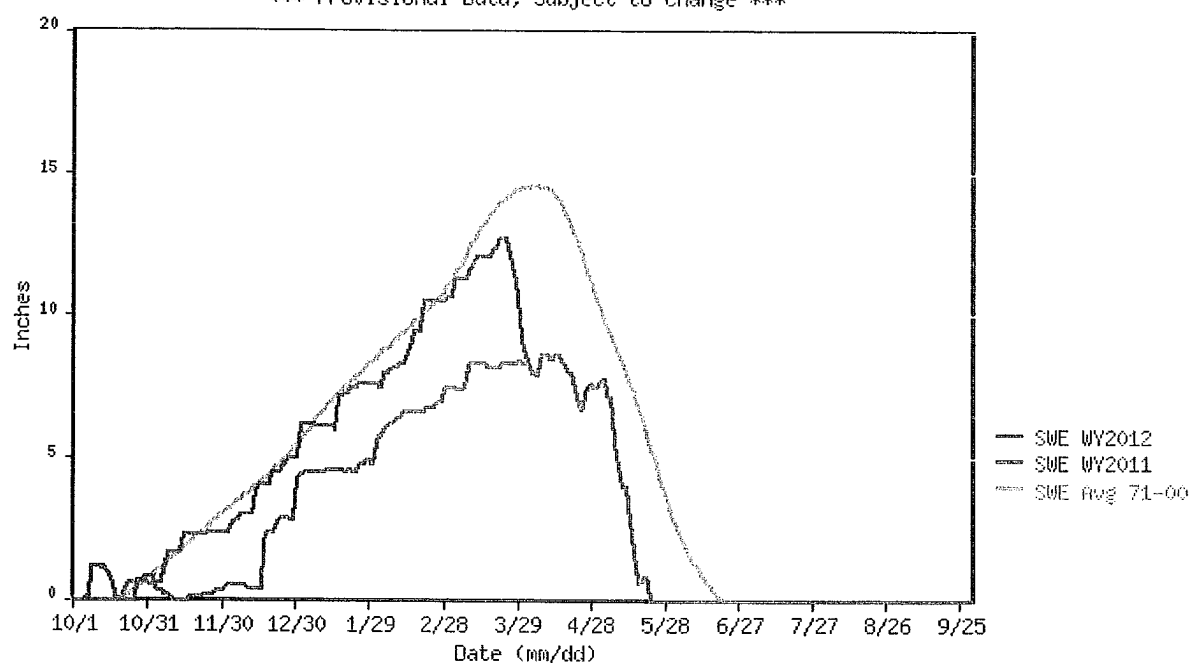


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Water Year Graph for 05P09S SNOTEL in New Mexico

05P09S SNOTEL as of 04/04/2012

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



SWE = Snow Water Equivalent

Select [HERE](#) to plot the graph with precipitation data added

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