



REGIONAL COALITION OF LANL COMMUNITIES

City of Española – Los Alamos County – Rio Arriba County – Santa Fe County
City of Santa Fe – Taos County – Town of Taos – Pueblo of Ohkay Owingeh

REGIONAL COALITION MEETING PACKET

Española Convento Museum

706 Bond Street, Española

FEBRUARY 21, 2014

CONTENTS

Internal Documents

- Meeting Agenda
- January 17 Meeting Minutes
- Receipts and Disbursements Summary

Resolutions/ Statements

- Federal Legislative Priorities
- Subcontractor - Proposed Resolution
- Proposed Environmental Statement

Press Information

- Press Fact Sheet
- Taos News – Letter to the Editor

Information on Issues

- NY Times Article – Waste Disposal
- State House Memorial Draft
- Micro-Grid Project
- New Mexico – Last in Jobs (New Mexican)

INTERNAL DOCUMENTS



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REGIONAL COALITION MEETING AGENDA

Española Convento Museum

706 Bond Street, Española

FEBRUARY 21, 2014

9:00 Info:	Welcome & Introductions	Mayor Coss
Action:	Confirmation of Quorum	Mayor Coss
Action:	Approval of Minutes: January 17, 2013	Board Members
Info:	Financial Information	Brian Bosshardt
9:10 Info:	Reports from Congressional Delegations	
9:20 Info:	Executive Director Report	Darien Cabral JLH Team
9:35 Info:	Update – Washington D.C. Trip	Darien Cabral Brian Bosshardt
9:50 Action:	Revised Federal Legislative Priorities	Mayor Coss
10:10 Action:	Proposed Resolution – Subcontractor Issue	Mayor Coss
10:30 Action:	Proposed Environmental Statement	Mayor Coss
10:50 Info:	Public Comment	Mayor Coss
11:00 Action:	Adjourn	Mayor Coss

About the Regional Coalition of LANL Communities:

The Regional Coalition is comprised of eight cities and counties surrounding the Department of Energy's Los Alamos National Laboratory (LANL). Founded in 2011, the Regional Coalition works in partnership to ensure national decisions incorporate local needs and concerns. The organization's focus is environmental remediation, regional economic development and site employment, and adequate funding for LANL. The Board of Directors includes Chair, Mayor David Coss, City of Santa Fe; Vice-Chair, Commissioner Danny Mayfield, Santa Fe County; Sect./Treas. Councilor Andrew Gonzales, Town of Taos; Mayor Alice Lucero, City of Española; County Councilor Fran Berting, Los Alamos County Council; Commissioner Alfredo Montoya, Rio Arriba County; Commissioner Tom Blankenhorn, Taos County; and Governor Ron Lovato, Pueblo of Ohkay Owingeh

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing of the meeting, please contact the Coalition Office at (505) 577-1347 at least one week prior to the meeting or as soon as possible. Public documents including the agenda and minutes, can be provided in various accessible formats. Please contact the coalition at (505) 577-1347 if a summary or other type of accessible format is needed.

For more information please visit the Regional Coalition website at <http://regionalcoalition.org>

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- City of Santa Fe - Taos County - Town of Taos - Pueblo of Ohkay

City of Santa Fe Council Chambers
Friday, January 17, 2013

Welcome and Introductions

Chairman Mayor Coss called the meeting to order at 9:21am.

Attendance

Mayor David Coss (Chair RCLC), Mayor Alice Lucero, County Commissioner Danny Mayfield (Vice-Chair) Councilor Fran Berting, Commissioner Alfredo Montoya, Andrew Gonzales (Secretary/Treasurer), and Commissioner Tom Blankenhorn.

JLH Media team members Darien Cabral, Jennifer Padilla, and Lisa Neal.

Confirmation of Quorum

Chair Mayor Coss confirmed a quorum.

Approval of Minutes

Mayor Coss and Councilor Berting noted mistakes and typos in the minutes. Commissioner Mayfield stated that he was excused from the last meeting. Commissioner Montoya made a motion to approve the minutes and Mayor Lucero seconded. The coalition unanimously approved the December 13, 2013 meeting minutes.

Brian Bosshardt: Financial Information

Bosshardt asked for feedback on the new financial format. He stated that funds had been secured from DOE and that the first payment to JLH Media for executive director services had been made.

Reports from Congressional Delegations

Michelle Jaquez-Ortiz from Senator Udall's office reported on behalf of the NM delegation. She stated that the US Senate had passed the omnibus appropriations bill on January 16, 2013 and that the bill lacked only the president's signature. The NM delegation was pleased with the bill overall. She stated that it is a big bill, and highlighted increased funding for New Mexico's national labs; WIPP; construction at the state's military bases; and funding for veterans and water programs that are all important priorities for New Mexico. Nearly \$225M had been appropriated for cleanup in Los Alamos, \$5M over the President's request and \$50M over last year's increase for cleanup in the area.

She noted that Senator Udall had a commitment from the chairwoman of the Senate appropriations committee to attach funding for PILT to the upcoming farm bill, the next bill to be debated in Congress. Mayor Coss stated that it had been 2 years since a congressional budget had been passed.

Darien Cabral: Executive Director Report

Cabral thanked everyone for being at the meeting and referenced the day's agenda. He stated that the passing of the Omnibus bill was big news and its pleasant outcomes including increased cleanup with the new funding. He noted the upward trajectory of appropriated cleanup monies.

Cabral's economic development activities over the last month included outreach to Governor Lovato of Ohkay Owingeh and Governor Aguilar from San Idelfonso. He noted Governor Lovato's interest in economic development and the RCLC's emphasis in this area. There is a good chance that San Idelfonso will join the RCLC. The February meeting will include a discussion on creating a special category for tribes, as they are sovereign entities with treaties with the federal government. More tribal participation is expected at the RCLC if these governments are recognized as special entities. Cabral noted that Seth Kirshenberg was present and would address the committee and advise the Coalition on issues concerning their upcoming DC trip. Cabral stated that he is looking forward to working with partners in DC.

Cabral stated that the Coalition's mission lies in trying to increase funding for and prioritizing cleanup activity as well as developing the economy and the local workforce. The Coalition's mission is not to debate the pros and cons of LANL's nuclear security mission. The lab is a major economic force and the mission of the Coalition is to help local governments take advantage of the lab's resources as best as we can.

Cabral noted the complexity of the Coalition's issues and that the Coalition members are very busy. Committees are forthcoming and will provide

recommendations and report their findings to the full coalition. Committees will be headed by the Coalition's elected officials who will vet all committee members. Cabral suggested the following committees and membership:

Economic Development: Kathy Keith; Eric Vasquez; Chris Madrid; David Griscom; Ray Baca, Building Trades Council; and Alfredo Montoya as Chairman of the committee. Mayor Lucero is a possible co-chair. Commissioner Mayfield noted that there had been no notice of discussing committee membership. Mayor Coss stated that these are the recommendations and considerations of the Executive Director and that no action would be taken on appointments today.

Education: Cabral suggested Commissioner Blankenhorn as Chair, plus representatives from SFCC, Northern College in Espanola, UNM Taos, and Carol Rutten from LANL. Chairman Coss suggested adding representatives from Pojoaque Valley schools, as well as middle and high school representation.

Legislative Funding: composition to be considered

Environmental: composition to be considered

Commissioner Mayfield questioned whether committees would be subject to the Open Meetings Act (OMA). Brian Bosshardt addressed the Coalition stating that it was up to the Board to determine whether to follow the OMA. Commissioner Mayfield stated that committees should be subject to the OMA noting that all governments should follow it. He asked that legal entities to look into the matter. Vice-Chair Lucero noted that open meetings act should be followed and that the coalition's resolution could be amended to OMA compliance for committee meetings.

Cabral noted updates had been made to the Coalition's web and SharePoint sites and offered to do a SharePoint demonstration. He stated that a SharePoint site would be created for each committee and would be open to the public to view information and ensure transparency.

Cabral stated that the Citizen's Advisory Board was present at the meeting and noted their participation and possible presentation at the February meeting. He noted that as a layperson, he is impressed at the amount of oversight and transparency of LANL and other federal agencies.

Councilor Gonzales referenced the OMA issue in regards to committees, and noted that the purpose of the committees was to avoid additional meetings for Coalition members to attend and referenced their full schedules. He stated that he did not want to belabor the process of getting information from Committees by

requiring additional lengthy meetings. He stated that committees should be considered steering committees and not Coalition members to attend. Instead, members can communicate with committees through email and phone conversations.

Cabral stated the original purpose of committees: to assist board members with recommendations and information without requiring further meetings. He noted the dispersed geographic locations of Coalition Members and suggested the use of conference calls and videoconferences to avoid having to meet physically. He noted that the RCLC does not have dedicated staff but that committees could function as staff. He referenced Commissioner Mayfield and Vice-Chair Lucero's concerns noting that committee organization still needs to be worked out in terms of how they should best operate and how the board will adopt them. The OMA will be taken into consideration.

Cabral stated that the December meeting was focused on economic development and that a presentation had been made about tech company Ealasad. Vice-Chair Lucero's work on the Ealasad project was key and she should be on the economic development committee. The January meeting also had a presentation on the RediNet fiber optic line, which will link all of our great partners in Northern New Mexico. Cabral stated that the biggest area of concern in economic development is issues pertaining to local business that contract with LANL and a presentation will be made by Liddie Martinez.

Jennifer Padilla addressed the committee saying that we are working towards understanding the priorities and issues in preparation for the DC trip in February. The Executive Director team had been invited up to the hill to have meetings with Community Programs Office and has toured clean-up sites and the great research happening at the NM Consortium. She noted work with the Energy Communities Alliance and with Seth Kirshenberg.

Commissioner Mayfield asked for the status of the Coalition's website. Padilla noted work with web developers to address backend issues and that the website's appearance would be refreshed. Pages and links will have the capacity to be updated soon. A RCLC newsletter is being looked into using the paper.li format which would pull feeds from the community's websites and share information with the public.

REDI Program Task Force Proposal – Kathy Keith

Keith thanked the coalition for the opportunity to present on REDI, noting that she would be presenting a proposal that would suggest ways the RCLC could become more involved in the regional economic development initiative of REDI. The idea began in Los Alamos in the form of an RFP for a local contractor to shape the local

area's economy. The RDC won the contract in 2008 and spent two years creating a plan that included input from local communities from Santa Fe up to Taos. The result was a strategic 20-year plan with a shared community vision and support from local governments.

REDI works on projects that are regional, supports high-paying target industry clusters, and engages with local governments to appropriate support. REDI grows the private sector through infrastructure; human capital; public policy; and economic development services to expand and attract businesses in the area.

Keith provided the following monthly proposal to the Coalition and asked for the member's consideration:

January: Provide input for the coming year; approve REDI's legislative priorities
April/May: Review and approve annual activities
August: RCLC co-host annual state of the region conference with REDI to ensure that local communities are present and participating.

Secretary/Treasurer Gonzales questioned who from Taos was involved in the 2008-2010 study Keith stated that the County Coalition was involved, as well as the Taos Economic Development Corporation, the Chamber of Commerce, and the Taos Entrepreneurial Council. Gonzales noted that LANL doesn't do very much for Taos and stated that he would like to sit down with Keith to discuss her proposal. He stated that Taos does not receive the same support in terms of dollars from LANL that other local areas receive. Keith offered to discuss these issues offsite, including community input and participation in the REDI program, and stated that the 2008-2010 study had been approved by the Town of Taos. She noted that Los Alamos County had been the primary funder of economic development initiatives in the region since 2008.

Commissioner Blankenhorn asked about the goals of the Accelerate program and Keith said the goal was to help students graduate faster. A partnership is in place with 6 regional higher education institutions. REDI first determined the local area's career areas in high demand then set out to address why local businesses were hiring mainly out-of-state employees. Local employers were frustrated with the labor force, which didn't have necessary skill sets for positions they needed to fill. REDI began to work with institutions to recruit students and train them for these areas and to help make sure that they graduate. The biggest problem they found was students dropping out before graduation. The program is funded by the US Department of Energy in a partnership to support students in the completion of getting college degrees. In terms of success rates, the program is has been up for 3 years and has 2 years of results as most of the students are getting 2-year degrees. The program is doubling the rate of students who succeed in

graduating. REDI includes internships to introduce students to employers and make sure that they understand what will be expected of them as employees; 30% of students get fulltime job offers after completing these internships. The program also employs career-technical advisors in charge of a cohort of students to make sure students are supported and on their way to graduation.

Commissioner Mayfield thanked Keith for her work and for REDI's work for the state. He questioned why the RCLC should co-host the conference and asked what type of support she was looking for. Keith explained that she is looking for name support from the RCLC, involvement in designing the conference agenda, and information on the type economic development indicators are wanted from the communities represented by the Coalition. She emphasized that she is not looking for fiscal support from the RCLC and that the program's funding has already been secured. She noted that Commissioner Mayfield and Vice-Chair Lucero, along with other elected officials had attended last year's annual conference. Keith requested more involvement from the RCLC as detailed by her proposal. Commissioner Mayfield noted that he had attended last year's event and that the conference had provided a lot of good information; he is in support of Keith's proposal.

Secretary/Treasurer Gonzales asked if the program could be modified to begin reaching students sooner, perhaps at the elementary school level. He noted that northern NM's kids should be stimulated sooner and Keith agreed. She stated that her focus was on students of age to enter the workforce and the availability of other programs, like STEM education programs, designed to involve students at a younger age. Keith offered to provide information on these types of programs happening in northern NM.

Chairman Coss stated his support for Keith's proposal for April and August participation. He questioned what type of legislative priorities and Keith stated that she meant state, not federal, legislative priorities. Coss stated that these priorities should be determined prior to January, and suggested August for discussion.

Cabral noted that a letter of support for REDI had been authorized by the RCLC at the December meeting. He noted that Santa Fe and Los Alamos receive the lion's share of monies for economic development and Commissioner Montoya's hope that other local areas would receive more attention.

Chairman Coss made a motion to collaborate with REDI, in the form of Keith's proposal, each year noting that legislative priorities should be considered prior to January. Commissioner Mayfield made the motion, seconded by Co-Chair Lucero.

Councilor Berting thanked Keith for suggestions concerning collaboration with REDI and stated that the goal of the New Year would be economic development. She stated that partnering with REDI is an excellent idea.

The motion was unanimously approved.

Keith recognized Eric Vasquez, the Manager of the REDI program. Chairman Coss welcomed Eric to the meeting. Keith thanked the Coalition for their support and stated that she is looking forward to working with everyone.

Peter Maggiore, Assistant Manager Environmental Projects Office

Chairman Coss invited Pete Maggiore to address issues surrounding Area G. Pete Maggiore is the Assistant Manager Environmental Projects Office for the National Nuclear Security Administration.

Peter Maggiore said Mr. Chairman, thank you for allowing me to be here speaking to recent developments of the budgets of the office of environmental management budget for fiscal year 2014. We are looking at a budget of almost 214 million dollars.

Through Sept 30 of 2014, we've been planning to use 173 million for projects. The budget for the fiscal year 2014 is greater than that. We are on an upward trend. I would be remiss if I didn't mention that work that the collation did in regard to our congressional delegation. I know a lot of people in this room have advocated for a more robust environmental clean-up budget

This budget will allow us to do more good work in the legacy cleanup area. The process that we are going through is to go back to DC to talk to headquarters person about what our priorities are and be hopefully more effectively and more efficient with every dollar for cleanup on the hill.

Pete Maggiore continued and said that he doesn't want to get too far out front before the bill is signed. We are pleased with everything that happened.

Chairman Coss asked what are our priorities and what was spent the last couple of years on 3706.

Peter Maggiore answered that they have to finish the 3706, and they have a June 30 deadline. He noted that his team is cautiously optimistic about making that deadline. He said that WIPP shuts down every year and that his department has plans in place to make their deadline and that they have a strategy to remove the below ground waste in area G. He said he was trying to remember if the coalition

has received a briefing on the Chromium plume but they are still in the planning process that they have to work through.

Chairman Coss asked if there were other questions for Mr. Maggiore.

Councilor Blankenhorn said that he is new to coalition so would like to know if there are long range projections of the total amount of what it would take to do cleanup that would make everyone comfortable.

Peter Maggiore stated that the current plan/budget is out of date currently and that the cleanup is done pursuant to a consent order that was put into place in 2005. He said that at this point his group would not be able to meet the terms of that consent because it required the cleanup to be complete by December 2015.

When we signed the consent order, since 2005
There is a new life cycle baseline, once we have that in place we will know what it will take and how much it will cost to complete the cleanup

Chairman Coss said he feels like as if the coalition is going to set legislative priorities but I think we are talking about changing the consent and feel like the chromium should be at the top of the list. He said he feels like the greyhound chasing the rabbit. He said let's get funding for 3706 finished. Let us set our priorities if LANL is going to renegotiate the consent agreement we need to know where along the process do we review and observe that? I think that is what I have been grappling with. We want to support these budget requests for environmental cleanup. It is critical for jobs and for the environment. He stated that the coalition needs to be talking to the communities and to the CAB so Mr. Maggiore doesn't just come back and say to us "this is what we renegotiated." We want to know what are our community's objectives in this.

Pete Maggiore said that one of the things that he learned working on the 3706 campaign. It had a lot of community support who wanted that waste off the hill everywhere we looked we had strong support that campaign allowed us to focus very strongly on one project when we brought the focus of the lab with the community and were able to focus on that one project and we were successful, when we spread ourselves to thin it dilutes our success so as we move forward I am hoping to identify campaigns that work that can be accomplished in a couple or three year period so we can have success

We are right now trying to figure out what those campaigns look like and I am happy to come back and report to the coalition

Chairman Coss said that he believes the coalition should be involved in the decision-making and not just hear reports. He said that since the coalition now know that the Environmental Projects Office is going to renegotiate the consent agreement with the environment department, and when he looks at the environment department we have now as opposed to the environment department that we had in 2005, with the copper ruling that we need some strong consent from the community .

Pete Maggiore said thank you to Chairman Coss and to the Coalition.

Seth Kirshenberg, executive director of the Energy Communities Alliance was invited to address the coalition board.

He said he loves coming to New Mexico and thanked the coalition for inviting him. He mentioned that Councilor Berting sits on the Energy Communities Alliance Board.

He said that everything Michelle said and also what Pete said will be shown graphically in a second, referring to his presentation. He said that what is an upward trend in funding as well as the fact that a lot of people are looking at and understanding what people in the community are doing, what the cab is doing, what the coalition is doing the community is doing is working, is really working and he stated that these are critical issues to us.

He said that last year we had a 40 million dollar plus up, after the budget came out, and that that is an amazing thing in the world of DOE cleanup because it means that money had to come from somewhere else, in once case it was unprecedented that funding came from NNSA. He said he gives a lot of credit to Senator Udall and his staff who led that effort and also Senator Heinrich's staff worked closely on this and obviously Congressman Lujan as well on the house side to make sure these things moved forward.

He said that Senator Udall now being on the senate appropriations committee is really making a difference to get these incremental changes. He stated that the coalition from where we a couple years ago, we were at the \$188 looking at \$ 179 (million) I remember you all met with Senator Bingaman, Sen Udall, and Congressman Lujan and we said we need to change this, this is not the right trend, people remember these meetings when they are advocating for certain things so I just want to say that it is very impression because almost everywhere else in the department of energy funding is flat when they look at cleanup. You have done a lot as we've gone forward.

Kirsehnberg stated that when we talk about clean up, we talk about what's going on and I wanted to highlight one thing: there is a new commission that was set up by the appropriation bill and Pete says he doesn't want to do a touchdown dance right now but I've already moved on to FY15 and one of the things that is going to happen is that we've moved to a group of people looking at the which national labs which should stay open, which should be realigned, consolidated in order to save move and the coalition needs to keep its eye on that. He said that the 2015 budget is going to come out, right now DOE is providing its budget for all activity at the lab including cleanup issues.

Last year you went to Washington and said we need 255 million for cleanup and from what I understand that is the number that you are looking at this year.

Kirsehnberg said that he is trying to outline what the process is supposed to look like although it doesn't always work that way, if you are old enough like me and remember schoolhouse rock a bill is just a bill. You are coming to DC at a critical time, everyone will be talking about what is in the budget, identifying your priorities is a critical time for you to identify your priorities. He stated that ECA is an organization of the local governments around the DOE facilities and its goal is to make sure that local governments are involved in decision making at the sites. That is the main goal. The other goal is to make sure that we have a lot of cleanup funding for all the sites. Pete talked about the budget not allowing them to be compliant with the agreements that they have with the state. The number one thing that we always advocate for is that DOE ask for that much money. We are always pushing for that and it's an interesting balance to have the support of the state.

Chairman Coss think your comments were right on as far as understanding the priorities and setting them. And you all are setting them.

These are ECA's top priorities, I saw your priorities and they are very similar The decision-making and the input that you get from DOE and the community groups, the CAB—all these things help you make your decisions. Each year things change. And that he can't underestimate how successful the coalition has been at making things work. He said the coalition has a lot to do and he doesn't want to underestimate that either. If you have read the agreement you see that there is a lot to work on. We have had very successful meetings in the past. I am looking forward to seeing you all in D.C.

Chairman Coss asked if there any questions for Seth and there were none.

Chairman Coss said thank to Seth for coming out and said thank you Councilor Berting for serving on the ECA board and ensuring that the communities are

pushing for cleanup and having a voice in how that cleanup is done so it won't leave us 50 or 100 years from now worried about if the cleanup was done right. Chairman Coss then asked Seth if he was reading that right.

Kirshenberg responded that he group is always dealing with communities about the cleanup levels. We have communities fighting with DOE about the levels. DOE provides scientist to the communities and outside experts to provide input. He suggested that the coalition look for resources to inform these decisions. He said the ECA tries to simplify them and tries to put them in a box and to say this is what it means to be done with a project and that there are always other issues out there. He said that as the coalition reviews issues it should invite outside experts to help understand the issues with such things as cleanup levels. Mayor Coss, as you said, these are extremely complicated issues.

Commission Mayfield said thank you to Seth for everything he does. He said the ECA is a very important organization. He said he was fortunate to have attended the national meeting last fall. It had governors from throughout the nation, attorneys general from throughout the nation. There were people from the many communities, tribes and governments and more. It is important to know that there were reps from every site in attendance. ECA gives us information about not being unique, everyone else is out there advocating for the same think and it is important to sit at the table advocating for these dollars together. He said that we can't advocate for these dollars individually but collectively.

Commissioner Mayfield say to Seth, on another note, this is a very beautiful area up in Taos and Northern New Mexico, if you ever get a chance the beautiful mountain scenery up in Abiquiu painted by Georgia O'Keeffe, I highly recommend that you do.

Kirshenberg said thank you.

Chairman Coss asked Darien to follow on that.

Darien Cabral said he wanted to apologize for the screen not working well, that it's a big distraction, it keeps going off and on, there is a loose connection, we could set up a projector but it might take some time so we will muddle through

Brian Bosshardt addressed Chairman Coss and the board of directors. He followed up by pointed out the draft copy of the of 2014 federal legislative priorities in everyone meeting packets, saying these should look quite familiar because a very similar set of priorities were they adopted last year. For the most part these stick to the same topics, include funding for cleanup. He said

Chairman Coss might note the third item and how that might speak to some of his concerns. It also includes a general topic of upward funding for LANL for the labs. They are the second largest employer in the state and he said it was important for the coalition to continue to lobby for their various mission. Finally it includes funding for the coalition from DOE.

Chairman Coss gave the floor to Commissioner Mayfield. Commissioner Mayfield said that Seth brought up something to me that we should start talking about. If they are starting to look at the BRAC alignment of our labs, that is something we should start talking about.

Seth Kirshenberg got up to address the issue and said that there is a commission being set up that looks up how the labs work together, are we duplicating a lot missions, which ones are critical and how they do their work. It is an 18-member organization. He stated that he agreed with Commissioner Mayfield that it is an organization that is similar to BRAC (base realignment and closure). He said it is critical you begin to think about this. When the BRAC commissions go around, they talk to local governments and communities so it is critical that you talk to the commission for their decision-making. I can provide the exact language of the legislation as well.

Chairmen Coss asked if there were any comments about that. Again for Seth or Brian, we were supporting a sustained budget and now we know that have it will be 225 million, why are we going to Washington to say thank you for the 225 million. It seems like we have had to fight to get it up around 180 million. It is set now. What will be lobbied on when we go?

Seth Kirshenberg stated that the budget is only 225 mil from now until Sept. 30, and then October one you will start a new budget so you will be advocating for next year's budget which hopefully will be 255 million and that only gets you to compliant years ago. Brian and others talking with NMED to get a sense from them about what the right figure is.

Andrew Gonzales asked for the floor and stated that when he heard the term lobbying for a continued mission, it is a hard thing for me to digest. He stated that is Taos is outside of the benefits of the lobbying effort again, that his political leverage is used when the funding he doesn't get many efforts. He said that in the scope to my community even \$200,000 or \$300,000 dollars are droplets when you talking 2.4 billion budget. He said he has a hard time fostering this mission when there is so much in regards to cleanup and much bigger issues in LA that the group should open its eyes to. He said his lobbying efforts don't bring anything back. I think the boards' number one priority should be environmental cleanup. We have to be clear. Are we lobbyists for further nuclear endeavors? He

said that he has to look out for what I leave my kids with and their kids with. He said our lobbying efforts in DC need to be about cleanup.

There was a round of applause

I will use my political power to further this organization but only to the point that I can do it and answer to my constituents.

Chairman Coss asked any other comments. Before we make a motion Chairman Coss stated that he wanted to follow on up what Councilor Gonzales said

He said the coalition starting around cleanup and it was a place we could all agree. He said Santa Fe County was down 4000 jobs and it was a motivating factor but we do have a statement in these priorities that the coalition might want look at requests for sufficient funding for LANL's diverse missions and facilities modernization. I probably don't agree with Darien that we are not involved in the nuclear weapons of the mission of the lab. To say that we support full funding on and modernization and then say that we are not involved in any nuclear weapons to me is contradictory. We may not be ready to have a credible position on that subject.

He said that he thinks the coalition should look at our priorities and that he thinks we are going to say local contractors, cleanup, environmental issues are our important key priorities that we can get behind, we need to tweak that LANL priority so we are more true to who we are representing.

Chairman Coss stated that he would not want it be said that Mayor Coss went o DC to lobby for full funding for nuclear weapons. He said that we need to separate that. We are getting mature enough to focus on that.

Councilor Berting said that she thinks we can make a distinction in the diverse missions, one of the major missions is nuclear there are many other very important programs that are going on at LAN that have to do with pollution including radiation in the atmosphere, biological, DNA sorts of things that add jobs and bring up to educational stands so they can become technicians. How we word that I don't know.

Chairman Coss said he agreed with this and that strong national labs are important. He said he was proud that the labs were part of disarmament dealing with nuclear waste in the Ukraine and that we went to Fukushima. I want to help preserve that mission and a strong science base for everything that we are trying to do in the country and North American.

Brian Bosshardt stated that the major focus is cleanup and that we can modify that bullet so it speaks to the labs in terms of jobs, employee importance to the state without focusing on mission.

Chairman Coss asked if the board wanted to vote today on these federal legislative priorities.

Councilor Gonzales stated that he'd like to sit on them. I'd like to be on this side of the fence when it comes to our nation's security. If you can take care of your missions but still take care of what you created, the language needs to be chewed on.

Mayor Coss said that cleanup is very dear to all of us, on the other diverse missions, it is not about nuclear energy, there are so many other programs that benefit the entire nation, when we start talking about org that they might want to shut down, our missions involved research that applies to many biological warfare, AIDS, the nation as a whole needs to see how important LANL is to the nation. Environmental cleanup is number one but we need to bring up to light the other missions

Andrew Gonzalez asked where we are in terms in terms of budgets of other states.

Brian Bosshardt said that we are much lower than many places such as Hanford

Councilor Berting said Hanford has a much worse mess that we have it is logical that they would have more money.

Chairman Coss asked if there w a motion to table this issue until the Feb meeting. There was a motion and it was

Councilor Berting made the motion and the board members were all in favor.

Cabral said he would like to see good healthy diversification of this organization thanks to resolutions that Andrew Gonzales and Chairman Coss put forth. He said he wants more than anything for this organization to be effective, not getting carried away with other missions that might not come to fruition, we need to make a difference for our communities as we move forward we will have some more interesting conversations.

Mayor Coss asked if we need to have a motion of travel plans.

Brian Bosshardt said he thinks that it would be good to have a motion for approval for travel since it has been our policy in the past.

Mayor Coss asked Darien to review who will be going to DC.

Cabral stated that Councilor Berting will be there for the ECA meeting, Commissioner Mayfield will go for the ECA meetings, Mayor Coss will go to meet with our congressional delegation, Councilor Gonzales will be there for the duration. And from the executive director team, Darien Cabral and Jennifer Padilla will be going.

Councilor Berting said she hopes it is clear that I am just going to the ECA.

Cabral said that Commissioner Girrens will also be there and represent Los Alamos at the meeting. He said we have meetings

Mayor Coss, do we have a motion to approve travel

Councilor Berting and Councilor Gonzales both made motions and all board members were in favor.

Mayor Coss said we can move into our presentation on Area G and Jay Coghlan.

Cabral set up a projector so that Jay Coghlan's presentation could be projected since the AV system was not working. Coghlan asked how long it would take to get the projector working and then said he would start with some extemporaneous remarks. He said clear facial expressions of concern about the BRAC process. He said it would be Livermore that will be "bracked". They lost their security clearance to handle plutonium. Or it would be the Sandia site in California.

That is one thing that you can be complacent about.

Coghlan said that his buddy Darien asked me to not address nuclear weapons programs and I agreed. I feel that agreement is null and void once I see that one of the legislative priorities is to ask for more funding whereas one is to root for modernization. He said modernization is a code word and what it specifically means is the new plutonium processing facility at Los Alamos, the \$6 billion CMRR which will not create a single new pertinent job. He said his suggestion about that clause in the priorities is to simply strike it and to consider this to be a formal request.

He said the budget will be delayed in DC. OMB has not even given pass-back to the federal agencies, he said the budget typically comes out the first Monday of February.

There were ongoing technical issues that Coghlan checked in with Darien about and it remained uncertain if he would be able to project his presentation.

Coghlan said that on his Area G presentation, my first slides addressed what Los Alamos said about ground water contamination being impossible.

The reality of it and part of this comes out with the slides are the instances of ground water contamination

The reality of it is and part of this comes out from findings of fact in the 2005 consent order, but in fact what we have in the groundwater that we are chromium, TCE, beryllium, lead, mercury, chloride etc., in "all four ground water zones." Trying to juxtapose these two items that up until the late 90's the lab claimed that ground water contamination was impossible and now we have multiple instances of multiple contaminants in the groundwater.

The lab has revised what it is saying and admitting that ground water contaminated is inevitable, 10 page inventory of the waste in Area G. the quantity and ratios are not that well known, the radioactivity is not stated

I read this quote for the benefit of this audience, "future contaminates at future locations is expected over a period of decades to centuries as more of the contaminate inventory reaches the water table. By now the lab has essentially reversed itself saying that groundwater contamination is inevitable. I then go on to my next slide to show that the quantities of contaminants are not that well known and the radioactivity is not well known. To give everyone an idea of what is in area G, basically everything except for explosives – a gamut of radioactive nuclides and other contaminants.

There is nothing high tech about Area G. It was opened in 1957. It was drums, boxes just thrown into excavated pits, no liners. The inventory shows approximately 200 cubic yards of waste, so the bottom line is that there are a million yards of contaminated media. There is also about 800 cubic yards of backfill. What little containment it has, boxes and drums they are crushed. So the bottom line is that there are probably a million yards of contaminated media. Just as a sound bite, that is approximately the same volume as the empire state building.

Here's where I am really starting to miss the visuals because I have one slide looking down on area G it shows three different plumes of solvents

Looking showing spatially like a floor plan of three different solvent plumes. Immediately to the north are the lands of San Ildefonso Pueblo, so a solvent plume that is very close to encroaching upon San Ildefonso. Scott provided this information that all comes from LANS—solvent plumes have migrated 200 feet below the surface. Ground water is about 800 to 900 feet. So in a half century they have migrated 25% to groundwater.

My next slide shows soil samples of area G. They include background elements such as plutonium, and cobalt. In some cases the amounts are small but nevertheless something is going on to have all of these radionuclides detected in and around Area G.

In Area G, the pits go down 30 to 60 feet. In some instances of sampling wells, we are now finding plutonium down at 200 feet beneath Area G

The next slide shows the cross section of area G—an astounding coincidence, the lab drilled a monitoring well called R22 and they hit a volcanic vent, a solid vent not hollow the vent comes up to within 100 feet and this could be a direct pathway for contaminants down to the groundwater.

I want to emphasize that the labs had one well that they were drilling, and that might indicate that there would perhaps be a number of vents under area G there could be very direct pathways to water. We simply don't know.

Coughlan said that he wanted to start making the case for cleaning up. One of the main obstacles to cleanup is the alleged cost. Back in Sept 2011 LA came out with an estimate of \$29 billion to clean up Area G, which clearly could be a showstopper. However, in my cynical view when the lab wants to do something, they low ball the cost, when they don't want to do something they highball the cost and come out with this close to \$30 billion. Among those estimates are \$992 million for full excavation and design. Seven billion in project management costs. He said he thinks that is absurd and suffice it to say that those costs are grossly inflated.

Coughlan said a success story that Los Alamos truly had was cleaning up MDA or Area B/Tech Area 21 funded mostly by stimulus funding. Initial costs for doing that was 120 million. Area B should be pretty representative of Area G and low and behold they found twice the waste, twice the mess but were still able to clean it up for 136 million and then that land was transferred to Los Alamos County. This is a real success story. Taking those actual costs Scott extrapolated

the costs for Area G, and we coming out on the order of 6 to 7 billion dollars to clean up Area G. He said that was undeniably lots of money but to put this in practical terms of annual budget we are advocating for doubling that is a lot of money. Where we've been getting 200 million, we want to see 400 million. To us it's pretty clear that to clean up Area G would take 20 to 30 years so basically we're talking \$400 million and above for over 20 or 30 years which is not completely out of the picture. Another reason we have heard not to clean up Area G is that we don't want to dig this up because we don't know what is there. That is what we've heard from the New Mexico Environment Dept. Well the Nuclear Watch position is the opposite—we wants it dug up because we don't know is there. There is no listing of explosives. Concerning both occupational and environmental safety there were no reported serious accidents on the 3706 campaign, no worker contaminations, no were there on the Area B cleanup. Cleanup of Area B was performed in a rolling Quonset hut, I have a beautiful picture of a large excavator but this is to say that this work can be environmentally and safely contained.

Coughlan said that he is really enjoying advocating for the comprehensive cleanup of Area G. Cleanup has merit in and of itself, but in this case it has the beautiful added benefit of providing hundreds of jobs for 20 to 30. I'd like to contract this again with the CMRR Nuclear facility, which by the governments own admission is not going to create a single job. We get jobs relocated for 6 billion, out of that 29 billion, 13 billion was labor, and 40 percent would go to labor.

To back this up at the last meeting of the regional coalition the head of the LANL's 3706 campaign stated in a slide that that campaign employed 400 people, that is only a small subset of cleaning up area G.

Coughlan said he again really regretted not having the slides. He said, we have a slide that shows the Mars Rover, so it's the Rover on Mars. LANL is proud of supplying the sampling instruments on Mars. The irony is that they are so proud of sending sampling equipment but they are so proud of their robot on mars while saying we don't want to dig up Area G but they are so proud of Mars. We'd like to point out that Area G is a whole lot closer. Cleaning up Area G would be a real win-win for New Mexican. Permanently protecting our precious water supply while providing jobs for hundreds of years.

Coughlan said to close he salutes Mayor David Coss for having the courage to support the resolution then lo and behold, he had no idea that Andrew Gonzales would beat us to the punch. He said he really thanks these gentleman and asked the regional coalition to consider a resolution or something very much like the one from Mayor Coss. He said he is personally very interested in whether the

board would stand by their works. He said you all say you are for augmented funding, etc. etc. but we know how the lab stands, they want to cap and cover, that is not cleanup. While were going over the budget the rise is good. Having \$225 million increased funding is good. For those who don't know the biggest increase in funding, that is great the single biggest increase in our budget for an archaic bomb. So two thirds of the budget is for nuclear weapons and that can't be glossed over. He said he challenges the coalition to consider and pass a resolution of some kind that really puts its muscle behind its rhetorical of augmented cleanup and jobs.

Coughlan's thanked the board and the audience.

Mayor Coss thanked Mr. Coughlan. He said that we say we are lobbying for environmental cleanup but what are our priorities and how do we address them. I don't suggest that we start on Area G tomorrow or the chromium plume but that we take a look at a program of 20 or 30 years. That will say a lot and that we are in it for the long term. Mayor Coss asked if everyone had copies of this. Mayor Coss said he wanted to put this out instead of the resolution that the city put out because it really reviews the actions of the environment department, calls for LANL to reduce the volume of toxicity consistent with the provisions of the NNMD consent order issued. It is very clear that they will reconsider the consent order. All things are back on the table. Some of this language, maybe not the whole consent agreement but should be some of our policies.

Andrew Gonzales asked to be excused to leave.

Info: Supply Chain Management Issue – Chris Fresquez

Fresquez addressed the committee, stating that he represents the Small Business Program Office at LANL and that he is originally from Espanola. His assignment at LANL is in the procurement arena and his focus is on helping businesses of NM. He noted that the procurement budget had been raised significantly in previous years due to stimulus funds but has since fallen to just over \$500M last year. He stated that the department had an emphasis on budget efficiency, mainly through the consolidation of services being utilized in travel and financing. He noted the negative impact on contractors when their long-term contracts had not been renewed by LANL. The office is looking into ways to make small businesses more competitive by regionalizing areas instead of making contracts nationwide.

The local supplier base is being educated through his office, which acts as an advocate for small businesses focused on keeping procurement dollars in NM. He is working to get accurate forecasts to prepare contractors and help them compete effectively. Has noted that he has been making calls to local businesses to get them involved in pre-bid conferences and stated that local suppliers have not been very

responsive. His goal is to get local businesses prepared and participating so that they have a chance to compete for contracts. The region's small business people are welcome to come into his office to meet with him and learn about opportunities and to get help with ability matching. Fresquez noted that the challenge is how to continue communication with business people. He noted that regional pricing preference programs are in place and that they have played a big role in helping smaller businesses to compete with larger businesses.

Commissioner Mayfield questioned whether federal local pricing preferences are in place. Fresquez responded that they are in place in the 7 counties. Requirements for suppliers include a minimum of 3 staff members per year and that 51% of employees live in northern NM.

Vice-Chair Lucero thanked Chris for his presentation and noted her concern that the cost of submitting a bid is very high for small businesses, especially those in Espanola. She stated that a lot of those businesses don't have funding resources to even submit a bid. She would like to set up a meeting with Chris to give businesses in Espanola a chance to ask him questions. She questioned whether there were ways to streamline the bidding process to make it less expensive. Fresquez agreed to hold a meeting, noting that he could provide templates and resources as well as his willingness to help individuals become more competitive. Fresquez stated that businesses can start out by bidding on smaller contracts or that they could team up with bigger businesses to gain experience. There will be a resource fair in March put on by the RDC, and local Chambers of Commerce. Commissioner Mayfield suggested a tie in with the RDC conference.

Info: Supply Chain Management Issue – Liddie Martinez

Martinez noted that Chris Fresquez had been wonderful to work with and that she admires his work. She is impressed with the efforts of LANS and the Small Business Office and their efforts to make the largest impact on the region possible. She stated that the Major Sub-Contractor Consortium is presently studying the impacts of the supply chain management center and referenced a white paper with their findings.

Martinez reminded the Coalition that the Supply Chain Management Center is concerned with all of all of LANLs 8 sites as well as its environmental sites. She stated that the negative impact on local sub-contractors was an unintended result of efforts to try to save money. She stated that the impact on the local community should be considered along with the goal of saving money. She referenced a statewide effort to save money called Save Smart NM noting that it had not been effective. The program had shifted purchasing from rural and small communities to larger metro areas. She hopes that LANL can avoid the same negative impacts on local communities.

She noted that NNSA's strategy had been to create a centralized web-based purchasing system that is owned by the NNSA and is utilized by all of its sites. She noted that Scott Bissen, the Director of SCMC, had stated his only goal was cost saving and that the impact on the local communities is not a consideration. She stated that all eight of the DOE sites utilize the web-based system and there is a push to use it at their environmental management sites as well; there are 17 sites in the US and 11 of them are in NM.

Martinez explained that when LANL issues a contract, local contractors are subject to the following requirements: a local presence consisting of full-time, on-site personnel; staff with Q-clearances; customized e-commerce systems that interface with LANL's systems; local inventory; local technical support; community service; contribution to local economic development and education; and community giving. She stated that national suppliers are not subject to these requirements. She stated that there are 39 contractors in her organization and that SCMC had negotiated nation-wide contracts with a single award for each category. Currently 2 NM businesses have contracts with SCMC and all their other needs are filled by out of state companies.

Martinez stated that LANL applies reverse auctioning for many items already under contract, which gives an advantage to out-of state companies as they have low overhead costs. Compared to out-of-state companies, local companies win contracts infrequently

Purchasing rates have been declining and will continue to decrease along with employment levels in local communities. Considerable layoffs have also occurred and 2,000 employees were laid off in the last 2.5 years. If these targets continue and become more stringent, as is planned, local contracts will continue to be underutilized or terminated altogether. It will become cheaper for LANL to go through SCMC instead of bidding out contracts. Since they always go with the lowest bid without considering any other factors, the result will be loss of GRT; local jobs; local contractors; and loss of contractor investment in the community. Martinez stated that local subcontractors had invested \$13M in the local economy over the last 4 years.

Martinez asked for the Coalition's assistance in passing a local government resolution asking the NNSA to change their current policies. She stated that the NNSA had started to investigate ways of lessening negative impacts on local communities by going through a regional contracting process instead of a national process. Local contractors cannot wait for those changes to take effect as they are experiencing negative impacts now.

Her recommendations were to:

1. Require the same requirements of SCMC contractors as local businesses
2. Eliminate reverse-auctions and honor current contracts
3. Provide local small business with impact data, if SCMC is fully implemented at all DOE/EM sites across the country.

Martinez stated that she had asked the ECA to consider them as associate members. She will be traveling to DC to find out if their membership is approved and would like to have passed resolutions in hand by that time. She stated that there was no other organization of this kind in the nation.

Vice-Chair Lucero thanked Liddie Martinez for her presentation and stated that she would be in support of passing a resolution of this kind. She stated that local businesses in Espanola had been hurt by the changes at LANL. She stated her interest in lobbying the NNSA and that she encouraged passing a resolution from the RCLC.

Commissioner Mayfield asked for data on all local businesses organized by county. Martinez stated that she did not have access to that information but that Vangie Trujillo of the Community Programs Office would be able to provide the data. Organization doesn't have that info.

Chris Fresquez explained that the new requirements were for contracts that are \$5M or greater and that smaller contracts didn't have the same requirements. He stated that the SCMC will not terminate existing agreements and that current contracts will run their life cycle. He noted that there were national contracts with suppliers but also that there are still opportunities for specific supplies and that he wants to retain more local suppliers.

Chairman Coss asked for these issues to be included on the Coalition's February agenda.

Public Comment

#1: Vivian Santistevan, Taos: Stated that she and her sister are small business owners in Taos. She stated her disappointment with the RCLC's process in choosing a new Executive Director. She said it is important for small businesses to know how to apply for RFPs, noting that putting together a proposal is expensive. She would like to know more the selection process for choosing a proposal, noting that the process was too slow. She wants more opportunities to apply for contracts and wants the board to be aware of businesses in Taos.

#2: Hope Bugler from Taos: Stated that cleanup should be a necessity instead of a priority for the Coalition. She called for a full excavation and cleanup of area G and her hopes that the Coalition would issue a resolution.

#3: Jean Green, Taos: Thanked Mayor Coss and Secretary/Treasurer Gonzales for their emphasis on clean up. He would like the RCLC to strike nuclear endeavors from the RCLC mission; stated that there hasn't been enough cleanup in regards to nuclear work; called for changing the mission of LANL and the RCLC away from nuclear missions. Stated that cleanup is the most important mission and that no more nuclear weapons are needed. Wants the RCLC to pass a resolution, noting that the RCLC should beware that the ECA is a non-credible organization.

#4: Jean Nichols, Penasco: Stated that the RCLC should only support the peaceful missions of LANL. She noted that she and her neighbors had been advised of the health risks of living in Penasco and concern over all the dust in her house and that produce grown in the area is unfit for consumption. She stated that appropriated clean up dollars aren't keeping pace with monies appropriated for nuclear weapons missions.

#5: Guilleta Soci, Santa Clara Pueblo: Asked that an environmental economic development committee be formed and cautioned compartmentalizing issues. She noted that cleaning up legacy waste cleanup should be a mission of LANL.

#6: Melissa Larsen, Taos: Appreciated the concern of Mayor Coss and Secretary/Treasurer Gonzales. She noted the recent contamination sites and that she would like the mission of LANL to be a peaceful one and expressed concern for LANL's impact on future generations. The focus should be on the earth's preservation. She noted plutonium stores at LANL.

#7: Menice Santistevan, NM Citizens Advisory Board. She invited the RCLC and the public to attend their next meeting on Jan 29, 2014 at 2:30 at The Lodge in Santa Fe. The meeting will have presentations on cleanup and on Area G. On Feb 12, Scott Kovac of Nuclear Watch NM will present more on the same topic. The winter newsletter is available for the public, please visit website or call her.

#8: Erik Patterson: stated that he is the coordinator of a water group. Emphasis should be on cleaning up, rather than burying waste. He noted his concern over future groundwater contamination.

Mayor Coss adjourned the meeting at 12:23.



Summary of Receipts and Disbursements
Inception to date, as of 2/14/14

Beginning Cash Balance	\$ -
Receipts	
Member Contributions	\$ 365,375.00
DOE Grant Reimbursables	\$ 72,224.95
Disbursements	
Executive Director Services	\$ (218,792.33)
Legal Services	\$ (324.56)
Membership & Subscriptions	\$ (950.00)
Travel	\$ (10,267.10)
Disbursements	\$ (230,333.99)
Ending Cash Balance	\$ 207,265.96

Resolutions / Statements



DRAFT

**2014 Regional Coalition
Federal Legislative Priorities**

As Adopted February 21, 2014

Engage Local and Pueblo Governments

- DOE and NMED must continue to engage local and Pueblo government officials on all aspects of DOE cleanup. DOE and NMED should identify their cleanup priorities for LANL to the Regional Coalition and seek its input. Transparent communication between local governments, states, Tribes and DOE is essential for achieving successful cleanup.

Environmental Cleanup

- The Regional Coalition supports a sustained, quality cleanup that protects human health, safety, and the environment, and complies with both the Framework Agreement and a re-negotiated binding Consent Decree between the New Mexico Environmental Department and DOE (“Cleanup Agreements”).
- LANL needs consistent, reliable and sufficient funding to meet Cleanup Agreement obligations. DOE should continue to request and Congress should appropriate \$255 million for 2015 cleanup activities at LANL, the minimum amount needed to meet Cleanup Agreement requirements.

LANL

- The Administration should request sufficient funding for LANL to maintain strong scientific capabilities and support the diversification of LANL’s missions. The Regional Coalition supports a reverse in the downward trend in funding for LANL.

Other

- There should be continued, consistent funding for the Regional Coalition to enable local governments and Tribes to participate in environmental cleanup decision-making, support economic development and diversification projects and promote local workforce education and training initiatives.



**Regional Coalition
of LANL
Communities**

**City of Espanola,
County of Los Alamos
County of Rio Arriba
City of Santa Fe
County of Santa Fe
Town of Taos
County of Taos
Pueblo of Ohkay
Owingeh**

**Executive
Committee**

Mayor David Coss
Commissioner Daniel
Mayfield
Councilor Andrew
Gonzales

Board Members

Mayor Alice Lucero
Councilor Fran
Berting
Commissioner
Alfredo Montoya
Governor Ron Lovato
Commissioner Tom
Blankenhorn

Administration

Darien Cabral
Jennifer Hobson
Jennifer Padilla
Lisa Neal
Brian Bosshardt

SCMC ISSUE RESOLUTION

PROVIDE FOR REGIONAL COLLABORATION IN SUPPORT OF MAINTAINING AND INCREASING LOCAL FEDERAL INSTITUTIONS' PROCUREMENTS THROUGH LOCAL BUSINESSES

WHEREAS, effective economic and community development on the behalf of our citizens requires a strategic collaborative effort on a regional basis by all essential government subdivisions, vital institutions and the private sector; and

WHEREAS, Los Alamos National Laboratory (LANL) is a major economic driver of the cities, counties and Tribes throughout northern New Mexico, directly benefiting the economy of our communities; and

WHEREAS, many local businesses benefit from contracts with Los Alamos National Laboratory and its major subcontractors, positively impacting our local economies, increasing our tax base and directly employing thousands of people in communities throughout northern New Mexico; and

WHEREAS, LANL, together with local governments and Tribes, has consciously pursued a policy of attempting to maximize efficient local purchasing and the increased utilization of local contractors in order to foster regional economic development for many decades; and

WHEREAS, the Los Alamos National Laboratory's Major Subcontractors' Consortium is an organization made up of all LANL subcontractors with contracts of \$5 million or more; and

WHEREAS, the membership of the Los Alamos National Laboratory's Major Subcontractors' Consortium (MSC) generate hundreds of millions of dollars in annual revenues, further augments our tax base and employs thousands of northern New Mexico residents.

WHEREAS, membership in Los Alamos National Laboratory's Major Subcontractors' Consortium requires each company to maintain local facilities and implement a community development plans that supports community, education and economic development in northern New Mexico in addition to maintaining local facilities, personnel and warehousing; and

WHEREAS, over the past four years the Major Subcontractors' Consortium membership has directly contributed over \$13 million in money and services to northern New Mexico communities and nonprofit organizations, directly benefiting schools by providing equipment and resources for students in need, providing computers and training to local youth organizations, rebuilding acequias for local farmers, providing heavy earthmoving equipment to flood ravaged pueblos, amongst many other community service activities; and

WHEREAS, the Major Subcontractors' Consortium members contribute funds to and administer a MSC grant pool that has provided over \$400,000 to dozens of economic development projects with local nonprofits and local governments, including \$80,000 awarded in 2013 in grants to organizations throughout northern New Mexico; and

WHEREAS, the National Nuclear Security Administration (NNSA) which oversees LANL and other National Laboratories has implemented a policy directing LANL and other NNSA facilities to utilize the out-of-state Supply Chain Management Center (SCMC) for commodity purchases under unequal and non-competitive terms, thereby bypassing a normal competitive RFP process and driving LANL purchases away from regional contractors towards out-of-state firms; and

WHEREAS, the National Nuclear Security Administration has established specific performance targets for commodities purchases through the SCMC system for LANL and each other NNSA sites; and

WHEREAS, the National Nuclear Security Administration has publicly confirmed that the utilization of the SCMC is scheduled to expand, thereby directing even more funds away from the northern New Mexico subcontractors; and

WHEREAS, the out-of-state firms contracted through the Supply Chain Management Center do not employ northern New Mexico residents, nor do they pay gross receipts taxes to local communities nor implement community development plans that benefit the economy of northern New Mexico; and

WHEREAS, the SCMC system institutes an un-level playing field by allowing out-of-state suppliers to circumvent the additional requirements placed on local contractors to include maintaining local facilities, participation and funding of a Community Development Plan, payment of local gross receipts taxes; and

WHEREAS, increased use of the Supply Chain Management Center at LANL is likely to result in a loss of substantial jobs in northern New Mexico, reduced investment in the MSC members community development plan, and an overall loss to the regional economy and a direct impact to the economy of the communities of northern New Mexico; and

NOW, THEREFORE, BE IT RESOLVED, that the Regional Coalition of LANL Communities fully supports the LANL Major Subcontractors' Consortium's efforts to study the possible impact and mitigate the effects of the NNSA's efforts to utilize the Supply Chain Management Center under current rules and regulations; and

THEREFORE, BE IT FURTHER RESOLVED, the Regional Coalition of LANL Communities requests that all members of the New Mexico Congressional Delegation collaborate with the impacted regional governments, vital institutions and the private sector, including the Major Subcontractors' Consortium to work with the NNSA to mitigate or eliminate the negative impact of requiring LANL to utilize the SCMC procurement system under existing policy, and that copies of this resolution be transmitted to all members of the New Mexico Congressional Delegation.

Passed, approved and adopted this 21st day of February, 2014.

David Coss, Chairman

Attested to by

Danny Mayfield Vice-Chair

Andrew Gonzales, Secretary/Treasurer

Regional Coalition of LANL Communities Environmental Mission Statement

In our mission to support environmental protection and cleanup activities at Los Alamos National Laboratory (LANL), and through our continued efforts to obtain the adequate funding and necessary increases to the Department of Energy's Environmental Management (EM) budget for Los Alamos, the Regional Coalition of LANL Communities (the Regional Coalition) asserts its support for the following principles and priorities:

1. The Regional Coalition places a critical emphasis on local community involvement in the establishment of goals, objectives and approaches in environmental protection and restoration, as currently supported on a national level by members of the Energy Communities Alliance, of which the Regional Coalition is one. The Regional Coalition requests that the Department of Energy (DOE) continue to engage local and Pueblo government officials on all aspects of DOE cleanup.
2. The Regional Coalition asserts that transparent communication between the New Mexico Environment Department (NMED), local governments, states, Tribes, civil society organizations and DOE is essential for achieving successful cleanup. The Regional Coalition supports an emphasis on clean-up and remediation options that permanently protect the environment, and public health, and mitigate long-term threats. The Regional Coalition asks that LANL give preference to those environmental remedies that more completely and permanently reduce the toxicity, mobility, and volume of contaminants, as is consistent with the provisions of the NMED Consent Order on Compliance, entered into by LANL, and issued in 2005 and as may be revised.
3. The Regional Coalition supports LANL's remediation and mitigation of environmental threats and contamination and emphasizes protection of ground and surface water resources as a top priority. The protection of ground and surface water should be named a priority in any future iteration of the 2005 Order on Consent issued by the NMED
4. The Regional Coalition applauds the success of LANL efforts in the implementation and completion of the 3706 TRU Waste Campaign, the NPDES Outfall Reduction Project, the NPDES Individual Storm Water Permit, and MDA-B restoration and reclamation. The Regional Coalition will strive to support further implementation of similar environmental protection and restoration efforts by the LANL in the cleanup of contaminated sites and the protection of the resources currently enjoyed and utilized by the citizens of Northern New Mexico and our state as a whole.

The Regional Coalition requests DOE and LANL should make the funding and completion of environmental management and cleanup activities at the Laboratory top priorities of both current and future budget proposals to ensure that all environmental protection and cleanup activities are well funded, and that the health and environment of the citizens of Northern New Mexico are protected, now and into the future.

Press Information



REGIONAL COALITION OF LANL COMMUNITIES

Fact Sheet

- The Regional Coalition of LANL Communities (the Coalition) is comprised of eight cities, counties and pueblos surrounding the Department of Energy's Los Alamos National Laboratory (LANL). Founded in 2011, the Regional Coalition works in partnership to create one voice to ensure national decisions incorporate local needs and concerns.
- Member communities include the City of Española, County of Los Alamos, County of Rio Arriba, City of Santa Fe, County of Santa Fe, Town of Taos, County of Taos, and the Pueblo of Ohkay Owingeh.
- The Regional Coalition was formed through a Joint Powers Agreement and all of the participating municipalities provide funding for the Regional Coalition's operating budget.
- The Mission of the Regional Coalition is to:
 - Advocate for diverse and sustainable LANL missions
 - Address and encourage environmental remediation, economic development, workforce training opportunities and local employment within the local communities that surround LANL
 - Serve as a focal point for communication and education regarding LANL
- The goals of the Regional Coalition are:
 - To engage LANL, DOE, the State of New Mexico and others on site issues
 - To increase the communities' voice concerning issues that pertain to LANL and local communities, including but not limited to state and federal legislative advocacy
 - To discuss and proactively address issues, and strategize on how to meet regional needs
 - To identify and support economic opportunities to promote LANL activities off-site
 - To ensure site activities and cleanup protect human health and the environment
- Los Alamos National Laboratory employs roughly 9,000 people and is the second largest employer in the State of the New Mexico.
- Los Alamos National Laboratory accounts for nearly \$3 billion of New Mexico's economy.

- In 2013, members of the Regional Coalition met with members of the New Mexico Congressional Delegation and successfully advocated for an increase of \$40 million in DOE clean-up funding for the region.
- The Regional Coalition is currently taking an active role in promoting significant economic development projects in northern New Mexico and in promoting effective educational and workforce training activities for local youth and residents, in addition to advocating for additional funding for regional environmental cleanup priorities.
- The Regional Coalition meets the third Friday of each month at one of the member communities. The public is invited to attend meetings.

My Turn: Clarifications from the regional coalition

Darien Cabral | Posted: Tuesday, February 11, 2014 12:15 am

In response to Erich Kuerschner's "My Turn" of Jan. 31, I'd like to correct some misinformation. The correct title of our organization is the Regional Coalition of LANL Communities. It is comprised of eight cities, counties and Pueblos surrounding Los Alamos National Laboratory (LANL). The governing board of the Regional Coalition is comprised of the elected officials from each community.

The Regional Coalition was formed through a Joint Powers Agreement and all of the participating local governments provide funding for the regional coalition's operating budget. In addition, the regional coalition receives some minimal funding from the Department of Energy to further its mission of environmental remediation. The coalition receives no funding from LANL.

The organization's focus is environmental remediation, regional economic development, employment and training, and adequate funding for LANL to support these areas of focus. The board and the organization do not actively work to increase funding for the manufacture of nuclear weapons.

One of the most significant achievements of the regional coalition has been its ability to effectively advocate to help secure additional DOE cleanup funding for the region, which it did in 2012 to the tune of an additional \$40 million. The regional coalition is working diligently with the DOE, the National Nuclear Security Administration, the New Mexico Environment Department, and many other organizations to become fully aware of the list of sites that are in need of environmental remediation, including Technical Area 54/Area G.

Additionally, the coalition is working on serious economic development issues and diversification initiatives to help leverage the presence of a world-class laboratory to maximize local jobs and training. We look forward to meeting citizens of all the regional communities at our meetings and continuing a dialogue about the very serious issue of environmental remediation and economic development and how the Coalition can promote the needs and objectives of its communities.

Information on Issues



ENVIRONMENT

Nuclear Waste Solution Seen in Desert Salt Beds

By MATTHEW L. WALD FEB. 9, 2014

CARLSBAD, N.M. — Half a mile beneath the desert surface, in thick salt beds left behind by seas that dried up hundreds of millions of years ago, the Department of Energy is carving out rooms as long as football fields and cramming them floor to ceiling with barrels and boxes of nuclear waste. The salt beds, which have the consistency of crumbly rock so far down in the earth, are what the federal government sees as a natural sealant for the radioactive material left over from making nuclear weapons.

The process is deceptively simple: Plutonium waste from Los Alamos National Laboratory and a variety of defense projects is packed into holes bored into the walls of rooms carved from salt. At a rate of six inches a year, the salt closes in on the waste and encapsulates it for what engineers say will be millions of years.

“It’s eternity,” said Dirk Roberson, a guide for the frequent tours the Energy Department gives to visitors to the salt mine, who leave with a souvenir plastic bag filled with chunks of salt pressed into rocklike form.

The complications of the present intruded last week, however, when a truck hauling salt in the mine caught fire. Smoke forced an evacuation of workers and a shutdown of waste burial operations, which officials said was temporary. They said the fire did not affect the radioactive waste, which is stored at the other end of the mine.

Despite the setback, the Waste Isolation Pilot Plant, WIPP for short, is drawing new attention here in the New Mexico desert. At a time when the effort to find a place for highly radioactive civilian and military wastes is at a near-standstill, officials say the site might be a solution. It is of particular interest since the demise of the plan for Yucca Mountain, a volcanic ridge 100 miles from Las Vegas chosen by Congress for the storage of nuclear waste from power reactors and weapons, but adamantly opposed by the state of Nevada.

The material buried at the plant, which began accepting waste in 1999, is limited by law to plutonium waste from making weapons, which is exceptionally long-lived but not highly radioactive. The waste from spent nuclear fuel, which is far more radioactive in its first few centuries, is not permitted. But experts say that proper testing and analysis might show that the salt beds at WIPP are a good home for the radioactive waste that was once meant for Yucca.

Some people despair of finding a place for what officials call a high-level nuclear “repository” — they shy away from “dump” — but Allison M. Macfarlane, a geologist who is chairwoman of the Nuclear Regulatory Commission and who served on a presidential study commission established after the Yucca plan was canceled, said WIPP proves it can be done.

“The main lesson from WIPP is that we have already developed a geologic repository for nuclear waste in this country, so we can in the future,” she said. The key, she said, is a site that is acceptable to both scientists and the local community.

The salt at WIPP is not much different from what goes into food. Phillip R. Sharp, who served on the same study commission as Ms. Macfarlane, said that when the group visited Carlsbad, about 25 miles west of the site, commission members were served cocktails — margaritas garnished with salt from the repository.

But the salt behaves strangely around nuclear waste, which is warm to the touch. When the waste is buried in salt, tiny bits of water inside the salt start to move toward the heat. As a result, the salt left behind is stronger, like a good sealant. But it is still basically salt.

“The salt is completely unaffected by any nuclear waste you could imagine, period,” said James Conca, a geologist and former director of the Carlsbad Environmental Monitoring and Research Center, a division of New Mexico State University.

With most things nuclear, however, the politics can be trickier than the science. In the case of WIPP, there is local support but skepticism farther afield.

In the nearby community, business and political leaders are agitating for expansion. John A. Heaton, a Democratic former state representative and the head of the Nuclear Opportunities Task Force, a local business group, argued that the geology was suitable. “The Permian basin is 250 million years old,” he said. “It’s been here a long, long time.” His group has bought a patch of desert and is now exploring whether the land could be used for interim storage of highly radioactive waste.

Burial here, perhaps after recycling usable components, would be a boon for the area, Mr. Heaton added. “Nobody comes in and helps rural areas,” he said. “You have to live by your wits.”

State Representative Cathrynn N. Brown, a Republican, is also in favor of burying nuclear waste here. “We have a low earthquake incidence, a dry climate, and land that’s really not being used for much else,” she said.

Rev. David Wilson Rogers, of the First Christian Church (Disciples of Christ) in Carlsbad, said: “This facility has the opportunity to give a blessing to the world by having a safe repository.”

But at the state level, there is active opposition. Don Hancock, the nuclear safety director at the Southwest Research and Information Center, said he has been opposing WIPP since the 1970s, long before construction began. He said that the area was rich in oil and gas and that if someone drilled a well centuries from now, ignorant of what lay below, or if the repository expanded into drilled areas, the waste might escape. The 16-square-mile site is in a region thick with pump jacks, which have multiplied with the fracking boom.

The site should stick to its original mandate of storing plutonium waste, Mr. Hancock said. “If WIPP really is a pilot plant, as its name says, we should have WIPP do what it’s supposed to do, and operate safely for 25 or 30 years, and then safely decommission it to demonstrate to us and the world that in fact geologic disposal does work.”

“We should be looking for multiple other places anyway,” he said. Expanding WIPP, however, would require action by Congress. Gov. Susana Martinez of New Mexico, a Republican, has taken what amounts to a radical position: undecided. “We haven’t made any decision on any possible future mission for WIPP,” said F. David Martin, the former head of the state’s Environment Department and now the cabinet secretary-designate for the New Mexico Energy, Minerals and Natural Resources Department. “The governor wants to be assured by the science that it could be done safely.”

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HOUSE MEMORIAL

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

DISCUSSION DRAFT

A MEMORIAL

REQUESTING THE ECONOMIC DEVELOPMENT DEPARTMENT, THE WORKFORCE SOLUTIONS DEPARTMENT, THE CONSORTIUM OF MAJOR LOS ALAMOS NATIONAL LABORATORY SUBCONTRACTORS, THE REGIONAL DEVELOPMENT CORPORATION, THE REGIONAL COALITION OF LANL COMMUNITIES AND THE COUNTY, MUNICIPAL AND TRIBAL GOVERNMENTS OF NORTH CENTRAL NEW MEXICO TO COORDINATE EFFORTS IN SUPPORT OF MAINTAINING AND INCREASING LOCAL BUSINESS PROCUREMENT BY FEDERAL INSTITUTIONS.

WHEREAS, effective economic planning on behalf of New Mexico residents requires a strategic collaboration by the state of New Mexico, the state's vital institutions, the private sector, local municipalities and counties and Indian tribes, pueblos and nations; and

WHEREAS, Los Alamos national laboratory, also known as LANL, is a major economic driver throughout New Mexico, having

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1 a direct impact upon the economies of New Mexico's local
2 communities; and

3 WHEREAS, many local businesses benefit from contracts with
4 Los Alamos national laboratory and its major subcontractors,
5 which has a positive impact upon local economies, increasing
6 the state's tax base and directly employing thousands of people
7 in communities throughout New Mexico; and

8 WHEREAS, the consortium of major Los Alamos national
9 laboratory subcontractors is an organization made up of all Los
10 Alamos national laboratory subcontractors with contracts of
11 five million dollars (\$5,000,000) or more; and

12 WHEREAS, the consortium of major Los Alamos national
13 laboratory subcontractors generates hundreds of millions of
14 dollars in annual revenues, expands the state's tax base and
15 employs thousands of New Mexico residents; and

16 WHEREAS, each company that seeks membership in the
17 consortium of major Los Alamos national laboratory
18 subcontractors is required to maintain local facilities and
19 implement a community development plan that supports community
20 education and economic development in northern New Mexico; and

21 WHEREAS, over the past four years, the consortium of major
22 Los Alamos national laboratory subcontractors membership has
23 directly contributed over thirteen million dollars
24 (\$13,000,000) of funding and services to northern New Mexico
25 communities and nonprofit organizations. Among many other

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1 contributions, the consortium of major Los Alamos national
2 laboratory subcontractors has:

3 A. provided schools with equipment and resources
4 for students in need;

5 B. provided computers and training to local youth
6 organizations;

7 C. rebuilt acequias for local farmers; and

8 D. provided heavy earthmoving equipment to flood-
9 ravaged pueblos; and

10 WHEREAS, the membership of the consortium of major Los
11 Alamos national laboratory subcontractors contributes funds to
12 and administers a grant pool that has provided over four
13 hundred thousand dollars (\$400,000) in grants to dozens of
14 economic development projects with local nonprofit
15 organizations and local governments, including eighty thousand
16 dollars (\$80,000) in grants awarded in 2013 to organizations
17 throughout northern New Mexico; and

18 WHEREAS, the national nuclear security administration,
19 which oversees Los Alamos national laboratory and other
20 national laboratories, has implemented a policy directing the
21 national laboratory and other national nuclear security
22 administration facilities to utilize its supply chain
23 management center for out-of-state commodities purchases; and

24 WHEREAS, the policy of using the supply chain management
25 center bypasses the traditional procurement process and drives

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1 the Los Alamos national laboratory to purchase from out-of-
2 state firms and away from regional contractors; and

3 WHEREAS, the national nuclear security administration has
4 established specific performance targets for commodities
5 purchases through the supply chain management center system for
6 Los Alamos national laboratory and each of the other national
7 nuclear security administration sites; and

8 WHEREAS, the national nuclear security administration has
9 publicly confirmed that the utilization of its supply chain
10 management center is scheduled to expand, thereby directing
11 even more funds away from New Mexico subcontractors; and

12 WHEREAS, the out-of-state firms contracted through the
13 supply chain management center do not employ New Mexico
14 residents, nor do they pay gross receipts tax to local
15 communities or implement community development plans that
16 benefit the economy of New Mexico; and

17 WHEREAS, the supply chain management center system
18 institutes a significant competitive advantage to out-of-state
19 suppliers by allowing them to circumvent the additional
20 requirements placed on local contractors, including maintaining
21 local facilities, participation and funding of a community
22 development plan and payment of local gross receipts tax; and

23 WHEREAS, increased use of the supply chain management
24 center by Los Alamos national laboratory is likely to result in
25 a significant loss of jobs in New Mexico, reduced investment by

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1 the members of the consortium of major Los Alamos national
2 laboratory subcontractors and an overall loss to the regional
3 economy of northern New Mexico;

4 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
5 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the economic
6 development department, the workforce solutions department, the
7 regional development corporation, the regional coalition of
8 LANL communities and representatives of county and municipal
9 and tribal governments of north central New Mexico be requested
10 to work with the consortium of major Los Alamos national
11 laboratory subcontractors to study the prospective impact of
12 the national nuclear security administration's requirements for
13 using its supply chain management center system and identify
14 strategies to mitigate the impact on local New Mexico
15 businesses; and

16 BE IT FURTHER RESOLVED that the New Mexico congressional
17 delegation be requested to support efforts by state and local
18 stakeholders to maintain and increase local business
19 procurement by federal department of energy institutions; and

20 BE IT FURTHER RESOLVED that copies of this memorial be
21 transmitted to Senator Tom Udall, Senator Martin Heinrich,
22 Congressman Ben Ray Lujan, Congressman Steve Pearce,
23 Congresswoman Michelle Lujan Grisham, the secretary of economic
24 development, the secretary of workforce solutions, the
25 consortium of major Los Alamos national laboratory

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1 subcontractors, the regional development corporation, the
2 regional coalition of LANL communities, the boards of county
3 commissioners of Rio Arriba, Santa Fe and Taos counties, the
4 county council of Los Alamos, the mayor of the city of
5 Espanola, the mayor of the city of Santa Fe, the mayor of the
6 village of Chama, the mayor of the town of Taos and the
7 governors of the Pueblos of Cochiti, Jemez, Kewa, Nambe, San
8 Ildefonso, Santa Clara, Picuris, Pojoaque, Taos and Tesuque.

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MICROGRID

Systems Laboratory

ACCELERATING OUR ENERGY FUTURE

Briefing Material for the 2014 Legislative Session

January 30, 2014

Point of Contact:

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SENATE BILL 180

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

Peter Wirth

AN ACT

MAKING AN APPROPRIATION TO THE HIGHER EDUCATION DEPARTMENT TO
FUND A SMART GRID WORK FORCE TRAINING PROGRAM AND A MICROGRID
INNOVATION LABORATORY, RESEARCH PARK AND TESTING CENTER AT
SANTA FE COMMUNITY COLLEGE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

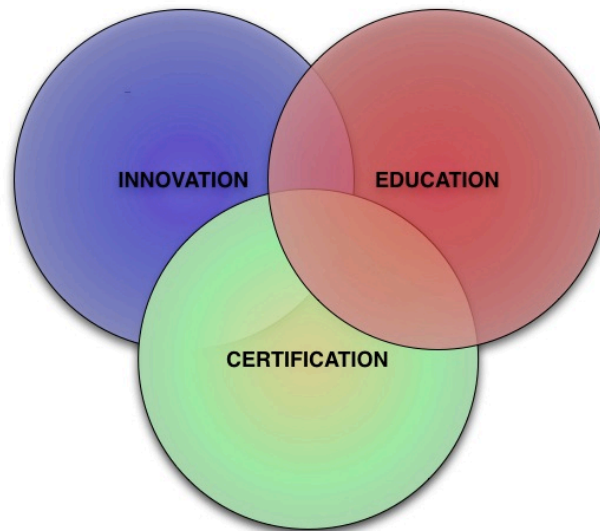
SECTION 1. APPROPRIATION.--Two hundred fifty thousand
dollars (\$250,000) is appropriated from the general fund to the
higher education department for expenditure in fiscal year 2015
for the Santa Fe community college training center corporation
to design and develop a smart grid work force training program
and a microgrid innovation laboratory, research park and
testing center. Any unexpended or unencumbered balance
remaining at the end of fiscal year 2015 shall revert to the
general fund.

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Microgrid Systems Laboratory

The Microgrid Systems Laboratory (MSL) is a new initiative, with a mission to “accelerate the commercial deployment of microgrid systems worldwide.” Microgrids are community-scaled smart energy networks, and are enabling infrastructure for smart grid and other advanced energy technologies. This includes deployments in the developing world, to help alleviate “energy poverty” for an estimated 2.4 billion people; and in the industrial world, retrofitting the existing grid for improved performance, and to meet economic, security, and environmental goals.

The key elements of the Lab are: the Microgrid Innovation Consortium, developed and operated by the Santa Fe Innovation Park (SFIP), for applied R&D, cross-sector collaboration, human factors, and simulation and modeling; the Global Microgrid Center, a comprehensive testing and certification facility, for performance and interoperability standards at the system and sub-system module levels; and a Workforce Training and Professional Development Program, operated by Santa Fe Community College (SFCC), to meet future human resource needs. In summary, the Lab brings three components together in one integrated complex, as depicted in the graphic:



The initiative was endorsed by the New Mexico federal congressional delegation and the Energy Task Force of the Santa Fe Regional Planning Authority; and the City and County of Santa Fe have passed resolutions in support. Seed funding was provided by Los Alamos National Security. Current MSL members are: Duke Energy (largest utility in the U.S.), Los Alamos National Laboratory, the National Renewable Energy Laboratory, Sandia National Laboratories, General MicroGrids, SmartGridNews.com, Los Alamos Department of Public Utilities, and The Energy & Resources Institute (India), which have committed to contributions valued at \$300,000. MSL is now working to raise the balance of \$500,000 in planning and engineering stage funds (cash and in-kind), which would leverage the requested State appropriation dollar for dollar; and from there, an estimated \$50-\$100 million in implementation funds via a federal public/private partnership. Please visit <http://microgridsystemslab.com> for additional detail.

Microgrid Fact Sheet

Microgrids are modern, small-scale versions of the centralized electricity system. They achieve specific local goals, such as reliability, carbon emission reduction, diversification of energy sources, and cost reduction, established by the community being served. Like the bulk power grid, smart microgrids generate, distribute, and regulate the flow of electricity to consumers, but do so locally. Smart microgrids are an ideal way to integrate renewable resources on the community level and allow for customer participation in the electricity enterprise.

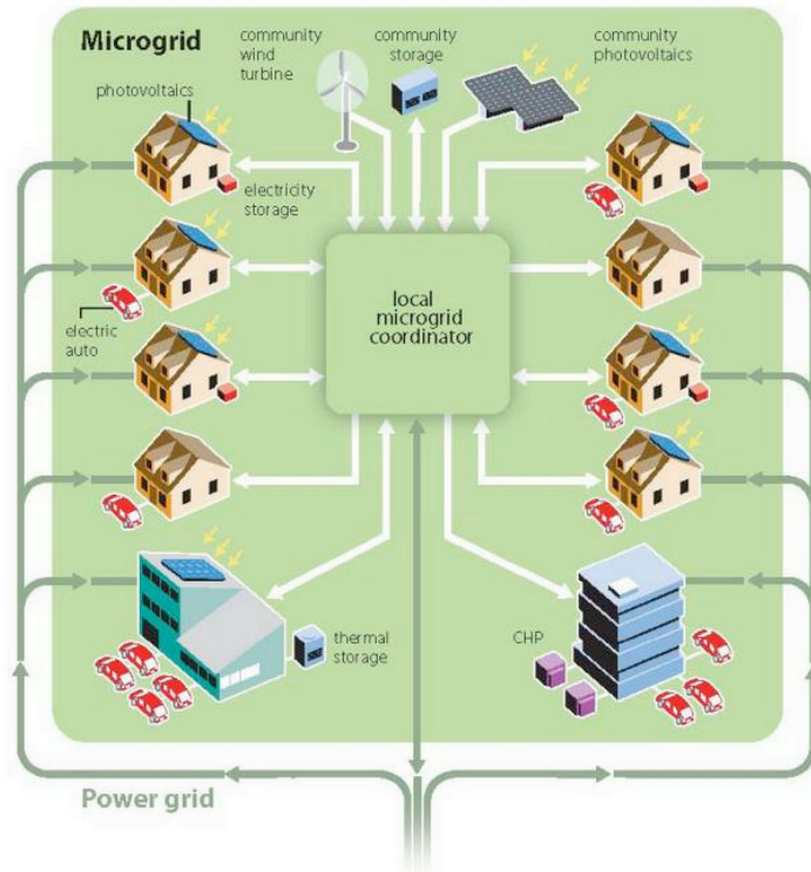


FIG. 5-26. Each intelligent microgrid links a diverse array of demand- and supply-side resources. It normally interconnects with the main power grid but can island from it if necessary. Distributed community storage can be even more valuable than household storage. Some storage looks like a pad-mounted neighborhood transformer box; other kinds are truck-mounted for easy relocation for greatest value.

There is broad consensus that microgrids are a critical component of an effective smart grid strategy. Microgrids will serve as enabling infrastructure for many advanced energy system goals, including: large-scale penetration of intermittent renewables and electric vehicle integration; intelligent energy efficiency applications; combined heat and power efficiencies; and system resiliency and security.

MSL Planning Stage Budget

Component	Amount	Purpose
Workforce Training & Professional Development	\$50,000	Needs assessment; curricula design; facilities and equipment specification and design; faculty and staff descriptions; develop business model and funding sources; establish university partnerships; recruit industry advisors; TCC project management fee.
Microgrid Innovation Consortium	\$150,000	Recruit and develop collaborative agreements with consortium members; establish research agenda and process guidelines; planning and specification for staff, facilities, business model, and funding sources; budget and specification for simulation and modeling environment; technical and engineering pre-planning for local test-bed functional microgrid.
Testing & Certification Center	\$250,000	Site plan, real estate evaluation and enablement; recruit private partners, and early stage business development for customers; business and operational plan and staffing; equipment and network specification; identify funding sources and write grants; travel to developing country locations for field analysis; negotiate licenses with related testing and certification institutes.
Shared Expenses	\$50,000	Conceptual site master plan and visual representations; website development, outreach and communications; legal fees and overall legal structure and contracts; convene advisors and founding partners for planning sessions; accounting and related filings; economic impact study.
TOTAL BUDGET	\$500,000	

MSL Economic Impact Summary

The Santa Fe Microgrid Systems Laboratory (MSL) will have a positive economic impact on Santa Fe and New Mexico in each of its key areas of operation, including direct, indirect, and strategic benefits, once full implementation funding is secured from federal public/private sources. This impact can be estimated and summarized as follows:

Direct Job Creation

Operating staff, management and administration, and faculty for MSL’s components are estimated to create 40 new permanent high-wage jobs at full build-out as shown below:

Table 1: Direct Jobs Created

Component	Jobs
Workforce Training & Professional Development Center	14
Microgrid Innovation Consortium	18
Testing & Certification Center	60
TOTAL DIRECT JOBS	92

Temporary jobs involved in the planning and construction of facilities (with an estimated capital cost of \$50M-\$100M) could total between 30 and 50 during the relevant periods.

Business and Indirect Job Creation

The innovation, testing and certification, and research park capabilities and facilities will draw utilities, and energy and information technology companies to MSL. Some will find it advantageous to establish satellite facilities of their own on or near the premises.

In addition, the R&D activities and expertise present will enable new companies to start up based on new ideas and developments, and utilizing the Lab’s capabilities. Some existing New Mexico companies will also enjoy accelerated growth due to the benefits of proximity to the Lab and its members, and their international markets and scope. Finally, associated service vendors and providers (e.g., security, supplies, maintenance) will be sourced locally.

Many, if not most of these jobs can be filled by New Mexicans with the training that will be available at SFCC. A conservative estimate of the jobs impact follows:

Table 2: Cumulative Indirect Jobs Added

Category	Year 1	Year 2	Year 3	Year 4	Year 5
Satellite Unit Jobs	10	30	60	100	150
Startup/Acceleration Jobs	3	9	18	30	45
Vendor Growth Jobs	2	4	6	8	10
Job Loss due to Closure			5	13	25
NET TOTALS	15	43	79	125	180

Notes to Table 1:

1. All yearly figures are cumulative year-to-year
2. See calculation assumption details for more information

Increased Tax Base and Revenues

The temporary and permanent jobs described above, along with associated construction, R&D, testing services, custom training, facilities leasing, and other contract expenditures in New Mexico, will result in increased payroll and gross receipts tax revenues to Santa Fe County and the State. R&D and testing activities alone should generate tens of millions of dollars of third-party funded activity in-State annually, and potentially more.

Energy Efficiency & Cost Improvements

The proposed microgrid functional testbed on the SFCC campus will result in lower energy bills for the College (a quasi-public entity), and improved financial performance. Those benefits could possibly extend to State customers at the proposed Las Soleras complex, if the functional microgrid is extended.

HEALTH AND SCIENCE

SANTA FE  NEW MEXICAN

Santa Fe Innovation Park prepares for microgrid surge

Posted: Friday, November 15, 2013 7:00 am | Updated: 12:30 am, Sat Nov 16, 2013.

By Roger Snodgrass

Santa Fe Innovation Park has advanced its plan to position itself as a global center of excellence in microgrid innovation and design. The full plan includes system testing and certification and workplace training at the Santa Fe Community College's Sustainable Technology Center. Offering a unique combination of education and a microgrid business aimed at industrial, emerging and developing economies, this is a start-up project that expects to fill a local and national need and also aspires to go global in a burgeoning market

“Microgrids are about to become big, big game changers,” said David Breecker, president of the Santa Fe Innovation Park, in a recent interview. He is probably right. Microgrid technology and expertise will be needed to facilitate the expanded use of renewable energy sources, which generally require a separate set of technical and management tools, and we’re going to need a lot of it, to offset carbon emissions from fossil fuels. Microgrids are small-scale, customizable improvements in an electrical network that can be made for the sake of efficiency and climate considerations. They are among several community sustainability issues that Santa Fe and a lot of other places have on their plates.

The innovation park began as an economic development effort for the city about five years ago, wrestling with the basic problem of how to do technological development in a small city without a research university. More recently, Breecker was hired as a consultant to work on the Santa Fe County economic development plan, which is currently making its way through the administrative process.

Earlier this year, state Sen. Peter Wirth, a Santa Fe Democrat, introduced a bill to appropriate a million dollars for designing and developing the microgrid center and

training program at Santa Fe Community College. The bill found support in two committees, but according to Breecker's best information, was postponed because of uncertainties surrounding the sequester, the automatic budget cuts that were required by Congress but still up in the air at that time. The bill is expected to be submitted again this year. But in the meantime, Breecker's organization has adopted a virtual model for the park. "The city is the park," Breecker said. "You can treat the entire city as an innovation zone with all the intellectual, cultural and creative capital of a city many times its size." He added, "It really is a collaborative, cross-discipline, problem-solving laboratory."

Also in the works: The park is hosting a community capital fund project workshop; a community health project, studying health as a complex system; and a social media project, called Portray.It, which successfully raised an initial round of money by crowdsourcing — soliciting contributions on the Internet.

Santa Fe Innovation Park relies on bootstrapping techniques for getting start-up funds, including extensive alliances and partnerships. The microgrid project illustrates the model, starting with partnerships with Los Alamos and Sandia national labs and the National Renewable Energy Lab in Golden, Colo., all of which have contributed basic research and led notable projects in the field. Most recently, Sandia National Laboratories partnered with New Jersey state agencies to develop a microgrid for the transit system, meant to keep the system running in a future disaster.

Because of the differences between large regulated energy distributors and smaller independent utilities, the microgrid project works with Duke Power, a large energy generator and distributor with regulated operations in several states in the Southeast and Midwest and which, Breecker notes, is committed to integrating the microgrid into its customers' service portfolios. Not all regulated energy distributors are necessarily in favor of accommodating unconventional energy sources or empowering off-grid options. The innovation park is also working with the independent municipal utility, the Los Alamos County Department of Public Utilities, which has one of the most sophisticated microgrid projects in the country, in partnership with LANL and with a major Japanese consortium.

Earlier this year, Santa Fe Innovation Park named Terry Mohn as a key principal and managing partner of the Global Microgrid Center, which will do the testing and certification in Santa Fe. He is founder of General MicroGrids Inc. Mohn's General MicroGrids is also a member of the United Nations Foundation's microgrid group, operating under a mandate to close the gap for the 1 in 5 people in the world who currently have no access to electricity.

New strategy helps Santa Fe Innovation Park land project funding



The Santa Fe Innovation Park is heralding the early success of three projects that could transform Santa Fe. The three new projects are the result of a shift in gears since SFIP started about a decade ago.

The Santa Fe Innovation Park is heralding the early success of three projects that could transform Santa Fe.

The three efforts — which include the [Microgrid Systems Laboratory](#), a venture capital project focused on impact investing and a social media project — have all received startup funds, said SFIP president [David Breecker](#).

The three new projects are the result of a shift in gears since SFIP started about a decade ago. Prerecession, Breecker said, the idea for the SFIP was to create a large, Santa Fe-based business park. Postrecession, however, the SFIP moved to a virtual model that is able to work as a web around the city.

“We now have three funded projects that have received their seed funding. Of those three, two have commitments for follow-on investments,” he said. “The Microgrid Lab is by far

and away the most mature. It's very close to positioning New Mexico as a world leader in that technology."

The Microgrid Systems Lab, which has about a dozen partners and supporters, started about 18 months ago to work on microgrid technology. The lab received \$30,000 from [Los Alamos National Security](#) to develop its initial technology.

"It's exactly what we needed for phase one, and we accomplished all of our phase one goals," Breecker said. "Phase two will take more money, and we have raised that from the members. We will be seeking an appropriation of \$500,000 in the [2014] Legislature."

Overall, he said, to build, staff and equip the lab, SFIP needs \$2 million.

SFIP, a nonprofit, is also working to get the second level of funding for its Place Sourced Impact Investing project, a fund that will invest in companies that provide social, as well as financial, benefits. A family foundation has provided the seed funding for PSII.

State still last in job growth

By Bruce Krasnow

The New Mexican | Posted: Wednesday, January 22, 2014 9:00 pm

A year ago, when the New Mexico Legislature convened for a 60-day session, the state was dead last in job growth.

A year later, New Mexico is still dead last in job growth.

The state labor force grew less than 1 percent during the most recent three-year period, from Jan. 1, 2011, the day Gov. Susana Martinez assumed office, through Nov. 30, 2013, according to data provided to *The New Mexican* by Christopher Erickson, an economist at New Mexico State University.

Joining New Mexico in the bottom five for the three-year duration are Alaska, Maine, Alabama and the District of Columbia.

The analysis this year shows there was some job growth during the Martinez administration, as a year ago the state was one of two still showing employment losses.

Both the governor and lawmakers have vowed to put jobs and economic development at the fore of the 30-day legislative session that opened this week — and the first words Gov. Martinez spoke during her State of the State speech were, “Our focus must be on two of the most pressing issues, jobs and education.”

For her administration, that means more job training, recruitment of college researchers and professors, expanding the health care workforce and tax incentives for business startups.

But experts say that might not make a big difference with voters and business leaders, as the governor and many lawmakers face re-election in coming months.

“They’re still very concerned and they’re scared. They’re really not feeling that comeback,” said Beverlee J. McClure, president of the Association of Commerce and Industry, who served alongside lawmakers on an interim committee called the Jobs Council to develop

an economic development strategy for New Mexico. “But we saw the states that are adding jobs, the states that are coming back from the recession, have a plan and that plan is statewide and is regionalized so every region has a piece of that. It’s a very, very important first step.”

“New Mexico is the most reliant state in the nation on the federal government,” Martinez spokesman Enrique Knell said Wednesday, “and the dysfunction in Washington hits New Mexico in a disproportionate way, affecting revenues and causing employment growth in certain parts of the private sector to be offset by government job losses.”

As for lawmakers, House Speaker Kenny Martinez of Grants, Senate President Pro Tem Mary Kay Papan of Las Cruces and others spoke Wednesday about a decades-long approach for job growth. After meeting during the interim as the Jobs Council, lawmakers as well as business and industry leaders said they have initiatives that will add 160,000 jobs in New Mexico over the next 10 years, a sevenfold increase over today’s pace.

The council came up with the number as part of an estimate of what it will take to gain full employment in the state — based on population growth, future job losses and worker migration. “This is a very strategic architecture of job creation,” House Speaker Martinez said Wednesday.

But don’t expect a quick fix.

“New Mexico’s slow growth is attributable to federal sequestering,” economics professor Erickson in an email last week. “Federal spending accounts for a higher share of income in New Mexico than in any other state. Of course, many have argued for reduced dependence on federal spending as important to development in New Mexico, but how to get there from here is not obvious. Certainly, there are no quick fixes.”

Likewise, Mark Lautman an economic development consultant hired by the Legislature, said Wednesday that agreeing on a plan and sticking with it is more important than throwing money at things that might not work.

“When you start speaking about rankings, where we can be, that’s pretty tough because you don’t know what everybody else is going to do,” Lautman said. “This isn’t a spigot you turn on and off. Job creation is a lot harder now than it was six or seven years ago.”

What the governor and the Legislature did last session — b — will improve the employment numbers, but “you can’t just drop all the money and all the resources in one session and expect everything to turn around the next year,” he said. “It takes two or three years to get rolling, and it’s really a dog-year’s game — it takes about seven

years for things to really move the needle.”

Speaker Martinez and Papen say the work of the Jobs Council will be extended another year. For this session, however, it is requesting money for the following:

- \$10 million for a discretionary closing fund to draw projects pursuant to the Local Economic Development Act.
- \$2 million for a Cooperative Marketing program, which will allow participants in the certified cities program to hire additional people to help regions focus economic growth in targeted fields.
- \$1.5 million for New Mexico Partnership to expand for outreach and marketing.
- \$1.5 million for the Job Training Incentive Program to make it permanent.
- \$250,000 to develop and test a job-creation program focused on solo workers who work on contract for firms around the United States.
- \$200,000 for certified business incubators.
- \$100,000 to fund and support regional efforts to pilot a program for forest restoration and biomass development on U.S. Forest Service land.
- \$2.5 million to expand marketing and develop visitor-experience activities for the Department of Tourism.
- \$500,00 for online customer service training in the hospitality and tourism fields.
- \$150,000 for the Higher Education Department to develop a workforce gap-forecasting model that will identify the number of jobs that will be needed in the future, and the skills, knowledge and experience that those jobs will require.

The Jobs Council also is pushing an expanded summer youth employment program that would include mentoring; a grant program that can help local groups with their recruiting efforts; and a pilot project that would fund physics education in middle schools.

Kenny Martinez said the outline of the Jobs Council is to target specific industries in specific regions and then track results. So every dollar spent by the Legislature for economic development should be tied to job growth in the targeted sectors — manufacturing, digital media, tourism, health and social services, emerging technologies, health, export services, solo independent workers, and agriculture are among the projected growth sectors.

Some of the proposals are already in the governor's budget and Knell, the governor's spokesman, said "there's plenty of room for common ground," especially with increasing money for tourism, job training and finding a way to close the deal for businesses who want to come to New Mexico.

"The Jobs Council has also talked about the importance of a strong closing fund in New Mexico — one that will allow us to compete with other states to attract companies and jobs to the state. Unfortunately, the LFC's budget underfunds this economic development tool," Knell said. "We only received \$3.3 million last year, and the LFC is only proposing \$4 million for the coming year. This sort of underfunding does not help us compete for jobs."

In her Tuesday speech, the governor also touted a new report from Ernst & Young that shows the business tax cuts and reforms from last session are starting to get noticed.

She said New Mexico now has the best manufacturing tax structure in the West and has enacted "the most significant tax reform in a generation" that is "sending the loudest message yet that New Mexico is striving to become a business-friendly state."

Terry Brunner, state director of rural development for the U.S. Department of Agriculture, who serves on the Jobs Council, also said Wednesday that New Mexico needs to be smarter with the way it interacts with the federal government and show it has defined economic targets and priorities.

"What other states are doing is readjusting to the new federal climate," he said. Don't just "sit back and take the cuts, but be aggressive and thoughtful in how to work with the feds these days." Brunner added that 160,000 jobs "is a huge lift for this state. However, if you have clear targets and a strategy behind it, you can get it done."

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