

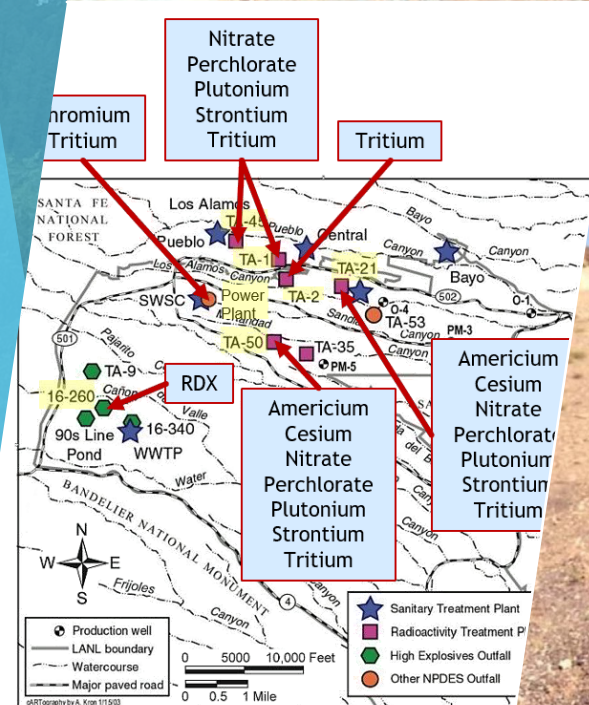
New Mexico Office of Natural Resources Trustee

**FY25 Budget Request
Legislative Finance Committee
October 26, 2023**



ONRT Mission

Restore Natural Resources when injured by hazardous substances





Why Does ONRT exist?

- New Mexico's natural resources offer significant benefits to the people of New Mexico
 - Health
 - Recreation
 - Culture
 - Jobs
 - Tourism
 - Outdoor Recreation
 - Agriculture
 - Extractive industries, manufacturing, and national defense installations are important economic drivers

Following a Release of Hazardous Substances into New Mexico's Environment, Responsibility is Shared:

NMED: Remediation

NMED Requires Responsible Party to:

- (1) Identify and characterize the release(s); and
- (2) Clean up contamination to protect public health and the environment.



ONRT: Restoration

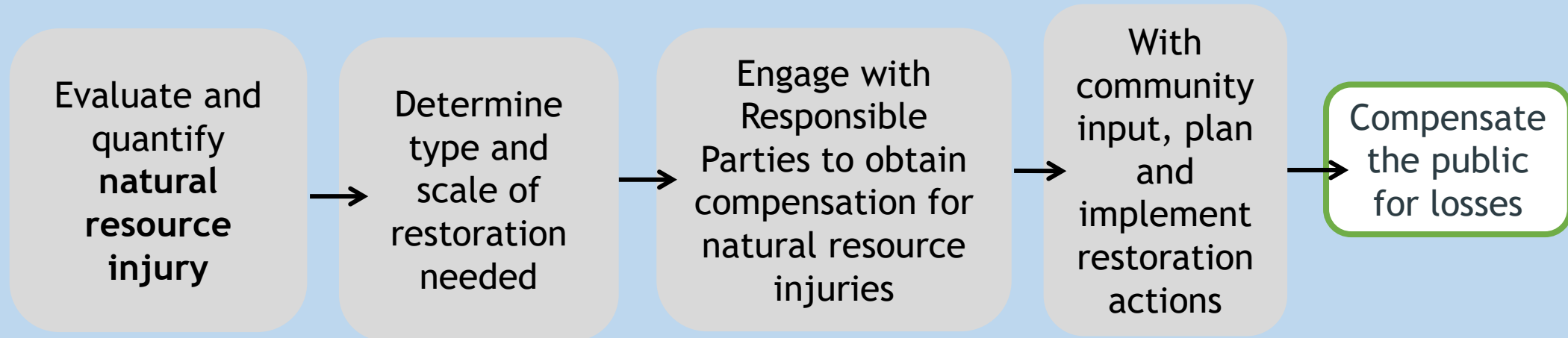
ONRT uses the **NRDAR** Process to Require Responsible Party to:

Restore injured natural resources to pre-release conditions to compensate public for harm that has occurred over time, or
When that's not possible in a timely way, to replace or acquire the equivalent.

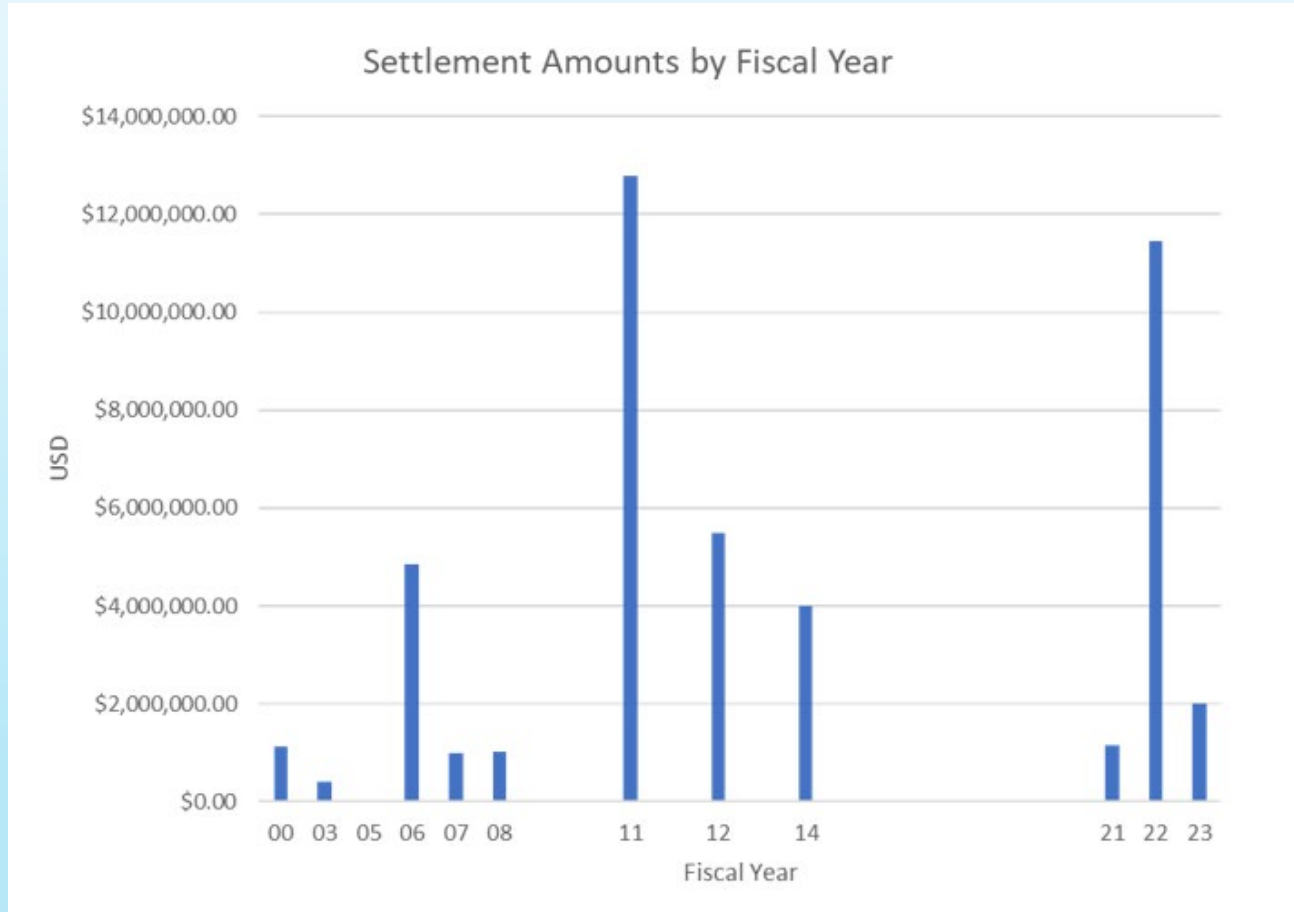


Natural Resource Damage Assessment and Restoration (NRDAR)

NRDAR is a process that allows ONRT to evaluate natural resource injuries caused by the release of hazardous substances into the environment.



ONRT NRD Settlements by Fiscal Year



Gold King Mine Spill

- US EPA Contractors \$2,000,000 (Dec 2022)
- US EPA \$10,000,000 (June 2022)*
- Mining Defendants: \$1,000,000 (Jan 2021)

Ft Wingate Army Depot
\$1,451,069 (March 2022)*

Fronk Oil/Cimarron River
\$150,000 (Dec 2020)

Funds Committed to Gold King Mine Restoration Mining Defendants Settlement \$1 million

- Cedar Hill Boat Ramp on the Animas River - San Juan County \$160,000 (complete)
- Festival and Farmer's Market Pavilion at Gateway Park - City of Farmington \$300,000
- San Juan Valley Soil Health Restoration Project - San Juan County Soil and Water Conservation District \$280,000
- Agricultural Irrigation System Upgrade Project - Tse Daa Kaan (Hogback) Navajo Community. \$250,000



Funds committed to Gold King Mine Restoration

EPA and EPA Contractors Settlements \$12 million

- City of Aztec, North Main Wastewater Management Infrastructure (\$480,000)
- City of Aztec, Rehabilitation of Raw Water Reservoir 1 (\$950,000)
- City of Farmington, Whitewater Wave and Irrigation Diversion Dam at Farmington Gateway Park (\$2,000,000)
- Navajo Nation Department of Fish and Wildlife, Nenahnezad Chapter San Juan River Boat Ramp (\$65,575)
- NM Interstate Stream Commission, San Juan River Water Lease Agreement with Jicarilla Nation (\$1,803,000)
- New Mexico State Parks Division, Aquatic Invasive Species Station on San Juan River Quality Waters (\$205,226)
- San Juan County, San Juan River Public Boat Ramps and Park Improvements (\$681,440)
- San Juan County, San Juan County Extension Service Office Building (\$2,300,000)
- San Juan County, Water and Wastewater Improvements for the Totah Subdivision (\$1,000,000)
- San Juan Soil and Water Conservation District, Irrigation Ditch Diversion Project (\$1,616,600)

Economic Impact

Farmington Daily Times

“Infusion of government funding could mean good news for San Juan County labor market”

“Despite continued concerns over the scheduled closure of the San Juan Generating Station later this month, several recent developments have helped generate a sense of optimism when it comes to economic development and the future of the job market in San Juan County.

Chief among those is an announcement by the New Mexico Office of the Natural Resources Trustee that proposals are being accepted for projects that could receive some of the \$10 million the state received from the U.S. Environmental Protection Agency in June as part of a settlement over the 2015 Gold King Mine Spill . . .” *Mike Easterling, Farmington Daily Times, September 4, 2022*

Full text of article available at: <https://www.daily-times.com/story/news/politics/2022/09/04/san-juan-county-to-see-50-million-for-various-projects/65464662007/>

THE DAILY TIMES

THURSDAY, JUNE 8, 2023 | DAILY-TIMES.COM

PART OF THE USA TODAY NETWORK

Officials mark opening of boat ramp funded by mine spill lawsuit funds

Mike Esterling
Farmington Daily Times
via email: mesterling@dailytimes.com

CEGAR HILL — A variety of San Juan County and state officials celebrated the latest addition to the county's inventory of outdoor recreation activities on Tuesday as they held a ribbon-cutting ceremony for a new access point to the Animas River.

The \$200,000 project — funded in part by settlement money — is located just off County Road 1005 on the east bank of the Animas River and the east side of U.S. Highway 163. It includes a ramp where recreational users can launch or retrieve a canoe, a canoe, a changing station, benches, newly planted trees, landscaping, a picnic table and a great parking lot. The ramp has been open for public use since May 1, but the ribbon-cutting ceremony was postponed from its original date of May 15 because of the rain.



A crowd gathers at the new Cedar Hill boat ramp on the Animas River on Tuesday before a ribbon-cutting ceremony. via email: mesterling@dailytimes.com

showing that took place in Farmington a day earlier.

That date barely denied the air of anticipation leading up to the event, including county commissioners, state legislators, state officials and outdoor recreation enthusiasts — gathered to get their first look at the site. The ramp is the first project to be completed with its portion of settlement money from the New Mexico Environment Department's lawsuit against the Honeywell-Gold Corporation, the former Gold Corporation and Silverado Gold V.L.A. Inc. for injuries to natural resources in New Mexico as a result of the August 2002 toxic waste spill into the Animas and San Juan rivers near the Gold King Mine near Silverton, Colorado.

It is the only public access point for the Animas River between Durango, Colorado, and Silverton, making it a related addition for river rafting purposes.

"I am excited to be here today to see

'A tremendous impact on the people of San Juan County'



The spill on the Animas River behind the Farmington Museum at Gateway Park for the site of a waterborne mine and long-term disruption downstream. Funding for parts by all entities in Gold King Mine spill settlement money. via email: mesterling@dailytimes.com

Final approval issued for projects awarded mine spill settlement money

Mike Esterling
Farmington Daily Times
via email: mesterling@dailytimes.com

ENVIRONMENT — A series of projects designed to offset some of the impacts of the 2002 toxic waste spill on recreational users in San Juan County has received final approval from the U.S. Environmental Protection Agency (EPA) on Tuesday.

The New Mexico Office of the National Resources Trustee published the final decision of the national resources trustee this week for the spill on May 26. That document specifies up to \$2 million in settlement money for the projects.

The projects include:

- A new boat ramp on the Animas River near Cedar Hill.
- A new boat ramp on the Animas River near Durango.
- A new boat ramp on the Animas River near Silverton.
- A new boat ramp on the Animas River near Tropic.
- A new boat ramp on the Animas River near Tropic.
- A new boat ramp on the Animas River near Tropic.

to compensate the people affected by the spill for the losses they sustained in some way that would be fair to both parties. The EPA will also pay for the construction and maintenance of the projects.

"This is a tremendous impact on the people of San Juan County," said Steve Lanier, San Juan County Commission Chairman. "These investments into improving water quality and recreation opportunities will pay dividends in the future of safe water drinking, agriculture and quality of life for years to come."

Steve Lanier
San Juan County Commission Chairman

"Water is life. The projects funded by settlement money from the EPA will serve to start to heal the wounds left in our community from the Gold King Mine Spill ... These investments into improving water quality and recreation opportunities will pay dividends in securing the future of safe water for drinking, agriculture, and quality of life for years to come."

Steve Lanier, San Juan Co Commission Chairman

TUESDAY, JUNE 13, 2023 | DAILY-TIMES.COM

'The new facility will give us endless possibilities'



Bonnie Hopkins Byers of New Mexico State University's San Juan County Extension Office displays a sign promoting the organization's Growing Forward Farm in Aztec. via email: mesterling@dailytimes.com

New building will allow County Extension Office plenty of room to grow

Mike Esterling
Farmington Daily Times
via email: mesterling@dailytimes.com

AZTEC — Aside from its hallways, there is scarcely a square foot of space at the San Juan County Extension Office of New Mexico State University that isn't filled with office supplies, files, electronics and other equipment that help the staff members do their job of adapting and developing programs, primarily agricultural, to benefit the lives of county residents.

That's as it should be, says Bonnie Hopkins Byers, the county program director. The NMSE Cooperative Extension Service has a presence in all 33 counties in the state, and most of its offices are tucked away in the basement of a county courthouse or some other out-of-the-way space where extension agents go

about their work quietly and, for the most part, without the public eye.

"Our job in extension is really to be in the community, to use the facilities we have," Byers said. "We even have workshops in community centers and chapter houses."

But the profile of the San Juan County Extension Office will increase considerably in approximately two years when the staff moves into a new home being funded substantially by a \$2.3 million grant awarded to the county by the New Mexico State University.

The \$2,250-square-foot project carries a price tag of \$3.5 million, according to County Manager Mike Stark, who said the county is pouring up a 50% match of \$200,000 while other lawsuit settlement money will be used to cover the balance. Preliminary designs for the new building have been drawn up for the structure, which will be located on an acre of county land northeast of the extension office's Growing Forward Farm on South Oliver Drive in Aztec and south of Aztec Magistrate Court the Law Offices of the Public Defender.

Stark said it will take four to six months for the architectural and civil engineering plans to be drawn up.

Bonnie Hopkins Byers
San Juan County Extension Office Program Director

"Our commission absolutely is committed to agriculture as a key part of our economy and a key part of our quality of life here. ... (The new Extension Service building) will pay dividends for many years to come and enhance local food production here."

Mike Stark, San Juan County Manager

"A new boat ramp opening in Cedar Hill on the Animas River allows our community and the river boating public to enjoy a larger piece of the river with a safe boat ramp that provides easy access to both the river upstream and downstream going to Aztec," said. "For a small business like mine, this boat ramp provides more options for customers' outdoor recreation and allows us to increase the number of people that can get on the river safely."

Cody Dudgeon, owner of Desert River Guides in Farmington



FY25 Appropriation Request - \$10,762.6

General Fund: \$762.6

- Salaries and Benefits \$700.4
- Other \$62.2

- Fund Balance: Trustee Fund: \$10,000.0
 - \$8,000.0 - Restoration/Restricted
 - Funds received from settlements.
 - Federal and state laws and court orders restrict the use of these funds to restoration projects.
 - \$2,000.0 - Assessment/Committed
 - Funds from special appropriations 2020-2023
 - Used for NRD damage assessments required to document natural resource injury and determine fair compensation required for restoration

- Special Appropriation Request: \$2,000.0
 - For Assessment Fund

Natural Resources Trustee Fund

NMSA 1978, §§ 75-7-5

Restoration Fund (restricted)

- Contains funds received from NRD settlements
- Can only be used for restoration projects
- \$43,341,226 since 2000 (slide 5)
- FY25 request - \$8,000.0
 - GKM projects (slides 7 & 8)
 - Other settlements
 - Questa Chevron Moly Mine
 - ATSF/South Valley

Assessment Fund (committed)

- Revolving Fund
- Contains funds from special appropriations 2020-2023
- Used for NRD damage assessments required to document natural resource injury and determine fair compensation required for restoration
- FY25 Other Funds Request \$2,000.0
 - PFAS
 - Uranium Mines and Mills
 - NASA WSTF
 - LANL
- Operating expenses not covered by GF appropriation



FY25 Appropriation Request - increases

	2022-2023	2023-2024	FY 2025	change over	% increase	change over	% increase
	Op Bud	Op Bud	Agency Request Total	FY24	1 year	FY23	2 years
General Fund	665.3	693.4	762.6	69.2	10	97.3	15
Other Revenues		S-10					
Fund Balance	4505	4505	10,000.0	5495.0	122	5495.0	122
PSEB	635.7	657.4	700.4	43.0	7	64.7	10
Contractual Services	4500	4,500	10,000.0	5500.0	122	5500.0	122
Other	34.6	41	62.2	21.2	52	27.6	80

Office Lease	FY24	FY25	net increase	% increase
sq ft cost	\$16.63	\$26.70	\$10.07	61
total lease cost	\$15,000.00	\$24,600.00	\$9,600.00	64
Vehicle Lease	\$5,760.00	\$6,972.00	\$1,212.00	21
2 leases combined	\$20,760.00	\$31,572.00	\$10,812.00	52

Questions?

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505-231-7542

Kate Girard, Executive Director
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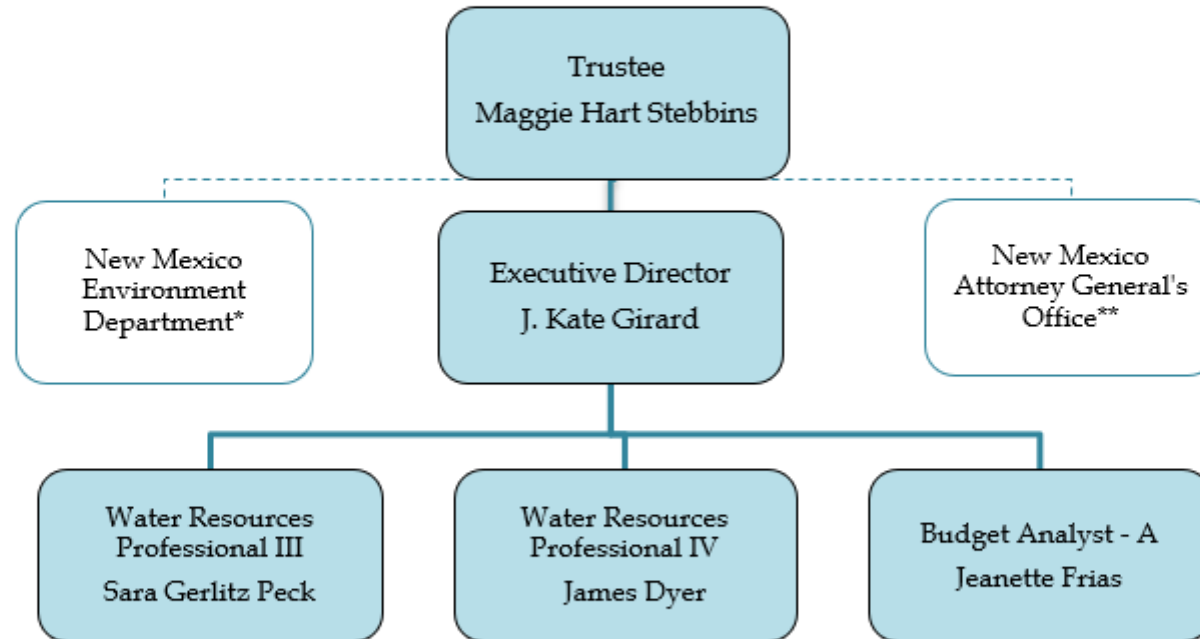
<https://onrt.env.nm.gov>

Supplemental Information



APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2

Office of Natural Resources Trustee



**Administratively attached to the New Mexico Environment Department.*

***Legal services provided by the New Mexico Attorney General's Office per statute.*

Settlements Since 2000 - \$43,341,226



- **Gold King Mine Spill**
 - United States EPA \$10,000,000 (June 2022)*
 - Kinross Gold: \$1,000,000 (Jan 2021)
- **Ft Wingate Army Depot/DOD \$1,451,069 (March 2022)***
- **Fronk Oil/Cimarron River: \$150,000 (Dec 2020)**
- **Freeport-McMoRan Groundwater: Chino, Cobre, and Tyrone Mines (\$12,794,308)**
- **Freeport-McMoRan Wildlife and Wildlife Habitat: Chino, Cobre, and Tyrone Mines (\$5,500,000)**
- **AT&SF: Albuquerque's South Valley Tie Treater Facility (\$989,417)**
- **South Valley Superfund Site: Various Parties in Albuquerque's South Valley (\$4,857,548)**
- **Sparton Technology: Albuquerque Facility (\$1,000,000)**
- **SOHIO Western Mining L-Bar: Tailings Facility near Moquino, (\$29,830)**
- **AT&SF: Clovis Rail Yard (\$404,456)**
- **Van Waters & Rogers: Albuquerque's South Valley Facility (\$135,000)**
- **ASARCO (Five Facilities): Blackhawk Mine near Hanover, (\$1,029,598)**
- **Chevron Moly Mine: Questa, (\$4,000,000)**

* Funds deposited into Court Registry Account

ONRT Partners and Restoration Project Locations

Current Partners Include:

Navajo Nation, Zuni Tribe, Pueblo of San Ildefonso, Santa Clara Pueblo, Jemez Pueblo, Cochiti Pueblo, San Juan County, City of Farmington, San Juan Soil & Water Conservation District, Tse Daa Kaan (Hogback) Navajo Community, State of Utah, US Dept of Energy, US Dept of Interior, Bureau of Indian Affairs, US Fish and Wildlife Service, US Dept. of Agriculture, US Forest Service, Cimarron Watershed Alliance, Amigos Bravos, Trout Unlimited, Village of Questa, Town of Silver City, Albuquerque/Bernalillo County Water Utility Authority, NM Environment Department, NM Dept of Game and Fish, NM Soil and Water Conservation Districts, private landowners

Current/Past Project Locations:

San Juan County, Farmington, Milan, Gallup, Grants, Questa, Cimarron, Silver City, Albuquerque, Red River, Los Lunas, Belen, Socorro, Alamogordo, Aztec, Clovis, Santa Clara, Bayard, Hurley, Isleta Pueblo, central Rio Grande corridor, Rio Rancho, Cebolleta, Bibo, Bosque Farms,, Los Alamos, White Rock, Hanover, Faywood, White Signal, Gila, Pinos Altos, and Cliff



Current and Potential Natural Resource Damage Assessments



▲ Current Cases

- Los Alamos National Laboratory
- NASA White Sands Test Facility
- Rio Algom Quivira Mill and Mine Sites

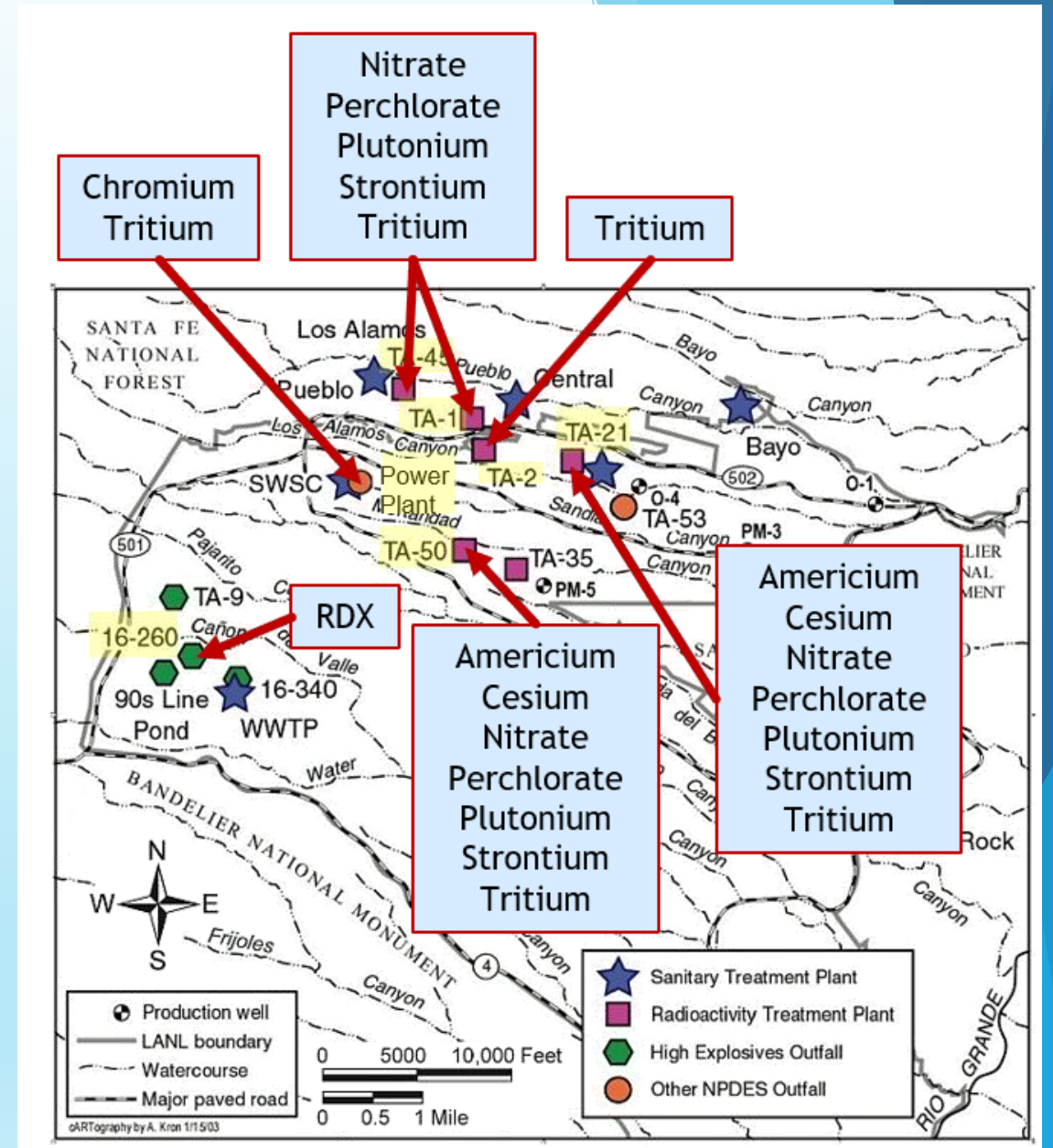
◆ Potential New Cases

1. Cannon Air Force Base - PFAS (Clovis)
2. Holloman Air Force Base PFAS (Alamogordo)
3. Grants Mineral District - San Mateo Creek Basin Legacy Uranium Mines Site. Over 85 Legacy mines in the area.
4. Researching potential PFAS releases at other military and installations and industrial sites



Los Alamos National Laboratory

- Injuries:
 - groundwater, soils, surface water, and sediments contaminated with radiological substances, metals, and organic compounds
 - cultural service Losses
- PRP: DOE
- Co-Trustees
 - ONRT
 - Pueblo de San Ildefonso
 - Pueblo de Cochiti
 - Pueblo of Jemez
 - Santa Clara Pueblo
 - U.S. Forest Service
 - DOE (potentially responsible party)
- Status: Cooperative Damage Assessment
 - Cleanup and decommissioning ongoing
 - Damage Assessment Plan was completed in 2014
 - implementing the assessment activities described in that plan
 - Early restoration working group
- Next steps
 - complete injury assessment work and estimate damages
 - Begin settlement discussions with DOE



White Sands Test Facility

- Injuries:
 - groundwater contaminated with trichloroethylene, perchloroethylene, n-nitrosodimethylamine
- PRP: NASA and DOD
- Co-Trustees
 - DOI
 - US Dept of Agriculture
 - DOD
- Status: ONRT conducting the assessment
 - Preassessment Screen completed in 2016
 - Damage Assessment Plan completed in 2019
 - Nearing completion of assessment activities including drafting a Restoration and Compensation Determination Plan.

