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## FISCAL IMPACT REPORT

**SPONSOR** Egolf **ORIGINAL DATE** 03/17/09 **LAST UPDATED** \_\_\_\_\_ **HM** 120  
**SHORT TITLE** Ensure City Of Santa Fe Drinking Water Safety **SB** \_\_\_\_\_  
**ANALYST** Aubel

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

### SUMMARY

#### Synopsis of Bill

House Memorial 120 urges the National Nuclear Security Administration (NNSA) of the U.S. Department of Energy to work with the City of Santa Fe and the Los Alamos National Laboratory (LANL) to ensure the safety of Santa Fe's drinking water.

### FISCAL IMPLICATIONS

No fiscal impact.

### SIGNIFICANT ISSUES

The Buckman Direct Diversion Project will divert as much as 8,730 acre-feet of water annually from the Rio Grande about three miles downstream of the Otowi Bridge, treat it at a state-of-the-art facility and deliver water to the City of Santa Fe and Santa Fe County. Los Campanas will also divert and treat a portion of the water for its residents at a different facility. The project is scheduled for completion in 2011 at an estimated cost of more than \$200 million.

NMED provides the following background information:

Federal and state regulations require the parties of the project to deliver water that meets all regulatory standards. Of particular concern to the BDD Board is contamination that may migrate with sediments in storm water down canyons from LANL into the Rio Grande. Los Alamos Canyon's watershed includes much of the historical (pre-1990's) footprint of LANL, and its confluence with the Rio Grande is only a few miles upstream from the proposed BDD diversion point. Known LANL contaminants in the watershed include radionuclides such as plutonium, strontium, and cesium, and chemicals such as PCBs and metals.

In 2008, the BDD Board requested six actions from NNSA, DOE, and LANL to address contaminant migration down Los Alamos Canyon:

1. Stop contaminant migration to the Rio Grande and contamination of groundwater resources that may be tapped by the Buckman Wellfield;
2. Employ robust monitoring of both surface waters and ground waters so that the BDD operators, managers, and customers may know the types and levels of contaminants in the source waters;
3. Develop and deploy an early warning system in Los Alamos Canyon, its tributaries, and the Rio Grande so that BDD operators can shut off the diversion in times of storm water runoff and high suspended sediment;
4. Conduct ongoing mass balance evaluations of BDD raw water, treated water, and returned water and sediment (to the Rio Grande) to ensure the BDD treatment system continues to work as designed;
5. Conduct a study of sediments near the diversion point in the Rio Grande to determine the presence or absence of contaminants that might affect BDD workers or that might be re-suspended and entrained in diverted water; and
6. Fund a third-party oversight body to review all environmental and engineering aspects of the BDD Project on a continuing basis.

The historic fence-to-fence cleanup order negotiated by NMED requires LANL to complete a site-wide cleanup by 2015. NMED recently issued a series of directives requiring LANL to install engineered structures to stop contaminant migration in several key reaches of the Los Alamos Canyon system. Monitoring is a crucial component of the directive.

The BDD Board has approached NNSA, DOE, and LANL to codify its promises in the form of a Memorandum of Understanding (MOU). Talks on the MOU have broken down, and HM 120 urges the federal agencies to come back to the table to finalize the MOU.

The possible contamination from Los Alamos Laboratories may affect Santa Fe drinking water through the Buckman Diversion Project. The memorial requests that regional representatives of the NNSA and LANL resume these discussions to develop a memorandum of understanding so that a resolution can be reached to address these issues.

Additional background information relating to this issue is found on the project's website, [www.bddproject.org](http://www.bddproject.org):

Water quality of the Rio Grande has been THE focus of the design process. Water quality is at the heart of the design of every water treatment plant that diverts surface water and produces drinking water that meets all federal and state standards and regulatory requirements. The [PowerPoint presentation](#) that was presented at the Water Quality Town Hall on Aug. 26, 2008 summarizes the water quality issues for the Buckman Direct Diversion. It shows how these issues and concerns have been addressed. A recently completed [New Mexico Environment Department Study](#) found that the BDD will be constructed in sediments that are free of Los Alamos National Laboratory (LANL) contaminants.

The six year process for preparation of the [Final Environmental Impact Statement](#) and the [Record of Decision](#) by two federal agencies examined the issue of contamination from Los Alamos National Laboratory in detail. A host of other state and federal regulatory agencies were involved. The EIS evaluation considered historic data and detailed evaluations of contaminants in the Rio Grande, risk analyses following the Cerro Grande fire when the transportation of contaminants to the Rio Grande increased, and recent studies of the LANL contamination issue by [NMED's Department of Energy Oversight Bureau](#).

Three entities, each of whom was actively engaged during the entire EIS process, appealed the Record of Decision. The appeal to the Forest Service Regional Office was filed in March 2008. The Buckman Direct Diversion Board project manager sent a detailed [letter](#) to the Appeal Deciding Officer to provide the Board's perspective on the issues raised by the appellants. The Forest Service [affirmed the decision](#) on April 25, 2008.

The same three entities also appealed the Record of Decision to the Department of the Interior, Board of Land Appeals in March 2008. The Board of Land Appeals [affirmed the decision](#) and dismissed the appeal on July 10, 2008.

## **ADMINISTRATIVE IMPLICATIONS**

Copies of the bill are to be sent to the Chair of the Buckman Direct Diversion Board, the Los Alamos office of the NNSA of the U.S. Department of Energy and members of the New Mexico Congressional delegation.

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

NNSA may be less inclined to resume negotiations to address the issue of possible contamination from LANL affecting the public health through Santa Fe drinking water subsequent to the Buckman diversion going online.

MA/svb