

LOS ALAMOS NATIONAL LABORATORY
OVERSIGHT COMMITTEE



REPORT
to the
FORTY-NINTH LEGISLATURE

April 2009
Legislative Council Service

2008 APPROVED WORK PLAN AND MEETING SCHEDULE
for the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE

Members

Rep. Roberto "Bobby" J. Gonzales, Co-Chair
Sen. Phil A. Griego, Co-Chair
Rep. Thomas A. Anderson
Sen. Richard C. Martinez
Sen. William H. Payne

Rep. Jane E. Powdrell-Culbert
Rep. Debbie A. Rodella
Rep. Nick L. Salazar
Sen. William E. Sharer

Advisory Members

Sen. Carlos R. Cisneros
Sen. Dianna J. Duran
Sen. Mary Jane M. Garcia

Sen. John T.L. Grubestic
Rep. Ben Lujan
Rep. Jeannette O. Wallace

Approved Work Plan

The Los Alamos National Laboratory Oversight Committee proposes to continue to monitor the transition of the laboratory's management and related employment issues, including its impact as a major employer in northern New Mexico, employee health, the status of radioactive waste, small business effects, congressional funding and the New Mexico Technical Research Collaborative. The committee will coordinate as needed with other committees regarding presentations of common subject matter areas.

APPROVED MEETING SCHEDULE

<u>Date</u>	<u>Location</u>
June 13	Santa Fe
August 8	Espanola
September 17	Los Alamos
October 29	Santa Fe

Agendas and Minutes

TENTATIVE AGENDA
for the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE

June 13, 2008
Room 321, State Capitol

Friday, June 13

- 10:00 a.m. **Call to Order**
—Representative Roberto "Bobby" J. Gonzales, Co-Chair
—Senator Phil A. Griego, Co-Chair
- 10:05 a.m. **Interim Legislative Meeting Protocols**
—Paula Tackett, Director, Legislative Council Service
- 10:35 a.m. **2008 Interim Meeting Schedule and Work Plan**
- 11:00 a.m. **Adjourn**

MINUTES
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE
June 13, 2008
Room 321, State Capitol

The first meeting of the Los Alamos National Laboratory (LANL) Oversight Committee was called to order at 10:10 a.m. on Friday, June 13, 2008, by Representative Roberto "Bobby" J. Gonzales, co-chair.

Present

Rep. Roberto "Bobby" J. Gonzales, Co-Chair
Sen. Phil A. Griego, Co-Chair
Rep. Thomas A. Anderson
Sen. Richard C. Martinez
Sen. William H. Payne
Rep. Debbie A. Rodella
Rep. Nick L. Salazar

Absent

Sen. John T.L. Grubestic
Rep. Jane E. Powdrell-Culbert
Sen. William E. Sharer

Advisory Members

Sen. Carlos R. Cisneros
Sen. Dianna J. Duran
Sen. Mary Jane M. Garcia
Rep. Ben Lujan
Rep. Jeannette O. Wallace

Staff

Gordon Meeks

Friday, June 13

Interim Committee Meeting Protocols

John Yaeger, deputy director of the Legislative Council Service, explained the rules for quorums. A voting quorum is 50 percent plus one of the voting members of the committee (six for the LANL Oversight Committee). He told the committee that, once a voting quorum is established, a quorum is presumed to exist unless there is an objection. For purposes of payment of per diem, there is a rule unique to interim committees that provides for special subcommittees to take testimony. A special subcommittee may be composed of enough members to equal a quorum, regardless of the number of voting members present, or five members that include the chair and one each from the house and senate democrat and republican caucuses. A special subcommittee may not take official action for the committee.

Mr. Yaeger said that if a special subcommittee or a quorum is not present, the legislative council has authorized the leadership of each chamber to make temporary appointments to a committee in order for the committee or special subcommittee to meet and conduct business.

The same restrictions on proportionality (house/senate and democrats/republicans) apply to the temporary appointments as for the regular membership of the committees.

He emphasized that only voting members may vote on formal actions by a committee. He also addressed the "blocking" rule. If a majority of voting members of a committee vote in favor of an action, but a majority of one house or the other vote against that action, the measure fails.

Relative to "housekeeping" and committee logistics, he told the members that the sound systems throughout the State Capitol have been adjusted to increase sensitivity and to prevent feedback. Members should be aware of whether the closest microphones are turned on and that the audience can hear them during their comment periods or during what are intended as private conversations. Seating capacity is limited, and because committees have gotten so big, seating at the dais will be for voting members, and auxiliary seats for nonvoting members will be provided in front of the dais.

The preliminary calendar was prepared by software written to minimize scheduling conflicts for voting members. There are many conflicts for nonvoting members that are unavoidable. Any changes to the proposed schedule will result in increasing the conflicts, including for voting members, so all committees are asked to adhere to the calendar schedule authorized by the legislative council. Any significant conflicts for specific committees will be reviewed, and the council will be flexible in considering requests for changes.

Questions and comments by committee members included:

- that the scope of the blocking rule includes all committees created by the legislative council and most statutory committees;
- the notification of legislative staff if members cannot attend a meeting; and
- that absent members may not select a replacement.

Scope of Work, Meeting Schedule and Itinerary

The committee discussed the proposed scope of work suggested by the legislative council and the meeting schedule. The following meeting schedule was adopted without dissent.

<u>Date</u>	<u>Location</u>
June 13	Santa Fe
August 8	Espanola (at the LANL Foundation Offices)
September 17	Los Alamos
October 29	Santa Fe

Items suggested for agendas included:

- the Office of Nuclear Workers Advocacy;
- current employees' committee;
- small business development;
- technology research collaborative;
- congressional funding for LANL;
- Congress' perceptions and policy for LANL's mission;

- update of removal of radioactive waste from LANL; and
- adequacy of funding from the Department of Energy (DOE).

Public Comment

Joni Arends, Concerned Citizens for Nuclear Safety, suggested that Assistant Secretary Rick Foley of the DOE be invited to testify.

The committee adjourned at 11:00 a.m.

TENTATIVE AGENDA
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE
August 8, 2008
Los Alamos National Laboratory Foundation
1112 Plaza Del Norte
Española

Friday, August 8

- 10:00 a.m. **Call to Order**
—Representative Roberto "Bobby" J. Gonzales, Co-Chair
—Senator Phil A. Griego, Co-Chair
- Los Alamos National Laboratory Mission**
—Terry Brunner, State Director, Office of Senator Jeff Bingaman
- 11:30 a.m. **Lunch**
- 12:30 p.m. **Los Alamos National Laboratory Foundation Federal Revenue Status**
—Susan Herrera, Executive Director, Los Alamos National Laboratory
 Foundation
- 2:00 p.m. **Office of Nuclear Workers Advocacy**
—Loretta Valerio, Director, Office of Nuclear Workers Advocacy
- 3:30 p.m. **Adjourn**

MINUTES
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE
August 8, 2008
LANL Foundation
1112 Plaza Del Norte, Espanola

The meeting of the Los Alamos National Laboratory (LANL) Oversight Committee was called to order at 10:10 a.m. on Friday, August 8, 2008, by Senator Phil A. Griego, co-chair.

Present

Rep. Roberto "Bobby" J. Gonzales, Co-Chair
Sen. Phil A. Griego, Co-Chair
Rep. Thomas A. Anderson
Sen. Richard C. Martinez
Sen. William H. Payne
Rep. Jane E. Powdrell-Culbert
Rep. Debbie A. Rodella
Rep. Nick L. Salazar

Absent

Sen. William E. Sharer

Advisory Members

Sen. Carlos R. Cisneros
Sen. Dianna J. Duran
Rep. Ben Lujan
Rep. Jeannette O. Wallace

Sen. Mary Jane M. Garcia
Sen. John T.L. Grubestic

Staff

Gordon Meeks
Tim Crawford

Friday, August 8

The chair congratulated the LANL Foundation on its new offices and facility and thanked the staff for hosting the committee meeting.

Welcome

Susan Herrera, chief executive officer of the foundation, welcomed the committee to the Center for Educational and Non-Profit Leadership.

Los Alamos National Laboratory Mission

Terry Brunner, state director for U.S. Senator Jeff Bingaman, read a statement from Senator Bingaman to the committee. The senator regretted his inability to attend in person, but thanked the committee for its interest and attention to the lab. The letter said that for 50 years, LANL has been a crown jewel in the nation's defense establishment. While the lab has had military defense as its primary mission, it nevertheless employs multidisciplinary teams of scientists who work on various cutting edge technologies on behalf of the nation, including

environmental remediation, fuel cells development, reconnaissance systems and oil exploration technologies, the latter falling under the category of "work for others". His statement said the human genome project was a great example of this "work for others". He stated that the fiscal year (FY) 2008 budget for Department of Energy (DOE) expenditures in New Mexico was \$4.5 billion and for FY09, the request before Congress is \$4.2 billion. Included under this budget are the operation of three federal facilities: the Waste Isolation Pilot Plant (WIPP), Sandia National Laboratories and LANL. Senator Bingaman said New Mexico is the largest state recipient of DOE's \$25 billion budget. The next closest is Tennessee with only \$2.5 billion. He pointed out that DOE's overall funding to New Mexico is comparable to the total state government budget.

The statement went on to say that the FY08 budget for LANL was about \$2.2 billion; \$1.8 billion of that amount (81 percent) of the lab's total budget came from the DOE. Of the \$1.8 billion from DOE, the vast majority of the funding, \$1.4 billion, went to maintenance of the nuclear stockpile. The balance of \$300 million in the lab's budget for 2007 came from contract "work for others".

The statement said that Congress is not yet far enough along in this year's budget process to know the funding levels for FY09. However, DOE's budget for LANL is \$1.8 billion, of which \$1.4 billion is to maintain the nuclear stockpile. In other words, funding has remained at about the same levels from FY08 through FY09. Senator Bingaman said that this steady level of funding for nuclear stockpile work suggests that LANL's opportunity for diversification lies primarily in its ability to work for other federal departments and private entities.

He did say that the lab has a long history of applying its unique talent to non-nuclear weapons issues. He pointed out that, often, the lab's research leads to spin-off businesses. He exemplified this by referring to Metallicum, a new small specialty metals plant using nanoparticle technology developed at Los Alamos to make unique alloys of titanium for medical implants and even golf clubs.

He emphasized that the "work for others" program rests on the foundation laid by the weapons program at the laboratory. "You cannot have one without the other," he said. He said in the past few years, Congress has had a difficult time getting agreement on how to fund LANL and that the difficulties are grounded in questions over the nation's long-term nuclear deterrent. To settle on a course for the future, Congress mandated several studies about nuclear deterrent, and they will be ready for the next administration's consideration, he said. During these deliberations, a strong scientific work force needs to be maintained, his statement said. That work force and the diversification of the lab's mission go hand-in-hand. He mentioned that even though 63 percent of the lab's budget is for maintaining the nuclear stockpile, LANL will have to begin to ramp up its non-nuclear weapons work.

He described several new research areas within the department to help LANL diversify its mission. They include technologies to lessen dependence on oil and reduce greenhouse gas emissions such as advanced battery systems for hybrid vehicles, computer chips and biotechnology, solar systems and genetically engineered plants and non-proliferation. He concluded that maintaining the lab's high-quality scientific work force is critical to its ability to

compete for funding that is not directly related to the lab's traditional nuclear weapons mission. The National Nuclear Security Administration's listing of LANL as a potential site to conduct PIT manufacturing for nuclear weapons could result in an adjustment of the skills mix from a scientific work force into one that emphasizes manufacturing. This could negatively affect the lab's ability to compete for new funding in areas that stress the quality of science.

Questions and comments from the committee addressed:

- LANL's renewable energy budget;
- LANL's budget for training the surrounding community's work force;
- potential reduction in LANL's FY09 budget;
- whether the continuing resolution will maintain the current spending levels;
- the budget for construction of a PIT manufacturing facility;
- LANL as the driver of northern New Mexico's economy;
- LANL's work on hybrid vehicle technology;
- the budget for cleanup of legacy wastes;
- opposition to making LANL the PIT manufacturing site; and
- proprietary aspect of research.

Minutes of the June meeting were approved without opposition.

Public Comment

Joni Arends, Concerned Citizens for Nuclear Safety, told the committee her organization feels that cleanup of legacy wastes should be LANL's priority. She asked the committee to support a memorial that calls upon LANL and Congress to make cleanup the lab's priority.

She also talked to the committee about the seismicity of the LANL site geology. She referred to the 1995 seismic report that earthquakes of 4.6 and 4.7 are not unusual. She said that if a PIT manufacturing facility is constructed there, it should be built to the best available standards, at least meeting the standard of a 50 percent increase in the probability of earthquakes of high magnitude.

Tour of Meeting Facility

Ms. Herrera gave the committee a guided tour of the new LANL foundation office building and facilities for conferences, seminars and training that are available by the foundation for community groups free of charge.

LANL Foundation Support for Early Childhood Development Program

Ms. Herrera thanked the committee and the legislature for its support of the foundation. She then gave a presentation on one of the foundation's programs, "Birth to Three", created in Silver City by Vicky Johnson. She showed a film about the program in which mothers are supported by volunteers in child-rearing and early education. The film exhibited how home visitations are organized to help disadvantaged mothers provide basic early childhood care. The program is staffed by volunteers and professionals, including nurses. Fourteen foundations support the program, which provides free children's books and personalized counseling sessions in the parent's home. Results of the program include an immunization rate that has increased to

90 percent in the Gila area. The film emphasized the dramatic improvement of right brain development by children who have received the services of this program.

Ms. Herrera told the committee that this kind of investment is more important than most because the most critical stage of childhood is early childhood when the brain is being formed. It costs less up front to "do it right", i.e., raising a child with good child-rearing techniques, than to pay for it later in law enforcement and public health programs for adults. She said the First Born Program needs a broader base of educational support, which the LANL Foundation can provide. She told the committee that the program has reached 40 percent of the eligible population in the Rio Arriba County and Taos county region. She said the Rand Corporation is performing an evaluation of the program, and preliminary data suggest a positive outcome. The Kellogg Foundation is looking at the program for potential funding. This is the second year of involvement by the LANL Foundation.

Questions and comments from the committee included:

- several of the legislators congratulating the foundation and Ms. Herrera for their work;
- a \$2 million appropriation to the Children, Youth and Families Department for a match of the foundation's money to the Birth to Three Program;
- the potential to duplicate the program in other parts of the state;
- hospitals' involvement as fiscal agents and coordinators;
- the cost-effectiveness of the program;
- compliments to Ms. Herrera; and
- the visionary board of directors of the LANL Foundation.

LANL Foundation Education Support Programs

David Cockerham, superintendent of Espanola Public Schools, and Bobbie Gutierrez, superintendent of Santa Fe Public Schools, testified to the committee on the benefits of the LANL Foundation support for their school programs. They said they are very grateful to the New Mexico congressional delegation for its support of the creation of the foundation in 1997. This has resulted in an additional \$2 million going to schools in northern New Mexico through the foundation. This goes a long way in the foundation's mission to "enhance the vitality of the region". This funding has gone to several innovations such as the Math and Science Academy, which has served teaching staff this year. Test scores have increased between 25 and 35 percent in the classrooms of teachers that have gone through the program. Similarly, in the Reading First Program, first through third grade test scores have increased. The Science Program in Espanola has resulted in an increase in academic scholarships being awarded to Espanola students. The foundation has also made it possible for every school in Espanola to have a fully equipped computer lab. The goal is to get a laptop for every student. The LANL Foundation has made it possible to equalize disadvantaged school students with affluent school districts. The staff of Espanola Public Schools were recognized for taking the initiative and making this a bottom-up program.

In the Santa Fe Public Schools, the LANL Foundation has supported programs that include counseling enhancements, one-to-one tutoring, a day reporting program for suspended

students, anger management training, support for kids with little or no parental support, academic enhancements in science and math curriculum, improvements in the test scores of the Sierra Academy, a waiting list of students to get into both the "Project lead the way" (a college engineering preparatory program) and the Allied Health Program at the community college, the Santa Fe Teachers Institute, the summer professional development program, the Santa Fe Science Initiative and the Teen Parents Program.

Questions and comments from the committee addressed:

- LANL Foundation matching the LANL Employee Scholarship Fund;
- history of foundation funding;
- number of staff members in different schools trained by foundation investments;
- the need for contract modification to include the LANL Foundation funding; and
- the counties that are eligible for LANL Foundation support.

At this point in the proceedings, a draft memorial was distributed to the committee by Ms. Herrera; and the committee was asked to endorse the memorial asking Congress to modify LANL's contract to include money for the foundation. The memorial was adopted by the committee.

Office of Nuclear Workers Advocacy

Loretta Valerio, director of the Office of Nuclear Workers Advocacy, thanked Speaker Lujan for his support and explained to the committee that the office assists workers and their survivors who have been denied their claims of support for illnesses associated with their work. The office opened in 2007 and has assisted 200 clients since then. Thirty-five of those clients have subsequently been awarded their claims as a result of the assistance they received from the Office of Nuclear Workers Advocacy. She said it is a very complicated process, and workers that are eligible have been employed by Sandia National Laboratories, LANL or the uranium mining industry.

Former State Representative Harriett Ruiz told the committee that only diseases with certain causes are eligible for compensation under the law.

Sylvia Rodriguez, Ms. Valerio's assistant, was introduced also and explained to the committee the definition of "special exposure cohort", which is the criteria for eligibility for assistance. This cohort is basically the population of workers who worked between 1943 and 1975 in areas where radiation was present and contracted at least one of 22 cancerous diseases. The new eligibility provisions went into law last year after lobbying by former Representative Ruiz.

The committee asked questions and made comments about:

- the burden of proof being on the claimant;
- eligibility of workers with illnesses that resulted from toxic chemicals in the course of their work as opposed to radiation exposure;
- "dose reconstruction" agency is where claims are being denied;
- the example of an ill claimant who lives in Truchas;

- eligibility of Department of Defense workers;
- accuracy of tests for beryllium exposure;
- radiogenic cancer;
- compliments and plaudits to Ms. Valerio;
- values of the claims won by the Office of Nuclear Workers Advocacy;
- contact information;
- cooperativeness of physicians; and
- uniqueness of the office (the only governor-appointed workers' advocate in the nation).

The committee adjourned at 2:15 p.m.

Revised: September 11, 2008

**TENTATIVE AGENDA
for the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE**

**September 17, 2008
Main Conference Center, Room 203, Los Alamos Research Park
Los Alamos**

Wednesday, September 17

- 10:00 a.m. **Call to Order**
—Representative Roberto "Bobby" J. Gonzales, Co-Chair
—Senator Phil A. Griego, Co-Chair
- 10:05 a.m. **Welcome to Los Alamos**
—Robert Gibson, Vice Chair, Los Alamos County Council
- 10:30 a.m. **Environmental Cleanup Program and Update**
—George Rael, Assistant Manager for Environmental Operations, Los Alamos Site Office, Department of Energy
—Susan G. Stiger, PE, Associate Director, Environmental Programs, Los Alamos National Laboratory (LANL)
- 11:45 a.m. **Working Lunch**
- Technical Research Collaborative and Technology Transfer**
—Dr. Duncan McBranch, Deputy Principal Associate Director for Science, Technology and Engineering, LANL
—Dr. Steve Girrens, Division Leader, Technology Transfer Division, LANL
- 1:00 p.m. **New Mexico Small Business Assistance Program**
—Mariann Johnston, Manager, Small Business Assistance Program, LANL
- 2:00 p.m. **Business Mentoring and Other LANL Small Business Initiatives**
—Dennis Roybal, Office Leader, Small Business Program, LANL
- 3:00 p.m. **Public Comment**
- 3:30 p.m. **Adjourn**

MINUTES
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE

September 17, 2008
Los Alamos Research Park
Los Alamos

The meeting of the Los Alamos National Laboratory (LANL) Oversight Committee was called to order at 10:19 a.m. on Friday, September 17, 2008, by Senator Phil A. Griego, co-chair.

Present

Rep. Roberto "Bobby" J. Gonzales, Co-Chair
Sen. Phil A. Griego, Co-Chair
Rep. Thomas A. Anderson
Sen. Richard C. Martinez
Sen. William H. Payne
Rep. Jane E. Powdrell-Culbert
Rep. Debbie A. Rodella
Rep. Nick L. Salazar

Absent

Sen. John T.L. Grubestic
Sen. William E. Sharer

Advisory Members

Sen. Carlos R. Cisneros
Rep. Jeannette O. Wallace

Sen. Dianna J. Duran
Sen. Mary Jane M. Garcia
Rep. Ben Lujan

Staff

Gordon Meeks
Mark Harben

Guests

The guests list is in the meeting file.

Friday, September 17

Welcome to Los Alamos

Robert Gibson, vice chair of the Los Alamos County Council, welcomed the committee. He discussed how the research park was developed to promote diversification, to add to the mission of the laboratory and to broaden the intellectual base away from total dependence on the lab. The lab provides one-third of the jobs in the region, but the lab may be facing some difficult times. To counter the potentially difficult times, diversification is essential. This can be accomplished by taking advantage of the intellectual capacity at the lab and building on it with expanded funding sources to include private enterprise and non-Department of Energy (DOE) government sources. An example of another partner is the inclusion of the Northern New Mexico Development Corporation to regionalize the effort.

Comments from the committee included that:

- four members of the committee represent Los Alamos;
- the committee emphasizes the economic health of the region; and
- Los Alamos County pays for the research park.

Environmental Cleanup Program and Update

George Rael, assistant manager for the National Nuclear Security Administration (NNSA), DOE Site Office, summarized what the site office does. He said that his office's budget for FY09 allows 20 federal employees, but the office would like 10 more. According to Mr. Rael, the office plays a major role in oversight, especially with nuclear sites, by ensuring and documenting the safety levels for the public and the workers at the sites; the office also acts as the co-signatory of environmental permits. Mr. Rael admitted that the performances for FY06 were not acceptable, and some of the managed projects were not completed. In fact, the New Mexico Department of Environment (NMED) was fined for this underperformance, which hurt the relationship between the NMED and the NNSA field office. A concerted effort to improve communication and cooperation between the two organizations is underway, which has improved conditions. He discussed two major problems the NNSA field office is having. First, there is a shortage of drillers for drilling wells because they are active all over the state; the other problem is lack of funding. Currently, the office is negotiating operation permits to conduct its work around Los Alamos and is attempting to maintain a good relationship with the public. The NNSA field office also has to maintain relationships with the CCNY and the pueblos around Los Alamos. An active government-to-government relationship is important, and there are weekly meetings with the county.

Questions and comments from the committee focused on:

- budgets for cleanup and for oversight by the NMED;
- the percentage of the cleanup projects that are complete;
- the status of White Rock and if there are any new contaminated sites there.

Susan Stiger, the associate director for environmental operations at the Los Alamos field office, expressed regret that Michael Anastasio could not attend the meeting due to a University of California board of regent meeting. She presented the program's scope and objectives. She said that the program investigates and cleans contaminated sites as mandated by the DOE/LANL/NMED consent order; disposes of legacy transuranic radioactive waste to WIPP; decontaminates and decommissions legacy nuclear facilities; characterizes, treats and disposes of hazardous and radioactive waste from LANL's ongoing operations; provides long-term comprehensive environmental monitoring; and leads LANL's efforts to demonstrate environmental stewardship and to increase trust with regulators, tribal governments, stakeholders and the public. LANL presents a unique challenge because it is close to residences and businesses, but according to Ms. Stiger, LANL is committed to complying with the consent order and be an environmental steward. There are attempts to retrieve all buried waste at MDA B, and drilling of 18 new monitoring wells is underway. Ms. Stiger discussed the contamination of the canyons in the area, which is exacerbated by storm water runoff that carries plutonium, cesium and strontium in localized spots. LANL is finalizing plans with the NMED to strengthen runoff control in these canyons and to reduce contaminant transport off site. These plans include: construction of a

grade control structure to stabilize erosion at the terminus of the Pueblo Canyon wetland; extension of the wetland and improvements of natural efficiency to trap contaminants; and continued construction of run-on controls to minimize erosive floods. Ms. Stiger also discussed the extra measures needed to comply with the consent order and the transuranic waste disposition progress. She explained the RACER Environmental Data Project, which uses analysis tools to provide the public with internet web-based access to environmental measurement data collected in and around the LANL site by LANL and the NMED.

Questions and comments focused on:

- the effort being put into analyzing and stabilizing contamination; and
- if employees and residents have different levels of standards due to different exposure levels.

Technical Research Collaborative and Technology Transfer

Duncan McBranch, the deputy principal associate director for science, technology and engineering at LANL, and Steve Girrens, division leader of the Technology Transfer Division at LANL, gave a presentation about the Technology Research Collaborative and technology transfer. Dr. McBranch discussed the legislated technology transfer mission, stating that the mission is to manage intellectual property, the currency for working with industry; to partner effectively with industry in the service of national security; and to strengthen the national economy by accelerating innovation creation from lab technologies. Dr. McBranch said that because LANL operates further away from commercialization compared to applied engineering labs, such as Sandia National Laboratories, it has to work harder to be more innovative to succeed in commercializing technology from LANL. He explored examples of this commercialization using examples of co-produced water, medical isotopes (radiopharmacy), radiance laser and algae biodiesel. Dr. McBranch provided some of the innovative commercialization initiatives, including the Technology Maturation Fund, training and networking, Northern New Mexico Connect and regional startups and the Los Alamos Venture Acceleration Initiative. The Technology Maturation Fund has had over \$2 million in funding since 2002, with about \$300,000 invested annually in LANL technologies. Dr. McBranch also discussed the Venture Acceleration Fund, stating that it provides up to \$100,000 in investments in regional startups, with six projects funded thus far (with four already resulting in equity investments). The Venture Acceleration Fund has helped companies such as Acoustic Cytometry Systems, CIVA, ApJet, Knowledge Reef Systems, CNT Technologies and Packet Analytics.

Questions and comments focused on:

- alternative energy projects at LANL, such as wind, solar and algae biodiesel; and
- projects for cancer diagnosis.

Small Business Assistance Program

Dennis Roybal, the office leader for the Small Business Program at LANL, discussed programs conducted by LANL to work with small businesses. He explained the budgets for LANL and its Small Business Program. Mr. Roybal said the drop in total procurement dollars is due to gross receipts tax and new provisions in the contracts for employee benefits. A significant portion of the contract budget is constrained, according to Mr. Roybal, by large business long-

term commitments. Several of the long-term business contractors are actually local employers, employing 1,600 to 2,000 people. LANL is trying to move unconstrained large business commitments to small, local businesses. In order to do this, LANL is utilizing supplier forums for matchmaking; pushing regional purchasing programs; creating mentor-protege agreements; using lower-tier subcontracting plans; and having more small business set-asides. Mr. Roybal also outlined upcoming opportunities at LANL, including telecommunications, custodial services, industrial supplies, VMS/staff augmentation and architect-engineering and safety agreements to be given to local businesses. The mentor-protege agreements involve local companies such as TSAY Construction and Services (Ohkay Owingeh), North Wind (Los Alamos) and Performance Maintenance (Española). The program helps companies in many areas, including project management, purchasing management and communications.

Questions and comments focused on:

- that the long periods of time needed to get contracts can hurt small businesses;
- how new contracts will affect employees; and
- that not all of the small businesses involved are actually from New Mexico; there was a request for a list of companies that are being used and which ones are from New Mexico.

Business Mentoring and Other LANL Small Business Initiatives

Lisa Henne, program manager for small business assistance at LANL's Community Programs Office, gave a presentation in place of Mariann Johnston. She provided a history of the New Mexico Small Business Assistance Program (NMSBA), which was established in 2000 and amended in 2007 to include LANL. She said that the services provided do not include giving cash or equipment to companies. The NMSBA's mission is to have a statewide impact on small business critical challenges through customizing and leveraging national laboratory technical expertise and resources to enable New Mexico small businesses to access cutting-edge technology; increase New Mexico small businesses' technological sophistication and capabilities; and share knowledge and resources between lab personnel and small businesses to address small business issues and develop real-world applications. Ms. Henne stated that the NMSBA acts as an advocate for small businesses through an entrepreneurial culture, while also solving small business critical challenges with national laboratory expertise and resources. During the period of 2000 to 2007, more than 2,000 businesses have been assisted, creating 495 jobs and a nearly \$12 million increase in revenue. In 2007 alone, 298 businesses were assisted, spanning 315 projects and totaling \$2.7 million in technical assistance. Ms. Henne explained the benefits that the NMSBA provides LANL, including: staff skill development; enhanced awareness of practical applications for technologies; and partnerships with small businesses. She said there are 12 collaborative projects for 2009 dealing with important issues such as produced water; alternative energy; waste treatment; wildfire behavioral modeling; sediment management; arsenic and uranium removal; infrastructure analysis; and oil recovery.

Questions and comments focused on:

- a Carlsbad company that is exploring ways to mechanize algae biodiesel harvesting and if the program is involved with that;
- evaluations for the program; and

- involvement in checking the arsenic levels in water sources for individuals.

Kurt Steinhouse from LANL told the committee that the state is getting a return of \$3.00 for every \$1.00 the state invests in the program.

The committee adjourned at 2:22 p.m.

Revised: October 9, 2008

**TENTATIVE AGENDA
for the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE**

**October 29, 2008
Room 321
State Capitol**

Wednesday, October 29

- 10:00 a.m. **Call to Order**
—Senator Phil A. Griego, Co-Chair
—Representative Roberto "Bobby" J. Gonzales, Co-Chair
- LANL Status Report**
—Dr. Michael Anastasio, Laboratory Director, Los Alamos National
 Laboratory (LANL)
- 11:00 a.m. **KSL Insourcing Update**
—Mike Mallory, Principal Associate Director for Operations, LANL
- 11:30 a.m. **Telecommunications Contract Update**
—Dennis Roybal, Office Leader, Small Business Program, LANL
—Warren Finch, Acquisition Services Manager, Acquisitions Services
 Management, LANL
- 12:00 noon **Lunch**
- 1:30 p.m. **Northern New Mexico Math And Science Academy Update**
—Dave Foster, Program Manager, Education and Postdoc Office, LANL
- 2:30 p.m. **Cleanup Compliance**
—James Bearzi, Department of Environment
- 3:30 p.m. **Adjourn**

MINUTES
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE
October 29, 2008
Room 321, State Capitol

The meeting of the Los Alamos National Laboratory Oversight Committee was called to order at 10:15 a.m. on October 29, 2008 by Senator Phil A. Griego, co-chair.

Present

Rep. Roberto "Bobby" J. Gonzales, Co-Chair
Sen. Phil A. Griego, Co-Chair
Rep. Thomas A. Anderson
Rep. Jane E. Powdrell-Culbert
Rep. Debbie A. Rodella
Rep. Nick L. Salazar

Absent

Sen. Richard C. Martinez
Sen. William H. Payne
Sen. William E. Sharer

Advisory Members

Sen. Carlos R. Cisneros
Rep. Ben Lujan
Rep. Jeannette O. Wallace

Sen. Dianna J. Duran
Sen. Mary Jane M. Garcia
Sen. John T.L. Grubestic

Staff

Gordon Meeks, Legislative Council Service (LCS)
Mark Harben, LCS

Wednesday, October 29

Rick Ulibarri, government affairs director, Los Alamos National Laboratory (LANL), apologized to the committee and said Dr. Michael Anastasio, laboratory director, LANL, was not present for the meeting due to illness. Senator Griego said he would like to have a special meeting in December; Mr. Meeks said that needs to be approved by the Legislative Council. Mr. Ulibarri said that LANL will accommodate anything the committee needs.

KSL Insourcing Update

Mike Mallory, principal associate director of business and operations, LANL, presented a status update on insourcing of maintenance operations at the lab. KSL and its members were brought on board, including 625 union employees for KSL. Mr. Mallory said that there is hope that all of those employees will be offered contracts by next week; it is believed they will all accept. There are 214 employees not in unions, all of whom were offered contracts; three declined. He explained that the majority of those involved with management at KSL have chosen to go back to the parent company. Anyone not offered a contract that was with KSL will receive a severance package, according to Mr. Mallory. On December 1, LANL will manage all maintenance at the lab. It feels the transition from KSL has gone very well.

Questions and comments from the committee included the following topics:

- LANL's meeting with the union to discuss the transition;
- salary negotiations and security at the lab;
- the scientific community's reaction to the new political situation in the country;
- the future of the lab; and
- changes at the lab, including alternative energies.

Telecommunications Contract Update

Dennis Roybal, office leader, small business program, LANL, said there is a five percent adjustment to allow for northern New Mexico businesses to win contracts. LANL cannot give outright preference to New Mexico companies because the lab is funded from federal funds. Warren Finch, acquisitions service manager, LANL, said there are several multi-million dollar contracts at the lab with New Mexico companies. The telecommunications contract had been held by Qwest Government Services, Inc., but as of August 19, 2008, Client Network Services, Inc. (CNSI), would be used. The value of the new contract, according to Mr. Roybal and Mr. Finch, is \$32 million over five years, of which three years are guaranteed and the final two years are made up of separate one-year options. They discussed the strategy and the basic requirements of CNSI's duties within the framework of the contract. Mr. Roybal and Mr. Finch said that there were 45 full-time employees under the previous contract (27 from Qwest, 14 from Manpower and four from Butler Services, Inc.). Forty-three of those incumbent employees applied for 40 CNSI positions, and 34 were offered and accepted positions. Mr. Roybal and Mr. Finch then explained the hiring process, stating that all the positions were made public and that all the new employees are from northern New Mexico.

Questions and comments from the committee concerned:

- how many New Mexico firms are involved with contracts over \$50 million;
- the preference program; and
- a breakdown of employees for contracts, including employers, salary, ethnicity and where the employers reside.

The minutes of the September meeting were approved without opposition.

Northern New Mexico Math and Science Academy (MSA) Update

Dave Foster, program manager for the education and postdoc office, LANL, commented on the MSA and introduced Lorenzo Gonzales. Dr. Gonzales, a master teacher, presented a status update on the MSA. Dr. Gonzales stated that the academy was formed in 2000 as a broad regional community partnership aiming to address K-12 education quality, one of the top concerns for many northern New Mexico leaders. The academy's creation was led by LANL in cooperation with the LANL Foundation, the New Mexico Legislature, the Public Education Department, Northern New Mexico College, the University of New Mexico (UNM), New Mexico State University (NMSU) and business sponsors. He said the mission of the MSA is to create a transformational leadership initiative that provides comprehensive standards-based math and science professional development for whole-school teams of teachers, principals and support personnel. The Chama, Espanola, Mora, Pojoaque and Taos school districts are involved. Dr. Gonzales stated that program planning and coordination is done by a LANL program manager;

that MSA has master teachers, including Carol Brown, Zach Leonard and himself; that MSA-trained math specialists are in school districts; and that math consultants from UNM and NMSU teach in the summer institute. He then discussed the strategic planning, fiscal management and governance of the program. Dr. Gonzales explained the core reform of the math program. The program requires teachers, principals and superintendents to make a three-year commitment for 200 hours of training above the teachers' contract; participation in after-school and weekend meetings and workshops; continued training at a summer institute; and in-class observations and mentoring during the school year by MSA staff. He discussed MSA teachers, showing that the students of MSA teachers perform better than non-MSA teachers. Dr. Gonzales broke down performance statistics and explained how some of the different grades gained proficiency. The sixth grade class that performed the best in the state is an MSA participant, and one explanation for its success is that it has been with MSA teachers for at least two years. The MSA program received the federal Department of Energy's (DOE) Equal Employment Opportunity and Diversity Best Practices Award in July 2008.

The committee questioned the lack of participation by the Las Vegas, Pecos and Santa Fe school districts.

Cleanup Compliance

James Bearzi of the New Mexico Department of Environment (NMED) said the department has the duty of ensuring that the cleanup of Los Alamos goes smoothly and according to the accepted parameters. Previously, poor cooperation and communication led to poor results. In March 2005, a consent order was signed regarding how the cleanup should be conducted, defining the relationship between the NMED, the DOE and LANL. Mr. Bearzi said the consent order has done three major things: 1) pushed far more environmental work with a higher level of completion than ever seen before; 2) provided definite end dates (the year 2015) for the cleanup to maintain accountability and efficiency; and 3) revealed the presence of dangerous contaminants and conditions in places where they should not be. Mr. Bearzi commented on compliance. He said there are different ways to view this, including how the lab has complied and how it has not complied. There have been times when relations between the NMED and LANL have been quite poor, but that has drastically improved. Funding has continued to be an issue, and increased funding will be beneficial.

Committee members expressed concern about the lack of cooperation with involved entities. The members also expressed support for the DOE and the NMED regarding attempts to better their relationship and complete cleanup.

The committee adjourned at 3:40 p.m.

TENTATIVE AGENDA
for the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE

December 12, 2008
Room 321, State Capitol
Santa Fe

Friday, December 12

10:00 a.m. **Call to Order**

- Representative Roberto "Bobby" J. Gonzales, Co-Chair
- Senator Phil A. Griego, Co-Chair

LANL Update

- Dr. Michael R. Anastasio, Director, Los Alamos National Laboratory (LANL)
- Dr. Terry Wallace, Principal Associate Director for Science, Technology and Engineering, LANL
- Kevin M. Chalmers, Division Leader, Acquisition Services Management, LANL

11:30 a.m. **Northern New Mexico Math and Science Academy Update**

- Dave Foster, Program Manager, Education and Postdoc Office, LANL

12:00 noon **Adjourn**

MINUTES
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE
December 12, 2008
Room 321
State Capitol

The meeting of the Los Alamos National Laboratory Oversight Committee was called to order at 10:13 a.m. on December 12, 2008 by Senator Phil A. Griego, co-chair.

Present

Rep. Roberto "Bobby" J. Gonzales, Co-Chair
Sen. Phil A. Griego, Co-Chair
Rep. Thomas A. Anderson
Sen. Richard C. Martinez
Rep. Jane E. Powdrell-Culbert
Rep. Debbie A. Rodella
Rep. Nick L. Salazar

Absent

Sen. William H. Payne
Sen. William E. Sharer

Advisory Members

Sen. Carlos R. Cisneros
Sen. Dianna J. Duran
Rep. Ben Lujan
Rep. Jeannette O. Wallace

Sen. Mary Jane M. Garcia
Sen. John T.L. Grubestic

Staff

Gordon Meeks
Mark Harben

December 12, 2008

Northern New Mexico Math and Science Academy

At the request of the committee at its October 29 meeting, Dave Foster, program manager, Education and Postdoc Office of Los Alamos National Laboratory (LANL), appeared and gave the committee a handout that itemized the match being sought to LANL's contributions to the Math and Science Academy. Lorenzo Gonzales and Carol Brown, master teachers, were present to answer questions and clarify how the academy works. The request from the state is for a \$486,000 appropriation over three years.

Questions and comments from the committee dealt with:

- the commitment by individual teachers participating in the program to stay in the district after going through the Math and Science Academy;
- how great a program the Math and Science Academy has been;
- that the request for \$486,000 is in addition to the \$250,000 already appropriated in the FY 2009 budget;
- the need for locating teachers who have moved to other school districts to initiate the

- program in those districts;
- the potential to use professional development training money for the Math and Science Academy;
- the expansion of the program to other counties outside the LANL/northern New Mexico region;
- the relationship between the Public Education Department's math and science training program and the Math and Science Academy; and
- complimentary statements to Mr. Gonzales.

LANL Update

Dr. Michael R. Anastasio, director, LANL, told the committee that the good news from the laboratory is that it is succeeding in executing its mission. He said that the Department of Energy and the National Security Administration have completed their assessment and gave the lab a very good report card. This reflects favorably on the employees of LANL. He said that the work force has been reduced without any involuntary terminations. The lab has also made progress in improving physical security and cyber security. He said that the new congressional delegation will be visiting the lab shortly and that he is hopeful that the lab's budget can be protected. He said that the continuing resolution has frozen the budget at \$2.2 billion, but that there is a need to continue to build efficiencies into the system. His synopsis of recent scientific achievements includes reference to the road runner computer, which will allow a million billion computations per second to study global warming; alternative energy scenarios; and biological applications. He announced that *R&D Magazine* gave two out of 100 innovation awards to LANL.

Dr. Terry Wallace, principal associate director for science, technology and engineering, LANL, addressed the committee on specific line items in the LANL budget. Of the total \$2.2 billion, \$1.2 billion is devoted to national defense work. Three hundred ninety-six million dollars is budgeted for threat reduction research programs; \$254 million is spent on energy science and health research; and \$105 million is budgeted for lab-directed research and development in a broad science portfolio. The latter includes research in ultra-low magnetic resonance with applications for detecting liquid explosive materials at airports to relieve passengers of the inconvenience of having to throw away liquid carry-ons. The Department of Homeland Security is now testing the viability of this technology.

Another research application that the lab is involved in is use of ultrasound computer imagery for early cancer detection. Ultrasound may be a better way to image tumors and guide physicians to better treatment protocols. This technology is going to go into Department of Defense hospitals shortly to demonstrate viability.

Dr. Wallace also described research on the use of superconductors to improve electric power transmission. He said that the amount of energy losses from the inefficient transmission of power to California from the San Juan generator could power all of New Mexico. Improved conductors could save that energy. He also described "tri-corder" technology, a truly Star Trek technology being researched and developed by LANL that can determine the material components of a target specimen. Other examples of nondefense work include alternative energy

science and medicine, such as the flu "dip stick", a method to detect flu from saliva before symptoms appear. He said that American economic dominance relies on innovation, which is the lab's specialty.

Dr. Wallace said that the lab currently has 71 agreements in place for commercial research and development worth \$150 million. He said that this represents a 32 percent increase in nondefense work by the lab.

Kevin Chalmers, leader of the Acquisition Services Management Division of LANL, told the committee that over 60 percent of procured goods and services went to small businesses in FY 2009. He described the lab's programs of supplier forums to assist potential vendors to develop their capacities to meet LANL's requirements. He said that the next forum will focus on construction services. He told the committee that over 50 percent of the lab's expenditures stays in northern New Mexico.

Questions and comments from the committee focused on:

- new devices, based on seismic technology used in the oil and gas industry, that are being developed at LANL that will reduce the pain of mammography;
- applications of explosives detection technology;
- the future of LANL under the new president and the potential for employment expansion into alternative energy research — the same science is needed in alternative energy development as is used in weapons management;
- the need for the economic stimulus package to include science and technology research and development;
- the fact that electric power transmission in New Mexico is fragile and the need for a pilot project with Public Service Company of New Mexico to "harden" transformers;
- the reason for confidence in budget stability;
- the amount of construction anticipated at LANL and the ability of New Mexico to provide an adequate supply of employees and necessary infrastructure to support the lab;
- whether any support is needed from the legislature to improve work force training for employment at LANL;
- the status of the goal to dedicate 46 percent of small business contracts to local businesses;
- a request for a list of small-contract vendors;
- the number of employees released by contractors as a result of budget reductions;
- information on the alternative science that LANL is doing that has been provided to Congress and the rest of the country;
- the ownership of intellectual property, copyrights and patents that LANL is generating in commercial applications;
- the training and employment of graduates from Northern New Mexico College;
- employee morale; and
- the potential expansion of the Math and Science Academy statewide.

Minutes of the previous meeting of the committee were approved.

The committee adjourned at 12:15 p.m.

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