



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
Pueblo of Jemez

REGIONAL COALITION MEETING AGENDA

Los Alamos County Council Chambers

1000 Central Avenue, Suite 350

Los Alamos, NM

February 20, 2015

9:00	Info:	Welcome & Introductions	Mayor Lucero
	Action:	Confirmation of Quorum	Mayor Lucero
	Action:	A Approval of Minutes January	Mayor Lucero
	Info:	Financial Information	Los Alamos County
	Info:	Reports from Congressional Delegations	
Presentations			
9:15	Info:	LANL Community Programs Office Update	Dr. Kurt Steinhaus, Director
9:45	Info:	B Report on RCLC Washington, DC meetings	Mayor Lucero
10:05	Info:	C Review of Bylaws and Strategic Plan Update	Mayor Lucero
10:20	Info:	Recognition of Service, former Board member Taos County Commissioner Tom Blankenhorn	Mayor Lucero
10:35	Info:	D Executive Director – Introduction of Andrea Romero	Mayor Lucero
10:40	Info:	E Meetings at a Glance	Alexandra Pratt
10:45		Public Comment	Mayor Lucero
11:00		Adjourn	
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INDEX ITEMS	F	Press Clip – ABQ Journal	

Presenters:

Kurt Steinhaus currently serves as Director of Community Programs at Los Alamos National Laboratory. His work is focused on education, economic development, and community giving. Most recently, Kurt has served as education policy advisor for Governor Bill Richardson and subsequently was asked to serve as Deputy Cabinet Secretary of Education. He has a Masters degree in music and a second Masters in computer science. His Doctorate is in Educational Leadership and Organizational Learning. Kurt and his wife Jo Beth have two children.

About the Regional Coalition of LANL Communities:

The Regional Coalition is comprised of nine 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 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 2015 Board of Directors includes Chair, Mayor Alice Lucero, City of Espanola; Vice Chair, Councilor Andrew Gonzales, Town of Taos; Secretary/Treasurer Javier Gonzales, Mayor of Santa Fe; Commissioner Henry Roybal, Santa Fe County; County Councilor Steve Girrens, Los Alamos County Council; Commissioner Mark Gallegos, Taos County; Ron Lovato, Pueblo of Ohkay Owingeh; and Pueblo of Jemez, TBD; Rio Arriba County Commissioner Barney Trujillo; <http://regionalcoalition.org>.

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

Contact: Alexandra Pratt, JLH Media

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7 **REGIONAL COALITION OF LANL COMMUNITIES**
8 **City of Espanola – Los Alamos County – Rio Arriba County – Santa Fe County –**
9 **City of Santa Fe – Taos County – Town of Taos – Pueblo of Ohkay Owingeh – Pueblo of Jemez**

10
11 **City of Santa Fe Chambers**
12 **Friday, January 16, 2015**

13
14 **Attendance**

15 Alice Lucero (Chair RCLC); Los Alamos County Councilor Steve Girrens; Town of Taos Councilor
16 Andrew Gonzales (Vice Chair RCLC), City of Santa Fe Mayor Javier Gonzales (Secy./Treasurer);
17 Santa Fe County Councilor Henry Roybal; Ron Lovato, Ohkay Owingeh; David Trujillo, Rio Arriba
18 County.

19
20 JLH Media team member Alexandra Pratt.

21
22 **Welcome and Introductions**

23 Mayor Lucero called the meeting to order at 9:10 a.m. The public in attendance introduced
24 themselves. All the attending coalition members introduced themselves along with JLH Staff.

25
26 **Confirmation of Quorum**

27 Mayor Lucero confirms quorum.

28
29 **Approval of Minutes**

30 **Motion:** To approve the November minutes.

31
32 Moved by Javier Gonzales and Seconded by Ron Lovato

33
34 **Vote:** Motion passed (**summary:** Yes = unanimous).

35
36 **Financial Information**

37 LA County representative Brian Bosshardt presented the financial information. There are two
38 charges from the previous month, both of them related to the payouts for executive director
39 services. They were a little bit larger this time due to the meetings in Louisiana.

40
41 **Congressional Delegations**

42 **Report from Senator Udall's Office**

43 Michele Jaquez-Ortiz indicated much has happened since the last meeting. Congress passed a
44 hybrid bill, both good and bad aspects for NM. Senator Udall supported it and without
45 supporting it there was a risk for government shutdown. There is quite a bit of money for both
46 the labs and military bases. This would fund the government through September. Cleanup
47 money that was allotted was \$185 million for LANL. WIPP numbers were much better; \$324
48 million came out in the bill of which \$104 million was added. The National Defense

1 Authorization Act was passed. The RCLC sent a letter asking the Senators to get the Manhattan
2 Project recognized as a historic site.

3
4 **Report from Senator Heinrich's Office**

5 Katie Richardson added a few items. LANS is considering giving \$3 million in support to local
6 projects. The 5th year of the community college program funding will continue. Senator Heinrich
7 was appointed to the Armed Forces Committee.

8
9 **Report from Congressman Ben Ray Lujan's Office**

10 Patrick Duran of Congressman Ben Ray Lujan's office reported that the Congressman will remain
11 on Energy and Commerce. He has been assigned to Health and Communication/Technology sub-
12 committees. He is now on the DCCC.

13
14 **Presentation from State of New Mexico Environment Department:**

15 Secretary Ryan Flynn wants to talk about the budget for environmental cleanup. The \$185
16 million for cleanup is well below of what it should be at \$255 million. LANL is the only site in
17 which cleanup funds were cut. There was a belief that because the transuranic waste campaign
18 was put on hold, there was justification for a downward adjustment in the budget. There is
19 more than enough work and important projects to justify the \$255 million. There is a chromium
20 plume, high explosive groundwater plume and a variety of solid waste areas needing work. The
21 work that needs to be done is not going to be completed. The consent order is not being met
22 and this is not the time to reduce funding as the deadline approaches. This is an NM issue, not a
23 Democratic or Republican issue. President Obama has requested \$225 million, but even that
24 was cut. A few compliance orders have been issued to LANL, the goal is not to make a political
25 splash, but get the lab back on track.

26
27 Javier Gonzales asked about all the environmental issues that make up the \$255 million request.
28 He wants to see where we are to date on each of the issues. Is there a way to offer some type of
29 threat assessment, or see the projects that are ranked by priority?

30
31 Flynn indicated that there is a document that details the scope of work that remains. The risk
32 analysis always involves a difference of opinion. There are other members and certainly the
33 public may have different ideas.

34
35 Javier Gonzales asked about LANL self-reporting environmental issues. Is there an annual report
36 they have to file to DOE?

37
38 Flynn indicated that every year there is a set of deliverables and scope of work. That plan
39 process forms the basis for the work that will occur next year. There are different issues, some
40 of which are related to the consent order and others through the permit and compliance
41 process.

42
43 Javier Gonzales asked that staff work with NMED to get this list of environmental issues.

44
45 Councilor Girrens spoke about being in DC last year and when they are armed with the list of
46 projects we can explain what will be done with the extra money. Can we show what we are
47 attacking legacy waste wise? There needs to be the understanding that current operations are
48 all licensed. Also, the other list is all legacy remediation and that kind of split would be valuable.

1
2 Flynn indicated that it is important to convince the other Senators that funding is important.
3 When talking with DOE the chromium plume is a top priority. We are willing to listen to
4 everyone.

5
6 Mayor Gonzales spoke about understanding the issues and wants the people to offer a point of
7 view that really understand the threats. He also wants to know what fines were levied.

8
9 Flynn says about \$54 million in fines were issued to LANL and WIPP, one against DOE and WIPP
10 and the other DOE and LANL. This was extremely conservative and not all violations were fined.
11 They attempted to divide up the work that made sense logically. There may be an additional
12 compliance order for violations in the future.

13
14 That money gets spent in a variety of ways; any penalties go toward the hazardous waste
15 administration fund. There is a defined scope of projects that the money can be used for. There
16 are supplemental environmental projects, work that is beneficial, and that work has a cost and
17 value to NM. He is not sure where that money comes from. There are different opinions on that,
18 but it should not come out of money for cleanup projects. Both Senators support that position,
19 and DOE should be punished, not New Mexicans. DOE has made some decisions with respect to
20 their contractor. Perhaps some of that liability can come from that.

21
22 RCLC member Girrens said that if penalties are pulled out of the cleanup fund and then spread
23 around the state, this would take the funds away from Northern NM. We lose twice on this
24 issue. Are you given any authority to assess fines in a manner to keep the money from going into
25 the general coffers?

26
27 Flynn indicated that there is a method for doing this. It is his job to hold people accountable,
28 although DOE and their contractor put the NMED in that position. This has not been something
29 that the State created, it is a DOE problem.

30
31 Mayor Gonzales wants a future calendar item to discuss or formalize a request to the Secretary
32 to make sure the fines keep the money in Los Alamos. Possibly modifying statutes to make sure
33 there is clear direction as to how these fines should be used.

34
35 Mayor Lucero said this does hurt NM and each of our communities. Lobbying in Washington is
36 crucial for additional funding.

37
38 **Presentation from Major Subcontractors Consortium**

39 Liddie Martinez talked about two specific issues; 1) the supply chain management issues 2) the
40 transition to DOE-EM. The supply change management center is a vehicle for all sites to do
41 purchasing. It is no longer an optional tool. It has expanded to include services for a larger
42 impact. It also includes all of the DOE-EM sites. The purchasing that was done in 2012 shows
43 \$2.3 billion in spending. Sandia (35%) and LANL (25%), so that is why the 60% in 2012 is so
44 important, the impact is significant to the local economy. The shift from the local providers to
45 national means the impact is going to be great. EM also utilized the SCMC system.

46
47 The transition issues are that the contracts have been underutilized. The companies that went
48 through the initial bidding process have not yet had a chance to recoup their money. Over the

1 course of the last few years the companies have had to lay a few people off, but now they are at
2 risk. When the contracts are re-bid, the current companies may not get selected.

3
4 What's the risk? There are 35 major subcontractors that make up our organization of 2,000
5 employees and \$110 million in payroll annually. They are required to re-invest in the community
6 with contracts over \$5 million. If the community commitment dollars go away it will hollow out
7 what we have for our communities. During the past 5 years there has been about \$14 million in
8 investment and 15,000 hours of volunteer service.

9
10 The solutions will involve preparing our local companies to bid on these types of contracts. The
11 model needs to be replicable anywhere in this nation. The collaboration on this issue is
12 important and there is a process to shift the current contracts. There is no need to pay for this
13 process twice. We would like for the Coalition to support the pilot program proposal. The effort
14 by both LANL and Sandia is moving forward to create a regionalized approach, rather than a
15 national approach. This would mean a greater opportunity for the local businesses to hold the
16 contracts.

17
18 Mayor Lucero encouraged each community to consider adopting the resolution supporting the
19 EM transition. The City of Espanola will be voting on the resolution in January. Losing
20 contractors in NM will impact GRT statewide and at the local level. If a contractor is approved,
21 will they have to have an office in NM?

22
23 (RCLC member) Is there information broken down by county?

24
25 Martinez indicated the majority is in Los Alamos, but they are spread out in other counties as
26 well. It has become difficult to get the data though.

27
28 Martinez indicated SCMC doesn't disclose numbers based on site. LANL should also be able to
29 tell us what the small business dollars are.

30
31 Councilor Girrens: Are we asking for resolutions that go against statutes? What needs to
32 happen at the Federal level? At a meeting in December, Martinez had an opportunity to meet
33 with the lead person on the transition; prior to the distribution of the executive summary, the
34 draft was sent to him. He responded, but did not get any indication that we are asking for
35 anything that is outside the lines.

36
37 (RCLC member) There is a light at the end of the tunnel and the logical way to deal with these
38 things is regionally.

39
40 **Motion:** To Adopt Environmental Management Transition Resolution – as amended (last
41 whereas)

42
43 Moved by Javier Gonzales and Seconded by Henry Roybal

44
45 **Vote:** Motion passed (**summary:** Yes = unanimous).

46
47 **Federal Legislative Priorities**

1 Tab D includes a memorandum from Brian Bosshardt. The priorities are very similar to last year.
2 The only change is the last bullet with respect to DOE working with the communities about the
3 decisions they have made with respect to the contracting issues.

4
5 Mayor Lucero indicated that the fees that fund the community commitment plan should also be
6 brought up. They need to know what the commitments are to the communities and how the
7 cuts will affect them. Under LANL it seems like we could also bring up the fees that were cut.

8
9 Bosshardt said that can be added as a bullet and how it is beneficial to the region.

10
11 Mayor Gonzales added the concern or view that DOE will not pony up the cost of the penalties.
12 Would it be appropriate to indicate that any fees or fines would not be covered by existing
13 appropriations?

14
15 Bosshardt indicated that could be included.

16
17 Mayor Gonzales spoke about the second part, the technology program. How is the
18 determination made to release more technology in the communities? Hopefully over a period
19 of time the technology that is not classified will be released.

20
21 Ron Lovato wanted to be careful talking about the fees and in some respects the penalties are
22 due to cleanup issues. The award fee and penalties are two different things.

23
24 Bosshardt would add a specific bullet about the plan.

25
26 Mayor Lucero said there were a lot of successes and maybe those need to be emphasized. There
27 was a hard hit, but a lot of positive items.

28
29 **Strategic Plan 2014 – 2015**

30 Mayor Lucero asked that this be included in the packet for review, perhaps in February we can
31 revisit the plan and discuss changes/bylaws. We need to be thinking about these in the very
32 near future.

33
34 **Executive Director / JLH Update**

35 Alexandra Pratt indicated that since the December meeting JLH has been working quickly to
36 transition from the former director. They developed a job description and put out notices over
37 the past few weeks. They have three people present in the closed session. Thanked the Mayor
38 for bringing up the DC arrangements.

39
40 She indicated she has been contacting the various Member government bodies about
41 participating and who the representatives to the Coalition will be this year.

42
43 Finally, on behalf of Kathy Keith, thanks. The Accelerate program had funding for four years and
44 has been awarded funding for the 5th year. They are happy with this and appreciate the Board's
45 support.

46
47 Mayor Lucero indicated they will be interviewing for the executive director position. The Mayor
48 thanked Darien Cabral for his service to the Coalition.

1
2 **Meetings at a glance:**

3 Tab F in the packet, next meeting is in LA County. We will report in the Washington trip at that
4 time. This will take place Feb. 20th. Following meetings will be March 20th, Town of Taos and
5 April 17th, City of Espanola.
6

7 **Public Comment:**

- 8 1. Rivera Sun of Taos spoke about inspiring the Coalition to consider how public input is
9 processed. It would be very beneficial for all the communities to consider how input is
10 received. Before action items, how you present us to the Federal government. Also, the
11 strategic plan could benefit from citizen ideas. How do we make this process happen as
12 a whole community? Can this Coalition embrace this diversity and say to our Federal
13 delegation that we represent all of this and agree on this much? That is my invitation to
14 inspiration. There are decisions to be made in the next few months.
- 15 2. Nuclear Watch NM thanked the Coalition for all the hard word they do. Also, thanked
16 Mayor Gonzales for requesting the list of environmental work with the budgets. He
17 respectfully states that the field office may have those as well. NMED might have to get
18 that from the field office. Wanted to remind everyone that the LANL budget is 65%
19 nuclear weapons. There has been a real effort to focus on the cleanup.
- 20 3. Jeanne Green – requested that her exact statement be included, so that has been
21 attached for review.
- 22 4. Interfaith Worker Justice NM representative – she has been tracking LANL since she was
23 the legislative advocate for the NM churches. The more research she has done, the
24 more concerned she has become. She will leave articles detailing the mismanagement,
25 Iraqi projects left unfinished, etc. The concern is that LANL has changed to a for profit
26 organization. This may have been the worst choice by Bush to grant a contract to. We
27 know that one of the ways in which corporations create dependency, is by providing just
28 enough charitable support. Once that happens we are more inclined to the turn the
29 other way. Northern NM has been held hostage by the military complex.
- 30 5. Second woman from Taos spoke – Asked about RCLC and RCLC-EM. What is SCMC?
31 Asked about many items on the slide show. She was trying to clarify what revenue was
32 received. She will meet with Liddie Martinez afterward.
33
34

35 **Executive Session**

36 **Motion:** To move into executive session.
37

38 Moved by Ron Lovato and Seconded by Javier Gonzales
39

40 **Vote:** Roll call vote of all members; Motion passed (**summary:** Yes = unanimous).
41

42 **OPEN MEETING ADJOURNED AT 10:50.**
43
44

Alexandra Pratt, JLH Media

45 **ATTEST:**
46
47

48 Mayor Alice Lucero, Chair

Regional Coalition of LANL Communities

January 16th, 2015 Regular Meeting

Submitted by Jeanne Green

Understanding that the public comment period of your meetings is just that, commentary, I am requesting to be put on the agenda at the earliest opportunity to propose an order of business. I, along with other citizens, am requesting that the RCLC formally request from the NNSA that the \$57 million in incentive pay that was not awarded to UC/Bechtel due to “grossly substandard contractor performance” be reallocated for clean-up at LANL. NNSA invoked a ““First Degree” performance failure... [that] created damage to DOE property or costs for cleaning, decontaminating, renovating, replacing or rehabilitating property that in aggregate exceed \$2.5 million.”

As you know, the Lab flagrantly used unapproved waste handling methods to prepare plutonium-contaminated radioactive wastes for disposal at the Waste Isolation Pilot Plant (WIPP). A waste drum subsequently ruptured, contaminating 21 workers and closing WIPP, with estimated reopening costs of a half-billion dollars.

Thank you Secretary Ryan Flynn for advocating at the Taos RCLC meeting and here, that fines should not come from clean-up funding, In the meantime, Congress has cut \$40 million from cleanup programs at the Lab, while adding \$100 million to help reopen WIPP.

Although not echoed in your documents, the Regional Coalition has professed repeatedly to the public that your primary goal is to advocate for clean-up funding at LANL. Here is an opportunity that should not, can not go by. \$57 million set aside by the NNSA to reward Bechtel as an incentive to do the job properly. We would like for you to advocate for reallocation of those funds for clean-up at LANL.

On a further note, UC ran the Lab as a nonprofit until June 2006, and received approximately \$8 million in annual compensation. In contrast, the for-profit LANS was awarded \$51.9 million in FY 2013, or more than six times the old nonprofit fee, for no apparent improvement in contract management. To the contrary!

The Lab has been unable to conduct major operations at its plutonium facility since the end of June 2013 because of nuclear criticality safety issues. The National Defense Nuclear Facilities Safety Board has repeatedly warned of safety failures and inadequacies that could easily result in massive casualty numbers for New Mexicans. Bechtel has sufficiently demonstrated their incompetence in handling our nation’s most dangerous undertaking. What will it take for a vote of no-confidence from you, our elected leaders of the Regional Coalition? The DOE should consider booting Los Alamos National Security, LLC for another contractor entirely.

Reference: NNSA, Contracting Officer's Notice of Reduction of LANS FY 2014 Fixed Fee and Forfeiture of Previously Earned Award Term

<http://nnsa.energy.gov/sites/default/files/nnsa/inlinefiles/Contracting%20Officer%20Notice%20of%20Reduction%20of%20LANS%20FY14%20Fixed%20Fee%20and%20Incentive%20Fee.pdf>

I am formally submitting these comments for inclusion (in entirety) in the January meeting minutes. Thank you.
Jeanne Green 575-751-4130, innerlight52@hotmail.com

Feds say WIPP recovery efforts months behind

By Patrick Malone

The New Mexican | Posted: Wednesday, January 14, 2015 10:00 pm

Progress toward reopening the nation's only below-ground repository for Cold War-era nuclear waste after it was shut down last February due to a radiation leak is already months behind schedule, federal Department of Energy officials told a small group in Carlsbad on Wednesday.

News of the delay follows a federal report released this week that's highly critical of Los Alamos National Laboratory for mishandling of waste that led to the radiation release and Waste Isolation Pilot Plant shutdown, which stranded thousands of barrels of nuclear waste at national labs throughout the nation.

"As a direct result of the waste incident, the nation's only transuranic waste repository has suspended inbound shipments, adversely affecting all facilities that generate these wastes nationally, incurring large costs that cannot yet be accurately computed, and degrading an important regulatory relationship," said the National Nuclear Security Administration's annual evaluation of the lab. "In addition to the direct and indirect costs and the adverse impact on the regional economy, there is a very high likelihood that the government will ultimately be responsible for significant fines and penalties."

On Feb. 14, 2014, a drum of waste from Los Alamos ruptured in a WIPP underground storage area, spewing radioactive contamination inside the ancient salt chamber and beyond the repository, which was designed to never leak. More than 20 workers were exposed to doses of radioactive materials that the Energy Department has characterized as below hazardous levels. Waste shipments to WIPP ceased and have not resumed.

Closing a bunker near where the LANL drum burst was the first job described in the Energy Department's recovery plan for WIPP, released in late September. That task was expected to be complete by Dec. 31, but now the work isn't expected to be done until April.

"It's more of a problem than they thought it would be because there's a significant amount of contamination in the area," Don Hancock, who closely monitors WIPP for the Southwest Information and Research Center, said after Wednesday's meeting. "They're behind schedule on that, and they're going to remain behind schedule."



Cost of reviving WIPP after leak: \$500 million

A 2012 photograph of the Waste Isolation Pilot Plant near Carlsbad. Courtesy U.S. Department of Energy

At Wednesday's meeting, the Energy Department and Nuclear Waste Partnership, the private contractor that is paid more than \$150 million a year to manage the site, presented a report that showed WIPP is not expected to resume all activities until at least mid-2018.

The recovery plan calls for replacement of WIPP's ventilation system and exhaust shaft, which were contaminated during the radiation leak. For the first time Wednesday, WIPP officials acknowledged they are pondering whether the new components are necessary, because skipping their replacement would speed up the repository's reopening, Hancock said.

"That would mean they need to use the existing contaminated ventilation shaft forever," he said.

The Energy Department estimated in the recovery plan that it would cost \$550 million to repair WIPP if the ventilation system and exhaust shaft are replaced.

However, the National Nuclear Security Administration's evaluation of LANL's performance last year suggests untold costs could result from LANL's missteps.

The Energy Department is contesting more than \$36 million in fines against LANL's permit and \$17 million against WIPP proposed by the New Mexico Environment Department in connection with the radiation leak and a truck fire at WIPP that occurred just days earlier. Additionally, the Energy Department denied Los Alamos National Security, the private consortium that manages the lab, two years' worth of \$2.2 billion annual contracts and awarded the contractor just \$6.25 million of a potential \$63 million in performance incentives for the fiscal year that included the leak at WIPP.

In addition to the waste handling problems associated with the WIPP leak, federal evaluators cited incomplete construction projects and ethical lapses as the reasons they denied LANS millions of dollars in incentive pay, according to the newly released report by the National Nuclear Security Administration. The report lacked specificity about the ethical lapses it was referencing. But in March, the lab's Deputy Director Beth Sellers resigned over a conflict of interest. Her husband received a consulting contract from the lab in 2012. She failed to disclose the potential conflict until months after the contract award.

Contact Patrick Malone at 986-3017 or pmalone@sfnewmexican.com.

Bechtel Meets Goals on Fewer Than Half of Its Iraq Rebuilding Projects, U.S. Study Finds

By JAMES GLANZ

Published: July 26, 2007

One of the largest American contractors working in Iraq, Bechtel National, met its original objectives on fewer than half of the projects it received as part of a \$1.8 billion reconstruction contract, while most of the rest were canceled, reduced in scope or never completed as designed, federal investigators have found in a report released yesterday.



Matthew Cavanaugh/European Pressphoto Agency

Stuart W. Bowen Jr., the head of the Special Inspector General for Iraq Reconstruction, testified before a House committee in May.

But the report, by the Special Inspector General for Iraq Reconstruction, an independent agency, places a large share of the blame for the failures on the government overseers at the United States Agency for International Development who administered the contract. The aid agency assigned just two people in Iraq to oversee the giant contract, which included some 24 major projects and 150 subcontractors and stipulated that all invoices be approved or denied in just 10 days.

The report is the first of a planned series of audits of Western contractors that have received large slices of the roughly \$40 billion in American taxpayer money that has been spent on the troubled program to rebuild Iraq. Previous audits have looked at individual projects but never the performance across Iraq of a single contractor.

Stuart W. Bowen Jr., who heads the special inspector general's office, said the United States government clearly shared responsibility with the company for the project failures.

"I would say there's fault on both sides," Mr. Bowen said in an interview yesterday. He added that neither the aid agency nor the United States Army Corps of Engineers, which also oversaw aspects of the contract, ever came close to filling all their staff positions in Iraq.

“This isn’t so much an indictment of Bechtel as it is a criticism of the system,” said Stephen Ellis, a vice president at Taxpayers for Common Sense in Washington. “Those two individuals overseeing over a billion dollars in contracting — it seems to me they may deserve a medal, but they shouldn’t have had to do that,” Mr. Ellis said.

While the new audit is a sometimes scathing look at landfills that were never dug, fiber-optic networks never completed and sewage treatment facilities that never worked as designed, there is also praise for the work Bechtel did complete, including the installation of two huge electrical generators at the Baghdad South Power Plant and the rehabilitation of a sewer system in the Zafaraniya section of the capital.

“It’s actually quite positive, looking at it from a Bechtel perspective, in a lot of cases,” said Bill Shoaf, program director for the company’s Iraq infrastructure program. Although only 10 of the 24 job orders met their original objectives, Mr. Shoaf said, “Conditions change and priorities change and customers want change.”

Bechtel was one of the first American contractors working in Iraq after the invasion, and it received an early reconstruction contract worth about \$1 billion in April 2003. Later that year, Congress approved a much larger reconstruction program, worth \$18.3 billion, to rebuild Iraq’s water, sanitation, electrical, oil, transportation and telecommunications sectors. In January 2004, the company received a contract for \$1.8 billion of the rebuilding project to carry out some of that work.

But by April of 2004, the main Iraq insurgency had broken out, greatly complicating reconstruction efforts. And at the same time, American government agencies overseeing the effort struggled to fill staff positions. The aid agency filled only 170 of 251 authorized positions in Iraq, the inspector general’s report says, while the Army Corps filled just 18 of 37 positions it had created to support the agency in the country.

Adding further turmoil to the program was the decision by the United States to shift billions of dollars from reconstruction to arming and training Iraqi security forces, causing dozens of projects to be cut back or canceled. Even on the projects that survived, contractors like Bechtel subcontracted much of the work to companies that in turn subcontracted parts of the work to other companies, and so on, making oversight of progress in a dangerous, war-torn country nightmarish at times.

Bechtel's Taxpayer Abuse



Bechtel Group Inc. is a privately held corporation founded in 1898 that undertakes monolithic construction projects globally, and is responsible for such projects as the San Francisco Bay Bridge, OK Tedi Gold and Copper Mine, and the Channel Tunnel Rail Link in England. Bechtel's projects include petroleum and chemical plants, nuclear power and weapons facilities, oil pipelines, mining and metal projects, water management and a host of other construction works. In 2002, Bechtel booked new work totaling \$12.7 billion with gross revenues of \$11.6 billion, involving some 900 projects in nearly 60 countries. Bechtel consistently uses insider connections at the highest levels of government to obtain its contracts and made \$1,297,465 in contributions to federal campaigns and candidates between 1999 and 2002, 59% of which went to Republicans. Moreover, Bechtel's history of environmental degradation, human rights abuse, cost overruns at taxpayers expense, and privatization of public commodities is notoriously dismal. Here are a few examples of Bechtel's taxpayer abuse.

The Big Dig

Bechtel is the designer and manager of the Boston Central Artery tunnel project, in which Interstate 93 passes under the city. This federally funded project is the most costly civil engineering undertaking in U.S. history, having been estimated at \$2.5 billion in 1985. Project expenses reached \$14.6 billion in 2003. Watchdogs argue that it is extremely rare for a company to design, receive several construction contracts, and manage a project as huge as the Big Dig. Bechtel's gross errors include the complete absence of the planned Fleet Center (a 19,600 seat arena) from the company's designs, an active 9-foot wide pipe carrying sewage and storm runoff where planners had drawn a support wall, and fill not stable enough to support tunnel walls. These oversights required additional work to correct at taxpayers expense as Bechtel has not paid for any of its errors. Bechtel also ignored warnings of design flaws, even from its own engineers. Sadly, the administrator of USAID, Andrew Natsios, awarded the Iraqi reconstruction contract behind closed doors and without bidding. Natsios' confidence in Bechtel's abilities is puzzling, given the fact that he oversaw the Boston Central Artery project just two years ago as the chairman of the Massachusetts Turnpike Authority.

San Francisco, California

Bechtel is also mismanaging projects in its own home of San Francisco, California. Just over a year ago, the San Francisco Board of Supervisors phased out a contract with Bechtel for the management of the upgrade of the city's water systems before its completion date. In public reports, Bechtel was charged with doing unnecessary and overpriced work and charging the city for tens of thousands of dollars' worth of personal expenses, including travel. Local unions complained that Bechtel was receiving taxpayer money to take over work already being done by more experienced and qualified city employees. Local citizens and their elected officials were also deeply concerned that the management contract was just the first step towards a privatization of the water system by Bechtel. The intense local opposition eventually culminated in Bechtel being forced out of water system.



Bechtel Should be Held Accountable, Not Made More Profitable! Human Needs Not Corporate Greed in Iraq and at Home!

One of the biggest arguments against handing over the management of major public works projects to a private company like Bechtel is its lack of financial accountability, especially in foreign countries. Watchdogs of the nuclear industry say that Bechtel's cost overruns are legendary. To begin with, U.S. taxpayers subsidized the nuclear power industry by covering the costs of research and development, with Bechtel the single largest recipient, ultimately completing more than 40% of the national and 50% of the international nuclear power plants. When John McCone (of Bechtel McCone Corporation) took over the Atomic Energy Commission, he subsidized the industry so that nuclear energy could compete with conventional energy sources. Then McCone ordered a halt to foreign sources of uranium so that U.S. companies alone could sell radioactive material—greatly benefiting a Bechtel McCone subsidiary. This was the beginning of a long history of Bechtel's taxpayer abuse and insider dealing.

San Onofre

California governor Ronald Reagan underwrote much of Bechtel's corporate interests. Nuclear Energy development in California stalled from the Public Utilities Commission refusal to raise electricity rates high enough to make nuclear power appear economical. Reagan-appointed PUC board members hiked the rates by more than US \$2 billion, enabling utility companies to order several new nuclear plants—to be built by Bechtel. More recently, California taxpayer abuse is evident in the San Onofre Power Plant, where the California Public Utilities Commission ruled that poor oversight during the construction caused a US \$344.6 million cost overrun. Key Bechtel employees were so poorly trained that 16 of 18 failed an examination just prior to the start-up of Unit 2, creating a delay of 95 days and adding millions to the cost. Californians are still paying today. More important, San Onofre is an environmental disaster and potential catastrophe, as Bechtel installed a reactor backwards, making it more susceptible to earthquake damage from the nearby fault line.

Bay Area Rapid Transit

Through a series of labyrinthine corporation moves, Bechtel landed the construction contract for the Bay Area Rapid Transit project despite the fact that the Key System rail line was already in place, performed faster, and served the urban community better. The Bay Area Council, with Stephen Bechtel Sr. on the board, hired a research team to detail the benefits of a new rail system which was later used in a massive public relations campaign. The project suffered numerous delays and massive cost overruns as well as several accusations of fraud. In the 1980's, Reagan came to Bechtel's aid again when cost overruns forced Reagan to extend the state-tax surcharge for two additional years to keep the project afloat. In April, 2000, two BART board members said they would block seismic retrofitting if Bechtel won the contract due to their poor record on human rights, minority contracting, and cost overruns. There were US \$4 million in cost overruns and huge delays for the extension of BART to the San Francisco Airport (SFO). The cost continues to mount and we're no closer to SFO via BART.

Alaska Pipeline

In 1974, the Alyeska Pipeline Service Company awarded Bechtel the role of prime management contractor in the US \$8 billion Alaska pipeline. Bechtel proclaimed it a project of major historical implication. Soon, however, Alyeska claimed Bechtel overstaffed senior-level executives to multiply the charges on the cost-plus contract, overfilled for pipeline workers, and that the project was plagued with on-site thievery, featherbedding, low productivity, and conspicuous supply problems. Furthermore, Bechtel stood accused of ordering the quality-control staff to falsify thousands of X-rays of pipeline welds in order to accelerate construction. In May 1975, Alyeska fired Bechtel for overall mismanagement.

Perhaps the worst aspect of Bechtel Group Inc. is that a huge percentage of its projects are overseas, in developing countries where there is little or no financial or quality assurance oversight. Thus, taxpayer abuse is far more difficult to demonstrate. Bechtel frequently uses the Export-Import Bank (on which they have *de facto* permanent board members) to arrange low interest loans to developing nations for projects that Bechtel will complete. Last month, Riley Bechtel (Bechtel's CEO) was sworn in as a member of President Bush's Export Council to perform the same function, and Bechtel received a \$680 million contract to rebuild Iraq's infrastructure. Contact your congressional and senatorial representatives and demand that an honest company get the contract.

La Jicarita

"Pessimism of the intellect, optimism of the will."—Antonio Gramsci

Bechtel and Los Alamos National Laboratory: The Privatization of the Nuclear Industry

Posted by [lajicarita](#) · March 30, 2012 · [2 Comments](#)

[EDITOR'S NOTE]: Nuclear Watch New Mexico recently filed a second lawsuit under the Freedom of Information Act in the federal district court of New Mexico to obtain the National Nuclear Security Administration's Performance Evaluation Reports for Los Alamos National Laboratory and all eight nuclear weapons sites in the country. The group first filed a FOIA request in January of 2012 and failed to get a response from the government. This new lawsuit seeks to find out why the government continues to award tens of millions of dollars of contracts to the Bechtel/University of California corporate consortium that has increasingly demonstrated mismanagement and waste. Below is a history of Bechtel's long and sordid history of corporate profiteering and mismanagement around the world. (nuclearwatchnm@nukewatch.org)

By KAY MATTHEWS

Los Alamos National Security (LANS) is the for-profit limited liability corporation that runs the world's premier nuclear weapon's site, the Los Alamos National Laboratory (LANL) in northern New Mexico. Its two dominant partners are the University of California (UC) and Bechtel, one of the world's largest privately held corporations. Through a parallel consortium UC and Bechtel also run LANL's sister nuclear weapons lab, the Lawrence Livermore National Laboratory in California. When the Bechtel/UC consortium took over management of Los Alamos National Laboratory in 2006 it wasted no time revealing what privatization would bring to the Lab: the layoff of 450 to 600 contract workers, and a subsequent reduction in the work force—through attrition—of another 300, is testimony to its "cost-efficient" path towards profit. Now, in 2012, after threatening to layoff between 400 to 800 employees, the Lab achieved the "voluntary" layoff of about 557 workers. Those employees have been given 39 weeks of severance pay and an extension of their health insurance benefits.

Of course, Bechtel itself is guaranteed a contractual amount of profit, no matter what it has to do to meet a Department of Energy (DOE) budget. And Bechtel excels in making a profit: in 2004 the company had revenues of \$17.4 billion and in 2005, \$18.1 billion. As Steve Bechtel Sr., son of Bechtel founder Warren Bechtel and father of current owner (along with his son Riley) Steve Bechtel Jr., put it, "We are not in the construction and engineering business. We are in the business of making money." (Layton McCartney, *Friends in High Places*, 1988.)

How It All Began

To better understand what Bechtel management of the Lab may mean it's useful to take a look at the company's history. Founded by Californian Warren Bechtel in the early 1900s, Bechtel took advantage of the rebuilding opportunities after the San Francisco Earthquake and initially specialized in railroad and irrigation canal construction. The company also branched out into mining, insurance, real estate development, highway construction, and oil pipeline construction, and by the end of the 1920s Bechtel was one of the largest construction companies in the U.S. The crowning achievement of Warren Bechtel's career was building Boulder Dam in Nevada (later named Hoover Dam), which provided water for the development of Los Angeles, Phoenix, Palm Springs, and the Imperial Valley. As one of the partners in Six Companies, Bechtel would go on

to be involved in the construction of many New Deal projects: the Moffat Tunnel in Colorado, the Grand Coulee, Parker, and Bonneville dams, and the Oakland-San Francisco Bay Bridge.

By the time Warren's son Steve came on board to head the business, the company was turning its sights away from government projects and towards the private sector, particularly oil. And an old schoolmate and early business partner of Steve's from Berkeley, John A. McCone, helped propel the company into the international arena of pipeline development, nuclear power, and nuclear weapons. McCone, "one of the pivotal figures in American policy," (McCartney, *Friends in High Places*) was chairman of President Dwight Eisenhower's Atomic Energy Commission (AEC) and director of the CIA during the John Kennedy and Lyndon Johnson administrations.

Like many corporations that make money through war-profiteering, the Bechtel and McCone business partnership made much of its fortune by building ships during World War II. Also during the war years Bechtel undertook the building of the Alaska pipeline, which set the pattern for subsequent controversies in which Bechtel would become embroiled: the government favor of no contract bidding (the pipeline construction was actually conducted in secret by the War Department) and construction mismanagement, including delays and cost overruns. At the direction of the War Department, Bechtel-McCone was also building pipelines and refineries in Mexico, Venezuela, Bahrain, and off the coast of Saudi Arabia. Steve Bechtel and John McCone made over \$100 million dollars on less than a \$400,000 investment during the war.

After the war Steve Bechtel bought out McCone and turned Bechtel Corporation into a service company that avoided debt by dealing with customers who financed their own projects with advance payments: projects that Bechtel not only built but conceived and designed. The biggest of those clients was Standard Oil Company of California, and the place it made its money was Saudi Arabia. From there, Bechtel went to work all over the Middle East, and through its lobbyists essentially became the voice of the Arab world in Washington D.C.

Nuclear Activity

Even before John McCone became chairman of the AEC, Bechtel had recognized the potential for profit making in the atomic power industry. In the 1940s Bechtel built several "heavy water" storage plants in Hanford, Washington as part of the Manhattan Project, based in Los Alamos. It was also one of the contractors that built the "Doomsday Town" in the Nevada desert where the AEC detonated a nuclear device to see what would happen to a typical city. It was leveled, of course. Through Steve, Sr.'s connections in Washington D.C. and with California utilities that were committed to nuclear energy, it got in on the ground floor of the government's "Atoms for Peace", which proposed transforming the greatest destructive force ever developed into "abundant electrical energy." When John McCone was appointed AEC chairman in 1954, and started moving AEC funding to the private nuclear industry (against the wishes of Harry Truman, who said that nuclear energy was "too important a development to be made the subject of profit-seeking") (McCartney, *Friends in High Places*), and spreading U.S. nuclear technology overseas, Bechtel was off and running. Greatly expanded during the Nixon administration, the nuclear industry was scheduled to build 31 power plants by 1973, half of which were to be contracted to Bechtel.

The first of many boondoggles for which Bechtel was responsible was the nuclear plant in Tarapur, India, where the seed for today's South Asian arms race was planted. The plant experienced major leaks, causing high levels of radioactivity in the Arabian Sea. The Tarapur plant was not the only Bechtel built plant that experienced leaks. According to McCartney, "... the entire generation of BWR [boiling-water reactors] plants Bechtel and GE had begun building during the late 1950s were not ... in compliance with minimum AEC safety requirements." Several Bechtel employees also complained that the company was using "substandard building techniques and faulty welding techniques in the construction of nuclear power plants." Bechtel was accused of trying to silence these complaints and retaliating against the whistle blowers.

After a failed attempt to get into the nuclear-fuel enrichment business in the mid-1970s, Bechtel switched its attention to the nuclear clean-up industry. The man who would help lead the company in this next business phase was none other than George Shultz, who epitomizes the government/corporate revolving door routine: first in Washington, as Secretary of Labor and Treasury Secretary under Richard Nixon, then as Bechtel's executive president, and finally, Secretary of State under Ronald Reagan.

One of Bechtel's largest and most lucrative assignments is at the Hanford Nuclear Repository, located on the Columbia River in Washington, the largest nuclear waste repository in the country. Hanford stores high-level waste generated from the processing of spent nuclear fuel and has leaked more than one million gallons of nuclear liquid waste into the surrounding environment. Bechtel was awarded the contract to build the waste treatment plant—the Hanford High-Level Nuclear Vitrification Plant—that takes the liquid waste from the leaking underground tanks and turns it into solid glass-waste logs, which will in turn be disposed of in an underground geological repository.

At the start of 2005 the plant was estimated to cost approximately \$5.8 billion and was supposed to be in operation by a 2011 deadline. Construction on the plant was halted in the summer of 2005 due to flaws in the plans, apparently caused by a fast-track schedule that began before the design had been finalized. According to a press release from the Government Accountability Project, this “was the result of Bechtel's rush to receive a \$15 million bonus for meeting a deadline, coupled with an effective lack of oversight by the DOE.” It is now estimated that the plant will cost \$11.55 billion (one source says \$13.2 billion) and will not begin operation until 2019. Overall, Hanford's cleanup costs are expected to total up to \$60 billion and the work to continue until 2035.

Mismanagement in Iraq

Bechtel was gone from Iraq by the end of 2006. Its \$50 million contract to build the Basra Children's Hospital was cancelled because the Special Inspector General for Iraq Reconstruction (SIGIR) found that the project was almost \$90 million over budget and more than a year and a half behind schedule. Bechtel's other contracts expired that year. While Bechtel blamed security concerns for its failure to complete the hospital, many pointed to the fact that Bechtel subcontracted the work to Jordanian and Iraqi companies that resulted in additional overhead, too little managerial oversight, and short-term employment and low pay for the Iraqis.

But the company didn't leave empty handed, by any means. During its tenure in Iraq it was awarded non-competitive contracts totaling \$2.85 billion for reconstruction projects to provide electricity, and water and sewage systems that dragged on for years and failed to meet contractual obligations. It took over three and a half years for these systems to exceed prewar levels, but they remain below U.S. government expectations. Three billion dollars had been paid, while only half of the projects planned in these systems had been completed. And of those in operation, according to Bechtel, “not one is being operated properly.” The company blames a poor Iraqi work force, but the fact that the U.S. administrator in Iraq fired the upper echelon management work force and hired Bechtel to build systems the Iraqis were unfamiliar with, is more likely where the blame lies.

In a subsequent report to Congress SIGIR found Bechtel met its original objectives on fewer than half of the reconstruction projects. Most of the rest were canceled, reduced in scope, or never completed as designed.

Privatization of Water

No discussion about Bechtel should fail to mention its attempt to privatize the water system in Cochabamba, Bolivia. This topic has been covered extensively and I will only give a brief overview here. When a Bechtel consortium took over the city's water supply from the government, it ignited *una guerra del agua* during which “peasants from the nearby countryside manned barricades sealing off all roads to the city” to protest what they perceived as the abrogation of their basic human right to clean water. The citizens of Villa San Miguel, a nearby

barrio, who had dug their own well and installed a water system to serve its poor community, also joined in the protest when the water consortium took over its water system. The company installed meters to charge fees, which complied with a contract that guaranteed the company a minimum of fifteen percent profit adjusted annually to the consumer price index in the United States.

The people of Cochabamba took to the streets over and over again in mass protest and eventually forced the water company officials to flee. The Bolivian government revoked the company's contract but was forced to pay the corporation between \$12 and \$40 million in compensation. Bechtel then became involved in other water privatization schemes, including San Francisco, where the company won a \$45 million contract to repair and manage the city's water system.

What This Means for LANL

~~"Nuclear laboratories are no longer to be intellectual institutions devoted to science but part of a corporate-business model where research, design, and ultimately the weapons themselves will become products to be marketed. The new dress code will be suits and ties, not lab coats and safety glasses."~~—Frida Berrigan

Bechtel is now one of four contractors partnering in the limited liability corporation LANS that has taken over management of Los Alamos National Laboratory. This is part of a DOE trend to consolidate nuclear weapons businesses in the hands of a small group of corporations, universities, and nonprofits. Damon Hill and Greg Mello of the Los Alamos Study Group took a closer look at what this may mean in their article, "Competition – or Collusion? Privatization and Crony Capitalism in the Nuclear Weapons Complex: Some Questions from New Mexico, May 30, 2006" (<http://www.lasg.org/NNSAPrivatization.pdf>):

~~"The new LANS contract suggests a new model of conditional long-term, effectively uncompleted, no-bid contracts in which profit incentives and executive compensation will help shape nuclear weapons policy implementation. . . . Private corporate management and less government oversight will bring greater whistleblower 'discipline,' tighter control over information and communication, and according to an internal presentation by the incoming LANL director, encouragement of employee reporting of anything or anyone impeding the mission."~~

All of this has indeed come to pass, as has Concerned Citizens for Nuclear Safety's Joni Arends' prediction that Bechtel will "cut corners and risk safety while building the \$950 million Chemical and Metallurgy Research Building Replacement at LANL just as it has at Hanford. The facility itself is enough of a safety risk, and if we couple these problems with a design-as-you-build approach, the impact to our environment and our health will be devastating." (www.nuclearactive.org) The cost of the proposed CMRR complex ballooned to \$6 billion dollars when LANL had to reconfigure how to take into account the potential seismic activity that had been underestimated in the initial design. Fortunately, as I reported in "Los Alamos National Laboratory: A Plague on Your House" (March 17), funding for the CMRR nuclear facility contract has been deferred for at least five years. In a typical PR move the Lab announced that even if the new CMRR nuclear facility doesn't get built LANL can continue to do the "necessary" work to produce pits for nuclear weapons at "other" facilities; in other words, corporate profiteering from weapons work will continue, whatever the funding and despite the public demand for non-proliferation and a change of mission.

Regional Coalition of LANL Communities Washington, D.C. Meetings Update



Trip Purpose: To advocate for full amount of cleanup funding for Los Alamos National Lab at \$255M

Facts on Cleanup Funding

- The budget for cleanup at LANL is essentially down from \$225 million; it is being proposed for fiscal year 2016 at \$189 million.
- New Mexico's Secretary of the Environment has estimated that LANL needs \$255 million per year to meet the requirements of the current cleanup Consent Order. We believe this is the necessary level of funding and that Congress should appropriate this level of funding.
- The other national laboratories are proposed to receive an increase in cleanup funds while NM has not been appropriated with necessary funds.

Regional Coalition's Position on DOE Fines by State of NM

- We support the State's efforts to hold DOE accountable for not meeting the terms of the Consent Order executed in March of 2005. However, we believe there should be a de minimus fine, a scope of additional cleanup work agreed to, and DOE should be allowed to work off the fine by providing additional cleanup funding in the area. We have been assured that DOE and Sect. Ryan Flynn's office are in agreement with the Regional Coalition in ensuring that any fine money paid goes directly to cleaning up in the LANL region.
- We do not want to see fines taken from cleanup budgets. Our communities need and expect that commitment to cleanup.
- We believe that DOE should engage with the State of New Mexico Environment Department and negotiate an amicable solution that benefits our communities in Northern New Mexico, because our communities are impacted by the legacy waste that needs to be cleaned up.

Coalition stance on WIPP

- Our concern is for continuing cleanup and jobs. Our understanding is that, with the TRU waste project halted because of the WIPP closure and employees have been laid off, and in some cases have left the area altogether. Our communities will lose these skilled employees until cleanup activities resume – therefore legacy cleanup projects should move forward as soon as possible.
- Also, all the national labs need WIPP back up and running to receive waste. We support funds to reopen WIPP, but we do not believe our communities should be penalized by moving cleanup funding from Los Alamos National Lab for that purpose. We need to continue cleaning up Los Alamos.

Coalition update on NNSA cleanup contract transition to DOE, Environmental Management

- DOE has assured the Coalition that the transition will be efficient and free up more cleanup monies for LANL cleanup contracts
- We have also been assured that the subcontractors who currently have contracts with LANS will not lose those during the 18-month or 2-year transition period. We have been told there will be a competitive process to rebid those projects at the end of the transition period, but that we will be able to have input into the terms of the RFP that will be issued.
- Our concerns about new contracts include the fact that current contracts require subcontractors to contribute funds to community programs. We would like that requirement to continue, since that commitment is very valuable to the community.

Coalition's Endorsement of LANL's Community Commitment

- The Coalition would like DOE to encourage LANS to continue contributing to the community via its Community Commitment Office and Plan. We believe any penalties or decrease in the fee LANS receives for operating the lab should allow for and/or encourage continuation of the Community Commitment funds. They support worthwhile programs including STEM education, disadvantaged children and economic development such as venture funds.



Regional Coalition of LANL Communities Announces Successful Meetings Regarding Clean-up Initiatives and Funds

Members of the Regional Coalition journeyed to Washington, D.C. to meet with the New Mexico Congressional delegation, House Appropriations and DOE officials

FOR IMMEDIATE RELEASE—February 13, 2015; Santa Fe, New Mexico: The Regional Coalition of LANL Communities (Coalition) is pleased to announce successful meetings in Washington, D.C. The group visited the Capitol to meet with the New Mexico Congressional Delegation members, House and Senate Armed Services, Appropriations and Department of Energy (DOE) officials regarding clean-up issues and funding for Los Alamos National Lab (LANL). The Coalition believes that funding for FY16 environmental clean-up at LANL should be \$255 million and stated that request in all meetings. The proposed budget for FY2016 is \$189 million, which is a decrease from actual dollars received the past couple of years.

“Recent news has been about the fines assessed on DOE by the State of New Mexico Environment Department,” said Mayor Alice Lucero, Chair of the Regional Coalition. “We of the Coalition support LANL and its clean-up commitments. We believe that payment of fines should not impact the funds for clean-up.”

The Coalition, in meeting with State Environment Department and DOE officials, understands that both value a good relationship and desire to resolve the fines issue to the benefit of the citizens of our communities, in particular clean-up funds.

The Coalition also made the point to Congressional appropriators that skilled employees have been laid off because of the halt in TRU waste clean-up and shipment to WIPP (Waste Isolation Pilot Plant) and that the communities will lose those qualified employees if clean-up tasks do not resume.

Finally, the Coalition also stated to DOE and other officials that the funds required to be invested in community programs by both the main contractor, Los Alamos National Security, and the major subcontractors should continue, since they are important investments in education, the needs of disadvantaged children, small businesses and other community needs. The Coalition has requested that DOE consider LANL’s funding of community programs when awarding fees or clawing back fees.

The Coalition members are encouraged by the fact that the entire New Mexico delegation is committed to working together to support the Lab and our communities. DOE Environmental Management (EM) and National Nuclear Safety Administration (NNSA) as well stated their commitment to engage as well. The members believe all parties will help with the group’s

mission to secure adequate funding to continue clean-up activities at LANL as well as to get WIPP reopened.

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PUBLIC RELATIONS +

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ABOUT THE REGIONAL COALITION: The Regional Coalition is comprised of nine 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 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 2015 Board of Directors includes Chair, Mayor Alice Lucero, City of Espanola; Vice Chair, Councilor Andrew Gonzales, Town of Taos; Sect./Treas. Javier Gonzales, Mayor of Santa Fe; Commissioner Henry Roybal, Santa Fe County; County Councilor Steve Girrens, Los Alamos County Council; Commissioner Barney Trujillo, Rio Arriba County; Commissioner Laurence Gallegos, Taos County; Ron Lovato, Pueblo of Ohkay Owingeh; and to-be-determined representative of Pueblo of Jemez. <http://regionalcoalition.org/>.

REGIONAL COALITION OF LANL COMMUNITIES

RESOLUTION NO. 2012-01

**BYLAWS OF
THE BOARD OF DIRECTORS
OF THE
REGIONAL COALITION OF LANL COMMUNITIES**

PREAMBLE

The Regional Coalition of LANL Communities (the “Regional Coalition”) shall carry out its purposes as described in and pursuant to the Joint Powers Agreement establishing the Regional Coalition of LANL Communities (the “JPA”) and amendments thereto.

**ARTICLE I.
Offices**

If the Regional Coalition has offices, the principal office of the Regional Coalition shall be located within the boundaries of any Party to the JPA and amendments thereto, as designated by the Board of Directors. The Regional Coalition may have other offices and places of business at such places within the State of New Mexico as shall be determined by the Board.

**ARTICLE II.
Board of Directors**

A. Number, Qualifications and Term of Office. The business and affairs of the Regional Coalition shall be managed by a Board of Directors. The Board of Directors shall be constituted of one representative Director from each of the member Parties of the Coalition. All Directors must be an elected official, or tribal official. All Alternate Directors may be either an elected official or employee of that government. Annually, each government will appoint the Director and Alternate Director(s) and inform the Regional Coalition in writing. Each government may appoint up to two Alternate Directors.

B. Performance of Duties. A Director and Alternate Director shall perform his/her duties in good faith and in a manner he/she believes to be in the best interests of the Regional Coalition. An Alternate Director shall serve in the absence of the Director for which he/she is an alternate. However, at no time shall an Alternate Director serve as an officer of the Board of Directors.

C. Vacancies. Any Director or Alternate Director may resign at any time by giving written notice to the chair of the Board of Directors. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. In the case where the Director or Alternate Director is an elected

official, that office shall be deemed to be vacant upon the expiration of their term of office. A vacancy will also occur if a Director or Alternate Director dies during his or her term of office. In the event of a vacancy, the affected Party shall submit the name of a replacement at its earliest convenience.

D. Expenses. The Board of Directors shall adopt, by separate action, a resolution detailing the procedures for reimbursement of expenses related to Director and Alternate Director participation in Coalition activities.

E. Conflict of Interest. No Director or Alternate Director may enter into an employment relationship with the Regional Coalition (1) while serving on the Board or (2) for twelve months thereafter.

ARTICLE III. Officers of the Board

A. General. The Chair, Vice Chair, and Secretary/Treasurer shall be elected annually by the Board of Directors. Such elections shall take place at the first meeting of the Board held on or after July 1st of each year, and the terms shall commence immediately upon election. There shall be no limitation on the number of terms for which a person may serve as an officer. An officer shall hold office until he/she is no longer qualified to serve or his/her successor is chosen, until his/her death, or until he/she shall resign. All officers of the Regional Coalition shall be Directors of the Regional Coalition; should an Alternate Director represent the Director at a meeting, said Alternate Director shall not assume any office held by the Director for whom the alternate Director is substituting.

B. General Duties. All officers and agents of the Regional Coalition shall have such authority and shall perform such duties as may be provided in these Bylaws or as may be determined by resolution of the Board of Directors not inconsistent with these Bylaws.

C. Vacancies. When a vacancy in one of the Board offices occurs it shall be filled by a resolution of the Board of Directors at the next meeting of the Board at which a quorum is present.

D. Chair of the Board. The Chair of the Board shall preside as chair at meetings of the Board of Directors. He/she shall, in addition, execute resolutions and documents, represent the Board and Regional Coalition at public functions and perform such other duties as the Board may prescribe.

E. Vice-Chair. The Vice-Chair shall fulfill the responsibilities of the Chair when the Chair is unavailable to do so.

F. Secretary/Treasurer. The Secretary/Treasurer shall perform both the duties of a secretary and of a treasurer, as follows:

1. Shall keep or cause to be kept, the minutes of the meetings of the Board.
2. Shall have oversight of Regional Coalition funds and assets. He/she shall review accounts of receipts, disbursements and deposits of all Regional Coalition monies and other valuable effects in the name and to the credit of the Regional Coalition and report to the Board of Directors upon request.
3. Shall provide or cause to be provided a detailed financial statement to the Board. The financial statement shall include all revenue, revenue sources, expenditures and balances, and include monthly and year-to-date figures. The presentation of such a financial statement shall be a recurring item on each of the Board's regular meeting agendas.

G. Delegation of Duties. Except for the Chair, whenever an officer is unable to perform the duties of his/her office for any reason, the Board may delegate the powers and duties of an officer to any other officers or to any qualified Director.

ARTICLE IV. **Regional Coalition Staff**

At its discretion, the Board may hire an Executive Director who shall serve at the pleasure of and report directly to the Board of Directors of the Regional Coalition, and who shall be responsible for implementing the Board's policies, and for the overall management of all activities of the Regional Coalition. All other staff shall be hired by the Executive Director and shall report to him/her.

ARTICLE V. **Meetings of the Board**

A. Place of Meetings. The regular or special meetings of the Board of Directors or any committee designated by the Board shall be held at the principal office of the Regional Coalition or at any other place that the Board of Directors designates.

B. Regular Meetings. The Board of Directors shall meet quarterly, or as otherwise determined by the Board of Directors and pursuant to the Open Meetings Resolution as adopted by the Board.

C. Special Meetings. Special meetings of the Board of Directors may be called by the Chair or a quorum of the Board of Directors and pursuant to the Open Meetings Resolution as adopted by the Board.

D. Notice of Meetings. The Board shall adopt a resolution annually detailing meeting notice procedures in compliance with the New Mexico's Open Meetings Act, NMSA 1978, § 10-15-

1(1999) and shall be deemed the Board's Open Meetings Resolution.

E. Voting.

1. Quorum. At meetings of the Board of Directors, a majority of the appointed Directors (or their alternate if a Director is not present) shall be necessary to constitute a quorum for the transaction of business. If a quorum is present, the Regional Coalition's goal is to reach consensus on matters under consideration. If a vote is needed, an affirmative vote a majority of the Directors present (or Alternate Directors) shall be required to be the act of the Board of Directors.

2. Consent Agenda. Within a meeting agenda, Regional Coalition staff may place on the consent agenda any one or more items which staff believes do not give rise to discussion by the Board, and which may be acted upon by singular action and vote of the Board. Any Director may pull from the consent agenda any one or more items which shall then be separately and individually discussed and voted on by the Board.

F. Conduct of Meetings. The Board may adopt such rules of procedure as it deems proper. To the extent any rules adopted by the Board do not specify how an item of business of the Board is to be conducted then Roberts' Rules of Order shall apply.

ARTICLE VI.

Open Records and Open Meetings

A. All accounts and records of the Regional Coalition and its committees shall be open to the public as provided for in the New Mexico Open Records Act and any other applicable laws, at all reasonable times under reasonable regulation, except where a specific determination is made by the Regional Coalition that there is a legitimate public purpose achieved by withholding a document concerning legal, personnel, or private proprietary information.

B. All meetings of the Board of Directors of the Regional Coalition and any of its committees are subject to New Mexico's Open Meetings Act, NMSA 1978, § 10-15-1(1999), as the New Mexico legislature may amend from time to time.

C. Minutes or similar record shall be kept of all meetings of the Board of Directors of the Regional Coalition.

ARTICLE VII.
Committees

A. Regional Coalition Committees. The Regional Coalition is interested in working with the public and will seek the input of the local community and other interested parties. As necessary, and to the extent practicable, the Regional Coalition will seek the input of the local community and other interested parties by establishing *ad hoc* committees and task forces, and by holding public meetings, workshops, special meetings, or other forums of public involvement, from time to time as may be deemed appropriate by the Board. By resolution or motion of the Board, the Regional Coalition may establish such working committees from time to time as it deems appropriate. These committees shall be open to all persons interested in participating with the Regional Coalition. Each committee shall have a chair appointed by the Board of Directors. Committees may consider issues consistent with the Regional Coalition's purposes and make recommendations for actions to the Board of Directors. Any such recommendations, together with any minority reports, shall be made to the Board of Directors. The Board may consider and comment on committee recommendations and formulate its own recommendations for official action by the Board. Any minority report(s) from a committee shall be transmitted simultaneously with such recommendations. The Board of Directors may take such actions as it deems appropriate, notwithstanding recommendations or lack thereof or the fact of pending deliberations of committees and of the Regional Coalition.

B. Board Committees. The Board may have committees on any matters as the Board deems proper for the administration of the Regional Coalition. Such committees shall be comprised of Directors, and shall not meet nor exceed the number of Directors necessary to constitute a quorum of the Regional Coalition.

ARTICLE VIII.
Fiscal Year

The fiscal year of the Regional Coalition shall be July 1 to June 30.

ARTICLE IX.
Amendments

A. General. The Board of Directors may amend, supplement or repeal these Bylaws or adopt new Bylaws, and all such changes shall affect and be binding upon the Regional Coalition. Any amendment, supplement or repeal of these Bylaws or adoption of new Bylaws shall require discussion at two meetings of the Board.

B. Vote Necessary. Amendment to, supplementation of or repeal of these Bylaws or adoption of new Bylaws shall require approval by a majority of the Directors of the Board at the second meeting at which the amendment, supplement, repeal or adoption is discussed.

ARTICLE X.
Annual Report

On an annual basis, the Regional Coalition shall prepare or cause to be prepared an annual report which shall generally address Regional Coalition's operations for the previous year; Regional Coalition's proposed plans for the upcoming year; a summary of Regional Coalition's financial status, including revenue projections and operating costs; and any changes or proposed changes in Regional Coalition's policies. Upon request, the Executive Director shall present an oral presentation of the annual report at a designated board or council meeting of the requesting Party.

ARTICLE XI.
Miscellaneous

A. Invalid Provision. The invalidity or non-enforceability of any particular provision of these Bylaws shall not affect the other provisions herein, and these Bylaws shall be construed in all respects as if such invalid or unenforceable provision was omitted.

B. Governing Law. These Bylaws shall be governed by and construed in accordance with the constitution and laws of the State of New Mexico and the JPA, as amended from time to time. To the extent there are inconsistencies between the JPA and any amendments thereto and these Bylaws and any amendments thereto, the JPA and amendments thereto shall control.

PASSED AND ADOPTED this 17th day of August, 2012.

**REGIONAL COALITION OF LANL
COMMUNITIES**

Coalition Chair

ATTEST:

Coalition Secretary

Crescent Strategies, LLC
1400 Riverside Avenue, Boulder, Colorado 80304
(303) 859-1807 ~ (303) 600-7773 (facsimile) ~ david@crescentstrategies.com

**REPORT TO THE BOARD OF DIRECTORS
REGIONAL COALITION OF LANL COMMUNITIES
BOARD RETREAT, MAY 16, 2014**

Prepared by

David M. Abelson
Crescent Strategies, LLC

May 30, 2014

This report summarizes the Regional Coalition of LANL Communities' May 16th Board of Directors retreat.

Board members present:

Alice Lucero, Mayor, City of Española
Fran Berting, Councilor, Los Alamos County
Joe Maestas, Councilor, City of Santa Fe
Tom Blankenhorn, Commissioner, Taos County
Steve Girrens, Councilor, Los Alamos County
David Trujillo, Assistant Manager, Rio-Arriba County

Executive director management team members present:

Darien Cabral, Executive Director
Jennifer Padilla, JLH Media
Jennifer Hobson-Hinsley, JLH Media

Economic development professionals who offered perspectives at the retreat:

David Griscom – Santa Fe County
Fabian Trujillo – City of Santa Fe
Chris Madrid – Rio Arriba County
Greg Fisher – Los Alamos County
Kathy Keith – Regional Development Corporation
John Mott – Feyman Center

David Abelson, Director, Crescent Strategies, LLC, facilitated the meeting and has prepared this report. Brian Bosshardt, Deputy County Administrator, Los Alamos County, assisted with meeting management.

Background on the Regional Coalition of LANL Communities

The Regional Coalition is rooted in the idea that by coming together to proactively address issues, these governments are better poised to define the public interest and ensure national policies protect and promote local interests. Those interests are environmental, economic and cultural. As congressional delegations and communities from other Department of Energy (DOE) facilities can attest, regional partnerships such as the Regional Coalition strengthen the decision-making process and are integral to the communities' long-term economic viability.

A central component of the Regional Coalition's work is addressing environmental liabilities. That effort includes the evaluation of cleanup planning, implementation, and oversight for protection of workers and neighboring communities. It likewise includes ensuring decisions made at the Los Alamos National Laboratory (LANL) are consistent with community values and goals.

Economic issues are critical to the Regional Coalition's mission. As provided in the Regional Coalition's strategic plan, "Sustaining and diversifying LANL's missions and protecting the

environment through design, planning and execution are central to the site's long-term viability and, in turn, essential to the long-term economic and social health of the regional communities." The key question for the Regional Coalition concerns what economic development means in the context of its efforts, and, specifically, how the Regional Coalition can marshal its political strengths to advocate for and otherwise support existing regional economic development efforts.

Finally, advancing the organization's goals and priorities requires strong communications. That effort is part education, part advocacy.

Observations from the retreat

The Regional Coalition continues to make progress in fulfilling its goals of securing funding for cleanup, which is both an environmental and jobs issue, and helping define local interests as DOE and the New Mexico Environment Department (NMED) establish cleanup priorities. With Darien Cabral and JLH Media as the executive director management team, the Regional Coalition has in place a team that can help advance economic development issues, the part of the Regional Coalition's strategic plan that has received less attention. The challenge facing economic development efforts is defining the Regional Coalition's role given the many existing, effective efforts.

To be successful moving forward there are certain critical steps that the organization must take, most of which were defined during the retreat or came up in meetings David Abelson, the meeting facilitator, had with the executive director management team and Board members prior to the retreat. David's key recommendations are:

1. The Board of Directors must work together and with the executive director management team to define the organization's strategic course. That includes developing an annual work plan, and, based on that plan, scoping agenda topics one-to-three months in advance.
2. The executive director management team must have a clear sense of the Board's expectations so that it can best serve the Board's interests and effectively implement the work plan.
3. The goals and intent of each meeting must be clearly defined.
4. As agreed to at the retreat, the organization must balance its focus on environmental and economic development issues. To date, the Board has emphasized environmental issues, including cleanup funding. That work must continue while expanding its focus on economic development issues.
5. The executive director management team must maintain close ties to DOE, NMED and LANS, as a strong working relationship will be central to advising the Board on its strategic direction and identifying opportunities for substantive Board engagement. Frequent contact with these parties is essential.
6. For now, the executive director management team must narrow its focus to (a) strengthen relationships with all member governments, (b) establish the framework and develop the initial draft of the work plan, (c) analyze opportunities to engage economic development opportunities, and (d) identify opportunities to influence existing cleanup actions and future cleanup campaigns.

7. Be aware of local government politics. It is critical that the executive director management team does not advance issues that pit one government against another. Disagreement amongst member governments is part of the process, but political considerations must be understood when managing this type of organization.

SUMMARY OF BOARD RETREAT

What the Board hoped to achieve at the meeting

At the start of the meeting, the Board and the executive director management team identified what it hoped to accomplish at the retreat. These ideas are summarized as follows:

1. Work plan:
 - a. Identify what the Regional Coalition wants to accomplish and where it goes from here.
 - b. Identify Board priorities for both environmental remediation and economic development.
 - c. Develop the framework for an achievable work plan that is integrated with the existing strategic plan, and begin developing the framework for its work over next three-to-six months.
 - d. In the work plan, balance environmental remediation and economic development.
2. Organizational management:
 - a. Provide direction to the executive director management team, including the Board's expectations.
 - b. Develop a process for all governments to contribute to the meeting agenda.
3. Economic development:
 - a. Define what economic development looks like within the scope of the Regional Coalition.
 - b. Clarify the Regional Coalition's economic development path and coordinate efforts with other groups.

The Board either met each goal or set the course for addressing each item.

Environmental remediation priorities

The Board agreed in the importance and value of ensuring that decisions made at the federal and state level about cleanup priorities and related actions include local interests and priorities. There was discussion regarding the ability of the Regional Coalition to influence cleanup decisions being made by DOE, LANS and NMED. At the same time, there was also discussion that DOE is interested in working with the Regional Coalition as it establishes cleanup priorities.

The cessation of TRU waste shipments to WIPP created uncertainty regarding DOE and NMED's path forward on the Framework Agreement and Consent Order, and in turn the type of decisions that would be made in the coming months and year. The Board remains strongly interested in evaluating cleanup options and priorities, and weighing risk reduction, costs, and

other factors that are integral to establishing the path forward on environmental remediation. Accordingly, the Board agreed to approach environmental remediation as follows:

1. Understand DOE, NMED, and LANS' cleanup priorities, and engage in priority setting. That analysis includes understanding
 - a. Environmental media affected;
 - b. Risk reduction that would be achieved;
 - c. Cost;
 - d. Work health and safety;
 - e. Employment needs; and
 - f. Other issues not yet identified.
2. Understand the path forward on the WIPP-3706 campaign, including what role, if any, the Regional Coalition can occupy as part of that campaign.
3. Understand next steps on Consent Order with TRU waste shipments to WIPP being halted for 18-36 months.
4. Define the Regional Coalition's realm of influence and advocate for community priorities.
5. Identify opportunities to influence DOE, NMED and LANS decisions, and, as appropriate, advocate for adequate funding with Congress.
6. Evaluate options for remediating the chromium plume, and understand stormwater management issues.
7. Develop a unified voice on cleanup issues.
8. Support the campaign approach to cleanup such as the one that was utilized in the TRU waste 3706 campaign.
9. Keep abreast of cleanup work.

Economic development – evaluation parameters

The Board developed a set of parameters that it will use to evaluate its engagement on economic development issues, but noted the Regional Coalition is not an economic development organization. For that reason, the Board stressed that in evaluating economic development opportunities, it is imperative that the organization pay close attention the role of other organizations, if any, working on the given project, and in turn the specific role that the Regional Coalition would occupy.

The parameters the Board developed for evaluating its engagement on economic development issues are:

1. Explain the connection of the project to LANL;
2. Identify what other organizations are working on the project, and the role of each;
3. Explain how the project affects the Regional Coalition's strategic interests;
4. Explain the specific role(s) for the Regional Coalition in advancing the project (i.e., advocacy, communication, coalition building);
5. Identify how the Regional Coalition will leverage its resources; and
6. Identify and explain which governments/communities would be affected by the project, explain the impacts, and identify any intergovernmental conflict that would emerge should the Regional Coalition pursue this project.

The executive director management team will conduct the initial analysis. Should the management team determine that a project is or might be worth pursuing, that recommendation will be brought to the executive committee for further review. Should the executive committee determine that the Regional Coalition's engagement is warranted, that recommendation will be forwarded to the Board for its review and approval.

Economic development – potential projects

The Board, executive director management team, and economic development professionals in attendance identified the following projects that could warrant the Regional Coalition's engagement. None, though, were vetted through the economic development evaluation parameters at the meeting, so an analysis by the executive director management team is needed.

1. Los Alamos Supply Chain Management Center (SCMC)
2. LANS Community Commitment Plan
3. REDI
4. REDINET (and broadband in general)
5. Flut
6. Ealasad
7. Workforce development
8. Feyman Center advocacy
9. Promote northern New Mexico economic development

It was also noted that many of these opportunities are projects of the Regional Development Corporation.

Role of the executive committee

One item that emerged was that the executive committee's role is not clearly defined. The Board took initial steps to better define the committee's role. Moving forward, the executive committee will:

1. Meet with the executive director management team (via conference call) the week following the monthly meeting to set the agenda for the following meeting;
2. Conduct the initial review of proposed economic development projects brought forward by the executive director management team; and
3. Manage the executive director management team.

Expectations of the executive director management team

In order to determine whether the executive director management team is successful, the Board began broadly defining its expectations of the management team. Specifically, the executive director management team will

1. Issue professional Board meeting packets, and ensure compliance with the following.
 - a. Packets will include agendas, briefing memos, and, as needed, supplemental information for each item.

- b. Both the agenda and briefing memos will identify the nature of each agenda item, including whether Board action will be needed.
- c. Packets will be emailed to the Board and interested members of the public (including the media) no later than one week prior to the Board meeting.
2. Issue a press release following each Board meeting. The release will summarize the briefings, actions taken (if any), and other relevant information.
3. Meet periodically with each director.
4. Work with the Board and executive committee to ensure compliance with the New Mexico Open Meetings Act.

As noted above, regarding the evaluation of potential economic development projects, the executive director management team will analyze and review each potential project, and issue a recommendation to the executive committee if the management team determines that the Regional Coalition’s engagement is or may be warranted. Importantly, should the executive director management team determine that the organization’s engagement is not warranted, that information will not be presented to the executive committee for review.

Process for developing the Board meeting agenda

The Board agreed that each government should have an opportunity to identify the agenda items. The Board agreed to the following process:

1. At the end of each meeting, the executive director management team will present to the Board potential/likely work items for the next three meetings. Currently (and for the purposes of this report) this framework is called “Meetings at a Glance.”
2. The entire Board will review and, as necessary, make changes to “Meetings at a Glance.”
3. One week following the Board meeting, the executive committee and executive director management team will meet to set the agenda for the forthcoming meeting.

Standing agenda items – The Board agreed that it should receive regular updates on yet-identified projects. Examples could include the status of TRU waste shipping campaign, subcontract opportunities, etc. These items were referred to as “standing agenda items.” In the coming months, the Board will work to identify these items and the frequency that it would like to receive updates.

Communications

JLH Media has the capacity and skill to advance a comprehensive communications plan. In the coming months as the work plan is developed, the executive director management team will develop a communications plan that will both guide proactive efforts and identify how the organization will respond to inquiries. The following was also agreed to:

1. Jennifer Padilla will be the primary contact with the media;
2. As noted elsewhere, following each meeting, the executive director management team will issue a press release summarizing the meeting and noting Board action, if any, taken; and
3. The executive director management team will develop a press release template.

One challenge that was not fully resolved was the process for responding to media inquiries, especially breaking news. In those circumstances where the organization cannot wait until the next meeting to respond, the executive director management team will contact the Chair, and if time allows, the other members of the executive committee. Time allowing, the Chair will provide guidance on how to respond, and will approve media releases.

The Board recognized that often reporters are on deadline, so there may be instances where the executive director management team and Chair will not have sufficient time to talk. In those circumstances, the executive director management team is charged with handling the media inquiry.

What a successful meeting entails

The Board identified two specific items, and two others came up in conversation:

1. Start on time;
2. Following the rules of procedure. Mayor Lucero is charged with developing these rules;
3. Follow the agenda; and
4. Limit the executive director's report.

To-do list

The Board identified the following items.

1. Develop the 2014 work plan. Lead: Executive director management team will initiate the effort; project will be completed at Board meetings
2. Evaluate economic development opportunities. Lead: Executive director management team
3. Develop the Meetings at a Glance template, and begin developing briefing/discussion items for the next three months. Lead: Executive director management team
4. Develop a communications plan. This item will occur once the 2014 work plan is developed and approved by the Board of Directors. Lead: Executive director management team will initiate the effort; project will be completed in conjunction with executive committee
5. Establish the process for setting the agenda. Status: Completed (see "Agenda Setting" for details)
6. Adopt rule of procedure for Board meetings. Lead: Mayor Lucero
7. Develop the template for Board statements. Lead: Executive director management team
8. Identify standing agenda items. Lead: The Board



JLH Media Hires New Executive Director for Regional Coalition of LANL Communities

FOR IMMEDIATE RELEASE—January 30, 2015; Santa Fe, New Mexico: JLH Media Public Relations, a boutique PR and marketing firm in downtown Santa Fe, has hired Andrea Romero as the Executive Director of the Regional Coalition of LANL Communities. JLH Media manages the operations of the Coalition via a Services Agreement.

“We believe Andrea has the perfect credentials and experience to successfully manage the coalition’s business,” said JLH Owner and President Jennifer Hobson-Hinsley. “Andrea joins us as an entrepreneur and private consultant working in the public, private and philanthropic sectors and has a fantastic base of knowledge regarding economic development and environmental remediation, two fundamental tasks she will take on for the client in this position.”

“We are pleased that Andrea is dedicated to helping improve our communities,” said Mayor Alice Lucero of Espanola, Chair of the Regional Coalition. “As a 17th generation New Mexican, she understands the challenges and opportunities we and Los Alamos National Lab face.”

Romero recently concluded a position as Director of Finance for a NM gubernatorial campaign. She has worked for local startups SportXast and G³ as Community Manager and Director of Product Development, respectively. She graduated from Stanford University in Political Science. Leading to her current post with the RCLC, she was in Washington, D.C. working as a Communications Specialist for the Development Strategy and Governance (DSG) division of the International Food Policy Research Institute (IFPRI.org). Before that, she led an independent research and development project in sustainable farming and water harvesting in Mozambique through Project Rx (projectrx.org).

For media inquiries, please contact:

Alexandra Pratt

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ABOUT JLH MEDIA: JLH Media is a boutique PR and marketing firm based in Santa Fe, New Mexico that specializes in luxury hotel, spa, restaurant and other hospitality clients in addition to work in the real estate, design and art sectors, museums and non-profits. Jennifer Hobson-Hinsley founded the company in 2011.

ABOUT THE REGIONAL COALITION: The Regional Coalition is comprised of nine 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 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 2015 Board of Directors includes Chair, Mayor Alice Lucero, City of Espanola; Vice Chair, Councilor Andrew Gonzales, Town of Taos; Sect./Treas. Javier Gonzales, Mayor of Santa Fe; Commissioner Henry Roybal, Santa Fe County; County Councilor Steve Girrens, Los Alamos County Council; Commissioner Barney Trujillo, Rio Arriba County; Commissioner Mark Gallegos, Taos County; Ron Lovato, Pueblo of Ohkay Owingeh; and Raymond Loretto, DVM, Pueblo of Jemez. <http://regionalcoalition.org/>.



Regional Coalition of LANL Communities

Meeting at a Glance – March, April, May 2015

MEETING DATE	POTENTIAL BUSINESS ITEMS	POTENTIAL BRIEFING ITEMS
February 20 Los Alamos County Chambers	<u>Regular Business Meeting</u> <ul style="list-style-type: none"> • ED hired • Tom Blankenhorn Recognition 	<ul style="list-style-type: none"> • Report on DC and ECA meeting • Dr. Kirt Steinhaus, Community Programs @ LANL
March 20 Town of Taos Chambers	<u>Fiscal Issues</u> <ul style="list-style-type: none"> • Community Plan Budget 	<u>Federal / LANL Budgets</u> <ul style="list-style-type: none"> • President's FY 16 Budget • LANL Procurement Forecast • Wildfire Projections
April 17 Espanola City Chambers	<u>Regular Business Meeting</u>	<ul style="list-style-type: none"> • Economic Development Update
May 15 Santa Fe County Chambers	<u>Strategic Planning Update</u>	<ul style="list-style-type: none"> • Update on NNSA to EM transition

Issues to watch:

- WIPP
- Jobs at LANL
- TRU Waste 3706 Campaign
- Environmental Campaign Priorities
- Consent Order
- Subcontractor Issue
- Economic Development Priorities
- Manhattan Project Park
- DOE funding
- REDI-Net

New Mexico to fight DOE's refusal to pay WIPP fines

Mark Oswald / Journal Staff
Writer

State Environment Department Secretary Ryan Flynn says New Mexico's effort to impose big fines on the federal Department of Energy over a radioactive leak at the Waste Isolation Pilot Plant goes beyond the state's borders.

"A lot of people are watching closely because this case has major implications for the rest of the nuclear weapons complex around the country," Flynn said.

In an interview Thursday after a trip to Washington, D.C., to meet DOE officials and members of Congress, Flynn said the DOE continues to take the position that it would be illegal to pay the \$54 million fine New Mexico has levied over the WIPP leak.



FLYNN: New fines will exceed \$100 million (Adolphe Pierre-Louis/Albuquerque Journal)

"It's a really dangerous precedent," Flynn said. "They are saying they are above the law and that states don't have authority to hold them accountable," although the DOE has paid fines to New Mexico and other states for environmental violations in the past. "That is a fight we are willing to have with DOE and we will not back down on that issue," Flynn said.

In December, the state Environment Department slapped the DOE with the largest civil penalties ever levied by the state against the federal government in connection with the radiological release a year ago at WIPP, the nation's nuclear waste repository near Carlsbad. The fines were \$36.6 million against Los Alamos National Laboratory and \$17.7 million against WIPP.

NMED cited numerous violations of the facilities' permits in connection with the leak, which contaminated nearly two dozen WIPP workers with low levels of radiation and shut down the underground facility. The waste in the drum that

ruptured had been improperly remediated and packaged at Los Alamos. The DOE is appealing the fines.

Flynn confirmed a report from a weapons complex journal earlier this week that NMED is preparing new compliance orders levying more fines of “well beyond \$100 million.”

“We offered them the opportunity to take accountability and pay the fines (from December), and to do important projects in the Los Alamos and Carlsbad areas, and, if they were willing to commit to that, we would have had a constructive path forward and been willing to forego additional enforcement action,” Flynn said.

He added: “When you think of a container of radioactive material exploding without any kind of ignition switch that was stored above ground and transported on highways, and you think about what could have occurred if it exploded at ground level at Los Alamos or on the road, I don’t think \$54 million is too much to pay, if you’re talking about protecting New Mexicans and their lives.”

Under a 1992 federal law allowing the U.S. government to open the underground WIPP facility in New Mexico nearly 16 years ago, the state secured authority to issue environmental permits and the ability to fine the federal government in the event of violations.

But the DOE has countered in its legal response challenging the December fines that the penalty assessed by New Mexico “unconstitutionally limits operations of the Department in violation of the Supremacy Clause of the United States Constitution.” It also says the state has no jurisdiction for regulating the “radiological components” of waste disposed at WIPP.

‘Mixed messages’ from feds

Flynn said the DOE’s position is at odds with other stances taken by the Obama administration. “The Environmental Protection Agency has taken strong positions on state environmental issues” and has “repeatedly emphasized aggressive environmental enforcement,” he said.

“Now, the DOE is saying the rules and regulations don’t apply to us,” he added. “Mixed messages are being sent by the Obama administration.”

Local leaders from cities, counties and pueblos around Los Alamos – members of the Regional Coalition of Los Alamos Communities – were also in Washington this week to advocate for cleanup funding at LANL. Española Mayor Alice Lucero, head of the coalition, said the group supports a plan under which the DOE could “work off” all or part of the state fines by expanding the scope of work for cleanup of long-term hazardous waste at Los Alamos.

That would put local subcontractors back to work and keep the money in the Los Alamos region, she said.

Flynn said he had “very positive” meetings with New Mexico’s congressional delegation over NMED’s stance and that members of Congress from other states are also supportive.

Video confirms single-drum leak

Also on Thursday, a DOE official said new video from WIPP’s contaminated underground area, taken from a special camera boom, appears to confirm that the radiation leak was limited to a single drum of waste.

While nearly two-thirds of WIPP’s underground space is free of radioactive contamination, Joe Franco, head of the DOE’s Carlsbad field office, acknowledged more analysis needs to be done. “We know where the contamination starts, but the extent of contamination, how much contamination is in certain areas, hasn’t been quantified,” he said.

The DOE is targeting 2016 for some WIPP operations to resume, but it could take at least another three years and cost more than half a billion dollars to fully reopen. Franco also said the decontamination process has started.

Energy Secretary Ernest Moniz said Thursday before a congressional committee that the timetable “remains a little bit uncertain.” He said the key will be a new ventilation system costing from \$100 million to \$300 million.

The Associated Press contributed to this report.